

# National Food Authority

2<sup>nd</sup> Quarter 2020  
Accomplishment Report

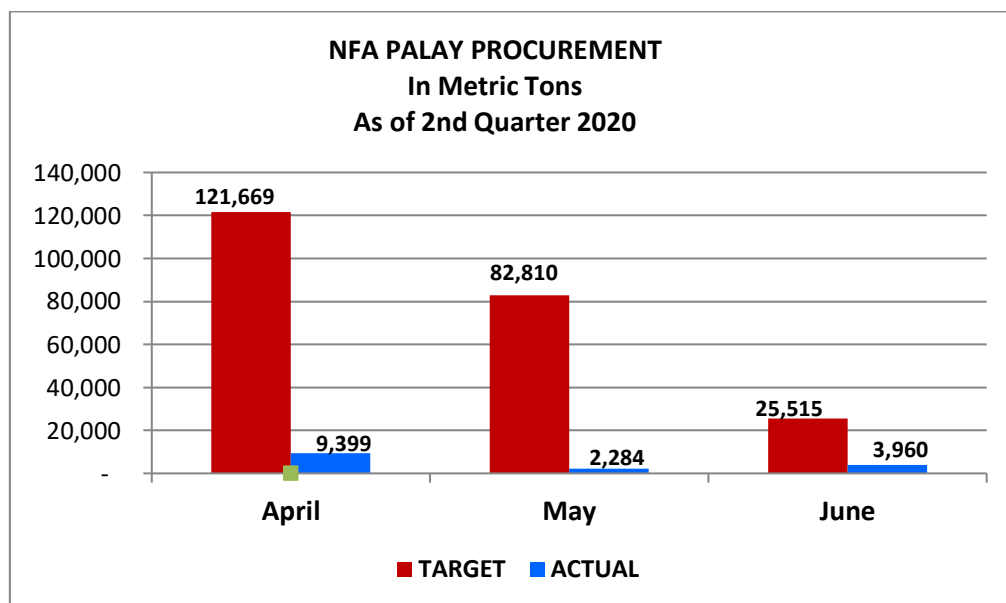


## I. SUPPLY AND PRICE OF STAPLE CEREALS

### PROCUREMENT

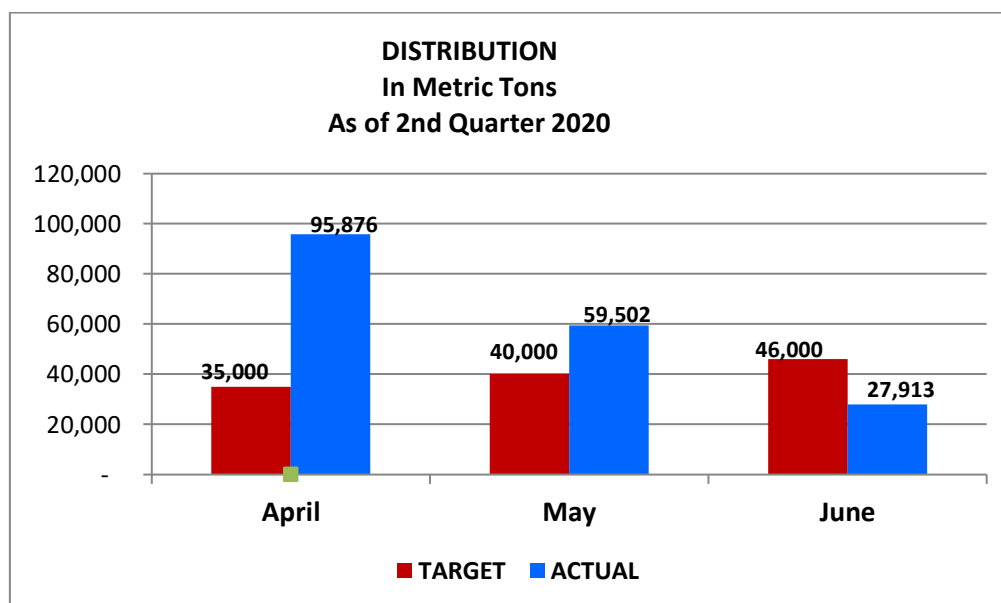
#### Palay

For the 2nd quarter of 2020, NFA procured 15,643 MT of palay, which is 6.80% accomplishment of the quarter's 229,994 target of MT. This is 122.57% lower than the 129.37% accomplishment for the same quarter last year. The low procurement can be attributed to the Covid crisis, which limits the movement and activity of people to accessing essential good and services



## DISTRIBUTION

For the 2nd quarter of 2020, NFA distributed 183,291 MT of rice, equivalent to 151.48% accomplishment of the quarter's target of 121,000 MT. This is higher than the 72.83% accomplishment for the same quarter last year. The high distribution is attributed to the massive rice releases to DSWD, LGUs and other relief institutions, intended for COVID-19 relief operations.



## PRICES

### Average Ex-Farm Prices vs NFA Buying Price (Price per kg) 2<sup>nd</sup> Quarter 2020

Commodity	NFA Buying Price	Ex-Farm Price	Price Diff. (In peso/kg)
Palay	19.00*	18.78	<b>0.22</b>
YGN	12.30	12.68	<b>(0.38)</b>
WGN	13.00	14.47	<b>(1.47)</b>

*\* Effective September 11, 2019*

The average ex-farm prices of palay for the quarter at ₱18.78/kg posted a ₱0.22/kg difference from the NFA's buying price of ₱19.00/kg. On the other hand, the ex-farm prices for yellow corn at ₱12.68/kg and white corn at ₱14.47/kg were lower by ₱0.38/kg and ₱1.47/kg respectively, compared to the NFA buying prices for corn.

**Average Prevailing Wholesale/Retail Price of Rice and Corn**  
(Peso per kg)  
**2nd Quarter 2020**

<i>Commodity</i>	<i>Average Price 2020 (2nd qtr)</i>	<i>Average Price 2019 (2nd qtr)</i>	<i>Price Increase/ Decrease</i>
<b>Whole Sale</b>			
WMR	39.24	39.59	(0.35)
RMR	42.46	35.86	6.60
YGN	20.30	19.44	0.86
WGN	17.65	22.40	(4.75)
<b>Retail</b>			
WMR	35.75	43.29	(7.54)
RMR	38.03	38.93	(0.90)
YGN	24.64	24.43	0.21
WGN	27.83	29.02	(1.19)

For the 2nd quarter of 2020, WMR and RMR wholesale prices posted an average price of ₱39.24/kg and ₱42.64/kg, respectively. Compared with same period last year, WMR decreased by ₱0.35/kg., while RMR increased by ₱6.60/kg. On the retail level, WMR and RMR average prices of ₱35.75/kg and ₱38.03/kg, posted an average decrease of ₱7.54/kg and ₱0.90/kg, compared to the same period in 2019, respectively.

Compared to 2nd quarter last year, wholesale and retail prices of yellow corn registered an increase of ₱0.86/kg and ₱0.21/kg. On the other hand, wholesale and retail of white corn posted decreases of ₱4.75/kg. and ₱1.19/kg., respectively.

## **II. BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED**

### **RICE STOCK INVENTORY**

For the 2nd quarter of 2020, NFA had an average stock inventory (total rice equivalent – TRE) of 317,223.67 MT, good to last for 9.58 days, based on the 2020 national daily rice consumption requirement of 33,096 MT. However, based on Average Daily Sales of 37,440 bags is good to last for 187.34 days. It should be noted that NFA's inventory is only part of the national rice inventory of the entire country.

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## **NATIONAL QUALITY ASSESSMENT (QSAR) OF NFA STOCKS**

Classification/ Condition of Stocks	Quantity (in 50-kg bags)	Percentage (%)	
Good quality (GQ)	7,337,052.83	63.116	
Treated	614,993.87	5.290	68.406
For treatment	0.00	0.000	
Sweepings	0.00	0.000	
Partially damaged	221.03	0.002	31.594
Totally damaged	3,672,412.17	31.592	
<b>Total</b>	<b>11,624,679.90</b>	<b>100.00</b>	

The total average volume of assessed NFA stored grains for the 2nd quarter of 2020 was 11,624,679.90 bags, composed of palay, milled rice and corn grains. Stocks fit as food (rice) and feed (corn) represent 63.116% of the total assessed grains. Milled rice stocks for disposition were 221.03 bags which comprise the partially damaged (0.002%), and 3,672,412.17 bags (31.592%) that are totally damaged milled rice .

## **TECHNICAL RESEARCH AND SERVICES DEPARTMENT**

### **Engineering Services**

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

#### 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.

### **Metrology Services**

During the quarter, Metrology Division's personnel undertook troubleshooting, repair, verification and adjustment of metrology equipment of field offices as requested. If these services were farmed out to National Metrology Laboratory or to accredited calibration laboratory, it would cost the agency about ₱120,000 to avail of such services, excluding the cost of travel to the site. If we will add the estimated savings from the conduct of verification, calibration and repair through simulation amounting to ₱36,000, the total savings for the month would be **₱156,000**.

### - **Truck scale Utilization**

During the quarter, Truckscale Utilization Reports were received by TRSD from the concerned NFA provincial offices with the following details:

Number of reports received	:	103 Provincial Reports
Number of bags weighed	:	5,620,122.93 bags
Savings from handling	:	₱ 21,140,749.28
Income from third-party services	:	₱ 63,355.65

Through the technical assistance provided by TRSD-MD personnel in keeping the field office truck scales in good operating condition, Metrology Division indirectly was able to help the agency save from handling cost and generated an income amounting to **₱21,204,104.93** for the 2<sup>nd</sup> quarter of 2020.

### **III. MANAGEMENT EFFICIENCY AND COMPETENCY**

#### **CORPORATE PLANNING AND MANAGEMENT SERVICES**

##### **Information Technology/Systems Development/SOPs**

- As of June 30, 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.

##### **SOPs Approved:**

- Guidelines on the Availment of Communication Expense Allocation of NFA Officials approved as of June 02, 2020.
- Revised Specifications of Authority on Financial Matters (Revised 2020) approved as of June 4, 2020.  
Revisions made particular to the appropriations of funds for projects /programs, advice of sub-allotment and the authority to use available funds.
- SOP on Leave of Absence approved as of June 17, 2020

##### **Corporate Planning**

- Prepared & accomplished Land Bank of the Philippines questionnaire.
- Prepared and submitted to DA, Administrator Judy Carol Dansal's First Year Accomplishment Report.
- Prepared Matrix on Rice importation as requested by DA for SONA 2020.
- Submitted to GCG NFA's request for ISO Exemption for 2020.
- Prepared and submitted to DA, NFA's Narrative Report for 1<sup>st</sup> Quarter of 2020.
- Prepared and submitted to DA, NFA's Public Service Continuity Planning and Management Team (SCPMT) Week, Tables A, B, C, and D, including coordination with other departments and data gathering.

- Compliance / final report submitted to GCG on the Contribution of the GOCC sector to the Bayanihan Heal as One Act R.A. No. 11469.
- Prepared and submitted report to the Department of Agriculture (DA) on the Assistance provided to the former rebels under E-Clip (Enhanced Comprehensive Local Integration) Program.
- Prepared letter and submitted to DA the proposed budget for the acquisition of rice mills with rice mill houses for the *Ahon Lahat, Pagkaing Sapat Kontra* COVID-19 Program (ALPAS sa COVID-19 Program).
- Second Narrative report to DA on the NFA Progress and Achievement for the 1<sup>st</sup> Quarter 2020.
- Finalized report for DA on the Realignment of CY 2021 Plan and Budget to New Normal and Covid-19 Response and Rehabilitation.
- Prepared CY 2021 Budget Requirement for submission to DBM.
- Prepared Program Convergence Budgeting: Proposal for the FY 2021 Agricultural Development Program (ADP).
- On NFA's Citizens Charter, revised some external and internal processes.
- Replied to DA inquiry re: DA Annual Report 2019, particularly on the Optimal Level of Buffer Stocks.
- Submitted to DA proposed programs of NFA, as identified under DA-ALPAS Program, re: NFA's realignment of FY 2021 Plan and Budget to the new normal and COVID-19 response and rehabilitation.
- Coordinated with concerned departments and consolidated their submissions re: supporting documents needed for the 2019 Performance Scorecard Validation as required by GCG
- Prepared and submitted to DA NFA's Significant Accomplishments from January 1 to May 15, 2020.

### **Asset Rationalization Program:**

#### a) Complete Staff Work (CSW)/Evaluation

- Initial evaluation of Proposed Warehouse Construction in Ligao and Libon Albay, and in (warehouse 2) Libmanan and Tigaon, Camarines Sur.
- Region XII – Baguer and Kilada, North Cotabato Region II – Isabela, Quirino, Nueva Vizcaya
- NFA's List of On-Going Infrastructure Projects. Prepared Annex A - List of on-going NFA infrastructure, with their location, fund source, year budgeted, total project cost, date started, percentage accomplishment and slippage
- Coordinated with concerned offices re: proposed warehouses in Sablayan, Magsaysay, San Jose, Kilada and Baguer.
- Coordinated with field office re: request for realignment of funds on COB projects, e.g. construction of drier house to heightening of perimeter fence
- Initial evaluation/findings on the proposed construction of 100,000 bag capacity at GID Compound in Castillejos, Zambales.
- Prepared Status of North - South Commuter Railways Project.

## **Monitoring and Reporting**

- Prepared NFA Monthly Accomplishment Report for March, April, May, June
- Prepared NFA 1<sup>st</sup> Quarterly Accomplishment Report
- Prepared COA 1<sup>st</sup> & 2<sup>nd</sup> Quarterly Report on Government PPA
- Prepared First Quarter Accomplishment Report submitted to GCG.
- Final 2020 Performance Scorecard as modified by GCG
- Prepared memo to EXCOM, C.O. departments, ROs and POs, providing them a copy of the modified NFA 2020 Performance Scorecard.
- Coordinating continuously on NFA's Compliance with Transparency Seal
- Consolidating and updating NFA's Citizens Charter internal processes.
- Submitted CPD Risk Register and Opportunity Action Plan for TRSD ISO.
- Submitted BAR 1 form as of June 30, 2020 to DBM

## **INTERNAL AUDIT SERVICES**

1. Special Audit on Perpetual Leave Card Administration for Regions 1 to Region VIII and Central Office.
2. Special Audit on Cash Accountabilities of NFA Collecting and Procurement Disbursing Officers of NFA Albay Provincial Office- report for review.
3. Consolidation of Doable Action Plan- write-up report on-going.
4. Completed the examination/audit of 406 employees Perpetual Leave Card
5. Issued 21 Certifications for Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees
6. Consolidated Status of Stock Accountable Officers (SAOs) Accountabilities as March 31,2020, on-going
7. Consolidated Status of SAOs Accountabilities as of December 31, 2019 with Titles I to VIII
8. Regional Provincial TOLA Accomplishments January 2019-March 2020.

## **PUBLIC AFFAIRS**

1. Shared / posted 240 news articles and answered 413 queries at NFA social media accounts.
2. Issued 19 news releases for media.
3. Provided data in the preparation of the Effects of Rice Tarrification Law (RA11203)
4. Prepared First Year Accomplishment Report of Administrator Judy Carol L. Dansal
5. Submitted to the Office of the Administrator re: One-pager infographics on the agency's priority programs under COVID-19 situation



## **LEGAL AFFAIRS**

For the second quarter, **296** activities pertaining to adjudication, documentation and litigation were undertaken as follows:

<b>Adjudication</b>	<b>75</b>
Handling, Prosecution of Administrative Cases	5
Preparation of decisions, Resolutions and Formal Investigation Reports (FIRs)	24
Submitted Formal Investigation Reports (FIRs)	27
Prepared communications	6
Process issued pleadings to all concerned parties	13
<b>Documentation &amp; Legal Research</b>	<b>35</b>
Contracts/ SOP reviewed/evaluated	20
Opinions rendered	8
Memos re: Notice of Disallowance	4
Other Memos	3
<b>Litigation</b>	<b>186</b>
Hearing/s previously set by the court but were all cancelled due to the Enhanced Community Quarantine	6
Draft Decision in the case entitled "NFA VS. Patricio Clemor"	1
Reviewed/ revised Formal Investigation Report	10
Reviewed/ revised Draft Decision	11
Opinions, reports, requests, queries & communications prepared and sent by Lawyers	35
Certifications/COC of no pending case	123
<b>TOTAL</b>	<b>296</b>

## **FINANCE & ADMINISTRATION**

### **CONTRIBUTION TO THE ECONOMY:**

NFA has contributed **₱ 246,342,939.11** to the country's economy in terms of the following increase in economic activities.

<b>PARTICULARS</b>		<b>AMOUNT</b>
1	Palay Procurement	75,631,310.75
3	Rent Expenses	7,412,955.00
4	Transportation & Deliveries Expenses	47,394,562.04
5	General Services	3,258,457.17
6	Janitorial Services	506,091.59
7	Security Services	31,470,165.91
8	Drying	4,060.00
9	Milling	5,173,854.54
10	Handling	39,380,632.10
11	Tax Withheld from Employees' Compensation	9,858,416.10
12	Tax Withheld from Suppliers of Goods & Services	26,252,433.91
<b>TOTAL</b>		<b>246,342,939.11</b>

### **Debt - Management**

<b>Particulars</b>	<b>Balance as of June 30, 2020 ( in Million Pesos)</b>
<b>I Short-Term Credit Lines</b>	47,918.656
<b>II Long-Term Loans</b>	
LBP – Notes	3,150.000
Various Creditors – Treasury Bonds	28,125.000
Long Term Notes Syndicated – New	7,740.000
Foreign-Japanese Rice Loan	76.559
Net Lending	73,276.800
<b>TOTAL BANK LOANS</b>	<b>160,287.015</b>

The outstanding NFA bank loans as of June 30, 2020 amounted to ₱160,287.015 B.

## **HUMAN RESOURCE MANAGEMENT**

When the government implemented the community quarantine, NFA assigned skeleton workforce to ensure continuity of NFA services to the public. As of June 30, 2020, most regions and provinces including National Capital Region (NCR) have been classified as General Community Quarantine areas, while others have been declared as Modified General Community Quarantine areas. Work arrangements have been set at 50% workforce reporting to office, while 50% are on work-from-home (WFH) work arrangement scheduled to shift weekly- to comply with the physical distancing protocol. Under the straight WFH arrangement are the most vulnerable members of the workforce. These are senior citizens, pregnant, and those with health issues.

### **NFA Personnel Complement as of June 30, 2020**

<b>Status</b>	<b>Authorized Positions</b>	<b>Filled-up positions</b>	<b>Vacancies</b>
<b><i>Regular</i></b>			
Central Office	514	411	103
Field office	3821	3127	694
Sub Total	4335	3538	797
<b><i>CTI</i></b>			
Central Office	46	46	
Field office	212	212	
Sub Total	258	258	
<b>Total</b>	<b>4593</b>	<b>3796</b>	<b>797</b>