

National Food Authority

Accomplishment Report

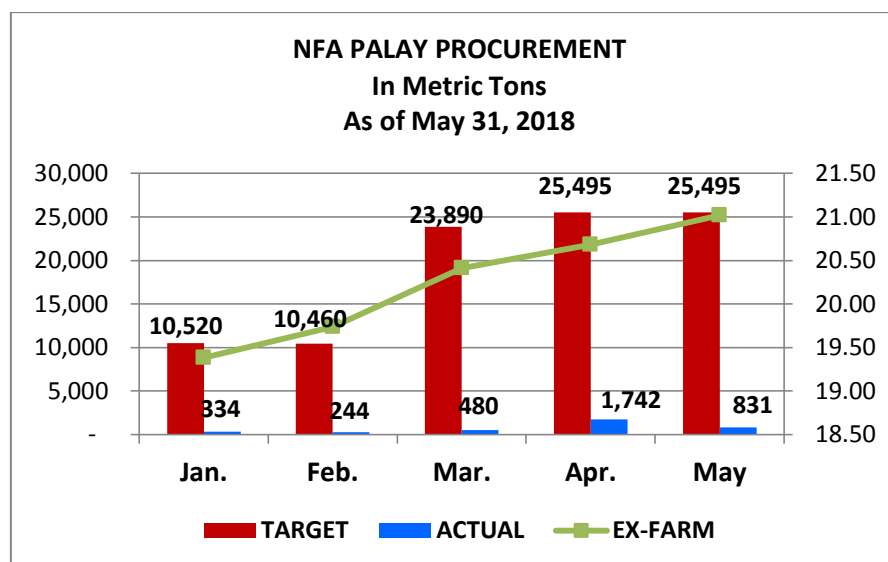
May 2018



MFO 1: STABLE SUPPLY AND PRICE OF STAPLE CEREALS

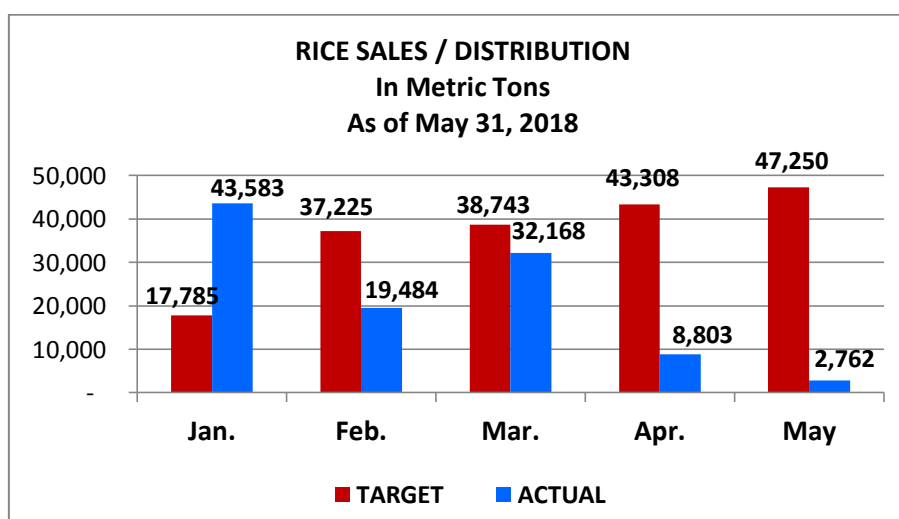
PROCUREMENT

For the month of May 2018, NFA procured 831 MT of palay, which is 3.26% accomplishment of the month's target of 25,495 MT. The continued low procurement is still due to the prevailing high farm-gate prices of palay, at ₱21.02/kg. , (as of May 31, 2018), ₱4.02/kg. higher than the government's buying price of ₱17.00/kg.



DISTRIBUTION

For the month of May, NFA distributed 2,762 MT of rice, equivalent to 5.84% accomplishment of the month's target of 47,250 MT. The decrease in NFA's distribution of rice in the market is due to low inventory.



FARMERS WHO SOLD PALAY TO NFA FOR THE MONTH OF MAY

Particulars	MAY 2018			MAY 2017		
	Palay		Amount Paid by NFA	Palay		Amount Paid by NFA
	Number of Farmers	Qty. in bags of 50 kg.	Php	Number of Farmers	Qty. in bags of 50 kg.	Php
Individual Farmers	101	3,334.93	2,886,838.97	112	4,412.28	3,687,555.00
Walk-In Farmers	111	1,786.56	1,540,234.30	147	3,436.12	2,870,015.62
Farmer's Organization	56			53		
No. of members	74	3,684.86	3,199,925.39	291	36,491.71	31,301,928.80
TOTAL	286	8,806.35	7,626,998.66	550	44,340.11	37,859,499.42

For May 2018, 286 farmers sold their palay to NFA, a 48% decrease compared to last year's record of 550 farmers. Total palay deliveries of 8,806.35 bags, amounting to ₱7.6M is 80% lower than last year's same period deliveries of 44,340.11 bags, amounting ₱37.86M.

PRICES

Based on the Philippine Statistics Authority (PSA) summary of commercial palay/rice prices, the average ex-farm price posted an increase of ₱0.34 from last month's price of ₱20.68 to ₱21.02 for this month. NFA's buying price for palay is comparatively lower by ₱4.02/kg., compared to the prevailing farmgate price level. NFA's buying prices for yellow and white corn were likewise, lower by ₱1.61/kg. and ₱4.03/kg. than the prevailing commercial prices, respectively.

Average Ex-Farm Prices vs NFA Buying Price

(Price per kg.)

May 31, 2018

Commodity	NFA Buying Price	Ex-Farm Price	Price Diff. (In peso/kg)
Palay	17.00	21.02	(4.02)
YGN	12.30	13.91	(1.61)
WGN	13.00	17.03	(4.03)

Prices of WMR and RMR posted slight increases of ₱0.17/kg. and ₱0.36/kg. in the wholesale level, and ₱0.18/kg. and ₱0.22/kg. in the retail level, respectively. For yellow corn, wholesale price shows a slight decrease of ₱0.01/kg, but manifested an increase of ₱0.11/kg. in retail. On the other hand, wholesale and retail prices of white corn both showed decreases of ₱0.47/kg., and ₱0.17/kg., respectively.

Average Prevailing Wholesale/Retail Price of Rice and Corn

(Peso per Kg.)

May 31, 2018

Commodity	May	April	Price Diff in (Peso/Kg)
Whole Sale			
WMR	41.18	41.01	0.17
RMR	37.82	37.46	0.36
YGN	20.10	20.11	(0.01)
WGN	19.87	20.34	(0.47)
Retail			
WMR	43.94	43.76	0.18
RMR	40.19	39.97	0.22
YGN	23.79	23.68	0.11
WGN	29.82	29.99	(0.17)

MFO 3: BUFFER STOCK OF STAPLE CEREALS

RICE STOCK INVENTORY

As of May 31, 2018, NFA stock inventory of 30,965 bags (total rice equivalent –TRE) or 1,548.25 MT, is good to last for 0.05 days, based on the 2018 national daily rice consumption requirement of 32,013 MT.

NATIONAL QUALITY ASSESSMENT (QSAR) OF NFA STOCKS

The total volume of assessed NFA stored grains as of the end of May 2018 was 54,643.10 bags, composed of palay, milled rice and corngrains, presenting a decrease of 56.20% from the April 2018 volume of 124,763.3 bags. Stocks fit as food (rice) and feed (corn) represent 99.43% of the total assessed grains. Stocks for disposition were 313 bags (0.008%) composed of sweepings, (0.031%) of partially damaged stocks, and 291.6 bags (0.534%) of totally damaged milled rice.

CLASSIFICATION/ CONDITION OF STOCKS	Quantity (in 50-kg bags)	PERCENTAGE (%)
Good Quality (GQ)	48,142.20	88.103
Treated	6,187.70	11.324
For treatment	0.00	0.000
Total for Disposition	313.20	
-Sweepings	4.60	0.008
-Partially Damaged	17.00	0.031
Totally Damaged	291.60	0.534
TOTAL	54,643.10	100%

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

REGISTERED/LICENSED GRAINS BUSINESSMEN

For the month of May, NFA registered and licensed 9,346 applicants, Total R/L collections on grains business activities amounted to ₱26,890,552.99 including mobile licensing amounting to ₱762,774.45, while ₱286,000 were collected for 1,430 metal plates issued. The cumulative R/L fees collected amounting to ₱115,948,131.43 represents 77.30% 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	26,890,552.99
Mobile Licensing	762,774.45
Advance Collections (2019-2020)	-
2019 Applicants:	-
2020 Applicants:	-
No. of R/L Applicants	9,346
METAL PLATES (@ P200/pc)	
- No. of Issuances of Metal Plates	1,430
- Amount	286,000.00

UGNAYANs (Farmers' Assembly)

For the month of May, 25 UGNAYANs were conducted, participated in by 529 NFA stakeholders.

PERFORMANCE INDICATOR	ACCOMPLISHMENT
UGNAYANs conducted	25
Participants	529

PHIL. GRAINS STANDARDIZATION PROGRAM (PGSP)

To check whether the PGSP Rules and Regulations are strictly observed, 181 Grains Business Establishments were inspected. A total of 6 trainings and seminars to advocate PGSP rules and regulations were conducted, participated in by 150 NFA Stakeholders.

PERFORMANCE INDICATOR	ACCOMPLISHMENT
Grains Business Establishment Inspected	181
Meetings/Seminars/Trainings;	
Number conducted	6
Number of Participants	150
Press Releases made	-
PGSP Violation cases filed	-

NFA PRIVATE SECTOR RICE IMPORTATION

NFA issued/renewed 37 licenses to importers for this month. Import licenses are different from import permits issued for MAV.

PERFORMANCE INDICATOR	ACCOMPLISHMENT
Number of NFA Licensed Importers	37
- Farmer Organizations	17
- Other Sectors (Non-Farmers)	20

Import License – issued by Industry Services Department under PD4 to Grains Businessmen involved in different lines of activities involving grains in a specified quantity, during a specified period (usually one year).

Import Permit – Issued by NFA to Grains Importers on a per shipment basis, required by BOC for the release of the cargo (grains).

INTERNAL AUDIT SERVICES

In May 2018, the following Audit Services were conducted:

I. AUDIT ENGAGEMENTS

- A. Special Audit on Property, Plant and Equipment in Regions I, II, VI, X, NFA-NCR, Regions V, VIII, IX and NFA-ARMM – Audit report for finalization
- B. Special Audit on Stock Inventory Variance in NFA-NCR, Regions V, VIII, IX, and NFA-ARMM – Audit report for finalization
- C. Review of Computation of Perpetual Leave Cards – Three completed; 8 on-going

II. Tolerable Allowance (TOLA)

- A. Issued 48 Certifications of Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees.
- B. Quarterly TOLA Status Report (All Provincial Offices – Regions I to XV)
 - 4th Quarter – Completed
 - 1st Quarter – On-going
- C. Entertained queries from different NFA Regional Offices regarding TOLA matters.

FOOD DEVELOPMENT CENTER

Testing

For the month of May, FDC performed 17 physical and sensory evaluation, 168 chemical analysis, one microanalytical (Filt), and 37 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 final progress report on Arsenic in Rice project

Quality Assurance

- Conducted inspection of six food manufacturing plants and issued compliance certificates

Training Programs

- Implemented/Conducted three training courses to the food industry and Government agencies.
- Prepared/revised 13 training course materials.
- Prepared 15 evaluation reports on the implementation of training courses.

Industry Liaison

- Evaluated 96 clients' technical inquiries and recommend FDC analyses/services to meet international standards.
- Prepared two evaluation reports on customer satisfaction survey.
- Maintained FDC website and FDC wifi network
- Monitored and delivered 111 FDC technical reports to stakeholders

ISO Compliance

- Implemented eight QA activities for testing laboratories.
- Monitored, reviewed and verified effectiveness of 27 ISO documents

Operational accomplishment of FDC representing served services to clients for the month of May 2018 amounted to ₱778,860.60. Income from collections received from clients' request for FDC services (RFDCS) is ₱668,740.50.

LEGAL AFFAIRS

For the month, 330 activities pertaining to adjudication, documentation and litigation were undertaken:

Adjudication	38
Drafted Special Orders (SO) for HO and Pros and submitted to the Administrator's Office for signature	2
Drafted pre-Hearing Briefs	2
Notices of pre-Hearing Conference issued	3
Pre-Hearing conference conducted	1
Pre-Hearing Orders prepared/issued	1
Motions/Pleading filed	1
Transcribed Minutes/TSN (CODI Hearing)	1
Service/Mailing of Motions/Pleading and Orders	1
Pre-Hearing Order served	1
Notices of Pre-Hearing served	3
Formal offer of exhibits served	1
Motion to Resolve reproduced and served	1
Draft Position Paper	1
FIR's reviewed/submitted	2
Draft Decision for Review	2
Opinions Prepared	7
Opinions served	7
Accomplishment report prepared	1
Documentation & Legal Research	14
Contracts reviewed/evaluated	4
Opinions rendered	3
Pre-Bid Conference (TWG)/Post Qualification	1
Notice of Disallowance	6
Litigation	278
Hearing/s attended by Lawyers	26
Pleadings, memoranda & related documents prepared by Lawyers	10
Opinions, reports, requests, queries & communications prepared and sent by Lawyers	32
Certifications/COC of no pending case	210
TOTAL	330

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology/Systems Development/SOPs

- As of May 31, 2018, the Registration and Licensing Information System (RLIS) were installed and implemented in 10 provinces of Regions VII and VIII, in particular, Northern Samar, Eastern Samar, Western Samar, Northern Leyte, Southern Leyte, Biliran, Cebu, Bohol, Negros Oriental and Siquijor.
- The SOP on Amendment to Specification of Authority on General Services submitted/prepared by the Manual Systems Development Section have been approved.

Corporate Planning

- Prepared Food Security Policies and Issues for Capacity Building Workshop on ASEAN +3 Rice Trade Forecast Model in Korea.
- Prepared highlights of meeting with LTO, BOC, and NBI regarding Inter-Agency Coordination of Land Enforcement Groups on Rice trading activities.
- Prepared DBM Form No. 701, re: Special Provisions 60-day buffer stock
- Prepared letter to Sen. Cynthia Villar, Chairman, Committee on Agriculture and Food, respectfully submitting NFA's position on Senate Bills and Resolutions regarding the expiration of the Quantitative Restrictions on Rice.
- Prepared letter to GCG requesting for consideration of the 2016 PBB Rating.
- Prepared letter to GCG for clarification of targets set for the NFA 2018 Performance Scorecard.
- Submitted letter of appeal to GCG on certain 2017 indicators where we were given low/failing grade.
- Answered clarifications from Integrated Rural Development Foundation (IRDF)/National Movement on Food Sovereignty (NMFS), on issues regarding NFA's policy on palay procurement, now that the NFA is under the Department of Agriculture.

Corporate Development and/or Evaluation:

1. Divestment of Assets
 - a. On-going Complete Staff Work (CSW)
 - Partial divestment of NFA-NDO property
 - Poblacion, Calintaan, Occidental Mindoro
 - Bugallon, North Ramon, Isabela
 - La Paz, Saguday, Quirino
 - b. Prepared letter to COA-Central Office, requesting for valuation of NFA properties in Lagao, General Santos City and Maitum, Sarangani Province.
2. Evaluation
 - Lease of NFA property in Zamboanga by SOLECCO

Monitoring and Reporting

- Visibility Reports from Field Offices – Liaison with LGUs and Congressmen.
- Attended meetings on Rice Roadmap in DA and IRRI.

TRAININGS:

In May 2018, NFA facilitated the participation of 99 NFA officials and employees in three internal and five external trainings.

TITLE		NO. OF PARTICIPANTS	DURATION
I. Internal Training		79	
1	Briefing on Food Safety and ISO 9001-2015	17	4-May
2	Grains Classification and Laboratory Analysis	45	May 29-30
3	2-day Seminar on Briefing Consultatio/Consultation on HR matters	17	May 8-9
II. External Training		18	
1	Fumigation for the control of stored pests	3	May 9-10
2	Internal control system for property & supply management	2	May 30-June 1
3	40th GACPA	4	May 23-26
4	MCLE	1	May 5,12,19 &26
5	Regional Convention and MCLE	1	May 2-5
6	MCLE	2	May 21-24
7	MCLE Lecture	3	May 9,10,16 &17
8	The 33rd Phil. Chemistry Congress	1	May 30-June1
9	The W/S on food quality and safety assurance in modern food production system	1	May 28-June 1
TOTAL		97	

NFA PERSONNEL COMPLEMENT as of May 31, 2018

No. of Positions

Regular Plantilla	3,869	
Central Office	<u>531</u>	
Executive	54	
Rank & File	477	
Field Office	<u>3,338</u>	
Executive	107	
Rank & File	3,231	
CTI Personnel (Rank & File)	304	
Central Office	55	
Field Office	<u>249</u>	
Total	<u><u>4,173</u></u>	

ENFORCEMENT AND INVESTIGATION

Nationwide enforcement accomplishment for the month of May 2018: Inspected 14,197 business establishments, apprehended 1,140 grains businessmen with 670 violations resolved, and collected a total of ₱ 330,528.15 from fines and penalties.

PARTICULARS	
1. No. of grains business establishments inspected	14,197
2. No. of grains businessmen apprehended	1,140
3. No. of apprehensions/violations resolved	670
4. Total fees collected	₱ 330,528.15

CONTRIBUTION TO THE ECONOMY:

NFA has contributed ₱76,764,407.26 to the country's economy in terms of the following increase in economic activities.

PARTICULARS		AMOUNT
1	Palay Procurement	-
2	Corn Procurement	-
3	Rent Expenses	1,679,225.49
4	Transportation & Deliveries Expenses	20,673,964.34
5	General Services	4,342,535.09
6	Janitorial Services	1,123,266.62
7	Security Services	19,313,677.97
8	Drying	1,297.65
9	Milling	1,136,029.95
10	Handling	6,213,063.88
11	Tax Witheld from Employees' Compensation	8,416,711.23
12	Tax Witheld from Suppliers of Goods & Services	13,864,635.04
TOTAL		76,764,407.26

Per trial balance as of February 28, 2018

PUBLIC AFFAIRS

1. News Releases:

- NFA to reopen tender for 250,000 MT rice import
- NFA to conduct open tender for additional 250,000 MT rice buffer stock
- NFA apprehends 614 Rice Businessmen in Q1 of 2018
- NFA awrds supply of 250,000 MT rice to Thailand and Vietnam
- Tulong sa Bayan: Rice Traders continue to supply rice at P39 per kg.
- Training on the Establishment of Thermal Processes of Canned Foods
- Training on the Food Labelling Requirements for the United States and the Philippines
- NFA bids out supply of 250.000 MT rice buffer stock
- NFa to stabilize rice prices as imports arrive this month
- 16 bidders willing to supply 250,000 MT rice for NFA

2. Maintained NFA Facebook Account. Posted/reposted PRs and news articles related to NFA

- Replied to 21 queries on NFA facebook account
- Monitored 29 twits in NFA twitter account and replied 4 twitter inquiries

3. Monitored and clipped 164 news items on NFA corporate and agri-related issues and concerns and provided copies to concerned NFA officials.