

National Food Authority

2023 NFA Annual Report



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

I. OPERATIONS COORDINATION DEPARTMENT

A. ENSURE FOOD SECURITY THROUGH MAINTENANCE OF ADEQUATE BUFFER STOCK SOURCED FROM LOCAL FARMERS

1. PALAY PROCUREMENT

In January to September 19, 2023, the NFA Buying price for clean and dry palay is at P19.00 per kilogram. However, ex-farm price of palay remains higher than the government's support price such that the agency was not able to procure much for its buffer stocking requirement. In view of the elevated palay farm gate prices, the provision of the Buffer Stock Incentive (BSI) was implemented to augment NFA's palay buying price and to encourage more farmers to deliver and sell their produce to NFA.

Table 1 below shows the latest Effective Buying Price for NFA's Palay Procurement Program, approved in September 2023:

Table 1 : NFA's Palay Support Price

Palay Moisture Content	Base Buying Price of Palay per kg	Maximum BSI per kg	Effective Buying Price per kg
Clean and Dry (14% MC)	₱19.00/kg	₱4.00/kg	₱23.00/kg
Fresh / Wet (22% - 29.9 MC)	₱16.00/kg	₱3.00/kg	₱19.00/kg

Despite the additional BSI starting September 20, 2023, NFA has continued to face challenges in palay procurement. Palay procurement calendar year (CY) 2023 only reached 15.84% equivalent to 1,568,379 bags (Table 2) from the set approved target of 9,900,000 bags due to the following hindrances:

- Stiff competition and aggressive procurement activities of private traders;
- Quality issues as some palay harvests did not conform with NFA's quality standards;
- Lack of post-harvest facility like mechanical dryers/NFA drying capacity is limited at 31,000 metric tons only and;
- High prevailing ex-farm palay prices brought by: (1) the tight supply of rice being traded in the international market; (2) high demand of rice by major rice importing countries and; (3) the imposition of export ban in India for non-basmati rice.

Table 2: Palay Procurement (per Month)*In bags of 50 kilograms*

Month	Target	Actual	%Acc.	Target	Actual	%Acc.
	CY 2023*			CY 2022**		
January	326,150	152,352	46.71	299,000	253,840	84.90
February	401,050	83,763	20.89	399,060	120,540	30.21
March	600,600	62,411	10.39	583,020	307,320	52.71
April	1,053,000	137,354	13.04	1,016,000	1,128,760	111.10
May	644,350	97,685	15.16	788,940	932,760	118.23
June	349,400	20,374	5.83	488,040	209,660	42.96
July	215,000	7,672	3.57	145,000	45,320	31.26
August	333,300	5,784	1.74	228,880	115,520	50.47
September	1,221,300	142,385	1.17	1,085,040	583,100	53.74
October	2,218,250	679,023	30.61	2,030,960	1,064,400	52.41
November	1,724,700	135,939	7.88	1,644,100	884,780	53.82
December	812,900	43,638	5.37	892,000	346,960	38.90
TOTAL	9,900,000	1,568,379	15.84	9,600,040	5,992,960	62.43

*2023 Annual Operational Accomplishment Report

**2022 NFA Annual Report

Compared to CY 2022, the NFA's total palay procurement for CY 2023 at 1,568,379 bags (78,419 MT) translates to 73.83% drop-off against the 5,992,960 bags (299,648 MT) palay procured last year.

The NFA's total palay procurement during the implementation of the Buffer Stocking Incentive (BSI) from September 20 to December 31, 2023 was recorded at about 952,520 bags (47,626 MT), which represents the 60.73% of the total volume of palay procured at the national level for the entire year.

2. MILLED RICE DISTRIBUTION

Table 3: NFA Rice Distribution*In Metric Tons (MT)*

Month	Target	Actual	%Acc.	Target	Actual	%Acc.
	CY 2023*			CY 2022**		
January	341,450	295,922	86.67	217,260	834,400	384.06
February	384,290	73,324	19.08	238,800	592,000	247.91
March	343,750	85,502	24.87	330,600	551,820	166.91
April	341,350	71,085	20.82	336,500	262,540	78.02
May	354,730	215,649	60.79	312,960	226,920	72.51
June	380,450	525,770	138.20	315,780	463,260	146.70
July	583,475	214,116	36.70	333,380	566,160	169.82
August	608,295	134,180	22.06	346,600	500,720	144.47
September	654,260	86,284	13.19	637,440	379,780	59.58
October	743,445	97,018	13.05	975,260	456,900	46.85
November	748,860	156,369	20.88	988,540	374,500	37.88
December	755,645	155,710	20.61	981,920	447,880	45.61
TOTAL	6,240,000	2,110,929	33.83	6,015,040	5,656,880	94.05

*2023 Annual Operational Accomplishment Report

**2022 NFA Annual Report

For CY 2023, the NFA distributed a total of 2,110,929 bags of rice (105,546 MT) as shown on Table 3, attaining 33.83% accomplishment of the set operational target of 6,240,000 bags of rice (312,000 MT). This translates to a 62.82% decrease against the 2022 level of 5,656,880 bags of rice (282,843 MT).

The rice issuances of NFA from 2023 were distributed to the:

- Department of Social Welfare and Development (DSWD), Local Government Units (LGUs), legislators, various government and other relief agencies for emergency situations and pro-poor program of the government. For CY 2023, a total of 418,931 bags (20,947 MT) were distributed for the purposes of rehabilitation and calamity / relief response;
- One-Time Rice Assistance (OTRA) for government employees, Job Orders and Contract of Service of the National Government Agencies, State Universities and Military / Uniformed Personnel covered by the contingent fund from the Department of Budget Management (DBM) pursuant to AO No. 2, s. 2022 (for 2023) and;
- Bureau of Jail Management and Penology (BJMP), Philippine National Police (PNP), Armed Forces of the Philippines (AFP), and government hospitals under EO No. 51.

Rice distribution target was not realized as this transaction has been calibrated to ensure that there is still enough rice buffer stocks for issuance to relief operations / emergency and calamity purposes.

3. NFA MILLED RICE INVENTORY

Table 4 below shows the NFA's Total Expected Milled Rice Inventory (TEMRI) by month for the calendar year 2023. It should be noted that NFA's inventory is only part of the national rice inventory of the entire country.

Table 4: Total Expected Milled Rice Inventory (per Month)

In bags of 50 kilograms

Month	Volume
January	2,095,764
February	2,061,431
March	1,981,019
April	2,002,339
May	1,702,038
June	1,216,880
July	1,018,995
August	872,709
September	884,793
October	1,204,530
November	1,142,588

4. STOCK QUALITY MAINTENANCE

NFA was able to attain its commitment to maintain at least 99.998% 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.

Table 5: Percentage of Good Stocks Maintained in Good and Consumable Condition

(For the period January to December 2023)

Month	Condition of Stocks**		Compliance to Target* (SO1:SM2)	Average Rating (%)
	% Good and Consumable	% Non-Consumable		
January	99.998	0.002	100%	99.998
February	99.998	0.002	100%	
March	99.998	0.002	100%	
April	99.998	0.002	100%	
May	99.997	0.003	100%	
June	99.997	0.003	100%	
July	99.996	0.004	100%	
August	99.994	0.006	100%	
September	100.00	0.000	100%	
October	100.00	0.000	100%	
November	100.00	0.000	100%	
December	100.00	0.000	100%	

*2023 NFA Performance Scorecard Commitment

**National Quality Assessment Report (QUASAR) from January to December 2023 (OCD-TSD)

5. POST-HARVEST FACILITY MANAGEMENT

A major function under the NFA post-harvest 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:

- 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 was already completed.
- Acquired 16 units of 6 TPB mechanical dryers with biomass furnace/diesel fired burner and constructed 7 units of drying shed including upgrading of power supply.

Table 6: Inventory of Major Post-Harvest Facilities

Region	WAREHOUSE				RICEMILLS				MECHANICAL DRYERS			
	Operational	For Repair	For Disposition	Total	Operational	For Repair	For Disposition	Total	Operational	For Repair	For Disposition	Total
	No. Of Units				No. Of Units				No. Of Units			
Region I	19	2		21	2	0	1	3	7	1	6	14
Region II	46	0		46	6	0	0	6	34	10	12	56
Region III	50	1		51	0	5	0	5	16	2	3	21
Region IV	28	3		31	3	1	1	5	0	0	16	16
Region V	18	1		19	3	0	0	3	13	2	11	26
Region VI	20	1		21	4	0	0	4	14	0	17	31
Region VII	12	3		15	1	2	0	3	2	0	1	3
Region VIII	21	1		22	1	0	3	4	7	1	0	8
Region IX	21	1		22	1	0	0	1	8	6	5	19
Region X	17	2		19	1	1	0	2	8	9	5	22
Region XI	13	0		13	1	0	0	1	2	3	14	19
Region XII	23	0		23	2	1	0	3	10	1	13	24
NCR	11	4		15	0	0	1	1	0	0	0	0
ARMM	6	0		6	0	0	1	1	1	1	2	4
CARAGA	11	1		12	0	0	0	0	0	0	10	10
TOTAL	316	20	0	336	25	10	7	42	122	36	115	273

II. CORPORATE PLANNING AND MANAGEMENT SERVICES

A. ENHANCE COMPETENCIES OF ICT INFRASTRUCTURE

1. Information Technology/Systems Development

- Major function involves the formulation of the agency's strategic and medium-term budgetary and operational plans, development of systems and procedures, computerized application, and align NFA's basic decision support system to the fast development of information technology.
- Technical support for IT Network / Hardware / Software for both Central and Field Offices

	Number of Responses/ Services Rendered
LAN and Internet Connection	53
Troubleshooting / updating of various computer applications and IT equipment / peripherals	148

- Monitoring of Data Center

	Name of Responses/ Services Rendered
Hyper Converge Infrastructure	Continuing Activity
Uninterruptible Power Supply	Quarterly Preventive Maintenance
Precision Air-Conditioning Unit	Quarterly Preventive Maintenance
Firewall and Network Switches	97

- IT System Development Administration/Maintenance

	Number of Responses/ Services Rendered
Payroll System	20
Property Information System	2
SOP Database system	2
Web HURIS System	11
Stock Examination System (VFP)	2
Cash Monitoring System	69
Client Satisfaction Measurement	2
Electronic Bid Posting System	10
Electronic Integrated Financial and Operations Management Information Systems (e-IFOMIS)	53

- Technical support for online/virtual and face-to-face meeting of NFA Executives and Employees:

	Number of Responses/ Services Rendered
NFA Council, EXCOM, MANCOM, Regional Managers & DBCC meeting	15
Others: Legal hearing, Audit Risk Management	46

Meeting, Entrance Conference with COA & etc.	
NFA Digitalization Program: - Smarter Approaches to Reinvigorate Agriculture as an Industry in the Philippines (SARAI) - Digital Payments for Government Disbursement and Collections - NFA Command Center	14

- Web Posting

	Number of Responses/ Services Rendered
Accomplishment Report	16
Corporate Governance	-
Performance Scorecard	1
Procurement Plans, Reports and Contract Awarded	186
Others:	8

2. Corporate Planning

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

- Prepared and submitted 01 January to 31 October 2023 Accomplishment Report;
- Prepared and submitted Annual Work and Financial Plan (AFWP) for FY 2023 and 2024;
- Prepared and submitted Quarterly Narrative Report and Annexes;
- Prepared and submitted the NFA's Annual Narrative Report for 2022;
- Provided inputs and submitted re: Regional Targets for the Philippine Development Plan Outcome-Level Indicators;
- Provided inputs & data for the Senate Briefings and Hearings for the DA and Attached Agencies and Corporations FY 2024 Budget;
- Prepared and submitted the PIP/TRIP focal of NFA and uploaded PIP/TRIP Projects for 2023-2025;
- Prepared NFA's Budgetary Requirements for the FY 2024 Budget;
- Attended the Orientation on the DA Internal Guidelines for the Updating of the PIP 2023-2028 and TRIP 2025-2027 as input to the FY 2025 Budget Preparation and on the use of DA Public Investment Program system (DA-PIPS) on August 3,2023;
- Accomplished/updated the requested completion and verification of regional PDP outcome targets by DA-Investment Programming Division;
- Attended DA National El Nino Team Meeting;
- Prepared and submitted reports for 2018-2022 Budget Accountability, Annual Accomplishment and Annual Procurement Plan;
- Prepared and submitted the Quarterly PPAN 2023 Physical & Financial Report; and

- Attended and presented the materials on the DA's 1st Semester 2023 Performance Assessment of the Department's Programs and Projects.
- **Anti Red Tape Authority (ARTA) Matters**
 - Attended ARTA's Briefing/Orientation on the Implementation of Report Card Survey (RCS) and Harmonized Client Satisfaction Measurement (CSM);
 - Prepared memo to field offices re: Inspection/validation of citizen's charter and CSM compliance;
 - Prepared and submitted NFA CART directory to ARTA;
 - Consolidated and evaluated the comments on the existing NFA 2023 Citizen's Charter for both external and internal services;
 - Disseminated ARTA campaign materials to all field offices; and
 - Prepared memo regarding the Citizen's Charter and CSM field validation / inspection report; and
 - Inspected Citizen's Charter compliance of NFA Pangasinan and Tarlac.
- **Governance Commission for GOCCs (GCG) Matters**
 - Prepared and submitted NFA's Quarterly Accomplishment Report on the 2023 Performance Scorecard;
 - Prepared the proposed 2024 NFA Performance Scorecard and discussed with concerned NFA Department Offices;
 - Attended and defended the 2024 Proposed Performance Scorecard December 20, 2023 – Technical Panel Meeting with GCG;
 - Attended and participated the Onsite visit of GCG to NFA East District Office regarding the second quarter accomplishment report on the 2022 Performance scorecard;
 - Prepared and submitted Corporate Governance Scorecard Report Form B to GCG(CGS-R Form B);
 - Provided GCG with supporting documents relative to the validation of the 2022 NFA Performance Scorecard;
 - Prepared and submitted DA reports for 2018-2022 Budget Accountability, Annual Accomplishment, and Annual Procurement Plan;
 - Prepared and submitted the 2022 Annual Monitoring Accomplishment Report on the NFA Performance Scorecard;
 - Prepared and submitted additional supporting documents for the validation of 2021 Performance Scorecard;
 - Prepared request for reconsideration of the result of the 2021 NFA Performance Scorecard on Strategic Measure 9 -Improvement on the Competency Baseline;
 - Revised the 2023 NFA Performance Scorecard based on the discussions/agreements made during the Technical Panel Meeting last December 21, 2023;
 - Attended the Performance Target Conference (PTC) with GCG last March 28, 2023 and finalized the 2023 NFA PS; and

- Prepared memo regarding ISO Certification target for 2023 NFA PS, approving the documents of ISO certification of Region VII due to their impending relocation, and for Region VI to undergo certification.
- **Gender And Development (GAD) Matters**
 - Prepared and submitted to Philippine Commission on Women (PCW) the Sources of NFA GAD Budget for the submission of GAD Plan and Budget (GPB) for FY 2024;
 - Reviewed the computation of 2024 GAD Budget per project based on the Harmonized Gender and Development Guidelines (HGDG) scores and narrative report submitted by the provinces and regions;
 - Reviewed the 2024 GAD GPB submission of all field offices;
 - Prepared memo regarding the conduct of campaign to end Violence Against Women and Children;
 - Facilitated the conduct of the Seminar on the Fundamentals of GAD and Gender Analysis;
 - Prepared and submitted the signed NFA GAD Plan and Budget (GPB) for FY 2023 and GAD Accomplishment Report (AR) to COA and PCW;
 - Reconstituted Special Order on GAD Technical Working Group for Central Office;
 - Reconstituted Special Order on Executive Committee of NFA GAD Focal Point System (GFPS);
 - Prepared and submitted NFA's GAD Accomplishment Report for June 2023;
 - Prepared and submitted GAD Accomplishment Report for FY 2022 to PCW; and
 - Attended PCW GAD Webinar: Towards a Gender-Responsive Agency: The 7 Steps in Formulation a GAD Agenda.
- **Standard Operating Procedure (SOP) Matters**
 - Created the Special Order on the Special Review Committee on the SOP on Palay Procurement;
 - Acted as secretariat for the Special Review Committee on SOP on Palay Procurement; and
 - Consolidated amendments on the SOP on Palay Procurement based on the proposed/revised outline.
- **Department of Budget and Management (DBM) Matters**
 - Prepared memorandum to all Regional Managers regarding submission of DBM Forms 712 and 713;
 - Consolidated and submitted the required DBM Forms; and
 - Prepared and submitted Quarterly BAR 1 Report.

- **Commission on Audit (COA) Matters**
 - Prepared quarterly report on Government plans, programs, and activities (PPAs).

- **Asset and Rationalization Program (ARP) Matters**
 - Prepare updates on the NFA's 5-year divestment plan; and
 - Prepared and submitted inventory of NFA Idle properties for EO 34.

- **Other Matters**
 - Organized and conducted the technical briefing on grain quality evaluation on October 24, 2023;
 - Prepared and submitted inputs for the 2023 Philippine Dev't Report for PDP 2023-2028;
 - Attended briefing on Equivalent Net Weight Factor;
 - Attended Audit and Risk Management Committee (ARMC) meeting, and discussed the status of NFA 2023 CSM;
 - Prepared the necessary documents/materials for the CY 2024 NFA Integrated National Planning Conference;
 - Provided over-all assistance and acted as secretariat during the conduct of the conference;
 - Prepared Memo to OCD endorsing the Draft Joint Memorandum Circular entitled "*Harmonized Guidelines and Procedure for the Issuance of Certificate and Clearance Relative to the Release of Foreign Donated Relief Goods Availing of Duty-Exemption on Importation to Concerned Agencies for Comments, Clarification, and Recommendations*";
 - Provided Senate with requested data used during the Senate Committee Budget Hearing;
 - Reconstituted Special Order on National Completion Policy Committee in compliance with the National Economic and Development Authority (NEDA) and Philippine Completion Policy (PCC) Joint Memorandum Circular No.1,s. 2023;
 - Prepared NFA compliance with the Requirements under RA 11032 or the Ease of Doing Business and Efficient Government Service Delivery Act of 2018 and its Implementing Rules and Regulations (IRR);
 - Prepared and submitted the Proposed 2024 Budget related to the Climate Change for approval of the Climate Change Commission;
 - Prepared and submitted NFA Inputs for the Social Development Committee National Consultative Meeting;
 - Attended Virtual Preparatory Meeting to discuss the establishment of Agriculture Subsector Indicators System (ASSIST);
 - Attended Executive Briefing on Post-Pandemic Study on Food Security & Agri- Business;
 - Facilitated the Project Inception Workshop on Improving the Rice Supply Chain to Ensure Quality of Seeds & Milled Rice for Distribution & Buffer Stocks in the Philippines;
 - Prepared and submitted the required data for the Finalization of the ThreeYear Agriculture Development Program (ADP) 2023-2025 ;

- Prepared materials for the Senate and Congress Budgetary Requirements for FY 2023;
- Provided inputs for the Regional Disaggregation of the Agency's National Sectoral Outcome Targets for identified priority sectors in the 2023-2028 Philippine Development Plan (PDP) and its Results Matrices (RMs);
- Attended virtual meeting on the conduct of the Two-Part Agricultural Development Program (ADP) meeting and Preparation of the FY 2024 Program Convergence Budgeting (PCB) (February 15, 2023);
- Attended Senate/Congressional Budget briefings, hearings, and plenary sessions; and
- Inspected the PHFs and Procurement Process at NFA Pangasinan and Tarlac.

III. FINANCE DEPARTMENT

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

UNAUDITED STATEMENT OF FINANCIAL POSITION

As of 31 December 2023

Based on unaudited Financial Performance, the NFA reported a total assets of ₱23,074,118,611.64 and total liabilities of ₱131,553,536,317.77, resulting to equity deficiency of ₱108,479,417,706.13

PARTICULARS	AMOUNT (PHP)
ASSET	
Current Assets	
Cash and Cash Equivalents	11,599,563,645.73
Investments	394,998,435.59
Receivables	3,043,775,294.22
Intra-Agency Receivables	2,013,926,545.66
Inventories	2,195,746,400.79
Other Current Assets	171,402,844.21
Total Current Assets	19,419,413,226.26
Non-Current Assets	
Investments	516,705,093.58
Investment Property	18,758,267.61
Property, Plant and Equipment	3,013,416,826.80
Intangible Assets	11,128,497.31
Other Non-Current Assets	94,696,700.08
Total Current Assets	3,654,705,385.38
TOTAL ASSETS	23,074,118,611.64
LIABILITIES	
Current Liabilities	
Financial Liabilities	6,046,897,235.14
Inter-Agency Payables	121,001,790,427.34
Trust Liabilities	827,788,223.28
Deferred Credits/Unearned Income	717,408.93
Total Current Liabilities	127,877,193,294.69
Non-Current Liabilities	
Financial Liabilities	2,950,012,577.30
Deferred Credits / Unearned Income	111,678,342.05
Provisions	614,652,103.73
Total Non-Current Liabilities	3,676,343,023.08
TOTAL LIABILITIES	131,553,536,317.77

NET ASSETS (Total Assets Less Total Liabilities)	(108,479,417,706.13)
NET ASSETS/EQUITY	
Government Equity	
Accumulated Surplus / (Deficit)	(113,479,418,034.97)
Contributed Capital	5,000,000,328.84
Total Net Assets/Equity	(108,479,417,706.13)

UNAUDITED STATEMENT OF FINANCIAL PERFORMANCE

As of 31 December 2023

NFA's total Revenue is ₱2,663,438,470.91, while Current Operating Expenses is at ₱8,753,788,286.01, resulting to a deficit of ₱6,090,349,815.10 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 ₱16,008,622,035.20.

PARTICULARS	AMOUNT (PHP)
REVENUE	
Service and Business Income	2,660,082,395.91
Shares, Grants and Donations	3,356,075.00
Total Revenue	2,663,438,470.91
CURRENT OPERATING EXPENSES	
Personal Services	1,524,090,708.27
Maintenance and Other Operating Expenses	1,292,755,268.54
Financial Expenses	1,908,540,939.40
Direct Cost	3,613,532,511.63
Non-Cash Expenses	414,868,858.17
Total Current Operating Expenses	8,753,788,286.01
SURPLUS / (DEFICIT) FROM CURRENT OPERATIONS	(6,090,349,815.10)
Other Non-Operating Income	56,312,340.09
Gains	5,380,895.91
Losses	(150,309,257.70)
Surplus / (Deficit) Before Tax	(6,178,965,836.80)
Income Tax Expense	52,128.00
Surplus / (Deficit) After Tax	(6,179,017,964.80)
Subsidy from National Government	22,187,640,000.00
NET SURPLUS / (DEFICIT) FOR THE PERIOD	16,008,622,035.20

B. Debt Management

The outstanding NFA loans as of 31 December 2023 amounted to ₱126,217,613 Million Pesos, comprising of the following:

Particulars	Balance as of December 31, 2023 (in Million Pesos)
I Short-Term Loans	
A. LBP	1,000.000
B. DBP	3,000.000
Total Short-Term Loans	4,000.000
II Long-Term Loans	
A. Syndicated Loan with LBP	1,350.000
B. Syndicated Loan with DBP	1,350.000
Total Long-Term Loans	2,700.000
Total Local Bank Loans	6,700.000
III Foreign-Japanese Rice Loan	21.277
IV Net Lending	
A. Principal	107,067.343
B. Interest	593.528
Total Net Lending	107,660.871
V Guarantee Fee	11,835.465
TOTAL OUTSTANDING DEBT	126,217.613

C. 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 amounted to ₱43,446,025.76

PARTICULARS	AMOUNT (PHP)
Anti-Red Tape Authority (ARTA)	28,432,142.84
Office for the Alternate Dispute Resolution (OADR)	11,846,796.00
Others	3,167,086.92
TOTAL	43,446,025.76

D. Contribution to the Economy

As of 31 December 2023, the NFA contributed ₱2,841,854,441.28 to the country's economy. This is in terms of the economic activities undertaken on 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	AMOUNT (PHP)
Palay Procurement	1,623,664,550.00
Rent Expenses	9,390,364.20

Transportation & Delivery Expenses	172,399,825.33
General Services	134,166,422.86
Janitorial Services	17,842,328.34
Security Services	397,255,212.19
Drying	833,885.51
Milling	7,903,393.71
Handling	256,366,398.05
Tax Withheld from Employees' Compensation	88,401,033.13
Tax Withheld from Suppliers of Goods & Services	133,631,027.96
TOTAL	2,841,854,441.28

E. Subsidy Utilization

The NFA's Government Subsidy is ₱9 Billion, for the exclusive purpose of purchasing palay to local farmers. Only 17% or 1.492 billion was disbursed for the year.

Particulars	Amount in Billion Pesos			% Accomplishment (Disbursement/NCA)
	SARO ¹	NCA ²	Disbursed ³	
Current Year's Budget				
2023 Agency Specific Budget	9.000	9.000	1.492	17%

1 Statement of Allotment and Release Order (SARO)

2 Notice of Cash Allocation (NCA)

3 Based on Grain Situationer Report (GSR)

IV. INTERNAL AUDIT DEPARTMENT

A. Audit engagement

- Special Audit on palay procurement, milling, semi-annual inventory and allied clerical requirements for Region I & III;
- Special Audit on Allied Clerical Requirement for Central Office;
- Special Audit on Physical Inventory Count;
- Physical Inventory Count of grains stocks in all warehouses of the following regions:
 - Ilocos Region (Region I)
 - Cagayan Valley (Region II)
 - Central Luzon (Region III)
 - Southern Tagalog (Region IV)
 - Bicol Region (Region V)
 - Western Visayas (Region VI)
 - Central Visayas (Region VII)
 - Eastern Visayas (Region VIII)
 - Western Mindanao (Region IX)
 - Northern Mindanao (Region X)
 - Southern Mindanao (Region XI)
 - Central Mindanao (Region XII)
 - BARMM

- Special Audit on palay procurement, milling operations, semi-annual physical inventory taking and clerical requirements hired through Allied Services of NFA-Ilocos Region (Region I);
- Special Audit on procurement, milling and disposition operations of NFA Region III (Nueva Ecija, Tarlac, and Pampanga);
- Special Audit of Region XI – Audit and Investigation on the Travel Claims and Other Matters; and
- Special Audit on procurement, milling and disposition operations of NFA Region V.

B. Tolerable Allowance (TOLA)

- Issued eighty-two (82) Certifications for Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees. These are for purposes of retirement, resignation, travel abroad, reassignment/transfer, death benefit claims, and/or other purposes (CNAI & Rice Allowance claims & VISA application); and
- National Consolidation of Quarterly Status of Stocks Accountabilities Report

C. Audit Risk Management Committee (ARMC)

- ARMC Regular meeting on January 11, 2023
- ARMC Regular meeting on May 10, 2023
- ARMC Regular meeting on October 09, 2023
- ARMC Regular meeting on December 06, 2023
- Prepared various memorandum and materials for ARMC meetings

V. LEGAL AFFAIRS DEPARTMENT

For CY 2023, a total of 2,581 activities pertaining to Investigation, Documentation and Litigation were undertaken as follows:

Investigation and Documentation	689
Contracts/ SOP reviewed/evaluated	303
Opinions rendered	75
Memos re: Notice of Disallowance	106
Other Memos	151
Investigation Memos	31
Administrative Case Pleasing / Memos	23
Litigation	1,892
Hearing/s attended by Lawyers	133
Pleadings memoranda & related documents prepared by Lawyers	99
Opinions, reports, requests, queries & communications prepared and sent by Lawyers	345
Certifications/COC of no pending case	1309
Other Accomplishments	6
TOTAL	2,581

VI. ADMINISTRATIVE AND GENERAL SERVICES DEPARTMENT

A. NFA Personnel Complement as of December 31, 2023

Status	Authorized Positions	Filled-up Positions	Vacancies
<i>Regular</i>			
Central Office	224	149	75
Field Office	2,420	1,466	954
Total	2,644	1,615	1,029

B. Competency Framework

As of 31 December 2023, the NFA accomplished the following:

- Conducted and assisted in the meeting with SAOs / BAOs / RAMs on the Competency Assessment Administration for 2023;
- Monitoring of the conduct of Training / Learning; and
- Development interventions for all employees in line with the competency gaps.

C. Report on Employees Training and Development

NFA provided trainings to all Executives and Rank and File employees to address competency gaps

Conducted one hundred six (106) different trainings that were participated by eight hundred thirty one (831) employees from central and field offices.

Programs	Accomplishments
External Trainings	<ol style="list-style-type: none"> 1. Evaluated and Processed 97 external training requests for both Central and Field Offices. 2. 538 employees from Central Office and Field Offices were able to attend external trainings.
Internal Trainings	<ol style="list-style-type: none"> 1. Human Resource Development and Services (HRDS) Division was able to conduct 4 internal trainings attended by 186 officials and employees: <ul style="list-style-type: none"> • Briefing on the Code of Conduct and Ethical Standards for NFA Officials and Employees • RA 9184 and its 2016 Revised Implementing Rules and Regulations • Kidney Health Advocacy Program • Seminar on Fundamentals of Gender and Development and Gender Analysis 2. Other department/office were able to conduct 5 internal trainings attended by 107 officials and employees: <ul style="list-style-type: none"> • Constructors Performance Evaluation System (CPES) Accreditation Training • Accountants Conference

	<ul style="list-style-type: none">• Training on Geotagging Technology• Technical Briefing and Planning in Grains Quality Assurance for RSQAO and BSQAO• Calibration of Analytical Panelist for Sensory Evaluation of Milled Rice
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