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PhilMech seeks P5.6-billion budget for 2021 to fund farm mechanization

THE Philippine Center for Postharvest Development and Mechanization (PhilMech) told Congress on Monday that it is proposing a P5.6-billion budget for next year to support mechanization programs under the Rice Competitiveness Enhancement Fund (RCEF).

In a presentation to the House Committee on the North Luzon Growth Quadrangle, PhilMech Executive Director Baldwin G. Jallorina said that the P5.6 billion includes allocations for programs under RCEF (P5.1 billion), personnel services (P133 million), overhead (P87 million) and research (P302 million).

RCEF is designed to help farmers better compete with imported rice and is funded with P10 billion per year in tariffs collected from rice imports.

RCEF also includes programs for seed development, propagation and promotion; credit assistance to farmers and cooperatives; and farmer training.

Asked by House Deputy Speaker Deogracias Victor B. Savellano if PhilMech has programs to repair machinery, Mr. Jallorina replied, "Right now the RCEF mechanization program gives away brand new equipment but no provisions for repair."

Agriculture Undersecretary Rodolfo V. Vicerra said Agriculture Secretary William D. Dar has ordered regional offices to monitor farm machinery that can be repaired.

"In the last two weeks *kasama po ito sa mga* priority *na in*-order *po ni* Secretary William Dar *sa lahat ng ating mga* regions *na i*-monitor *'yung mga pwedeng ma*-activate *na mga* farm machineries. *Dapat po talaga mabigyan natin ng tulong 'yung mga* farmers *natin kasi nga po* farm machineries are not their primary area of competence and we need to be able to assist them (This was among the priorities set in the last two weeks by the Secretary — for the regions to look out for machinery that can be activated, to help the farmers, because repair is not their primary area of competence)," Mr. Vicerra said.

The Northern Luzon regional offices of the Department of Agriculture (DA) proposed budgets worth P24.3 billion for next year.

DA-Region I proposed a P8-billion budget, well above its actual P1.7 billion allocation this year. Personnel services will get P178 million, maintenance and other operating expenses (MOOE) P1.8 billion, and capital outlays P5.9 billion.

DA-Region II proposed an P11-billion budget, including personnel services of P225 million, MOOE P6.9 billion, and capital outlays of P4.8 billion. It had a budget of P1.74 billion this year.

DA-Cordillera Administrative Region proposed P5.34 billion, against its 2020 budget of P1.28 billion, with a personnel services allocation of P143 million, MOOE P1.39 billion, and capital outlays P3.80 billion.

Budget deliberations in Congress are usually held after the President's State of the Nation Address in July. — **Genshen L. Espedido**

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DA taps renewable energy for urban agriculture program

THE DEPARTMENT of Agriculture (DA) will maximize the use of renewable energy to sustain food production under its Urban Agriculture Project. In a statement on Monday, Agriculture Secretary William D. Dar said he has received 19 units of 30-watt solar panels from Weather Philippines Foundation Inc. President Maribeth L. Marasigan, which will be used to power water systems for vegetable production. Mr. Dar said the solar panels will generate electricity to sustain the DA's aquaponics and hydroponics technologies located in the gardens of the Bureau of Plant Industry (BPI) in Malate, Manila. "We are promoting,in a big way, renewable energy in agriculture as this is the key to level up food production in the future," Mr. Dar said. Mr. Dar encouraged other private companies to partner with the DA for projects involving primary production, secondary, and tertiary processing through their agribusiness efforts and corporate social responsibility programs.

Manila Standard

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PH halts Vietnam rice imports

THE Philippines, an erstwhile rice-exporting country, has mothballed plans to import rice from Vietnam, a fellow member in the Association of Southeast Asian Nations after what Malacanang said was enough supply of the staple grains amid the COVID-19 pandemic.

But Presidential Spokesman Harry Roque stopped short of giving out figures on the volume of the country's current stocks.

The country was supposed to import 300,000 metric tons of rice from Vietnam after it lifted its ban on rice exportation, but Trade Secretary Ramon Lopez said last Friday this would no longer push through.

Vietnam serves as a major import source of the Philippines, accounting for over 90 percent of the country's rice imports, the Department of Trade and Industry said.

It also said that the Philippines imports around 7 percent to 14 percent of its total rice requirement.

Under the implementing rules and regulations of the Rice Tariffication Law, the President, in the event of a rice supply shortage, may direct the Secretary of Trade and Industry and the Philippine International Trading Corporation to purchase the needed rice supplies from domestic and foreign sources to enhance market competition and stabilize rice prices.

Following the notice from Agriculture Secretary William Dar, Lopez said the Department of Trade and Industry-attached agency Philippine International Trading Center abandoned the rice importation plan, which was initially targeted to arrive during the lean months of July and August.

The PITC is the agency tasked to implement any directive from the Department of Agriculture to import rice under a G2G arrangement, pursuant to the Rice Tariffication Law.

"The provisions of the RTL basically opens up rice importation to any private group," Lopez said.

"It will be recalled that the initial decision for the G2G importation plan was a result of the potential threat to maintaining a good buffer supply of rice for the country. Earlier computations from DA showed a threat to the targeted level of buffer stock following the imposed ban of rice exportation of Vietnam in April," Lopez said.

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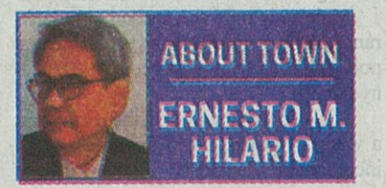
Lawmakers slam 'overpriced' P1.8-B fertilizer supply deal



THE Department of Agriculture recently conducted a series of negotiated biddings for supply contracts of urea fertilizer worth P1.8 billion intended for distribution to four regions, namely Central Luzon, Calabarzon, Western Visayas and Central Visayas.

The deal, however, is being questioned by the Makabayan bloc of party-list lawmakers in the House of Representatives. They have filed House Resolution No. 992 seeking a joint inquiry by the Committees on Agriculture and Food and Good Government and Public Accountability on the procurement.

The lawmakers cited monitoring by the Kilusang Magbubukid ng Pilipinas showing that the average retail price of urea in the regions covered by the supply contracts was lower by as much as P150 per bag (Tarlac at P850 per bag, Nueva Ecija at P830 to P870 per bag and Iloilo at P880 per bag).

The lawmakers said the four supply contracts may be overpriced by some P271.66 million, which could have been used to buy 400,000 more bags at an average of P850 per bag.

"The DA must have the sense to put on hold and/or suspend the succeeding bidding for the procurement of an additional P3.8 billion worth of fertilizer until the questionable bidding and procurement of the P1.8 billion fertilizer is given clarity," the lawmakers said.

The resolution was signed by Bayan Muna party-list representatives Eufemia Cullamat, Carlos Zarate and Ferdinand Gaite, Gabriela party-list Rep. Arlene Brosas, ACT Teachers party-list Rep. France Castro and Kabataan party-list Rep. Sarah Elago.

Funding for the supply contracts came from the DA's stimulus program Ahon Lahat, Pagkaing Sapat Kontra COVID-19 (ALPAS sa COVID-19), which allocated P5.69 billion for urea fertilizer at P990 to P995 per bag.

Suppliers La Filipina Uy Gongco Corporation and Atlas Fertilizer bagged the initial four contracts last month amounting to P1.8 billion. Farmers, however, have complained that the P990 to P995 price tag per bag of the winning bidders was overpriced by as much as P150.

> *"The Makabayan bloc is having none of Dar's explanation."*

Joseph Canlas, chairman of the Alyansa ng mga Magbubukid sa Gitnang Luzon, said recent purchases of urea fertilizer showed a bag would cost only P830 in Tarlac, P810 in Pangasinan, and P840 in Nueva Ecija.

Even Oftociano Manalo, national president of P4MP, a national alliance of rural-based organizations affiliated with the DA's Agricultural Training Institute, also said the P990 to P995 per bag retail price does not exist.

"I personally bought two bags of urea fertilizer—one costing P830 and the other only P810. And these bags were delivered to my house, which is at least 6 kilometers away from the outlet in Rosales, Pangasinan...They are making fools out of us," Manalo said.

Samahang Industriya ng Agrikultura (Sinag) chairman Rosendo So said the DA was in a position to negotiate for a lower contract price since it was buying in bulk and was dealing with importers. "The DA claims the higher contract price would cover distribution costs but it is the same for retail outlets. In fact, for retail stores, you go through the importer, the distributor, and the dealer until it reaches the retailer. And at every step there is additional cost, yet the retail price average is only P850. The DA went straight to the importer, but the price is P995 per bag. What kind of deal is that?" So said.

Worse, the DA disqualified a supplier who tendered a bid of P850 per bag of urea, citing the supplier's lack of available stocks of the fertilizer. But one of the winning bidders, La Filipina Uy Gongco, also did not have stocks on hand, despite the higher bid price of P990 and P995 per bag.

The alleged overpriced fertilizer further raised suspicion because news reports stated that the winning bidder, La Filipina, does not also have available stocks of urea fertilizer nor has it shown any bill of lading to prove that it had incoming supply yet it still bagged the contract," the Makabayan bloc said in their resolution.

A bill of lading would indicate a detailed list of shipment of goods in the form of a receipt given by the carrier to the person consigning the goods.

Agriculture Secretary William Dar has denied any irregularity in the supply contracts, citing a survey by the department's Fertilizer and Pesticide Authority which showed that the average price of urea was from P1,043 to P1,062 per bag from March to May. "At less than P1,000 per 50-kg bag, we are already saving a lot for the government," Dar said.

The Makabayan lawmakers are having none of Dar's explanation, and neither are farmers convinced by his argument.

The KMP has already called for the filing of graft charges against DA officials involved in the bidding, while the Alyansa ng mga Magbubukid sa Gitnang Luzon has asked the Office of the Ombudsman to start a motu proprio investigation.

With the House expected to look into the matter soon, even Senator Cynthia Villar has expressed her intention to call for a Senate probe.

The alleged overpricing of fertilizer for farmers is unfortunate, particularly since it has taken place amid the COVID-19 pandemic, and the government already scrounging for more funds to assist those sectors adversely affected by the coronavirus outbreak.

The government's economic stimulus funds are intended to help farmers who have been pushed into even deeper poverty by the pandemic. But the alleged overpriced supply contracts may instead be bleeding them dry, and that's what the probe by lawmakers may ultimately reveal.

ernhil@yahoo.com

THE PHILIPPINE STAR
TRUTH SHALL PREVAIL

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DA, Aboitiz team up for RE use in food production

By LOUISE MAUREEN SIMEON

The Department of Agriculture and the Aboitiz Group will optimize the use of renewable energy in pushing for urban farming in a bid to boost food production in the country.

Aboitiz-led Weather Philippines Foundation Inc. has turned over 19 units of 30-watts solar panels to the DA to provide power to the water systems for vegetable production.

This is part of the government's urban agriculture program, encouraging urban dwellers to pursue aquaponics, a technique where fish and vegetables grow in an integrated system.

Agriculture Secretary William Dar said the solar panels would be set-up at the DA-Bureau of Plant Industry urban gardens in Manila to generate electricity to sustain aquaponics.

"We are promoting in a big way renewable energy in agriculture as this is the key to level up food production in the future," Dar said.

"The initiative would surely intensify our move towards sustainable, strong, and climate-resilient food production," he said.

Founded in 2012 by the Aboitiz Foundation and UnionBank, Weather Philippines is a multisectoral initiative that aims to provide Filipinos with a premier weather sensing and forecasting system.

It seeks to provide local governments and communities with free, accurate, and localized weather information for a timely response to severe weather conditions.

Further, Dar encouraged other corporations to work with the department through partnerships involving primary production, secondary and tertiary processing through their corporate social responsibility, and agribusiness efforts.

"This will not only address food security and create income opportunities for our local farmers and fishers in the rural areas, but it will also fast-track the agri-industrialization movement for the country," Dar said.

The DA has been mainstreaming initiatives for urban agriculture as part of its Plant Plant Plant program to address the food needs of residents living in the metropolis and augment available food supply.

One of which is aquaponics, a combination of the conventional aquaculture with hydroponics or cultivating plants in water in a symbiotic environment.

It is one of the government's newest projects to ensure sustained food production in urban communities as the nation eases into the "new normal."

THE PHILIPPINE STAR
TRUTH SHALL PREVAIL

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DA centralized bidding to benefit farmers

Filipino farmers stand to benefit from lower prices of urea fertilizer following a centralized bidding conducted by the Department of Agriculture (DA) last April.

In a virtual press briefing Thursday, DA officials said the price of urea, a widely used fertilizer in the Philippines, dropped below P1,000 per 50-kg bag following DA's successful centralized bidding. Previously, prices of urea were hovering at more than P1,100 per 50-kg bag.

"The downward trend of urea prices shows that we're on the right track in centralizing the bidding process, thus providing our farmers nationwide with affordable and reasonably-priced fertilizers," Agriculture Secretary William Dar said.

The urea fertilizers will be given free to farmers participating in DA's Rice Resiliency Project (RRP) under a "buy two, take two" scheme for those who use certified inbred seeds and "buy two, take three" for hybrid users, Dar said.

Debunking claims of alleged overpricing, DA assistant secretary Noel Reyes said that the Approved Budget for the Contract (ABC) for the fertilizer bidding of the DA Rice Program was based on the month-long price trends collated by the Fertilizer and Pesticide Authority (FPA) and the Philippine Statistics Authority (PSA).

Based on FPA data, the national average price of urea fertilizer from February to April was P1,051/bag. The same price trend was noted in retail outlets across the Philippines based on copies of actual receipts and invoices presented to media.

After the first and second biddings, 1.8 million bags were awarded to two companies, namely: La Filipina Uy Gongco Corp. and Atlas Fertilizer, offering urea at prices ranging from P900 to P995 per 50-kg bag.

BusinessMirror
A broader look at today's business

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After issuing call for rice bidding, Palace says PHL has 'enough' supply of staple

MALACAÑANG on Monday said the government will no longer push through with its importation of 300,000 metric tons of rice due to sufficient supply of the food staple.

In an online briefing, Presidential spokesman Harry Roque said the Department of Trade and Industry's (DTI) Philippine International Trading Corp. (PITC) has decided to forgo its government-to-government (G2G) tender.

"We already have enough supply of rice that is why the importation will no longer push through," Roque said.

Earlier this month, PITC sought the approval of President Duterte for the importation of rice, which was supposed to start on July 15, 2020.

The request came after the BUSINESSMIRROR reported that the Department of Budget and Management (DBM) questioned the legality of the bidding process.

The DBM refused to release the P7.45 billion for the said acquisition citing the provision of the rice tariffication law (RTL), or Republic Act (RA) 11203, which bars the Department of Agriculture (DA) and the DTI from rice importation without authorization from the President.

The PITC, through the technical aid of DA, already conducted the bidding, which was participated by India, Vietnam, Thailand and Myanmar. ***Samuel P. Medenilla***

Malaya
Business Insight

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Rice is enough but meat prices rise

MALACANANG yesterday assured the current stock of rice in the country is enough to sustain its needs.

This developed as a consumer group noted rising prices of chicken and meat in the market amid clamor for the suspension of their importation.

The Philippine International Trading Corp. (PITC), announced over the weekend that it was cancelling the importation of 300,000 metric tons of rice from Vietnam.

Under a best scenario, the country would have an ending stock of 100 days, while the worst case scenario would have a lower but still

See RICE ➤ Page A2

Price caps lifted. The prices of chicken and pork have gone up by as much as P30 per kg from a month ago following the lifting of the price freeze on May 16.

• FROM PAGE A1 •

RICE

a comfortable stock of 78 days at the end of the year..

Laban Konsyumer Inc. (LKI), meanwhile, cired data from the

Philippine Statistics Authority (PSA) which showed prevailing retail prices of pork kasim and liempo are now at P260 to P280 per kg while whole chicken retail prices are at P150 per kg.

From a month ago , the prevailing prices of pork were P250 to P260 per kg and chicken at P130 per kg.

Current suggested retail prices (SRP) are P190 per kg for pork products and P130 per kg for chicken.

"Even though on paper there is no more price freeze, we feel these (meat producers) should not cave into the pandemic of profiteering and should take into consideration the hardships that all consumers are experiencing now. Whether there is a market pressure to adjust SRP higher due to current demand and supply should be thoroughly studied," said Vic Dimagiba, LKI president.

The country is poised to experience an oversupply of chicken meat and shortage of pork products at the end of the year.

As of last April, the Department of Agriculture said that by the end of December, chicken supply is good for 253 days but pork supply will not be enough for 43 days. — ***Jojo Montemayor and Jed Macapagal***

MANILA BULLETIN
THE NATION'S LEADING NEWSPAPER
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With enough rice, gov't stops current importation

By GENALYN D. KABILING

The government will no longer push through with its planned importation of rice due to the country's sufficient supply of the staple at present, Malacañang announced on Monday.

Presidential spokesman Harry Roque made the statement after the Philippine International Trading Corp. (PITC) dropped its plan to import 300,000 metric tons of rice under a government-to-government scheme.

The Palace had earlier said any rice importation of PITC, an agency attached to the Department of Trade and Industry (DTI), must first obtain the consent of President Duterte even if the bidding has taken place.

"Wala na pong rice importation munang mangyayari. Sapat po ang ating supply ng bigas (There will be no rice importation that will happen for now. We have sufficient ▶7

With enough rice, gov't... 1◀

rice supply)," Roque said during the Palace press briefing.

The latest government decision came after Vietnam resumed exporting rice to Southeast Asian nations last May after a brief suspension to assess its local stocks during the coronavirus pandemic.

Back in March, the Inter-Agency Task Force for the Management of Infectious Diseases approved the Department of Agriculture's recommendation to import an additional 300,000 MT of rice through government-to-government arrangement with Southeast trading partners to boost domestic stocks if necessary. The standby authority came after Vietnam temporarily suspended the signing of new rice contracts.

Last May, President Duterte obtained an assurance from Vietnamese counterpart to provide a long-term supply of rice to the Philippines at competitive prices. Duterte thanked Vietnam Prime Minister Nguyen Xuan Phuc for the commitment during their phone conversation.

The Philippines buys rice mostly from Vietnam, Thailand, and Myanmar.

From January 1 to May 1, 2020, the Philippines has contracted 666,480 MT of rice from Vietnam. At least 218,300 MT of rice have been delivered.

BusinessMirror
A broader look at today's business

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DAR distributes veggie seeds, fertilizer to Romblon farmers

By Jonathan L. Mayuga
@jonlmayuga

TO cushion the economic impact of Covid-19 lockdowns, the Department of Agrarian Reform (DAR) continues to extend much-needed support to agrarian reform beneficiaries (ARBs).

In Romblon, the DAR recently distributed vegetable seeds and fertilizers to 457 ARBs on Sibuyan Island, particularly in the municipalities of Magdiwang, Cajidocan and San Fernando.

Romblon Provincial Agrarian Reform Program Officer (PARPO) Camilo Claro Pacquing said in a news release that his office has distributed seeds and fertilizers to boost the morale of the farmers in the remote area amid the devastation brought about by the virus.

"Apart from other relief assistance distributed, farm production assistance was also provided to the "Sibuyanon" local farmers, as part of the implementation of the DAR's project called "The PaSSOver: ARBold Move to Heal as One Deliverance of our Farmers from the COVID-19 Pandemic or ARBold Move Project," Pacquing said.

Under the ARBold Move project, the DAR-assisted ARB organizations (ARBOs) on the island would act as the channel for the marketing of products of the ARBs to be delivered and sold in neighboring areas affected by the quarantine.

"The Magdiwang agrarian reform community [ARC] and San Fernando ARC Cooperative will extend help and enjoin the ARBs to be a member of the cooperatives," Pacquing added.

Pacquing, who is also a native of Sibuyan Island, said the DAR, being true to its mission, would encourage beneficiaries to continue their way of life and sustain their farming activities in order to have a continuous supply of basic commodities in their area as well as in other neighboring barangays.

"*Pakbet* seeds will complement with rice and coconut farming in the island, not only as a source of food but also as additional income until we recover from the ill effects of the crisis," he said.

Pakbet is a popular Philippine dish with mixed vegetables of squash, *ampalaya*, okra, string beans, and eggplant, cooked in fish, or shrimp sauce.

Pacquing noted that distribution of agricultural inputs will also be extended to Tablas Island where a total of 1,308 ARBs anticipate seeds and fertilizers distribution in the coming days.

The Manila Times

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FOOD CRISIS LOOMS IN CAMBODIA

NEW DELHI: In Cambodia, where a large part of the economy is dependent on fisheries and agricultural food processing, the coronavirus disease 2019 (Covid-19) has deeply impacted the industry resulting in reversing the developments related to decent work and economic growth with respect to its farmer community, especially along the Mekong basin.

Cambodia's agriculture sector is responsible for generation of more than 20 percent of its gross domestic product and employs around 30 percent of the population. Its position on the Global Food Security Index is below average at 90 out of 113 countries.

Furthermore, United Nations Development Program estimates that around 70 percent of Cambodia's farms engage in subsistence agriculture by primarily taking loans and repaying them after the harvest season. There's a widespread poverty in the country, with the nation coming under the low per-capita income category.

After the Mekong River crisis, around 45,000 hectares of rice farms were damaged creating a debt crisis for poor farmers. Consumers on the other side of the spectrum have been hit hard by lack of food supplies, rise in prices of staple foods and a halt in income caused due to Covid-19.

The failure of last monsoons and the presence of Chinese dams in the Northern part of the basin have unleashed drought-like conditions leading to poverty and food insecurity.

It has affected farmers growing rice on their fields as well as the fishermen, who reported a fall in fish volume by 60 to 70 percent due to the drought-like conditions in the Mekong Basin.

Despite the government working towards ensuring a continuous operation of supply chains, food security is affected by lack of safety income-net for these Mekong delta inhabitants who are at the mercy of natural events and weather.

In the long-term, this region will face a two-pronged attack on its food security. Firstly, the lockdown measures under the Covid pandemic having caused an unprecedented shortage of labor for agriculture coupled with the drought the region will be facing, there will be a slowdown in its supply-side activities.

This would affect income equalities and food supply-chains for the larger public in Cambodia, Lao, Vietnam, Myanmar and Thailand. Secondly, due to the pandemic, unemployment and price rises will result in income shortages.

Prices of staple foods in areas like Siem Reap have been estimated to shoot up by 33.33 percent in Cambodia. This will impact the demand due to inability of the buyers to pay for the food items like rice and fish.

As countries strive to be more self-sufficient and reduce import-dependency by promoting local supply chains, the Mekong River Basin could be heading towards post-Covid-19 food insecurity.

Furthermore, water shortage is also a reason behind slow progress in sanitation in rural areas, which could cause a major health-crisis.

KHMER TIMES