

National Food Authority

3rd Quarter Accomplishment Report

(July – September 2018)

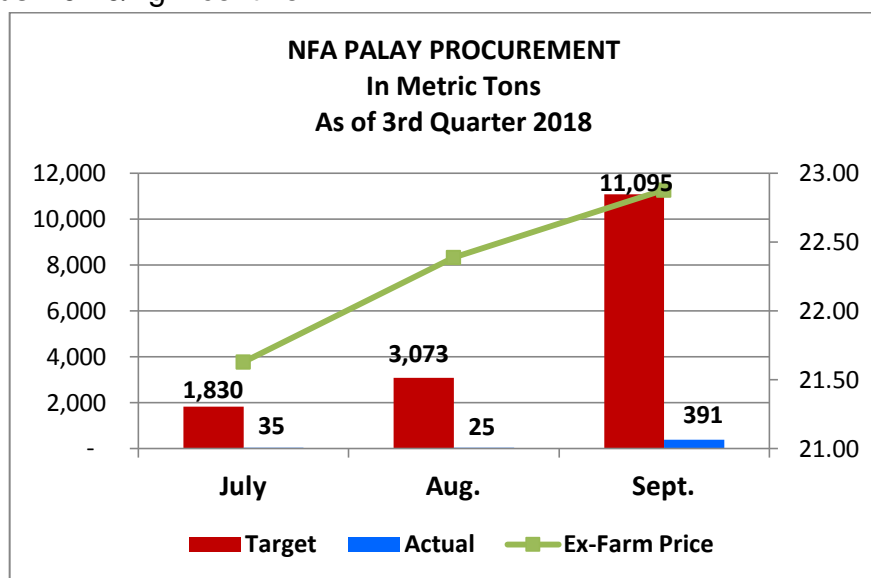


I. SUPPLY AND PRICE OF STAPLE CEREALS

PROCUREMENT

Palay

For the 3rd quarter of 2018, NFA procured 451 MT of palay, which is 2.82% accomplishment of the quarter's target of 15,998 MT. This is 7.65% lower than the 10.47% accomplishment for same quarter last year. The consistent low procurement for this quarter is due to higher prevailing average farm-gate price of palay at ₱23.30/kg, as of September 30, 2018, ₱6.30 higher compared with the government buying price of ₱17.00/kg, plus ₱0.70/kg incentive.



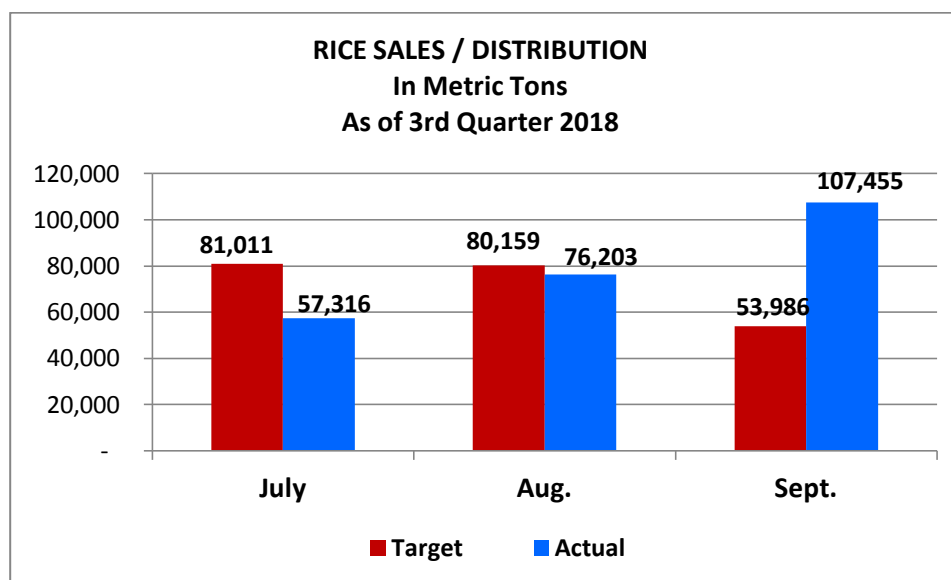
IMPORTATION

The remaining 78,600 MT out of the 250,000 MT total importation under G-to-G agreement, were already delivered during the 3rd quarter of 2018. Of these, 65,600 MT were completed discharged, while 13,000 MT were still at the disports as of September 26, 2018. On the other hand, rice importation under the Open-Tender Scheme started coming in July 2018, when 72.26% (180,641 MT) of the 250,000 MT total importation already arrived, while the remaining 27.74% (69,359 MT) is scheduled to arrive in October.

	G-to-G (Total)	G-to-G (July-Sept)	Open Tender
Total Quantity Contracted	250,000	78,600	250,000
Quantity Delivered	250,000	78,600	180,641
<i>Completed Discharging</i>	237,000	65,600	65,041
<i>At Disport</i>	13,000	13,000	115,600
Quantity Scheduled to Arrive			69,359
<i>In Transit</i>			12,050
<i>Loading</i>			57,309

DISTRIBUTION

For the 3rd quarter of 2018, NFA distributed 240,974 MT of rice, equivalent to 112% accomplishment of the quarter's target of 215,156 MT. There is an 81.55% increase in distribution compared to 30.45% of last year's 3rd quarter distribution. The increase in distribution is part of NFA's counter-inflationary measure, by increasing its market participation to up to 13.56% by the end of September 2018.



PRICES

Average Ex-Farm Prices vs NFA Buying Price (Price per kg) 3rd Quarter 2018

Commodity	NFA Buying Price	Ex-Farm Price	Price Difference
Palay	17.70*	22.30	(4.60)
YGN	12.30	14.45	(2.15)
WGN	13.00	15.01	(2.01)

*₱17.00 + CDIF - ₱ 0.30/kg, Drying Fee - ₱ 0.20/kg, Delivery Fee - ₱ 0.20/kg

The average ex-farm prices of palay for the quarter at ₱22.30/kg posted a ₱ 4.60/kg increase from the NFA's buying price of ₱17.70/kg. Likewise, ex-farm prices for yellow corn at ₱14.45/kg and white corn at ₱15.01/kg were higher by ₱2.15/kg and ₱2.01/kg respectively, compared to the NFA buying price.

Average Prevailing Wholesale/Retail Price of Rice and Corn
(Peso per kg)
3rd Quarter 2018

Commodity	September	August	July	Average Price 2018 (3 rd Q)	Average Price 2017 (3 rd Q)
Wholesale					
WMR	45.97	43.78	42.23	43.99	39.19
RMR	43.14	40.57	38.88	40.86	35.46
YGN	20.93	20.53	20.08	20.51	18.02
WGN	20.76	21.75	20.74	21.08	17.56
Retail					
WMR	49.09	46.37	44.96	46.81	42.11
RMR	45.80	42.89	41.29	43.33	37.95
YGN	25.38	25.23	24.92	25.18	22.25
WGN	27.80	28.12	27.52	27.81	29.01

For the 3rd quarter of 2018, WMR and RMR wholesale prices posted an average price of ₱43.99/kg and ₱40.86/kg, respectively. Both showed increases of ₱4.80/kg and ₱5.40/kg compared to the average prices in the 3rd quarter of 2017, respectively. On the retail level, WMR and RMR average prices were at ₱46.81/kg and ₱43.33/kg, with increases of ₱4.70/kg and ₱5.38/kg compared to 2017, respectively. Likewise, yellow corn wholesale and retail prices in the 3rd quarter of 2018 manifested increases of ₱2.49/kg and ₱2.93/kg, respectively, from 2017. White corn showed an increase of ₱3.52/kg in the average wholesale price, while a slight decrease of ₱1.20/kg in the retail level was noted, compared to the average prices in the 3rd quarter of 2017.

FARMERS WHO SOLD PALAY TO NFA FOR THE 3rd QUARTER OF 2018

Particulars	Palay		Amount Paid by NFA
	Number of Farmers	Qty. in Bags of 50 kg	Php
Individual Farmers	17	307.41	251,847.48
Walk-In Farmers	13	212.16	175,577.83
Farmer Organizations	25		
No. of Members	67	2,085.65	1,813,601.43
TOTAL	97	2,605.22	2,241,026.74

For the 3rd quarter of 2018, there were 97 farmers who sold palay to NFA. The total palay deliveries of 2,605 bags amounted to ₱2.24M.

II. BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED

RICE STOCK INVENTORY

For the 3rd quarter of 2018, NFA had an average stock inventory of 2,204,953 bags (total rice equivalent –TRE) or 110,248 MT, good to last for 3.44 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	2,078,364.63	96.056	} 99.998%
Treated	85,290.20	3.942	
For Treatment	0.00	0.000	}
Sweepings	0.00	0.000	
Partially Damaged	6.57	0.000	} 0.002%
Totally Damaged	40.00	0.002	
TOTAL	2,163,701.40	100.00	

The total average volume of NFA stored grains assessed for the 3rd quarter of 2018 is 2,163,701.40 bags, composed of palay, milled rice and corn grits. Stocks fit as food (rice) represent 96.056% of the total assessed grains. Stocks for disposition were 46.57 bags (0.002%), composed of sweepings, partially damaged, and totally damaged stocks. The average volume of assessed NFA stocks as good was 2,078,364.63 bags.

FOOD DEVELOPMENT CENTER

Testing

- Performed 37 physical and sensory evaluation, 420 chemical analyses, 197 microbiological, and 10 microanalytical quality evaluation
- 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
 - Prepared final progress report on Arsenic in Rice project
 - Prepared project proposal on Bottled Purple Yam spread

Quality Assurance

- Implemented two pilot plant projects.
- Conducted inspection of 18 food manufacturing plants and issued compliance certificates.

Training Programs

- Designed and/or developed Hands-on Training on the Microbiological Analysis of Various Spore formers.
- Implemented five training courses to the food industry and government agencies.
- Prepared/improved eight training course materials.

Industry Liaison

- Evaluated 272 clients' technical inquiries, which analyses/services to be recommended to FDC to meet international standards.
- Monitored and delivered 382 FDC technical reports to stakeholders.

ISO Compliance

- Implemented 58 QA activities for testing laboratories.
- Monitored, reviewed and verified effectiveness of 50 ISO documents.
- Prepared five audit reports for ISO 9001:2015 and two audit reports/documents for ISO 17025:2005.

Operational accomplishment of FDC representing served services to clients in the 3rd quarter of 2018 amounted to ₱1,178,098.23. Income from collections received from clients' request for FDC services (RFDCS) is ₱1,431,908.25.

III. DEVELOPMENTAL REGULATION OF THE GRAINS INDUSTRY IMPLEMENTED AND ENFORCED

REGISTERED/LICENSED GRAINS BUSINESSMEN

Particulars	Amount
R/L Fees Collection	₱ 11,692,170.43
Mobile Licensing - 737	₱ 745,826.05
Advance Collections (2018-2020)	₱ 353,698.50
2019 Applicants: 128	136,994.25
2020 Applicants: 104	216,704.25
No. of R/L Applicants	16,412
METAL PLATES (@ P200/pc)	
- No. of Issuances of Metal Plates	1,213
- Amount	₱ 511,400.00

For the 3rd quarter of 2018, the NFA registered and licensed 16,412 applicants, 262% higher than the 4,539 applicants for the same period in 2017; 232 applicants availed of the advance license scheme. Total R/L collections on grains business activities amounted to ₱11,692,170.43, which includes collection from mobile licensing amounting to ₱745,826.05, and ₱353,698.50 from advance license collections. There were 1,213 metal plates issued/sold for ₱511,400.00. For the quarter, the R/L fees posted an accomplishment of 7.79% of the annual target collection of ₱150M.

UGNAYANs (Farmers' Assembly)

Performance Indicator	Accomplishment 2018	Accomplishment 2017
UGNAYANs conducted	43	164
Participants	1,480	4,408

For the 3rd quarter of 2018, 43 UGNAYANs were conducted, participated in by 1,480 NFA stakeholders, 74% less than the 164 participants in 4,408 UGNAYAN sessions during the 3rd quarter of 2017. RL renewal period, rice distribution, and Tulong sa Bayan Caravan were among the topics discussed during the sessions.

PHIL. GRAINS STANDARDIZATION PROGRAM (PGSP)

Performance Indicator	Accomplishment 2018	Accomplishment 2017
Grains Business Establishment Inspected	18,473	3,933
Meetings/Seminars/Trainings		
Number conducted	19,428	500
Number of Participants	14,247	1,607
Press Releases made	144	7
PGSP Violation cases filed	-	23

To check whether the PGSP Rules and Regulations are strictly observed, 18,473 grains business establishments were inspected for the 3rd quarter of 2018, a 370% increase from the 3,933 grains business establishments inspected in the 3rd quarter of 2017. NFA conducted 19,428 trainings and seminars to advocate PGSP rules and regulations, participated in by 14,247 NFA Stakeholders.

NFA PRIVATE SECTOR RICE IMPORTATION

Performance Indicator	Accomplishment 2018	Accomplishment 2017
Number of NFA Licensed Importers	127	43
- Farmer Organizations	64	14
- Other Sectors (Non-Farmers)	63	29

For the 3rd quarter of 2018, NFA issued/renewed licenses to 127 importers: 64 for farmer organizations and 63 for grains businessmen. Compared to the 3rd quarter of 2017, there was a 357% increase in licensed importers among farmer organizations, and a 117% increase from grains businessmen.

NFA TASK FORCE KONTRA ABUSO

Activities	
Complaints Resolved	598
<i>No available NFA rice</i>	144
<i>Alleged refusal to sell NFA rice</i>	80
<i>Alleged re-bagging/re-sacking of NFA rice</i>	53
<i>Alleged over-pricing of NFA rice</i>	43
<i>Alleged mixing of NFA rice to commercial rice</i>	31
<i>Alleged hoarding of NFA/commercial rice</i>	5
<i>Alleged unfair distribution of NFA rice</i>	4
<i>Alleged diversion of NFA rice</i>	3
<i>Other Complaints/Concerns</i>	235
Complaints still pending with the concerned field office	23
Complaints subject for SSID investigation	7
Complaints not NFA related	17

The NFA Kontra Abuso Hotline was launched last July 10, 2018, to monitor and stop illegal activities concerning NFA rice. During the 3rd quarter of 2018, the task force received 606 reports from the public and grains businessmen, 514 of which are text messages. Majority of complaints are about availability of NFA rice. 598 of the complaints have already been resolved, while there were seven which are still subject for investigation by Security Services and Investigation Department (SSID), the department in-charge during the first week of the launching of the NFA Kontra Abuso.

IV. MANAGEMENT EFFICIENCY AND COMPETENCY

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology/Systems Development/SOPs

- Registration and Licensing Information System (RLIS) were installed and implemented in all provincial offices nationwide.
- SOP and the Amendment to SOP on Rice Sales Program for LGUs was approved.
- SOP on the Amendment/Addendum to the SOP on Certificate of Clearance was approved.
- SOP on the I/G on Designation, Fielding, Reassignment and Relief of Sr. SGOOs and Acting SGOOs was revised and approved.

Corporate Planning

- Prepared update of NFA programs for President's SONA
- Replied to COA on the Preparedness/Readiness of NFA C.O. for year 2017 to implement Programs in Achieving the Sustainable Development Goals (SDGs)

under the 2030 Agenda and AOM No. HO-2018-21 on the Risk Reduction and Management Plan of NFA C.O.

- Prepared the NFA's inputs for Agriculture and Fisheries Modernization Plan 2018-2023.
- Finalized draft of the NFA Business Continuity Plan.
- Prepared highlights of the meeting with Enforcement Agencies (BOC, NBI, CIDG) to curb hoarding and other illegal rice activities.
- Gender Responsive Planning and Budgeting.
- Letter to Major Pulmones on the transfer of Zamboanga City Regional Office to Pagadian City.

Corporate Development and/or Evaluation

- Divestment of Assets: On-going Complete Staff Work (CSW)
 - FLGC III Maragusan, Compostela Valley
 - Poblacion, Calintaan, Occidental Mindoro
 - Bugallon, North Ramon, Isabela
 - La Paz, Saguday, Quirino
 - Catalunan Grande, Davao City
 - Maramag, Bukidnon
- Evaluation
 - Lease of NFA property in Zamboanga by SOLECCO.
 - Re-evaluation of Valenzuela Gulayang Bayan Center (BGVC).
 - Lease of NFA-Nawaco (portion) property in San Jose, Occidental Mindoro.
 - Request for additional road right of way by PAGASA in San Roque, San Jose Occidental Mindoro.

Monitoring and Reporting

- Visibility Reports from Field Offices – Liaison with LGUs and Congressmen
- Prepared and Submitted to GCG the Quarterly Accomplishment report on the NFA modified scorecard
- Attended NAPC convergence meeting

LEAP

- Briefing with Cong. Sambar re: CY 2019 Budget Proposal.
- Prepared the 2018 Matrix of NFA Corporate Targets as required by the House of Representatives.
- Submission of NFA 2019 Budget to Senate.
- Prepared updates on Legislative Agenda.
- Meeting on Rice QR at the office of Congressman Vic Yap.
- Prepared Matrix of NFA Bills focusing on the NFA functions, mandates, activities retained/deleted.

- Prepared materials for and attended Senate and Congress Budget Hearing for FY 2019.
- Attended Senate sessions regarding amendments to the revised Tariffication Bill.

INTERNAL AUDIT SERVICES

1) Audit Engagements

- a) Completed Audit Reports submitted to AO
 - a) Special Audit on Property, Plant and Equipment: Regions I, III, IV, V, VI, VII, VIII, XI, XII, XV, ARMM, and NCR
 - b) Special Audit on Stock Inventory Variance: Regions VIII, NCR, and ARMM
- b) On-going Field Audit
 - a) Special Audit on Rice Distribution Activities: Regions III, IV, V, VI, VII, NCR
- c) Review of Perpetual Leave Cards – 8 completed; 3 on-going

2) Tolerable Allowance (TOLA)

- a) Issued 108 Certifications of Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees – Completed
- b) 2017 List of Accountable Officers as of March 2018 – Completed
2nd Quarter TOLA Status Report – Completed
- c) Entertained queries from different NFA Regional and Provincial Offices re: TOLA matters – Acted upon with dispatch

PUBLIC AFFAIRS

- | | |
|---|-------|
| 1. News Releases prepared and issued | = 39 |
| Photo Releases | = 5 |
| Answered queries in NFA Facebook account | = 811 |
| 2. Press Briefings and Press Conferences | = 5 |
| 3. Monitored and clipped news items on NFA corporate and agri-related issues and concerns and provided copies to concerned NFA officials. | = 523 |

LEGAL AFFAIRS

For the 3rd quarter of 2018, 900 activities pertaining to adjudication, documentation and litigation were undertaken:

Adjudication	93
Formal Charge, Order of Preventive suspension served with complete case folder/s upon respondent/s	1
Notice of Pre-Hearing Conference issued	6
Orders prepared	13
Pre-Hearing Conference conducted	4
Motions/Pleading filed	23
Reproduction & service of copies of position papers memoranda & other pleadings to Pros. And H.O.	3
Recorded the minutes of hearing and proceedings per case	5
Transcribed Minutes/TSN of hearing and proceedings per case	4
Prepared and Submitted Formal Investigation report (FIR)	10
Service of proposed decision/s to the Administrator's Office for approval/signature	6
Rendition of opinions on administrative matters requested by any department at Central, Regional and Provincial Offices nationwide	18
Documentation & Legal Research	106
Contracts reviewed/evaluated	27
Opinions rendered	32
Pre-Bid Conference (TWG)/Post Qualification	2
Opening of Sealed Canvass/Bids	4
Meetings	20
Notice of Disallowance	21
Litigation	701
Hearing/s attended by Lawyers	43
Pleadings, memoranda & related documents prepared by Lawyers	34
Opinions, reports, requests, queries & communications	89
Certifications/COC of no pending case	535
TOTAL	900

FINANCE & ADMINISTRATION

Contribution to the Economy for the 3rd Quarter 2018

Particulars	Amount
Palay Procurement	3,058,815.72
Corn Procurement	-
Rent Expenses	15,457,957.02
Transportation & Delivery Expenses	102,467,909.77
General Services	13,660,135.55
Janitorial Services	3,572,215.28
Security Services	72,037,396.54
Drying	2,652.77
Milling	49,422.61
Handling	54,562,184.93
Tax Withheld from Employees' Compensation	23,920,140.49
Tax Withheld from Suppliers of Goods & Services	41,822,962.49
TOTAL	330,611,793.17

Debt Management

Particulars	Balance as of September 30
I Short-Term Credit Lines	35,111.810
II Long-Term Loans	
LBP – Notes	6,165.000
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	49,687.500
Sub-Total	64,852.500
TOTAL BANK LOANS	99,964.310

HUMAN RESOURCE MANAGEMENT

NFA Personnel Complement as of September 30, 2018

Status/Station	Authorized Positions	Filled Up Positions	Vacancies
Regular			
Central Office	615	529	86
Field Office	3,821	3,338	483
Sub-Total	4,436	3,867	569
CTI Personnel			
Central Office	53	53	
Field Office	241	241	
Sub-Total	294	294	
Total	4,730	4,161	569

Trainings

For the 3rd quarter of 2018, NFA facilitated the participation of 195 NFA officials and employees in 4 internal and 24 external trainings.

TITLE	No. Of Participants	Duration
I. Internal Training	153	
1 Orientation Course for NFA's New Employees	20	Aug. 23-24
2 Pre-Retirement Seminar	46	Aug. 20
3 The Updates of RA 9184 and its Revised 2016 IRR	51	Sept. 6-7
4 Pre-Retirement Seminar (2 nd Batch)	36	Sept. 27

TITLE	No. Of Participants	Duration
II. External Training	42	
1 Records and Filing Management	1	July 5
2 MCLE	3	July 23-26
3 Basic Internal Control Concepts and Internal Auditing Principles and Practices	1	July 11-13
4 Customer Relation Workshop	6	July 24-25
5 Basic Calibration Module 1 Seminar	1	July 27-28
6 ASP. Net Programming Using C#	2	July 8, 15, 22, 29 & Aug. 5
7 Strategic Planning	1	Aug. 16-17
8 The Seven Habits of Highly Effective Government Leaders	2	Aug. 7-9
9 Basic Occupational Safety and Health Training	1	Aug. 13-17
10 PAGBA 3 rd Quarterly Seminar and Meeting	4	Aug. 8-11
11 Effective Leadership Skills	1	Aug. 16
12 Mentoring and Coaching for Leaders	1	Aug. 23-24
13 Public Procurement Specialist Certification Course 2	1	Aug. 24-25, Sept. 7-15
14 Strategic Performance Management System	1	Aug. 15-16
15 Transglobal Leadership	1	Sept. 12
16 Web Development Course	2	Sept. 3-7
17 31 st National Rice R4D Conference	2	Sept. 6-7
18 57 th PAFT Annual Convention	3	Sept. 12-14
19 GAD Exclusiveness	1	Sept. 5-7
20 Basic Calibration Modules	2	Sept. 28-29
21 Internal Quality Audit	1	Sept. 11-12
22 Competency-Based HR	1	Sept. 5-7
23 RA 9184	2	Sept. 19-21
24 Advance MS Excel 2013	1	Sept. 6-7
TOTAL	195	