

National Food Authority

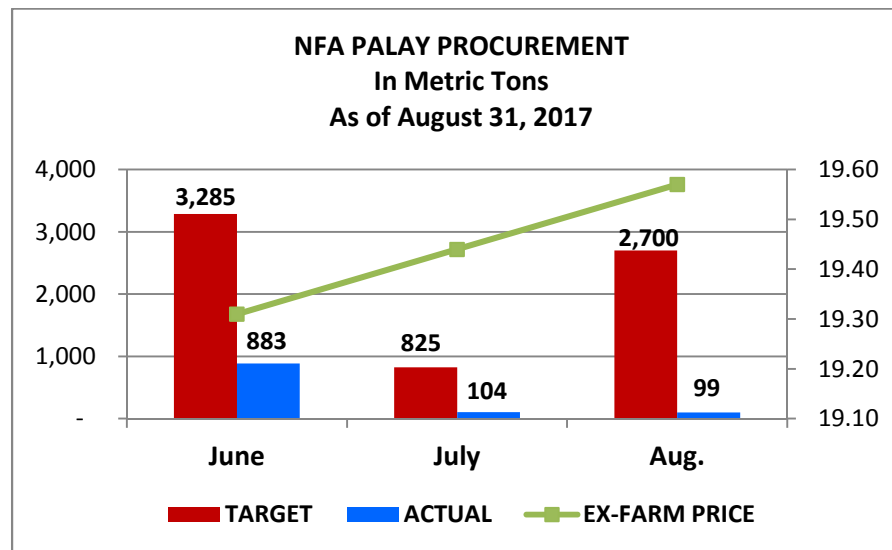
Accomplishment Report

August 2017

MFO 1: STABLE SUPPLY AND PRICE OF STAPLE CEREALS

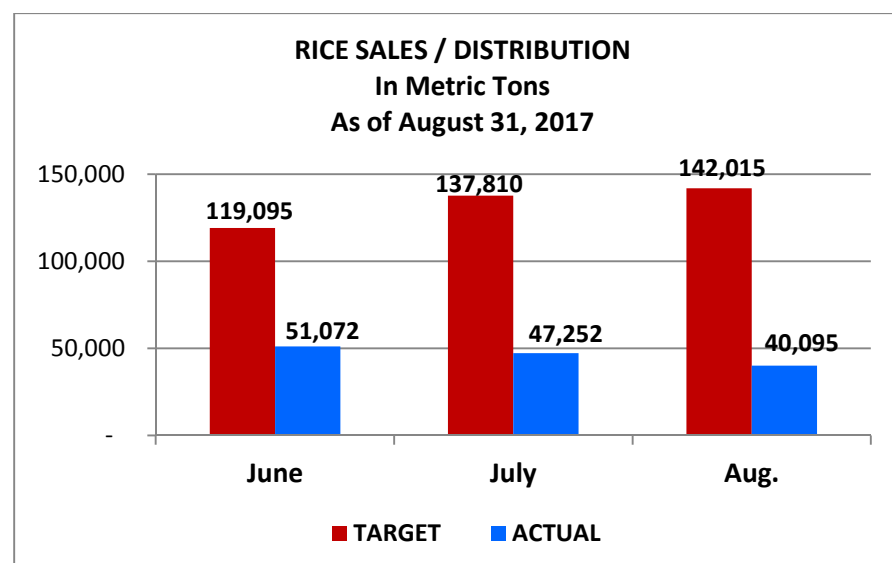
PROCUREMENT

For the month of August 2017, NFA procured 99 MT of palay, which is 3.67% accomplishment of the month's target of 2,700 MT. The low procurement level can be attributed to the on-going lean months. The procurement decreased by 8.88% compared to 12.55% accomplishment last month, based on target.



DISTRIBUTION

For the month of August, NFA distributed 40,095 MT of rice, equivalent to 28.23% accomplishment of the month's target of 142,015 MT.



PRICES

Based on the Philippine Statistics Authority (PSA) summary of commercial palay/rice prices, the average ex-farm price posted an increase of ₱0.13 from last month's price of ₱19.44 to ₱19.57 for this month, NFA's buying price for palay is comparatively lower by ₱2.57/kg., compared to the prevailing commercial level. NFA's buying price for yellow corn, was higher by ₱1.09/kg., while for white corn, it is lower by ₱0.75/kg.

Average Ex-Farm Prices vs NFA Buying Price

(Price per kg.)
August 31, 2017

| Commodity | NFA Buying Price | Ex-Farm Price | Price Diff. (In peso/kg) |
|------------------|-------------------------|----------------------|---------------------------------|
| Palay | 17.00 | 19.57 | (2.57) |
| YGN | 12.30 | 11.21 | 1.09 |
| WGN | 13.00 | 13.75 | (0.75) |

Both wholesale and retail prices of WMR and RMR posted slight increases of ₱0.26/kg. and ₱0.29/kg. in the wholesale level, and ₱0.25/kg. and ₱0.16/kg., in the retail level, respectively. Yellow Corn manifested a slight increase of ₱0.03/kg. but White Corn showed a decrease of ₱0.06/kg. in wholesale, both Yellow and White Corn showed a decrease of ₱0.76/kg. and ₱0.43/kg. in the retail level respectively.

Average Prevailing Wholesale/Retail Price of Rice and Corn

(Peso per Kg.)
August 31, 2017

| Commodity | August | July | Price Diff in (Peso/Kg) |
|-------------------|---------------|-------------|--------------------------------|
| Whole Sale | | | |
| WMR | 39.26 | 39.00 | 0.26 |
| RMR | 35.51 | 35.26 | 0.25 |
| YGN | 18.02 | 17.99 | 0.03 |
| WGN | 17.46 | 16.70 | 0.76 |
| Retail | | | |
| WMR | 42.17 | 41.88 | 0.29 |
| RMR | 37.99 | 37.83 | 0.16 |
| YGN | 22.23 | 22.29 | (0.06) |
| WGN | 28.91 | 28.48 | 0.43 |

MFO 3: BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED

RICE STOCK INVENTORY

As of August 31, 2017, NFA stock inventory of 1,311,322 bags (total rice equivalent –TRE) or 65,566.1 MT, is good to last for 2 days, based on the 2017 national daily rice consumption requirement of 31,463 MT.

NATIONAL QUALITY ASSESSMENT (QSAR) OF NFA STOCKS FOR THE MONTH OF JULY 2017

The total volume of assessed NFA stored grains as of the end of August 2017 was 1,353,318.3 bags, composed of palay, milled rice and corngrains, a decrease of 43.26% from the July 2017 volume of 2,384,994 bags. Stocks fit as food (rice) and feed (corn) represent 99.77% of the total assessed grains. Stocks for disposition were 3,024 bags (0.224%), composed of sweepings and partially damaged stocks, and 64.6 bags (0.005%) of totally damaged milled rice.

| CLASSIFICATION/ CONDITION OF STOCKS | Quantity (in 50-kg bags) | PERCENTAGE (%) | |
|--|-------------------------------------|---------------------------|----------|
| Good Quality (GQ) | 701,423.5 | 51.830 | } 99.771 |
| Treated | 645,561.4 | 47.702 | |
| For treatment | 3,240.4 | 0.239 | } |
| Total for Disposition | 3,093.0 | | |
| -Sweepings | 2,745.1 | 0.203 | } 0.229 |
| -Partially Damaged | 283.3 | 0.021 | |
| Totally Damaged | 64.6 | 0.005 | } |
| TOTAL | 1,353,318.3 | 100% | |

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

REGISTERED/LICENSED GRAINS BUSINESSMEN

For the month of August, NFA registered and licensed 1,357 applicants, 61 of whom availed of the two-year (2018-2019) advance-license scheme. Total R/L collections on grains business activities amounted to ₱2,720,175.41, which include collection from mobile licensing amounting to ₱635,463.95, and ₱73,015.40 from advance license collections. 454 metal plates were issued/sold for ₱90,800. The R/L fees comprised 108.37% of the annual targeted collection of ₱143M.

| PARTICULARS | |
|--|---------------------|
| R/L Fees Collection | 2,720,175.41 |
| Mobile Licensing | 635,463.95 |
| Advance Collections (2018-2020) | 73,015.40 |
| 2018 Applicants: 35 | 32,052.70 |
| 2019 Applicants: 26 | 40,962.70 |
| No. of R/L Applicants | 1,357 |
| | |
| METAL PLATES (@ P200/pc) | |
| - No. of Issuances of Metal Plates | 454 |
| - Amount | 90,800.00 |

UGNAYANS (Farmers' Assembly)

For the month of August, 24 UGNAYANS were conducted, participated in by 411 NFA stakeholders.

| PERFORMANCE INDICATOR | ACCOMPLISHMENT |
|------------------------------|-----------------------|
| UGNAYANS conducted | 24 |
| Participants | 411 |

CUSTOMER-ASSISTANCE

Through its nationwide Customer-Assistance Units (CAU), NFA responded to/assisted 328 stakeholders. Most of the assistance rendered were 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 | ACCOMPLISHMENT |
|----------------------------------|-----------------------|
| Inquiries | 102 |
| Requests | 223 |
| Complaints | 3 |
| Total Assistance Rendered | 328 |

PHIL. GRAINS STANDARDIZATION PROGRAM (PGSP)

To check whether the PGSP Rules and Regulations are strictly observed, 1,302 Grains Business Establishments were inspected. 148 Trainings and seminars to advocate PGSP rules and regulations were conducted, participated in by 559 NFA Stakeholders. 1 Press release made and 23 PGSP Violation cases filed.

| PERFORMANCE INDICATOR | ACCOMPLISHMENT |
|---|-----------------------|
| Grains Business Establishment Inspected | 1,302 |
| Meetings/Seminars/Trainings; | |
| Number conducted | 148 |
| Number of Participants | 559 |
| Press Releases made | 1 |
| PGSP Violation cases filed | 23 |

NFA PRIVATE SECTOR RICE IMPORTATION

NFA issued/renewed licenses to 17 importers: 5 grains businessmen and 6 farmer organizations. Import licenses are different from import permits issued for MAV.

| PERFORMANCE INDICATOR | ACCOMPLISHMENT |
|----------------------------------|-----------------------|
| Number of NFA Licensed Importers | 17 |
| - Farmer Organizations | 7 |
| - Other Sectors (Non-Farmers) | 10 |

Import License – issued by Industry Services Department under PD4 to Grains Businessmen involved in different lines of activities involving grains in a specified quantity, during a specified period (usually one year).

Import Permit – Issued by NFA to Grains Importers on a per shipment basis, required by BOC for the release of the cargo (grains).

FOOD DEVELOPMENT CENTER

Testing

For the month of August, FDC performed 3 physical and sensory evaluation, 85 chemical analysis, 40 microbiological and 5 micro analytical quality evaluation, to determine safety and quality of white rice, brown rice, corn grits, other cereals, and various food and food products. Other activities included the testing of packaging materials and label evaluation; heat penetration and heat distribution test to establish and/or evaluate adequacy of thermal processes of canned goods; shelf life testing to establish shelf life of various packaged products; and the conduct of seminar/training.

Research and Development

- Development and Implementation of R & D projects
 - Human Bacterial Pathogens in Lettuce and Spinach
 - Mayonnaise, lemon extract
 - Arsenic in Rice project
 - Coconut project (Phase 3)

Quality Assurance

- Implemented 1 pilot plant project
- Conducted inspection of 2 food manufacturing plants and issue compliance certificates

Training Programs

- Implemented 8 training courses to the food industry and government agencies
- Developed/Improved 9 training course materials

Industry Liaison

- Evaluated 53 clients' technical inquiries and recommendations and FDC's analyses/services to meet international standards
- Maintained FDC website and FDC wifi network
- Monitored and delivered 107 FDC technical reports to stakeholders

ISO Compliance

- Implemented 10 QA activities for testing laboratories (Filtch Laboratory)
- Monitored, reviewed and verified effectiveness of 8 ISO documents
- Prepared 2 audit report for the maintenance/upgrading of the FDC ISO 9001:2008 Certification and ISO/IEC 17025:2005 accreditation

LEGAL AFFAIRS

For the month, 346 activities pertaining to adjudication, documentation and litigation were undertaken:

| | |
|--|------------|
| Adjudication | 32 |
| Formal charge & order of preventive suspension transmitted to AO for approval | 1 |
| Opinions, memoranda & communications letters issued and served | 8 |
| Special Order designating staff lawyers as H.O. and Pros. Transmitted to AO for approval | 2 |
| Manifestation served to H.O. & pros. | 2 |
| Manifestation with compliance serves H.O. & Pros. | 2 |
| Order issued and served to Pros. And Respondents | 6 |
| Motion for extension to file memorandum & draft decision issued and served to H.O. & Respondents | 1 |
| Urgent motion for extension to file memorandum & draft decision issued and served to H.O. & Respondents | 2 |
| Motion for extension of time to file memorandum & draft decision issued and served to H.O. & Respondents | 2 |
| Withdrawal of appearance served to H.O. and Prosecutor | 2 |
| Motion for extension to file position paper served to H.O. & Prosecutor | 2 |
| Proposed decision transmitted to AO for approval | 2 |
| Documentation & Legal Research | 32 |
| Contracts reviewed/evaluated | 5 |
| Opinions rendered | 15 |
| Memos re. Notice of Disallowance | 9 |
| Pre-Bid Conference (TWG)/Post Qualification | 1 |
| Others: Opening Sealed Canvass/Pre-Bid | 2 |
| Litigation | 282 |
| Hearing/s attended by Lawyers | 24 |
| Pleadings, memoranda & related documents prepared by Lawyers | 15 |
| Opinions, reports, requests, queries & communications prepared and sent by Lawyers | 49 |
| Certifications/COC of no pending case | 194 |
| TOTAL | 346 |

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology/Systems Development/SOPs

- As of August 31, 2017, Manual Systems Development Section submitted the following SOPs for approval.
 - Guidelines in Contracting Workers on J.O. and Contract of Service Basis.
 - Guidelines on the Decentralized Implementation of Capital Outlay Budget for the purchase of PPE Categorized as “Machinery & Equipt. And Furniture, Fixtures and Books” with the Exception of Technincal and Scientific Equipment and medical, Dental and Laboratory Equipment.

Corporate Planning

- Prepared letter to CABSEC for the approval of the divestment of NFA-Sto Tomas property in Davao del Norte.
- Prepared NFA’s comments to Philippine Farmers’ Advisory Board (PFAB) resolution No. 02-1717-01.
- Prepared letter reply to Senator Villar regarding NFA’s Participation in the Agri-Agra Law.
- Prepared memo regarding the proposed re-establishment of NFA Warehouse in Candon City, Ilocos Sur.
- Prepared memo to TRSD requesting to accomplish the matrix selection criteria with corresponding points in evaluation and ranking of offered lots for the proposed Lot Acquisition for the construction of 500 TCC in Bacolod City.
- Prepared memo to GMOD, ISD, FDC and BTFMD requesting to accomplish the template on matters pertaining their respective area/s of concern regarding our Compliance Report for the Stramlining of Government Frontline Services.

Corporate Development and/or Evaluation:

1. Divestment of Assets: Complete Staff Work (CSW)
 - Divestment of NFA lots in Occidental/Oriental Mindoro
 - Divestment of NFA properties in Isabela.
2. Evaluation
 - Proposed 500,000 bag capacity warehouse in Bacolod City

Monitoring and Reporting

- Visibility Reports from Field Offices – Liaison with LGUs and Congressmen
- LEAP
 - Congressional Budget Hearing
 - Senate hearing on Agri-Agra Program
 - Senate budget briefing on FY 2018 budget proposals

INTERNAL AUDIT SERVICES

In August 2017, the following Audit Services were conducted:

I. AUDIT ENGAGEMENTS

- A. Special Audit on Procurement, Drying, Milling, Transfer, Distribution and Cash Management in Sorsogon, Masbate and Pampanga.
- B. Special Audit on Stock Accountabilities of Stock Accountable Officers in CDO, NDO, SDO, EDO and Cavite

II. Tolerable Allowance (TOLA)

- A. Issued 32 Certifications of Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees.
- B. Entertained queries from different NFA Regional Offices regarding TOLA matters.

TRAININGS:

In August 2017, NFA facilitated the participation of 7 NFA officials and employees in 4 external trainings.

| TITLE | NO. OF PARTICIPANTS | DURATION |
|---|----------------------------|-----------------|
| I. Internal Training | 0 | |
| II. External Training | 7 | |
| 1 Phil. Gov't. Accounting Standards Seminar | 2 | August 16-18 |
| 2 Seminar on Evironmental Management | 1 | 16-Aug |
| 3 Customer Management | 2 | Aug.31-Sep.1 |
| 4 Effective Project Management | 2 | August 30-31 |
| TOTAL | 7 | |

NFA PERSONNEL COMPLEMENT as of August 31, 2017

No. of Positions

| | |
|--|----------------------------|
| Regular Plantilla | 3,811 |
| Central Office | <u>528</u> |
| Executive | 60 |
| Rank & File | 468 |
| Field Office | <u>3,283</u> |
| Executive | 100 |
| Rank & File | 3,183 |
| CTI Personnel (Rank & File) | 333 |
| Central Office | 64 |
| Field Office | <u>269</u> |
| Total | <u><u>4,144</u></u> |

ENFORCEMENT AND INVESTIGATION

Nationwide enforcement accomplishment for the month of August 2017:

| PARTICULARS | |
|--|-----------|
| 1. No. of grains business establishments inspected | 5,185 |
| 3. No. of violations | 417 |
| 2. No. of grains business apprehended | 249 |
| 4. Administrative fines/fees collected | P 43,127 |
| 5. Fees collected thru enforcement | P 811,266 |
| | |

PUBLIC AFFAIRS

1. News Releases
 - Training on Accelerated Shelf Life Testing (ASLT) of Food Products
 - NFA employees welcome salary adjustment
2. Fifteen (15) Invitation Letters for the NFA 45th Anniversary Celebration
3. Letters to former NFA Administrators to submit their messages for the Special Anniversary Issue of Grains
4. Post qualification report on Gilcor press as winning bidder for the printing of Grains
5. Fourteen (14) updates on the official NFA facebook account:
 - Replied to 63 queries on NFA facebook account
 - Monitored 4 twits in NFA twitter account and replied 5 twitter inquiries
6. One news release emailed to trimedia for possible publication and airing
7. Prepared report/update on Food Guardian
8. Monitored and clipped 80 news items on NFA corporate and agri-related issues and concerns and provided copies to concerned NFA officials