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TRUTH SHALL PREVAIL

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DA creates TWG for first border inspection facilities

By CATHERINE TALAVERA

The Department of Agriculture (DA) has created a technical working group (TWG) for the procurement and construction of the first border inspection facilities in the country's major ports.

In a special order dated Sept. 3, Agriculture Secretary William Dar said the TWG was formed to expedite the establishment of the Cold Examination Facility in Agriculture (CEFA), which will serve as the first border inspection facilities in major international ports in the country.

Dar said the CEFA, earlier dubbed as the Agricultural Commodity Examination Area (ACEA), would initiate a new way of conducting first-border inspections, as well as host more thorough examinations, as all arriving imports would be opened in one cold warehouse and would have ample time to examine them.

The facility will feature controlled temperature systems that will capacitate quarantine officers to thoroughly inspect the contents of an identified high-risk containerized shipment and prevent the possible spread of hazardous biological agents, such as toxins and radioactive elements carried by imported agricultural products.

Dar said the TWG is directed to assist the CEFA project management office in the preparation of the conceptual design and performance of specifications and parameters.

It is also tasked to review the detailed engineering design and ensure compliance with existing relevant codes, rules and regulations.

The TWG will be in charge of the supervision of the project. It will also assist the bids and awards committee in the evaluation of technical proposals in accordance with the criteria set in the bidding documents.

In July, Dar said the first CEFA would be built at the Subic Bay Freeport Zone. Once operational, the Subic CEFA will be able to conduct full and thorough inspection of containerized agricultural commodities through risk assessment, complemented by x-ray screening of the Bureau of Customs.

This means all farm, fishery, meat and food imports will be subjected to 100 percent sampling and laboratory testing.

The Subic Bay Freeport Zone is an ideal location because it is well-connected to the main Metro Manila highways, Dar said.

Apart from the Subic Bay Freeport Zone, CEFAs are also being planned at the ports of Manila, Batangas, Cebu and Davao.

Manila Standard

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Food roadmap aims to boost corn production

By Othel V. Campos

THE Department of Agriculture (DA) is crafting a strategic and robust corn industry development roadmap to address the sector's challenges and opportunities, particularly the rising demand for feeds, food, and other industrial uses.

"The corn sector, being a major input to the poultry and swine industries, should be given more importance and long-term view to ensure its sustained contribution to the meat value chain and, in general, to the Philippine food systems," said Agriculture Secretary William Dar.

He noted the roadmap should address the industry's major challenges such as much-needed investments in mechanizing farm operations to raise productivity and setting up postharvest facilities to minimize wastage and reduce storage and milling costs, including cost-efficient logistics and transport.

"Guided by the roadmap, our 'One-DA Family' through the national corn program will work doubly hard to increase the average yield per hectare and attain cost-efficiencies in the corn-feed-meat value chain, making it more competitive," Dar added.

Currently, the country's national average yield of yellow corn is 4.18 metric tons (MT) per hectare (ha), but combined with white corn, the total average yield is reduced to merely 3.18 MT/ha. On the other hand, the average yield of hybrid corn is at least 8 MT/ha.

Corn Program Director Milo delos Reyes said the DA will focus on increasing the productivity of major corn-producing areas of the country, particularly Regions 2, 10, and 12.

It would provide clustered farms postharvest facilities to improve the quality of stored grains and reduce wastage and linking them directly to corn processors.

The ultimate aim is to increase farmers' incomes and enhance their competitiveness by reducing the cost of corn as raw material for various uses, he said.

One of the key features that will be considered in the new roadmap will be the need for the private sector like seed producers, feed millers, and commercial feed manufacturers to engage in more joint ventures or direct marketing linkages with organized corn farmers' cooperatives and associations (FCAs).

BusinessMirror
A broader look at today's business
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Improving corn yield will benefit livestock, poultry sectors–DA

By Jasper Emmanuel Y. Arcalas @jearcalas

THE Department of Agriculture (DA) said it is crafting a corn industry development roadmap that will outline interventions for boosting corn production amid rising demand for animal feed.

Agriculture Secretary William D. Dar said the creation of a "strategic and robust" corn industry roadmap is necessary to provide long-term guidance for ensuring the sustained contribution of the corn sector to the meat value chain and the country's food security.

"The corn sector, being a major input to the poultry and swine industries, should be given more importance and long-term view to ensure its sustained contribution to the meat value chain and, in general, to the Philippine food systems," he said in a statement.

The agriculture chief said the roadmap will contain solutions to address the industry's major challenges, which include "much-needed investments" to hasten mechanization and establish postharvest facilities.

He added that these investments are aimed at raising the corn industry's productivity and minimizing wastage as well as reducing the cost of storage and milling.

"The national corn program will work doubly hard to increase the average yield per hectare, and attain cost-efficiencies in the corn-feed-meat value chain, making it more competitive," Dar said.

The DA said it will focus on increasing productivity of major corn-producing areas, particularly Regions 2, 10 and 12. Postharvest facilities will be given to clustered farms, which will be linked directly to corn processors.

The country's average yellow corn yield is at 4.18 metric tons per hectare (MT/ha) but if combined with white corn production, the total average yield is reduced to 3.18 MT/ha, DA Corn Program Director Milo delos Reyes said. Delos Reyes added that the average yield of hybrid corn is at least 8 MT/ha.

"One of the key features that will be considered in the new roadmap will be the need for the private sector like seed producers, feed millers, and commercial feed manufacturers to engage in more joint ventures or direct marketing linkages with organized corn farmers' cooperatives and associations," he said.

FARMERS in Cauayan City in Isabela rushed to thresh their corn harvest to take advantage of the good weather in this BusinessMirror file photo.

Dar said the DA is already consulting corn industry stakeholders about the roadmap through its National Banner Program Committee on Poultry, Livestock and Corn, which is facilitated by the Philippine Council for Agriculture and Fisheries (PCAF).

"The consultations with the private sector, corn farmers and processors, other industry stakeholders, and consumers is undertaken to craft an industry roadmap over the short-term (2021-2025), medium-term, (2025-2030), and long-term (2030-2040)," delos Reyes said.

PCAF Executive Director Liza G. Battad said the government is targeting to complete and approve the roadmap before the end of the month.

"Also present during the consultations is the corn industry roadmap development team, composed of technical experts from the academe and industry players, including Philippine Maize Federation Inc. which represents corn farmers' groups," Battad said.

Delos Reyes said a review of past government initiatives, including the current regulatory framework of the Philippine corn industry will be included as the basis for the new roadmap.

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DA issues order creating CEFA group

THE Department of Agriculture (DA) has formed an inter-agency group that will help speed up the construction of the country's first border inspection facility, which was approved by the Cabinet in 2019.

Agriculture Secretary William D. Dar issued Special Order 644 that created a technical working group (TWG) "to expedite" the establishment of the Cold Examination Facility in Agriculture (CEFA).

Under the SO dated September 3, the TWG will assist the CEFA project management office (PMO) "in the preparation of the conceptual design and performance of specifications and parameters."

The TWG is also tasked to review the detailed engineering design (DED) of the CEFA and "ensure compliance with existing relevant codes, rules, and regulations."

The TWG will also supervise the project while assisting the Bureau of Animal Industry (BAI) in the "evaluation of technical protocols" during the bidding process.

The TWG will be chaired by Engr. Leoncio C. Ventucillo of the BAI while Engr. Louiegi Lorenz M. Centeno of the Bureau of Agricultural and Fisheries Engineering (BAFE) will serve as its vice-chairperson, according to the document.

The TWG will also include 10 technical members from BAI, BAFE, Bureau of Fisheries and Aquatic Resources, Bureau of Plant Industry, National Dairy Authority and National Meat Inspection Service.

The establishment of CEFA in the country's key major ports is a DA program approved by the Cabinet in December 2019. The program seeks to establish five border inspection facilities nationwide with a proposed budget of P2 billion.

The DA had wanted to build the first CEFA in the Manila International Container Terminal (MICT) as early as last year but the construction has been delayed due to technical and logistical concerns.

In March, the DA said it is confident that the CEFA in MICT will be completed before the end of the year.

In July, the DA disclosed that it will also start the construction of the CEFA at the Subic Bay Freeport Zone following its agreement with the Subic Bay Metropolitan Authority (SBMA).

The DA announced that it will conduct a 100 percent inspection of all imported farm products once it completes the construction of its examination facilities in the country's key ports.

The government is also targeting to build CEFAs which will cost P521 million each in the ports of Batangas, Cebu, and Davao.

The CEFA network, formerly known as Agricultural Commodity Examination Areas, will be equipped with laboratories and manned by quarantine officers from the various DA bureaus.

The DA said each CEFA will have controlled temperature systems that will enable quarantine officers to thoroughly inspect the contents of an identified high-risk containerized shipment and prevent the possible spread of hazardous biological agents, such as toxins, and radioactive elements carried by imported agricultural products.

"In all, the completion of the CEFA network will be one of the major accomplishments of the Duterte administration, as global biosecurity and quarantine protocols are put in place and strictly implemented to keep the country's agriculture and fishery sector free from transboundary pests and diseases, and protect the health and welfare of Filipinos," the DA earlier said.

Jasper Emmanuel Y. Arcalas

Daily Tribune
WITHOUT FEAR ♦ WITHOUT FAVOR

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Roadmap seeks swift corn sector dev't

The corn sector, being a major input to the poultry and swine industries, should be given more importance and long-term view to ensure its sustained contribution to the meat value chain

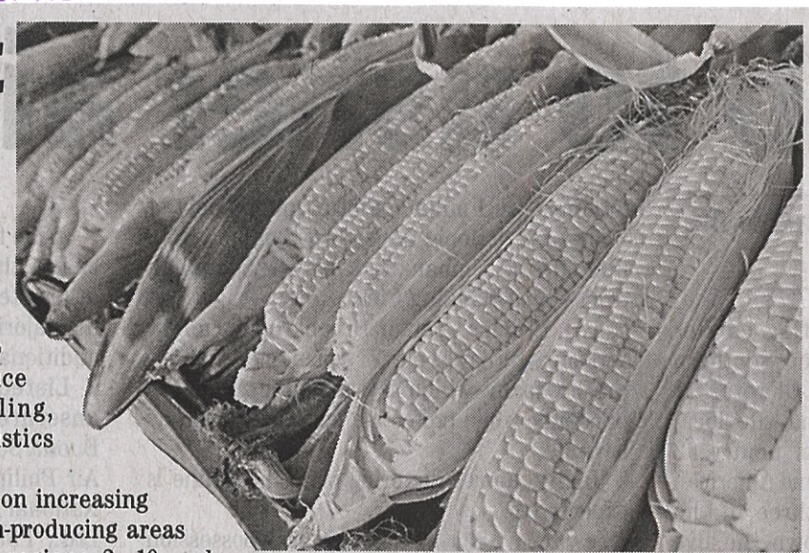
BY MARIA ROMERO
@tribunephl_mbr

The Department of Agriculture (DA) said the corn industry development roadmap that seeks to address challenges in the sector will be completed by the end of September.

"The corn sector, being a major input to the poultry and swine industries, should be given more importance and long-term view to ensure its sustained contribution to the meat value chain and, in general, to the Philippine food systems," Agriculture Secretary William Dar said over the weekend.

"In particular, the roadmap should address the industry's major challenges, like much-needed investments in mechanizing farm operations to raise productivity, and setting up of postharvest facilities to minimize wastage and reduce costs of storage and milling, including cost-efficient logistics and transport," he added.

Dar said the DA will focus on increasing the productivity of major corn-producing areas of the country, particularly regions 2, 10 and 12, and providing clustered farms post-harvest facilities to improve the quality of stored grains and reduce wastage, and linking them directly to corn processors.



PHOTOGRAPH COURTESY OF DA

THE Department of Agriculture is putting more importance and is crafting a long-term plan on corn since it benefits a wide array of related industries.

Hybrid doubles yield

Currently, the country's national average yield of yellow corn is 4.18 metric tons (MT) per hectare (ha), but combined with white corn, the total average yield is reduced to merely 3.18 MT/ha. On the other hand, the average yield of hybrid corn is at least 8 MT/ha.

The consultations with the private sector, corn farmers and processors, other industry stakeholders, and consumers were undertaken to craft an industry roadmap over the short-term (2021-2025), medium-term, (2025-2030), and long-term (2030-2040).

Malaya
Business Insight

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DA readies corn industry roadmap

BY JED MACAPAGAL

THE Department of Agriculture (DA) is developing a roadmap that will address challenges and opportunities in the country's corn sector in the face of rising demand for animal feeds, food and other industrial uses of corn.

In a statement, Agriculture Secretary William Dar said the roadmap will address issues on investments in mechanizing farm operations to raise productivity; setting up of postharvest facilities to minimize wastage; and reduction of costs of storage, milling, logistics and transport.

These are aimed at increasing the average yield per hectare of corn and at attaining cost-efficiencies in the corn-feed-meat value chain.

"The corn sector, being a major input to the poultry and swine industries, should be given more importance and long-term view to ensure its sustained contribution to the meat value chain and in general, to the Philippine food systems," Dar added.

DA said the roadmap will focus on increasing the productivity of major corn producing areas of the country, particularly in the regions of Cagayan, Northern Mindanao and Soccsksargen.

Milo delos Reyes, DA corn program director, said the country's current national average yield of yellow corn is at 4.18 metric tons (MT) per hectare (ha) but when combined with white corn, total average yield is reduced to 3.18 MT per ha.

Average yield of hybrid corn is at 8 MT per ha.

De los Reyes said the roadmap will encourage private sector like seed producers, feed millers and commercial feed manufacturers to engage in more joint ventures or direct marketing linkages with organized corn farmers' cooperatives and associations.

"The roadmap is envisioned to be wholly owned by the industry, and responsive to the aspirations of corn farmers and industry stakeholders, who are dependent on this major commodity as source of livelihood, employment and incomes," Dar said.

Challenges, opportunities. In the face of rising demand for animal feeds, food and other industrial uses of corn, a long-term plan is needed for the cereal. *(DA photo)*

Data from the Philippine Statistics Authority showed the country produced 3.88 million MT of corn for the first half of the year, 6 percent higher from the 3.65 million MT recorded in the similar period in 2020. - ***Jed Macapagal***

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Corn industry roadmap expected this month

THE CORN industry development roadmap is expected to be completed this month, with the industry's critical role in providing feed for farm animals to be the focus, the Department of Agriculture (DA) said.

Agriculture Assistant Secretary Liza G. Battad said the plan is still subject to further consultations.

"We hope it will be completed and approved on or before the end of September 2021," she said, adding that the consultations are being carried out by the corn industry roadmap development team, which is composed of technical experts from academic institutions as well as members of the industry, including the Philippine Maize Federation, Inc. (Phil-Maize), which represents corn farmers' groups," Ms. Battad said in a statement over the weekend.

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Agriculture Secretary William D. Dar said the development roadmap will also deal with mechanizing farm operations to increase production, and the construction of postharvest facilities to reduce losses.

"The corn sector, being a major input to the poultry and swine industries, should be given more importance and (subject to long-term planning) to ensure its sustained contribution to the meat value chain and, in general, to the Philippine food systems," Mr. Dar said.

The ultimate targets are "increased average yield per hectare, and cost-efficiencies in the corn-feed-meat value chain, making it more competitive," he added.

Milo D. Delos Reyes, DA corn program director, said the basis for the revised roadmap will be the current regulatory framework for the corn industry and previous government initiatives.

"One of the key features that will be considered in the new roadmap will be the need for the private sector, like seed producers, feed millers, and commercial feed manufacturers to engage in more joint ventures or direct marketing linkages with organized corn farmers' cooperatives and associations," Mr. Delos Reyes said.

Mr. Delos Reyes said the DA will focus on improving the output of major corn-producing areas such as the Cagayan Valley region, Northern Mindanao region, and Soccsksargen (South Cotabato, Cotabato, Sultan Kudarat, Sarangani, and General Santos), and providing postharvest facilities to clustered farms.

"The consultations with the private sector, corn farmers and processors, other industry stakeholders, and consumers is undertaken to craft an industry roadmap over the short-term (2021-2025), medium-term, (2025-2030), and long-term (2030-2040)," Mr. Delos Reyes said.

According to Mr. Delos Reyes, the country's current national average yield of yellow corn is at 4.18 metric tons per hectare (MT/ha).

However, he said the total average yield will drop to 3.18 MT/ha if combined with white corn, while the average yield of hybrid corn is at least 8 MT/ha. — **Revin Mikhael D. Ochave**

PEOPLES JOURNAL Tonight

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Robust corn industry dev't roadmap to be crafted

By CORY MARTINEZ

TO address the challenges being faced by the corn sector, particularly on the rising demand for feeds, food and other industrial uses, a strategic and robust corn industry development roadmap is set to be crafted.

Agriculture Secretary William Dar said that the crafting of the roadmap will be done following consultations with the farmers and industry stakeholders.

"The corn sector, being a major input to the poultry and swine industries, should be given more importance and long-term view to ensure its sustained contribution to the meat value chain and, in general, to the Philippine food systems," Dar explained.

Dar disclosed that the roadmap should particularly address the industry's major challenges, like much-needed investments in mechanizing farm operations to raise productivity, and setting up of postharvest facilities to minimize wastage and reduce costs of storage and milling, including cost-efficient logistics and transport.

"Guided by the roadmap, our 'OneDA Family' through the national corn program will work doubly hard to increase the average yield per hectare, and attain cost-efficiencies in the corn-feed-meat value chain, making it more competitive," Dar added.

DA Corn Program Director Milo delos Reyes, on the other hand, said that at present, the country's national average yield of yellow corn is 4.18 metric tons (MT) per hectare (ha), but combined with white corn, the total average yield is reduced to merely 3.18 MT/ha.

Delos Reyes added that the average yield of hybrid corn is at least 8 MT/ha.

He said that the DA will focus on increasing the productivity of major corn-producing areas of the country, particularly regions 2, 10, and 12, and providing clustered farms postharvest facilities to improve the quality of stored grains and reduce wastage, and linking them directly to corn processors.

"All this is aimed at increasing farmers' incomes, and enhancing their competitiveness by reducing the cost of corn as raw material for various uses," delos Reyes said.

He further explained that one of the key features that will be considered in the new roadmap will be the need for the private sector like seed producers, feed millers, and commercial feed manufacturers to engage in more joint ventures or direct marketing linkages with organized corn farmers' cooperatives and associations (FCAs).

Delos Reyes also disclosed that the consultations with the private sector, corn farmers and processors, other industry stakeholders, and consumers is undertaken to craft an industry roadmap over the short-term (2021-2025), medium-term, (2025-2030), and long-term (2030-2040).

DA Assistant Secretary and PCAF Director Liza Battad, meanwhile, expressed optimism that the roadmap will be completed and approved on or before the end of September 202. PCAF is the consultative arm and multi-stakeholder engagement mechanism of the "OneDA Family."

Also present during the consultations is the corn industry roadmap development team (RDT), composed of technical experts from the academe and industry players, including Philippine Maize Federation, Inc. (PhilMaize) that represents corn farmers' groups.

A review of past government initiatives, including the current regulatory framework of the Philippine corn industry will be included as the basis for the revised roadmap.

Among other items under review are the needed government and private sector investments in postharvest facilities, proposed higher DA budget to directly benefit corn farmers, and an improved value chain framework to highlight the contributions of other stakeholders that rely on corn as a major feed ingredient in the production of poultry, swine and aquaculture, and other products.

"The roadmap is therefore envisioned to be wholly owned by the industry, and responsive to the aspirations of corn farmers and industry stakeholders, who are dependent on this major commodity as source of livelihood, employment, and incomes," Dar said.

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Everybody's Newspaper

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Sino savant paves way for PH hybrid-rice production

FORMER and current leaders of the government paid tribute to the contribution of Chinese scientist and professor Yuan Longping to Filipino farmers who benefited largely from his hybrid rice varieties.

In a virtual conference, Agriculture Sec. William Dar said Longping's successful agricultural research paved the way for the country to increase its rice sufficiency, among others.

"The Philippine government, especially in the agriculture sector, will be forever grateful for his [Longping's] involvement in teaching the hybrid rice cultivation method to our local farmers," Dar said.

Longping was a Chinese agronomist known for developing the first hybrid rice varieties in the 1970s and staving off hunger for millions.

He died at the age of 91 in China's central province of Hunan on May 22.

Longping helped China cultivate the high-yielding hybrid rice needed to feed nearly one-fifth of the world's population with less than nine percent of its arable land.

The Philippines is one of the countries that benefited from Yuan's research.

Former president Gloria Arroyo also shared during the conference the significance of Longping's research, noting that during her term, there was a massive propagation of hybrid rice.

"By 2004, I have reports saying the farmers have doubled and some even tripled their previous incomes," Arroyo said, citing the notable improvement in the quality of Filipino farmers' lives due to Longping's help.

"The good professor is no longer of this world but is still in this world and will continue to be so for as long as varieties of hybrid rice are consumed by millions, even billions, of us in the world," she added.

The former president also cited that the country owes a large part of its achievements in reducing poverty as well as improving its relations with China to the late scientist.

Federation of Filipino-Chinese Chambers of Commerce and Industry, Inc. president Henry Lim Bon Liong also recalled Longping's affection for Southeast Asia.

"Yuan said he had fulfilled his task of pulling Chinese people out of hunger, but many people in the Southeast Asian countries still got not enough to eat. He told me he wanted to make a change starting from the Philippines," Liong said.

Bearing this aim, in cooperation with Liong, Yuan sent 75 hybrid-rice strains for a trial plantation in a five-hectare land.

MANILA BULLETIN

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DA eyes pact with USDA to improve dairy farm in Baguio City

By BETHEENA V. UNITE

A government-run dairy farm in Baguio City is expected to be a more reliable source of milk in the country as the Department of Agriculture (DA) is aiming to enter into an agreement with its US counterpart for the farm's improvement.

United States Department of Agriculture (USDA) Agricultural Counselor Morgan Haas and officials of the National Dairy Authority (NDA) recently visited the facility to inspect the Dairy Development Project at the Baguio Dairy Farm managed by the DA-Cordillera Administrative Region (DA-CAR).

According to NDA Administrator Marilyn Mabale, the purpose of the site visit is to observe the farm facility and showcase the dairy farm operation to USDA.

She said that they are looking at possible projects in partnership with USDA in order to upgrade the dairy industry in the region.

The dairy farm is aimed at being the milk capital in Cordillera. It also seeks to help in addressing the challenges caused by the country's dependency on imported milk, low productivity, and high production cost including weak market linkage.

Aside from promoting affordable access to safe and nutritious food and trying to provide healthier diet for the young age, Haas said they also want to provide farmers and average Filipinos an alternative option in farming, instead of just growing vegetables.

"We are also looking on possible technologies that science can offer to hasten and improve productivity and deal with other challenges in dairy production," Haas added.

DA-CAR Regional Executive Director Cameron Odsey explained that the primary goal of the Dairy Farm Project is to make milk available to the highland communities.

"We also want more farmers to engage in dairy production that's why we continue to develop and share technologies to produce high value animals with proper feeds," Odsey said.

The Baguio Dairy Farm houses 48 heads of breeder stock and 55 heads of purebred calves.

From January to July 2021, the farm was able to supply an average of 9,338.86 liters of milk per month to Mt. High Dairy Cooperative.

MANILA BULLETIN

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EDITORIAL

Will record-high 2022 budget hasten recovery?

The proposed national budget for 2022 reflects the state of the economy and how the government plans to achieve recovery from the pandemic that would, in turn, enable the renewed pursuit of sustained growth.

President Duterte has proposed to Congress a budget of ₱5.042 trillion, an 11 percent increase over this year's appropriations. Reckoned in terms of the country's end-2020 gross domestic product of approximately ₱18.112 trillion, this means that government spending will contribute nearly 28 percent to the national economy. Since government spending influences private sector spending, the national budget is a key driver of economic activity.

The top 10 departments in budget allocations are: the Department of Education with ₱773.6 billion budget; Department of Public Works and Highways, ₱686.1 billion; Department of the Interior and Local Government, ₱250.4 billion; Department of Health, ₱242 billion; Department of National Defense, ₱222 billion; Department of Social Welfare and Development, ₱191.4 billion; Department of Transportation, ₱151.3 billion; Department of Agriculture, ₱103.5 billion; the Judiciary, P45 billion; and Department of Labor and Employment, ₱44.9 billion.

In terms of sectoral allocation, about 38.3 percent or ₱1.922 trillion of the budget will go to social services; 29.3 percent or ₱1.474 trillion to economic services; 17.2 percent or ₱862.7 billion to general public services; 10.8 percent or ₱541.3 billion to debt burden (including net lending); and 4.5 percent or ₱224.4 billion to defense.

As Congress is tasked with evaluating and approving the budget proposal submitted by the President, the people's elected representatives are expected to assess whether the stated priorities would truly address the most important national needs.

The citizenry would want their representatives and senators to inquire: How will the increased expenditures for DepEd address the learning crisis spawned by the pandemic? Will the DSWD increase the amount of assistance to the poorest families? Will there be timely "ayuda" extended in case of severe lockdowns to ensure that families whose breadwinners are displaced from jobs would not go hungry? The spontaneous emergence of community pantries all over the country last year bared the glaring inadequacy of such vital social safety nets.

Around 75 percent of the DILG's budget goes to the Philippine National Police that was expected to hire some 17,000 new police officers this year. It also includes the anti-insurgency fund that has sparked debate on the proper focus of the government's peacekeeping activities amid a continuing pandemic.

As the lead agency in the fight to contain the pandemic, the Department of Health's budget is likely to be spotlighted anew, in the aftermath of the controversial procurement of allegedly overpriced facemasks.

Finally, another key feature is the increase of the national debt to a record-high ₱13.42 trillion as ₱2.47 billion in gross borrowings are projected, pushing the debt-to-GDP ratio to another all-time high of 60.8 percent.

All these imply that Filipino families are likely to feel the pinch of making ends meet — a reality that our leaders must not overlook as they grapple with providing the means for enabling our people to survive, and hopefully to thrive, even under crisis conditions.

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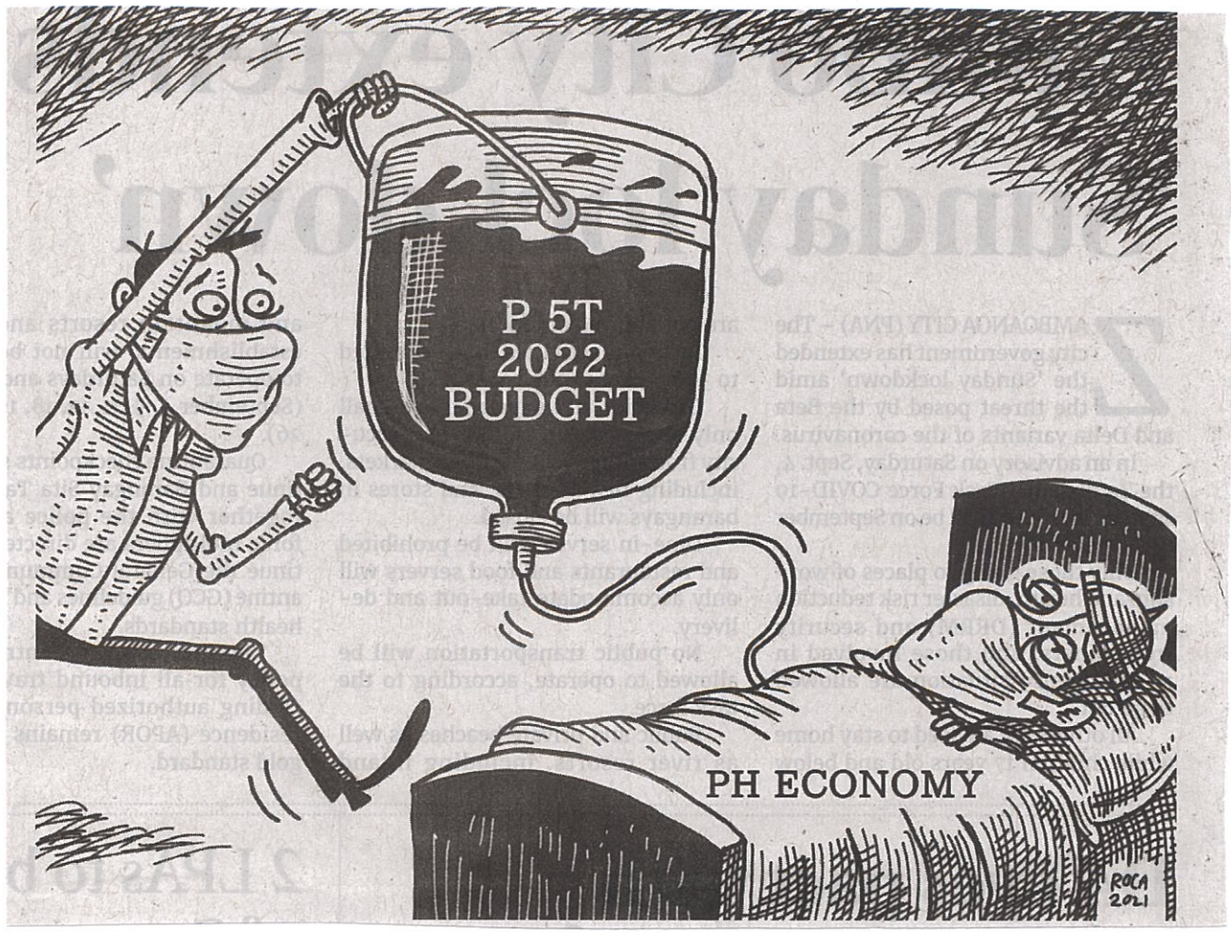

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Even food demand in PH is declining – supermarket operators

By MADELAINE B. MIRAFLOR

Demand for food in the Philippines has been declining during the past few months – an unfortunate event that is not only affecting food producers, including farmers, but also supermarket operators.

In an interview, Philippine Amalgamated Supermarkets Association (PAGASA) President Steven Cua blamed the prolonged hard lockdowns to lower food sales in most supermarkets in the country. Because of the strict lockdown restrictions Filipinos could no longer afford to buy as much food as they used to do.

"Manufacturers/distributors continue to scratch their heads as to how much of what to produce/carry and for when. Imagine products with short shelf lives such as bread, returns on these products have piled up as suppliers cut down on frequency of deliveries which in turn result in more products getting returned, as product life gets shorter resulting in less sales just before the next delivery," Cua told Business Bulletin.

"The situation is like a flushing toilet/vicious cycle or a hole that gets deeper as the surge in infections spike from day-to-day," he added.

PAGASA is an organization of 154 member-stores nationwide catering to the Class B-C- D market, which comprises the bulk of Filipino consumers.

As a result of the lower demand, Cua said most food retailers carry less inventory resulting in run-outs and opportunity losses for both the retailers and suppliers.

"Retailers are done with cutting down on manpower lest service levels drop to the detriment of even lower sales," Cua said.

"We have cut down on people, attendance of personnel, inventory, store hours, power usage, talked to our landlords, negotiated with suppliers, extended payment dates, delisted merchandise carried, parted ways with suppliers whose products are non-moving or slow-moving, cut on use of utilities/ 'unnecessary' services and everything else short of kneeling in prayer outside churches closed for visitors," he further said.

Government estimates showed that weekly economic losses due to strict lockdown measures being implemented in Metro Manila and nearby areas stood around ₱74 billion.

The other week, Business Bulletin reported that the demand for chicken in the Philippines has also gone down because of lockdown measures, forcing local raisers to cut their production further amid the continuous entry of imported poultry products.

"Filipinos have run out of money, but the government's attention is still with the supply. Their focus should shift to the demand. If there's low demand [and you keep on allowing importation in hopes of bringing down the prices], then you have to deal with a surplus," said United Broilers Raisers Association (UBRA) Chairman Gregorio San Diego Jr.

"You keep on allowing the importation of pork and chicken to bring down their cost, but that is not going to happen. Sellers in the markets have been experiencing a decline in demand for chicken, and in order to survive, they will coat the price in a way that they will still make money. Supply and demand is not the issue in terms of the prices," he added.

Data from Bureau of Animal Industry (BAI) data showed that from January to May of this year, the Philippine government issued Sanitary and Phytosanitary Import Clearance (SPS-IC) enough to cover 401.83 million kilograms of chicken, which is 83 percent higher compared to the SPS-IC issued during the same period last year, which covered 219.4 million kilograms of chicken.

As for fish, food security advocacy group Tugon Kabuhayan also thinks the government is making a wrong move in approving the importation of 60,000 metric tons (MT) of fish during the latter part of this year.

In a briefing organized by Tugon Kabuhayan last week, several groups agreed that this move will not help in bringing down the prices since fish supply is not necessarily the issue.

For her part, Rosanna Contreras, Executive Director of SOCSKSARGEN Federation of Fishing & Allied Industries, Inc., questioned the approved importation volume of the Department of Agriculture (DA), saying that fish production in certain parts of the country, especially in Mindanao, is actually on an uptrend.

"Importation of 60,000 MT of fish will be detrimental to our local fish producers," Contreras said. "Where are we going to sell our locally produced fish once the imported supply enters the country?"

Contreras said she is confused as to how the Bureau of Fisheries and Aquatic Resources (BFAR) ended up with the 60,000 MT volume when they spent seven hours of consultation with stakeholders, and almost everyone – from commercial and municipal fishermen to aquaculture players – agreed that the ideal amount to be imported is only 30,000 MT of fish.

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Rabbit growers hope to thrive amid pork shortage

THE RABBIT meat industry said it is seeing increased demand because of the scarcity and expense of pork products due to the African Swine Fever (ASF) outbreak.

Artemio C. Veneracion, Jr., Association of Rabbit Meat Producers, Inc. president, said in a mobile phone interview with *BusinessWorld* that acceptance for the alternative meat is growing, adding that Chinese restaurants are the main market.

"If you are going to compare the acceptance of people years ago from the present, there are already a lot of people eating rabbit. Even in social media, people are selling rabbit meat. Back then, you would get bashed in social media if you post about rabbit meat," Mr. Veneracion said.

Mr. Veneracion said another potential market is tourism destinations such as Baguio and Boracay.

"I think the industry is ready to supply rabbit meat. Maybe not in big quantities, but I think we can start small and increase the supply as we move forward," Mr. Veneracion said.

With the economic impact of the coronavirus disease 2019 (COVID-19) pandemic, Mr. Veneracion said people are seeking sources of alternative income.

"Production is quick since it only takes three months to raise a rabbit. It has a huge potential especially with the ASF outbreak in the hog industry," Mr. Veneracion said.

He said the association currently has 355, with 70 new members added so far this year.

"Some of them (have) no experience, while others came from other industries such as poultry and hog. We have members that currently have a rabbit population of 4,000," Mr. Veneracion said.

He said Central Luzon accounts for the highest number of rabbit raisers, with Calabarzon (Cavite, Laguna, Batangas, Rizal, and Quezon), Nueva Vizcaya, Pampanga, Cebu, and Zamboanga also well-represented.

According to Mr. Veneracion, the initial investment needed to start production is about P46,000 for 14 female rabbits, known as does, and 2 male rabbits, or bucks.

At such an investment, production is estimated at 30 rabbits per month and profits can range from P8,000 to P14,000 per month, depending on marketing expenses and packaging costs.

"The current farmgate price of rabbit is P450 per kilogram (/kg), with the production cost at around P310 to P320/kg.," Mr. Veneracion said.

Mr. Veneracion said he is hoping that the government holds off on importing rabbit meat after the Department of Agriculture (DA) issued a memorandum circular on Aug. 25 laying out guidelines for rabbit imports.

"We are not against importation, per se. We need that eventually. But we are hoping that they hold off on imports first," Mr. Veneracion said.

"The growing awareness and local acceptance of rabbit meat as an alternative source of protein amid the rising prices of major livestock commodities such as pork and poultry meat have ignited a subsequent increase in sanitary and phytosanitary import clearance requests for meat-type rabbit breeds," according to the circular. — **Revin Mikhael D. Ochave**

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PH banana production up in Q2

By MADELAINE B. MIRAFLOR

The Philippines has seen a slight improvement in the production of banana, one of the country's top agricultural export products, during the second quarter of the year.

Latest data from the Philippine Statistics Authority (PSA) showed that from April to June 2021, the country produced 2.26 million metric tons (MT) of banana. This was 1.3 percent higher than the 2.23 million MT during the same period of 2020.

Cavendish variety accounted for 52.3 percent of the country's total banana production, with 1.18 million MT output during the period.

Davao region, on the other hand, had the highest share of 38.9 percent of total production, followed by Northern Mindanao and SOCCSKSARGEN with 19.0 percent and 12.2 percent, respectively.

Next to Ecuador, the Philippines is still the world's second top exporter of Cavendish banana, producing 13 percent of the global supply of the billion-dollar agriculture commodity.

In 2020, however, the export value of the Philippines' Cavendish banana went down to $1.6 billion from the $1.9 billion export value recorded in 2019.

In July, Pilipino Banana Growers and Exporters Association (PBGEA) Chairman Alberto Bacani said the Philippines' status as the world's second top exporter of Cavendish banana is still threatened by the continuous infestation of Panama disease, now considered one of the most destructive plant diseases globally.

Panama disease, according to him, has already pulled down the total hectarage in some of the country's banana plantations.

As a result, producers are now having a hard time compete against producers of Cavendish banana coming from other countries like Cambodia and Vietnam.

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DBP funds Lanao del Sur's solar-powered irrigation systems

By EMMIE V. ABADILLA

The Development Bank of the Philippines (DBP) granted a ₱115-million term loan to install six solar-powered irrigation systems (SPIS) in Taraka, one of the largest municipalities in Lanao del Sur.

The SPIS will irrigate 1,200 hectares of agricultural lands and provide potable water to 26 barangays in Taraka, a fourth-class municipality with over 27,000 residents, according to DBP President and Chief Executive Officer Emmanuel G. Herbosa.

An SPIS is an automatic irrigation system running on solar energy that extracts water from deep wells or open sources and uses moisture sensors to regulate water flow to avoid flooding while promoting water conservation.

The water is delivered to irrigation channels or to a reservoir before eventually being distributed to the farms.

"DBP shall continue to play a crucial role in establishing viable irrigation systems to boost agricultural productivity in the area, in collaboration with the Mindanao Development Authority (MinDA)," he noted.

"Through this project, we can also bring clean and safe water to barangays that are not reached by existing water systems," the president added.

The SPIS is a pioneer initiative under MinDA's Water Program and an integral part of the flagship programs under the 2017-2022 Philippine Development Plan.

DBP serves as MinDA's financial advisor and partner for ventures to generate economic opportunities and employment in the Bangsamoro areas.

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TRUTH SHALL PREVAIL
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Coconut industry renews calls to tap VCO vs COVID

By **RANIER ALLAN RONDA**

Coconut processors and manufacturers have renewed calls for the government to consider tapping the antiviral, health boosting and locally available virgin coconut oil (VCO) as a major weapon against COVID-19.

Engineer Marco Reyes, president of VCO Philippines and vice chairman of the United Coconut Association of the Philippines (UCA), said the Department of Health has yet to make a serious effort to promote VCO despite positive results of a clinical study of the Department of Science and Technology-Food and Nutrition Research Institute (DOST-FNRI) conducted last year.

The study showed that VCO is a highly effective functional food that can help cure or speed up recovery of COVID-19 cases.

"VCO is the most viable prophylaxis against COVID-19 so far, which has been scientifically studied," Reyes said.

"VCO should still be as effective against the Delta strain and upcoming strains. Because the mutation is in the spike protein. VCO works on the viral envelope – same mechanism as with HIV, SARS and other lipid coated viruses," he noted.

However, the strategy against COVID so far is just focused on vaccines and wearing of face masks, social distancing and lockdowns, Reyes lamented.

"The concern with a vaccination focused strategy is that those with comorbidities such as diabetes, heart disease, obesity, hypertension, etc., will remain sick when they are fully vaccinated. So they are protected against the original variant as the vaccine designed for which was the Alpha variant, but not when the vaccine efficacy falls with new variants," he explained.

He stressed that the DOST study was a double-blinded randomized clinical trial – the gold standard of a scientific study.

The DOST-FNRI has even published the VCO clinical study in the international Journal of Functional Foods in its issue on May 25, he said.

Dr. Ed Lalusis, patented inventor of VCO in capsule form Growrich VCO approved by the Food and Drug Administration, said it was lamentable that the DOH continued to snub the immunity boosting and other health benefits of VCO in the fight against the coronavirus.

"With the Deltra variant said to be more contagious or more transmissible, then we should adopt more strategies to boost our protection against COVID, and VCO really should be one of the strategies," Lalusis told **The STAR**.

"VCO is readily available in our country. It's organic. I really don't see why it remains to be ignored by our doctors in the government," he said.

The DOST-FNRI study, which entailed the provision of healthy meals mixed with VCO to 57 suspected and probable COVID-19 cases confined at the Santa Rosa Community Hospital in Santa Rosa City, Laguna and the Santa Rosa COVID-19 Quarantine Facility, showed that all participants recovered and tested negative for COVID-19 at the end of the 28-day clinical trials.

Imelda Agdeppa, FNRI director who led the study on VCO, said of the suspected and probable patient-participants, 37 tested positive for COVID-19 but recovered.

The Manila Times

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August inflation seen higher

BY ANNA LEAH E. GONZALES

INFLATION likely accelerated in August on the back of higher food and energy prices, analysts polled by *The Manila Times* said.

Projections for the month ranged from 4.3 to 4.4 percent with a 4.35-percent average, higher than the 4.0 percent recorded in July and the 2.4 percent in August last year.

The Bangko Sentral ng Pilipinas (BSP) has forecast 4.1 to 4.9 percent inflation for August.

Official data will be released on Tuesday, September 7, by the Philippine Statistics Authority.

HSBC Global Research and a Rizal Commercial Banking Corp. (RCBC) analyst both forecast August inflation of 4.4 percent.

"Headline inflation likely rose 4.4 percent y-o-y (year-on-year) in August led by liquefied petroleum gas (LPG) and electricity prices. Further, peso depreciation over the month also contributed to part of the upward pressure in inflation," HSBC Global Research said in a report.

Oil firms increased LPG prices from P3.27 to P3.35 per kilogram or around P36 to P37 for an 11-kg cylinder effective August 1. Manila Electric Co., meanwhile, raised per kilowatt-hour (kWh) rates for the month by P0.0965 for homes using 200 kWh per month.

Lower rice and fuel prices, however, likely tempered the rim in inflation, HSBC Global Research said.

Local oil companies reduced fuel prices three times last month.

RCBC Chief Economist Michael Ricafort, meanwhile, said "relatively lower denominator effects to remain until October 2021, mathematically leading year-on-year inflation to reach the peak towards 4.5 percent from August-October 2021, coinciding with the typhoon season in the country that could lead to some storm damage in agriculture could ... lead to some uptick in food prices."

"Weaker peso exchange rate versus the US dollar recentl ... could also lead to higher import prices and inflation," he added.

Offsetting positive factors include latest lockdowns that slowed business activities, demand conditions, and prices.

Inflation could go down to the 3-percent level in the coming months, especially from November-December, said Ricafort, and then ease further to the 2 to 3 percent range as price rises normalize towards long-term estimates.

Analysts from ING Bank Manila and Security Bank Corp. (SBC), meanwhile, said August inflation likely hit 4.3 percent.

"We expect inflation to rise to 4.3 percent largely due to base effects of select food items and more expensive crude oil. Relatively pricier commodities pushed up costs for both utilities and private transportation. The depreciation of the peso will also trigger some imported inflation although FX (foreign exchange) pass-through on inflation has waned over the years compared to past episodes," ING Bank Manila Senior Economist Nicholas Mapa said.

"Meanwhile, the ongoing economic recession coupled with the initial impact of supply side remedies (pork importation) may provide downside pressure to inflation. Base effects for pandemic-related costs are also expected to turn favorable especially for public transport costs, other services, and restaurants," he added.

Mapa said inflation was likely to stay above 4 percent in the near term before dipping back into the 2-4 percent range in the fourth quarter "as base effects prove favorable and supply side remedies take full effect."

SBC Chief Economist Robert Dan Roces, for his part, estimated that August inflation had settled to 4.1 to 4.5 percent.

"Food inflation may have accelerated (+0.3 percent month-on-month) on weather disturbances but partially offset by pork imports. Higher electricity costs may have pushed the utilities basket up (+0.3 percent m/m), while restaurant and services inflation may have gone down with the reimposed enhanced community quarantine and modified ECQ (-0.5 percent m/m)," he said.

Food and oil price movements remain the primary upside risk for the months ahead, Roces added.

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'ADOPT GLOBAL SUPPLY CHAIN STANDARDS TO MEET PRODUCT SAFETY'

By Tyrone Jasper C. Piad
@Tyronepiad

THE government should adopt global standards for supply chain management to ensure product safety and traceability and to facilitate digitalization, the business sector said.

Philippine Exporters Confederation, Inc. (Philexport) President Sergio Ortiz-Luis Jr. said in a recent statement that the government should "seriously consider globally accepted standards to develop not only trust in cross-border and domestic trade but also ensure consumer safety and protection."

Philippine Food Processors and Exporters Organization, Inc. President Roberto C. Amores, who is also Philexport trustee for food sector, stressed that global standard compliance is necessary for agriculture and food production, especially amid the challenges brought about by the pandemic.

"The Covid-19 pandemic halted further the growth and development which we would like to see in the food and agriculture sector," he said. "For us to reach full throttle in agriculture, one very significant component is food and agriculture safety that can be met consistently through standards and traceability."

Amores said that "food security and self-sufficiency may not come to fruition for us" if there is no "form of standard or criteria in the food supply chain."

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The producers, consumers, policymakers and the government should co-develop and implement standards aimed at mitigating the contamination risks, he said, noting such threaten productivity.

8Layer Technologies Director for Agriculture Technology Jim Leandro Cano, meanwhile, explained that traceability of products requires a multi-stakeholder approach to "move forward."

He said that product traceability has many benefits for the agriculture sector, including "ensuring food safety among consumers, improving the visibility of loss points and inefficiency in the supply chain, improving data collection, and establishing market transparency."

Cano added that traceability is crucial when farmers apply for loans as it allows them to build financial record, which is among the bank requirements.

Chamber of Cosmetic Industry of the Philippines President Anna Marie Anastacio suggested the use of a Global Trade Identification Number (GTIN), which is an identifier for trade items.

"If we have one consolidated digital system among our government agencies, then all of those processes will be easier, using for instance the GTIN," she said.

Anastacio made this statement amid the weak post-market surveillance system in the country's digital space which takes a toll on consumer safety. This gap, she said, prevents the traceability of unregistered, counterfeit or illegal cosmetic products being sold online.

"Let's stop playing catch-up with the rest of the world and aim toward being forefront runners of setting the bar in quality standards in the cosmetic global industry," she said.

GTIN is a measure developed by GS1, a not-for-profit organization crafting global standards for business communication, including barcode.

GS1 Philippines Chairman Jesus Varela said that their standards are being used by over a million companies in more than 150 countries.

"In this new digital age where unpredictability is the new normal, total supply chain visibility will be indispensable in tracking specific data related to orders and shipment to allow quick response should an adverse situation arise," Varela said.

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A resilient food supply starts with modernization

not just of farming, but also logistics, regulation, incentives, and finance

By Kyle Aristophere T. Atienza
Reporter

WHEN MANY PARTS of the country, including some of the biggest markets, went into lockdown in March 2020 to contain the coronavirus outbreak, farmers, even the ones outside the quarantine zone, had to dump their crops by the roadside for lack of a way to bring the produce to where the buyers were.

Later on, the community pantry movement sprang up, primarily as a means of providing free food to those in need, and incidentally offering itself as a potential solution to food waste.

The two incidents, some months apart, one gloomy and the other heartening, both paint a picture of food insecurity, a long-running problem that has stumped those who govern, and plagued those who regularly must do without.

According to a rapid nutrition assessment survey conducted by the Department of Science and Technology-Food and Research Nutrition Institute between Nov. 3 and Dec. 3 last year, more than half of all Filipino families had experienced moderate to severe food insecurity during the crisis.

Of the 5,717 households surveyed, just under 72% were forced to borrow money to obtain food, while 66.3% asked for food from their relatives, neighbors, and friends. The survey found that 56.3% of respondents reported having problems accessing food during the community quarantine period due to a lack of money (22.1%), limited public transportation (21.6%), loss of livelihood (19.5%), and limited food stores (10.8%). It added that 5.1% of the respondents were seniors who had no other family members to buy food for them.

The pandemic disruptions affected nearly every aspect of the agro-food system, particularly the farming and fisheries industries, which employ about 30% of the workforce. Now the question is whether the disruptions may have made it more difficult for countries like the Philippines to achieve their development goals.

The fear is that the interplay of the coronavirus and other external shocks, as well as overarching issues such as climate change and population growth, may have clouded the outlook for one of the fundamental functions of an economy, which is to provide food in order for people to sustain themselves.

The Philippines has no choice but to make its food systems more resilient to future shocks, said Ayn G. Torres, an agricultural economist and a researcher at World Agroforestry - Philippines.

"A resilient food system should ensure that the supply is accessed equitably at reasonable prices, while (ensuring) fair income and livelihoods for our farmers and producers," she said.

DIGITAL SOLUTIONS AND BIG DATA

Ms. Torres said the digitization of the value chains "can be considered one of the long-term measures" to make the food system more resilient and adaptive to the changing environment.

Bringing supply to where the demand is has become challenging during the pandemic, Ms. Torres said, noting that digital solutions have mitigated the disruption somewhat, enabling producers and consumers to interact more directly, thereby keeping markets functioning.

Online platforms that connect producers to buyers sprouted during the crisis when the ability to conduct face-to-face transactions was compromised. In March 2020, social enterprise Agrea launched an online ordering service linking consumers in the capital region with farmers.

"Our COVID-19 experience has seen a digital shift in our economic transactions," Ms. Torres said. "Similarly, we can start rethinking our supply chain through this lens."

"One thing we have to note is that the food chain consists of different nodes where multiple actors play a role," she added.

Ms. Torres said emerging technologies can address bottlenecks in productivity and post-harvest handling, improve market access and management during lockdowns, ensure food security, and strengthen climate resilience.

Big data will play a major role in making the value chain more efficient and responsive, she said. When so enabled, farmers will be empowered to make risk-based decisions based on the best information available about growing methods, inputs, and markets.

The killer apps for big data in agriculture are tools for achieving unprecedented precision in where and when to farm or what to plant; and greater accuracy in prediction, facilitated by satellite imaging to give farmers the ability to make climate-sensitive decisions. Big data can tease out rainfall patterns and water cycles, making for actionable forecasts.

Drones can also be used to monitor the health of crops and the land even during rainy days. Real-time data from these tools can also lead to more informed decisions about the effective use of fertilizers, in the process improving yields while their reducing their environmental impact.

The United Nations Food and Agriculture Organization (FAO) estimates that the application of fertilizer in the Philippines grew 1,000% between 1961 and 2005, which means the practice is now fairly widespread, making the main problem how fertilizer can be used to greatest effect.

Another key input, pesticide, is also likely to be put to better use with the help of big data, which can help determine "what pesticides to apply, when, and how much," according to Talend, a French software company.

"Big data can truly revolutionize the agricultural sector only by having a cloud-based ecosystem with the right tools and software to integrate various data sources," Talend said. "These tools should be able to consolidate data on climate, agronomy, water, farm equipment, supply chain, weeds, nutrients, and so much more to aid the farmer make decisions."

Ms. Torres said big data can address supply chain problems by "improving the coordination systems for food logistics." These tools can also be used by farmers to study the impact of border closures and other logistics challenges, she added.

Innovation in finance also means farmers can gain greater access to credit, while social protection mechanisms can reach them more readily, Ms. Torres said.

The digitization of the credit evaluation process now features the employment of algorithms to map crop sustainability, enabling lenders to anticipate the issues faced by small-scale farmers and "understand how risky a farmer's production is," Roy Parizat and Heinz-Wilhelm Strubenhoff of the World Bank said in an article published by the Brookings Institution.

The process of onboarding farmers for financial services can be streamlined into a mobile phone-based application to reduce transaction costs, they said.

"The capacity of the state›s ICT (information and communications technology) should beready to adapt to shifts in the food system," Ms. Torres said.

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The digitization of agriculture and its supporting ecosystems will require, among others, strong partnerships involving governments, businesses, and farmers, as well as a regulatory environment to ensure that technology remains affordable and accessible, Gilbert Fossound Houngbo of the International Fund for Agricultural Development said in a commentary published by the World Economic Forum.

"The private sector should be encouraged to advance, adopt, and re-engineer technologies for, and in collaboration with, small-scale farmers," he said. "Investing in digital agriculture today offers the promise of a quadruple return."

"Even before the pandemic, the economic opportunities that digital markets offer have been enormous," said Arsenio M. Balisacan, chairman of the Philippine Competition Commission (PCC) and the government's former chief economic planner.

Due to the considerable market power of some digital platforms, "monopolization and abusesof dominance are high risks, as demonstrated by some recent cases in the US, EU, and even the Philippines," he said.

Food supply, S8/3

With the acceleration of the digital shift, it has become even more crucial for the PCC to be "vigilant in monitoring developments in digital markets and boost its technical capacity to safeguard competition in these markets," Mr. Balisacan said.

Doing so will protect consumers and small businesses who depend more on these technologies and maximize the growth potential of the digital economy, he added.

"As we know it, ensuring competitive processes will build a robust foundation for sustained and inclusive growth, which is necessary for the strong recovery of our economy."

Addressing post-harvest losses

In properly-functioning food markets, where information flows freely and where there are no barriers to entry and to the movement of goods and services, goods will naturally flow from areas with surpluses to areas experiencing shortages, Mr. Balisacan said.

But the Philippines is still far from achieving that. Chief among the problems inherent in getting from point A to point B is ensuring that enough of the crop survives in order to be sold.

Postharvest losses of major farm commodities in the Philippines range between 10 and 50%, according to the Philippine Center for Postharvest Development and Mechanization.

"In the Philippines, postharvest losses of commodities represent a very significant loss..." it said. "This means that 10 to 50% of all the land, inputs, and labor used to produce the commodities go to waste. And it also means that all of us... have a lot of work to do."

The global average for postharvest losses is around 14%, according to the FAO. In all production stages, about one-third of the world's food is wasted, it said.

To address such waste, sensors can be deployed to measure properties of fruit to determine their readiness for delivery to various destinations, according to a study by Jean Frederic Isingizwe Nturambirwe and Umezuruike Linus Opara, postharvest technology experts at South Africa's Stellenbosch University.

The data generated by the sensor data can then be reflected in packaging materials to provide indications of their state of freshness. These sensors can also send data to a command center that can be accessed by both producers and consumers.

Investment in cold-chain facilities and equipment that processes produce on-site or as near to the production areas as possible can also cut food waste and ensure that there is sufficient food dispatchable to areas experiencing food insecurity, Ms. Torres said.

"It is important to boost postharvest support while there are bottlenecks in the supply chain and there are extreme disruptions in the mobilization of supply," she said.

Such investments will increase the likelihood that surpluses can be moved to areas suffering from shortages and to "prepare (for) seasons of the year when supplies are low," according to Michael L. Ricafort, chief economist at Rizal Commercial Banking Corp.

"Processing facilities would enable much longer shelf life for manufactured agricultural products that could also be sold locally as well as in export markets," he said.

The private sector and government should also collaborate in putting up common warehouses accessible to rural farms and linked to digital ledgers, giving farmers access to multiple markets while reducing marketing costs.

OVERCOMING THE DIGITAL DIVIDE

Emerging technology and digital infrastructure designed to streamline the supply chain may have unintended consequences and negative trade-offs, said Terry L. Ridon, convenor of infrastructure think tank InfraWatchPH.

Many Filipinos still cannot access internet service of sufficient quality, and may not even know how to use it. The digital divide can create information asymmetries that could do more harm than good. Meanwhile, weak data management can lead to the misuse of farmers' business and personal information.

Mr. Ridon said the government needs to accelerate public access to digital and physical infrastructure to avoid such information asymmetries, which could further disenfranchise the already marginalized members of the agro-food system.

"Governments need to define what truly matters in reforming the agriculture sector," he said, noting a need to determine "which technologies are most appropriate to implement in this sector."

"It is our view that what matters the most is ensuring the best and fairest prices to both consumers and producers," he added.

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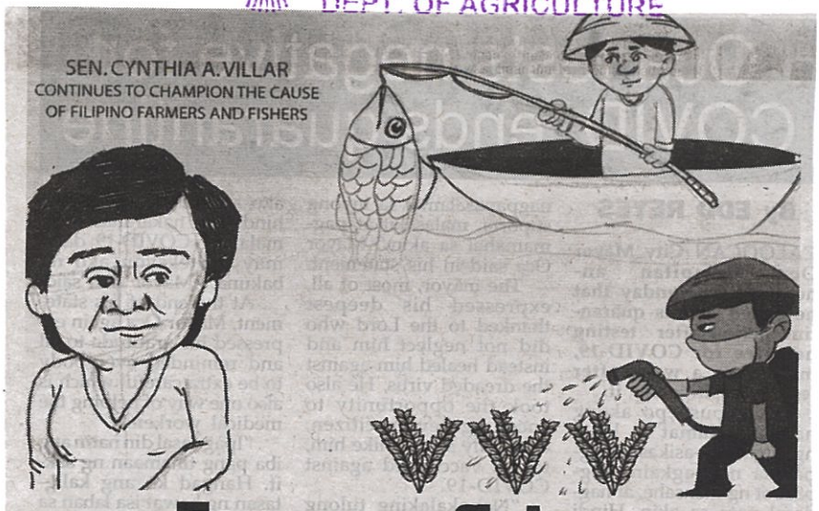

Farmers, fishers

FARMERS and fishermen comprise the bulk of the more than 109 million population of the Philippines, which remains as one of the world's "major manpower exporters."

But it is disheartening to note that although they ensure that the Filipino people have enough food to eat, farmers and fishers continue to wallow in grinding poverty.

Admittedly, farmers and fishermen, many of them unlettered, are the top two poorest sectors in this natural resources-rich but impoverished Southeast Asian nation.

They will continue to suffer unless concerned government authorities act - and move fast - to address their many problems amid the devastating effects of climate change.

And people are glad that Sen. Cynthia A. Villar, chair of the Senate committee on agriculture, continues to champion the cause of Filipino farmers and fishers.

"Our farmers (and fishermen) belong to the country's heroes so they serve as my inspiration in my job as a senator," said Villar, who topped the 2019 senatorial elections.

We share her view that farmers ought to be equipped with modern technology to raise their harvest that would result to abundant rice supply and its cheaper cost.

Of course, we cannot overemphasize the importance of farmers and fishermen supporting pro-agriculture candidates in next year's national and local elections.

In our view, these farm workers, notably their leaders, have gained a lot of information on the programs of the many candidates seeking national posts in the May 9 polls.

Like industrial workers, farmers and fishermen are a force to reckon with during elections.

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Two atypical cases of mad cow disease detected in Brazil

RIO DE JANEIRO (AFP) - Two atypical cases of mad cow disease have been detected in Brazil, resulting in suspension of its exports of beef to China, the Agriculture Ministry said Saturday.

That temporary step was taken under an existing bilateral protocol between the two countries although the ministry stressed that there was "no risk to human or animal health."

The two cases were "atypical" since the disease appeared "spontaneously and sporadically, unrelated to the ingestion of contaminated food," a ministry statement said.

The two bovine spongiform encephalopathy (BSE) cases were identified during health inspections in Minas Gerais and Mato Grosso states in aged cattle, it added.

"Brazil has never recorded a classic case of BSE," said the ministry, which officially notified the World Organization for Animal Health (OIE).

In June 2019 Brazil also temporarily suspended its exports of cattle to China after an atypical case of BSE was detected in Mato Grosso in a 17-year-old cow.

Mad cow disease first appeared in Britain in the 1980s and spread to many countries in Europe and around the world, causing consumer alarm and triggering a serious crisis in the beef industry.

The disease was spread widely by farmers feeding cattle with the meat and bone meal of dead and infected animals.

And then people died after contracting the human variant, Creutzfeldt-Jakob disease, understood to be passed along by consuming infected beef.

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Soy, wheat firm; corn drifts lower

CHICAGO- US soybean futures rose on Friday as traders covered short positions ahead of a long holiday weekend, while reminders of fresh export business lent support, traders said.

Wheat futures also ended higher, but corn futures drifted lower in rangebound trade as market players awaited more information on the status of US Gulf export facilities following Hurricane Ida.

US markets and government offices will be closed on Monday for Labor Day.

Chicago Board of Trade November soybeans settled up 8-3/4 cents on Friday at $12.92 a bushel. December wheat ended up 9-1/4 cents at $7.26-1/4 a bushel while December corn fell 1-1/2 cents to finish at $5.24 a bushel. - ***Reuters***

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Rats, drought, and labor shortages eat into global edible oil recovery

PERAK, Malaysia/SINGAPORE. – In a sprawling oil palm plantation in the Malaysian state of Perak, watermelon seedlings are sprouting from freshly ploughed earth between palm saplings while rented cows graze in overgrown areas of the estate.

A coronavirus pandemic-induced labor crunch has forced managers of the 2,000-hectare estate in Slim River to find creative ways to upkeep their fields, even as prices of the world's most consumed edible oil are near record highs.

"It is easier to pull out your own teeth than to get new workers now," said estate manager Ravi, who gave his first name only. "I can't find the workers to maintain the fields."

Malaysia, the world's second-largest producer of palm oil, is facing a perfect storm of production headwinds that will likely drag global stocks to their lowest level in five years.

The Southeast Asian country is a microcosm of the difficulties facing producers of various edible oils across several continents, from Canadian canola farmers to Ukranian sunflower growers, as they struggle to meet strong demand.

Global food prices have scaled 10-year highs this year - the Food and Agriculture Organization's (FAO) price index is up more than a third since last summer - due in large part to a surge in the price of vegoils that are vital for both food preparation and as fat in numerous daily staples.

The FAO's global edible oils index is up 91% since last June, and is expected to climb further as economies reopen following COVID-19 lockdowns, boosting food and fuel consumption of edible oils.

But producers have been battling a range of impediments, including labor shortages, heatwaves and vermin infestation, that is driving collective stocks of the world's most consumed edible oils - palm, soybean, canola (rapeseed) and sunflower seed - to their lowest levels in a decade.

In Malaysia, which accounts for around 33% of global palm oil exports, the average yield of palm fruit bunches in Jan-June fell to 7.15 tons per hectare from 7.85 a year ago. Malaysian Palm Oil Board data shows a drop in average crude palm oil yields to 1.41 tons per hectare, from 1.56 tons over the same period last year.

Many plantations were harvesting with two-thirds or less of the required workforce, after government coronavirus restrictions cut off the usual supply of migrant workers from Indonesia and South Asia.

More than half a dozen plantation owners interviewed by Reuters said the lack of workers had forced them to extend their harvesting window from 14 days to as many as 40 days, a change that compromises the quality of the fruit and risks the loss of some parts of the fruit bunches.

"It is especially bad in Sarawak. Some companies are seeing production falling by 50% because of the shortage of harvesters," said a plantation manager, who spoke on condition of anonymity because he was not authorized to speak to the media.

The Slim River estate has delayed replanting and shut its nursery for the first time in 20 years to redeploy workers for harvesting.

Another plantation manager, named Chew, said he was forced to increase wages by 10% to retain workers.

Less manpower to maintain the plantations also means more pests, including rats, moths, and bagworms.

"It has resulted in an environment that is good for rats to nest, feed and breed and natural predators cannot catch up," said Andrew Cheng Mui Fah, a plantation official in Sarawak.

At Slim River, Ravi said around a quarter of the estate was facing a bagworm infestation that "will skeletonize the leaves and cause small (fruit) bunch formation."

He was referring to the larvae of the bagworm moth that grow and feed on trees.

Neighboring Indonesia, the world's largest producer of palm oil, does not have the same labor shortage issues and output is expected to rise this year as more area has been planted to palm.

However, operations at palm oil mills, where the palm fruit is converted into crude palm oil, have been impacted by COVID-19 restrictions, said Dorab Mistry, director of Indian consumer goods company and major consumer Godrej International.

"Shutting down of palm oil mills right across the length and breadth of Malaysia (and) Indonesia has been a huge dampener on the production side," he said at the annual U.S. Soy Export Council conference on Aug 25.

Total 2021 output from Indonesia and Malaysia, which together account for roughly 90% of world palm oil, was estimated at 66.2 million tons, according to Refinitiv Commodities Research published on Aug. 4.

That is about flat compared with 2020, but analysts said downward revisions are likely if labor shortages and pest infestations worsen.

Meanwhile, farmers in western Canada planted canola into some of the driest soils in a century this spring, sending canola futures to all-time highs in early May.

A July heatwave then scorched crops throughout the Canadian Prairies, leading the US Department of Agriculture (USDA) to slash its estimate of canola output by 4.2 million tons to 16 million tons, the lowest since the 2012-13 season.

"We haven't had much rain to speak of and the crop is withering," said Jack Froese, who has farmed canola near Winkler, Manitoba, for nearly 50 years.

Froese expects a yield per acre of just a quarter of last year's level: "It's very disheartening."

U.S. soybeans have also been sapped by drought, with the USDA lowering its production forecast by 1.8 million tons in August from the month prior.

That is expected to cut US soybean oil stocks to eight-year lows and US soy oil exports to decade lows.

"We're looking at an average crop because we were lucky enough to have some subsoil moisture," said Jared Hagert from his North Dakota farm. "But you don't have to go too far west of here to get into some really rough crops."

In some good news for buyers, Brazil's soybean crop is expected to hit a record 144.06 million tons in the 2020/21 season, driven by a 4% rise in the area planted to the crop, agribusiness consultancy Datagro estimated.

Ukraine, the top sunflower seed producer according to the USDA, is expected to lift output by 18% from a 2020 drought-hit harvest and oil exports are forecast to rise to 6.35 million tons from 5.38 million last season, according to its agriculture ministry. – ***Reuters***

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Edible oil producers battling ranges of setback

Rats, drought and labor shortages eat into global edible oil recovery

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MALAYSIAN WOES

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REUTERS

A WORKER holds palm oil fruits while posing for a picture at an oil palm plantation in Slim River, Malaysia.

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INDONESIAN MILLS

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NORTH AMERICAN DRY SPELL

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WORSENING OUTLOOK

Still, the outlook for edible oils production overall remains poor and stocks are likely to tighten further, leaving the markets tight well into next year and adding to inflationary pressures, according to some analysts.

In Malaysia, worsening COVID-19 outbreaks will leave plantations starved of workers through the rest of the peak palm production window.

Canadian farmers continue to face drought conditions, leading official agency StatsCan to peg canola output down 24.3% and yields down 30.1%.

"We have multiple issues withy edible oil supplies worldwide, palm opil in Malaysia, canola in Canada and La Niña curbing soybean output in South America," Mr. Mistry said.

"We are expecting lower oil content in Canada's canola crop due to the drought," he said. "The supply tightness in vegetable oil is expected to continue well into 2022."

The pressure on stocks is already feeding through to consumer prices and the upward trend is expected to continue, especially as refiners lift prices to cover the surge in raw material costs.

Singapore-based Wilmar International said a time lag between the surge in raw material costs and consumer price rises it imposed in the first half of the year had negatively impacted margins.

Mewah Group, one of the largest refineries in the region, said average sale prices for its bulk goods and consumer packs rose almost 54% and 24% respectively in the first half from a year ago.

"Everyone along the supply chain is absorbing some of the higher costs," said Oscar Tjakra, a senior analyst at food and agribusiness research at Rabobank. "The cost push should continue next year."

With global consumers already facing general economic uncertainty due to the coronavirus pandemic, further increases in edible oil prices will take a toll on many livelihoods due the inelastic nature of food demand.

Several countries including Nigeria,.Egypt, Turkey and The Philippines have all recorded big jumps in food inflation in recent months. The price pressure may continue as higher edible oil costs are passed on by suppliers, leaving consumers with little choice but to pay up for the staple.

"Even in poorer regions, such as Sub-Saharan Africa, where consumers suffer greatly from high prices, consumption has only declined very marginally," said Julian McGill, head of South East Asia at LMC International.

"There is simply not much flexibility in food use of vegetable oils." — ***Reuters***