

# National Food Authority

## Accomplishment Report

July 2016

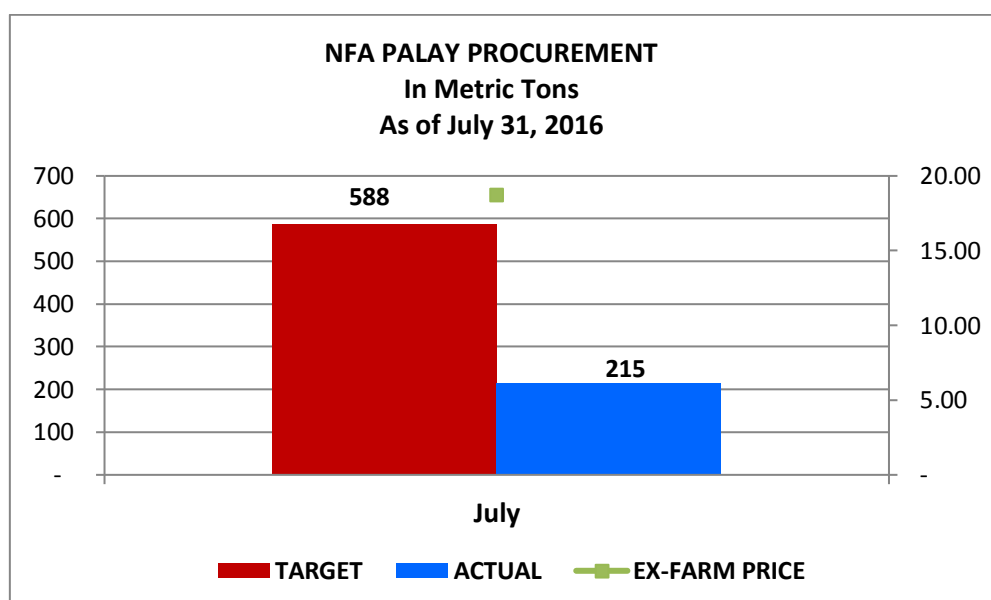


## MFO 1: STABLE SUPPLY AND PRICE OF STAPLE CEREALS

### PROCUREMENT

#### a. Palay

For the month of July 2016, NFA procured 215 MT of palay, which is 37% accomplishment of the month's target of 588 MT. The low procurement accomplishment is attributed to the onset of lean months, i.e. low production – high farmgate prices.



### DISTRIBUTION

NFA distributed 114,219 MT of rice, equivalent to 79.44% accomplishment of the target of 143,780 MT for the month of July. Low percentage of distribution is due to the presence of more affordable varieties of commercial rice in the market.

### IMPORTATION

The delivery of the 750,000 MT rice contracted in preparation for “El-Niño” is 99.12% completed, equivalent to 743,410 MT.

## PRICES

Based on Philippine Statistics Authority (PSA) summary of commercial palay/rice prices, the average ex-farm price for palay posted an increase of ₱0.22/kg or from ₱18.49/kg last month to ₱18.71 this month due to lean months. This is ₱1.71/kg higher compared to NFA's buying price.

### **Average Ex-Farm Prices vs NFA Buying Price**

(Price per kg.)

July 31, 2016

Commodity	NFA Buying Price	Ex-Farm Price	Price Diff. (In peso/kg)
Palay	17.00	18.71	<b>1.71</b>
YGN	12.30	12.98	<b>0.68</b>
WGN	13.00	14.22	<b>1.22</b>

Average prices for rice nationwide posted slight increase, which can be attributed to lean months and partly due to effects of the previous "El Niño" phenomenon on agricultural production. However, prices of corn generally decreased, at ₱0.26/kg from last month's wholesale price of ₱18.63/kg., and for WGN, at ₱1.44/kg and ₱0.46/kg in the wholesale and retail levels, respectively.

### **Average Prevailing Wholesale/Retail Price of Rice and Corn**

(Peso per Kg.)

July 31, 2016

Commodity	July	June	Price Diff in (Peso/Kg)
<b>Whole Sale</b>			
WMR	38.64	38.39	0.25
RMR	34.74	34.53	0.21
YGN	18.37	18.63	(0.26)
WGN	18.63	20.07	(1.44)
<b>Retail</b>			
WMR	41.68	41.49	0.19
RMR	37.26	37.04	0.22
YGN	22.90	22.82	0.08
WGN	23.56	24.02	(0.46)

## **MFO 3: BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED**

### **RICE STOCK INVENTORY**

As of July 31, 2016, NFA had a stock inventory of 15,759,466 bags (total rice equivalent – TRE) or 787,973 MT, good to last for 25 days, based on the 2016 national daily rice consumption requirement of 32,150 MT.

## **NATIONAL QUALITY ASSESSMENT (QSAR) OF NFA STOCKS FOR THE MONTH OF JULY 2016**

The total volume of NFA stored grains assessed for the month of July is 17,091,410.1 bags, composed of palay, milled rice and corngrits. Stocks fit as food (rice) represents 99.97% of the total assessed grains. Stocks for treatment were 79,353.5 bags (0.47% of the total assessed grains). Stocks for disposition were 4,393.1 bags (0.026%) composed of sweepings, partially damaged stocks and 831.6 bags (0.005%) of totally damaged milled rice.

<b>CLASSIFICATION/ CONDITION OF STOCKS</b>	<b>Quantity (in 50-kg bags)</b>	<b>PERCENTAGE (%)</b>	
Good Quality (GQ)	10,991,933.4	64.310	99.97
Treated	6,014,606.6	35.190	
For treatment	79,353.5	0.470	
Total for Disposition	4,393.1		
-Sweepings	3,561.5	0.021	0.03
-Partially Damaged	831.6	0.005	
Totally Damaged	1,123.5	0.007	
<b>TOTAL</b>	<b>17,091,410.1</b>	<b>100%</b>	

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

#### **REGISTERED/LICENSED GRAINS BUSINESSMEN**

For the month of July, NFA registered and licensed 3,431 applicants, of which 128 grains businessmen availed of the two-year (2017-2018) advance-license scheme. Total R/L collections on grains business activities amounted to ₱5,659,066.98, which includes collection from mobile licensing amounting to ₱952,078.75, and ₱434,805.10 from advanced collections. 867 metal plates were issued/sold for ₱173,400. The cumulative R/L fees comprised 90.02% of the annual targeted collection of ₱154M.

<b>PARTICULARS</b>	
<b>R/L Fees Collection</b>	<b>₱ 5,659,066.98</b>
<b>Mobile Licensing</b>	<b>₱ 952,078.75</b>
<b>Advance Collections (2017-2019)</b>	<b>₱ 434,805.10</b>
2017 Applicants: 72	30,647.50
2018 Applicants: 56	404,157.60
<b>No. of R/L Applicants</b>	<b>3,431</b>
<b>METAL PLATES (@ P200/pc)</b>	
- No. of Issuances of Metal Plates	867
- Amount	<b>₱ 173,400.00</b>

### **UGNAYANs (Farmers' Assembly)**

For the month of July, 37 UGNAYANs were conducted, participated in by 1,154 NFA stakeholders.

<b>PERFORMANCE INDICATOR</b>	<b>ACCOMPLISHMENT</b>
UGNAYANs conducted	37
Participants	1,154

### **CUSTOMER-ASSISTANCE**

Through its nationwide Customer-Assistance Units (CAU), NFA responded to/assisted 1,592 stakeholders. Most of the assistance rendered were 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**

<b>SUMMARY OF CAU SERVICES</b>	<b>ACCOMPLISHMENT</b>
Inquiries	843
Request	746
Complaints	3
<b>Total Assistance Rendered</b>	<b>1,592</b>

### **PHIL. GRAINS STANDARDIZATION PROGRAM (PGSP)**

To check whether the PGSP Rules and Regulations are strictly observed, 3,266 Grains Business Establishments were inspected. Trainings and seminars to advocate PGSP rules and regulations were conducted, participated in by 1,919 NFA Stakeholders.

<b>PERFORMANCE INDICATOR</b>	<b>ACCOMPLISHMENT</b>
Grains Business Establishment Inspected	3,266
Meetings/Seminars/Trainings;	
Number conducted	887
Number of Participants	1,919
Press Releases made	15
PGSP Violation cases filed	-

## **FOOD DEVELOPMENT CENTER**

### **Testing**

For the month, FDC performed 1 physical and sensory, 121 chemical analyses, 9 microbiological and 1 micro analytical, to determine safety and quality of white rice, brown rice, corn grits, other cereals, and various food and food products. Other activities included the testing of packaging materials and label evaluation; heat penetration and heat distribution test to establish and/or evaluate adequacy of thermal processes of canned goods; shelf life testing to establish shelf life of various packaged products; and the conduct of 6 seminar/training.

### **Research and Development**

- Development and Implementation of R & D projects
  - Arsenic in rice

### **Quality Assurance**

- Implementation of one Pilot-Plant project for the period.
- Inspection of three food manufacturing plants and issuance of compliance certificates

### **Training Programs**

- Design and/or development of new training course
- Implement four training courses to the food industry and government agencies
- Developed four training course materials
- Evaluate four implementation of training courses

### **Industry Liaison**

- Evaluation of 51 clients' technical inquiries and recommendations and FDC's analyses/services to meet international standards
- Information technology to develop network based document management system for FDC files/ISO documents; maintain official FDC website; and maintenance/administration of FDC Wifi network
- Monitoring and delivery of 108 FDC reports to stakeholders

### **ISO Compliance**

- Implemented nine QA activities for testing laboratories (Filth Laboratory)
- Monitored, reviewed and verified five effectiveness of written ISO documents
- Maintenance/upgrading of FDC ISO 9001:2008 Certification and ISO/IEC 17025:2005 accreditation

The Food Development Center (FDC) generated an income of **₱370,144.00**, with Quality Evaluation Division gave the highest contribution, at 42.09% of the total income.

## **LEGAL AFFAIRS**

For the month, 70 activities pertaining to adjudication, documentation and litigation were undertaken:

<b>Adjudication</b>	<b>9</b>
Special Order/s	4
Order/s issued and served	2
Hearing/s Conducted	2
Draft Decision/Resolution	1
<b>Documentation &amp; Legal Research</b>	<b>19</b>
Contracts reviewed/evaluated	5
Opinions rendered	7
Memos re. Notice of Disallowance	3
BAC	1
Conference (TWG)/ post Qualification	2
Others: Opening Sealed Canvass/Pre-Bid	1
<b>Litigation</b>	<b>42</b>
Hearing/s attended by Lawyers	5
Pleadings, memoranda & related documents prepared by Lawyers	9
Opinions, reports, requests, queries & communications prepared and sent by Lawyers	28
<b>TOTAL</b>	<b>70</b>

## **INTERNAL AUDIT SERVICES**

In July 2016, the following Audit Services were conducted:

### **I. AUDIT ENGAGEMENTS**

#### **A. Special Audit of Procurement Operations**

- Camarines Sur
- Mamburao
- Calapan
- Bukidnon
- Antique

### **II. Tolerable Allowance (TOLA)**

- #### **A. Issued 57 certification of Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees.**

## **CORPORATE PLANNING AND MANAGEMENT SERVICES**

### **Information Technology**

- As of July 31, 2016, the Electronic Integrated Financial Operation and Management Information System (eIFOMIS) development is at 95.48%. This covers the program development, user's acceptance, trainings conducted and pilot implementation of the modules in the designated six pilot sites, including Central office.

### **Corporate Planning**

- Prepared Transition Reports for CabSec
- SPMS – Prepared targets for July to December 2016
- GCG – Drafted proposed 2017 Performance Scorecard

### **Corporate Development and/or Evaluation:**

1. Warehouse Construction/PHFs
  - NFA Palawan – CSW on the proposed Administrative PHFs and Structures
  - NFA Occidental Mindoro – CSW on the proposed warehouse construction in Magsaysay, Occidental Mindoro
2. Divestment of Assets: Complete Staff Work (CSW)
  - NFA - Maramag, Bukidnon Property – for subtitling
  - NFA - General Santos Property – awaiting COA valuation
  - NFA - Cabanatuan Property (Partial) – deferred due to missing titles; TCTs for reconstitution
3. Evaluation
  - Proposed re-acquisition of SPGC (MINPROCOR Property)
  - Proposed Lot purchase and 500,00 bag capacity warehouse construction in Bacolod City
  - Proposed transfer of Regional Seat of Region XI from Gen. Santos City to Sta. Ana, Davao City vs Digos, Davao del Sur
4. Titling Concerns
  - Prepared letters to DOH and DPWH requesting assistance in expediting the issuance of required certifications, as one of DENR's requirement for NFA application for Presidential Proclamation / Special Patent.

### **Monitoring and Reporting**

- Visibility Reports from Field Offices – Liaison with LGUs and Congressmen
- 2<sup>nd</sup> Quarter Accomplishment Report for 2016 Performance Scorecard
- NFA Annual Report – Reviewed/edited final layout

### **Others – Secretariat and/or Technical Working Group/Staff Work to:**

- Competency Framework – Review of Job descriptions
- SPMS: CPMSD as Co-Chair of the Technical Working Group (TWG)
- Task Force on SDO Relocation, Central Office Building, Divestment of Cabanatuan Property – attended meetings/BAC concerns of CO building.



## **TRAININGS:**

In July 2016, NFA facilitated the participation of 166 NFA officials and employees in 5 internal and 7 external trainings.

<b>TITLE</b>	<b>NO. OF PARTICIPANTS</b>	<b>DURATION</b>
<b>A. Internal Training I</b>	<b>88</b>	
1 Emotional Intelligence for Managers	72	July 15-17 August 11-13
2 2016 Orientation Course for New Employees	16	July 20-22
<b>B. Internal Training II</b>	<b>64</b>	
1 Comprehensive Legal Training	14	July 11-12
2 Training/Conference for Accountants and Budget Officers	25	July 13-15
3 Training/Conference for Accountants and Budget Officers	25	July 20-22
<b>II. External Training</b>	<b>14</b>	
1 Training Course on Extension Management	2	June 29 - July 1
2 20th Food Safety Course	2	July 18-22
3 Customs Valuation	1	July 20-21
4 55th PAFT Annual Convention	1	July 27-29
5 GACPA Seminar	4	July 21, 2016
6 Inner Strenght Internal Conflict	3	July 20, 2016
7 PAB	1	July 28-29
<b>TOTAL</b>	<b>166</b>	

## **NFA PERSONNEL COMPLEMENT as of July 31, 2016**

### **No. of Positions**

<b>Regular Plantilla</b>	<b>3,822</b>	
<b>Central Office</b>		<b><u>501</u></b>
Executive		52
Rank & File		449
<b>Field Office</b>		<b><u>3,321</u></b>
Executive		103
Rank & File		3,218
<b>CTI Personnel (Rank &amp; File)</b>	<b>364</b>	
Central Office		70
Field Office		<u>294</u>
<b>Total</b>		<b><u><u>4,186</u></u></b>

## **ENFORCEMENT AND INVESTIGATION**

Nationwide enforcement accomplishment for the month of July 2016.

<b>PARTICULARS</b>	
1. No. of grains business establishments inspected	4,323
3. No. of violations	349
2. No. of grains business apprehended	282
4. Administrative fines/fees collected	P 269,106
5. Fees collected thru enforcement	P 659,474

## **CONTRIBUTION TO THE ECONOMY:**

NFA has contributed ₱2,180,141,727.82 to the country's economy in terms of the following increase in economic activities.

<b>PARTICULARS</b>	<b>AMOUNT</b>
1 Palay Procurement	1,064,341,646.78
2. Corn Procurement	2,007,955.29
3. Rent Expenses	15,689,137.20
4. Transportation & Deliveries Expenses	368,572,555.67
5. Storage	124,484,152.28
6. General Services	55,610,979.08
7. Janitorial Services	3,383,499.53
8. Security Services	141,744,856.19
9. Drying	405,474.52
10. Milling	6,487,539.16
11. Handling	142,947,884.50
12. Tax Withheld from Employees' Compensation	81,020,654.76
13. Tax Withheld from Suppliers of Goods & Services	173,445,392.86
<b>TOTAL</b>	<b>2,180,141,727.82</b>

*Per books from January to June, 2016*

## **PUBLIC AFFAIRS**

1. News Releases
  - Training on Accelerated Shelf Life Testing (ASLT) of Food Products
  - Rice registers negative inflation rate in first semester
2. Messages for officer-In-Charge Tomas R. Escarez
  - Area Conference on NFA Accountants and Budget Officers
  - NFAEA Quarterly Conference in Davao
3. Congratulatory letter for Cabinet Secretary Leoncio Evasco and 25 Cabinet Secretaries in the Duterte
4. Gintong Butil On Line and Grains Magazine 1<sup>st</sup> and 2<sup>nd</sup> quarter issues for 2016
5. Uploading of official photo of Pres. Rodrigo Duterte
6. Status reports on Food Guardian (FG) advocacy campaign
7. Information Officers (IOs) Seminar-Workshop
8. Posted 3 updates and answered 43 inquiries and complaints from netizens on the official NFA Facebook Account
9. Monitored and clipped 173 news items on NFA corporate and agri-related issues and concerns, reproduced and provided copies to concerned NFA officials.