

National Food Authority

Accomplishment Report

February 2015

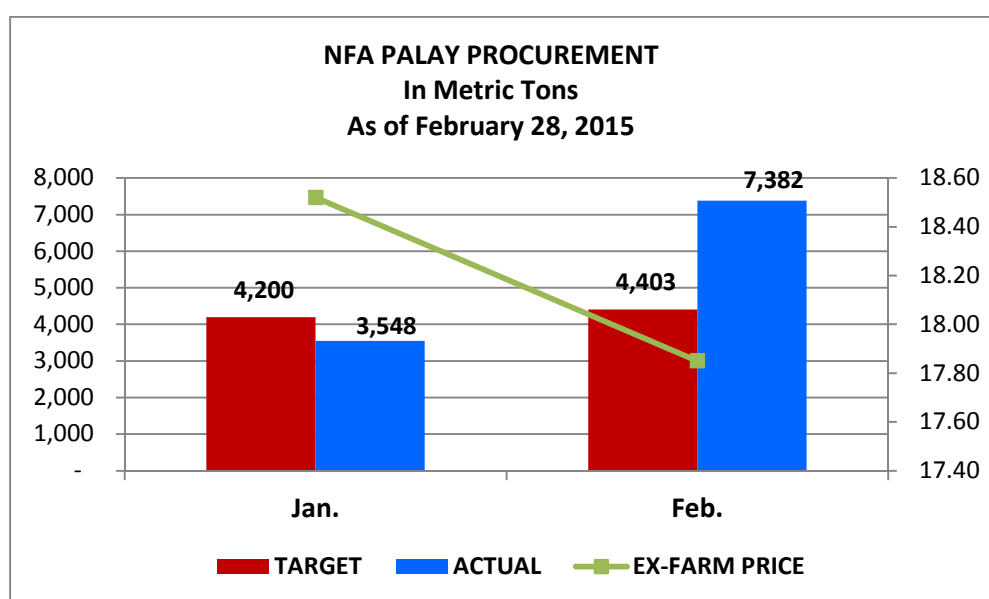


STABLE SUPPLY AND PRICE OF STAPLE CEREALS

PROCUREMENT

a. Palay

In February, NFA procured 7,382 MT of palay which is 168% accomplishment of the monthly target of 4,403 MT. The increase in procurement from 87% in January to 168% in February, was due to the overall decline of palay farm prices ranging from 0.45% in Southern Mindanao to 8.45% in Central Luzon.



DISTRIBUTION

During the month, NFA distributed 76,621 MT of rice, or 87% accomplishment of the monthly target of 88,160 MT.

PRICES

Based on the regional summary of commercial palay/rice prices monitored by the Philippine Statistical Authority (PSA), the national average ex-farm price for palay declined further from ₱18.23/kg to ₱17.85/kg over last month's prices.

Average Ex-Farm Prices vs NFA Buying Price

(Price per kg.)

February 28, 2015

Commodity	NFA Buying Price	Ex-Farm Price	Price Diff. (In peso/kg)
Palay	17.00	17.85	(0.85)
YGN	12.30	12.40	(0.10)
WGN	13.00	12.59	0.41

Also, prices continued to decline further from last month's prices. Wholesale and retail prices of WMR decreased by ₱0.71/kg and ₱0.54/kg, respectively. Also for RMR, a ₱0.84/kg was reflected in the wholesale and a ₱0.56/kg decrease in retail prices. The price decline is traced to the increase in rice inventory during the main harvest, and the government support to farmers through the Office of the Presidential Assistant on Food Security and Agricultural Modernization, (OPAFSAM) and the Department of Agriculture, (DA) by distributing high-yielding varieties of certified seeds, improved irrigation, and intensified monitoring of rice price/supply situation, and apprehension of unscrupulous traders, hoarders, and price manipulators in major markets nationwide.

Average Prevailing Wholesale/Retail Price of Rice and Corn

(Peso per Kg.)

February 28, 2015

Commodity	February	January	Price Diff in (Peso/Kg)
Whole Sale			
WMR	38.83	39.54	(0.71)
RMR	35.54	36.38	(0.84)
YGN	16.71	16.42	0.29
WGN	14.54	13.63	0.91
Retail			
WMR	42.03	42.57	(0.54)
RMR	38.32	38.88	(0.56)
YGN	22.39	21.97	0.42
WGN	21.20	20.56	0.64

For the past five years (2010-2014), the highest annual mean inflation rate for rice was recorded in 2014. The inflation rate of rice for 2015 has continuously declined such that it already posted a slower rate marked at 7.2% for the month of February 2015. This is relatively lower by 1.4 percentage point from the 8.6 percent inflation rate on rice recorded in January 2015. The adequate supply of rice in the domestic market mainly contributed to the slowdown in the movement of domestic market mainly contributed to the slowdown in the movement of domestic rice prices.

Also, other major factor cited that led to the continued easing of inflation was that there was no new major economic and weather shocks that lingered in the country that could considerably affect food supply as stated by Secretary Balisacan of NEDA.

BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED

RICE STOCK INVENTORY

As of February 28, 2015, NFA had a stock inventory of 11,017,208 bags (total rice equivalent -TRE) or 550,860 MT, good to last for 17 days, based on the 31,064 MT national daily rice consumption requirement.

MFO 4: DEVELOPMENTAL REGULATION OF THE GRAINS INDUSTRY IMPLEMENTED AND ENFORCED

REGISTERED/LICENSED GRAINS BUSINESSMEN

NFA registered and licensed 14,014 applicants, of which 250 grains businessmen availed of the two-year (2016-2017) advance-license scheme. Total R/L collections on grains business activities amounted to ₱29,617,339.06, of which ₱167,799.50 were from advanced collections. 509 metal plates were issued/sold for ₱101,800.00. The cumulative RL fees comprised 37% of the annual targeted collection of ₱147M, while the number of RL applicants is equivalent to 33% of the annual targeted applicants of 78,000.

PARTICULARS	FEBRUARY
R/L Fees Collection	₱ 29,617,339.06
Advance Collections (2015-2016)	₱ 167,799.50
2016 Applicants: 149	103,163.00
2017 Applicants: 101	64,636.00
No. of R/L Applicants	14,014
METAL PLATES (@ P200/pc)	
- No. of Issuances of Metal Plates	509
- Amount	₱ 101,800.00

CUSTOMER ASSISTANCE

Through its nationwide Customer Assistance Units (CAU), NFA responded to/assisted 2,290 stakeholders. Most of the assistance rendered was on requests for farmer's passbook, renewal of NFA license, delivery date of NFA rice allocation, and R/L requirements of new applicants.

Type of Assistance Rendered

SUMMARY OF CAU SERVICES	NOVEMBER
Suggestions	-
Inquiries	1,391
Request	899
Complaints	-
Total Assistance Rendered	2,290

UGNAYAN (Farmers' Assembly)

PERFORMANCE INDICATOR	ACCOMPLISHMENT
UGNAYAN conducted	19
Farmer-participants	2,665
LGUs-participants	360
No. of farmers accredited	5
No. of Farmer Organizations accredited	3

For the month of February, 19 UGNAYANs were conducted, participated in by 2,665 farmers and 360 participants from the LGUs. Some 5 farmers and 3 farmer organizations were accredited under NFA's Institutional Procurement Program (IPP).

FOOD DEVELOPMENT CENTER

Testing

For the month, FDC performed 91 chemical analysis, 149 microbiological, 1 physical and sensory, and 9 micro analytical (filth) evaluation to determine safety and quality of white rice, brown rice, corn grits, other cereals, and various food and food products as well as testing of packaging materials and label evaluation; performs heat penetration and heat distribution test to establish and/or evaluate adequacy of thermal processes of canned goods; performed 5 shelf life testing to establish shelf life of various packaged products.

Research and Development

- Prepared project proposals for testing of arsenic in rice and dried salted jellyfish,
- Prepared progress/final report on pyriproxyfen project

Quality Assurance

- Implemented Pilot Plant projects
- Conducted inspection of food manufacturing plants and issue compliance certificates

Industry Liason

- Evaluated clients technical inquiry and recommend FDC analyses/services to meet international standards
- Conduct and evaluation of customer satisfaction survey
- Information technology to develop network based document management system for FDC files/ISO documents; maintain official FDC website; and maintain/administer FDC Wifi network
- Monitoring and delivery of FDC reports to stakeholders

ISO Compliance

- Implementation of QA activities for testing laboratories
- Monitor, review and verify effectiveness of written ISO documents
- Maintenance/upgrading og FDC ISO 9001:2008 Certification and ISO/IEC 17025:2005 accreditation
- Conduct of training of ISO auditors

The Food Development Center (FDC) generated an income of **₱494,716.50**, **37%** higher than the previous month of **₱362,109.75**, with food quality testing/evaluation, of the Quality Evaluation Division having the highest contribution.

LEGAL AFFAIRS

In February, 237 activities pertaining to adjudication, documentation and litigation were undertaken.

The 150 certifications were issued for claims on Loyalty incentives, loans, resignations, terminal leave benefits, study leave, designation as Warehouse Supervisors, travel abroad and clearances.

LEGAL AFFAIRS DEPARTMENT (LAD)

As of February 28, 2015

Adjudication	152
Decision/s	1
Draft Decision	1
Docketed Case/s	0
Certification issued	150
Documentation & Legal Research	20
Contracts reviewed/evaluated	2
Contracts prepared	0
Opinions rendered	16
Others: Opening Sealed Canvass/Opinions from OGCC	2
Litigation	65
Hearing/s attended by Lawyers	20
Pleadings, memoranda & related documents prepared by Lawyers	8
Review of certifications issued to Private Importers (MAV-CSQ)	0
Opinions, reports, requests, queries & communications prepared and sent by Lawyers	37
TOTAL	237

MANAGEMENT EFFICIENCY AND COMPETENCY

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology

- As of February 28, 2015, the Electronic Integrated Financial Operation and Management Information System (eIFOMIS) development is at 89.08% accomplishment.
- In compliance to Good Governance conditions:
 - NFA updated its transparency seal:
 - NFA updated its annual procurement plan, contracts awarded and names of contractors/suppliers/consultants with PhilGEPS.

Project and Program Development

- Pipelining of project “Establishment of an ICT-based Buffer Stock Management System in the Philippines”: Coordination with NEDA on its endorsement to KOICA
- NFA GCG Scorecard:Completion/Finalization
- NFA Performance Evaluation System/SPMS/OP-PBB
 - Facilitated/conducted meeting/ on NFA’s 2015 Performance Agreement.
 - Prepared Annual Accomplishment Report in compliance to Good Governance Conditions.
- NFA – Strategy Map 2015 briefing workshop on balanced scorecard in all regions.
- NFA Policy Portfolio:Updated
- CSW on DBCC-passed proposed capital outlay projects
 - Bantay, Ilocos Sur
 - NEW Divestment Proposal on Cabanatuan Propoerty

Relevant Policy Initiatives of the Legislative and Executive Branches and Instrumentalities

- Congress and Senate Budget Hearings.
- Comments on Draft Bill Removing/Amending Investment Restriction on Specific Laws Governing the Culture, Production, Milling, Processing, Trading except Retailing of Rice and Corn, acquiring by barter, purchase or otherwise.

Accomplishment/Performance Reporting

- NFA 2014 Annual Report
- NFA 2014 4th Quarter Accomplishment Report
- NFA 2014 Corporate Profile
- First 100 days of Adm. Renan B. Dalisay
- Corporate Objectives, Priorities and Programs, Expenditure Plan in compliance to DBM’s for 700 and 701

INTERNAL AUDIT SERVICES

In February 2015, the following Audit Services were conducted:

I. AUDIT ENGAGEMENTS

A. Special

1. Stock Accountabilities (NFA kalinga)

B. Management (Distribution and Cash Management – Collections, Deposits and Remittances)

1. Reports Submitted on Audit of:
 - i. Batangas Provincial Office
 - ii. Palawan
 - iii. San Jose, Occidental Mindoro
 - iv. Davao City
 - v. Digos, Davao del Sur

C. Conduct of Investigation of Alleged Defective Appointments

D. MAV-CSQ 2014 Rice Importation Program – Terminal Report

II. Tolerable Allowance (TOLA)

A. Appeals

- i. Appeal of Rufino C. Erni, General Trias Warehouse, NFA Cavite
- ii. Appeal of Abraham Diaz, Kadiwa Accountability, NFA Western Pangasinan
- iii. Issued memo to Region I on legal opinion regarding the case of SGOO Benedicto Pichay

B. Certifications

Issued 66 certifications to Stock (Grains and MTS) Accountabilities of NFA Officials and rank and file employees.

TRAININGS:

In February 2015, NFA facilitated the participation of 16 NFA employees in 8 external trainings.

TITLE	NO. OF PARTICIPANTS	DURATION
I. Internal Training	0	
II. External Training	16	
1 Tools and Techniques for Internal Auditing	2	Feb 11-13
2 Fraud Awareness Detection and Prevention	2	Feb 17-18
3 Effective Audit Report Writing	2	Feb 26-27
4 Gender Sensitivity Training of Facilitators	2	Feb 3-6
5 Training Course on the Phil. Quality Award	4	Feb 24-27
6 Seminar/Workshop on the Revised Rules on Administrative Case in the Civil Service (RRACCS)	2	Feb 18-19
7 Seminar on "Year-End BIR Audit Reminders"	1	24-Feb
8 Seminar on "ABCs of Value Added Tax (VAT) and EWT"	1	27-Feb
TOTAL	16	

NFA PERSONNEL COMPLEMENT as of February 28, 2015

	No. of Positions
Regular Plantilla	3,874
Central Office	<u>522</u>
Executive	47
Rank & File	475
Field Office	<u>3,352</u>
Executive	100
Rank & File	3,252
CTI Personnel (Rank & File)	<u>414</u>
Central Office	87
Field Office	<u>327</u>
Total	<u><u>4,288</u></u>

ENFORCEMENT AND INVESTIGATION

Nationwide enforcement accomplishment for the month of February 2015.

PARTICULARS	
1. No. of grains business establishments inspected	3,107
2. No. of grains businessmen apprehended	226
3. No. of violations noted	246
4. Administrative fines/fees collected	P 504,546.00
5. Fees collected thru enforcement	P 1,892,381.00

CONTRIBUTION TO THE ECONOMY:

NFA has contributed P254,147,314.85 to the country's economy in terms of the following increase in economic activities.

PARTICULARS	AMOUNT
1. Palay Procurement	24,950,004.31
2. Corn Procurement	17,980.36
3. Rent Expenses	3,329,931.81
4. Transportation & Deliveries Expenses	36,086,264.88
5. Storage	10,334,643.60
6. General Services	11,191,228.36
7. Janitorial Services	2,462,614.87
8. Security Services	42,949,548.11
9. Drying	49,774.56
10. Milling	-
11. Handling	72,736,903.73
12. Tax Witheld from Employees' Compensation	13,461,099.73
13. Tax Witheld from Suppliers of Goods & Services	36,577,320.53
TOTAL	254,147,314.85

Note: For the month of December 2014 per trial balance