

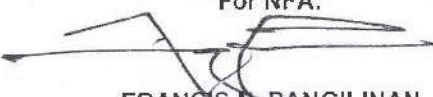
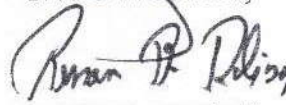


**SUMMARY OF AGREEMENTS  
NATIONAL FOOD AUTHORITY  
2015**

| AGREEMENT   | Remarks |
|---|---------|
| Charter Statement   |         |
| <b>Mission Statement</b>  |         |
| Ensure reasonable rate of return to Filipino farmers, provide adequate supply and affordable rice and corn for the country, and promote the integrated growth and modernization of the rice and corn marketing industry to enable it to compete in the global market. |         |
| <b>Vision Statement</b>   |         |
| The NFA shall have achieved a nationwide sustainable mechanism for ensuring the stabilization of the prices and supply of rice and corn while increasing the income of Filipino farmers.  |         |
| <b>Core Values</b>  |         |
| Integrity<br>Professionalism and Fairness<br>Excellence in providing the needed services<br>Participative Management<br>Rationalized Development<br>Productive and Transparent  |         |

For GCG:  
  
**CESAR L. VILLANUEVA**  
Chairman

  
**RAINIER B. BUTALID**  
Commissioner

For NFA:  
  
**FRANCIS N. PANGILINAN**  
OPAFSAM Secretary  
  
**RENAN B. DALISAY**  
NFA Administrator

SUMMARY OF AGREEMENTS  
NATIONAL FOOD AUTHORITY  
2015

|               |                     | PAN AGREEMENT Component  |                       |  |  | Target               |                      | GCG Remarks                        |
|---------------|---------------------|--|-----------------------|--|--|----------------------|----------------------|------------------------------------|
|               |                     | Weight   | Formula               | Rating Scale   | 2015   | 2016                 |                      |                                    |
| SOCIAL IMPACT | SO 1                | Ensure Food Security   |                       |  |  |                      |                      |                                    |
|               | SM 1                | 15-day National Average Buffer Stocks Maintained   | 5%                    | Sum of the Days to Last (DTL) per month/12   | 13-15 = 10%<br>11-12.99 = 9%<br>9-10.99 = 8%<br>7-8.99 = 7%<br><7 = 0%                     | Ave. =15 days        | Ave. =15 days        |                                    |
|               | SM 2                | 30-day Buffer Stock Available by July 1  | 5%                    | NFA National Rice Inventory/National Daily Consumption Requirement as of July 1 = Days to Last (DTL) | 27-30 = 5%<br>24-26.99 = 4%<br>21-23.99 = 3%<br>18-20.99 = 2%<br>15-17.99 = 1%<br><15 = 0% | 30 days              | 30 days              |                                    |
|               | SO 2                | Availability, Accessibility, Affordability and Food Safety   |                       |  |  |                      |                      |                                    |
| STAKEHOLDER   | SM 3                | Percent Procurement from 37 Surplus Provinces  | 3%                    | procurement from 37 provinces/ total procurement   | 50%-100% = 3%<br>40 - 49% = 2%<br>30-39% = 1%<br><30 % = 0%                                | 50%                  | 50%                  |                                    |
|               | SM 4                | Average Farmgate Price in 37 Surplus Provinces   | 5%                    | Farmgate price (P/kg) equal to or more than 90% of the GSP for the 37 surplus provinces              | (Actual/Target) x Weight (but not to exceed the weight)                                    | minimum of P15.30/kg | minimum of P15.30/kg |                                    |
|               | SM 5                | Restoration or Preventing Further Escalation of Prices in Key Urban Areas (Metro Manila, Cebu, Davao and Baguio) with Price Increase of 4% | 5%                    |  | (Actual/Target) x Weight (but not to exceed the weight)                                    | within 14 days       | within 12 days       | NFA to set up mechanism to monitor |
|               | SM 6                | Average Response Time for Release of Stocks during Calamities  | 5%                    | Total Actual Response Time/Total Occurrences   | (Actual/Target) x Weight (but not to exceed the weight)                                    | within 23 hours      | within 23 hours      |                                    |
|               | SO 3                | Improve Quality Services   |                       |  |  |                      |                      |                                    |
|               | SM 7                | Stocks Maintained in Good & Consumable Condition   | 7%                    | % total stocks in good & consumable condition/ total stocks stored                                   | 99-100 = 7%<br>98% = 5%<br>97% = 3%<br>96% = 1%<br><96% = 0                                | 100%                 | 100%                 |                                    |
| SM 8          | Number of Licensees | 3%   | Actual Accomplishment | (Actual/Target) x Weight (but not to exceed the weight)  | 80,000   | 90,000               |                      |                                    |



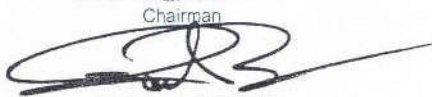

|                  |       | PAN AGREEMENT Component  |         |  |  |  |  | GCG Remarks                  |
|------------------|-------|--|---------|--|--|--|--|------------------------------|
|                  |       | Weight   | Formula | Rating Scale   | Target   |  |  |                              |
|                  |       |  |         |  | 2015   | 2016   |  |                              |
|                  | SM 9  | Number of Alternative Distribution Centers in 10 Priority Provinces  | 3%      | Actual Accomplishment  | (Actual/Target) x Weight (but not to exceed the weight)  | 250  | 500  |                              |
|                  | SM 10 | Percentage of Complaints Acted upon within the Given Turn-Around-Time (72 hours)                                   | 5%      | complaints acted upon within TAT/total complaints                  | (Actual/Target) x Weight (but not to exceed the weight)  | 100%   | 100%   |                              |
|                  | SO 4  | <b>Attain Client Satisfaction</b>  |         |  |  |  |  |                              |
|                  | SM 11 | Stakeholders' Evaluation of the NFA's Delivery of Services to its Critical Stakeholder : Palay-Farmers & Licensees | 3%      | Clients' rating of at least satisfactory                           | Satisfactory = 3%<br>Below Satisfactory = 0%   | Satisfactory Rating                                      | Satisfactory Rating                                      | to be conducted by 3rd party |
| INTERNAL PROCESS | SO 5  | <b>Rationalized and Efficient Local Procurement</b>  |         |  |  |  |  |                              |
|                  | SM 12 | Cereal Procurement Fund Made Available within Set Number of Days upon Receipt of Request                           | 3%      | ave. no. of days/target  | (Actual/Target) x Weight (but not to exceed the weight)  | 5 days   | 4 days   |                              |
|                  | SO 6  | <b>Efficient Rice Importation</b>  |         |  |  |  |  |                              |
|                  | SM 13 | Cost of Imports Relative to Reference Price  | 3%      | equivalent to or lower than the approved reference price           | (Actual/Target) x Weight (but not to exceed the weight)  | equivalent to or lower than the approved reference price | equivalent to or lower than the approved reference price |                              |
|                  | SM 14 | Timely Delivery of Contracted Quantity within the Contract Period  | 3%      | % Accomplishment of Total import deliveries to Contracted Quantity | 90% - 100% = 5%<br>80% - 89% = 4%<br>70%-79% = 3%<br>60%-69% = 2%<br>50%-59% = 1%<br><50% = 0% | 100%   | 100%   |                              |
|                  | SO 7  | <b>Implement Organizational Reform</b>   |         |  |  |  |  |                              |
|                  | SM 15 | Approved Reorganization Plan including Functional De-ineation  | 5%      | Reorganization Plan approved by GCG in 2015                        | (Actual/Target) x Weight (but not to exceed the weight)  | Agreed Table of Organization (TO) by August              | Approval   |                              |
|                  | SO 8  | <b>Minimize Operating Losses</b>   |         |  |  |  |  |                              |
|                  | SM 16 | Contribution Margin (CM)   | 5%      | contribution margin or gross profit from sales                     | P7 B = 5%<br>break-even = 3%<br>negative = 0%  | P7 B   |  |                              |
|                  | SO 9  | <b>Divestment of Assets</b>  |         |  |  |  |  |                              |

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| PAN AGREEMENT     |       |   |         |  |   |   |   | GCG Remarks             |
|-------------------|-------|---|---------|--|---|---|---|-------------------------|
| Component         |       |   |         |  |   | Target  |   |                         |
|                   |       | Weight  | Formula | Rating Scale   | 2015  | 2016  |   |                         |
| FINANCIAL         | SM 17 | Publication of the Divestment of the Big Ticket Assets Approved for Disposition by the NFA Council. | 5%      | no. of NPAs divested/target big ticket = billions                            | (Actual/Target) x Weight (but not to exceed the weight) | one (1) South District Office (SDO)                                     | Cab. City and Gen. San Properties divested              |                         |
|                   | SO 10 | Debt Management   |         |  |   |   |   |                         |
|                   | SM 18 | Debt Level  | 5%      | debt level equal to or lower than the projected level by end of a given year | 140B-144 B = 5%   | P155 Billion  |   |                         |
|                   |       |   |         |  | 145B-149 B = 4%   |   |   |                         |
| 150B-154 B = 3%   |       |   |         |  |   |   |   |                         |
| 155B-159B = 2%    |       |   |         |  |   |   |   |                         |
|                   |       |   |         | 160 B-164B = 1%  |   |   |   |                         |
|                   |       |   |         | >165 B = 0   |   |   |   |                         |
| LEARNING & GROWTH | SO 11 | Establish Quality Management System (QMS)   |         |  |   |   |   |                         |
|                   | SM 19 | ISO Certification   | 5%      | Actual Accomplishment vs. Work Program                                       | All or Nothing  | Certification of the Registrations & Licensing and Laboratory Processes | Certification of Procurement and Distribution Processes |                         |
|                   | SO 12 | Establish Competency Framework  |         |  |   |   |   |                         |
|                   | SM 20 | Council Approved Competency Framework   | 5%      | Actual Accomplishment  | (Actual/Target) x Weight (but not to exceed the weight) | Milestone   |   | TWG to determine target |
| Total Weight      |       |   | 100%    |  |   |   |   |                         |


For GCG:

  
**CESAR L. VILLANUEVA**  
 Chairman

  
**RAINIER B. BUTALID**  
 Commissioner

For NEA:

  
**FRANCIS N. PANGILINAN**  
 OPA/SAM Secretary

  
**RENAN B. DALISAY**  
 NFA Administrator