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Oversight panel to review 5% coconut biofuel proposal

THE Congressional Oversight Committee on Biofuels is set to conduct a hearing on the proposal of the Department of Agriculture (DA) to increase the coconut content in biodiesel to 5% from the present 2%, Senator Sherwin T. Gatchalian said on Monday.

"We will try to convene next week, before the start of the campaign. Our counterpart in the House of Representatives will be campaigning beginning March 29," Mr. Gatchalian said in a text message when asked for a schedule of the hearing.

In a statement, Mr. Gatchalian, who chairs the Senate committee on energy and co-chairs the congressional oversight committee, reiterated his reservations towards the proposal, which the DA plans to resubmit to the Office of the Executive Secretary.

The senator said the proposal may result in higher biodiesel prices, which his office estimated in its study might rise 7.5%, equivalent to P2.86.

Agriculture Secretary Emmanuel F. Piñol is pushing for the increase in coconut content to help prop up copra prices. In a social media post on Feb. 24, Mr. Piñol maintained that more coconut content in biodiesel would improve the mileage of vehicles by about three kilometers per liter and would help address air pollution.

Mr. Gatchalian said he hopes the congressional oversight committee hearing would allow stakeholders to air their views on the proposed measure.

"I hope that we can agree on action steps in order to move the industry forward and attain the goal of energy security and environmental sustainability as envisioned by the authors of the Biofuels Act," he said.

The senator also said the Department of Energy (DoE) and the National Biofuels Board (NBB) should "thoroughly study" whether an increase to a 5% blend as proposed by the DA was warranted and whether domestic production of feedstock was sufficient to meet present and future demand.

He cited an earlier public hearing by the Congressional Oversight Committee on Biofuels which aired concerns on the lack of feedstock.

"The DoE and NBB should weigh the impact of increasing the biofuel content from B2 to B5, especially with the recent implementation of the new round of increases in the excise tax on fuel in January. After all, the law requires the recommendation of the NBB before the DoE decides to increase the blend," he said. — **Camille A. Aguinaldo**

"BALITA"
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Coconut oil sa biodiesel

Hiniling ni Senator Win Gatchalian sa Department of Energy (DoE) at National Biofuels Board (NBB) na pag-aralan ang panukala ng Department of Agriculture na magdagdag ng coconut oil content sa biodiesel.

Balak kasi ng Agriculture Secretary Emmanuel Piñol na gawing 5% mula sa 2% ang coconut oil content o mula B2 hanggang B5.

Batay sa pag-aaral, lumalabas na ang pagtaas ng B2 patungo sa B5 ay nangangahulugan rin ng 7.5% pagtaas o katumbas ng P2.866 sa presyo ng biodiesel.

Leonel M. Abasola

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Palay prices firm, rice prices edge down in 3rd week of Feb.

THE average farmgate price of palay, or unmilled rice, rose 0.05% week on week to P19.64 per kilogram in the third week of February, according to data released by the Philippine Statistics Authority (PSA) on Monday.

According to PSA, the average price of wholesale well-milled rice, fell 0.43% week on week to P41.22 per kg. At retail, well-milled rice averaged P44.63, down 0.27% from a week earlier.

The average wholesale price of regular-milled rice fell 0.87% week on week to P37.76 per kg. The average retail average price fell 0.90% to P40.72 per kg.

In a news conference, Agriculture Secretary Emmanuel F. Piñol said that price of rice at farmgate level is now starting to recover after a drastic drop to an average of P14 to P15 per kg, amid speculation of price pressure brought on by imported rice under the Rice Tariffication Act.

"The DA believes that the fall to P15 was only an initial market shock. The price is returning to P17 to P18," Mr. Piñol told reporters in Quezon City on Monday.

"Right now the farmers are starting to realize that the price pressure is not that intense. We explained to them that even if the importers bring in bigger volumes of rice, there's a limit to how much you can access in the world market. If you access more, world prices would spike," Mr. Piñol said. — **Reicelene Joy N. Ignacio**

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Oil prices swing high and low; biodiesel blend up

By Alena Mae S. Flores

THE country's oil firms cut pump prices by as much as P0.35 per liter for kerosene and P0.10 per liter for diesel but raised the price of gasoline by P0.10 per liter effective 6am Tuesday to reflect the movement of world oil prices.

"Demand from China and Japan weakened. Activities of Chinese factories declined, followed by the second biggest economy in Asia, which is Japan. America has ample supply and there is also an impact from the slowdown of India activity," Energy Undersecretary Felix William Fuentebella said.

Pilipinas Shell Petroleum Corp., PTT Philippines, PetroGazz Philippines and Eastern Petroleum Corp. implement the price adjustment while other oil firms are expected to follow. The oil firms implement price adjustments every Tuesday.

Year-to-date adjustments now stand at P3.75 per liter for gasoline, P4.35 pe rliter for diesel and P2.70 per liter for kerosene, according to the latest monitoring report of the Department of Energy.

Fuentebella, meanwhile, said the DOE will still study the proposal of the Agriculture Department to increase the biodiesel blend from two percent coco-methyl ester to 5 percent CME blend in diesel.

"We will listen first *kung ano* proposal of DA the increase ng biodiesel because at the end of the day, it's full appreciation is comprehensive analysis. If we sit down together, we will look at the price and the effect on the environment at entire economy," he said.

Senator Sherwin Gatchalian, for its part, is urging the DOE and the National Biofuels Board to thoroughly study the proposal of the DA, particularly its impact on the pump price of diesel.

Agriculture Secretary Emmanuel Piñol announced that he would lobby for the increase of biofuel content in diesel from B2 to B5 to absorb oversupply in the copra industry.

The Manila Times

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Rice tariffication law's IRR done, sent to NEDA

BY EIREENE JAIREE GOMEZ

FOLLOWING a series of consultations among stakeholders of the rice industry, the Department of Agriculture (DA) has completed the implementing rules and regulations (IRR) for the Rice Tariffication Act (RA 11203).

The DA has also submitted the finished IRR to the National Economic and Development Authority (NEDA) for approval, which would signal the official rollout of the law.

"Actually the DA worked overtime. The IRR is complete," Agriculture Secretary Emmanuel Piñol said in a press briefing on Monday. The DA's nationwide public consultations with local rice farmers ran from Feb. 26 to March 1. Consultations were done in Nueva Ecija, Batangas, Davao City and Iloilo City.

Piñol admitted local farmers feared the law would lead to the death blow to the local rice industry by discouraging rice planters to produce the staple. But the consultations, described by Piñol as a "successful exercise," helped clear some doubts on the possible effects of the law.

RA 11203 completely abolishes quantitative restrictions to ensure a steady supply of rice in the domestic market, which was also seen to put local producers at a disadvantage for not being able to compete with the imported supply.

But Piñol said imported rice would not penetrate all of the markets in the country as it provides only 15 percent of the total national requirements. "[T]hat volume actually may not be able to influence the prices in other parts of the country to the point that farmers will be losing money," he said.

"We explained to them (farmers) that even if importers would like to bring in bigger volume of rice, there's a limitation to how much you can access in the world market and the moment you accept more, there would be a spike of prices in the world market," Piñol said.

The total volume of rice traded in the world market every year is about 40 million metric tons (MT), with some 38 million MT already committed to specific importing countries. Piñol said farmers mulled for an assurance that there would be no drastic drop in the prices of palay when the law takes affect. Specifically, he said the stakeholders have proposed that the National Food Authority (NFA) be allowed to procure buffer stocks more than 15 to 30 days.

Piñol admitted he supports this position, noting that the NFA's buffer stocks "should be more than 30 days." Under the law, the NFA is mandated to have at least 15-days worth of consumption at any given time and 30-day buffer during lean season, which starts in July and ends in September. The lean months is when the country's rice farmers are planting and rice supply is at its lowest.

As announced, the Rice Tariffication Act takes effect on March 5. It allows unlimited importation of rice as long as traders secure a phytosanitary permit from the Bureau of Plant Industry (BPI) and pay a 35 percent for all imports from the Association of Southeast Asian Nations (Asean), 40 percent for in-quota or within minimum access volume (MAV) from non-Asean, and 180 percent for out-quota and non-Asean or as calculated by the Tariff Commission.

The new law also calls for the establishment of the Rice Competitiveness Enhancement Fund (RCEF) which will be endowed with P10 billion a year for six years to improve mechanization, access to seed and financing in the industry.

THE DAILY tribune
Without fear or favor

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Discussions needed for biodiesel blend

The Department of Energy (DoE) will have to discuss the primary purpose of upping the percentage of a coconut oil derivative in the current blend of diesel with the Department of Agriculture (DA), it said on Monday.

This developed after Agriculture Secretary Emmanuel Piñol renewed his support to raise the blend of coconut methyl ester (CME) in biodiesel by five percent.

DoE Undersecretary Felix William Fuentebella said that they will listen to DA's proposal, since they will first have to see the effects of the move on prices, the environment and the whole economy.

"What we're also saying is that the machinery of the cars should also be compatible with the diesel being used," he said.

CME is one of the best options for biodiesel due to its low carbon chain, he said, but other sources like corn oil and soya oil have also entered the picture, making prices more competitive.

"I don't think that it will be implemented immediately, we will have to discuss it."

Implementing the Biofuels Act of 2006 will require all diesel fuels sold in the local market to be mixed with 5 percent CME. At present, the blend includes 2 percent CME and 98 percent regular diesel.

Increasing the CME percentage is seen to up demand for copra and lend support to about 2.5 million Filipino farmers, who are suffering from the declining international market prices of copra from which coconut oil is obtained.

Philippine biodiesel should contain at least five percent CME by 2020 under the Philippine Energy Plan 2012-2030.

On the other hand, DoE renewable energy management bureau director Mario Marasigan said that the cost impact also has to be accounted for, as well as the supply and the effectiveness of coconut oil in the international market.

CME is one of the best options for biodiesel due to its low carbon chain, he said, but other sources like corn and soya oils have also entered the picture, making prices more competitive.

"Our concern before (is that) our coconut production has reduced a little and we've lost the international market. The previous typhoons had a big impact and our committed deliveries were reduced," he added.

"We have to really coordinate with the DA if there will be sufficient supply, not just in terms of production but in balancing between international and local use." **AJBajo**

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Govt all set to limit intervention in rice market under new law

By Jasper Emmanuel Y. Arcalas @jearcalas

THE government is ready to exit from local rice markets and fulfill its new role under the rice trade liberalization law, which will take effect on Tuesday, Agriculture Secretary Emmanuel F. Piñol said on Monday.

Piñol also said the National Food Authority Council (NFAC) would meet on Tuesday to finalize implementing rules and regulations (IRR) of Republic Act 11203, which will bring sweeping changes to the domestic rice market.

For one, the National Food Authority (NFA) will no longer sell low-priced rice starting in August, when the food agency expects its inventory of imports to be depleted. It will also stop monitoring grains businessmen and apprehending violators.

Piñol said the law would be legally effective on March 5, but its implementation would still depend on whether an IRR would be signed on that day. He did not give a categorical answer when asked if he expected the IRR to be signed on Tuesday.

"We hope that all the [concerns] would be settled tomorrow [March 5]. What is only needed to implement the law is just the approval of the IRR. The IRR is complete and I believe that there will be no major disagreements on it," he said in a news briefing on the eve of the effectivity of the law.

"Even if the [Department of Agriculture or DA] is not ready, we have to be ready. So we are ready. We are ready with our inputs," Piñol added.

As the law allows traders to apply for sanitary and phytosanitary import clearance (SPS-IC) starting March 5, Piñol said some of the personnel of the NFA will be transferred to the Bureau of Plant Industry (BPI) to beef up its manpower.

The BPI, an attached agency of the DA, was tasked to process the applications for SPS-IC. Under RA 11203, interested traders need only to secure an SPS-IC from the BPI to import rice.

"This is an additional task for the BPI and it does not have the budget for it. So I am looking at asking for a secondment from the NFA to handle the [processing]," Piñol said.

"We hope that all the [concerns] would be settled tomorrow [March 5]. What is only needed to implement the law is just the approval of the IRR. The IRR is complete and I believe that there will be no major disagreements on it."—Piñol

Limited role

EVEN without the final IRR, the NFA said it would "no longer exercise regulatory functions over the international and domestic rice trade" starting March 5, as stipulated by RA 11203.

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Rice market. . .

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Among the regulatory powers that would be stripped away from the NFA are: licensing and registration of entities engaged in grains businesses; collection of regulatory fees; issuance of warehouse receipts; warehouse inspection; seizure of hoarded stocks; and enforce rules and regulations concerning rice trade.

"The IRR of the law are yet to be finalized. But as spelled out in the law's self-executing provisions, we have already instructed our offices to cease all regulatory functions over our local grains business starting March 5," NFA OIC-Administrator Tomas R. Escarez said in a statement on Monday.

Escarez also said the NFA would channel its resources in procuring local palay as mandated by RA 11203. "We will just wait for the release of the final IRR before we fully shift our focus on buffer stocking for calamities and emergencies, as stated under the law, and on the eventual restructuring of our agency to suit its new functions," he said.

The NFA was created by virtue of Presidential Decree 4 issued in September 1972. The decree abolished two agencies—the Rice and Corn Board (Ricob) and the Rice and Corn Administration (RCA) but absorbed their respective functions.

Ricob regulated the rice and corn retail trade and was tasked to nationalize it within a target date, while RCA handled the distribution of government low-priced rice especially during the lean months.

Concerns

PIÑOL said the DA wants to see a provision that will allow the NFA to procure more palay from farmers in the IRR. This, he said, will serve as their "shield" in case the buying price of palay drops below their production cost.

"The Neda [National Economic and Development Authority] has taken this into consideration. I support this proposal also," he said.

"President Duterte has announced that he wants to have a buffer stock of up to 60 days. I also think that the buffer stock should be more than 30 days," Piñol added.

'Biggest budget'

WHILE RA 11203 takes effect on March 5, the P10-billion Rice Competitiveness Enhancement Fund (RCEF) has yet to be set up by the national government. The RCEF, which will consist of tariffs collected from imports, is regarded as a safety net for farmers.

But Piñol said the rice sector is set to receive its biggest budget in history. This year, the rice sector will receive P22 billion—the P10-billion RCEF, P5-billion supplementary budget from the national government and the P7 billion allocated by the DA for the sector under its regular budget.

"Hopefully, if tariff revenues would increase and hit P26 billion next year then our fund for rice alone would reach about P30 billion," he said. "This is actually the greatest irony. Farmers are afraid of the liberalization but they are given this huge benefit."

Piñol said, however, that the interventions to help farmers cope with the expected influx of rice imports should have been put in place before the law took effect.

Still, he thumbed down proposals to prolong the crafting of the IRR so that the law would not be immediately implemented. Piñol argued that by doing so, the release of the budget for the RCEF would also be delayed. "The longer we wait [for the IRR], the longer it will take for the budget to be released. This will make it difficult for the government to intervene during the wet season planting," Piñol said.

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Rice Tariffication Law slated for implementation this week

By **MADELAINE B. MIRAFLOR**

The Rice Tariffication Law, if implemented this week, will result to local rice sector obtaining the biggest annual budget it will have in history starting next year.

Agriculture Secretary Emmanuel Piñol said the overall budget that will go to local rice farmers once the Rice Tariffication Law is in place could be around ₱38 billion. He called this such a "huge irony."

The Rice Tariffication Law, which will replace the volume restriction on rice imports with tariff, was signed by President Rodrigo Duterte in February and is slated to become effective today but only upon the issuance of the Implementing Rules and Regulations (IRR).

The amount of imported rice to enter the country is expected to balloon once the law's IRR becomes effective, with the government estimating to gain revenue of as much as ₱26 billion each year from rice imports alone, ₱10 billion of which will go to Rice Competitiveness Enhancement Fund (RCEF).

Aside from this, the sector will also have a supplementary budget of ₱5 billion under the Department of Agriculture's (DA) rice program and ₱7 billion for local rice procurement of this National Food Authority (NFA).

"The rice industry will be given the biggest budget in history starting next year," Piñol said. "This is the greatest irony given that all these funds are just coming in now or at the time we allowed more imported rice to enter the country."

This, according to him, must calm local rice farmers who are worried about possible price fluctuations due to the entry of more imported rice.

Mercedita Sombilla, National Economic and Development Authority (NEDA) Director of Agriculture, Natural Resources, and Environment Staff, said on Monday that the Rice Tariffication Law will be effective today as originally planned.

"[We expect] the law's effectivity [on March 5]. We hope to incorporate relevant additional comments [and] hoping to finish by COB [close of business]," Sombilla said yesterday.

Piñol, too, thinks that the law's IRR should be ready by now, given that the DA was able to submit on time the inputs it gathered from the massive nationwide consultation it had with farmers last week.

"We fast-tracked the holding of consultations. Actually, the DA worked overtime during the weekend. I believe it was a successful exercise," Piñol said.

The Rice Tariffication Law has removed the regulatory functions of NFA and will only require importers to secure a food safety certificate from DA's Bureau of Plant Industry (BPI) in order to bring in any amount of imported rice into the country.

When asked if BPI is ready to accept applications for food safety certificates, Piñol said "even if we're not ready we have to be ready."

Given the expected influx of applications, BPI may also have to temporarily tap employees from NFA, the DA chief said.

"This will be an added task for the BPI actually. And BPI does not have the budget for it. Next year, we may be able to ask for additional budget," Piñol said.

For this year, BPI will have a budget of ₱876 million, lower than the more than ₱1-billion budget it had last year.

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Senator urges study on proposal to increase coconut content in biodiesel

by **MARIO B. CASAYURAN**

Senator Sherwin T. Gatchalian yesterday urged the Department of Energy (DOE) and the National Biofuels Board (NBB) to thoroughly study the proposal of the Department of Agriculture (DA) to increase the coconut content in biodiesel from two percent to five percent.

The senator particularly asked the department to study its impact on the pump price of diesel.

Gatchalian made the call after Agriculture Secretary Emmanuel Piñol announced he would be lobbying for the increase of biofuel content in diesel from B2 to B5 to absorb oversupply in the copra industry.

Gatchalian is chairman of the Senate energy and economic affairs committee. He co-chairs the Joint Congressional Biofuels Oversight Committee.

B2 biodiesel is a blend of two percent agricultural products and 98 percent clean diesel, while B5 biodiesel is a blend of five percent agricultural products and 95 percent clean diesel.

Gatchalian pointed out that it is paramount for the NBB, an advisory body to the DOE, to study whether an increase to five percent blend is warranted and whether the local production of feedstock is sufficient to meet present and future demand.

"The DOE and NBB should weigh the impact of increasing the biofuel content from B2 to B5, especially with the recent implementation of the new round of increases in the excise tax on fuel in January. After all, the law requires the recommendation of the NBB before the DOE decides to increase the blend," he stressed.

Citing the study his office conducted, Gatchalian estimated that increasing the biofuel content in diesel from B2 to B5 might result in a 7.5 percent increase, equivalent to ₱2.86, in the pump price of biodiesel.

Gatchalian pointed out that an ordinary jeepney driver, whose vehicle consumes around 15 liters of diesel per day, might need to tighten his belt further since he would be expected to shell out an additional ₱1,286.30 per month if the blend is increased.

He said the amount could instead be used to buy a half sack of rice or additional groceries.

Furthermore, the legislator recalled that during the last Joint Congressional Oversight Committee on Biofuels hearing, there had been concerns of lack of feedstock, which he said prevented the DOE from mandating the increase from the current two percent blend.

Data from the DOE shows that for biodiesel, the annual capacity in 2017 was 574.9 million liters but production was only at 39 percent of capacity.

Gatchalian said the Joint Congressional Oversight Committee is set to conduct a hearing on the DA's proposal to increase the biodiesel blend in the fuel market from two percent to five percent to cushion the falling prices of copra.

PEOPLE'S JOURNAL
Everybody's Newspaper

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DA eyes add'l poverty reduction program

ADDITIONAL anti-poverty and productivity interventions will be provided to poorest provinces in the country in order to reduce poverty incidence by 25 per cent.

Agriculture Secretary Emmanuel Piñol said the DA's Special Area for Agricultural Development Program (SAAD) targets at least 10 poorest provinces every year who will be provided with the interventions.

Piñol added that every year, 10 more provinces are added and by the end of the term of President Rodrigo Duterte, 60 provinces will be covered.

Piñol said the 20 poorest provinces in the country include Lanao del Sur, placed at No. 1 with 74.3% of families living below poverty threshold; followed by Sulu with 65.7%, while the three provinces in the island of Samar are all in the list -- Western Samar in No. 14 at 49.5%, Eastern Samar at No. 12/11 with 50% and Northern Samar in No. 4 with 61.6%.

Piñol said even his home province North Cotabato is included in the list of the 20 poorest provinces with 48.9% with families living below the poverty threshhold.

He said North Cotabato used to be one of the 30 most progressive provinces in 2006 with a very high human development index.

Piñol pointed out that North Cotabato has a poverty incidence of only 29% in 2010, a huge improvement from 52% in 1998 when he became governor.

"How it slid back to the ignominious group of 20 Poorest provinces would be a very good case study on the correlation of politics, governance and rural poverty.

"Ironically, the leaders who presided over the deterioration of the poverty level in my province are the very same people who are now accusing me of using the SAAD to gain political benefits for my daughter, Dr. Maria Krista Piñol-Solis who is running for Board Member, and my other siblings," Piñol noted.

He stressed that if only North Cotabato did not backslide from one of the most progressive provinces to one of the poorest provinces, there would be no need for the SAAD program.

"And may I ask who should be blamed for this? They are the people who are trying to block the implementation of a program which would lift up my province to its old glory as one of the most progressive provinces in the country," Piñol added.

Cory Martinez

Malaya
Business Insight

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Hike in mandated biofuel blend needs further study

AMID the continued calls of the Department of Agriculture (DA) to increase coconut content in biodiesel from 2 percent to 5 percent to improve copra prices, the Department of Energy (DOE) and Sen. Sherwin Gatchalian said such move should be studied carefully as it may negatively affect consumers.

Gatchalian, who chairs the Senate committee on energy and co-chairs the joint congressional biofuels oversight committee, said the National Biofuels Board (NBB) must study whether an increase to 5 percent blend is warranted and if local production of feedstock is sufficient to meet present and future demand.

"The DOE and NBB should weigh the impact of increasing the biofuel content from B2 to B5, especially with the recent implementation of the new round of increases in the excise tax on fuel in January. After all, the law requires the recommendation of the NBB before the DOE decides to increase the blend," he said.

Citing the study his office conducted, Gatchalian estimated that increasing the biofuel content in diesel from B2 to B5 may result in a 7.5 percent increase, equivalent to P2.86, in the pump price of biodiesel.

He said based on DOE data, biodiesel has an annual capacity of 574.9 million liters in 2017 but production was only at 39 percent of capacity.

For his part, Felix William Fuentebella, DOE undersecretary, said the agency will conduct talks with DA officials to weigh the proposal.

"We will listen first to the DA's proposal because at the end of the day, its full appreciation will be through a comprehensive analysis. We need to see its effects not just for the price but also to the environment and the entire economy," Fuentebella said.

Mario Marasigan, a DOE director, also said previous studies on the proposed increase in coconut content in biodiesel suggest possible food security issues.

"Our previous hurdle is food vs. fuel, as coconut is one of our basic food. Biodiesel producers said before that they have the capacity to produce the 5 percent blend, same with the farmers. I'm not sure if it is also the same as before as our problems back then was our reduced coconut production due to the effects of typhoons," Marasigan said.

He added under the Biofuels Law, there should be a review every two years on the socioeconomic impact on whether to adjust the country's biofuel blend, as it can affect the income of both farmers and consumers.

Besides the suggested increase in the biofuel blend, the DA earlier also proposed to implement a quantitative restriction on the volume of palm olein imported from Malaysia and Indonesia to address the plunging local copra prices.

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NFA to cease regulatory functions over grains

STARTING today, when RA 11203 or the Rice Liberalization Law takes effect, the National Food Authority will no longer exercise regulatory functions over the international and domestic trading of rice.

Aside from removing NFA's regulatory powers over the import and export of rice, RA 11203 also repealed the following NFA functions over the domestic rice industry: Licensing and registration of persons and entities engaged in the grains business, collection of regulatory fees, issuance of negotiable warehouse receipts, warehouse inspection, authority to seize hoarded stocks, and enforce rules and regulations in the grains business, among others.

"The implementing rules and regulations [IRR] of the law are yet to be finalized. But as spelled out in the law's self-executing provisions, we have already instructed our field offices to cease all regulatory functions over our local grains business starting March 5," NFA OIC administrator Tomas Escarez explained.

Section 4 of RA 11203 repealed "laws and all other laws or provisions of law prescribing quantitative import restrictions or granting government agencies the power to impose such restrictions… hindering the liberalization of the importation, exportation and trading of rice…"

It also enumerated subparagraphs of Section 6 (a) of Presidential Decree No. 4 as amended, which pertains to the abovementioned regulatory functions of NFA.

"We will just be waiting for the release of the final IRR before we fully shift our focus on buffer stocking for calamities and emergencies, as stated under the law, and on the eventual restructuring of our agency to suit its new functions," Escarez said.

Before the signing of RA 11203 by President Rodrigo Duterte on Feb. 14, the NFA had aired its concerns regarding the possible implications of the removal of the agency's regulatory powers over the local grains industry. These were sent to the concerned legislators, members of the NFA Council, and the President.

"Now that the law has been signed and due to take effect starting March 5, we have to abide by it," Escarez said.

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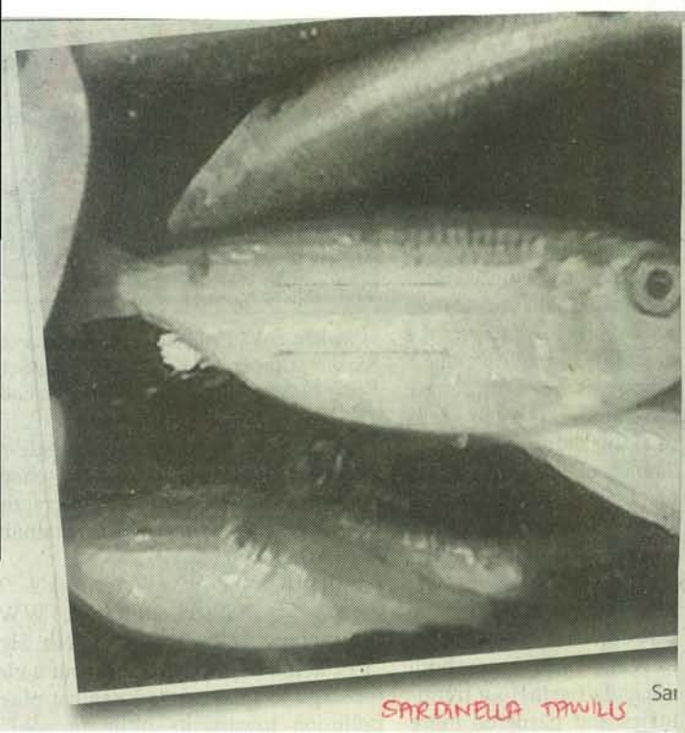


SARDINELLA TAWILIS

Forum tackles endangered tawilis

THE University of Santo Tomas recently staged the Tawilis Summit 2019 in a bid to shed light on the most recent scientific information on *Sardinella tawilis* which was declared endangered species.

Tawilis, a freshwater sardine found exclusively in the Philippines, is the only known member of the genus *Sardinella* that can exist entirely in freshwater.

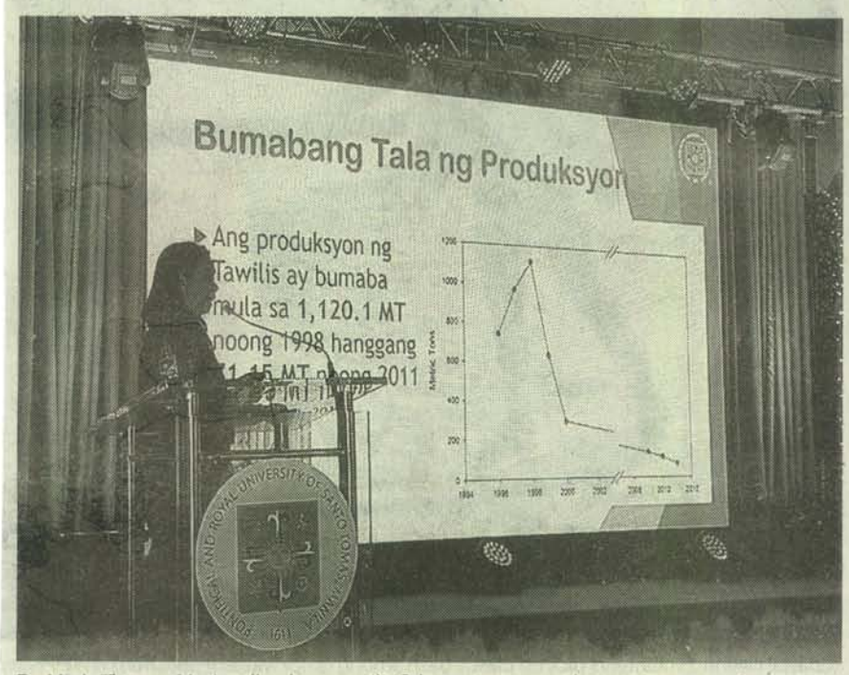
Keynote speaker Dr. Mudjekeewis Santos from the UST Graduate School, who is also an academician of the National Academy of Science and Technology, presented "The IUCN assessment of *Sardinella tawilis* as an endangered species," of which he is the main author.

Other speakers included Dr. Maria Theresa M. Mutia, who tackled "*Tawilis* fishery reserves and spawning grounds;" Dr. Jonas Quilang, who presented "Phylogeny of *S. tawilis*;" Alicia Ely J. Pagulayan, who discussed "Reproductive biology of S. *tawilis*;" Rey Donne S. Papa, Ph.D., who talked about "Updates on the limno-ecological studies on Lake Taal;" and Ipat Luna, who explained "Management and conservation initiatives."

A roundtable discussion followed with Roberto C. Pagulayan, Ph.D., as the rapporteur.

The whole-day event culminated with the reading of the PSFS Declaration, which summarized the key points of discussion from various stakeholders and participants. From this summary, PSFS will come up with its official stand on the declaration of *Sardinella tawilis* as an endangered species, which will be submitted to the appropriate government agencies for their perusal.

Spearheaded by the Philippine Society for Freshwater Science, the summit was made possible through the cooperation of the UST Department of Biological Sciences, University of the Philippines Diliman Institute of Biology, National Fisheries Development and Research Institute, Bureau of Fisheries and Aquatic Resources, and the Department of Environment and Natural Resources – Region 4A.



Dr. Maria Theresa Mutia talks about tawilis fishery reserves and spawning grounds.

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TRUTH SHALL PREVAIL
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NFA ends regulatory function; rice liberalization begins

By LOUISE MAUREEN SIMEON

Filipinos can expect more imported rice to enter the country as the law liberalizing the local rice industry takes effect today.

The Rice Import and Export Libelization Law or Republic Act 11203, signed by President Duterte on Feb. 14, lifted import restrictions on rice to make the price of the staple affordable for all.

With RA 11203 in effect, the National Food Authority (NFA) has been stripped of its regulatory functions over international and domestic trading of rice.

Among these functions are the licensing and registration of persons and entities engaged in the grains business, collection of regulatory fees, issuance of negotiable warehouse receipts, warehouse inspection, authority to seize hoarded stocks and enforce rules and regulations in the grains business.

"As spelled out in the law's self-executing provisions, we have instructed our field offices to cease all regulatory functions over our local grains business starting today," NFA officer-in-charge administrator Tomas Escarez said.

"We will just be waiting for the release of the final IRR before we fully shift our focus on buffer stocking for calamities and emergencies, as stated under the law, and on the eventual restructuring of our agency to suit its new functions," Escarez said, referring to the implementing rules and regulations.

Even before the signing of the law, the NFA has expressed concern regarding the possible implications of the removal of its regulatory powers over the local grains industry.

"Now that the law has been signed and due to take effect today, we have to abide by it," Escarez said.

As early as January, Escarez instructed the NFA field offices to focus on aggressive palay procurement for buffer stocking, in the wake of sporadic harvests, especially in Mindanao provinces.

The NFA buys palay at the current support price of P17 per kilogram plus additional incentives of P3 per kilo and P0.70 per kilo for delivery, drying and cooperative development.

This means an individual farmer can get a maximum of P20.40 per kilo while members of farmer cooperatives will get a maximum of P20.70 per kilo of palay sold to NFA.

Local rice producers have warned that the new law would kill the Philippine rice industry.

Workers at the National Food Authority warehouse in Quezon City arrange buffer stocks yesterday. MICHAEL VARCAS

MANILA BULLETIN
THE NATION'S LEADING NEWSPAPER

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Gov't sets interventions to help farmers during dry spell

By **MIKE U. CRISMUNDO**

BUTUAN CITY – The regional office of the Department of Agriculture (DA) here has started laying down preparations and interventions to ease the impact of drought on crops.

Emmylou T. Presilda, spokesperson of DA 13, said the regional office already closely coordinated with the various local government units to help monitor the immediate needs of the farmers' group during dry season.

"All our provincial officers had been directed to prepare some mitigating measures to help our farmers on the possible effects of drought that might hit Caraga region," Presilda said in an exclusive interview with The Manila Bulletin on Monday.

She said the agency is preparing some vegetable seeds for distribution to local farmers to augment their food supplies during the period.

"Our farmers can grow vegetables as alternative crop and even in their backyards for consumption," she said.

Presilda said the agency will provide assistance to the farmers in terms of planting materials and other inputs in preparation for the El Niño weather phenomenon.

DA Caraga Region 13 has the following buffer stocks/seed reserve for El Niño: – 14, 732 bags of rice (certified seeds); 4, 756 bags of corn; and 785 kilograms of assorted vegetables.

Presilda said the agency also prepared drugs and biologics for livestock animals.

Rice farmers were advised to plant rice varieties that are drought-tolerant because they can better survive the extreme climatic condition such as the El Niño phenomenon, she said.

Drought tolerant rice varieties for lowland farms includes Rc238, Rc240, Rc300, Rc480 (GSR 8) and hybrid rice such as Rc452H, Rc450H, Rc382H.

Currently, various provincial offices of the DA are closely monitoring upland farms and irrigation areas in several barangays in Northeastern Mindanao due to the upcoming dry spell brought about by the El Niño weather phenomenon.

DA 13 has encouraged farmers to report right away and coordinate with the nearest Municipal Agriculture Office if they have been affected by the weak El Niño so it shall be included in the consolidation of reports for inclusion in the rehabilitation effort by the government.

As the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) warned of drought or dry spell conditions in four Caraga region provinces from March to May due to reduced rainfall, the DA assured farmers that the agency has prepared for the adverse effects of El Niño.

PAGASA forecast showed that the provinces of Agusan del Norte, Agusan del Sur, Dinagat Islands and Surigao del Norte are likely to feel warmer weather in the months of March, April, and May due to reduced rainfall.

Of these, Dinagat province will likely suffer from drought, Surigao del Norte will suffer from dry spell, while Agusan del Norte and Agusan del Sur will be under dry conditions.

PAGASA defines a dry spell as at least three consecutive months of 21 to 60 percent reduction in rainfall, while drought is characterized by either reduced chance of rainfall for three consecutive months or a dry spell that lasts for five consecutive months.

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RFID boosts auto, dairy, retail entrepreneurs

RFID plays a key role in streamlining supply chain management applications, as the digitization of industries advances.

This simple, effective and low-cost technology is being deployed by automotive manufacturers, dairy farmers, warehouse inventory managers and retailers, to name a few. It is also being used to fight counterfeit products, such as aerospace and motor vehicle parts, apparel, electronics, handbags, pharmaceuticals and watches.

Technology based on internationally agreed standards

IEC and ISO work together to produce international standards for barcode and RFID technologies. They cover data formats, syntax, structures, encoding, and technologies for the process of automatic identification and data capture (AIDC). The scope also includes associated devices for inter-industry applications and international business interchanges.

Barcodes are ubiquitous with some six billion scanned daily at retail checkouts alone. While both barcodes and RFID read and collect data, and track assets and inventory, there are differences – the main one being that optical scanners only work with an unobstructed view of the barcode, known as a clear line of sight. For example, products are scanned one at a time at the checkout. However, when RFID tags come within a certain distance of their reader, they are activated by radio signals, which means that potentially hundreds of tags could be read per second.

The use of RFID-based inventory management systems is growing, because they offer features which allow businesses to track items in real time, improve stock management and cut down checkout times.

Increasingly, RFID applications are used for inventory management, for warehouses, factories and retail outlets.

For example, in the car manufacturing industry, tagging component parts makes it easier to check that everything has been assembled correctly, as well as enabling the quick location of parts when required.

In the case of apparel, research shows the number of tags used in 2018 was in the range of eight billion worldwide, which represents only 10% of potential market capacity for that specific sector.

RFID tags can be embedded into the clothing or on a label and are disposable. They identify items uniquely in inventory management systems and cost between four and six cents, which is very affordable for large-scale deployment.

"This is a great example of the broad use of technology based on internationally agreed standards. RFID is well suited to the clothing industry where there are many variants of each product, such as size, shape or colour. In addition to the checkout process, it can be used for inventory management, to know in real time, what is in stock and what needs reordering. Stores can also control loss or theft of items as well as purchases, because when the RFID tag is scanned at the exit point, the stock system is made aware that the item has left the store. So if an item makes it through without being scanned, an anti-theft detection gate linked to the inventory system can trigger an alert."

In the healthcare sector it is vital to be able to quickly identify, locate, authenticate and engage with different items particularly in hospitals. RFID applications enable staff and doctors to locate the exact equipment required for surgery and other treatments and ensure it has been properly sterilized. They can also secure the medicine supply chain, track tissue and specimen samples, improve patient flow, and more.

What are some of the main projects for 2019?

While the barcode is a relatively old technology it is very much alive and continues to evolve.

Rectangular Data Matrix and QR code

Currently, work is being done to develop a DataMatrix rectangular barcode (ISO/IEC DIS 21471) and a similar project is coming up for a rectangular QR code. The rectangular shape is easier to put on certain items, such as very small medical devices and equipment used in hospital theatre rooms. Current technologies enable to print or to engrave very small barcodes onto the products and to read them successfully.

A standard is being worked on, which will cover the quality of the printing or engraving of tiny codes, also known as the direct part marking of barcodes.

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El Niño to worsen farmers' woes — Manicad

BROADCAST journalist and senatorial candidate Jiggy Manicad has warned that the developing El Niño may worsen conditions for farmers who are still reeling from last year's series of typhoons.

"Sa aking pagdayo sa iba't ibang probinsya para ibalita ang epekto ng El Niño, kitang-kita talaga na ang pinakaapektado ay ang sektor ng agrikultura. Nakakabahala ito kasi marami pang mga magsasaka ang bumabawi mula sa pagkasira dahil sa bagyo noong nakaraang taon," Manicad said in an interview.

Manicad highlighted that the already ill-equipped farms will become more susceptible to extreme weather changes.

"We already lack enough irrigation facilities for our farmers as it is, and with El Niño, they just become more vulnerable to drought," the veteran journalist said, adding:

"Rice and other crops would suffer and this would be another setback for the farmers who will still be adjusting to the new tariffication law," Manicad explained, referring to the recently signed rice tariffication law which would remove import limits on rice brought in from other countries.

As of March 4, five towns in Northern Cotabato and 2 barangays in Occidental Mindoro have already declared a state of calamity due to the developing dry spell.

Other provinces are also rallying to fortify their defenses against El Niño by installing additional water pumps and through cloud seeding.

According to a February forecast from the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA), rainfall from March to June would be below normal, yielding dry conditions that will affect different regions in varying degrees.

The newcomer to the Senate race cited the need for "new legislation" to mitigate the effects of climate change particularly on farmers.

According to Manicad, "Climate change is not something we can shrug off. It is happening here and now, and we are already starting to feel it."

"We're the third most vulnerable country to climate change, and that means we should be first in line to institutionalize measures to protect against extreme weather," the multi-awarded journalist said.

Malaya
Business Insight

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Soybeans, corn edge higher

SYDNEY- US soybean futures rose 0.5 percent on Monday as Beijing and Washington moved closer to solving their trade dispute, stoking expectations of a rise in demand for North American beans.

Corn also rose, rebounding from touching its lowest in more than three months in the previous session, while wheat moved away from an 11-month low hit on Friday.

The most active soybean futures on the Chicago Board of Trade were up 0.5 percent to $9.15-3/4 a bushel. On Friday, soybeans eked out a gain of 0.1 percent, after earlier dropping to $9.00-1/2, the lowest since Feb. 21.

"News that the US and China are going as far as to talk about the removal of all tariffs has buoyed the market," said a Melbourne-based trader, who declined to be named as he not authorized to talk to the media.

US President Donald Trump and Chinese President Xi Jinping could reach a formal trade deal at a summit around March 27, given the progress in talks between the two countries, the Wall Street Journal reported on Sunday.

– ***Reuters***