

National Food Authority

Accomplishment Report

December 2016

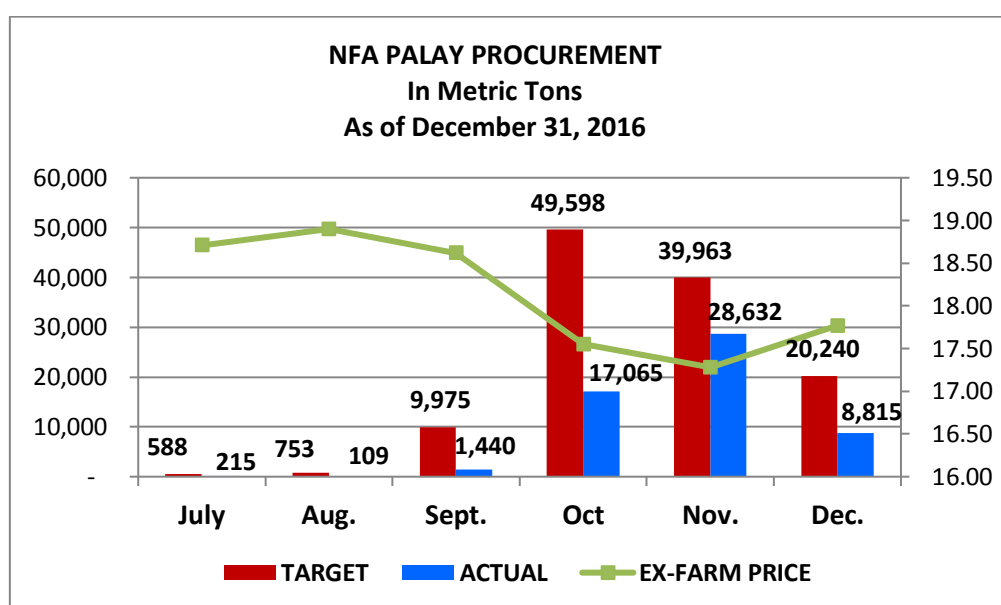


MFO 1: STABLE SUPPLY AND PRICE OF STAPLE CEREALS

PROCUREMENT

a. Palay

For the month of December 2016, NFA procured 8,815 MT of palay, which is 44% accomplishment of the month's target of 20,240 MT. The decrease in procurement can be attributed to the end of harvest season.



DISTRIBUTION

For the month, NFA distributed 88,242 MT of rice, equivalent to 98.60% accomplishment of the target of 89,495 MT for December.

IMPORTATION

Of the 250,000 MT imported for the lean months, 247,685.4 MT or 99.07% have been delivered to NFA warehouses.

PRICES

Based on Philippine Statistics Authority (PSA) summary of commercial palay/rice prices, the average ex-farm price posted a slight increase by ₱0.49 from last month's price of ₱17.28 to ₱17.77 for this month due to end of harvest season.

Average Ex-Farm Prices vs NFA Buying Price

(Price per kg.)

December 31, 2016

Commodity	NFA Buying Price	Ex-Farm Price	Price Diff. (In peso/kg)
Palay	17.00	17.77	(0.77)
YGN	12.30	10.83	1.47
WGN	13.00	10.41	2.59

Rice prices generally remain stable with slight increases of ₱0.13/kg and ₱0.09/kg, in wholesale and retail prices of WMR respectively. Likewise for RMR, there was a ₱0.07/kg increase in wholesale, and ₱0.05/kg in retail prices.

Average Prevailing Wholesale/Retail Price of Rice and Corn

(Peso per Kg.)

December 31, 2016

Commodity	December	November	Price Diff in (Peso/Kg)
Whole Sale			
WMR	38.18	38.05	0.13
RMR	34.40	34.33	0.07
YGN	16.88	17.02	(0.14)
WGN	14.98	15.53	(0.55)
Retail			
WMR	41.48	41.39	0.09
RMR	37.16	37.11	0.05
YGN	22.67	22.69	(0.02)
WGN	25.77	25.93	(0.16)

MFO 3: BUFFER STOCK OF STAPLE CEREALS EFFECTIVELY MANAGED

RICE STOCK INVENTORY

As of December 31, 2016, NFA had a stock inventory of 10,949,114 bags (total rice equivalent -TRE) or 547,455.7MT, good to last for 17 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 DECEMBER 2016

The total volume of NFA stored grains assessed for the month of December is 11,188,895.6 bags, composed of palay, milled rice and corngrits, a decrease of 12.82% from the November volume of 12,834,842 bags. Stocks fit as food (rice) represent 99.97% of the total assessed grains. Stocks for disposition were 2,903 bags (0.026%) composed of sweepings, partially damaged stocks and 257 bags (0.002%) of totally damaged milled rice.

CLASSIFICATION/ CONDITION OF STOCKS	Quantity (in 50-kg bags)	PERCENTAGE (%)
Good Quality (GQ)	8,646,910.1	77.281
Treated	2,538,521.7	22.688
For treatment	304.1	0.003
Total for Disposition	2,902.6	
-Sweepings	1,808.2	0.016
-Partially Damaged	1,094.4	0.010
Totally Damaged	257.2	0.002
TOTAL	11,188,895.6	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 728 applicants, of whom 31 availed of the two-year (2017-2018) advance-license scheme. Total R/L collections on grains business activities amounted to ₱1,017,724.32, which include collection from mobile licensing amounting to ₱127,880.00, and ₱25,271.00 from advance license collections. 225 metal plates were issued/sold for ₱45,000.00 The cumulative R/L fees comprised 110.32% of the annual targeted collection of ₱154M.

PARTICULARS	
R/L Fees Collection	₱ 1,017,724.3
Mobile Licensing	₱ 127,880.00
Advance Collections (2017-2018)	₱ 25,271.00
2017 Applicants: 25	22,356.00
2018 Applicants: 6	2,915.00
No. of R/L Applicants	728
METAL PLATES (@ P200/pc)	
- No. of Issuances of Metal Plates	225
- Amount	₱ 45,000.00

UGNAYANs (Farmers' Assembly)

For the month of December, 72 UGNAYANs were conducted, participated in by 1,836 NFA stakeholders.

PERFORMANCE INDICATOR	ACCOMPLISHMENT
UGNAYANs conducted	72
Participants	1,836

CUSTOMER-ASSISTANCE

Through its nationwide Customer-Assistance Units (CAU), NFA responded to/assisted 1,170 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

SUMMARY OF CAU SERVICES	ACCOMPLISHMENT
Inquiries	132
Requests	1,036
Complaints	2
Total Assistance Rendered	1,170

PHIL. GRAINS STANDARDIZATION PROGRAM (PGSP)

To check whether the PGSP Rules and Regulations are strictly observed, 1,198 Grains Business Establishments were inspected. 209 Trainings and seminars to advocate PGSP rules and regulations were conducted, participated in by 668 NFA Stakeholders.

PERFORMANCE INDICATOR	ACCOMPLISHMENT
Grains Business Establishment Inspected	1,198
Meetings/Seminars/Trainings;	
Number conducted	209
Number of Participants	668
Press Releases made	8
PGSP Violation cases filed	-

FOOD DEVELOPMENT CENTER

Testing

For the month, FDC performed 124 chemical analysis, 3 contaminants laboratory, 26 microbiological, and 4 microanalytical 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
 - Dragon Fruit Juice
 - Smoked-Flavored Fish
 - Arsenic in rice
 - Aflatoxin in corn, rice, peanuts, coconut cream
 - Tupig Project, Filth in Banana leaves

Quality Assurance

- Implemented 13 Pilot-Plant projects for the period.
- Inspected two food manufacturing plants and issuance of compliance certificates

Training Programs

- Implemented two training courses to the food industry and government agencies
- Developed one training course materials
- Evaluated three implementation of training courses

Industry Liaison

- Evaluated 20 clients' technical inquiries and recommendations and FDC's analyses/services to meet international standards
- Maintained FDC website and FDC wifi network
- Monitored and delivered 56 FDC reports to stakeholders

ISO Compliance

- Implemented 8 QA activities for testing laboratories (Filth Laboratory)
- Monitored, reviewed and verified 7 effectiveness of written ISO documents
- Prepared 6 audit reports for ISO 9001:2008

The Food Development Center (FDC) generated an income of **₱604,865.90, 51.87 %** of which was contributed by the Quality Evaluation Division.

LEGAL AFFAIRS

For the month, 213 activities pertaining to adjudication, documentation and litigation were undertaken:

Adjudication	20
Orders issued and served	3
Position Paper for the Respondents served to Hearing Officers & Pros.	3
Memorandum/Position paper (of the respondents) served to Hearing Officers & Pros.	1
Notice of Pre-Hearing Conference issued and served to pros. & resp.	3
Transmittal letter served to HRMD	1
Resolution & Order for Approval/Signature	1
Proposed Decision transmitted to AO	1
Letter Memorandum issued and served	2
Updated inventory of cases for LAD	1
Hearings conducted	3
Motion to Hold Pre-trial in abeyance served	1
Documentation & Legal Research	24
Contracts reviewed/evaluated	3
Opinions rendered	7
Memos re. Notice of Disallowance	5
Pre-Bid Conference (TWG)/Post Qualification	8
Others: Opening Sealed Canvass/Pre-Bid	1
Litigation	169
Hearings attended by Lawyers	9
Pleadings, memoranda & related documents prepared by Lawyers	2
Opinions, reports, requests, queries & communications prepared and sent by Lawyers	23
Certifications/COC of no pending case	135
TOTAL	213

INTERNAL AUDIT SERVICES

In December 2016, the following Audit Services were conducted:

I. AUDIT ENGAGEMENTS

- A. Special Audit of Procurement, Drying and Milling Operations, Cash Mgt: Receipts and Disbursement, and TOLA in Aurora and Bulacan.
- B. Special Audit of Distribution, Cash Management, TOLA and Provident Fund in Quezon, La Union and Pampanga.
- C. Special Audit of 2015 COA AOM re: unusual increase in weight of stocks in Cebu.

II. Tolerable Allowance (TOLA)

- A. Issued 55 Certifications of Stock (Grains and MTS) Accountabilities of NFA officials and rank and file employees.

CORPORATE PLANNING AND MANAGEMENT SERVICES

Information Technology

- As of December 31, 2016, the development of the Electronic Integrated Financial Operation and Management Information System (eIFOMIS) is at 96.21%. 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.
- Process Manual on Computerized Info System
- Process Manual on Manual Info System
- Approved SOPs
 - Implementing guidelines on the Accounting Recognition of Customs Duties as Tax Expenditures Subsidy (TES) on rice importation.
 - Specs of Authority on Marketing Operation re. Disposition of damaged stocks.

Corporate Planning

- Preparation for the Conduct of 2017-2018 EXCOM and National Planning Conference
- GCG – Drafted proposed 2017 Performance Scorecard
- Position paper/inputs on guidelines/issuances on the following
 - Philippine Development Plan for 2017-2022, Chapters on Agriculture, Fisheries and Forestry
 - NFA's participation in Agricultural sector
 - NFA's stand on NFA Resolution no. 193-98, which partially liberalized the restriction on rice and corn trade in the Philippines

Corporate Development and/or Evaluation:

1. Divestment of Assets: Complete Staff Work (CSW)
 - NFA - Maramag, Bukidnon Property – for subtitling
 - NFA - General Santos Property – awaiting COA valuation
 - NFA - Cabanatuan Property (Partial) – TCTs for reconstitution
 - NFA – North District Office (Partial) – TCT's for reconstitution
2. Evaluation
 - Proposed re-acquisition of SPGC (MINPROCOR Property)
 - Proposed Lot Acquisition 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
3. Titling Concerns
 - Followed-up with the Land Management Bureau (LMB), NFA letters requesting assistance in expediting the issuance of required certifications, as one of DENR's requirement for NFA applications for Presidential Proclamation / Special Patent.

Monitoring and Reporting

- Visibility Reports from Field Offices – Liaison with LGUs and Congressmen
- 4th Quarter Accomplishment Report on NFA's 2016 Performance Scorecard

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

- Competency Framework – NFA Council – approved already
- SPMS: CPMSD as Co-Chair of the Technical Working Group (TWG)
- Completion and submission of NFA Freedom of Information (FOI) Manual, in compliance to EO no. 2 series of 2016

TRAININGS:

In December 2016, NFA facilitated the participation of 26 NFA officials and employees in 1 internal and 1 external trainings.

TITLE	NO. OF PARTICIPANTS	DURATION
I. Internal Training I	25	
1 GAD Awareness Briefing	25	Dec. 7-9
II. External Training	1	
1 Corporate Governance Orientation Program	1	Dec. 8
TOTAL	26	

NFA PERSONNEL COMPLEMENT as of December 31, 2016

No. of Positions

Regular Plantilla	3,774
Central Office	<u>506</u>
Executive	55
Rank & File	451
Field Office	<u>3,268</u>
Executive	105
Rank & File	3,163
CTI Personnel (Rank & File)	350
Central Office	66
Field Office	<u>284</u>
Total	<u><u>4,124</u></u>

ENFORCEMENT AND INVESTIGATION

Nationwide enforcement accomplishment for the month of December 2016.

PARTICULARS	
1. No. of grains business establishments inspected	2,326
3. No. of violations	37
2. No. of grains business apprehended	30
4. Administrative fines/fees collected	P 28,069
5. Fees collected thru enforcement	P 71,753

CONTRIBUTION TO THE ECONOMY:

NFA has contributed P723,288,277.40 to the country's economy in terms of the following increase in economic activities.

PARTICULARS	AMOUNT
1 Palay Procurement	495,422,845.17
2. Corn Procurement	4,955,314.09
3. Rent Expenses	2,986,717.97
4. Transportation & Deliveries Expenses	79,732,804.14
5. Storage	18,298,618.91
6. General Services	11,967,757.19
7. Janitorial Services	1,725,306.38
8. Security Services	30,937,503.67
9. Drying	177,900.15
10. Milling	849,062.87
11. Handling	41,559,610.07
12. Tax Withheld from Employees' Compensation	13,196,172.29
13. Tax Withheld from Suppliers of Goods & Services	21,478,664.50
TOTAL	723,288,277.40

Per trial balance of November, 2016

PUBLIC AFFAIRS

1. News and Photo Releases
 - NFA intensifies palay and corn buying to stabilize farmgate prices.
 - NFA accredits more rice outlets.
 - NFA assures enough rice for flood victims in Samar.
 - NFA assures enough rice in typhoon “Nina” affected areas.
 - Caranguian is Dangal ng Bayan awardee.
2. NFA’s Support to Philippine Korea International Cooperation Agency (KOCA) Fellows Association.
3. NFA Situation report on Typhoon “Nina” submitted to Malacañang thru the Presidential Situation Room.
4. On Presidential Situation Room (PSR):
 - Report to PSR Malacañang re. rice releases to Local Government Units (LGUs) for flood victims in Samar.
5. Monitored and clipped 289 news items on NFA corporate and agri-related issues and concerns, and provided copies to concerned NFA officials.
6. Coordinated the publication of 29 sets of bidding notices and preparation of publication orders requested by Central Office Departments and Field Offices.
7. Attended the Philippine Agricultural Journalists (PAJ) monthly meeting and PAJ Forum.
8. Attended the awarding of agencies involved in DTI programs and projects where NFA is an awardee because of its involvement in “Diskwento Caravan”.