



The NFA fully complies with the provisions of the
NFA Code of Corporate Governance.

EXECUTIVE SUMMARY

The NFA restructuring plan is still undergoing as a result of the implementation of **Republic Act No. 11203 (RA 11203)**, “An Act Liberalizing the Importation, Exportation and Trading of Rice, Lifting for the Purpose the Quantitative Import Restriction on Rice, and for other Purposes”. The restructuring plan of the NFA was approved by the Governance Commission for GOCCs (GCG) per Memorandum Order No. 2019-13 dated 08 January 2020 resulting to reduced personnel complement by about **40%** or from 4,436 to 2,644 and decreased organizational units from 54 to 22 in the Central Office, and from 86 Provincial Offices to 45 branches. The 15 Regional Offices were retained.

As provided under RA No. 11203, the NFA shall continue to perform its role in ensuring food security by maintenance of buffer stock sourced from solely from local farmers. As defined under the IRR, “buffer stock” refers to the “optimal level” of rice inventory that shall be maintained at any given time to be used for emergency situations and to sustain the disaster relief programs of the government during natural or man-made calamities. The level of national rice buffer stocks to be maintained by NFA, as approved by its Council, is placed at **300,000 Metric Tons at any given time**. The NFA was likewise allowed to dispose its stocks before the quality starts to deteriorate / becomes unacceptable / unsafe.

In implementing its new mandate of maintaining sufficient rice buffer stock to be sourced solely from local farmers to ensure Food Security, the NFA adopts the following vision and mission:

NEW VISION:

The NFA envisions itself to be a cost-efficient corporate entity, capable of managing the country’s buffer stock within the next ten years (2020 to 2030).

NEW MISSION:

The NFA shall procure palay locally and maintain the optimal level of buffer stocks at all times, strategically located across the country. It shall manage efficiently and effectively the acquisition, quality maintenance, and disposition of the buffer stock during emergencies and calamities.

SALIENT ACCOMPLISHMENTS FOR YEAR 2022 ARE AS FOLLOWS:

❖ Buffer Stock Management

- NFA maintained an average rice inventory of 140,354 MT, good to last for about 4.18 days rice supply, based on the average daily consumption requirement (DCR) of 33,586 MT.
- Still able to procure 63.05% of the target procurement of 480,000 Metric Tons (MT) equivalent to about 302,651 MT despite the higher farm price of palay, traders intensified procurement strategies, palay deliveries not passing the NFA's standard quality specifications, and erratic weather conditions, thereby stopping or slowing down the flow of goods and movement of people.
- Distributed 93% of the target distribution of 300,750 MT equivalent to 278,600 MT. Total rice released for calamity / relief responses at 40,490 MT constitutes 14.53% of the total rice sales, where about 44% of this volume or 17,777 MT are released exclusively for COVID-19 relief operations of government agencies and institutions.
- The average ex-farm price of palay in 2022 at P17.43/kg, increased by 4.06% as compared to 2021 level of P16.76/kg.
- The prevailing average retail price of WMR in 2022 placed at P43.77/kg, up by P1.33/kg or 3.13% as compared to the last year's figure of P42.44/kg. For RMR, the national prevailing average retail price of P39.43/kg in CY 2022 has significantly increased P1.83/kg or 4.87% against the P37.60/kg recorded in 2021.
- 1,825 request for rice releases during emergencies and calamities were done within prescribed 48-hour turnaround time. This was accomplished through the vigilance and readiness to serve 24/7 of the Operations Centers in the affected areas and at the Central Office.
- About 99.997% of the NFA stocks were maintained in good consumable condition as a result of the NFA's good warehouse keeping practices and adherence to "6-3 Protocol", which shortens the storage period to six (6) months maximum storage for palay and three (3) months critical storage for rice to keep the quality of NFA stocks in fresh / good condition.

❖ Facility Management

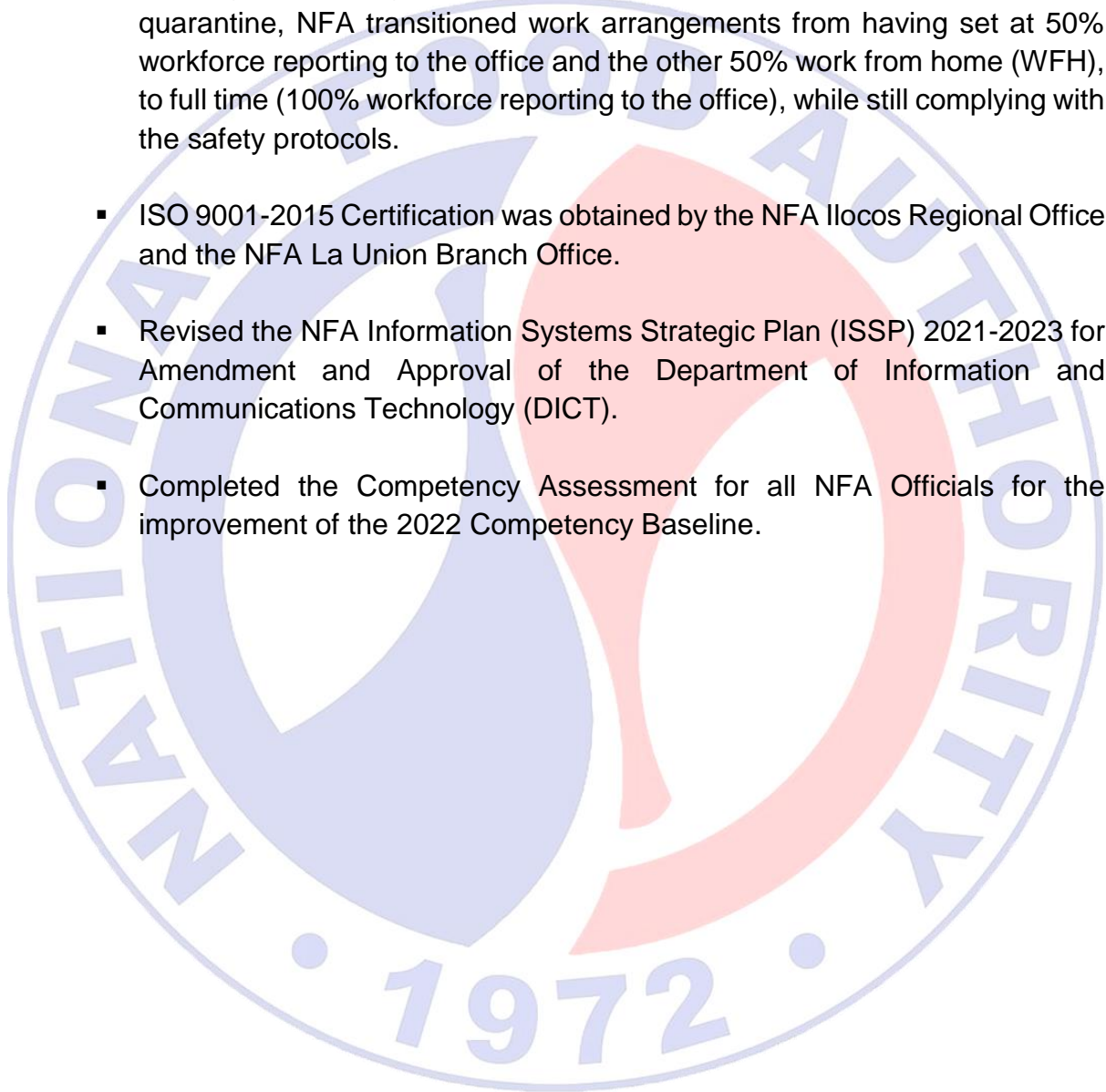
To boost the Agency's buffer stock management program and palay procurement activities, the NFA undertook the following:

- 90.15% Completion of the construction of one (1) 100 Thousand Bags Capacity (TBC) warehouse with warehouse supervisor's office and site development in Region IV located in NAWACO Compound, San Roque II, San Jose, Occidental Mindoro.
- Acquisition of 21 units of 6TPB mechanical dryers with biomass furnace / diesel fired burner, drying shed and power supply and 12 units dryer shed.
- 4 units of Rice Fortification Equipment (RFE) amounting to P20 Million delivered, installed and for pilot testing in Regions II, III, IV and NCR.
- Acquired 19 units of geotagging equipment amounting to P0.418 million for efficient, reliable, and real time monitoring of implementation of projects and development of technical requirements & plans for agricultural machineries and post-harvest facilities.

❖ Finance and Administration

- As of 30 September 2022, the NFA contributed ₱4,792,897,112.81 to the country's economy in terms of the economic activities undertaken for palay procurement, expenses for rent, transport & delivery, general services, janitorial, security, drying, milling, handling, taxes withheld from employees' compensation and from suppliers of goods and services.
- Based on unaudited Financial Performance as of 30 November 2022, the NFA reported a total assets of ₱19,066,579,449.38 and total liabilities of ₱141,703,138,504.82, resulting to equity deficiency of ₱122,636,559,055.44.
- Based on unaudited Financial Performance, the NFA reported a total assets of ₱18,758,800,992.28 and total liabilities of ₱142,039,516,492.78, resulting to equity deficiency of ₱123,280,715,500.50.
- The outstanding NFA loans as of 31 December 2022 amounted to P136.859 Billion Pesos.
- The NFA's Government Subsidy is ₱7 Billion, for the exclusive purpose of purchasing palay to local farmers. 83% or 5.785 billion was disbursed for the year.

- The NFA collected dormant account amounting to P176.178 Million pesos from the National Disaster Risk Reduction and Management Council (NDRRMC).
- NFA collected rental income from leased office space from the new NFA Building to other government agencies amounting to P34.156 Million.
- As the government gradually loosened the implementation of the community quarantine, NFA transitioned work arrangements from having set at 50% workforce reporting to the office and the other 50% work from home (WFH), to full time (100% workforce reporting to the office), while still complying with the safety protocols.
- ISO 9001-2015 Certification was obtained by the NFA Ilocos Regional Office and the NFA La Union Branch Office.
- Revised the NFA Information Systems Strategic Plan (ISSP) 2021-2023 for Amendment and Approval of the Department of Information and Communications Technology (DICT).
- Completed the Competency Assessment for all NFA Officials for the improvement of the 2022 Competency Baseline.



2022 NFA Annual Accomplishment Report

MANDATE: ENSURE FOOD SECURITY THROUGH MAINTENANCE OF RICE BUFFER STOCK SOURCED SOLELY FROM LOCAL FARMERS

I. BUFFER STOCK MANAGEMENT

A. PALAY PROCUREMENT

Palay procurement accomplishment only reached 63.05% equivalent to 302,651 MT from the set approved target of 480,000 MT regardless of the following hindrances:

- Higher farm price of palay as against the NFA's buying price at ₱19.00/kg;
- Occurrence of strong typhoons in major palay production areas;
- Traders intensified procurement strategies by offering more incentives such as free delivery, consignment and advance payments and free use of post-harvest facilities; and
- Palay deliveries did not pass the NFA's standard quality specifications on palay.

Palay Procurement (Per Month) (In Metric Tons)

MONTH	TARGET	ACTUAL	% ACCOMP.	TARGET	ACTUAL	% ACCOMP.
	CY 2022			CY 2021		
January	14,950	12,759	85.34%	17,995	3,466	19.26%
February	19,953	6,059	30.37%	31,748	11,366	35.80%
March	29,151	15,738	53.99%	60,988	9,610	15.76%
April	50,800	58,163	114.49%	77,914	27,268	35.00%
May	39,447	47,019	119.20%	63,428	35,783	56.42%
June	24,402	10,483	42.96%	38,643	16,972	43.92%
July	7,250	2,266	31.26%	15,392	4,493	29.19%
August	11,444	6,184	54.04%	30,053	8,274	27.53%
September	54,252	29,155	53.74%	93,972	62,642	66.66%
October	101,548	53,238	52.43%	169,476	170,182	100.42%
November	82,205	44,241	53.82%	138,939	80,942	58.26%
December	44,600	17,347	38.89%	61,455	29,483	47.97%
TOTAL	480,000	302,651	63.05%	800,000	460,482	57.56%

Compared to Calendar Year (CY) 2021, the NFA's total palay procurement for CY 2022 at 304,467 MT, translates to 34.28% drop-off against the 460,482 MT palay procured last year.

Palay absorption rate leveled at 1.53% out of the total palay production of 19,756,392 MT and an average ex-farm price of palay at ₱19.35 per kilo.

Palay Procurement (Per Region)
(In Metric Tons)

MONTH	ACTUAL	% ACCOMP.
Ilocos Region	5,602	1.85%
Cagayan Valley	125,496	41.47%
Central Luzon	36,877	12.18%
Southern Tagalog	64,593	21.34%
Bicol Region	9,931	3.28%
Western Visayas	20,550	6.79%
Central Visayas	99	0.03%
Eastern Visayas	474	0.16%
Western Mindanao	7,638	2.52%
Northern Mindanao	5,442	1.80%
Southern Mindanao	3,158	1.04%
Central Mindanao	20,295	6.71%
NCR	-	0.00%
ARMM	862	0.28%
CARAGA	1,633	0.54%
TOTAL	302,651	100.00%

The bulk of the palay procurement was contributed by Region II, which has a total procured volume of 125,496 MT, representing 41.47% of the total palay procurement nationwide.

B. DISTRIBUTION

For CY 2022, the NFA distributed a total of **278,600 MT** bags of rice, which is significantly lower by 33% compared to the 414,673 MT rice releases in 2021. The actual NFA rice sales for 2022 reached **93%** accomplishment against the approved set rice distribution target at 300,750 MT.

NFA Rice Distribution
(In Metric Tons)

MONTH	TARGET	ACTUAL	% ACCOMP.	TARGET	ACTUAL	% ACCOMP.
	CY 2022			CY 2021		
January	10,863	41,827	385.04%	45,350	48,876	107.78%
February	11,940	29,682	248.59%	36,000	41,409	115.03%
March	16,530	27,504	166.39%	25,000	33,413	133.65%
April	16,825	13,213	78.53%	25,000	26,056	104.22%
May	15,648	11,349	72.53%	25,000	24,651	98.60%
June	15,789	23,163	146.70%	35,000	28,568	81.62%
July	16,669	28,288	169.70%	35,000	29,886	85.39%
August	17,330	20,623	119.00%	37,500	33,869	90.32%
September	31,872	18,988	59.58%	42,500	25,145	59.16%
October	48,763	22,845	46.85%	75,000	23,368	31.16%
November	49,427	18,725	37.88%	92,500	39,875	43.11%
December	49,096	22,394	45.61%	81,150	59,556	73.39%
TOTAL	300,750	278,600	92.64%	555,000	414,673	74.72%

Compared to rice releases in 2021 at 414,673 MT the NFA distributed a total of 278,600 MT of rice this year, which is significantly lower by 32.81%.

C. RISK MANAGEMENT AND DISASTER RESPONSE

For 2022, a total of **40,490 MT** of rice has been released to the Department of Social Welfare and Development (DSWD), local government units (LGUs), National Disaster Risk Reduction Management Council (NDRRMC) and other government institutions to serve their rice requirement for calamity / relief responses.

RICE RELEASES FOR RELIEF OPERATIONS

(Including Rice Releases for Stock Piling and Rehabilitation Purposes)

AGENCY	VOLUME (in MT)
DSWD	8,997
OCD	633
LGUs	25,191
Legislators	1,922
OVP	92
Private Institutions	989
Others	2,667
TOTAL	40,490

Specific to the COVID-19 relief operations, the NFA has distributed a total of 17,777 MT of milled rice to beneficiaries. A total of 1,583 MT of rice was distributed to various government relief institutions, Legislators and LGUs for the immediate rice releases during the occurrence of typhoons and earthquakes. The remaining 21,130 MT was released to the different government and private institutions for stock piling and rehabilitation purposes.

D. NFA STOCK INVENTORY

For 2022, NFA maintained an average rice inventory of 140,354 MT, good to last for about 4.18 days rice supply, based on the average daily consumption requirement (DCR) of 33,586 MT.

MONTHLY NFA ENDING RICE STOCK INVENTORY AND DAYS TO LAST

	Volume (in MT)	Days to Last
January	182,612	5.44
February	155,640	4.63
March	135,867	4.05
April	155,436	4.63
May	175,486	5.22
June	160,497	4.78
July	134,609	4.01
August	112,374	3.35
September	111,042	3.31
October	120,476	3.59
November	125,299	3.73
December	114,908	3.42
AVERAGE	140,354	4.18

E. COMMERCIAL RICE PRICES

The prevailing average retail price of WMR in 2022 placed at ₱43.77/kg, up by ₱1.33/kg or 3.13% as compared to the last year's figure of ₱42.44/kg. For RMR, the national prevailing average retail price of ₱39.43/kg in CY 2022 has significantly stepped-by ₱1.83/kg or 4.87% against the ₱37.60/kg recorded in 2021.

The average ex-farm price of palay in 2022 at ₱17.43/kg, has increased by 4.06% as compared to 2021 level of ₱16.76/kg.

**PREVAILING AVERAGE RETAIL PRICES OF RICE AND
EX-FARM PRICE OF PALAY**

(₱ per Kilogram)

Commodity	2021	2022	% Inc. / (Dec)
Well-Milled Rice (WMR)	42.44	43.77	3.13%
Regular-Milled Rice (RMR)	37.60	39.43	4.87%
Palay	16.76	17.44	4.06%

F. STOCKS MAINTENANCE

NFA was able to attain its commitment to maintain at least 99.997% of its stocks in good-quality condition, or fit for human consumption. Stocks assessed as treated and for treatment during inspection are safe for distribution after treatment.

Percentage of Good Stocks Maintained in Good and Consumable Condition
(For the period January to December 2022)

Month	Condition of Stocks		Compliance to Target (SO1:SM2)	Average Rating (%)
	% Good and Consumable	% Non- Consumable		
January	99.998%	0.002%	100%	99.997%
February	99.997%	0.003%	100%	
March	99.997%	0.003%	100%	
April	99.997%	0.003%	100%	
May	99.998%	0.002%	100%	
June	99.997%	0.003%	100%	
July	99.997%	0.003%	100%	
August	99.996%	0.004%	100%	
September	99.996%	0.004%	100%	
October	99.997%	0.003%	100%	
November	99.997%	0.003%	100%	
December	99.994%	0.006%	100%	

II. FACILITY MANAGEMENT

A major function under the NFA facility management involves the construction, acquisition, repair and rehabilitation and monitoring of the utilization and condition of post-harvest facilities including metrology equipment / instruments.

To boost the Agency's buffer stock management program and palay procurement activities, the NFA undertook the following:

- 90.15% Completion of the construction of one (1) 100 Thousand Bags Capacity (TBC) warehouse with warehouse supervisor's office and site development in Region IV located in NAWACO Compound, San Roque II, San Jose, Occidental Mindoro.
- Acquisition of 6TPB mechanical dryers with biomass furnace / diesel fired burner, drying shed and power supply. Details are as follow below:

ACQUISITION OF MECHANICAL DRYERS

Original Approved		With Issued ASA	
Budget	No. of Units	Amount	No. of Units
117.288 M	27	92.085 M	21 ¹ (Mechanical Dryers) 12 ² (Dryer Shed)
		78.51% vs. Approved	

¹ 13 units completed; 3 units delivered but not yet installed (Region 1); 5 units cancelled (Region IV – 4 units / ARMM – 1 unit)

² 2 units completed; 4 units on-going (Region XII); 2 units awarded but not yet started (Region 1); 4 units ASA cancelled (Region IV)

- 4 units of Rice Fortification Equipment (RFE) amounting to P20 Million delivered, installed and for pilot testing located at Regions II, III, IV and NCR.
- Acquired 19 units of geotagging equipment amounting to P0.418 million for efficient, reliable, and real time monitoring of implementation of projects and development of technical requirements & plans for agricultural machineries and post-harvest facilities.

INVENTORY OF MAJOR POST-HARVEST FACILITIES

Region	WAREHOUSE				TOTAL	RICEMILLS				TOTAL	MECHANICAL DRYERS				TOTAL
	Operational	For Repair	For Disposition			Operational	For Repair	For Disposition			Operational	For Repair	For Disposition		
	No. of Units					No. of Units					No. of Units				
Region I	18	2	1		21	2	1	0		3	6	6	1		13
Region II	36	8	0		44	0	8	0		8	42	4	8		53
Region III	45	5	0		50	1	1	3		5	19	4	11		34
Region IV	24	4	0		28	3	1	1		5	23	6	2		31
Region V	18	1	0		19	3	0	0		3	10	4	9		23
Region VI	19	2	0		21	0	4	0		4	12	7	6		25
Region VII	14	1	0		15	3	0	0		3	3	0	0		3
Region VIII	16	4	0		20	1	1	2		4	5	3	0		8
Region IX	15	2	0		17	1	0	0		1	15	3	2		20
Region X	19	0	0		19	1	0	1		2	6	9	0		15
Region XI	9	4	0		13	0	1	0		1	0	22	0		22
Region XII	29	2	0		31	2	1	0		3	20	0	0		20
NCR	9	6	0		15	0	0	1		1	0	0	3		3
ARMM	1	5	0		6	0	0	1		1	1	1	0		2
CARAGA	9	3	0		12	0	0	0		0	8	2	0		10
TOTAL	281	49	1		331	17	18	9		44	170	71	42		282

III. MANAGEMENT EFFICIENCY AND COMPETENCY

A. CORPORATE PLANNING & MANAGEMENT SERVICES

Major function involves the formulation of the agency's strategic and medium-term budgetary and operations plans and development of systems and procedures, computerized application and align NFA's basic decision support system to the fast development of information technology.

Information and Communications Technology Services

1. Information System Strategic Plan (ISSP)
 - Revised NFA ISSP 2021-2023 for Amendment and Approval of Department of Information and Communications Technology (DICT).
2. IT Hardware Maintenance
 - 2.1. Provided technical support on IT Network & Hardware - continuing activity
 - LAN and internet connection
 - Servers
 - Switches
 - Desktop and Laptop
 - Video Conferencing System
 - Access Points
 - 2.2. Monitored and maintained the NFA Data Center
 - a. Installation of Uninterruptable Power Supply
 - b. Migration and installation of Hyper Converge Infrastructure
 - c. Preventive maintenance of Precision Air-Conditioning Unit
 - d. Installation of Internet Service Provider
 - e. Civil works for electric requirements of NFA Data Center
 - 2.3. Provided technical support/assistance for online/virtual and face-to-face meeting of NFA Executive and Employees:
 - Coffee Table Book Meeting
 - Orientation for iNFARms Project (Committee and TOR formulation)
 - OCD Meeting with Farmers Group
 - Orientation on 1DA-PRDP Integration hosted by DA
 - RDs meeting
 - Online Court Hearing
 - MANCOM and EXCOM Meeting
 - Council Meeting
 - Webinar on Republic Act 11313 (Safety Spaces Act)

- Regional Directors Meeting
- Audit Risk Management Committee (ARMC)
- OCS meeting re: Government Nominations and Remunerations Committee(GNRCOM)
- Human Resources Management Information System (HRMIS)
- AGSD on Pag-IBIG Loyalty Plus Card Application
- Virtual/Online meeting with Regional/Branch Offices designated LAN administrator re: Information and Communication Technology (ICT) Inventory and requirement of NFA
- Meet with AGSD re: 50th NFA Anniversary
- Budget Hearing
- FTI Board of Directors Meeting
- Administrator meeting (Implementing Rules of PD 194)
- The GAMBIA Standards Bureau (TGSB) Study Tour briefing for Rice Value Chain Transformation Project (RVCTP)

3. Software

Provided users assistance to CO and FO regarding various NFA IT System Development Administration/Maintenance - continuing activity:

- e-IFOMIS
- Payroll System
- PIS
- Huris System
- Web Huris System
- Stock Examination System (VFP)
- Cash Monitoring System
- TOLA
- eBPS
- Web posting

4. Handled procurement, tested and deployed various ICT equipment:

- Video Conferencing System – Public Bidding
- Kaspersky End Point Security (Anti-Virus) – Public Biding
- Hyper Converge Infrastructure (HCI), - Public Bidding
- Laptop – Public Bidding
- Uninterruptible Power Supply (UPS) Public Bidding
- Access Point (AP) – Public Bidding
- Internet Service Agreement – Public Bidding

5. Participated on BAC matters:

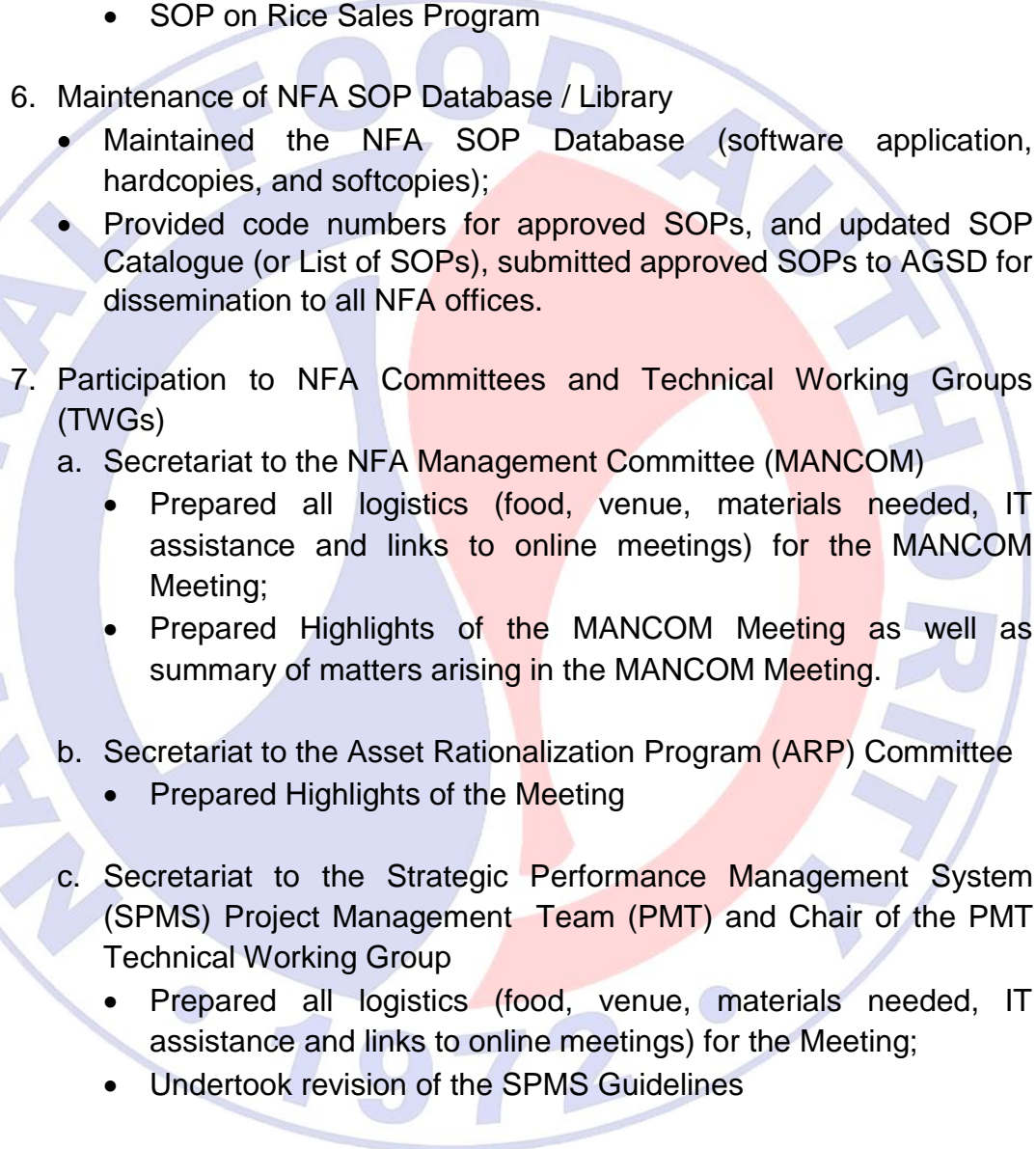
- Prepared request for BAC Resolution for Contract Extension of internet service agreement 2021.
- Prepared necessary documents needed for the procurement of 2022 ITC equipment for Public Bidding (Internet Service Provider (ISP), Kaspersky End Point Security (Anti-Virus), Hyper Converge Infrastructure (HCI), Laptop, Uninterruptible Power Supply (UPS) and Access Point (AP)).

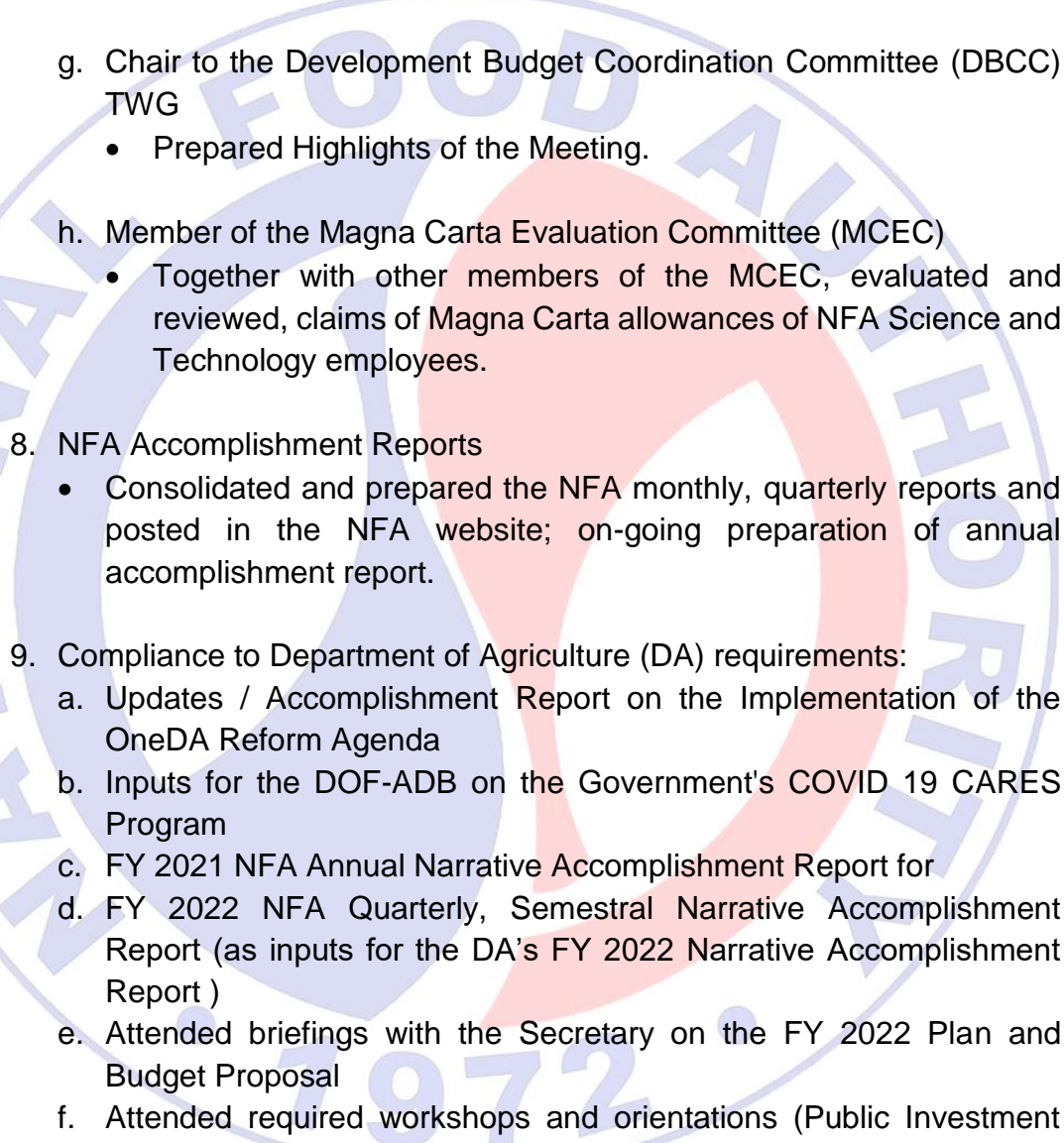
- TWG meeting re: ABC Evaluation and Bid Docs for the ITC equipment to be procure in 2022.
 - Conduct Public Bidding on all ITC project for procurement
 - Conducted Post Qualification to bidder who passed the bidding process and prepared post qualification report.
 - BAC Meeting re: Letter from DBM-PS regarding the Procurement of CSE Published in the PhilGEPS
6. Attended/Participated orientation and seminar:
- Kaspersky Anti-virus
 - MACBOOK PRO
 - DA ICTS various technical trainings
 - DICT various technical trainings
7. Submitted 2021 PSA Survey form to Finance Department (FD) re: Information and Communication Technology (ICT).
8. Prepared IT Equipment Certification for unserviceable and outmoded IT equipment.
9. Prepared network assessment, planning, lay outing, configuration and installation of various IT equipment needs for the network installation at NFA Region XI Offices.

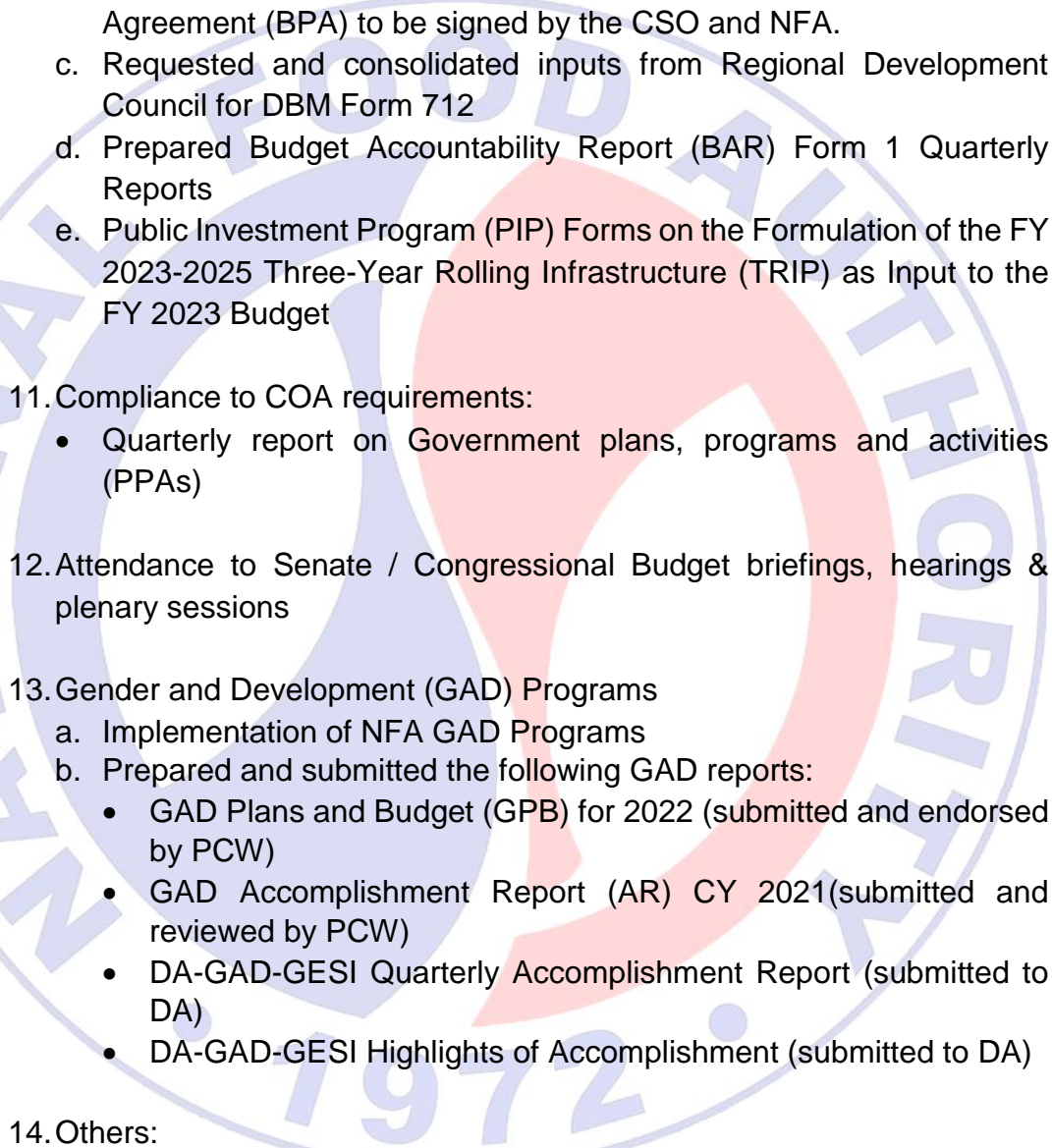
Corporate Planning

1. NFA Performance Scorecard and other related documentary requirements:
- a. FY 2023 Performance Scorecard (PS)
- Prepared and submitted to the Governance Commission for GOCCs (GCG) the proposed NFA 2023 Performance Scorecard, Strategy Map and documentary requirements as approved by the NFA Administrator.
 - Attended Technical Panel Meeting (TPM) with the GCG to discuss and agree on the contents of the proposed 2023 PS; Revised the proposed 2023 PS as a result of the TPM, subject to discussion and finalization at the Performance Target Conference (PTC) between GCG and NFA representatives.
- b. FY 2022 Performance Scorecard (PS)
- Monitored the accomplishments on the 2022 PS; Prepared and submitted quarterly accomplishment reports to the GCG; annual report for finalization, due on January 31, 2023.

- c. FY 2021 Performance Scorecard (PS)
 - Prepared and submitted supporting / additional documents needed for the 2021 Performance Scorecard Validation.
2. Good Governance Conditions (GGCs) and other conditions and requirements (OCRs)
 - a. Monitored NFA compliance to Good Governance Conditions and other conditions and requirements (OCRs) and posted requirements in the agency Transparency Seal as required by GCG;
3. Customer Satisfaction Survey (CSS)
 - a. Conducted / hosted the 2022 Customer Satisfaction Survey (CSS) face to face briefing for concerned NFA Regional and Branch Offices for top 20 procuring and distributing branches;
 - b. Conducted virtual meeting on CSS for Business Organization for all NFA Branch Offices;
 - c. Facilitated the implementation of the 2022 CSS to regions and branch offices, on-going validation of accomplished questionnaires.
 - d. Procurement of Third Party Service Provider to process the result of the 2022 CSS.
4. Strategic Performance Management System (SPMS)
 - a. Monitored submission of NFA Officials' Office Performance Commitment and Review Form (OPCRs).
 - b. Consolidated and assessed the NFA Officials' Office Performance Commitment and Review Form (OPCR) based on reported Office accomplishments against the success indicators.
5. Standard Operating Procedures / Guidelines (SOP) Formulation and Review
 - a. Approved SOPs:
 - First NFA Citizen's Charter
 - SOP on NFA Asset Rationalization and Divestment Pursuant to NFA'S New Mandate of Buffer Stocking per RA 11203
 - Revised SOP on Asset Rationalization Program (ARP)
 - Revised SOP on Domestic Travel
 - Revised SOP on Leave of Absence
 - Revised SOP on the Processing and Issuance / Reissuance of NFA IDs
 - b. SOPs For approval:
 - Revised NFA Public Service Continuity Plan
 - Specifications of Authority on Human Resource Matters

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- c. SOPs for presentation to the SOP Review Committee:
 - SOP on the Computerized Stock Examination and Tolerable Allowance (TOLA) Computation
 - SOP on Responsibility Accounting System
 - SOP on Warehouse Stock and MTS Documentation and Reporting System
 - d. SOPs For presentation to the SOP Technical Working Group:
 - SOP on Rice Sales Program
 6. Maintenance of NFA SOP Database / Library
 - Maintained the NFA SOP Database (software application, hardcopies, and softcopies);
 - Provided code numbers for approved SOPs, and updated SOP Catalogue (or List of SOPs), submitted approved SOPs to AGSD for dissemination to all NFA offices.
 7. Participation to NFA Committees and Technical Working Groups (TWGs)
 - a. Secretariat to the NFA Management Committee (MANCOM)
 - Prepared all logistics (food, venue, materials needed, IT assistance and links to online meetings) for the MANCOM Meeting;
 - Prepared Highlights of the MANCOM Meeting as well as summary of matters arising in the MANCOM Meeting.
 - b. Secretariat to the Asset Rationalization Program (ARP) Committee
 - Prepared Highlights of the Meeting
 - c. Secretariat to the Strategic Performance Management System (SPMS) Project Management Team (PMT) and Chair of the PMT Technical Working Group
 - Prepared all logistics (food, venue, materials needed, IT assistance and links to online meetings) for the Meeting;
 - Undertook revision of the SPMS Guidelines
 - d. Member and Secretariat to the SOP Review Committees and Technical Working Groups
 - Prepared all logistics (food, venue, materials needed, IT assistance and links to online meetings) for the Meeting;
 - Prepared Highlights of the Meeting.
 - Undertook revision of assigned SOPs.

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- e. Secretariat to the Committee on Anti Red-Tape (CART) and Chair of the CART-TWG
 - Prepared all logistics (food, venue, materials needed, IT assistance and links to online meetings) for the Meeting
 - f. Chair to the Gender and Development (GAD) TWG
 - Prepared all logistics (food, venue, materials needed, IT assistance and links to online meetings) for the Meeting
 - g. Chair to the Development Budget Coordination Committee (DBCC) TWG
 - Prepared Highlights of the Meeting.
 - h. Member of the Magna Carta Evaluation Committee (MCEC)
 - Together with other members of the MCEC, evaluated and reviewed, claims of Magna Carta allowances of NFA Science and Technology employees.
 8. NFA Accomplishment Reports
 - Consolidated and prepared the NFA monthly, quarterly reports and posted in the NFA website; on-going preparation of annual accomplishment report.
 9. Compliance to Department of Agriculture (DA) requirements:
 - a. Updates / Accomplishment Report on the Implementation of the OneDA Reform Agenda
 - b. Inputs for the DOF-ADB on the Government's COVID 19 CARES Program
 - c. FY 2021 NFA Annual Narrative Accomplishment Report for
 - d. FY 2022 NFA Quarterly, Semestral Narrative Accomplishment Report (as inputs for the DA's FY 2022 Narrative Accomplishment Report)
 - e. Attended briefings with the Secretary on the FY 2022 Plan and Budget Proposal
 - f. Attended required workshops and orientations (Public Investment Program Workshop; National Agriculture and Fisheries Modernization and Industrialization Plan Workshop).

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10. Compliance to Department of Budget and Management (DBM) requirements:
 - a. Prepared / filled-out CY 2022 DBM Forms 700, 701, 703F, 708, 711-713 and BP Form 202A
 - b. Conducted Consultation Meeting with Civil Society Organizations (CSOs) (i.e. Federation of Free Farmers [FFF], Rice Watch Action Network Inc. [R1], and Integrated Rural Development Foundation [IRDF]) and prepared the necessary Business Partnership Agreement (BPA) to be signed by the CSO and NFA.
 - c. Requested and consolidated inputs from Regional Development Council for DBM Form 712
 - d. Prepared Budget Accountability Report (BAR) Form 1 Quarterly Reports
 - e. Public Investment Program (PIP) Forms on the Formulation of the FY 2023-2025 Three-Year Rolling Infrastructure (TRIP) as Input to the FY 2023 Budget
 11. Compliance to COA requirements:
 - Quarterly report on Government plans, programs and activities (PPAs)
 12. Attendance to Senate / Congressional Budget briefings, hearings & plenary sessions
 13. Gender and Development (GAD) Programs
 - a. Implementation of NFA GAD Programs
 - b. Prepared and submitted the following GAD reports:
 - GAD Plans and Budget (GPB) for 2022 (submitted and endorsed by PCW)
 - GAD Accomplishment Report (AR) CY 2021 (submitted and reviewed by PCW)
 - DA-GAD-GESI Quarterly Accomplishment Report (submitted to DA)
 - DA-GAD-GESI Highlights of Accomplishment (submitted to DA)
 14. Others:
 - a. Anti-Red Tape Authority (ARTA)
 - Prepared the NFA Manual of Operations (status - for finalization) in support to the NFA Citizen's Charter.

B. INTERNAL AUDIT

Examination and evaluation of the financial, administrative, operational and organizational activities of the NFA through the conduct of management and operations audit and determines an efficient and effective system, assessment of the ethical and economic performance of personnel and offices and adherence to management controls, systems and procedures, and laws and regulations.

Audit Engagements

1. Completed the Special Audit on Procurement and Milling in Region VIII.
2. On-going Special Audit on Procurement and Milling in Regions I – IV.
3. On-going Special Audit on Allied Clerical Requirement of Central Office.

Tolerable Allowance (TOLA)

1. Issued six-nine (69) certifications for Stock (grains and MTS) accountabilities of NFA Officials & rank and file employees for purposes of retirement, resignation, death benefit claims, travel abroad, maternity / sick leave and / or reassignment with attached transmittal, memo and wire.
2. Released / endorsed ten (10) memoranda / fax messages in different NFA field offices and central offices concerned departments / offices re: Tolerable Allowance TOLA matters.
3. Regional Consolidation of Quarterly Status of Stock Accountabilities Report as of 30 September 2022 (Regions I – XV).

C. LEGAL AFFAIRS

Review and evaluation of all documents, contracts, agreements and other deeds entered by the NFA. Handles all civil / criminal cases filed by or instituted against NFA, and the prosecution of administrative cases against erring employees.

For the year, 3,596 activities pertaining to adjudication, documentation and litigation were undertaken, details of which are as follows:

INVESTIGATION & DOCUMENTATION DIVISION	1,786
Contacts Reviewed	188
Opinions Rendered	103
Notice of Disallowances	124
Other Memoranda	164
Pleading / Orders in Administrative Cases	13
LAD Certification	1,092
Opening of Sealed Canvass	5
Pre-Bid Conference (TWG) / Post Qualification	25
Meetings	43
Others	29
LITIGATION DIVISION	
Hearings attended by Lawyers	114
Pleadings, Memoranda & Related Documents prepared by Lawyers	133
Opinions, Reports, Requests, Queries & Communications	485
Certification (no. of pending and/or with pending cases issued)	1,066
Other Accomplishments	12

IV. FINANCE AND ADMINISTRATION

Preparation and analysis of financial reports, allocation of corporate budget, execution and monitoring of budget utilization, control and monitoring of remittances and cash balances of the Agency, and management of debt / obligations.

A. FINANCIAL MANAGEMENT

Based on unaudited Financial Performance, the NFA reported a total assets of ₱18,758,800,992.28 and total liabilities of ₱142,039,516,492.78, resulting to equity deficiency of ₱123,280,715,500.50.

UNAUDITED STATEMENT OF FINANCIAL POSITION

As of 31 December 2022

PARTICULARS	AMOUNT (PHP)
ASSET	
Current Assets	
Cash and Cash Equivalents	3,976,700,285.39
Investments	386,850,088.21
Receivables	3,865,283,268.69
Intra-Agency Receivables	1,552,262,361.56
Inventories	4,224,203,367.92
Other Current Assets	135,378,987.36
Total Current Assets	14,140,678,359.13
Non-Current Assets	
Investments	516,740,223.58
Investment Property	18,002,980.30
Property, Plant and Equipment	2,934,525,628.43
Intangible Assets	3,372,973.05
Other Non-Current Assets	1,145,480,827.79
Total Current Assets	4,618,122,633.15
TOTAL ASSETS	18,758,800,992.28
LIABILITIES	
Current Liabilities	
Financial Liabilities	27,269,326,267.59
Inter-Agency Payables	108,046,761,415.74
Trust Liabilities	756,491,130.55
Deferred Credits/Unearned Income	927,702.90
Total Current Liabilities	136,073,506,516.78
Non-Current Liabilities	
Financial Liabilities	5,302,627,291.35
Deferred Credits / Unearned Income	108,914,826.59
Provisions	554,467,858.06
Total Non-Current Liabilities	5,966,009,976.00
TOTAL LIABILITIES	142,039,516,492.78

NET ASSETS (Total Assets Less Total Liabilities)	(123,280,715,500.50)
NET ASSETS/EQUITY	
Government Equity	
Accumulated Surplus / (Deficit)	(128,280,715,829.34)
Contributed Capital	5,000,000,328.84
Total Net Assets/Equity	(123,280,715,500.50)

NFA's total Gross Loss is P2,512,363,140.20, while Current Operating Expenses is at P5,362,291,571.28, resulting to a deficit of P7,743,366,567.34 from Current Operations. Considering the financial assistance / subsidy, sales of assets and gains / (losses) received for the period, the NFA recorded a Net Surplus of about P1,400,484,440.84.

UNAUDITED STATEMENT OF FINANCIAL PERFORMANCE

As of 31 December 2022

PARTICULARS	AMOUNT (PHP)
Sales	7,107,767,414.64
Direct Costs	(9,620,130,554.84)
Gross Profit / (Loss)	(2,512,363,140.20)
Other Income	131,288,144.14
Current Operating Expenses	
Personnel Services	1,495,926,462.98
Maintenance and Other Operating Expenses	1,520,433,756.32
Financial Expenses	2,060,199,554.68
Non-Cash Expenses	285,731,797.30
Total Current Operating Expenses	5,362,291,571.28
INCOME / (LOSS) FROM CURRENT OPERATIONS	(7,743,366,567.34)
Other Non-Operating Income	95,394,130.63
Gains	18,562,232.96
Losses	(174,247,355.41)
Net Surplus / (Deficit) Before Subsidy	(7,803,657,559.16)
Subsidy from National Government	
Subsidy for Stabilization / Buffer Stocking	7,000,000,000.00
Conversion of Net Lending	2,204,142,000.00
Financial Assistance / Subsidy	9,204,142,000.00
NET SURPLUS / (DEFICIT) FOR THE PERIOD	1,400,484,440.84

Debt Management

The outstanding NFA loans as of 31 December 2022 amounted to ₱136.859 Billion Pesos, comprising of the following:

SUMMARY OF OUTSTANDING LIABILITIES

As of 31 December 2022

(In Million Pesos)

Particulars	Amount Granted	Outstanding Balance
I. Short-Term Loans		
a. LBP	23,000.00	9,504.72
b. DBP	27,495.00	15,799.99
Total Short-Term Loans		25,304.71
II. Long-Term Loans		
a. Syndicated Loan with LBP	4,500.00	2,520.00
b. Syndicated Loan with DBP	4,500.00	2,520.00
Total Long-Term Loans		5,040.00
Total Local Bank Loans		30,344.71
III. Foreign Japanese Loan		33.89
IV. Net Lending-NG Advances		
a. Principal		94,560.90
b. Interest		263.65
Total Net Lending		94,824.55
V. Guarantee Fee		11,655.87
Total Outstanding Debt		136,859.02

Subsidy Utilization

The NFA's Government Subsidy is P7 Billion, for the exclusive purpose of purchasing palay to local farmers. 83% or 5.785 billion was disbursed for the year.

SUBSIDY FUND UTILIZATION

As of 31 December 2022

Particulars	Amount in Billion Pesos			% Accomplishment (Disbursement / NCA)
	SARO ¹	NCA ²	Disbursed ³	
Current Year's Budget				
2022 Agency Specific Budget	7.000	7.000	5.785	83%

¹ Statement of Allotment and Release Order (SARO)

² Notice of Cash Allocation (NCA)

³ Based on Grains Situationer Report (GSR)

Collection of Dormant Accounts Receivable

The NFA collected dormant account amounting to P176.178 Million pesos from the National Disaster Risk Reduction and Management Council (NDRRMC).

COLLECTION OF DORMANT ACCOUNTS RECEIVABLE

As of 31 December 2022

Particulars	Amount (Php)
National Disaster Risk Reduction and Management Council (NDRRMC)	P176,178,800.00

Collection of Rental Income from Leased Properties

The NFA collected rental income from leased office space from the new NFA Building to other government agencies amounting to P34.156 Million.

COLLECTION OF RENTAL INCOME FROM LEASED PROPERTIES

As of 31 December 2022

Particulars	Amount (Php)
Anti-Red Tape Authority (ARTA)	P23,481,496.80
Office for Alternative Dispute Resolution (OADR)	10,674,360.00
TOTAL	P34,155,856.80

Contribution to the Economy

As of 30 September 2022, the NFA contributed ₱4,792,897,112.81 to the country's economy in terms of the economic activities undertaken for palay procurement, expenses for rent, transport & delivery, general services, janitorial, security, drying, milling, handling, taxes withheld from employees' compensation and from suppliers of goods and services.

PARTICULARS	TOTAL
Palay Procurement	3,532,581,549.32
Rent Expenses	10,747,880.76
Transportation & Delivery Expenses	283,548,855.77
General Services	90,901,009.09
Janitorial Services	6,443,059.39
Security Services	251,100,025.47
Drying	713,758.24
Milling	43,313,155.86
Handling	353,817,526.68
Tax Withheld from Employees' Compensation	42,429,565.46
Tax Withheld from Suppliers of Goods & Services	177,300,726.77
TOTAL	4,792,897,112.81

B. HUMAN RESOURCE MANAGEMENT

As the government gradually loosens the implementation of the community quarantine, NFA transitioned work arrangements from having set at 50% workforce reporting to the office and the other 50% work from home (WFH), to full time (100% workforce reporting to the office) while still complying with the safety protocols.

As of 31 December 2022, the total warm bodies is 2,147, composed of 183 employees in the central office and 1,964 in the field.

NFA PERSONNEL COMPLEMENT

As of 31 December 2022

Office	Personnel Complement (New Structure only)	
	Authorized Positions	Filled-Up Positions
Central Office	224	183
Field Office	2,420	1,964
Total	2,644	2,147

All appointments under Phase I or for identified incumbents or retained and comparable positions have been issued/completed. Of this, about 96.46% or 1,103 have been attested by the CSC. Placement under Phase II or the promotion, reappointment / placement is on-going.

Competency Framework

As of 31 December 2022, the NFA accomplished the following:

- Conducted and assisted in the meeting with SAOs / BAOs / RAMs on the Competency Assessment Administration for 2022;
- Monitoring of the conduct of Training / Learning; and
- Development Interventions for all employees in line with the competency gaps identified during the 2021 Competency Assessment Results.

External / Internal Trainings

NFA provided External and Internal Trainings to all Executives and Rank and File employees to address competency gaps of the following:

REPORT ON EMPLOYEE TRAINING AND DEVELOPMENT As of 31 December 2022

Programs	Accomplishments
External Trainings	<ol style="list-style-type: none"> 1. Evaluated and Processed 79 external trainings for both Central and Field Office. 2. 423 employees from Central Office and Field Offices were able to attend external trainings.
Internal Trainings	<ol style="list-style-type: none"> 1. HRDSD-TER was able to conduct 2 internal trainings attended by 1,078 officials and employees: <ol style="list-style-type: none"> a. Safes Spaces Act Online Seminar b. Management Competency Enhancement Training (3 batches) 2. Other department / office were able to conduct 9 internal trainings attended by 474 officials and employees: <ol style="list-style-type: none"> a. 2 batches of QAO Pool Refresher Course (Region 3) b. Orientation / Briefing on Acquisition, Maintenance, and Distribution (AMD) on Policy Operations (OCD)

	<ul style="list-style-type: none">c. Technical Briefing and Planning on Grains Quality Assurance for Regional Standards Quality Assurance Officers (RQAOs) (Region 4)d. Orientation / Briefing on the AMD Policy of NFA's Buffer Stock (2 batches) (OCD)e. Clear Writing for Official Communication (Region 5)f. 7 batches of NFA Accountants' and Budget Officers' Conference / Workshop (FD)g. Training and Calibration of Analytical Panelists for Secondary Evaluation of Milled Rice (Phase IV) (Region 8)h. Conference / Briefing / Workshop for NFA Engineers (OCD)
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