

National Food Authority

Accomplishment Report

February 2017

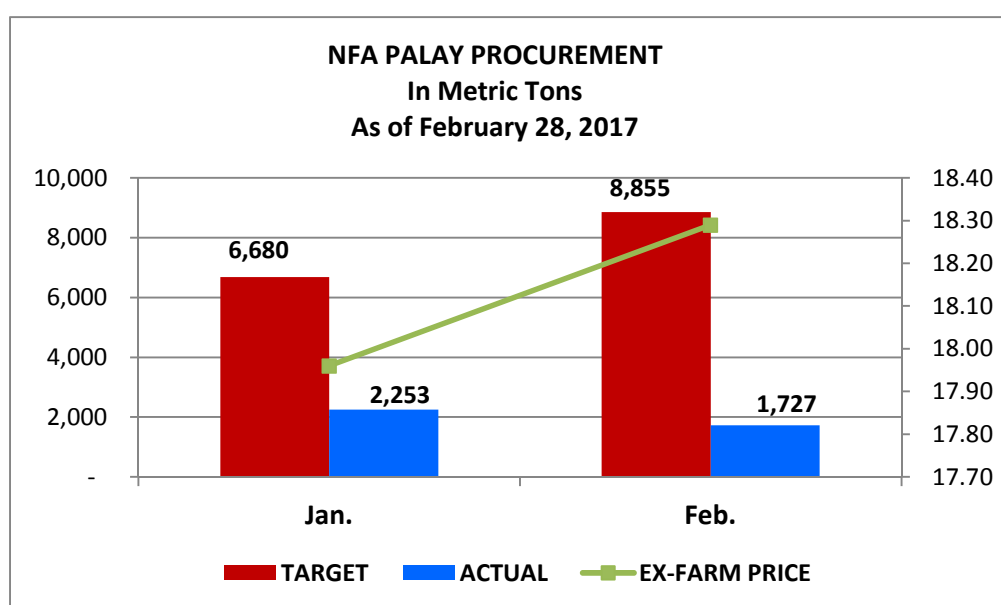


MFO 1: STABLE SUPPLY AND PRICE OF STAPLE CEREALS

PROCUREMENT

a. Palay

For the month of February 2017, NFA procured 1,727 MT of palay, which is 19.51% accomplishment of the month's target of 8,855 MT. The decrease in procurement can be attributed to the end of the main harvest season, where there were no more/very minimal available palay stocks to procure, as prevailing farmgate prices are higher than the government selling price.



DISTRIBUTION

For the month, NFA distributed 71,958 MT of rice, equivalent to 87.14% accomplishment of the target of 82,575 MT for February.

IMPORTATION

The Food Security Council on Rice (FSC-Rice) convened on January 24, 2017 to discuss and assess the current as well as the projected supply and demand of rice (for the 1st semester of 2017) to determine the urgency of immediately importing the additional 250TMT as requested by the NFA to beef up the buffer stock.

All committee members were in agreement that rice importation by NFA is not that urgent, especially with the impending arrival of MAV.

PRICES

Based on the Philippine Statistics Authority (PSA) summary of commercial palay/rice prices, the average ex-farm price posted an increase of ₱0.33 from last month's price of ₱17.96 to ₱18.29 for this month, as it was the end of the main harvest season. NFA buying price for palay is comparatively lower by P1.29/kg. For corn, NFA's buying price were higher by P0.85/kg. and P0.56/kg. compared to the prevailing commercial level, respectively.

Average Ex-Farm Prices vs NFA Buying Price

(Price per kg.)
February 28, 2017

Commodity	NFA Buying Price	Ex-Farm Price	Price Diff. (In peso/kg)
Palay	17.00	18.29	(1.29)
YGN	12.30	11.45	0.85
WGN	13.00	12.44	0.56

Wholesale and retail prices of rice generally posted increases of ₱0.23/kg and ₱0.11/kg for WMR, and at P0.22/kg. and P0.01/kg. for RMR, respectively. Corn prices likewise manifested increases, both in wholesale and retail level.

Average Prevailing Wholesale/Retail Price of Rice and Corn

(Peso per Kg.)
February 28, 2017

Commodity	February	January	Price Diff in (Peso/Kg)
Whole Sale			
WMR	38.47	38.24	0.23
RMR	34.67	34.45	0.22
YGN	17.32	16.91	0.41
WGN	16.43	14.94	1.49
Retail			
WMR	41.62	41.51	0.11
RMR	37.09	37.08	0.01
YGN	22.94	22.76	0.18
WGN	26.34	25.78	0.56

MFO 3: BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED

RICE STOCK INVENTORY

As of February 28, 2017, NFA had a stock inventory of 7,939,379 bags (total rice equivalent –TRE) or 396,968.95 MT, good to last for 12 days, based on the 2017 national daily rice consumption requirement of 32,720 MT.

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

The total volume of NFA stored grains assessed for the month of February is 8,426,380.6 bags, composed of palay, milled rice and corngrits, a decrease of 15.25% from the January volume of 9,943,045 bags. Stocks fit as food (rice) represent 99.97% of the total assessed grains. Stocks for disposition were 2,749.1 bags (0.032%), composed of sweepings and partially damaged stocks, and 195 bags (0.002%) of totally damaged milled rice.

CLASSIFICATION/ CONDITION OF STOCKS	Quantity (in 50-kg bags)	PERCENTAGE (%)
Good Quality (GQ)	4,967,216.1	58.948
Treated	3,434,767.3	40.762
For treatment	21,452.6	0.255
Total for Disposition	2,749.1	
-Sweepings	1,884.0	0.022
-Partially Damaged	865.1	0.010
Totally Damaged	195.5	0.002
TOTAL	8,426,380.6	100%

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

REGISTERED/LICENSED GRAINS BUSINESSMEN

For the month of February, NFA registered and licensed 11,297 applicants, 342 of whom availed of the two-year (2018-2019) advance-license scheme. Total R/L collections on grains business activities amounted to ₱27,344,397.19, which include collection from mobile licensing amounting to ₱3,684,258.77, and ₱356,941.72 from advance license collections. 1,226 metal plates were issued/sold for ₱245,200. The R/L fees comprised 34.67% of the annual targeted collection of ₱161M.

PARTICULARS	
R/L Fees Collection	27,344,397.19
Mobile Licensing	3,684,258.77
Advance Collections (2018-2020)	356,941.72
2018 Applicants: 187	162,166.86
2019 Applicants: 155	194,774.86
No. of R/L Applicants	11,297
METAL PLATES (@ P200/pc)	
- No. of Issuances of Metal Plates	1,226
- Amount	245,200.00

UGNAYANS (Farmers' Assembly)

For the month of February, 31 UGNAYANS were conducted, participated in by 647 NFA stakeholders.

PERFORMANCE INDICATOR	ACCOMPLISHMENT
UGNAYANS conducted	31
Participants	647

CUSTOMER-ASSISTANCE

Through its nationwide Customer-Assistance Units (CAU), NFA responded to/assisted 1,104 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	279
Requests	824
Complaints	1
Total Assistance Rendered	1,104

PHIL. GRAINS STANDARDIZATION PROGRAM (PGSP)

To check whether the PGSP Rules and Regulations are strictly observed, 2,221 Grains Business Establishments were inspected. 1,120 Trainings and seminars to advocate PGSP rules and regulations were conducted, participated in by 1,793 NFA Stakeholders.

PERFORMANCE INDICATOR	ACCOMPLISHMENT
Grains Business Establishment Inspected	2,221
Meetings/Seminars/Trainings;	
Number conducted	1,120
Number of Participants	1,793
Press Releases made	10
PGSP Violation cases filed	-

NFA PRIVATE SECTOR RICE IMPORTATION

NFA issued licenses to 8 importers: issued to 8 grains businessmen.

PERFORMANCE INDICATOR	ACCOMPLISHMENT
Number of NFA Licensed Importers	8
- Farmer Organizations	-
- Other Sectors (Non-Farmers)	8

FOOD DEVELOPMENT CENTER

Testing

For the month, FDC performed 7 physical and sensory evaluation, 158 chemical analysis, 11 contaminants, 59 microbiological, and 1 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
 - Arsenic in rice
 - Coconut cream
 - Jellyfish balls

Quality Assurance

- Implemented 4 Pilot-Plant projects for the period.

Training Programs

- Implemented 4 training courses to the food industry and government agencies
- Developed twenty training course materials

Industry Liaison

- Evaluated 56 clients' technical inquiries and recommendations and FDC's analyses/services to meet international standards
- Maintained FDC website and FDC wifi network
- Monitored and delivered 88 FDC reports to stakeholders

ISO Compliance

- Implemented 9 QA activities for testing laboratories (Filth Laboratory)
- Monitored, reviewed and verified 2 effectiveness of written ISO documents
- Prepared 2 audit reports for ISO 9001:2008

The Food Development Center (FDC) generated an income of **₱826,969.15**, **56.54%** of which was contributed by the Industry Services Division.

LEGAL AFFAIRS

For the month, 301 activities pertaining to adjudication, documentation and litigation were undertaken:

Adjudication	27
Opinions, memoranda & communications letters issued and served	10
Served S.O. and case folders to H.O. and Prosecutors	10
Motion to consolidate cases served to H.O. and Prosecutors	1
Order issued and served to Pros. And Respondents	2
Motion to admit position paper served to H.O. and Pros.	1
Motion for Extension of Time to File Position paper served to H.O.	1
Docketed Case/s	1
Special order designating staff lawyers as H.O. and Pros. Transmitted to AO for approval	1
Documentation & Legal Research	26
Contracts reviewed/evaluated	6
Opinions rendered	14
Memos re. Notice of Disallowance	3
Others: Opening Sealed Canvass/Pre-Bid	3
Litigation	248
Hearing/s attended by Lawyers	20
Pleadings, memoranda & related documents prepared by Lawyers	16
Opinions, reports, requests, queries & communications prepared and sent by Lawyers	34
Certifications/COC of no pending case	178
TOTAL	301

INTERNAL AUDIT SERVICES

In February 2017, the following Audit Services were conducted:

I. AUDIT ENGAGEMENTS

- A. Special Audit of Procurement, Drying and Milling Operations, Cash Mgt: Receipts and Disbursement, and TOLA in Aurora and Bulacan.
- B. Special Audit on Distribution, Cash Management, TOLA and Provident Fund in Quezon, La Union, Pampanga, Nueva Viscaya, Eastern Pangasinan, Western Pangasinan, Quirino and Batangas.
- C. Special Audit on COA's audit observation re: Unusual Increase in average weight per bag of rice stocks in Cebu.

II. Tolerable Allowance (TOLA)

- A. Issued 67 Certifications of Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees.

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology

- As of February 28, 2017, the development of the Electronic Integrated Financial Operation and Management Information System (e-IFOMIS) is at 96.21%. This covers the program development, user's acceptance, trainings conducted and pilot implementation of the modules in the designated six pilot sites, including Central office.

Corporate Planning

- Validation/Finalization of 2016 Performance Scorecard Annual Accomplishment Report.
- Conduct of 2017-2018 National Planning Conference

Corporate Development and/or Evaluation:

1. Divestment of Assets: Complete Staff Work (CSW)
 - Requested for update on the 5-year divestment plan.
2. Evaluation
 - Proposed Lot Acquisition and 500,000 bag capacity warehouse construction in Bacolod City

Monitoring and Reporting

- Visibility Reports from Field Offices – Liaison with LGUs and Congressmen
- LEAP: Congress hearing on Lifting of Waiver on Rice QR
Congress hearing on Right to Adequate Food

TRAININGS:

In February 2017, NFA facilitated the participation of 11 NFA officials and employees in 7 external trainings.

TITLE	NO. OF PARTICIPANTS	DURATION
I. Internal Training I	0	
II. External Training	11	
1 Manager's Role in Building Capacity	1	Feb. 22-23
2 Coaching and Mentoring	1	Feb. 9-10
3 Quality Service Customer	1	Feb. 17
4 Basic Sensory Evaluation for Food Testing	2	Feb. 14-17
5 Recruitment, Selection and Placement	1	Feb. 22-24
6 76th PICHE National Convention	2	Feb. 22-25
7 Supervisory for Effectiveness	1	Feb. 14-17
TOTAL	11	

NFA PERSONNEL COMPLEMENT as of February 28, 2017

	No. of Positions
Regular Plantilla	3,751
Central Office	<u>499</u>
Executive	57
Rank & File	442
Field Office	<u>3,252</u>
Executive	105
Rank & File	3,147
CTI Personnel (Rank & File)	347
Central Office	64
Field Office	<u>283</u>
Total	<u><u>4,098</u></u>

ENFORCEMENT AND INVESTIGATION

Nationwide enforcement accomplishment for the month of February 2017:

PARTICULARS	
1. No. of grains business establishments inspected	3,333
3. No. of violations	320
2. No. of grains business apprehended	192
4. Administrative fines/fees collected	P 573,515
5. Fees collected thru enforcement	P 2,260,789

CONTRIBUTION TO THE ECONOMY:

NFA has contributed ₱467,362,035.84 to the country's economy in terms of the following increase in economic activities.

PARTICULARS		AMOUNT
1.	Palay Procurement	145,310,208.83
2.	Corn Procurement	2,522,873.58
3.	Rent Expenses	7,927,382.51
4.	Transportation & Deliveries Expenses	86,490,204.57
5.	Storage	18,916,644.71
6.	General Services	13,026,122.88
7.	Janitorial Services	862,526.99
8.	Security Services	55,690,115.60
9.	Drying	42,418.85
10.	Milling	-
11.	Handling	53,503,519.66
12.	Tax Witheld from Employees' Compensation	14,702,155.59
13.	Tax Witheld from Suppliers of Goods & Services	68,367,862.07
TOTAL		467,362,035.84

Per trial balance of December, 2016

PUBLIC AFFAIRS

1. News and Photo Releases
 - NFA inaugurates 2.5 tons rep hour ricemill in Leyte.
 - Rice releases for earthquake victims in Surigao.
 - Message of NFA Adm. Aquino on the National Planning Conference.
 - Message of NFA Adm. Aquino on the Philippine Farmers Advisory Board.
 - Facilitated the posting of news articles at NFA website.
 - Replied 36 queries on NFA Facebook Account.
 - Replied to complaint re. "Rice with Worms"
2. Conducted Information Officers Conference Seminar-Workshop at NFA Iloilo and Cabanatuan City.
3. Monitored and clipped 78 news items on NFA corporate and agri-related issues and concerns, and provided copies to concerned NFA officials.