

National Food Authority

Accomplishment Report

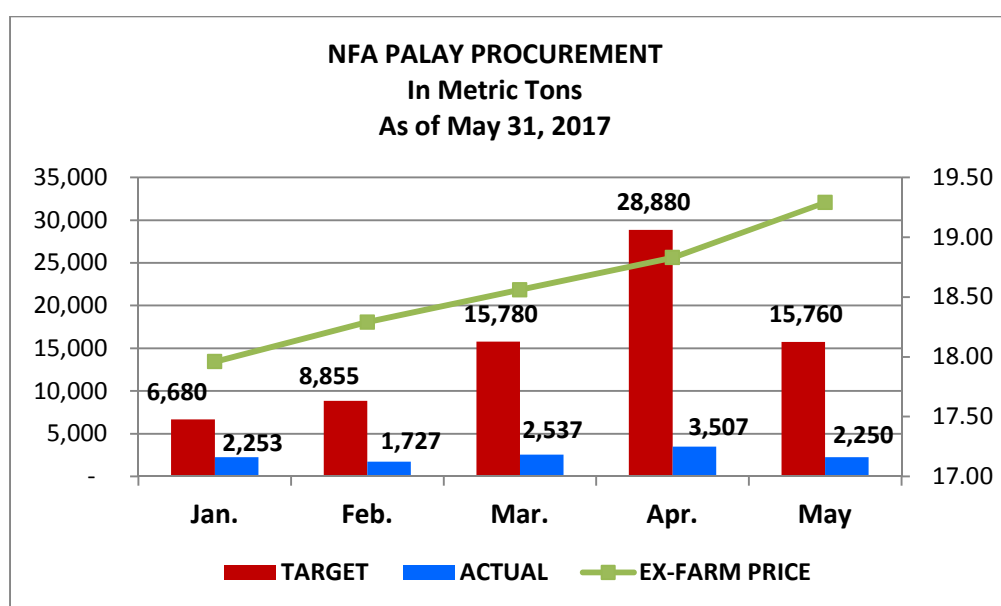
May 2017

MFO 1: STABLE SUPPLY AND PRICE OF STAPLE CEREALS

PROCUREMENT

a. Palay

For the month of May 2017, NFA procured 2,250 MT of palay, which is 14% accomplishment of the month's target of 15,760 MT. The slight increase in procurement based on target from 12% was due to continued government's intensified procurement activities in surplus provinces.



DISTRIBUTION

For the month of May, NFA distributed 58,033.45 MT of rice, equivalent to 58% accomplishment of the target of 99,955 MT.

PRICES

Based on the Philippine Statistics Authority (PSA) summary of commercial palay/rice prices, the average ex-farm price posted an increase of ₱0.46 from last month's price of ₱18.83 to ₱19.29 for this month, NFA's buying price for palay is comparatively lower by ₱2.29/kg., compared to the prevailing commercial level, NFA's buying price for yellow corn, was higher by ₱0.77/kg., while for white corn, it is lower by ₱0.43/kg.

Average Ex-Farm Prices vs NFA Buying Price

(Price per kg.)

May 31, 2017

| Commodity | NFA Buying Price | Ex-Farm Price | Price Diff. (In peso/kg) |
|-----------|------------------|---------------|--------------------------|
| Palay | 17.00 | 19.29 | (2.29) |
| YGN | 12.30 | 11.53 | 0.77 |
| WGN | 13.00 | 13.43 | (0.43) |

Both wholesale and Retail prices of WMR and RMR posted a slight increases of ₱0.24/kg. and ₱0.29/kg. in wholesale, and ₱0.25/kg. and ₱0.40/kg., in the retail, respectively. Yellow Corn also manifested an increase of ₱0.05/kg. in wholesale and ₱0.11/kg. in retail. White Corn posted a ₱1.68/kg., increase in wholesale, but showed decrease of ₱0.50/kg. in retail level.

Average Prevailing Wholesale/Retail Price of Rice and Corn

(Peso per Kg.)

May 31, 2017

| Commodity | May | April | Price Diff in (Peso/Kg) |
|-------------------|-------|-------|-------------------------|
| Whole Sale | | | |
| WMR | 38.58 | 38.34 | 0.24 |
| RMR | 34.88 | 34.59 | 0.29 |
| YGN | 17.99 | 17.94 | 0.05 |
| WGN | 17.15 | 15.47 | 1.68 |
| Retail | | | |
| WMR | 41.70 | 41.45 | 0.25 |
| RMR | 37.49 | 37.09 | 0.40 |
| YGN | 22.49 | 22.38 | 0.11 |
| WGN | 30.24 | 30.74 | (0.50) |

MFO 3: BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED

RICE STOCK INVENTORY

As of May 31, 2017, NFA had a stock inventory of 4,263,969 bags (total rice equivalent – TRE) or 213,198.5 MT, good to last for 7 days, based on the 2017 national daily rice consumption requirement of 32,720 MT.

The MAFF-JAPAN thru ASEAN PLUS THREE EMERGENCY RICE RESERVE (APTERR) TIER 3 Program, donated 4,500 bags or 225 MT of rice, currently stored at NFA-Visayas Warehouse.

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

The total volume of assessed NFA stored grains as of the end of May 2017 was 4,566,688.3 bags, composed of palay, milled rice and corngrains, a decrease of 23.74% from the April 2017 volume of 5,988,362 bags. Stocks fit as food (rice) and feed (corn) represent 99.97% of the total assessed grains. Stocks for disposition were 1,459.6 bags (0.03%), composed of sweepings and partially damaged stocks, and 84.7 bags (0.002%) of totally damaged milled rice.

| CLASSIFICATION/ CONDITION OF STOCKS | Quantity (in 50-kg bags) | PERCENTAGE (%) |
|--|-------------------------------------|---------------------------|
| Good Quality (GQ) | 2,497,169.4 | 54.682 |
| Treated | 2,059,946.8 | 45.108 |
| For treatment | 8,112.5 | 0.178 |
| Total for Disposition | 1,459.6 | |
| -Sweepings | 479.0 | 0.010 |
| -Partially Damaged | 895.9 | 0.020 |
| Totally Damaged | 84.7 | 0.002 |
| TOTAL | 4,566,688.3 | 100% |

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

REGISTERED/LICENSED GRAINS BUSINESSMEN

For the month of May, NFA registered and licensed 3,472 applicants, 81 of whom availed of the three-year (2018-2020) advance-license scheme. Total R/L collections on grains business activities amounted to ₱8,953,035.83, which include collection from mobile licensing amounting to ₱1,644,082.89, and ₱57,275.02 from advance license collections. 421 metal plates were issued/sold for ₱84,200. The R/L fees comprised 79.80% of the annual targeted collection of ₱143M.

| PARTICULARS | |
|--|---------------------|
| R/L Fees Collection | 8,953,035.83 |
| Mobile Licensing | 1,644,082.89 |
| Advance Collections (2018-2020) | 57,275.02 |
| 2018 Applicants: 46 | 32,250.02 |
| 2019 Applicants: 32 | 24,530.00 |
| 2020 Applicants: 3 | 495.00 |
| No. of R/L Applicants | 3,472 |
| | |
| METAL PLATES (@ P200/pc) | |
| - No. of Issuances of Metal Plates | 421 |
| - Amount | 84,200.00 |

UGNAYANs (Farmers' Assembly)

For the month of May, 51 UGNAYANs were conducted, participated in by 1,438 NFA stakeholders.

| PERFORMANCE INDICATOR | ACCOMPLISHMENT |
|------------------------------|-----------------------|
| UGNAYANs conducted | 51 |
| Participants | 1,438 |

CUSTOMER-ASSISTANCE

Through its nationwide Customer-Assistance Units (CAU), NFA responded to/assisted 845 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 | 328 |
| Requests | 515 |
| Complaints | 2 |
| Total Assistance Rendered | 845 |

PHIL. GRAINS STANDARDIZATION PROGRAM (PGSP)

To check whether the PGSP Rules and Regulations are strictly observed, 241 Grains Business Establishments were inspected. 516 Trainings and seminars to advocate PGSP rules and regulations were conducted, participated in by 440 NFA Stakeholders.

| PERFORMANCE INDICATOR | ACCOMPLISHMENT |
|--|-----------------------|
| Grains Business Establishment Inspected | 241 |
| Meetings/Seminars/Trainings; Number conducted | 516 |
| Number of Participants | 440 |
| Press Releases made | 6 |
| PGSP Violation cases filed | - |

NFA PRIVATE SECTOR RICE IMPORTATION

NFA issued/renewed licenses to 17 importers: issued to 12 grains businessmen and 5 farmer organizations. Import licenses are different from import permits issued for MAV.

| PERFORMANCE INDICATOR | ACCOMPLISHMENT |
|----------------------------------|-----------------------|
| Number of NFA Licensed Importers | 17 |
| - Farmer Organizations | 5 |
| - Other Sectors (Non-Farmers) | 12 |

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 May, FDC performed 13 physical and sensory evaluation, 381 chemical analysis, 234 microbiological, and 4 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
 - Aflatoxin in white corn
 - Arsenic in Rice – project reports
 - Coconut cream
 - Jellyfish balls
 - Meat project- Additional experiment

Quality Assurance

- Conducted inspection of 4 food manufacturing plant and issue compliance certificate.
- Provided 1 consultancy service for technical advice

Training Programs

- Designed/Developed 1 training course
- Implemented 6 training courses to the food industry and government agencies
- Developed/Improved 2 training course materials

Industry Liaison

- Evaluated 76 clients' technical inquiries and recommendations and FDC's analyses/services to meet international standards
- Maintained FDC website and FDC wifi network
- Monitored and delivered 74 FDC technical reports to stakeholders

ISO Compliance

- Implemented 8 QA activities for testing laboratories (Filth Laboratory)
- Prepared 1 audit report

LEGAL AFFAIRS

For the month, 326 activities pertaining to adjudication, documentation and litigation were undertaken:

| | |
|--|------------|
| Adjudication | 27 |
| Opinions, memoranda & communications letters issued and served | 9 |
| Draft decision transmitted to AO for approval | 1 |
| Proposed Resolution transmitted to AO for approval | 1 |
| Order issued and served to Pros. And Respondents | 3 |
| Entry of Appearance with motion for Extension of Time served to H.O. & Pros. | 1 |
| Motion to transfer venue of hearing with motion for consolidation served to H.O & Pros. | 1 |
| Entry of Appearance with Answer served to H.O. & Pros. | 1 |
| Manifestation served to H.O. and prosecutor | 1 |
| Comment/Opposition issued and served to H.O. & Pros. | 1 |
| Consolidated Comment issued and served to H.O. & Pros. | 1 |
| Docketed Case/s | 2 |
| Served S.O. and case folders to H.O. and Prosecutors | 2 |
| Position Paper (with Formal Offer of Evidence) served | 1 |
| Decision issued & served to Respondent | 1 |
| Special Order designating staff lawyers as H.O. and Pros. Transmitted to AO for approval | 1 |
| Documentation & Legal Research | 21 |
| Contracts reviewed/evaluated | 3 |
| Opinions rendered | 10 |
| Memos re. Notice of Disallowance | 6 |
| Others: Opening Sealed Canvass/Pre-Bid | 2 |
| Litigation | 278 |
| Hearing/s attended by Lawyers | 17 |
| Pleadings, memoranda & related documents prepared by Lawyers | 6 |
| Opinions, reports, requests, queries & communications prepared and sent by Lawyers | 6 |
| Certifications/COC of no pending case | 249 |
| TOTAL | 326 |

INTERNAL AUDIT SERVICES

In May 2017, the following Audit Services were conducted:

I. AUDIT ENGAGEMENTS

- A. Special Audit on Distribution/Misclassification, Cash Management: Collections, Deposits & Remittances, Tolerable Allowance (TOLA) and Provident Fund in Eastern Pangasinan and Batangas
- B. Special Audit on Procurement, Drying, Milling, Quality and Dispersal Operations in Pampanga and Tarlac
- C. Special Audit on Distribution, Milling, Transfer, Cash Management and TOLA in Laguna

- D. Special Audit on Procurement, Drying, Milling, Transfer, Distribution and Cash Management in Sorsogon and Masbate
- E. Special Audit on Anonymous Complaint on Alleged Anomalies in Zamboanga City and Tagum

II. Tolerable Allowance (TOLA)

- A. Issued 134 Certifications of Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees.

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology/Systems Development/SOPs

- As of May 31, 2017, SOP on the Amendment/Addendum to the Revised SOP on the Application of Replacement Cost has been approved.
- SOP on the Guidelines on the Decentralized Implementation of Capital Outlay Budget for the Purchase of PPE Categorized as “Machinery and Equipment” and Furniture, Fixtures and Books” with the exception of Technical and Scientific Equipment and Medical, Dental and Laboratory Equipment – submitted for approval.

Corporate Planning

- Validation/Finalization of 2016 Performance Scorecard Annual Accomplishment Report.
- Joint MANCOM Meeting
- Continue the Drafting of NFA’s Business Continuity Plan in preparation for the “Big One”

Corporate Development and/or Evaluation:

1. Divestment of Assets: Complete Staff Work (CSW)
 - Updates on the 5-year divestment plan.
 - Partial Divestment of ACA Property in Valenzuela City
2. Evaluation
 - Asset Rationalization of NFA real properties in Region VI
 - NFA Housing project proposals in Oriental Mindoro
 - Reviewed TOR of Divestment in Region II

Monitoring and Reporting

- Visibility Reports from Field Offices – Liaison with LGUs and Congressmen
- LEAP – Senate hearing on Senate Bill Nos. 236, 262 and 605.
 - Congress hearing on House Bill Nos. 4904, 5023, 5433 and 5443.
 - Drafted letter to Cong. Ariel B. Casilao, providing policy paper on rice.
- SONA – Submitted required inputs

TRAININGS:

In May 2017, NFA facilitated the participation of 182 NFA officials and employees in 3 internal and 9 external trainings.

| TITLE | | NO. OF PARTICIPANTS | DURATION |
|-------------------------------|--|----------------------------|-----------------------|
| I. Internal Training I | | 162 | |
| 1 | NFA Procurement Management Efficiency Enhancement Program (RA9184) Region 2 and 3 | 80 | May 15-16 / May 30-31 |
| 2 | IN-House Gun Safety Seminar | 36 | May 27-28 |
| 3 | Seminar on Supplies and Materials and Property Plant Equipment Management Control System | 46 | May 9-11 |
| II. External Training | | 20 | |
| 1 | Ethical Leadership | 1 | May 3-5 |
| 2 | Construction Occupational Safety and Health Training | 2 | May 15-19 |
| 3 | 2017 Visayas Congress of HRM Practitioners | 1 | May 15-17 |
| 4 | Training Seminar on records Management | 3 | May 16-17 |
| 5 | Training in Administering Windows Server 2012 | 3 | May 15-19 |
| 6 | GACPA Natinal Convention | 5 | May 24-27 |
| 7 | Effective Leadership Skills Seminar | 1 | 25-May |
| 8 | Values Restoration Program | 1 | May 23-26 |
| 9 | Supporting and Trouble Shooting Windows 10 | 3 | May 22-26 |
| TOTAL | | 182 | |

NFA PERSONNEL COMPLEMENT as of May 31, 2017

| | No. of Positions |
|--|----------------------------|
| Regular Plantilla | 3,758 |
| Central Office | <u>504</u> |
| Executive | 55 |
| Rank & File | 449 |
| Field Office | <u>3,254</u> |
| Executive | 106 |
| Rank & File | 3,148 |
| CTI Personnel (Rank & File) | 341 |
| Central Office | 64 |
| Field Office | <u>277</u> |
| Total | <u><u>4,099</u></u> |

ENFORCEMENT AND INVESTIGATION

Nationwide enforcement accomplishment for the month of May 2017.

| PARTICULARS | |
|--|-------------|
| 1. No. of grains business establishments inspected | 2,939 |
| 3. No. of violations | 345 |
| 2. No. of grains business apprehended | 269 |
| 4. Administrative fines/fees collected | P 507,575 |
| 5. Fees collected thru enforcement | P 1,806,933 |
| | |

PUBLIC AFFAIRS

1. News Releases

- NFA directs field offices to intensify grains monitoring activities
- Administrator Aquino clarifies NFA loan figures
- NFA Administrator calls on ASEAN nation to improve food security in the region
- NFA clarifies nature of loans
- Consumers save P16 billion by buying NFA rice
- NFA implements policy reforms towards greater accountability
- Palay farmers net P32B profit in First Quarter of 2017
- NFA assures enough rice in Marawi
- Training on Basic Sensory Evaluation for Food Testing and Product Development
- Rice prices stable in Lanao and neighboring provinces
- NFA releases 3,000 bags of rice to Marawi victims and financial assistance for affected employees
- NFA's role and preparedness during disasters and calamities (but withheld)
- NFA clarifies rice import volume (held)
- NFA Council approves rice import volume (for Cabinet Secretary/Malacanang)

These releases merited publication in the following newspapers:

Phil. Daily Inquirer (4X), Manila Times (3x), Malaya (3x), Business Mirror (2x), Pilipino Star Ngayon (2x), Business World, Manila Standard, Manila Bulletin, People's Journal

2. Monitored and clipped 219 news items on NFA corporate and agri-related issues and concerns and provided copies to concerned NFA officials
3. Coordinated the following:
 - The filming of ATRESMEDIA of Spain re. Documentary on Food Security and Agriculture with Dir. Ablaza
 - Publication of 3 sets of bidding notices and preparation of publication orders requested by Central Office Departments and Field Offices