



Factors	External Issues	Risk	Opportunity	Action Plan to Address R/O	Implementation & Integration in the QMS/IMS Processes	Evaluation of Effectiveness
<b>Political</b>	1. Change in administration and government policies (Philippine Development Plan or PDP, Philippine Energy Plan or PEP, Philippine Investment Plan or PIP)	Change in policies may affect existing projects in the pipeline	Look into new projects in accordance with thrust of new admin but continue to pursue the completion of existing projects.	Conduct of Planning and Budgeting Session, Mid Year Performance Review, Operational Planning Workshop (OPW) and Board Strategic Planning Session  Render transition report  Prepare strong justification for projects  Sustain network with DOE  Align projects with PEP, PDP	Conduct of Planning and Budgeting Session, Mid Year Performance Review, Operational Planning Workshop (OPW) and Board Strategic Planning Session w, as provided for in the PNOC QMS manual in PQT 6 - Planning , and in the systems and processes of SMO on planning services	OPCR/IPCR/quarterly accomplishment reports/ internal audits, internal quality audits
	2. Other government agencies' intervention in operations	Delays in the implementation of projects				
	3. Government push for RE	Huge capital infrastructure for RE projects Some RE are still experimental; huge capital investment but unsure returns	Take advantage of incentives for possible RE projects implementation	Maintain an active portfolio on RE projects that PNOC may implement on its own or in partnership with credible partners and continue with implementation of other projects in advanced stages.		
	4. Bureaucracy / Red tape	PNOC is a highly regulated GOCC	Ensure strict monitoring of compliance to rules and regulations			
	5. Leadership and governance	Political appointees in GOCCs				
<b>Economic</b>	1. Dividend remittances to NG - more than 100% of net income	Insufficient cash to finance proposed projects	Prioritize completion of existing projects and fund new projects in accordance with thrust of new admin.	Strict implementation and monitoring of committed targets/deliverables within the available budget.	Conduct of Planning and Budgeting Session, Mid Year Performance Review, Operational Planning Workshop (OPW) and Board Strategic Planning Session w, as provided for in the PNOC QMS manual in PQT 6 - Planning , and in the systems and processes of SMO on planning services	OPCR/IPCR/quarterly accomplishment reports/ internal audits, internal quality audits
	2. Economic fundamentals, (inflation, interest & forex)	Unstable financial variables/indicators				
	3. Economic growth patterns (GNP, GDP)	Unstable financial variables/indicators				

	4. DOE Energy Investment Policy Standards	PNOC is under the administrative supervision of DOE, under the DOE law				
<b>Social</b>	1. Health Impact	these factors restrict the mobility of employees in the performance of their functions	Undertake review of existing policies relative to the effect and impact of the COVID 19 pandemic	Regular conduct of Mancom meetings , departmental meetings		Minutes of the meetings, pertinent reports
	2. Physical and mental stress ; no work life balance brought about by the COVID 19 pandemic plus entry of Variants; illness	Early resignations, absences, low productivity, reduction in manpower	Alternative work arrangements	Approval of alternative work arrangements by management  Continuous bulletin updates (through any means email, messenger, chatgroups) on the Covid-19 pandemic by PSD		
	3. Travel Fear					
	4. Safety concerns			Strict implementation of minimum health protocols.		
<b>Technological</b>	1. Phil lagging behind in energy technologies	Investors to decline in partnering with PNOC	Adapting of tested new technologies (in energy and digital)	Pursue exchange programs, further education and training	Implementation of the systems and procedures of SMO in the QMS manual	OPCR/IPCR/quarterly accomplishment reports/ internal audits, internal quality audits
	2. New technologies focused on advances in virology; disruptions in energy technology	Our people not at par with our counterparts abroad	We can partner with those with new technologies	Active participation in ASCOPE and in oil and other energy activities		
	3. Limited R&D Capability	Less opportunities for viable clean energy projects	PNOC to further pursue education or training on new technologies in green energy for better working opportunities and more qualified staff	Conduct appropriate seminars and workshops to open PNOC to general public		
	4. Limited Innovation Capability					
	5. Networking with appropriate partners	Reputational risks	Exchange programs for staff to learn from other energy companies (e.g. MOA)	Allocate necessary budget		
	6. Indifference, Opposition, Lack of government support to R&D	Miscommunication  Outdated technology				
	7. RE technologies available we can invest on	Cyber attacks				
	8. Technological awareness, e.g. incentives					
<b>Legal</b>	1. Existing and emerging laws that limit Gov't's participation in certain energy projects	PNOC is bound to comply with numerous rules and regulations that in more ways affects the implementation of its projects. The ultimate cause is the legislated budget, PNOC budget is included in the General Appropriations Act (GAA)	Amendment of PNOC Charter	Lobby for the Amendment of the PNOC Charter	Implementation of the systems and procedures of all concerned departments tasked to perform compliance to mandated government rules and regulations	OPCR/IPCR/quarterly accomplishment reports/ internal audits, internal quality audits
	2. Regulatory approvals a. R.A. 9184 Government Procurement Reform Act	Delay in decision-making and business growth		-do-		

	b. NEDA-ICC Operations Manual c. R.A. 9136 Electric Power Industry Reform Act 2001 d. R.A. 9513 RE Act of 2009 e. Legislated Budget (delays)	GCG- closure, COA- AOMS etc.				
	3. GCG Rules & Regulation , other govt. oversight agencies				Implementation of the HSSE policies as provided for in the IMS manual of PIP and ESB	OPCR/IPCR/quarterly accomplishment reports/ internal audits, internal quality audits
	4. ISSP approval by DICT - required for procurement of ICT equipment which are essential for unhampered operations; also the basis of DBM for approval of ICT budget					
	5. PREC Bill enactment into law	PNOG cannot undertake current RE projects	Undertake projects in partnership with PREC for future projects			
<b>Environment</b>	1 Climate change	Higher cost of projects due to mitigation measures.	Push for sustainable energy projects due to climate change  Greater support from public for clean energy projects due to effects of climate change	Strong partnership with LGUs and national government agencies  Ensure sufficient funds at any time for projects		
	2. Strong advocacy towards green gas emissions					
	3. Environmental degradation					
	4. Increasing environmental concerns					
	5. Need for reforestation and watershed program.					

**NOTE: COVID 19 OUTBREAK cuts across each aspect of the PESTLE spectrum, affecting business and investment causing suboptimal performance**

The external context can be facilitated by considering issues that are related to:

- a) political factors such as political stability, public investments, local infrastructure, trade agreements
- b) economic factors such as money exchange rates, economic situation, inflation forecast, funds availability
- c) social factors such as local unemployment rates, safety perception, education levels, public holidays and working days
- d) Legal factors; statutory and regulatory requirements related to the industry