



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

NATIONAL FOOD AUTHORITY  
OCT 17 2022  
11:58

**CORPORATE OPERATING BUDGET**

Fiscal Year 2022

**TO: NATIONAL FOOD AUTHORITY (NFA)**

Your Corporate Operating Budget (COB) for Fiscal Year 2022 per NFA Council Resolution No. 1009-2021-G dated July 19, 2021, submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of EO No. 292, series of 1987, is hereby approved for a total amount of **FORTY-FIVE BILLION THREE HUNDRED EIGHTY-TWO MILLION SIX HUNDRED FIFTY-SIX THOUSAND PESOS ONLY (P45,382,656,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	<b>P 76,137,000,000</b>	<b>P 46,129,142,000</b>	<b>P (30,007,858,000)</b>
Corporate Funds	8,217,000,000	8,217,000,000	-
National Government (NG) Support	7,000,000,000	7,000,000,000	-
Net Lending	28,708,000,000	28,708,000,000	-
Conversion of NG Advances into Subsidy	32,212,000,000	2,204,142,000	(30,007,858,000)
<b>TOTAL USES</b>	<b>P 76,137,000,000</b>	<b>P 45,382,656,000</b>	<b>P (30,754,344,000)</b>
Personnel Services (PS)	1,851,000,000	1,851,000,000	-
Maintenance & Other Operating Expenses (MOOE)	72,988,000,000	42,820,142,000	(30,167,858,000)
Regular	2,452,000,000	2,292,000,000	(160,000,000)
Payment of Obligations	59,356,000,000	29,348,142,000	(30,007,858,000)
Procurement Cost	9,411,000,000	9,411,000,000	-
Interest Expenses and Other Financial Charges	1,769,000,000	1,769,000,000	-
Capital Outlays (CO)	1,298,000,000	711,514,000	(586,486,000)
<b>Excess / Shortfall</b>	<b>P -</b>	<b>P 746,486,000</b>	<b>P 746,486,000</b>

**Footnote:**

- a/ Actual amount released per SARO-BMB-C-22-0001510 dated January 31, 2022.
- b/ The NFA shall strictly adhere to the policy and guidelines on the Compensation and Position Classification System (CPCS) pursuant to Executive Order No. 150 dated October 1, 2021, and its Implementing Rules and Regulations.
- c/ The recommended MOOE level is computed considering the prior year's performance on budget utilization, except for items covered by contracts and financial expenses, which are recommended as proposed. The variance of P160,000,000 pertains to the effect of the preceding year's budget utilization rate, i.e., **90%**.
- d/ This amount pertains to the total of the FY 2022 net lending, excluding interests, to the NFA and the conversion of NG advances into subsidy. The amount recommended for conversion of NG advances into subsidy is limited only to the amount released per SARO-BMB-C-22-0001510 dated January 31, 2022.
- e/ The recommended CO level considers the implementation-readiness of the projects and activities under the respective CO items which are expected to be completed within the year as certified by the NFA.

The purchase of transportation equipment shall be consistent with the following guidelines:

1. Per Section 5 of Administrative Order (AO) No. 14 dated December 10, 2018, the proposed acquisition of motor vehicles is delegated to the Department of Budget and Management and approved through the attached **Authority to Purchase Motor Vehicle (APMV) No. C-22-0052** covering the procurement of fifty-four (54) units motor vehicles.
2. Procuring entities may undertake their own procurement of motor vehicles pursuant to GPPB Resolution No. 20-2019 which delisted the motor vehicles from the list of Common-Use Supplies and Equipment to be procured thru the Procurement Service (PS).

**Notwithstanding the above-indicated variances in MOOE and CO, the NFA still has the flexibility to modify its utilization within the total DBM-approved budget level.**

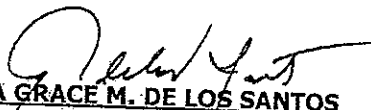
Further, the following conditions shall be observed and complied with:

1. All expenditures, whether for current operating expenditures or COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and National Government budgetary support either in the form of subsidy, equity or loans outlay.

2. Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional corporate receipts, shall require the submission of a supplemental COB to cover the additional expenditures.
3. This approval shall not be construed as an authorization for specific expenditure items under PS which require prior approval by the OP. **Disbursements for PS shall strictly observe pertinent compensation laws, rules and regulations**, including EO Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively, and EO No. 203 as amended by EO No. 36 for Government-Owned and - Controlled Corporations (GOCCs) covered by RA No. 10149. Such expenditures shall also be subject to relevant conditions under the GPs of the annual GAA or any specific law or approval of the President of the Philippines or Secretary of Budget and Management or the Governance Commission for GOCCs, as the case may be.
4. Disbursements for Extraordinary and Miscellaneous Expenses and other MOOE items shall be subject to the relevant provisions of the annual GAA, among others.
5. Equipment outlays included in the Annual Procurement Program that requires specific clearance/approval from the Agencies concerned shall be secured prior to the acquisition thereof, e.g. Office of the President/Department of Budget and Management/Supervising Department for the purchase of motor vehicles (MV), in accordance with Budget Circular (BC) No. 2022-1 dated February 11, 2022. Further, the classifications and specifications of the subject motor vehicle/s shall be consistent with the provisions of Annex A of the said BC.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In case the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
7. Notwithstanding the repeal of AO No. 103, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed. No irregular, unnecessary, extravagant, excessive and unconsonable expenses shall be incurred pursuant to AO No. 6 dated September 19, 2017.
8. It is understood that this review action does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of law.
9. Any and all officials or employees who will authorize, allow or permit, as well as those who are negligent in the performance of their duties and functions which resulted in the incurrence or payment of unauthorized and unlawful obligation or expenditure shall be personally liable to the government for the full amount committed or expended and subject to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of EO No. 292.

Recommending Approval:

Approved:  
By Authority of the Secretary:

  
**MARIA GRACE M. DE LOS SANTOS**  
Director IV, BMB - C

  
**TINA ROSE MARIE L. CANDA**  
Undersecretary

Date: 7 October 2022

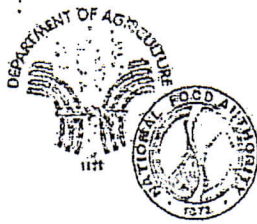
Date: OCT 12 2022

cc: **The Chairman**  
Board of Council, NFA

**COB No. C1-22-0047**

**Assistant Commissioner Winnie Rose H. Encallado**  
Commission on Audit (COA) - Central Office  
COA Building, Quezon City

**The Resident Auditor**  
COA - NFA



# NATIONAL FOOD AUTHORITY

Office of the Council Secretary

Visayas Avenue, Barangay VASPA, Diliman, Quezon City 1128

[www.nfa.gov.ph](http://www.nfa.gov.ph)

CERTIFIED TRUE COPY OF THE ORIGINAL  
*by* *Atty. Neriza Joyce M. Recinto*  
ATTY. NERIZA JOYCE M. RECINTO  
DATE: 07/27/21

## RESOLUTION

REVISED CORPORATE OPERATING BUDGET (COB) OF THE NATIONAL FOOD AUTHORITY (NFA) FOR THE FY 2022 AMOUNTING TO SEVENTY-SIX BILLION ONE HUNDRED THIRTY-SEVEN MILLION PESOS (P76,137,000,000.00)

DATE PASSED: 19 JULY 2021

### RESOLUTION NO. 1009-2021-G

WHEREAS, Section 8 of Republic Act (RA) No. 11203<sup>1</sup> states in part that "The NFA shall, in accordance with the rules, regulations and procedures to be promulgated, maintain sufficient rice buffer stock to be sourced solely from local farmers";

WHEREAS, based on the results of the independent study as mandated by Rule 8.2.1 of the Implementing Rules and Regulations (IRR) of RA No. 11203, the NFA Council passed Resolution No. 999-2021-B on 16 February 2021 approving the revised volume of 300,000 MT NFA optimal buffer stocks to be maintained at the national level at any given time;

WHEREAS, on 20 April 2021, Resolution No. 1004-2021-D was passed regarding the Approval of National Food Authority (NFA) Corporate Operating Budget (COB) for CY 2022 amounting to FORTY-NINE BILLION SEVEN HUNDRED EIGHTY-FIVE MILLION PESOS (P49,785,000,000.00), which "provided, further, that the NFA Management shall submit a separate budget for the Rice Fortification Program and an additional P 25.000 billion for net lending to include payment of short-term borrowings";

<sup>1</sup> An Act Liberalizing the Importation, Exportation and Trading of Rice, Lifting for the Purpose the Quantitative Import Restriction on Rice and for Other Purposes

*[Signature]*  
NFA COUNCIL CHAIRPERSON

*[Signature]*  
NFA COUNCIL VICE-CHAIRPERSON

DEPARTMENT OF AGRICULTURE  
10100 VISAYAS AVENUE, DILIMAN, QUEZON CITY 1128  
Inquiries: 02-8613-1000  
For Signature: 5:00-24-0040  
RICE AND RICE MILLING DIVISION

"A food"

sincere farmers and fishermen"



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OFFICE OF THE PRESIDENT

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FARMER'S REPRESENTATIVE

RESOLUTION

REVISED CORPORATE OPERATING BUDGET (COB) OF THE NATIONAL FOOD AUTHORITY (NFA) FOR THE FY 2022 AMOUNTING TO SEVENTY-SIX BILLION ONE HUNDRED THIRTY-SEVEN MILLION PESOS (P76,137,000,000.00)

DATE PASSED: 19 JULY 2021

BSP

WHEREAS, through a letter dated 21 May 2021, management requested the NFA Council to consider through Ad Referendum for Resolution NFA's revised budget proposal for FY 2022 amounting to SEVENTY-FIVE BILLION SIX HUNDRED SEVEN MILLION PESOS (P75,607,000,000.00)<sup>2</sup>;

DTI

WHEREAS, on 02 June 2021, the Resolution-Referendum on the Revised NFA COB amounting to P75.607 Billion for FY 2022 was sent to the NFA Council for approval;

OFFICE OF THE PRESIDENT

WHEREAS, per Resolution No. 1006-2021-F adopted during the 15 June 2021 NFA Regular Council meeting regarding the Approval on the Fortification of 150,000 MT NFA Rice Buffer Stocks for CY 2022, it was "provided, further, that the management will present to the Council the recalculation of budget proposal considering the cost repair of facilities / equipment and other necessary costs";

DOF

WHEREAS, during the 19 July 2021 NFA Special Council meeting, the management presented the proposed Iron-Fortified Rice (IFR) price which is at P28.50 per kilogram, the total budget expenditures and source of financing for the iron fortification of 150,000 MT NFA Buffer Stocks, viz:

PARTICULARS	AMOUNT (in million pesos)
<b>I. EXPENDITURES</b>	
Procurement of Iron Premix (750 x P375,000/MT)	281,250
Capital Outlay (35 Units X P5 Million/Unit)	175,000
MOOE - Direct Cost	60,201
MOOE - Administrative and Other Operating Expenses	14,068

<sup>2</sup> Honorable Department of Agriculture Secretary and NFA Council Chairperson William D. Dar, thru his marginal note dated 01 June 2021, Approved the Ad Referendum for Resolution of NFA's Revised Budget Proposal to Fiscal Year 2022 Amounting to P75.607 Billion.

*William D. Dar*  
NFA COUNCIL CHAIRPERSON

*James M. ...*  
NFA COUNCIL VICE CHAIRPERSON

CERTIFIED TRUE COPY OF THE ORIGINAL  
by *Neriza Joyce M. Recinto*  
ATTY. NERIZA JOYCE M. RECINTO  
DATE: *19 July 2021*

DEPARTMENT OF AGRICULTURE  
In 2017, we provide the code:  
For Signatures: 6-03-21-00-00  
Received: 06/22/2021 07:25 PM

"A. focal"

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FARMER'S REPRESENTATIVE

RESOLUTION

REVISED CORPORATE OPERATING BUDGET (COB) OF THE NATIONAL FOOD AUTHORITY (NFA) FOR THE FY 2022 AMOUNTING TO SEVENTY-SIX BILLION ONE HUNDRED THIRTY-SEVEN MILLION PESOS (P76,137,000,000.00)

DATE PASSED: 19 JULY 2021

Total Budget Expenditures	530.514
II. SOURCE	
Sales (150,750 MT x *3,500/MT)	525,000
(750 MT x P28,000/MT)*	21,375
Excess Collections Adjusted to Corporate Receipts	15,861

WHEREAS, the NFA management proposed its revised COB for FY 2022, to include the budget for IFR and payment of short-term borrowings, in the total amount of SEVENTY-SIX BILLION ONE HUNDRED THIRTY-SEVEN MILLION PESOS (P76,137,000,000.00);

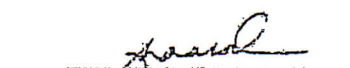
WHEREAS, in arriving with the aforesaid COB, the following assumptions based on NFA's marketing plan were considered:

PARTICULARS	Volume (in MT)
Procurement	
Palay (@ P19.00/kg)	480,000
Local White Corn (@ P13.00/kg)	805
Iron Premix (P375.00/Kg)	750
Distribution	
Rice (@ P25.00/kg)	150,000
Iron Fortified Rice (@P28.50/kg)	150,750
Local White Corn (@ P13.00/kg)	805

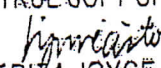
WHEREAS, the summary in financial terms of the proposed revised 2022 budget in comparative form are as follows:

USES	Original Proposal	Adjustment of NG Advances	Iron Fortification Program	Total Revised Proposal
	(a)	(b)	(c)	(a+b+c)
PROCUREMENT COST	9.130		0.281	9.411
CAPITAL OUTLAY	1.123		0.175	1.298
LONG-TERM LOAN PAYABLES				
NG Net Lending-Debt Conversion to Subsidy	32.212	0.000		32.212

  
NFA COUNCIL CHAIRPERSON

  
NFA COUNCIL VICE CHAIRPERSON

DEPARTMENT OF AGRICULTURE  
NATIONAL FOOD AUTHORITY  
in relation to the above  
For Signature: 9-05-21-00-19  
Received: 07/20/21 02:26 PM

CERTIFIED TRUE COPY OF THE ORIGINAL  
  
ATTY. NERIZA JOYCE M. RECINTO  
DATE: 09/27/21

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DATE PASSED: 19 JULY 2021

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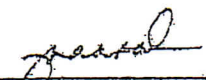
Short-Term Loans - Domestic	0.000	24.972		24.972
Long-Term Loans - Domestic	0.360	1.800		2.160
Foreign Loan	0.012	0.000		0.012
PERSONNEL SERVICES	1.851			1.851
MAINTENANCE AND OTHER OPERATING EXPENSES (MOOE)	2.378		0.074	2.452
INTEREST AND CHARGES	2.719	(0.950)		1.769
<b>TOTAL</b>	<b>49.785</b>	<b>25.822</b>	<b>0.530</b>	<b>76.137</b>

WHEREAS, the Budget Sources projected in comparative form as follows:

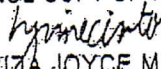
SOURCES	Original Proposal	Adjustment of NG Advances	Iron Fortification Program	Total Revised Budget
<b>CORPORATE RECEIPTS</b>				
Sales Collection	7.329	(0.181)	0.530	8.217
Miscellaneous / Facilities	0.077			0.077
Asset Advancement	0.482			0.482
<b>GOVERNMENT SUPPORT</b>				
Subsidy for Buffer Stocking	7.000			7.000
Conversion of Net Lending	32.212			32.212
<b>NG ADVANCES / NET LENDING</b>				
Loans (Principal / Interest)	2.705	26.008		28.708
<b>TOTAL SOURCES</b>	<b>49.785</b>	<b>25.822</b>	<b>0.530</b>	<b>76.137</b>

NOW THEREFORE, FOR AND IN CONSIDERATION OF THE FOREGOING PREMISES, THE NFA COUNCIL HEREBY RESOLVES AS IT IS HEREBY RESOLVED TO APPROVE THE REVISED CORPORATE OPERATING BUDGET OF NFA FOR THE FY 2022 AT SEVENTY-SIX BILLION ONE HUNDRED THIRTY-

  
NFA COUNCIL CHAIRPERSON

  
NFA COUNCIL VICE CHAIRPERSON

DEPARTMENT OF AGRICULTURE  
NFA COUNCIL CHAIRPERSON  
In Signing use the following code:  
For Signature: S-03-21-0040  
In Stamp: S-03-21-02-0040

CERTIFIED TRUE COPY OF THE ORIGINAL  
  
ATTY. NERIZA JOYCE M. RECINTO



RESOLUTION

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DATE PASSED: 19 JULY 2021

SEVEN MILLION PESOS (P76,137,000,000.00) FOR ENDORSEMENT TO THE DEPARTMENT OF BUDGET AND MANAGEMENT;

PROVIDED, FURTHER, that the Revised 2022 Corporate Operating Budget of NFA shall be subject to the evaluation of the Department of Finance.

Approved during the 147<sup>th</sup> NFA Council meeting held on the 19<sup>th</sup> day of July 2021 via teleconference.

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FARMER'S REPRESENTATIVE

*Cecilia A. ...*  
NFA COUNCIL CHAIRPERSON

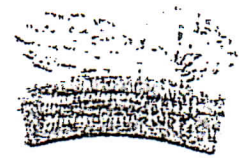
*Janard ...*  
NFA COUNCIL VICE CHAIRPERSON

DEPARTMENT OF AGRICULTURE  
AND FISHERIES  
Interlocking at the 147<sup>th</sup> meeting  
For Signature: 5-09-21-00 to  
Received: 06:00:00 07:02:28 PM

Prepared by:

*Neriza M. Recinto*  
ATTY. NERIZA JOYCE M. RECINTO  
Acting Board Secretary V

CERTIFIED TRUE COPY OF THE ORIGINAL  
*Neriza M. Recinto*  
ATTY. NERIZA JOYCE M. RECINTO  
DATE: 09/27/21





# NATIONAL FOOD AUTHORITY

Office of the Council Secretary

Visayas Avenue, Barangay VASRA, Diliman, Quezon City 1128.

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DATE PASSED: 19 JULY 2021

APPROVED: .

WILLIAM D. DAR, Ph.D.  
Chairperson, NFA Council  
Secretary, Department of Agriculture

DEPARTMENT OF AGRICULTURE  
In compliance with the provisions of the  
"For Signature: S-08-21-0049  
Received: 07/20/21 02:26 PM

National Food Authority

By:

JUDY CAROL L. DANSAL  
Administretor

ATTY. SALVADOR C. MEDIALDEA  
Executive Secretary  
Office of the President

By:

ATTY. RICARDO P. BERNABE III  
OP Representative

BENJAMIN E. DIOKNO  
Governor  
Bangko Sentral ng Pilipinas

By:

KARL KENDRICK T. CHUA  
Secretary  
National Economic and Development Authority

By:

FRANCISCO G. DAKILA, JR.  
Alternate

MERCEDITA A. SOMBILLA  
Alternate

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ATTY. NERILA JOYCE M. RECINTO

