

National Food Authority

Accomplishment Report

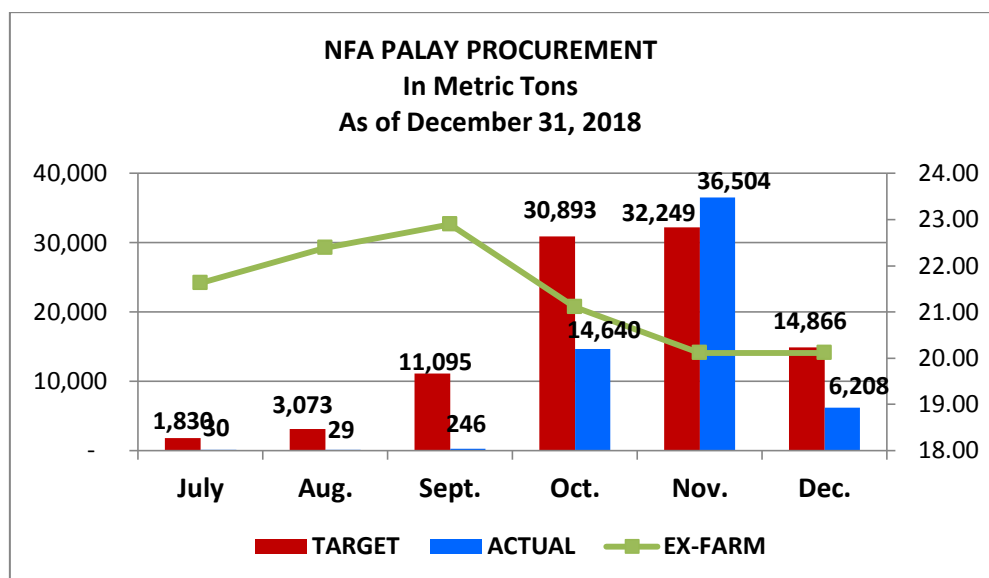
December 2018



MFO 1: STABLE SUPPLY AND PRICE OF STAPLE CEREALS

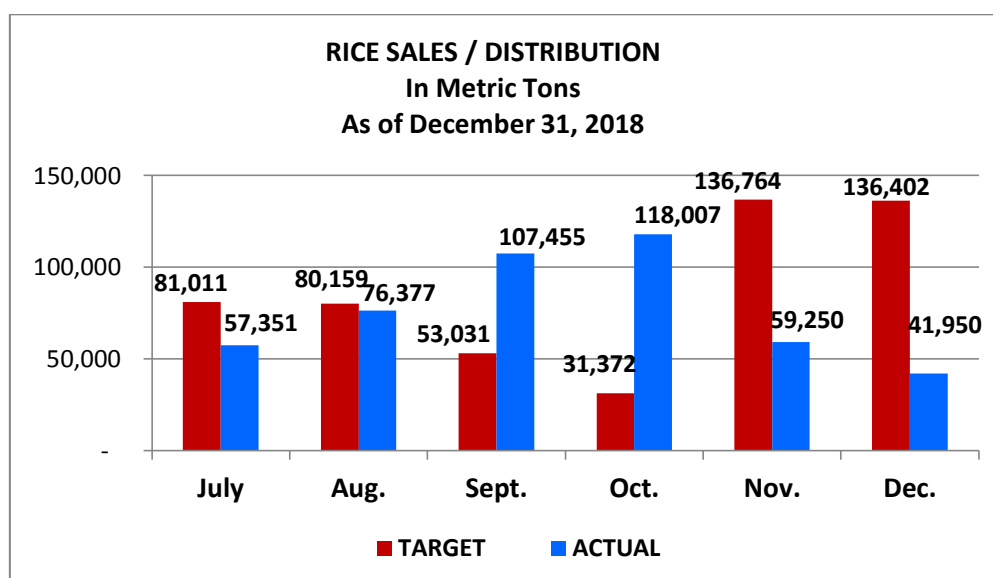
PROCUREMENT

For the month of December 2018, NFA procured 6,208 MT of palay, which is 41.76% accomplishment of the month's target of 14,866 MT. The decrease in procurement from last month's 36,504 MT can be attributed to the damage brought about by typhoon "USMAN" in some rice producing provinces.



DISTRIBUTION

For the month of December, NFA distributed 41,950 MT of rice, equivalent to 30.75% accomplishment of the month's target of 136,402 MT. Market participation was at 9.06%.



PRICES

Based on the Philippine Statistics Authority (PSA) summary of commercial palay/rice prices, the average ex-farm price slightly decreased at ₱20.08/kg. NFA's buying price for palay is lower by ₱3.08/kg, compared to the prevailing farm-gate price level. For yellow corn, NFA's buying price is lower by ₱1.76/kg and ₱1.18/kg in white corn.

Average Ex-Farm Prices vs NFA Buying Price

(Price per kg.)

December 31, 2018

Commodity	NFA Buying Price	Ex-Farm Price	Price Diff. (In peso/kg)
Palay	17.00	20.08	(3.08)
YGN	12.30	14.06	(1.76)
WGN	13.00	14.18	(1.18)

Starting October 12, 2018 NFA buys at ₱20.70/kg which consists of basic buying price of palay at ₱17.00/kg with additional incentives of ₱0.30 for CDIF, ₱0.20 for delivery fee, ₱0.20 for drying fee and ₱3.00 for Buffer Stocking.

Prices of Rice generally decreased, while Corn showed slight increases. WMR posted a decrease of ₱0.99/kg in wholesale and ₱1.38/kg in retail level. Prices of RMR also showed decreases of ₱0.96/kg in wholesale, while a decrease of ₱1.37/kg in retail level was noted. Yellow Corn manifested a slight decrease of ₱0.16/kg in wholesale, but showed a ₱0.35/kg increase in retail. White Corn also showed decrease of ₱0.06/kg in wholesale, but manifested an increase of ₱1.01/kg in retail level.

Average Prevailing Wholesale/Retail Price of Rice and Corn

(Peso per Kg.)

December 31, 2018

Commodity	December	November	Price Diff in (Peso/Kg)
Whole Sale			
WMR	41.98	42.97	(0.99)
RMR	38.94	39.90	(0.96)
YGN	20.49	20.65	(0.16)
WGN	20.73	20.79	(0.06)
Retail			
WMR	45.40	46.78	(1.38)
RMR	41.83	43.20	(1.37)
YGN	26.01	25.66	0.35
WGN	28.82	27.81	1.01

MFO 3: BUFFER STOCK OF STAPLE CEREALS

RICE STOCK INVENTORY

As of December 31, 2018, NFA stock inventory of 2,016,328 bags (total rice equivalent – TRE) or 100,816.40 MT, is good to last for 3.15 days, based on the 2018 national daily rice consumption requirement of 32,013 MT, while based on the Average Daily Sales (ADS) of 2,938 MT, with a market participation of 9.18%, NFA stocks would last for 33.33 days.

NATIONAL QUALITY ASSESSMENT (QSAR) OF NFA STOCKS

The total volume of assessed NFA stored grains as of the end of December 2018 was 2,363,556 bags, a decrease of 0.64% from November volume of 2,378,800 bags. Milled rice stocks fit as food represent 99.995% of the total assessed grains. Stocks for disposition totaled 106.8 bags, equivalent to .005%, composed of partial and totally damaged milled rice.

CLASSIFICATION/ CONDITION OF STOCKS	Quantity (in 50-kg bags)	PERCENTAGE (%)
Good Quality (GQ)	220,190.70	93.934
Treated	143,258.50	6.061
For treatment	0.00	0.000
Total for Disposition	106.80	
-Sweepings	0.00	0.000
-Partially Damaged	58.90	0.003
Totally Damaged	47.90	0.002
TOTAL	2,363,556.00	100%

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

REGISTERED/LICENSED GRAINS BUSINESSMEN

For the month of December, NFA registered and licensed 630 applicants, Total R/L collections on grains business activities amounted to ₱1,419,338.27. Some 266 metal plates were issued this month, amounting to ₱53,200.00.

The cumulative R/L fees collected amounting to ₱190,239,104.91 represents 127% of the annual target collection of ₱150M. Note that majority of those who applied for licenses are engaged in the selling of commercial rice.

PARTICULARS	
R/L and Other Fees Collection	1,419,338.27
Mobile Licensing	-
Advance Collections (2019-2021)	13,970.00
2019 Applicants: 19	7,810.00
2020 Applicants: 13	6,160.00
2021 Applicants:	-
No. of R/L Applicants	630
METAL PLATES (@ P200/pc)	
- No. of Issuances of Metal Plates	266
- Amount	53,200.00

NFA Initiatives to comply with the AO13: Removal of Non-Tariff Barriers and Streamlining of Administrative Procedures on the Importation of Agricultural Products

- Approval of 133,500 MT Minimum Access Volume (MAV) Importation intended for ZAMBASULTA
 - A total of 108,450 metric tons or 81.24% has already arrived.
- The 46,250 MT direct importation (out-quota) by the supermarkets under DTI was implemented.
 - Certificate of Eligibility issued:
 - Puregold Price Club, Inc. for a 40,000 MT rice imports (additional 20,000 MT from the original 20,000 MT)
 - Purerice Milling and Processing Corp. – The original volume of 20,000 MT was cancelled and a new issue of COE & IP for 1,250 MT
 - Application for Certificate of Eligibility of SM for 20,000 MT still under process – awaiting compliance from SM of requirements for the issuance of COE
 - Cornerstone Diversified Goods Trading, Inc. for 5,000 MT – new application
 - Actual arrivals:
 - Puregold Price Club, Inc. – 15,005.50 MT
 - Purerice Milling & Processing Corp. – 1,250 MT
- The out-quota rice importation by the Private Sector (on top of the 350,000 MT of DTI) with no limit on volume was implemented

- Issued a total of 174 Certificates of Eligibility – 132 for Farmers Organization, 23 for Corporation, and 19 for Sole Prop. With a total volume of 1,160,490 MT
- Number of import permits issued was 771. Actual arrival was 54,327 or 4.68% accomplishment
- Other NFA activities.
 - Tagpuan Day Rice Delivery (T-RRD) Program as of December 31, 2018:
 - Conducted 4,161 times in various municipalities/barangays nationwide
 - Sold a total of 250,251 bags or 12,512.50 MT
 - Served a total of 2,242,514 beneficiaries
 - Aside from these market outlets, 20 supermarkets were accredited as rice outlets per MOA with DTI and Philippine Amalgamated Supermarkets Association. Total rice sold under the scheme is 4,797 bags as of December 31, 2018
 - NFA's Market Participation as of December 31, 2018 is 9.18% based on a Daily Average Sales of 2,938 MT

INTERNAL AUDIT SERVICES

In December 2018, the following Audit Services were conducted:

I. AUDIT ENGAGEMENTS

- A. Special Audit on Distribution in Region III (N. Ecija, Bulacan), V (Naga & Legazpi),
 - Audit Report for finalization.
 - Special Audit on Distribution in Region XIII (EDO, CDO, SDO, NDO & Cavite) Legazpi),
 - Audit Report on-going.
 - Special Audit on Distribution in Region III (Tarlac & Pampanga), IV (Laguna & Quezon), VI (Iloilo & Bacolod), VII (Cebu & Bohol)- Audit Report completed.
- B. e-IFOMIS TOLA Module Implementation – Batangas Provincial Office and Laguna – Rolling-out on-going.
- C. Fact Finding Investigation Team to conduct investigation on Alleged NFA issues/irregularities raised during the February 27, 2018 Senate Hearing.
- D. Review of computation of Perpetual Leave Cards in HRMD – Four PLCs on-going review.

II. Tolerable Allowance (TOLA)

- A. Issued nine Certifications of Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees for purposes of retirement, resignation, death benefit claims, travel abroad, maternity sick leave and/or reassignment.

FOOD DEVELOPMENT CENTER

Testing

For the month of December, FDC performed 11 physical and sensory evaluation, 179 chemical analysis, three microanalytical (Filth), and 90 microbiological quality evaluation, 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 seminar/training.

Research and Development

- Development and Implementation of R & D projects
 - Prepared five project proposals – Oligo powder, Bihon, Guyabano, Calamansi, Macapuno
 - Prepared progress report for “Arsenic in Rice” project.
 - Prepared three final reports on Product Development of Sardines in tomato sauce, Calamansi, Garlic, Identification of Hair Specimen.

Quality Assurance

- Implemented one pilot plant project
- Prepared 17 plant inspection plans, nine inspection checklist and four plant inspection reports.

Training Programs

- Designed and developed hands-on training on Microbiological Analysis of Various Sporeformers.

Industry Liaison

- Evaluated 31 clients’ technical inquiries and recommended FDC analyses/services to meet international standards.
- Maintained FDC website and FDC WiFi network
- Monitored and delivered 168 FDC technical reports to stakeholders

ISO Compliance

- Prepared eight reports on QA activities.
- Prepared/reviewed/revised 17 ISO documents.
- Prepared one audit report for ISO 9001:2015

Operational accomplishment of FDC representing served services to clients for the month of December 2018 amounted to ₱ 385,680.68. Income from collections received from clients request for FDC services (RFDCS) was ₱ 388,691.00.

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology/Systems Development/SOPs

- As of December 31, 2018, Roll-out or Installation of two HURIS modules were completed nationwide. Implementation and training of RAOs and PAOs were also completed, all in awareness of the Data Privacy Act of 2012. Firewall appliance, as required in the HURIS access, were also installed and configured.
- To date, the development of the Electronic Integrated Financial Operation and Management Information System (e-IFOMIS) is at 96.99%. This covers the evaluation and validation of the results of pilot listings.

Corporate Planning

- Preparation and Submission of requirements/targets to the 2017-2022 Public Investment Program under the Philippine development Plan
- Prepared report on the MANCOM meeting
- Prepared updates on AO 13
- Prepared update on Presidential Directive no. 2018-0326 (Study on the viability of constructing own rice mill stations)
- Currently updating the project proposal (NFA Grains Center Modernization Program for the Enhanced Food Security and Global Competitiveness)
- The NFA, in partnership with the Korean Agency of Education, Promotion and Information Service in Food, Agriculture, Forestry and Fisheries (EPIS) spearheaded the Local Training on National Agri-Food Information System in the Philippines (NAIS) last December 14, 2018 at the LB Soriano Hall, SEAMEO INNOTECH, Commonwealth Ave., Quezon City. The training was participated in by nineteen participants from NFA Central Office and three Korean Subject Matter Experts from e-Sum Technologies and three Korean representatives from CrypTomato.

Corporate Development and/or Evaluation:

1. Divestment of Assets
 - a. On-going Complete Staff Work (CSW)
 - Maramag, Bukidnon
 - Bugallon, North Ramon, Isabel
 - Catalunan Grande
2. ARP Committee
 - Attended the Committee meeting to discuss the divestment of assets in General Santos City, Maitum, Catalunan Grande and Sto. Tomas Davao del Norte

Monitoring and Reporting

- Visibility Reports from Field Offices – Liaison with LGUs and Congressmen.

LEAP

- Attended Senate Plenary Hearing for CY2019 Budget

ENFORCEMENT AND INVESTIGATION

Nationwide enforcement accomplishment for the month of December 2018: Inspected 7,202 business establishments, apprehended 368 grains businessmen with 144 violations resolved, and collected a total of ₱ 160,005.81 from fines and penalties.

PARTICULARS	
1. No. of grains business establishments inspected	7,202
2. No. of grains businessmen apprehended	368
3. No. of apprehensions/violations resolved	144
4. Total fees collected	₱ 160,005.81

CONTRIBUTION TO THE ECONOMY:

NFA has contributed ₱375,456,098.45 to the country's economy in terms of the following increase in economic activities:

PARTICULARS		AMOUNT
1	Palay Procurement	272,189,265.21
2	Corn Procurement	-
3	Rent Expenses	5,394,486.10
4	Transportation & Deliveries Expenses	-
5	General Services	2,898,838.91
6	Janitorial Services	4,314,841.33
7	Security Services	23,558,541.16
8	Drying	1,381,804.84
9	Milling	-
10	Handling	37,997,782.89
11	Tax Witheld from Employees' Compensation	8,011,877.56
12	Tax Witheld from Suppliers of Goods & Services	19,708,660.45
TOTAL		375,456,098.45

Per trial balance as of October 2018

PUBLIC AFFAIRS

1. News Releases:

- Luzon farmers rally to oppose rice tariffication
- ₱6.22B saved by consumers from buying 10.3M bags of low-priced NFA rice
- NFA binge buys palay from farmers
- NFA mulls role under a tariffed rice regime
- NFA engages with the citizenry thru various platforms
- NFA Enforcement and regulation Nets ₱10.78M in fines
- 2018: A Challenging but fruitful year for NFA

2. On Freedom of Information:

- Requested legal opinion on FOI's appeal for the provision of copies of the Minutes of NFA Council meetings
- Memo to OIC Tomas Escarez re: Highlights of the FOI Public Forum and Learning Event
- Requested for review of legal opinion on FOI's appeal for copies of the Minutes of NFA Council meeting
- Reply to Mr. Henry Dayao re: FOI appeal
- FOI tracking Document on request received from Ms. Maria Gracia Dabon re: rice imports data for Central Visayas 2000-2017
- Coordination with GMOD and Region 7's request for data/information on rice imports for Central Visayas 2000-2017
- Prepared reply to Ms. Maria Gracia Dabon requesting 20 working days extension on requested data/information on rice imports for Central Visayas 2000-2017
- FOI briefing/backgrounder for Asst. Adm. Ma. Mercedes G. Yacapin
- Reply to email of FOI-Project Management Office re: status/update on various requested documents/data

3. Invitation to trimedia reporters to attend the following events:

- Dec. 4 – Araw ng Pagluluksa ng mga Magsasaka re SB 1998 or the revised Rice Tariffication Bill of 2018
 - Dec. 20 – Year-end Lobbying for “Tanggol Ahensya, Tanggol Trabaho”
4. Monitored and summarized highlights of news clippings about NFA, agriculture and other related issues for the month of December
 5. Maintained and managed NFA Facebook and Twitter account – posted/reposted press releases and articles related to NFA
 6. Monitored and clipped 189 news items on NFA and agri-related issues and concerns, reproduced and provided copies to concerned NFA officials