

National Food Authority

1st Quarter 2020
Accomplishment Report

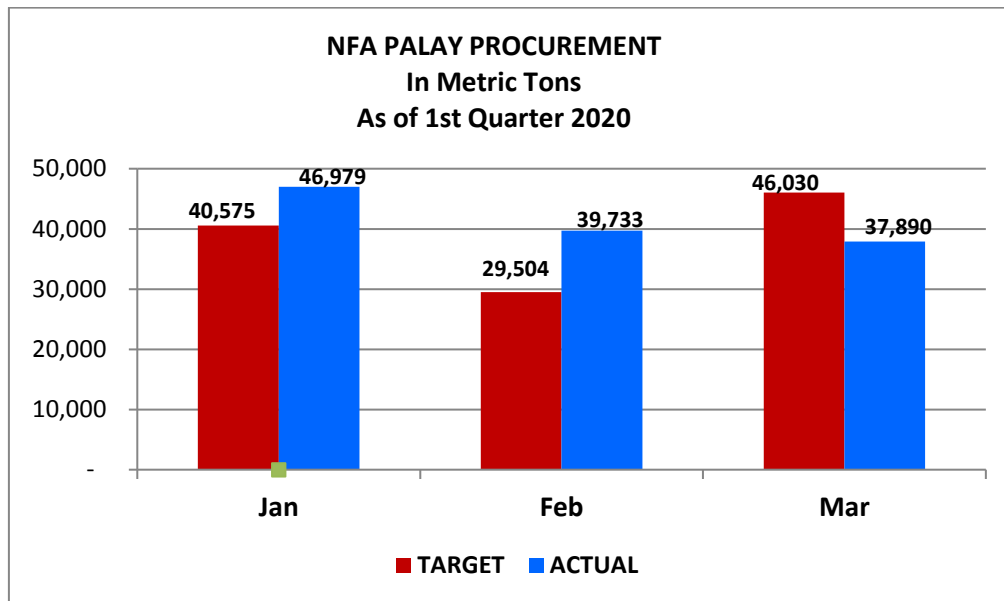


I. SUPPLY AND PRICE OF STAPLE CEREALS

PROCUREMENT

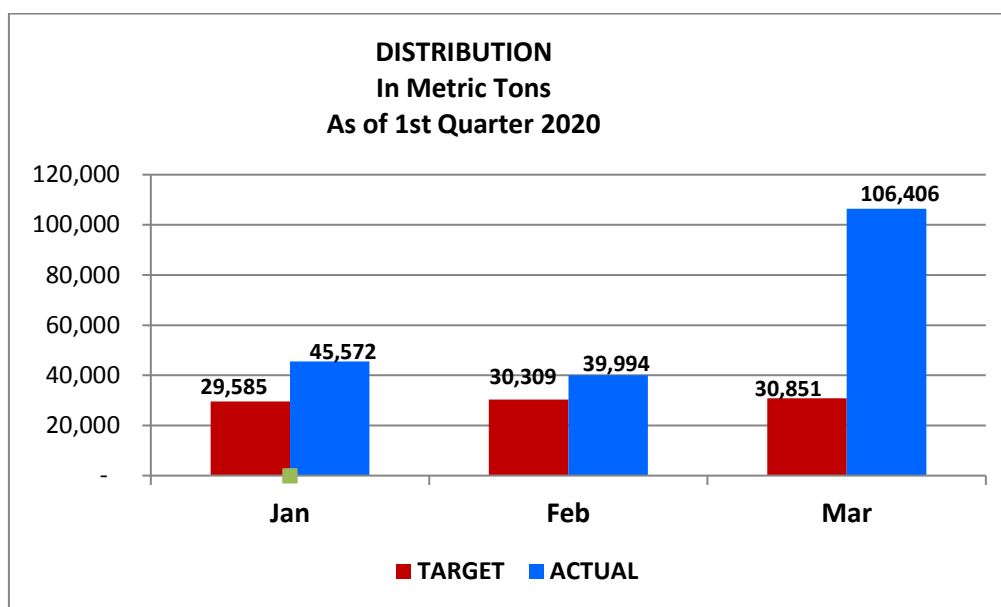
Palay

For the first quarter of 2020, NFA procured 124,602 MT of palay, which is 107.31% accomplishment of the quarter's target of 116,109 MT, and higher than the 89.24% accomplishment for the same quarter last year.



DISTRIBUTION

For the first quarter of 2020, NFA distributed 191,972 MT of rice, equivalent to 211.55% accomplishment of the quarter's target of 90,745 MT. This is 119.86% higher than the accomplishment of 91.69% for the same quarter last year. The high distribution was attributed to the increased rice releases to DSWD and LGUs, for the COVID-19 relief operations.



PRICES

Average Ex-Farm Prices vs NFA Buying Price

(Price per kg)

1st Quarter 2019

| Commodity | NFA Buying Price | Ex-Farm Price | Price Diff. (In peso/kg) |
|-----------|------------------|---------------|--------------------------|
| Palay | 19.00* | 17.08 | 1.92 |
| YGN | 12.30 | 13.45 | (1.15) |
| WGN | 13.00 | 15.06 | (2.06) |

* Effective September 11, 2019

The average ex-farm prices of palay for the quarter at ₱17.08/kg is ₱1.92/kg or 11.24% lower than the NFA's buying price of ₱19.00/kg. On the other hand, the ex-farm prices of yellow corn at ₱13.45/kg and white corn at ₱15.06/kg were higher by ₱1.15/kg and ₱2.06/kg respectively, compared to the NFA buying prices for corn.

Average Prevailing Wholesale/Retail Price of Rice and Corn
(Peso per kg)
1st Quarter 2020

| <i>Commodity</i> | <i>Average Price 2020 (1st qtr)</i> | <i>Average Price 2019 (1st qtr)</i> | <i>Price Increase/ Decrease</i> |
|-------------------|---|---|---|
| Whole Sale | | | |
| WMR | 37.46 | 43.25 | (5.79) |
| RMR | 41.63 | 40.24 | 1.39 |
| YGN | 21.20 | 20.66 | 0.54 |
| WGN | 17.00 | 20.89 | (3.89) |
| Retail | | | |
| WMR | 33.34 | 46.89 | (13.55) |
| RMR | 36.84 | 43.45 | (6.61) |
| YGN | 25.78 | 25.73 | 0.05 |
| WGN | 27.10 | 28.17 | (1.07) |

For the first quarter of 2020, WMR and RMR wholesale prices posted an average price of ₱37.46/kg and ₱41.63/kg, respectively. Compared with same period last year, WMR decreased by ₱5.79/kg., while RMR increased by ₱1.39/kg. On the retail level, WMR and RMR average prices were at ₱33.34/kg and ₱36.84/kg, posting average decreases of ₱13.55/kg and ₱6.61/kg, compared to 2019, respectively.

Compared to first quarter last year, wholesale and retail prices of yellow corn registered an increase of ₱0.54/kg and ₱0.05/kg., on the other hand, wholesale and retail of white corn posted a decrease of ₱3.89/kg. and ₱1.07/kg., respectively.

II. BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED

RICE STOCK INVENTORY

For the first quarter of 2020, NFA stock inventory (total rice equivalent –TRE) of 513,971 MT, is good to last for 15.53 days, based on the 2020 national daily rice consumption requirement of 33,096 MT.

NATIONAL QUALITY ASSESSMENT (QSAR) OF NFA STOCKS

| Classification/ Condition of Stocks | Quantity (in 50-kg bags) | Percentage (%) | |
|--|-----------------------------|-------------------|--------|
| Good quality (GQ) | 11,904,012.87 | 89.267 | |
| Treated | 1,417,709.13 | 10.631 | 99.995 |
| For treatment | 12,909.27 | 0.097 | |
| Sweepings | 0.00 | 0.000 | |
| Partially damaged | 97.33 | 0.001 | 0.005 |
| Totally damaged | 472.47 | 0.004 | |
| Total | 13,335,201.07 | 100.000 | |

The total average volume of assessed NFA stored grains for the first quarter of 2020 was 13,335,201.70 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. Stocks for disposition were 569.8 bags which comprise the (0.005%) totally damaged milled rice.

TECHNICAL RESEARCH AND SERVICES

Metrology Services

During the first quarter of 2020, the Metrology Division undertook troubleshooting, repair, verification and adjustment of the metrology equipment of field offices. The NFA saved an estimated amount of ₱178,360.00 for directly undertaking those activities.

Engineering Services

The construction and maintenance of storage facilities and office buildings are aimed to improve NFA's operations:

Completed Projects

- Construction of 100 TCC warehouse 1 in Alang-alang Leyte at 100% accomplishment as of March 2, 2020.

On-going Projects

- Construction of a 45-TCC Warehouse in Bantay, Ilocos Sur at 63.65% accomplishment.
- Construction of Central Office Building in Visayas Avenue, Quezon City at 95.11% accomplishment.

❖ **Truck scale Utilization**

During the quarter, the Truckscale Utilization Reports from concerned NFA provincial offices had the following details:

| | | |
|----------------------------------|---|---------------------------|
| Number of reports received | : | 80 Provincial Reports |
| Number of bags weighed | : | 4,230,631.50 bags of 50kg |
| Savings from handling | : | ₱14,500,498.62 |
| Income from third party services | : | ₱35,915.35 |

From keeping its truck scales in good operating condition, NFA was able to save from handling cost, and generated an income amounting to **₱18,734,721.47** for the first quarter of 2020.

III. MANAGEMENT EFFICIENCY AND COMPETENCY

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology/Systems Development/SOPs

- As of March 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

- Prepared documentary requirement for the NFA 2020 Performance Scorecard
- Submitted NFA 2020 Performance Scorecard to GCG.
- Submitted Updated NFA's Citizens Charter/Anti-Red Tape Act (ARTA).
- Submitted NFA 2019 Annual Report to COA.
- Prepared proposed Planning Framework, including the necessary materials for the National Planning Conference in Palawan, facilitated the conference, and acted as secretariat during the conference.
- Prepared latest status/updates on Marching Orders last October 2019 Planning Conference in Batangas.
- Prepared memorandum regarding 2021 Major Plans and Programs, Proposed Major Policies and Directives for submission to DBM.
- Conducted meeting last February 27, 2020 with Integrated Rural Development Fund for Budget Partnership Agreement for 2021.
- Attended the Capacity Building Workshop of the Department of Agriculture in Cagayan de Oro City on February 4-7, 2020.
- Prepared memorandum to all Regional Directors regarding submission of Revised 2020 OPCR's, as agreed during the National Planning Conference.
- Prepared Directions and Marching Orders & Highlights of the National Planning Conference
- Prepared brief Highlights of NFA Accomplishment for CY 2019 for Governance Commission for GOCCs
- Coordinated with the Finance Group on GCG's request for financial information for the NFA's Contribution of the GOCC Sector to the Bayanihan Heal as One Act (R.A. No. 11469).
- Submitted report to GCG including the Highlights of NFA Accomplishments for CY 2019.
- Submitted to the Administrator the drafted Budget Partnership Agreement with Free Farmers Federation.

Asset Rationalization Program:

Evaluation

- Consolidated report of regional and provincial offices on the inventory of unutilized and underutilized lands
- Memo for Region XII to evaluate the proposed warehouse construction in Baguer, Libungan and Kilada, Matalam, North Cotabato.
- Requested Council's Certificate of approval on NFA real properties for divestment for the last 10 years, from 2009 to present, as input to the ARP Accomplishment Report.
- Prepared memo on the NFA Proposed Projects for approval of the NFA Council, in support of the President's commitment.
- Follow up concerned regional and provincial offices regarding their Initial evaluation of Proposed Warehouse Construction in Ligao and Libon Albay and in Libmanan and Tigaon, Camarines Sur.

Monitoring and Reporting

- Submitted to GCG 2019 4th Quarter Accomplishment Report based on the 2019 Performance Scorecard.
- Endorsed to GCG the letter to DBM re: NFA's request for suspension of ISO compliance for the 2019 Performance Scorecard.
- Submitted inputs to the Department of Agriculture CY 2019 Annual Report.
- Prepared letter reply to DA regarding submission of BP Form 202-A on Convergence Programs and Projects.
- Prepared NFA Monthly Accomplishment Reports (January-February 2020).
- Attended ARTA training entitled: Capacitating Government Instrumentalities on the Citizens Charter.
- Attended 2019 DA Programs & Projects Year-end Review & Workshop.
- Attended Capacity Building of DA Planning Officers in Developing KPIs.
- On-going and continuous coordination regarding NFA's Compliance with Transparency Seal completion/complete postings.
- On-going consolidation and update on NFA's Citizens Charter internal process

LEAP

- Prepared requested data of Congresswoman Arlene D. Brosas, regarding List of farmers who sold palay to NFA at Php 19.00 from January to December 2019
- Prepared letter reply to Sangguniang Bayan Secretary Elizabeth Legitimas regarding 60,000 bags palay procurement programmed for Compostella Valley per marketing plan
- Attended DA Internal Budget Hearing, March 3, 2020.

INTERNAL AUDIT SERVICES

1. Special Audit on Perpetual Leave Card Administration for Regions 1 to Region VIII.
2. Special Audit on Cash Accountabilities of NFA Collecting and Procurement Disbursing Officers of NFA Albay Provincial Office.

3. Issued 12 Reports regarding Computation of Perpetual Leave Card of 18 employees.
4. Completed the examination/audit of 36 employees Perpetual Leave Card
5. Issued 59 Certifications for Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees
6. Revision of Consolidated Status of Stock Accountable Officers (SAOs) Accountabilities as December 31,2019, on-going
7. Consolidated Status of SAOs Accountabilities as of September 30, 2019.

PUBLIC AFFAIRS

1. Shared / posted 353 news articles and answered 451 queries at NFA social media accounts.
2. Issued five news releases for media:
 - Enough rice in ash fall areas.
 - NFA releases rice for Taal volcano victims
 - NFA donates 2,000 bags of rice for Taal volcano evacuees.
 - NFA assures sufficient rice stocks amidst spread of Covid 19.
 - Rice caravan to NCR.
3. Coordinate matters under the Malacañang Hotline 8888: relayed/endorsed 21 complaints to concerned office/officials/employees; followed up and ensured prompt action/response on complaints and endorsed same to the Office of the President.

LEGAL AFFAIRS

For the 1st quarter of 2020, 808 activities pertaining to adjudication, documentation and litigation were undertaken:

| | |
|--|------------|
| Adjudication | 45 |
| Handling Prosecution of Administrative Cases | 4 |
| Judicial affidavits prepared | 30 |
| Assignment of cases to HO's/PRO's | 11 |
| Documentation & Legal Research | 49 |
| Contracts reviewed/evaluated | 17 |
| Opinions rendered | 9 |
| Notice of Disallowance | 10 |
| Other Memos | 13 |
| Litigation | 714 |
| Hearing/s attended by Lawyers | 37 |
| Pleadings, memoranda & related documents prepared by Lawyers | 17 |
| Opinions, reports, requests, queries & communications | 101 |
| Certifications/COC of no pending case | 559 |
| TOTAL | 808 |

FINANCE & ADMINISTRATION

Contribution to the Economy:

NFA has contributed **₱ 888,470,660.59** to the country's economy in terms of the following increase in economic activities.

| PARTICULARS | | AMOUNT |
|--------------------|---|-----------------------|
| 1 | Palay Procurement | 714,061,319.48 |
| 2 | Rent Expenses | 8,760,444.33 |
| 3 | Transportation & Deliveries Expenses | 46,284,365.54 |
| 4 | General Services | 7,167,922.20 |
| 5 | Security Services | 33,482,482.34 |
| 6 | Drying | 198,148.33 |
| 9 | Handling | 38,476,158.55 |
| 10 | Tax Withheld from Employees' Compensation | 8,712,308.65 |
| 11 | Tax Withheld from Suppliers of Goods & Services | 31,327,510.17 |
| TOTAL | | 888,470,659.59 |

Debt - Management

| Particulars | Balance as of March 31, 2020 (in Million Pesos) |
|------------------------------------|---|
| Short-Term Credit Lines | 50,495.00 |
| Long-Term Loans | |
| LBP – Notes | 3,465,000 |
| Various Creditors – Treasury Bonds | 32,812.500 |
| Long Term Notes Syndicated – New | 7,920.000 |
| Foreign-Japanese Rice Loan | 76.88 |
| Net Lending | 67,562.633 |
| TOTAL BANK LOANS | 162,332.013 |

The outstanding NFA bank loans as of March 31, 2020 amounted to ₱162.332.

HUMAN RESOURCE MANAGEMENT

NFA PERSONNEL COMPLEMENT as of March 31, 2020

| | No. of Positions |
|--|-------------------------|
| Regular Plantilla | <u>4,335</u> |
| Central Office | <u>514</u> |
| Executive | 55 |
| Rank & File | 459 |
| Field Office | <u>3,821</u> |
| Executive | 115 |
| Rank & File | 3,706 |
| CTI Personnel (Rank & File) | <u>261</u> |
| Central Office | 47 |
| Field Office | 214 |
| Total | <u>4,596</u> |