

NATIONAL FOOD AUTHORITY

		Component				Baseline		Target			
	Objectives/ Measures	Formula	Weight		Rating Scale		2013	2014	2015	2016	
			2015	2016	2015	2016					
Social Impact	SO 1	Ensure Food Security									
	SM 1	15- day National Average Buffer Stocks Maintained	Sum of the Days to Last (DTL) per month/ 12	10%	10%	13-15 = 10% 11-12.99 = 9% 9-10.99 = 8% 7-8.99 = 7% <7 = 0%	More than 30 days = 0% 15-30 days = 10% 12-14 days = 7% 8-11 days = 5% Less than 7 days = 0%	16 days	15 days	Ave. = 15 days	Ave. = 15 days
	SM 2	30- day Buffer Stock	NFA National Rice Inventory/ National Daily Consumption Requirement as of July 1 = Days to Last (DTL)	5%	5%	27-30 = 5% 24-26.99 = 4% 21- 23.99 = 3% 18-20.99 = 2% 15 - 17.99 = 1% <15 = 0%	30 = 5% 27-29.99 = 4% 24-26.99 = 3% 19-23.99 = 2% 15-18.99 = 1% <15 = 0%	23 days	14 days	30 days by July 1	30 days any one day between July 1-31
		Sub-total		15%	15%						
Stakeholders	SO 2	Availability, Accessibility, Affordability, and Food Safety									
	SM 3	Percent Procurement from 37 Surplus Provinces	Procurement from 37 Provinces / Total Procurement	5%	5%	50% - 100% = 5% 40 - 49% = 3% 30 - 39% = 1% <30% = 0%		59.35%	12.48%	50%	65%

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		Component				Baseline		Target		
	Objectives/ Measures	Formula	Weight		Rating Scale		2013	2014	2015	2016
			2015	2016	2015	2016				
SM 4	Average Farmgate Price in All Provinces	Farmgate price (₱/kg) equal to or more than 90% of the GSP	5%	5%	(Actual/Target) x Weight	All or Nothing	₱17.08/kg	₱20.13/kg	Minimum of ₱15.30/kg	Minimum of ₱15.30/kg
SM 5	Restoration or Preventing Further Escalation of Prices in Key Urban Areas (Metro Manila, Cebu, Davao, and Baguio) with Price Increase of 4% of Current Price	2015: 100% of calamity stricken key urban areas with price reversion or restored price 2016: Ave. % Weekly Price (July-Sept.) = \sum Weekly % Price Increase ¹ / Total #of Increases	5%	5%	(Actual/Target) x Weight	0% - 4.00% = 5% 4.01% = 5.00% = 4% 5.01% - 6.00% = 3% 6.01% - 7.00% = 2% 7.01% - 8.00% = 1% >8.01% = 0%			within 14 days	4%
SM 6	Average Response Time for Release of Stocks during Calamities	$(1 - (\text{Actual} - \text{Target}) / \text{Target}) \times \text{Weight}$	5%	5%	(Actual/Target) x Weight		25 hours response time	23 hours response time	within 23 hours	within 22 hours
SO 3	Improve Quality Services									
SM 7	Stocks Maintained in Good & Consumable Condition	% Total Stocks in Good & Consumable Condition / Total Stocks Stored	10%	10%		99 - 100% = 10% 98% = 7% 97% = 5% 96% = 3% <96% = 0%	99.69%	99.43%	100%	100%

¹ Weekly % Price Increase = Current Week's Price - Previous Week's Price (Base Price) / Base Price

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		Component				Baseline		Target		
	Objectives/ Measures	Formula	Weight		Rating Scale		2013	2014	2015	2016
			2015	2016	2015	2016				
SM 8	Number of Licensees	Absolute Number	3%	0%	(Actual/Target) x Weight				80,000	Removed
	Number of Alternative Distribution Centers in 10 Priority Provinces	Absolute Number	3%	4%	(Actual/Target) x Weight				250	300 and Council - Approved 5-year Program
	Percentage of Complaints Acted upon within the Given Turn-Around-Time	Complaints Acted Upon with TAT/ Total Complaints	5%	5%	(Actual/Target) x Weight		100% (ave. resp time = 3.46 hours)	100% (ave. resp time = 3.21 hours)	100%	100% within 3 hours
SO 4	Attain Client Satisfaction									
SM 10	Stakeholders' Evaluation of the NFA's Delivery of Services to its Critical Stakeholder : Palay-Farmers, Licensees and Consumers	Clients' rating of at least satisfactory	3%	3%	Satisfactory = 3% Below Satisfactory = 0%				Satisfactory Rating	plus 5% of the 2015 result but never below Satisfactory
SO 5	Rationalized and Efficient Local Procurement									
SM 12	Cereal Procurement Fund Made Available within Set Number of Days upon Receipt of Request	Ave. no. of Days / Target	3%	3%	(Actual/Target) x Weight		3.16 days	2 days	5 days	4 days

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Component						Baseline		Target		
Objectives/ Measures	Formula	Weight		Rating Scale		2013	2014	2015	2016	
		2015	2016	2015	2016					
SM 13	Processing Time of License Application	Applications Acted Upon with TAT/ Total Number of Applications		3%		(Actual/Target) x Weight				Average of 45 minutes
SO 6 Efficient Rice Importation										
	Cost of Imports Relative to Reference Price	Equivalent to or lower than the approved reference price	3%	0%	(Actual/Target) x Weight	(1) \$514.62 (2) \$469.25	(1) \$442.62 (2) \$479.10	Equivalent to or lower than the approved reference price	Removed	
	Timely Delivery of Contracted Quantity within the Contract Period	% Accomplishment of Total Import deliveries to Contracted Quantity	3%	0%	90% - 100% = 3% 80% - 89% = 2% 70% - 79% = 1% <70% = 0%	110.00%	99.99%	100%	Removed	
SO 7 Implement Organizational Reform										
SM 14	Reorganization of NFA	Reorganization Plan approved by GCG in 2015	5%	5%	(Actual/Target) x Weight			Agreed Table of Organization by October 30, 2015	Submission of Staffing Pattern to GCG by February 2016	
Sub-total			58%	53%						


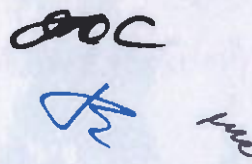
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	Objectives/ Measures	Formula	Component		Rating Scale		Baseline		Target		
			Weight				2013	2014	2015	2016	
			2015	2016	2015	2016					
Financial	SO 8	Minimize Operating Losses									
	SM 15	Contribution Margin (CM)	Gross Profit from Sales with Cost of Sales excluding Customs Duties	5%	0%	₱ 7 Billion = 5% above breakeven but below ₱ 7 Billion = 4% break-even = 3% negative = 0%		₱ (1.7 Billion)	₱ 7.5 Billion	₱ 7 Billion	Removed
		Variable Distribution Cost per Unit			5%		Actual / Target x Weight				Reduction by 5% from the validated 2015
	SM 16	Increase in Other Income			5%		Actual / Target x Weight				20% higher than the 2014 but not lower than the 2015 actual figure
	SO 9	Divestment of Assets									
SM 17	Divestment of the Big Ticket Assets Approved for Disposition by the NFA Council			7%	7%	All or Nothing			Issuance of MOU to divest South District Office (SDO)	Conduct of bidding for the divestment of Cabanatuan City Property and Council-Approved 5-year Divestment Plan	

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		Component				Baseline		Target		
	Objectives/ Measures	Formula	Weight		Rating Scale		2013	2014	2015	2016
			2015	2016	2015	2016				
	SO 10 Debt Management									
	SM 18 Debt Level (Bank Loans)	Debt level equal to or lower than the projected level by end of a given year	5%	5%	140 Billion - 144 Billion = 5% 145 Billion - 149 Billion = 4% 150 Billion - 154 Billion = 3% 155 Billion - 159 Billion = 2% 160 Billion - 164 Billion = 1% >165 Billion = 0%		₱155 Billion	₱154.9 Billion	₱155 Billion	₱155 Billion
		Sub-total	17%	22%						
Learning and Growth	SO 11 Establish Quality Management System (QMS)									
	SM 19 ISO 9001 - 2008 Aligned QMS Established		5%	5%	5% = ISO Certification by February 2015 3% = GAP Assessment by December 2015				Certification of Registration & Licensing and Technical and Research Services Processes	ISO Certification of Procurement and Distribution Processes
	SO 12 Establish Competency Framework									
	SM 20 Council-Approved Competency Framework		5%	5%	All or Nothing				Hire a Consultant	Competency-Based Job Description Council Approved Competency Framework in 2016
		Sub-total	10%	10%						
		Total Weight	100%	100%						

* Rating scale of Actual/Target x Weight shall not exceed the weight

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**SUMMARY OF AGREEMENTS
NATIONAL FOOD AUTHORITY
2015**

AGREEMENT	Remarks
Charter Statement	
Mission Statement	
Ensure reasonable rate of return to Filipino farmers, provide adequate supply and affordable rice and corn for the country, and promote the integrated growth and modernization of the rice and corn marketing industry to enable it to compete in the global market.	
Vision Statement	
The NFA shall have achieved a nationwide sustainable mechanism for ensuring the stabilization of the prices and supply of rice and corn while increasing the income of Filipino farmers.	
Core Values	
Integrity Professionalism and Fairness Excellence in providing the needed services Participative Management Rationalized Development Productive and Transparent	

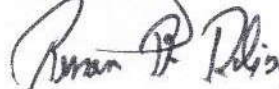
For GCG:

CESAR L. VILLANUEVA
Chairman


RAINIER B. BUTALID
Commissioner

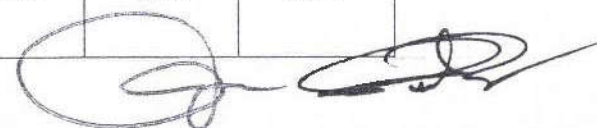
For NFA:


FRANCIS N. PANGILINAN
OPAFSAM Secretary


RENAN B. DALISAY
NFA Administrator

SUMMARY OF AGREEMENTS
NATIONAL FOOD AUTHORITY
2015

		PAN AGREEMENT Component				Target		GCG Remarks
		Weight	Formula	Rating Scale	2015	2016		
SOCIAL IMPACT	SO 1	Ensure Food Security						
	SM 1	15-day National Average Buffer Stocks Maintained	5%	Sum of the Days to Last (DTL) per month/12	13-15 = 10% 11-12.99 = 9% 9-10.99 = 8% 7-8.99 = 7% <7 = 0%	Ave. =15 days	Ave. =15 days	
	SM 2	30-day Buffer Stock Available by July 1	5%	NFA National Rice Inventory/National Daily Consumption Requirement as of July 1 = Days to Last (DTL)	27-30 = 5% 24-26.99 = 4% 21-23.99 = 3% 18-20.99 = 2% 15-17.99 = 1% <15 = 0%	30 days	30 days	
	SO 2	Availability, Accessibility, Affordability and Food Safety						
STAKEHOLDER	SM 3	Percent Procurement from 37 Surplus Provinces	3%	procurement from 37 provinces/ total procurement	50%-100% = 3% 40 - 49% = 2% 30-39% = 1% <30 % = 0%	50%	50%	
	SM 4	Average Farmgate Price in 37 Surplus Provinces	5%	Farmgate price (P/kg) equal to or more than 90% of the GSP for the 37 surplus provinces	(Actual/Target) x Weight (but not to exceed the weight)	minimum of P15.30/kg	minimum of P15.30/kg	
	SM 5	Restoration or Preventing Further Escalation of Prices in Key Urban Areas (Metro Manila, Cebu, Davao and Baguio) with Price Increase of 4%	5%		(Actual/Target) x Weight (but not to exceed the weight)	within 14 days	within 12 days	NFA to set up mechanism to monitor
	SM 6	Average Response Time for Release of Stocks during Calamities	5%	Total Actual Response Time/Total Occurrences	(Actual/Target) x Weight (but not to exceed the weight)	within 23 hours	within 23 hours	
	SO 3	Improve Quality Services						
	SM 7	Stocks Maintained in Good & Consumable Condition	7%	% total stocks in good & consumable condition/ total stocks stored	99-100 = 7% 98% = 5% 97% = 3% 96% = 1% <96% = 0	100%	100%	
SM 8	Number of Licensees	3%	Actual Accomplishment	(Actual/Target) x Weight (but not to exceed the weight)	80,000	90,000		



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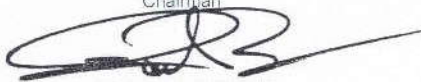
		PAN AGREEMENT						GCG Remarks
		Weight	Formula	Rating Scale	Target			
					2015	2016		
	SM 9	Number of Alternative Distribution Centers in 10 Priority Provinces	3%	Actual Accomplishment	(Actual/Target) x Weight (but not to exceed the weight)	250	500	
	SM 10	Percentage of Complaints Acted upon within the Given Turn-Around-Time (72 hours)	5%	complaints acted upon within TAT/total complaints	(Actual/Target) x Weight (but not to exceed the weight)	100%	100%	
	SO 4	Attain Client Satisfaction						
	SM 11	Stakeholders' Evaluation of the NFA's Delivery of Services to its Critical Stakeholder : Palay-Farmers & Licensees	3%	Clients' rating of at least satisfactory	Satisfactory = 3% Below Satisfactory = 0%	Satisfactory Rating	Satisfactory Rating	to be conducted by 3rd party
INTERNAL PROCESS	SO 5	Rationalized and Efficient Local Procurement						
	SM 12	Cereal Procurement Fund Made Available within Set Number of Days upon Receipt of Request	3%	ave. no. of days/target	(Actual/Target) x Weight (but not to exceed the weight)	5 days	4 days	
	SO 6	Efficient Rice Importation						
	SM 13	Cost of Imports Relative to Reference Price	3%	equivalent to or lower than the approved reference price	(Actual/Target) x Weight (but not to exceed the weight)	equivalent to or lower than the approved reference price	equivalent to or lower than the approved reference price	
	SM 14	Timely Delivery of Contracted Quantity within the Contract Period	3%	% Accomplishment of Total import deliveries to Contracted Quantity	90% - 100% = 5% 80% - 89% = 4% 70%-79% = 3% 60%-69% = 2% 50%-59% = 1% <50% = 0%	100%	100%	
	SO 7	Implement Organizational Reform						
	SM 15	Approved Reorganization Plan including Functional De-lineation	5%	Reorganization Plan approved by GCG in 2015	(Actual/Target) x Weight (but not to exceed the weight)	Agreed Table of Organization (TO) by August	Approval	
	SO 8	Minimize Operating Losses						
	SM 16	Contribution Margin (CM)	5%	contribution margin or gross profit from sales	P7 B = 5% break-even = 3% negative = 0%	P7 B		
	SO 9	Divestment of Assets						

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PAN AGREEMENT								GCG Remarks
Component						Target		
		Weight	Formula	Rating Scale	2015	2016		
FINANCIAL	SM 17	Publication of the Divestment of the Big Ticket Assets Approved for Disposition by the NFA Council.	5%	no. of NPAs divested/target big ticket = billions	(Actual/Target) x Weight (but not to exceed the weight)	one (1) South District Office (SDO)	Cab. City and Gen. San Properties divested	
	SO 10	Debt Management						
	SM 18	Debt Level	5%	debt level equal to or lower than the projected level by end of a given year	140B-144 B = 5%	P155 Billion		
					145B-149 B = 4%			
150B-154 B = 3%								
155B-159B = 2%								
				160 B-164B = 1%				
				>165 B = 0				
LEARNING & GROWTH	SO 11	Establish Quality Management System (QMS)						
	SM 19	ISO Certification	5%	Actual Accomplishment vs. Work Program	All or Nothing	Certification of the Registrations & Licensing and Laboratory Processes	Certification of Procurement and Distribution Processes	
	SO 12	Establish Competency Framework						
	SM 20	Council Approved Competency Framework	5%	Actual Accomplishment	(Actual/Target) x Weight (but not to exceed the weight)	Milestone		TWG to determine target
Total Weight		100%						


For GCG:


CESAR E. VILLANUEVA
 Chairman


RAINIER B. BUTALID
 Commissioner

For NEA:


FRANCIS N. PANGILINAN
 OPA/SAM Secretary


RENAN B. DALISAY
 NFA Administrator