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Samar model rice farms eyed

By Kuhlin Cezlie Gacula

In a bid to develop new farming areas that would compensate for damage caused by typhoons in Northern Luzon provinces, the Department of Agriculture (DA) on Friday identified four towns in Samar that it would develop as potential "model" rice farm areas.

Agriculture Secretary Emmanuel Piñol said it is in preparation for what he termed as the "southern swing," an initiative which aims to develop at least 300,000 hectares of new rice farms in the southern provinces of the country.

This strategy involves the opening and development of potential agricultural areas in impoverished provinces.

The project will commence on 20 December once DA and PhilRice already identified at least 200 hectares of rice lands.

The selected model farms were in the towns of Catubig, Las Navas and Mapanas in Northern Samar and Jipapad in Eastern Samar. They will be put under the supervised rice farming scheme of the agency.

"Under the supervised rice farming scheme, the landowners will be asked to enter into an agreement with the DA and PhilRice for the development of their area into a model rice farm," Piñol said.

The DA and PhilRice, through their technical staff and local manpower, will develop at least 50 hectares in each town, where modern rice farming technology using farm machinery, small irrigation systems and outstanding rice seed will be introduced.

This strategy involves the opening and development of potential agricultural areas in impoverished provinces.

All the initial expenses will be covered by the government.

After harvest, the cost of equipment services will be quantified and later deducted from the gross earnings.

"Earnings by the be plowed back into for the development areas in the next season," Piñol added.

Other areas that are for the "southern swing" are Western Palawan, Lanao del Norte and Central Mindanao.
Fed up with allegations that some of them could be involved in corrupt practices, the four top officials of National Food Authority (NFA) on Friday agreed to submit themselves to a lifestyle check.

Those who will undergo lifestyle check to be undertaken by Presidential Anti-Corruption Commission (PACC) are acting administrator Tomas Escarce, assistant administrator Mercy Yacapin and two directors who are yet to be named.

To recall, Agriculture Secretary Manny Piñol who is also the chairman of NFA Council, earlier had voluntarily submitted to similar check conducted by the PACC to dispel notions he benefitted from the recent rice shortage fiasco.

He personally handed a letter to PACC Chairman Dante Jimenez, asking the commission to look into his finances and assets to determine the truthfulness of the supposedly malicious allegations against him which he admitted have bothered him.

"There was a media report which said that in one meeting of the NFA Council, I insisted on a certain mode of importation suggesting that I may have benefited financially," Piñol said.
DA allots P283 M loans for fishery facilities

By LOUISE MAUREEN SIMEON

The Department of Agriculture is allotting P283 million in loans to establish facilities in the major fishing grounds in the country in a bid to reduce post-harvest losses in the sector. Agriculture Secretary Emmanuel Piñol said the DA aims to stop the loss of about 40 percent of the country’s daily fish catch by establishing ice-making facilities in 91 fishing grounds nationwide by the end of the closed fishing season in March next year.

The establishment of the ice-making facilities will be funded by the Agricultural Credit Policy Council through the Agriculture and Fisheries Machinery and Equipment (AFME) loan program amounting to P282.5 million.

An initial P180 million will be allocated for the first 18 facilities in the first quarter next year.

Among the biggest fishing grounds to be prioritized are Aparri and Sta. Ana in Cagayan, Masinloc in Zambales, Dingalan in Aurora, Infanta in Quezon, Estancia in Iloilo, Sagay and Sipalay in Negros Occidental, and Ubay in Bohol. Also included are Pasil in Cebu, San Vicente and Mapanas in Northern Samar, Tarangan in Western Samar, Borongan in Eastern Samar, Limasawa in Leyte, Panabo in Davao, Kalamansig and Lebak in Sultan Kudarat.
PH PALAY PRODUCTION GROWTH REMAINS TOO SLOW

By Kari R. Ocampo  
@kocampoInQ

Palay production in the Philippines has been growing by a mere 1.3 percent yearly in the last five years, government data showed.

Latest figures from the Philippine Statistics Authority (PSA) showed that over the last five years, the country’s palay output grew to 19.28 million metric tons (MT) in 2017 from 18.44 million MT in 2013.

Likewise, harvest area for the crop grew at an annual rate of only 0.4 percent to 4.81 million hectares (ha) in 2017 from 4.75 million ha in 2013.

The increment in output, although minimal, was attributed to the increase in area harvested and yield.

Of the country’s total palay production in 2017, the PSA said 75.5 percent came from irrigated areas or areas that get regular water supply, while the remaining 24.5 percent were from rain-fed areas or areas that solely rely on rainfall for water. Most poor communities depend on rainfall for their farms.

Central Luzon, Cagayan Valley, Western Visayas, Ilocos and Bicol region remained the country’s major rice-producing areas during the period, accounting for 60.9 percent of the country’s total palay output.

Central Luzon—the “Rice Granary of the Philippines”—had the largest contribution at 3.3 million MT or 23 percent of the total irrigated output. This was followed by Cagayan Valley with 2.43 million MT and the combined output of Ilocos, Western Visayas, and Soccskargen at 3.58 million MT.

Rice remained the farm sector’s major growth driver, accounting for almost half of the country’s total annual agricultural output.

Following the negligible performance of the agriculture sector this year blamed mainly on the effects of strong typhoons, Agriculture Secretary Emmanuel Piñol said the agency was not confident it would reach its target growth rate of 4 percent for 2018.

The poor production performance of the agricultural sector had been blamed for the slowdown of the country’s overall economic growth. INQ
Piñol’s ambitious solar irrigation system faces financial setback

By MADELAINE E. MIRAFLORE

After getting assurance from President Rodrigo Duterte regarding its funding, the ambitious solar-powered irrigation project of Agriculture Secretary Emmanuel Piñol is now facing financial setback.

In August, Piñol failed to get his desired 2019 budget for his agency but he said he was assured by no less than Duterte of massive funds to bankroll the Department of Agriculture's (DA) Solar-Powered Irrigation Systems (SPIS) program, which aims to provide water to at least 500,000 hectares of farms over the remaining four years of the current administration.

Based on Piñol's earlier 'impromptu' computation, the cost of building SPIS covering 500,000 hectares of land would amount to P43.7 billion.

This, since each SPIS unit, which has a capacity to irrigate 80 hectares, would cost around P7 million to set up. The target is to build 6,250 of this facility.

The commitment was during the 58th Cabinet Meeting.

Months later, Piñol is seeking farmers’ help in convincing the Congress to inject more funds to the program.

In a couple of Facebook posts, the DA chief has repetitively said that for 2019, DA was only given funds enough to build 11 units of SPIS.

This would mean slowing down the program, which started in March 2017.

"For farmers who have areas which they believe are suitable to the SPIS, we ask them to help us get funding for the project by talking to their Congressmen and asking them to lobby for the allocation of funds for the SPIS program of the DA," Piñol said.

"This needs to be done because many of our budget planners still do not appreciate the impact of the SPIS on greater agricultural productivity," he added.

This week, the DA commissioned the fourth unit of the SPIS in the Central Mindanao University (CMU) compound in Musuan, Maramag, Bukidnon Province.

Built at a cost of P6.2 million and completed in a period of 10 months, the CMU SPIS is designed to irrigate 66 hectares of farms.

Piñol emphasized that SPIS is a lot cheaper compared to conventional water systems since the development cost per hectare is only about P120,000. This is lower compared to that of being built by National Irrigation Administration (NIA) which the DA chief said is around P450,000.
Litrat Talks... by Al Pedroche

KELANGAN ang SUBSISTENCE ECONOMY. ITANIM ang ating KAKAININ!

REALLY?

GUMAGAWA niyan sa SOCIAL MEDIA.

Oo! NAGTATANIM ng GALIT! Nya-ah-ah-ah!

Daming
SRA seeks SRP on sugar; food firms want to import

By MADELAINE B. MIRAFLOR

The Sugar Regulatory Administration (SRA) and a group of local food processors are now proposing two different solutions on the increasing retail cost of sugar.

While Philippine Food Processors and Exporters Organization, Inc. (PhilFoodex) said they should be allowed to import, SRA thought it's now the time for Department of Trade and Industry (DTI) to act and impose a price cap on the sweetener.

On Monday, PhilFoodex President Roberto Amores and SRA Board Member Emilio Yulo III were in the same forum and though both are civil, tension eventually brewed between the two when asked about the current situation of the local sugar industry.

Yulo, for his part, said the rising cost of sugar at retail should be blamed to "profiteering" and that it's the "responsibility" of the DTI to address it.

He then pointed out that the millsite price of the commodity has been on the downtrend in the past weeks.

"The millgate prices continue to spiral down more than P100 during the past two weeks," Yulo said.

A data from the SRA showed that as November 11, the millsite price for domestic sugar stands at P1,557.90 per 50-kilo bag, which is lower than the average millsite price of P1,628.36 in October and P1,968.82 in September.

As for the wholesale price of raw, washed, and refined sugar, average price as of November 23 stood at P1,760.00 per 50-kilo bag, P2,020 per 50-kilo bag, 2,230 per 50-kilo bag, respectively. This is compared to October's average price of P1,805.93, P2,182.89, and 2,473.52, respectively.

"We would like an SRP (suggested retail price) on sugar. We are unfairly blamed for the prices, that producers are making a lot of money, but the truth is we are just surviving," Yulo said, adding that there should be a stakeholders meeting on the ideal SRP to be set.

When asked if the SRA already sought DTI's intervention on the matter, Yulo said "we don't have to go to them to discuss this issue (because) it's their responsibility [in the first place]."

He even criticized DTI Secretary Ramon Lopez for always seeing importation as the solution to this kind of problems. This while local sugar millers have always been dealing with high cost of labor and fuel as well as lack of financing.

"There has been profiteering in the retail market but where's the DTI? The problem is [Secretary] Lopez thinks this would be solved by importation," Yulo said.

Meanwhile, Amores said the local food processors should be allowed to directly import as much as 100,000 MT of sugar to 'strike a balance' between industries that were affected by the high cost of the commodity.

"We've been asking SRA to allow on a limited scale the importation of sugar for processing because it is cheaper to import sugar. We are not asking for too much. We don't like to compete and displace the sugar industry including the sugar workers. We are one with the sugar workers," Amores pointed out.

"If we can't process, we will also be forced to displace our workers," he added.

PhilFoodex is composed of as much as 12,000 micro, small, medium, and large scale food manufacturers and exporters.

If they won't be allowed to import sugar, Amores said all the products in the country that use sugar would surely cost more in the next months.

Right now, a group of businessmen is drafting a technical study on local sugar industry.

Amores said that once that study is out, PhilFoodex will use it to justify the need to import more sugar.

However, Yulo said the SRA needs to "seriously look into this request."
Villar: Rice fund will protect farmers

Senator Cynthia Villar has called for the sustained distribution of the fund for local rice farmers when the proposed rice tariffication law is enacted.

Villar, chair of the Senate Committee on Agriculture and Food, on Thursday stressed that a "package of support" for farmers who may be distressed comes with the government's impending implementation of the measure that replaces the quantitative import restrictions on rice with tariffs.

The senator, an author and sponsor of the proposed act, said the bill creates the Rice Competitiveness Enhancement Fund (RCEF), or rice fund, amounting to at least P10 billion every year.

A certified measure, the bill has been submitted for the President's signature after Congress ratified it in the bicameral conference committee report last week.

"When cheap rice imports start flooding the market, a program that will provide preferential attention to rice farmers, cooperatives and associations adversely affected by the tariffication should be established," Villar said.

"We will be doing our farmers a great disservice if we let them face the challenges of a tariffed system without support mechanisms in place," she added.

The RCEF, Villar noted, would also be the government's response to the June, 2017 expiration of the quantitative restriction (QR) on rice importation under the agreement with the World Treaty Organization (WTO). Without the rice fund, the country's rice farmers will lose, the senator said.

Under the rice tariffication bill, P10-billion rice fund shall be allocated to the Philippine Center for Post Harvest Development and Modernization (Phimach) to provide farmers with rice farm machineries and equipment (50 percent); and to the Philippine Rice Research Institute (PhilRice) to be used for the development, propagation and promotion of inbred rice seeds to rice farmers; and the organization of rice farmers into seed growers associations engaged in seed production and trade (30 percent).

Ten percent, meanwhile, will be made available in the form of credit facility with minimal interest rates and with minimum collateral requirements to rice farmers and cooperatives. It shall be managed by the Land Bank of the Philippines and the Development Bank of the Philippines.

Also 10 percent will be set aside to fund extension services by PhilMech, Agricultural Training Institute, and the Technical Education and Skills Development Authority for teaching skills on rice crop production, modern rice farming techniques, seed production, farm mechanization, and knowledge/technology transfer through farm schools nationwide.

(Vanne Elaine Terrazola)
Korean machinery showcased in big expo

Every two years, something big happens in the city of Cheonan in South Korea. This is KIEMSTA 2018, the Korea International Exhibition for Machinery Equipment, Science and Technologhy for agriculture, staged by the Korea Agricultural Machinery Cooperative (KAMICO) headed by chairman Shin Gil Kim.

The agri machinery fair is one of the major ones around the world, and is set in a spreading tent complex inside Cheonan Samgeom Park, a cultural space and tourist attraction. Vendors from all over the globe flock to showcase their wares. Some of the most striking ones, however, were Korean homegrown.

There were tractors of all types, from hand tractors to driverless ones to tractor simulators for agricultural schools. There were climate-controlled hydroponic set-ups and drones that sprayed pesticides, as well as other machines that seemed to come out of a futuristic movie.

But – and this is relevant to our interests – there were a lot of machines made for the small farm. Automatic seeders and transplanter. You can do here to four hectares a day.”

He adds that since there are less people going into agriculture, farm machinery will not only lessen the need for labor, it might also attract a younger demographic. We have to attract young people to drive tractors and they will find that it is an easy way to work the farm, he adds.

FACTORY TOURS – Aside from the tour of the expo, the Philippine contingent visited three agricultural machinery manufacturers. Kukje Machinery, maker of Branson tractors, Asia Technology Co. whose mini cultivator is the best selling machine of its kind in the world; and Lee-Hwa Industry Co., maker of rice and corn milling machines and which proudly employs 10 Filipinos in its factory.

Kukje Machinery’s Branson tractors are fast making waves overseas. Their tractors have surpassed global quality standards, as determined by third party testing; Asia Tech’s mini cultivator, on the other hand, also allows attachment of four different implements and only needs one person to operate, allowing an individual to do the work of many; Lee-Hwa Industry’s rice mills automatically churn out brown and white rice, depending on one’s specifications.

-Yvette Tan
The SM Foundation’s season-long vegetable training program for farmers and marginalized families is about the most sustained program of its kind, helping a lot of people to uplift their economic status by learning how to grow improved varieties of vegetables and other high-value crops.

The Kabalikat sa Kabuhayan (KSK) project which was started in Bacolod City about eight years ago, has continued to this day in collaboration with Harbest Agribusiness Corporation and later with the Department of Social Welfare and Development as well as some local government units.

One of the latest batches, Batch 186, was undertaken in Brgy. Salting in Balilihan, Bohol where 186 persons completed the season-long dual tech training. The trainees were taught how to produce quality vegetables using improved techniques that included the recommended seed varieties, use of plastic seedling trays for seedling production, plastic mulch to conserve soil moisture during the dry months and to prevent waterlogging during the rainy season. The plastic mulch also prevents erosion and weed growth.

Earlier, two batches from Nueva Ecija and Zambales also completed their 12-week training that comprised Batches 182 and 183. Batch 182 consisted of 104 graduates that held their harvest festival at Brgy. Caanalpihan, Talavera, Nueva Ecija. In Batch 183, 92 participants completed their training in Brgy. Palanginan, Iba. The participants were composed of farmers, 4Ps, IPGs and senior citizens from different barangays.

The trainees are not only trained to produce vegetables for their own food security but also for sale in the market so that they can derive income for their other basic needs. One target is to produce quality vegetables which they could sell through the SM supermarkets.

KSK TRAINING FARM IN BOHOL – Photo shows one of the trainees in Bohol posing with lettuce grown in mulched bed outdoors. The training was done in Balilihan, Bohol.
Big mistakes in agribusiness can be devastating

It is no joke to commit big mistakes in farming because that can be very devastating. Especially if someone is just starting in agribusiness. Just like a couple who once came to see us because they wanted to find out if it is really good to plant Gmelina, one of the commercial tree species recommended for planting in plantations.

Gmelina is fast growing and can be used for making lumber furniture, even wooden coffins, banana props and other uses. The couple who were in their early 40s and residing in a well-off subdivision south of Manila were visibly worried when they approached us because they had a huge money problem. You see, their bank had given them notice that it will be foreclosing their 16-hectare property in Tarlac if they cannot pay their P10-million loan which had ballooned to P16-million by 1998 because of the floating interest rate that went as high as 42 percent a year.

We remembered the couple while listening to Jess Domingo at the Agribiz Kapitahan recently. Their harried countenance appeared so fresh in our memory while Jess Domingo was giving his sage advice regarding people who are just starting in agribusiness.

The couple did not have any experience in agribusiness but they were excited to become broiler contract growers because their neighbor was making a lot of money as a contract grower of a big company. They put up two huge tunnel-vent poultry houses that could accommodate at about 100,000 chicks per loading. They had figured out that if they could net even just P10 per bird, that would give them at least a million bucks in a growing cycle of 13 months.

But that did not happen. Because of the financial crisis, business was slow and the integrators reduced their production targets. And so not all the expensive chicken houses were filled up. That meant that the owners of the poultry houses did not make any income from the unused buildings.

Why did the lecture of Jess Domingo remind us of the worried couple? Because they did the opposite of what Jess stressed in his talk. The two were just starting in agribusiness and they started too big. Jess emphasized that if you are new in farming, you should start small and expand as you get to know the ins and outs of the business.

Jess also emphasized that if you are just a neophyte, it is best to use your own money. Don’t borrow, especially from the bank. If you must, borrow from your relatives and friends who would not be as aggressive as the bank in going after your collateral. But if you have to borrow from the bank, borrow only 30% of the needed capital.

Jess also suggested that you “borrow long and invest short”. What does that mean? Don’t borrow money that you should pay in one year. You ask for a longer time to pay, say five years. That will give you enough time to earn money from your project to pay your loan. How about “invest short”? What does that mean? Well, you should use the borrowed money to produce crops or any other farm produce that will bring in revenue in the shortest possible time. Just like if you plant Japanese cucumber that is harvestable in 45 days and you have the market for it, you would be able to have an early cash flow so you can amortize your loan on time.

Well, I didn’t advise the couple to go into tree planting because that will not give them revenue in the short term. They will have to spend money in establishing the tree plantation and that will take years before they could make their first harvest.

By the way, Jess Domingo retired from his corporate executive job at 55 to pursue his passion for farming. He owns Rancho Domingo in Alfonso Lista, Ilocos where he practices natural farming.
SAGE ADVICE ON STARTING A FARM – Jess Domingo who owns Rancho Domingo in Alfonso Lista, Ilocos, was the resource person at a recent session of the Agribiz Kapitahan at the Harbest Events Center in Taytay, Rizal. He discussed what people who are starting in agribusiness should pay attention to, like borrowing capital and spending the borrowed money. He is shown here answering questions from the audience.
WASHINGTON—If the world hopes to make meaningful progress on climate change, it won’t be enough for cars and factories to get cleaner. Our cows and wheat fields will have to become radically more efficient, too.

That’s the basic conclusion of a sweeping new study issued Wednesday by the World Resources Institute, an environmental group. The report warns that the world’s agricultural system will need drastic changes in the next few decades in order to feed billions more people without triggering a climate catastrophe.

The challenge is daunting: Agriculture already occupies roughly 40 percent of the world’s vegetated land and is responsible for about a quarter of humanity’s greenhouse-gas emissions. But with the global population expected to grow from 7.2 billion people today to nearly 10 billion by 2050, and with many millions of people eating more meat as incomes rise, that environmental impact is on pace to expand dramatically.

Based on current trends, the authors calculated, the world would need to produce 56 percent more calories in 2050 than it did in 2010. If farmers and ranchers met that demand by clearing away more forests and other ecosystems for cropland and pasture, as they have often done in the past, they would end up transforming an area twice the size of India.

That, in turn, could make it nearly impossible to stay below 2 degrees Celsius of global warming, the agreed-upon international goal, even if the world’s fossil-fuel emissions were rapidly phased down. When forests are converted into farmland, the large stores of carbon locked away in those trees is released into the atmosphere.

"Food is the mother of all sustainability challenges," said Janet Ranganathan, vice president for science and research at the World Resources Institute. "We can’t get below 2 degrees without major changes to this system."

Less meat, but also better farming

The new study, the result of six years’ worth of modeling work conducted in partnership with French agricultural researchers, is hardly the first to warn that feeding the world sustainably will be a formidable task. But the authors take a different view of the most plausible solutions.

In the past, researchers who have looked at the food problem have suggested that the key to a sustainable agriculture system is to persuade consumers to eat far less meat and waste far less of the food that’s already grown.

The new report, however, cautions that this could prove difficult in practice. The authors do recommend that the biggest consumers of beef and lamb, such as those in Europe and the United States, could cut back their consumption by about 40 percent by 2050, or down to about 1.5 servings a week on average. Those two types of

See "Food," A2
meat have especially large environmental footprints. But they don’t count on a worldwide shift to vegetarianism.

“We wanted to avoid relying on magic asterisks,” said Timothy Searchinger, a researcher at Princeton University and the World Resources Institute and lead author of the report. “We could imagine a significant shift from beef to chicken, and that by itself goes a long way.” (Poultry production has about one-eighth the climate impact of beef production.)

Instead, the researchers focused on dozens of broad strategies that could allow farmers and ranchers to grow far more food on existing agricultural lands while cutting emissions, a feat that would require a major shift in farming practices worldwide and rapid advances in technology.

For example, they note, in parts of Brazil, the best-managed grazing lands can produce four times as much beef per acre as poorly managed lands—in part owing to differences in cattle health and how well the grass is fertilized. Improving productivity across the board could help satisfy rising meat demand while lessening the need to clear broad swaths of rain forest.

The authors also pointed to possible techniques to reduce the climate impact of existing farms. For instance, new chemical compounds could help prevent nitrogen fertilizers from producing nitrous oxide, a potent greenhouse gas. And scientists are exploring feed additives that get cows to burp up less methane, another big contributor to global warming.

The report notes that producing 56 percent more calories without expanding agricultural land could prove even more difficult if, as expected, rising temperatures reduce crop yields. But, Searchinger said, many of the recommendations in the report, such as breeding new, higher-yielding crop varieties or preventing soil erosion, could also help farmers adapt to climate change.

Conserving the world’s remaining forests

The researchers emphasize that strategies to improve the productivity of existing croplands and pastures will have to be paired with more rigorous conservation policies to protect existing forests in places like Brazil or sub-Saharan Africa. Otherwise, farmers will just find it more profitable to clear more forests for agriculture—with dire climate consequences.

“In the past, we’ve often seen agricultural policies and conservation policies moving in parallel without a lot of interaction,” said Linus Blomqvist, director of conservation at the Breakthrough Institute, who was not involved in the study. “The big challenge is to link the two, so that we get more intensive farming without using more land.”

In another contentious recommendation, the report’s authors call for a limit on the use of bioenergy crops, such as corn grown for ethanol in cars, that compete with food crops for land.

Money is also a hurdle. The report’s authors call for large increases in research funding to look at ideas like fertilizers that can be made without the use of fossil fuels, organic sprays that can reduce waste by preserving fresh food for longer, and genetic editing techniques that might produce higher-yielding crops. They also urge new regulations that would encourage private industry to develop sustainable agricultural technologies.

Over the past three years, 51 countries have spent roughly $570 billion a year to support food production, said Tobias Baedeeker, an agricultural economist at the World Bank, which contributed to the new study.

If those subsidies were overhauled so that they helped support more sustainable practices, Baedecker said, “we could have a real game-changer on our hands.”
Cargill Joy’s P2.08-B chicken project upgraded

THE Board of Investments (BoI) has approved Cargill Joy Poultry Meat Production Inc.’s move to upgrade its P2.08-billion marinated cut chicken production project from non-pioneer to inclusive business model.

The project, which started operations in November 2017 with a production target of 79,465 metric tons (MT) annually, met the Trade department-attached agency’s Investment Priorities Plan (IPP) criteria for inclusive business models.

"Cargill Joy has the potential to create an inclusive impact in Batangas by engaging low-income farmers through sourcing of goods and services," Trade Undersecretary and BoI Managing Head Celerino Rodolfo said.

Inclusive business projects include low-income members of a community in the company’s core operations, enabling their contributions to make an impact on the firm’s financial performance.

These people may be employed directly by the firm, or the goods or services they offer are integrated in the company’s value chain.

Under the IPP, an approved project can avail itself of an income tax holiday for a total of five years.

The criteria for inclusive business models mandate that at least 25 percent of total costs of goods sold should be derived from micro and small enterprises (MSEs), and that a minimum of 300 individuals from marginalized sectors are engaged, at least 30 percent of which must be women.

The criteria also requires firms to provide technical assistance and capacity-building measures to these MSEs and individuals, facilitate financing access, and/or provide inputs or technology that can increase productivity and improve product quality.

Cargill Joy expects the total cost of goods sold would reach P5.9 billion by the third year, about P1.54 billion of which would be sourced from MSEs.

Rodolfo said that while firms involved in agribusiness and tourism may qualify for inclusive business incentives in the IPP, those from other sectors are also encouraged to develop their own inclusive business models.

“We look forward in seeing more IB partnerships in the private sector as we work towards multi-sectoral collaboration for a balanced economy where shared prosperity is enjoyed,” he added.

ANNA LEAH E. GONZALES
P2-B inclusive business model

BOI grants perks to Cargill’s poultry unit

By BERNIE CAHILES-MAGKILAT

The Board of Investments (BOI) recently gave approval for Cargill Joy Poultry Meat Production Inc. to upgrade the status of its P2.08 billion marinated cut chicken production project from non-pioneer to an inclusive business model.

The firm’s project, which started operations in November 2017 with a production target of 79,465 metric tons per year (MTPY), qualified in the agency’s Investment Priorities Plan (IPP) criteria for Inclusive Business Models.

“Cargill Joy has the potential to create inclusive impact in Batangas by engaging the low-income farmers through sourcing of goods and services,” Trade Undersecretary and BOI Managing Head Ceferino Rodolfo said.

IB projects engage members of the low-income community in the company’s core operations, enabling their contributions to make an impact on the firm’s financial performance. These people may be employed directly by the firm, and/or their produced goods and services are integrated in the company’s value chain.

Under the current IPP, an IB-approved project can avail of income tax holiday for a total of five years. The criteria for IB models mandate that at least 25 percent of total costs of goods sold should be derived from micro and small enterprises (MSE), and a minimum of 300 individuals from the marginalized sectors are engaged, at least 30 percent of which are women. Income derived from such engagement should be equal to at least minimum wage, or baseline income plus 20 percent increase, whichever is higher, by the end of the third year of operation.

As part of the IB criteria, firms are also required to provide technical assistance and capacity-building measures to MSEs and individuals engaged, facilitate financing access, and/or provide inputs or technology that can increase productivity and improve product quality.

Cargill Joy projects that the total cost of goods sold will reach P5.9 billion by year three, around P1.54 billion of which will be sourced from MSEs.

The company has an agriculture team which works closely and provides technical support to the MSEs which they consider as partner-growers. Company veterinarians guide the MSEs on how to further improve the growing process of chickens. In addition, the company partners with other firms in the provision of technical assistance for poultry operation, such as seminars on ventilation systems, disinfection tools and audits and weather specific management. The company, which is instrumental in providing day-old chicks, custom mixed feeds and vaccines to its partner-growers, will also provide direct assistance to enable these partner-growers to avail of capital expense loans from banks.
Early cash from durian farm

Like other fruit trees, durian takes several years before the first harvest is realized. So while waiting for the first fruits to be harvestable, how can the farmer derive income from the farm in the first few years?

Ponchit Ponce Enrile who at one time helped manage a big durian plantation in Digos, Davao del Sur, related that they planted four lakatan banana seedlings around each durian, about a meter away from the young tree.

The bananas served as the nurse plants that provided partial shade to the juvenile durian. In just over a year from planting the lakatan bananas, the first fruits were harvested. It turned out that the bananas became a big money-maker for the company.

In Davao City, the late Severino Belviz rented a farm which he turned into a durian farm for the long term. But to realize early income to pay for the rent while the durian trees are not yet bearing fruit, he planted a portion to glutinous corn for boiling. In less than three months, he had already derived some income.

In one other portion of the rented land, he planted watermelons. That was also a good money-maker. Later, he also planted guava (the guapple type) in between the young durian trees. The beauty about guapple is that in less than two years, the trees start bearing fruits. Belviz was able to produce large volumes of guapple fruits which traders sold not only in Davao City but also in Cebu and other big markets.

The guapple trees were eventually phased out after three years of productive life. By then the durian trees had grown much bigger and started to bear fruit.

Belviz had a way of making sure that his durian trees grew fast and healthy. Instead of the usual practice of fertilizing durian trees two times a year; once at the onset of the rainy season and then at the end of the rainy season. In the case of Belviz, he had a schedule of fertilizing his durian trees every month.

EARLY INCOME FROM DURIAN FARM – There are ways to derive income from a durian farm before the trees start bearing fruit. One can plant 4 lakatan banana seedlings around each durian seedling to serve as nurse plant and as a source of fruits for sale. Other short term crops can also be planted while waiting for the durian trees to bear fruit.
INAPRUBAHAN kama-
kaidan lamang ng Phil-
ippines Board of Invest-
ments (BOI) ang Cargill
Joy Poultry Meat Pro-
duction Incorporated
para maitaas ang status
ng kanilang Php2.08 bil-
lion marinated cut chick-
ens production project
mula sa pagiging non-pi-
oneer at maging inclusive
business model.

Ang nasahing proyek-
to na minimuluan noon
Nobyembre 2017 na tar-
get na produksyon na
79,465 metric tons per year
(MTPY), ay kuwalipikado
sa Investment Priorities
Plan (IPP) criteria para In-
clusive Business Models
ng abensiya.

"Cargill Joy has the
potential to create inclu-
sive impact in Batangas by
engaging the low-income
farmers through sourcing
of goods and services," pa-
hayag ni Trade Undersec-
retary and BOI Managing
Head Ceforino Rodolfo.

Isinasama ng IB pro-
jects ang mga nasa low-in-
come community sa buid
ng operasyon ng kompan-
ya, at maapapahayag ng kan-
ilang kontribusyon at
magkaroon ng kahulugan
sa financial performance
ng kompanya. Ang mga

sa productivity at maka-
pagpapagobong kalidad ng
produkt.

Nakikita ng Cargill
Joy na ang total cost ng
mga gamit o bilihin ay
aabot sa Php5.9 bilyon
sa ikatlong taon, na nasa
Php1.54 bilyon kun
saan ito ay kakuinin sa
MSEs. Ang kompanya
ay may grupong pang-
agrikultura na nakiki-
pagtrabaho ng husto at
mabuti sa magbubuhay
ng suportang teknikal sa
MSEs at kikomiserde sila
ng part-
ner-growers. Ang mga
beteriniyar ay kompanya
ay gumagambar sa Com-
pany MSEs kung paano
lalong mapapambuti ang
growing process ng mga
manok. Dugdag dito,
ang kompanya ay nakiki-
pagpartner sa ibang kom-
panya rin sa pagbibigay
g tulog na teknikal sa
poultry operation, tulad
ng seminar sa ventilation
system, disinfection
tools audits at weather
specific management.

Ang kompanya ay
naging instrumento sa pag-
bibigay ng day-old chicks,
custom mixed feeds at vac-
cines to its partner-grow-
ers ay mabuhay rin ng
direktang tulog sa mga
mao para makatulog sa
partner-growers na magka-
roon ng dan sa makakuhang
capital expense loans
mula sa bangko.
DTI HONORS TOP PH EXPORTERS

PINARANGALAN ng Department of Trade and Industry (DTI), through the Export Marketing Bureau (EMB), ang 23 Philippine companies para sa kaniling exceptional export performance mao ang National Export Congress (NEC) na ginanap kahapon Diwyembre 7, sa Philippe International Convention Center, Pasay City.

Ang mga pinarangalan ay kinilala dahil sa kaniling competitiveness, track record, excellence at innovation sa pagdedeliber ng serbisyo at patuloy na kontribusyon sa kita ng export revenue ng bansa. Sa pamamagitan ng parangal, inikasingal ang DTI ang hinu ng top exporters ng bansa na ngisingaling testamento sa magbuy sa partnership sa pagtan ng public at private sector sa pagpatatol sa inclusive export development ng bansa.

Iginawad sina DTI Secretary Ramon Lopez, Trade and Investments Promotion Group (TIPG) Undersecretary Nori Tendaro, EMB Director Senen Perlada, at Philippine Exporters Confederation Inc. (Philexport) President Sergio Ortiz-Lula Jr. ang mga parangal sa top performing Philippine exporters.


Ang hinigayang ng Top Sectoral Awards ay ang: Amkor Technology Philippines Inc. para sa electronics, Hanzin Heavy Industries and Construction (HHIC) Philippines Inc. para sa machinery and transport equipment, LEAR Automotive (SYCS) Netherlands para sa motor vehicle parts (ignition wiring sets), Petron Corporation para sa chemicals, New Davao Oil Mill Inc. para sa coconut oil, at SCAD Services PTE Ltd. para sa woodcrafts and furniture.


Iginawad ang Most Outstanding RIPPLES Plus Award ay igi nang sa exporters base sa Philippine Statistics Authority (PSA) ranking ng micro, small, at medium enterprises (MSMEs) bilang pagkilala sa kaniling outstanding international success sa pagpasok sa global markets.

Diminsiyar ang nag-excellence at nagbigay inapayong sa buong exporting community, igi nang sa Peter Paul Philippine Corporation para sa Luzon, Profood International Corporation para sa Visayas, at Mulacon Agri-Ventures Corporation para sa Mindanao.