National Food Authority

Accomplishment Report

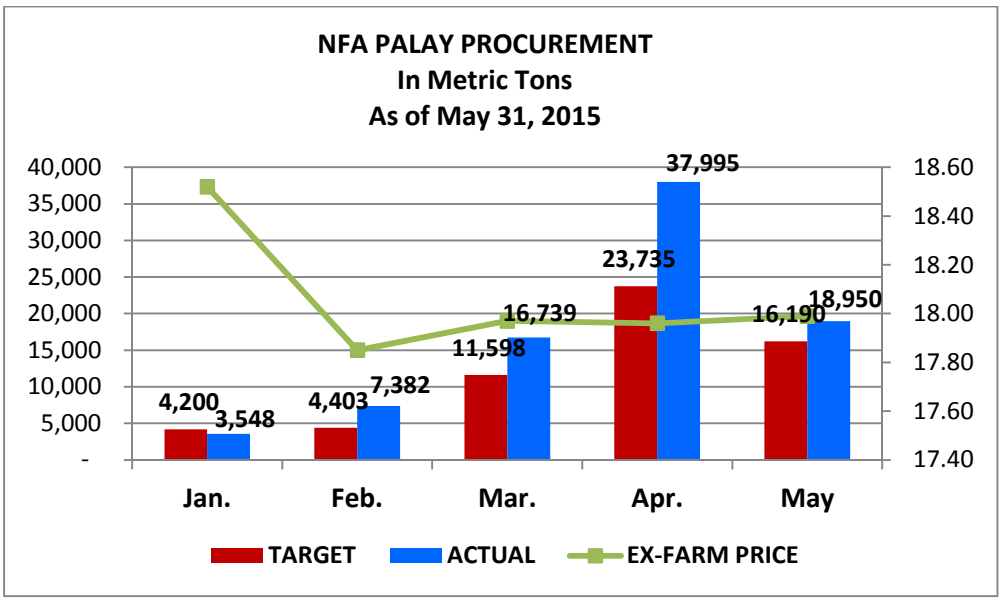
May 2015

MFO 1: STABLE SUPPLY AND PRICE OF STAPLE CEREALS

PROCUREMENT

a. Palay

In May, NFA procured 18,950 MT of palay which is 117% accomplishment of the monthly target of 16,190 MT. The decrease in procurement from 160% in April to 117% in May, was due to higher buying price of the traders than the government support price.



DISTRIBUTION

For the month, NFA distributed 58,010 MT of rice, or 49% accomplishment of the monthly target of 119,515 MT. because the prevailing market prices are low, not much higher than NFA's and whiter/higher quality.

IMPORTATION

To stabilize market prices and supply of rice, the government approved the additional importation of 500,000 MT of rice to augment NFA's dwindling buffer stocks, and to stabilize rice prices. Out of the authorized additional importation of 500,000 MT, 93.42% or 467,129 MT have been delivered to NFA warehouses.

PRICES

Based on the regional summary of commercial palay/rice prices monitored by the Philippine Statistical Authority (PSA), average ex-farm price for palay posted a slight increase, from ₱17.96/kg over last month's prices.

Average Ex-Farm Prices vs NFA Buying Price
(Price per kg.)
May 31, 2015

Commodity	NFA Buying Price	Ex-Farm Price	Price Diff. (In peso/kg)
Palay	17.00	17.99	**(0.99)**
YGN	12.30	12.80	**(0.50)**
WGN	13.00	14.77	**(1.77)**

Rice prices continued to decline further from last month's prices. Wholesale and retail prices of WMR decreased by ₱0.18/kg and ₱0.20/kg, respectively. Also for RMR, a ₱0.58/kg was reflected in the wholesale and a ₱0.30/kg decrease in retail prices. The price decline was caused by the increase in rice inventory on account of main harvest.

Average Prevailing Wholesale/Retail Prices of Rice and Corn
(Peso per Kg.)
May 31, 2015

Commodity	*May*	*April*	Price Diff in (Peso/Kg)
Whole Sale			
WMR	38.13	38.31	(0.18)
RMR	34.38	34.96	(0.58)
YGN	17.24	17.21	0.03
WGN	17.12	16.43	0.69
Retail			
WMR	41.38	41.58	(0.20)
RMR	37.32	37.62	(0.30)
YGN	22.69	22.54	0.15
WGN	22.05	21.73	0.32

MFO 3: BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED

RICE STOCK INVENTORY

As of May 31, 2015, NFA has a stock inventory of 14,948,111 bags (total rice equivalent – TRE) or 747,406 MT, good to last for 24 days, based on the 31,064 MT national daily rice consumption requirement. This means that there is adequate and sufficient inventory at the onset of lean months.

MFO 4: DEVELOPMENTAL REGULATION OF THE GRAINS INDUSTRY IMPLEMENTED AND ENFORCED

REGISTERED/LICENSED GRAINS BUSINESSMEN

NFA registered and licensed 8,583 applicants, of which 248 grains businessmen availed of the two-year (2016-2017) advance-license scheme. Total R/L collections on grains business activities amounted to ₱21,279,360.16, of which ₱299,561 were from advanced collections. 244 metal plates were issued/sold for ₱48,800.00. The cumulative RL fees comprised 83.20% of the annual targeted collection of ₱147M, while the number of RL applicants is equivalent to 58.943% of the annual targeted applicants of 78,000.

PARTICULARS	MAY
R/L Fees Collection	**₱ 21,279,360.16**
Advance Collections (2015-2016)	**₱ 299,561.00**
2016 Applicants: 139	181,223
2017 Applicants: 109	118,338
No. of R/L Applicants	**8,583**
METAL PLATES (@ P200/pc)	
- No. of Issuances of Metal Plates	**244**
- Amount	**₱ 48,800**

CUSTOMER ASSISTANCE

Through its nationwide Customer Assistance Units (CAU), NFA responded to/assisted 3,776 stakeholders. Most of the assistance rendered was on requests for farmer's passbook, renewal of NFA license, delivery date of NFA rice allocation, and R/L requirements of new applicants.

Type of Assistance Rendered

SUMMARY OF CAU SERVICES	MAY
Suggestions	0
Inquiries	1,758
Request	1,996
Complaints	22
Total Assistance Rendered	**3,776**

UGNAYANS (Farmers' Assembly)

PERFORMANCE INDICATOR	ACCOMPLISHMENT
UGNAYAN conducted	146
Farmer-participants	7,074
LGUs-participants	273
No. of farmers accredited	155
No. of Farmer Organizations accredited	35

For the month of May, 146 UGNAYANs were conducted, participated in by 7,074 farmers and 273 participants from the LGUs. Some 155 farmers and 35 farmer organizations were accredited under NFA's Institutional Procurement Program (IPP).

FOOD DEVELOPMENT CENTER

Testing

For the month, FDC performed 180 chemical analysis, 75 microbiological, 66 physical and sensory, and 7 micro analytical (filth) evaluation to determine safety and quality of white rice, brown rice, corn grits, other cereals, and various food and food products as well as testing of packaging materials and label evaluation; performs heat penetration and heat distribution test to establish and/or evaluate adequacy of thermal processes of canned goods; conducted 4 seminar/training for Industry Services Division.

Research and Development

- Development and Implementation of R & D projects.

Quality Assurance

- Implementation of Pilot Plant projects
- Inspection of food manufacturing plants and issue compliance certificates

Industry Liason

- Evaluation of client's technical inquiry and recommendation FDC analyses/services to meet international standards
- Conduct and evaluation of customer satisfaction survey
- Information technology to develop network based document management system for FDC files/ISO documents; maintain official FDC website; and maintenance/administration of FDC Wifi network
- Monitoring and delivery of FDC reports to stakeholders

ISO Compliance

- Implementation of QA activities for testing laboratories
- Monitor, review and verification of effectiveness of written ISO documents
- Maintenance/upgrading of FDC ISO 9001:2008 Certification and ISO/IEC 17025:2005 accreditation
- Preparation of audit reports for ISO certification

The Food Development Center (FDC) generated an income of **₱759,010.00,** with food quality testing/evaluation, of the Industry Services Division having the highest contribution.

LEGAL AFFAIRS

For the month, 203 activities pertaining to adjudication, documentation and litigation were undertaken.

The 110 certifications were issued for claims on Loyalty incentives, loans, resignations, terminal leave benefits, study leave, designation as Warehouse Supervisors, travel abroad and clearances.

LEGAL AFFAIRS DEPARTMENT (LAD)

As of May 31, 2015

Adjudication	**137**
Special Orders	**1**
Draft Decision/Resolution	**1**
Docketed Case/s	**7**
Resolution/s	**1**
Decision/s	**3**
Formal Charge/s with order of preventive suspension	**7**
Special order/s	**7**
Certification issued	**110**
Documentation & Legal Research	**24**
Contracts reviewed/evaluated	**11**
Contracts prepared	**0**
Opinions rendered	**10**
Others: Opening Sealed Canvass/Opinions from OGCC	**3**
Litigation	**42**
Hearing/s attended by Lawyers	**9**
Pleadings, memoranda & related documents prepared by Lawyers	**11**
Review of certifications issued to Private Importers (MAV-CSQ)	**3**
Opinions, reports, requests, queries & communications prepared and sent by Lawyers	**19**
TOTAL	**203**

MFO 5: MANAGEMENT EFFICIENCY AND COMPETENCY

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology

- As of May 31, 2015, the Electronic Integrated Financial Operation and Management Information System (eIFOMIS) development is at 89.08% accomplishment.

- In compliance to Good Governance conditions:
  - NFA updated its transparency seal:
  - NFA updated its annual procurement plan, contracts awarded and names of contractors/suppliers/consultants with PhilGEPS.

Project and Program Development

- NFA GCG Scorecard
- NFA Performance Evaluation System/SPMS/OP-PBB
  - Facilitated/conducted meeting on NFA's 2015 Performance Agreement.
- NFA Strategy Map – Conduct of SPMS briefings and orientation workshops for all regions
- CSW on DBCC-passed proposed capital outlay projects
  - Central Office Building
- Divestment of Assets
  - Partial Disposition of NFA Cabanatuan Property
  - NFA South District Office

Relevant Policy Initiatives of the Legislative and Executive Branches and Instrumentalities

- NFA Policy Portfolio – Updating of NFA's policy portfolio, particularly on GCG scorecard items.
- Congress and Senate Budget Hearings.
- Position paper on HB4611 and HB5210

Accomplishment/Performance Reporting

- NFA 2015 2nd Quarter Accomplishment Report
- Update of NFA 2014 Corporate Profile
- NFA – IRPEP – Compliance with reporting / submit requirements.

INTERNAL AUDIT SERVICES

In May 2015, the following Audit Services were conducted:

I. AUDIT ENGAGEMENTS

A. Management Audit (Distribution, Dispersal, Receivables and Cash Management-Collections, Deposits, Remittances and Receivables)

a. Camarines Sur
b. South Cotabato

B. Special Audit on Lingap sa Mahirap (Region I)

C. Conduct of Investigation of Alleged Defective Appointments

D. Review of Food Development Center Operations

E. Scanning of Audit Reports

F. Special Audit on Inventory Management re: grains Inventory reporting, monitoring, and control (Region I, Region II, Region III, Region IV, Region V, Region VI, Region VIII, Region X, Region XI, Region XII, XIV and XV

II. Review of Action Plan

a. Infanta
b. Misamis Occidental
c. BEnguet

III. Tolerable Allowance (TOLA)

A. Preparations of Status Report on Stock Accountabilities (Regions I-XV)

- Regional Consolidated/Summary
- List of SAO's with Final Unpaid Shortages
- Profile of SAO's (Still with NFA/no longer with NFA)
- Clustering by amount of shortages
- Clustering per year of shortages

B. Issued seventy-one (71) certification for Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees with attached transmittal memo and wire.

TRAININGS:

In May 2015, NFA facilitated the participation of 51 NFA employees in 12 external trainings.

TITLE		NO. OF PARTICIPANTS	DURATION
I.	**Internal Training**	**0**	
II.	**External Training**	**51**	
1	Government Procurement Act	1	May 6-8
2	Desktop Publishing and Adobe CS6	1	May 15-17
3	Seminar on Verificatin of Common Laboratory Instruments	2	May 21-22
4	4C's of Management	2	May 14-15
5	2015 National Mid Year Convention of PICE	1	May 28-30
6	PHILGEPS	1	May 19-20
7	Supervisory Effectiveness for Improved Quality and Productivity	19	May 20-22
8	Buyers hand on training	2	May 21-22
7	E-Procurement System	7	May 20-21
8	HR Sysmposium and PSTD National Convention	1	May 27-29
9	E-Procurement System	1	May 14-15
10	PICE Mid-year Convention	6	May 28-30
11	Buyers hand on training	6	May 25-28
12	Developmental Training Program for Admin Staff	1	May 20-21
TOTAL		**51**	

NFA PERSONNEL COMPLEMENT as of May 31, 2015

	No. of Positions
Regular Plantilla	**3,855**
Central Office	**512**
Executive	50
Rank & File	462
Field Office	**3,343**
Executive	103
Rank & File	3,240
CTI Personnel (Rank & File)	**406**
Central Office	86
Field Office	319
Total	**4,260**

ENFORCEMENT AND INVESTIGATION

Nationwide enforcement accomplishment for the month of May 2015.

PARTICULARS	
1. No. of grains business establishments inspected	3,204
2. No. of grains businessmen apprehended	249
3. No. of violations noted	292
4. Administrative fines/fees collected	₱ 1,219,698.00
5. Fees collected thru enforcement	₱ 1,631,196.00

CONTRIBUTION TO THE ECONOMY:

NFA has contributed ₱ 885,129,563.78 to the country's economy in terms of the following increase in economic activities.

	PARTICULARS	AMOUNT
1	Palay Procurement	486,254,602.92
2.	Corn Procurement	4,448,460.12
3.	Rent Expenses	9,126,401.48
4.	Transportation & Deliveries Expenses	135,690,346.99
5.	Storage	24,862,213.20
6.	General Services	22,545,189.97
7.	Janitorial Services	817,881.78
8.	Security Services	59,902,169.38
9.	Drying	661,131.52
10.	Milling	334,617.63
11.	Handling	55,633,858.44
12.	Tax Witheld from Employees' Compensation	43,443,026.94
13.	Tax Witheld from Suppliers of Goods & Services	41,409,663.41
	TOTAL	**885,129,563.78**

Per books as of March 2015

PUBLIC AFFAIRS

1. News Releases

    - NFA prepositions rice stocks sufficient for Typhoon "Dodong"
    - New NFA warehouse boost Bicol disaster preparedness
    - NFA supports anti-smuggling bills
    - NFA prepositions rice stocks for flood-prone Cotabato City

2. Photo Releases

    - NFA inaugurates new warehouse in Libmanan, Camarines Sur

3. Media Advisory

    - The NFA Council through the recommendation of the Food Security Committee, approved an additional 250,000 MT rice importation, in preparation for the lean months.

4. Prepared speeches of Admin. Renan B. Dalisay for the 2015 GCAA Inter-Agency Shootfest

5. Posted updates and answered inquiries and complaints from netizens on the official NFA Facebook Account.

6. Coordinated the print media publication of six sets of bidding notices.