

National Food Authority

1ST Quarter Accomplishment Report

(January – March 2018)

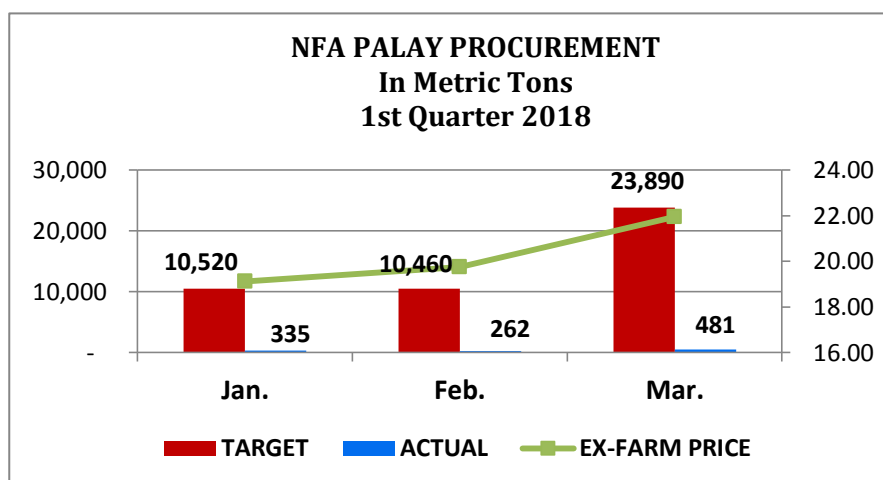


MFO 1: STABLE SUPPLY AND PRICE OF STAPLE CEREALS

PROCUREMENT

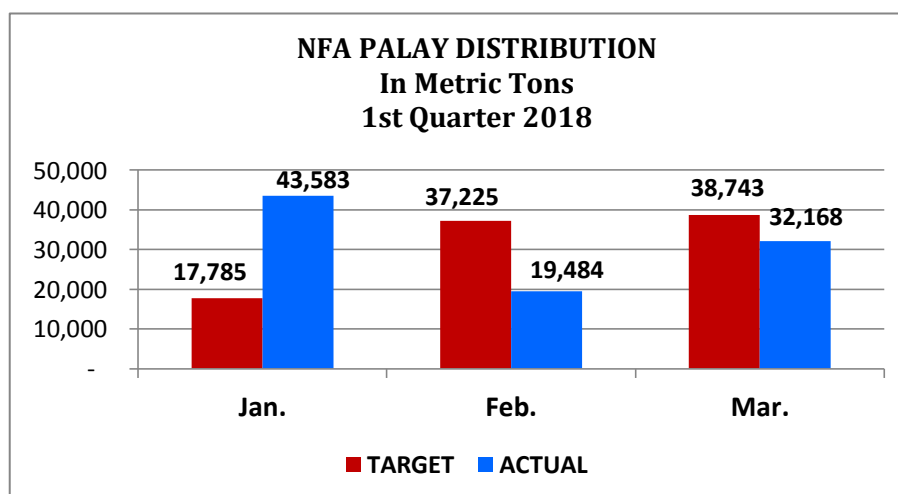
Palay

For the 1st quarter of 2018, NFA procured 1,078 MT of palay, which is 2.40% accomplishment of the quarter's target of 44,870 MT. The consistent low procurement for this quarter is due to higher prevailing farm-gate price (₱20.41/kg as of March 31) compared with the government buying price (₱17.00/kg). During the 1st quarter of 2017, NFA procured 6,517 MT (20.81%) out of 31,315 MT quarter's target.



DISTRIBUTION

For the 1st quarter of 2018, NFA distributed 95,235 MT of rice, equivalent to 101.58% accomplishment of the quarter's target of 93,753 MT. The NFA injected more rice in the market despite very low inventory to cushion the effect of increasing commercial prices of rice and make available low-priced rice for the poor. There is an 11.97% increase in distribution compared to 89.61% of last year's 1st quarter average distribution.



PRICES

Average Ex-Farm Prices vs NFA Buying Price

(Price per kg)
1st Quarter 2018

Commodity	NFA Buying Price	Ex-Farm Price	Price Difference
Palay	17.00	20.35	(3.35)
YGN	12.30	13.39	(1.09)
WGN	13.00	16.51	(3.51)

The average ex-farm price of palay for the quarter at ₱20.35/kg posted a ₱3.35 increase from the NFA's buying price of ₱17.00/kg. Likewise, ex-farm prices for yellow corn at ₱13.39/kg and white corn at ₱16.51 were higher by ₱1.09/kg and ₱3.51/kg respectively, compared to the NFA buying price.

Average Prevailing Wholesale/Retail Price of Rice and Corn

(Peso per kg)
1st Quarter 2018

Commodity	March	February	January	Average Price 2018 (1 st Q)	Average Price 2017 (1 st Q)
Whole Sale					
WMR	40.70	40.13	39.51	40.11	38.32
RMR	37.10	36.71	36.00	36.60	34.52
YGN	19.90	19.16	18.83	19.30	17.05
WGN	20.43	20.59	19.70	20.24	15.44
Retail					
WMR	43.44	42.98	42.43	42.95	41.55
RMR	39.68	39.18	38.38	39.08	37.08
YGN	23.62	23.14	22.81	23.19	22.82
WGN	29.96	29.99	29.70	29.88	24.97

For the 1st quarter of 2018, WMR and RMR wholesale prices posted an average price of ₱40.11/kg and ₱36.60/kg, respectively. Both showed increases of ₱1.79/kg and ₱2.08/kg compared to the average prices in the 1st quarter of 2017 at ₱38.32/kg and ₱34.52/kg, respectively. On the retail level, WMR and RMR average prices were at ₱42.95/kg and ₱39.08/kg, with average increases of ₱1.40/kg and ₱2.00/kg compared to 2017, respectively. Likewise, yellow corn wholesale and retail prices in 2018 (1st Quarter) manifested slight increases of ₱2.25/kg and ₱0.37/kg, respectively, from 2017 (1st Quarter). However, white corn showed a rather substantial increase of ₱4.80/kg and ₱4.91/kg in the average wholesale and retail prices, compared to 1st quarter of 2017, respectively.

FARMERS WHO SOLD PALAY TO NFA FOR THE 1ST QUARTER OF 2018

Particulars	Palay		Amount Paid by NFA
	Number of Farmers	Qty. in Bags of 50 kg	Php
Individual Farmers	63	1,615.92	1,301,907.48
Walk-In Farmers	47	993.09	760,989.65
Farmers' Organizations	62	8,210.45	7,169,829.62
No. of Members	137		
TOTAL	247	10,819.46	9,232,726.75

For the 1st quarter of 2018, there are 247 farmers who sold palay to NFA. The total palay deliveries of 10,819.46 bags amounted to ₱9.23M.

MFO 3: BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED

RICE STOCK INVENTORY

For the 1st quarter of 2018, NFA had an average stock inventory of 770,147 bags (total rice equivalent –TRE) or 38,529.70 MT, good to last for 1.20 days, based on the 2018 national daily rice consumption requirement of 32,013 MT.

NATIONAL QUALITY ASSESSMENT (QSAR) OF NFA STOCKS

Classification/ Condition of stocks	Average (in 50-kg bags)	Percentage (%)	
Good Stocks	526,889.93	67.36	} 99.67%
Treated	270,166.30	31.83	
For Treatment	4,443.33	0.48	
Sweepings	196.67	0.02	} 0.33%
Partially Damaged	2,107.57	0.21	
Totally Damaged	448.17	0.10	
TOTAL	804,251.97	100.00	

The total average volume of NFA stored grains assessed for the 1st quarter of 2018 is 804,251.97 bags, composed of palay, milled rice and corn grits. Stocks fit as food (rice) represent 99.67% of the total assessed grains. Of the stocks fit as food, 67.36% or 526,889.93 bags were assessed as good stocks. Stocks for disposition were 2,752.41 bags (0.33%), inclusive of 448.17 bags of totally damaged milled rice.

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

REGISTERED/LICENSED GRAINS BUSINESSMEN

Particulars	Amount
R/L Fees Collection	65,273,055.08
Mobile Licensing: 3187	6,048,241.10
Advance Collections (2018-2020)	1,012,701.41
2019 Applicants: 377	557,705.86
2020 Applicants: 398	454,995.55
No. of R/L Applicants	26,238
METAL PLATES (@ P200/pc)	
- No. of Issuances of Metal Plates	3,275
- Amount	655,000.00

For the 1st quarter of 2018, NFA registered and licensed 26,238 applicants, 775 of whom availed of the advance license scheme. This is 33% less than the registered and licensed applicants in the 1st quarter of 2017. Total R/L collections on grains business activities amounted to ₱65,273,055.08, which includes collection from mobile licensing amounting to ₱6,048,241.10 and ₱1,012,701.41 from advance license collections. There were 3,275 metal plates issued/sold for ₱655,000.00. For the quarter, the R/L fees posted an accomplishment of 43.52% of the annual target collection of ₱150M.

CUSTOMER-ASSISTANCE

Summary Of CAU Services	Accomplishment
Type of Assistance Rendered	
• Inquiries	2,003
• Requests	4,115
• Complaints	30
Total Assistance Rendered	6,148

Through its nationwide Customer-Assistance Units (CAU), NFA responded to/assisted 6,148 stakeholders for the 1st quarter of 2018, 43.41% increase from the 4287 stakeholders in the 1st quarter of 2017. Services rendered were mostly for the inquiries or requests of retailers for farmer's passbook, renewal of NFA license, delivery date of NFA rice allocation, and R/L requirements of new applicants.

UGNAYANs (Farmers' Assembly)

Performance Indicator	Accomplishment
UGNAYANs conducted	91
Participants	2,740

For the 1st quarter, 91 UGNAYANs were conducted, participated in by 2,740 NFA stakeholders, a 105% increase from the 1,337 participants in 56 UGNAYAN sessions during the 1st quarter of 2017.

PHIL. GRAINS STANDARDIZATION PROGRAM (PGSP)

Performance Indicator	Accomplishment
Grains Business Establishment Inspected	12,344
Meetings/Seminars/Trainings	
Number conducted	5,178
Number of Participants	8,822
Press Releases made	192
PGSP Violation cases filed	-

To check whether the PGSP Rules and Regulations are strictly observed, 12,344 grains business establishments were inspected for the 1st quarter of 2018, a 113% increase from the 5,793 grains business establishments inspected in the 1st quarter of 2017. NFA conducted 5,178 trainings and seminars to advocate PGSP rules and regulations, participated in by 8,822 NFA Stakeholders.

NFA PRIVATE SECTOR RICE IMPORTATION

Performance Indicator	Accomplishment
Number of NFA Licensed Importers	149
- Farmers' Organizations	33
- Other Sectors (Non-Farmers)	116

For the 1st quarter of 2018, NFA issued/renewed licenses to 149 importers: 33 for farmers' organizations and 116 for grains businessmen. Compared to the 1st quarter of 2017, there was a 45.9% decrease in licensed importers from farmers' organization, while a 132% increase was recorded from grains businessmen.

CDIF GRANTED TO FARMERS ORGANIZATIONS

	January	February	March	Cumulative 2018	Cumulative 2017
Number of FOs	30	13	2	45	256
Amount of CDIF Granted	66,047.16	28,393.71	4,095.44	98,536.31	2,076,684.96

For the 1st quarter of 2018, CDIF in the total amount of ₱98,536.31 was granted to a total of 45 farmers organizations. The said grant is 95.26% lower compared to the ₱2,076,684.96 amount of grant during the 1st quarter of 2017.

CDIF PERCENTILE UTILIZATION

CDIF by Type of Utilization	No. of FOs		Amount (Php)		Percentage	
	2018	2017	2018	2017	2018	2017
Purchase of Farm Inputs/Fertilizers	25	12	2,156,488.25	783,119.59	98.14%	61.98%
Purchase/Repair of Postharvest and Production Facilities	0	1	-	83,852.62	-	6.64%
Purchase of NFA Rice	0	2	-	396,551.30	-	31.38%
Payment of Loan Amortization	1	0	40,926.99	-	1.86%	
TOTAL	26	15	2,197,415.24	1,263,523.51	100%	100%

CDIF utilization for the 1st quarter of 2018 was used for the purchase of farm inputs/fertilizers and for the payment of loan amortization which comprises 98.14% and 1.86%, respectively. During the 1st quarter of last year, utilization was mostly for the purchase of farm inputs/fertilizers (61.98%), and purchase of NFA rice (31.38%).

NFA-ACCREDITED FARMERS AND FARMERS ORGANIZATION

Individual Farmers (IFs)			Farmers' Organization (FOs)			
No. of IFs	Area Planted (in has)		No. of FOs	No. of Members	Area Planted (in has)	
	Palay	Corn			Palay	Corn
340	503.30	7.40	48	2,261	5,843.90	0.00

For the 1st quarter of 2018, a total of 340 Individual Farmers (IFs) and 48 Farmers' Organization (FOs) with 2,261 members were accredited by NFA. NFA's accreditation of IFs and FOs is valid for two years. There were significant increases in the number of IFs and FOs in the first quarter of 2018 and 2016 at 541% and 140%, respectively. Increasing pattern was noted in the accreditation of IFs from January to March of this year compared with FOs.

FOOD DEVELOPMENT CENTER

Testing

- Performed 5 physical and sensory evaluation, 156 chemical analyses, 51 microbiological, and 7 micro analytical quality evaluation.
- Exceeded the target for the quarter, from 818 (QED) to 970.
- 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 development/validation of test methods.

Research and Development

- Development and Implementation of R & D projects
 - Arsenic in rice

Quality Assurance

- Conducted inspection of 9 food manufacturing plants and issue compliance certificates.
- Prepared 10 HACCP proposals, 7 Plant Inspection Plans, 9 inspection checklists, and 2 GMP inspection report.

Training Programs

- Implemented 14 training courses to the food industry and government agencies (exceeded the target for the quarter – HACCP plus unreported accomplishment in February: HACCP, GWP)
- Developed 22 training course materials (far exceeded the quarterly target of 11)
- Performed evaluation of implementation of training courses

Industry Liaison

- Evaluated 220 clients' technical inquiries and recommendations and FDC's analyses/services to meet international standards (exceeded the target of 160)
- Maintained FDC website and FDC wifi network
- Monitored and delivered 769 FDC reports to stakeholders (far exceeded the target of 360)

ISO Compliance

- Implemented 45 QA activities for testing laboratories
- Monitored, reviewed and verified effectiveness of 25 written ISO documents
- Prepared 5 audit reports for ISO 9001:2008

LEGAL AFFAIRS

For the 1st quarter of 2018, 1,036 activities pertaining to adjudication, documentation and litigation were undertaken:

Adjudication	124
Formal Charge, Order of Preventive suspension served with complete case folder/s upon respondent/s	6
Served approved SO with complete case folder/s to HO and Pros	20
Notice of Pre-Hearing Conference issued	4
Orders prepared	13
Pre-Hearing Conference conducted	4
Motions/Pleading filed	5
Service/Mailing of Motions/Pleadings and Orders	13
Reproduction & service of copies of position papers memoranda & other pleadings to Pros. And H.O.	18
Recorded the minutes of hearing and proceedings per case	7
Transcribed Minutes/TSN of hearing and proceedings per case	3
Prepared and Submitted Formal Investigation report (FIR)	3
Service of proposed decision/s to the Administrator's Office for approval/signature	7
Service/Mailing Decision/s Promulgated by CSC or CA	1
Rendition of opinions on administrative matters requested by any department at Central, Regional and Provincial Offices nationwide	19
Attendance to House and/or Senate Hearings	1
Documentation & Legal Research	79
Contracts reviewed/evaluated	11
Opinions rendered	29
Pre-Bid Conference (TWG)/Post Qualification	1
Opening of Sealed Canvass/Bids	4
Meetings	10
Notice of Disallowance	24
Litigation	833
Hearing/s attended by Lawyers	71
Pleadings, memoranda & related documents prepared by Lawyers	25
Opinions, reports, requests, queries & communications	106
Certifications/COC of no pending case	631
TOTAL	1,036

INTERNAL AUDIT SERVICES

1) Audit Engagements

- a) Completed
 - a) Special Audit on Stock, Accountabilities of Stock, Accountable Officers: CDO, NDO, SDO, EDO, Cavite P.O.
 - b) Special Audit on Importation and Dispersal Operations: Region I, III, IV, V, VII, XI
- b) On-going Field Audit
 - a) Special Audit on Property, Plant and Equipment, and Stock Inventory Variance: NFA-NCR, Region V, VIII, IX, NFA-ARMM
 - b) Special Audit on Property, Plant and Equipment: Region I, II, VI, X

2) Tolerable Allowance (TOLA)

- a) Issued 134 Certifications of Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees with attached transmittal, memo and wire – Completed
- b) Entertained queries from different NFA Regional and Provincial Offices re: TOLA matters – Acted upon with despatch

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology/Systems Development/SOPs

- Approved SOP on Guidelines in Contracting Workers on Job Orders (J.O.) and Contract of Service
- Installed/implemented the Registration and Licensing Information System (RLIS) project in 16 provinces in Regions XI, XII, ARMM, and Bicol.
- On-going implementation of the following e-IFOMIS modules at Central Office
 - Financial Information System
 - Receivable Management
 - General Services Information System

Problems encountered during the project implementation referred to the Comfac Corporation, the developer of the e-IFOMIS Project, are still being resolved.

The Joint Deed of Undertaking between NFA and Comfac Corporation has already been signed by the Administrator, i.e. on the extended time to complete the eIFOMIS.

Corporate Planning

- Conducted/prepared reports of joint EXCOM – MANCOM – RDs' meeting

- Prepared documentary requirements to facilitate the issuance of the P9.495 Billion National Government Guarantee on NFA's credit facilities with LBP and DBP
- Prepared NFA 2018-2022 Plans and Programs
- Accomplished documents on NFA's matrix of anti-poverty programs, projects and activities for Ambisyon Natin 2040 for CABSEC
- Finalized Cargill's request for the extension of its divestment
- Revised the concept paper on Business Continuity Plan
- Issued Budget Partnership Agreement (BPA) with FFF, R1 and RIDF as required by DBM
- Facilitated dialogue of Civil Society Organization (CSO) / FO members of the Rice Watch Network (R1) and National Movement for Food Sovereignty (NMFS) with NFA Administrator Aquino and their NFA top officials on play/rice prices and supply, and the execution of NFA's Budget Partnership Agreement (BPA) with the Federation of Free Farmers (FFF) and Integrated Rural Development Foundation (IRDF); submitted same to DBM.
- Accomplished BP Form 202-A regarding Convergence Programs and Projects that will contribute to the Agricultural Development Program (ADP) of the Government (NBM No. 129 or the FY 2019 Budget Call)
- Accomplished NFA's 2018 Commitments for the Biyaya ng Pagbabago

Corporate Development and/or Evaluation

- Divestment of Assets: On-going Complete Staff Work (CSW)
 - Partial Divestment of NFA General Santos City Property
 - Partial Divestment of NFA-NDO property
 - Request for donation of FLGC warehouse in Quezon, Isabela with an area of 1,400 sqm. to the LGU
 - Poblacion, Calintaan, Occidental Mindoro
- Evaluation
 - Proposed Corn Center in Sablayan, Occidental Mindoro – on-going

Monitoring and Reporting

- Visibility Reports from Field Offices – Liaison with LGUs and Congressmen
- LEAP
 - Congress TWG Hearing on the Development of the Corn Industry
 - Senate public hearing on the lifting of QR on Rice
- Prepared and finalized the 2017 NFA Annual Accomplishment Report
- Validation of 2017 Performance Scorecard

TRAININGS

For the 1st quarter of 2018, NFA facilitated the participation of 206 NFA officials and employees in 5 internal and 14 external trainings.

TITLE		No. Of Participants	Duration
I. Internal Training		181	
1	Conference Workshop for Regional Accountants, Budget Officer and Provincial Accountants	57	Jan. 11-12 Jan. 25-26
2	Training - Seminar on the Use of eFOI	16	Mar. 14-15
3	Succession Planning And Management Batch 1	53	Mar. 6-7
4	Women Empowered Forum	28	Mar. 20
5	Stock Accountable Officers Seminar	27	Mar. 8-9
II. External Training		25	
1	MCLE Program	1	Jan. 22-23
2	Seminar Workshop on Employee Testing and Evaluation	1	Feb. 22-23
3	1 st PAGBA Quarterly Seminar and Meeting	3	Feb. 7-10
4	Effective Leadership Skills	1	Feb. 23
5	Recruitment, Selection and Placement System	1	Feb. 13-15
6	Supervisory Development Course Track 1	2	Feb. 19-23
7	Records and Information Management	2	Feb. 21-23
8	Gender Diversity and Inclusiveness	1	Mar. 13-15
9	S/W on Information Systems Strategic Planning	2	Mar. 7-9
10	Fundamentals of Cyber Security and Ethical Hacking	1	Mar. 16-17
11	CPA Fumigators License Training	2	Mar. 5-6
12	1 st Caraga CPA'S Conference	6	Mar. 1-3
13	PhilGEPS Training for Phase 1	1	Mar. 22-24
14	RA 9184 and IRR	1	Mar. 22-23
TOTAL		206	

NFA PERSONNEL COMPLEMENT as of March 31, 2018

Status/Station	Authorized Positions	Filled Up Positions	Vacancies
Regular			
Central Office	615	539	76
Field Office	3,821	3,332	489
Sub-Total	4,436	3,871	565
CTI Personnel			
Central Office	57	57	
Field Office	255	255	
Sub-Total	312	312	
Total	4,748	4,183	565

FINANCE

Debt Management

Particulars	Balance as of March 31
I Short Term Credit Lines	41,825.895
II Long Term Loans	
LBP – Notes	7,065.000
Various Creditors – Treasury Bonds	0.000
Long Term Notes Syndicated – New	9,000.000
LBP	4,500.000
DBP	4,500.000
Long Term Notes – Various Creditors	54,562.500
Sub-Total	70,627.500
TOTAL BANK LOANS	112,453.395

Contribution to the Economy as of January 31, 2018

Particulars	Amount
Palay Procurement	4,267,676.84
Corn Procurement	-
Rent Expenses	2,705,524.02
Transportation & Deliveries Expenses	14,515,731.18
General Services	3,658,043.80
Janitorial Services	49,557.26
Security Services	18,371,210.97
Drying	1,223.79
Milling	806,017.81
Handling	9,085,329.15
Tax Withheld from Employees' Compensation	18,126,028.07
Tax Withheld from Suppliers of Goods & Services	8,222,750.74
TOTAL	79,809,093.63

PUBLIC AFFAIRS

1. News Releases prepared and issued = 27
Photo Releases = 2
**Posted 53 updates and answered 267 queries in NFA Facebook account for the months of January to March*
2. Speeches/Messages prepared = 8
3. Letters to Editor/Columnist = 3
Letters of Regrets to Ad Solicitors/Donation = 2
4. Press Briefings and Press Conferences = 1
5. Radio, TV and Print Interviews = 82
6. Photo and Video coverage = 22
7. Facilitated and coordinated compliance/reply to different complaints regarding NFA regulations lodged at 8888 Complaints Center = 27 complaints
8. Prepared the following:
 - Media Advisory on Feb. 6 – Invitation for Press Conference re Clarification of NFA rice stocks at NFA Boardroom on Feb. 7, 2018
 - Media Guidelines for NFA
 - Commitment of Support for GRECON
 - Reply to Questionnaire and Data Requirements for Financial Times special report on NFA
 - Executive Summary: NFA position on Rice Tarrification
 - Opening Statement of Adm. Jason Aquino re Senate Hearing on “The NFA and the Supply and Price of Rice”
 - Warning in fake NFA Administrator
 - NFA’s 2nd Quarter 2018 Calendar of Events for submission to the Office of the President
 - Report on the presentation and validation of the *Biyaya ng Pagbabago* Communication Plan
 - Proposed functions, duties and responsibilities of the NFA Provident Fund Advocacy Committee
 - Undertook initial editing of the Grains Industry Museum Handbook
9. Assistance rendered for the interview of Cesar Soriano with Adm. Jason Aquino and his staff including warehouse shooting for inquirer.net, Radio/TV Inquirer’s “Magandang Gabi Pilipinas” and “Isyu 101” programs
10. News from NFA field office repackaged and posted at NFA website
11. Printing of GRAINS magazine for the 3rd quarter and proofing for the 4th quarter of 2017