

National Food Authority

4th Quarter 2020
Accomplishment Report



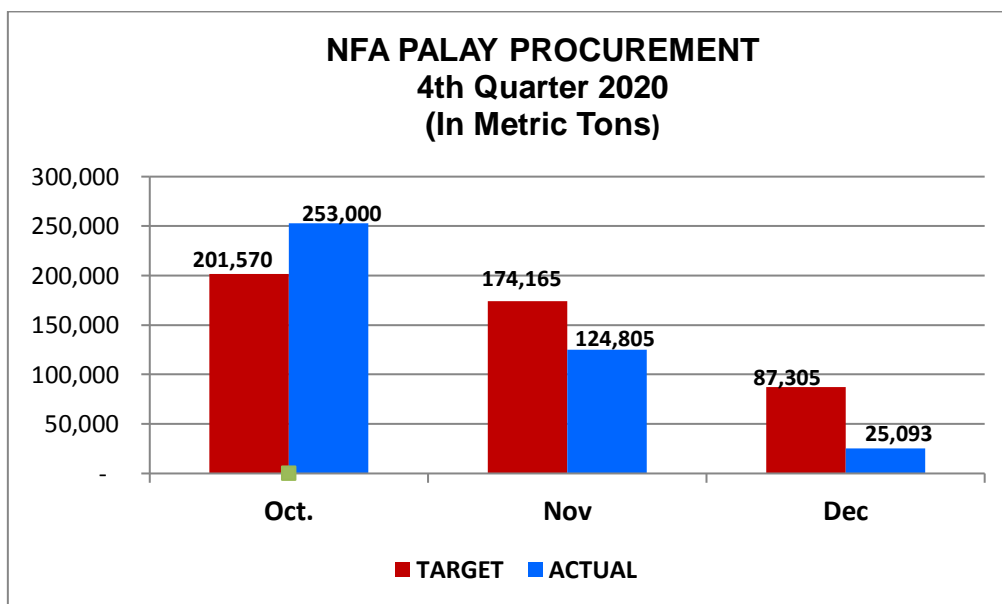
**ENSURE FOOD SECURITY
THROUGH MAINTENANCE OF BUFFER STOCKS**

PALAY PROCUREMENT

For the 4th quarter of 2020, NFA procured 402,898 MT of palay, which is 87.01% accomplishment of the quarter’s target of 463,040 MT. This is 3.35% or 13,048 MT higher than the 389,850 MT accomplishment for the same quarter last year. The high procurement for October can be attributed to the onset of procurement season and the high buying price of NFA rice compared with the prevailing ex-farm prices.

**Palay Procurement
4th Quarter
2020 VS 2019
(In Metric Tons)**

MONTH	TARGET	ACTUAL 2020	% ACC.	ACTUAL 2019
October	201,570	253,000	126	161,979
November	174,165	124,805	72	150,743
December	87,305	25,093	29	77,128
TOTAL	463,040	402,898	87.01	389,850

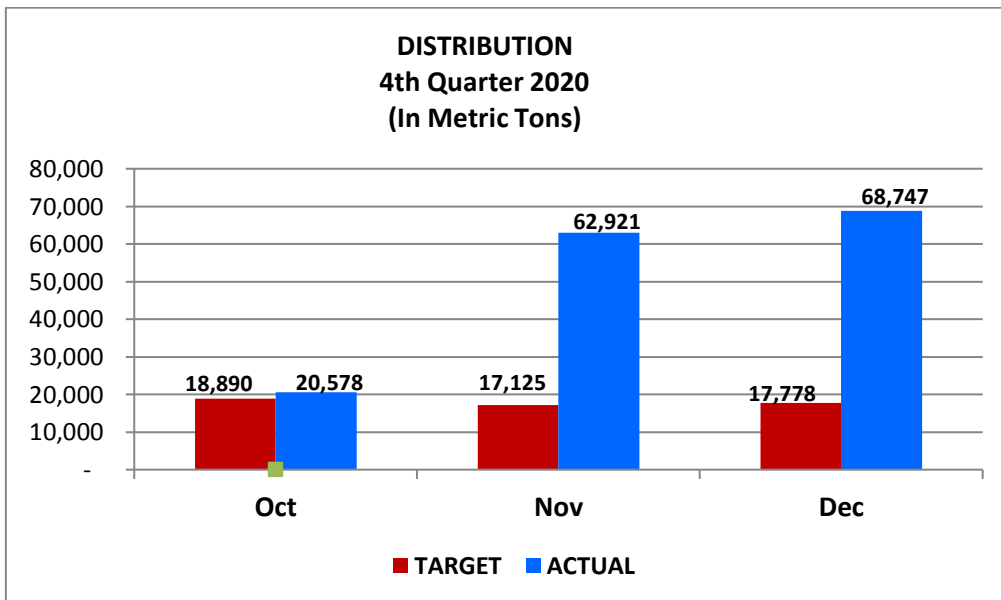


DISTRIBUTION

For the 4th quarter of 2020, NFA distributed 152,246 MT of rice, equivalent to 283% accomplishment of the quarter's target of 53,793 MT. This is 43.30% or 46,005 MT higher than the 106,241 MT accomplishment for the same quarter last year. The high distribution can be attributed to the massive rice releases to DSWD, LGUs and other relief institutions, intended for COVID-19 relief operations.

NFA Rice Distribution 4th Quarter 2020 vs 2019 (In Metric Tons)

MONTH	TARGET	ACTUAL 2020	% ACC.	ACTUAL 2019
October	18,890	20,577	109	35,639
November	17,125	62,921	367	35,440
December	17,778	68,747	387	35,162
TOTAL	53,793	152,246	283	106,241



PRICES

Although the NFA no longer performs price stabilization function, prices are still being continually monitored, since they served as important input in the operations activities and decision-making of the NFA Management.

Ex-Farm Prices

NFA's buying price of ₱ 19.00/kg. is higher than the average prevailing ex-farm price of ₱15.75 /kg. at ₱3.25 /kg. This is also higher by ₱3.46/ kg compared to the average ex-farm price for 2019 at ₱15.54 / kg.

NFA's buying price for yellow corn (YGN) at P 12.30/kg. is ₱0.29 /kg is higher than the average prevailing price ex-farm price. On the other hand, NFA's buying price of ₱13.00 / kg for white corn (WGN) compared with the prevailing average ex-farm price of ₱13.10 / kg is lower by ₱0.10 /kg.

Average Ex-Farm Prices vs NFA Buying Price

(Price per kg)

4th Quarter 2020

Commodity	NFA Buying Price	Ex-Farm Price	Price Diff. (In peso/kg)
Palay	19.00*	15.75	3.25
YGN	12.30	12.01	0.29
WGN	13.00	13.10	(0.10)

*Effective September 11, 2019

Commercial Prices

Average Prevailing Wholesale/Retail Price of Rice and Corn

(Peso per kg)

4th Quarter 2020

<i>Commodity</i>	<i>Average Price 2020 (4th qtr)</i>	<i>Average Price 2019 (4th qtr)</i>	<i>Price Increase/ Decrease</i>
Whole Sale			
WMR	37.55	37.97	(0.40)
RMR	33.49	33.34	(0.34)
YGN	19.52	20.95	(1.68)
WGN	16.29	16.95	(0.71)
Retail			
WMR	41.29	42.03	(0.15)
RMR	36.46	38.84	(0.38)
YGN	24.52	25.68	(1.26)
WGN	25.24	26.69	(1.86)

The average commercial prices in the wholesale and retail levels of Well-Milled Rice (WMR) and Regular Milled Rice (RMR) generally decreased compared to last year's levels by ₱0.40/kg, ₱0.34/kg, and ₱0.15/kg, ₱0.38/kg., respectively.

Likewise, prices of yellow and white corn in the wholesale and retail levels generally decreased for this quarter. Significant decreases were recorded at ₱1.68/kg, ₱ 1.26/kg, ₱0.71/kg and ₱1.86/kg respectively.

I. BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED

NFA INVENTORY

As of December 31, 2020, NFA's stock inventory of 6,982,313 bags (total rice equivalent –TRE) or 349,116 MT is good to last for 10.55 days, based on the daily rice consumption rate. However, based on Average Daily Sales of 78,416 bags, the inventory is good to last for 89.04 days. It should be noted that NFA's inventory is only part of the national rice inventory of the entire country.

NATIONAL QUALITY ASSESSMENT (QSAR) OF NFA STOCKS

Classification/ Condition of Stocks	Quantity (in 50-kg bags)	Percentage (%)	
Good quality (GQ)	8,996,866.73	92.429	} 99.995
Treated	725,934.37	7.460	
For treatment	9,608.63	0.106	} 0.05
Sweepings	209.20	0.002	
Partially damaged	48.90	0.000	} 0.05
Totally damaged	219.67	0.002	
Total	9,732,887.50	100.00	

The total average volume of assessed NFA stored grains for the 4th quarter of 2020 was 9,732,887.50 bags, composed of palay, milled rice and corn grains. Stocks fit as food (rice) and feed (corn) represent 99.995% of the total assessed grains. Totally damaged milled rice stocks for disposition consisted of 477.77 bags, equivalent to 0.05% of the total stock inventory.

TECHNICAL RESEARCH AND SERVICES

Facilities & Engineering Services

Constructed and maintained the following storage facilities and office buildings to improve NFA's operations:

- 45-TCC Warehouse in Bantay, Ilocos Sur .
- Central Office Building in Visayas Avenue, Quezon City at 97.20% accomplishment.

II. MANAGEMENT EFFICIENCY AND COMPETENCY

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology/Systems Development/SOPs

- As of December 31, 2020, the development of the Electronic Integrated Financial Operation and Management Information System (e-IFOMIS) is 97.41%. This covers the evaluation and validation of the results of pilot listings.

Corporate Planning

- Office Performance Commitment and Review (OPCR)
 - Completed the consolidation of 2019 2nd Semester OPCR. Prepared transmittal and submitted for signature of PMT Officials.
- Performance Based Bonus (PBB)
 - Prepared memorandum and transmittal for GSD, Regional Offices and Provincial Offices re: Updating of FY 2019 PhilGEPS posting as a requirement for 2019 Performance Based Bonus (PBB).
 - Monitored requirements to be eligible for the grant of the FY 2020 PBB.
- Other Matters
 - Updated the NFA's Citizen Charter / ARTA.
 - Finalized consolidation of revisions from the validation of inputs in the NFA Citizen's Charter.
 - Finalized the NFA's Citizens Charter internal processes
 - Submitted Annual Procurement Plan/Project Procurement Management Plan of Corporate Planning for the Year 2021.

❖ Governance Commission for GOCCs (GCG) Concerns

- Prepared & submitted supporting / additional documents needed for the 2019 Performance Scorecard Validation as required by GCG.
- Answered GCG query re: SM 5 – Divestment of Properties, and submitted the NFA Council Secretary Certificate on the approval of Divestment of the NDO Property. Also submitted the unamended deed of sale of the NDO property as additional documents for the validation of the 2019 Performance Scorecard.
- Consolidated and finalized the report on the Recalibration of Targets in the NFA 2020 Performance Scorecard. Finalized and consolidated submissions of concerned departments.
- Prepared and submitted all the documentary requirements for the NFA 2020 Performance Scorecard.
- Finalized the NFA's 2020 Risk Mitigation Plan. Finalized the proposed 2021 NFA Performance Scorecard.
- Disseminated memo re: NFA ISO QMS Certification Projects, informing concerned offices that GCG and DBM has approved NFA's request for exemption on the ISO QMS Certification. Regardless, NFA will still push through with its ISO QMS Certification projects as planned.
- Prepared memorandum cascading AO25 IATF MC 2020-1 & GCG MC 2019-2 with list of 2020 Good Governance Conditions, 2020 Performance Indicators and other requirements to be eligible for 2020 Performance Based Bonus.

- Endorsed to GCG the letter to DBM regarding NFA's request for suspension of ISO compliance for 2019 Performance Scorecard.

❖ **Department of Agriculture (DA) Matters**

➤ Reports / Accomplishments / Programs

- Prepared and submitted NFA's Public Service Continuity Planning and Management Team (SCPMT) Weekly Report.
- Prepared and submitted report on the Realignment of CY 2021 Plan and Budget to New Normal and Covid-19 Response and Rehabilitation
- Prepared and submitted 2021 Major Plans and Programs, Proposed Major Policies and Directives.
- Prepared Program Convergence Budgeting: Proposal for the FY 2021 Agricultural Development Program (ADP).
- Prepared and submitted additional updates on NFA deliverables on RA 11203.
- Submitted needed data re: FY2021 Budgetary Requirements.

➤ Others

- Replied to DA inquiry re: DA Annual Report 2019, particularly on the Optimal Level of Buffer Stocks.

❖ **Others (DBM, NEDA, COA, LBP)**

- Prepared and submitted to DBM NFA CY 2021 Budget Requirement.
- Prepared / reviewed letter to NEDA-EDC Secretariat requesting for excerpts of the minutes of meeting dated October 23, 2019, as additional documents for the validation of SM5 – Divestment of Assets of the 2019 Performance Scorecard.

Monitoring and Reporting

- Prepared NFA Monthly and Quarterly Accomplishment Reports and posted same to the NFA website.
- Prepared and submitted quarterly accomplishment report to GCG on the NFA Performance Scorecard.
- Continued coordination with concerned departments and regional offices regarding NFA's compliance to Transparency Seal
- Submitted Corplan Division's Risk Register and Opportunity Action Plan as input to TRSD ISO Certification.
- Prepared and submitted Quarterly Report on BAR 1 form, as required by DBM.

- Prepared and submitted Quarterly Report on Programs Projects and Activities, as required by COA.

Asset Rationalization Program:

❖ Evaluation / Complete Staff Work (CSW)

- Finalized the CSW for the Proposed Lease of the Vacant Lot at the NFA-ACA Compound by DMCI approved by the NFA EXCOM.
- Drafted CSW on the proposed warehouse construction in Sanchez Mira, Cagayan.
- Endorsed to AO the letter of Governor Edwin I. Jubahid of Davao del Norte denying his request for NFA to donate its property in Tibal-og, Sto. Tomas Davao Del Norte, in exchange for the settlement of taxes of all NFA properties in the province amounting to ₱ 523,726.46, mainly because of the directive for NFA not to divest government properties.
- Prepared / submitted a report to AO informing them of the discrepancy of about 48,697 sqm in the total area between the TCT and the Deed of Absolute Sale of the NFA property in San Francisco, Macabebe, Pampanga, prior turn-over of title to the LGU.
- Prepared memorandum and submitted to DA the consolidated reports of regional / provincial offices on NFA's Inventory of Unutilize and / or Underutilize Land, and Other Assets for potential Public-Private-Partnership (PPP) projects.
- Prepared memorandum and submitted to DA the consolidated reports of regional / provincial offices for NFA's properties for divestment, with location, address, land area, TCT, OCT and estimated acquisition cost / appraised value.

SOPs Approved

- SOP on the Grant of Retirement Award approved on December 21, 2020.
- SOP on Disaster / Calamity and Emergency Loan Assistance Program approved on December 21, 2020.

Legislative-Executive Advocacy Program (LEAP)

- Provided information / data to EXCOM re: Senate Plenary Deliberation.
- Prepared Memorandum / Inputs on Congress Budget Hearing.
- Prepared memorandum and instructions for the Senate Committee on Finance Briefing on FY 2021 proposed budget of the NFA.
- Prepared materials requested by House of Representatives for the Plenary Budget Hearing.
- Prepared cue cards for Rep. Teodorico Haresco, Jr. for the DA-NFA Budget Hearing.

INTERNAL AUDIT SERVICES

AUDIT ENGAGEMENTS

Audit

- Special Audit on Perpetual Leave Card Administration for Regions 1, Cavite, EDO,CDO, NDO, NCR Regional office and Central Office-completed.
- Special Audit on Cash Accountabilities of NFA Collecting and Procurement Disbursing Officer of NFA Albay Provincial Office-completed.
- On-going Preparation of Guide: How to Perform Risk Based Internal Auditing
- Internal Audit Charter-On going
- Completed the examination/audit of 165 employees Perpetual Leave Card

Tolerable Allowance

- Issued 156 Certifications for Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees
- Consolidated Status of Stock Accountable Officers (SAOs) Accountabilities as September 30, 2020, Completed
- National Consolidated TOLA reports as of June 30,2020, on-going
- Regional Summary of Shortages per Stock Accountable Officer as of June 30, 2020, on-going.
- National Summary of Shortages per Stock Accountable Officer from December 2019 to September 2020.

PUBLIC AFFAIRS

- Prepared news brief on the NFA operational activities:
 - Maulan man at maputik, patuloy pa rin ang NFA sa paglilingkod sa sambayanan.
 - NFA Region VIII intensifies procurement activities
 - NFA Aklan serves farmers in remote areas.
 - Palay procurement in Bohol in full swing
 - LGU AND DA-RFU5 support NFA Camarines Norte aggressive palay buying
 - DPWH supports NFA Albay procurement activities.
- Answered/replied 253 inquiries of netizens via Facebook (FB) page.
- Posted 48 DA and NFA-related updates/new releases on Facebook
- Endorsed 27 complaints to concerned offices/officials/employees and ensured prompt compliance for submission to the Office of the President.
- Monitored thru internet and prepared summary of 931 news clippings from national dailies, tabloids and other media outfits (local and foreign).
- News release on Rice Relief for Typhoon Rolly.
- Shared/posted/reposted 108 news articles related to NFA particularly on NFA rice distribution, palay procurement and other NFA-related articles.
- Updated People's Freedom of Information Manual and NFA Freedom of Information Manual

LEGAL AFFAIRS

For the 4th quarter 1422, activities pertaining to adjudication, documentation and litigation were undertaken as follows:

Adjudication	30
Submitted Draft Decisions Resolutions to AO	3
Handling, Prosecution of Administrative Cases	3
Submitted Formal Investigation Reports (FIRs)	24
Documentation & Legal Research	52
Contracts/ SOP reviewed/evaluated	14
Opinions rendered	12
Memos re: Notice of Disallowance	15
Other Memos	11
Litigation	1340
Hearing/s attended by Lawyers	21
Pleadings memoranda & related documents prepared by Lawyers	39
Opinions, reports, requests, queries & communications prepared and sent by Lawyers	115
Certifications/COC of no pending case	1162
Other Accomplishments	3
TOTAL	1,422

FINANCE & ADMINISTRATION

For the quarter, NFA has contributed **P8,517,775,425.95** to the country's economy in terms of the following increase in economic activities.

PARTICULARS	AMOUNT			
	OCTOBER	NOVEMBER	DECEMBER	TOTAL
Palay Procurement	4,869,459,326.73	2,401,066,427.22	469,031,669.21	7,739,557,423.16
Rent Expenses	5,484,028.02	5,852,359.15	11,820,324.36	23,156,711.53
Transportation & Deliveries Expenses	19,750,332.55	19,608,163.38	81,323,329.10	120,681,825.03
General Services	1,202,110.56	7,724,878.97	6,127,148.89	15,054,138.42
Janitorial Services	2,143,575.60	31,536,063.93	70,829.67	33,750,469.20
Security Services	32,224,405.73	-	50,032,530.28	82,256,936.01
Drying	336,535.14	262,533.03	2,672,549.01	3,226,617.18
Milling	-	3,113,071.20	3,694,496.52	6,807,567.72
Handling	181,501,312.98	125,505,170.13	87,854,387.51	394,860,870.62
Tax Withheld from Employees' Compensation	8,374,826.44	8,476,771.98	11,732,895.84	28,584,494.26
Tax Withheld from Suppliers of Goods & Services	18,355,350.45	33,252,945.03	18,185,077.34	69,793,372.82
TOTAL	5,138,831,804.20	2,636,398,384.02	742,545,237.73	8,517,775,425.95

Debt – Management

The outstanding NFA loans as of December 31, 2020 amounted to P136,222,034.00, comprising of the following:

Particulars	Balance as of December 31, 2020 (in Million Pesos)
I Short-Term Credit Lines	50,495.000
II Long-Term Loans	
LBP – Notes	2,115.000
Various Creditors – Treasury Bonds	18,750.000
Long Term Notes Syndicated – New	7,560.000
Foreign-Japanese Rice Loan	62.645
Net Lending	57,239.389
TOTAL BANK LOANS	136,222.034

HUMAN RESOURCE MANAGEMENT

When the government implemented the community quarantine, NFA assigned skeleton workforce to ensure continuity of NFA services to the public. Work arrangements have been set at 50% workforce reporting to the office, while the other 50% works from home (WFH). The schedule shifts weekly, to comply with the physical distancing protocol of keeping the required distance of at least 1 meter.

NFA PERSONNEL COMPLEMENT as of December 31, 2020

Status	Authorized Positions	Filled-up positions	Vacancies
<i>Regular</i>			
Central Office	514	337	54
Field Office	3,821	2,666	1278
Sub Total	4,335	3,003	1332
<i>CTI</i>			
Central Office	1	1	
Field Office	0	0	
Sub Total	1	1	
Total	4,336	3,399	1,332

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