



Republic of the Philippines
OFFICE OF THE SECRETARY
Elliptical Road, Diliman
1100 Quezon City

MEMORANDUM CIRCULAR

No. 09

Series of 2022

SUBJECT: ORNAMENTALS AS PRIORITY CROPS OF THE HIGH-VALUE CROPS DEVELOPMENT PROGRAM (HVCDP)

WHEREAS, Section 4 (b) of Republic Act No. 7900, otherwise known as the *High-Value Crops Development Act of 1995*, includes cut flowers and ornamental foliage plant as high-value crops, among others;

WHEREAS, these crops have various beneficial effects to the environment by improving the ecosystem, serving as natural air purifiers, preventing soil erosion, providing therapeutic effect by enhancing concentration and memory and reducing stress and a source of food and home remedies¹;

WHEREAS, based on the 360 Research Reports, there is economic potential for this industry, in both local and international markets, with the global market for the flower and ornamental plants being valued at US\$48.15 billion in 2020 and expected to reach US\$74.2 billion by 2026. Its Compound Annual Growth Rate (CGAR) is 6.3%²;

WHEREAS, according to the International Association of Horticultural Producers (AIPH), the Philippines is among the emerging domestic producers of ornamental plants, being a net exporter of ornamentals with continued trade to the Netherlands, Japan, United States of America, and European countries, reaching at US\$ 4.935 Million in 2020³;

WHEREAS, the country's local production of most cut flowers increased by 3.5% from 2016 to 2020.⁴ On the other hand, importation of ornamentals from Thailand, Taiwan, China, Korea, and the Netherlands was valued at US\$ 1.759 million in 2020⁵;

WHEREAS, the cut flower industry represents the largest segment with the said production increase by 3.5% from 2016-2020, followed by flowering pot plants, flower bulbs, and other propagation materials⁶;

WHEREAS, despite the upward trend of cut flower production, high cost of structures like greenhouses, irrigation, and post-harvest facilities, unavailability of quality planting materials, insufficient production technology for new varieties or types of cut flowers, high

¹ Ellison Chair in International Floriculture. Texas A&M AgriLife Extension (Retrieved from <https://ellisonchair.tamu.edu/health-and-well-being-benefits-of-plants/?fbclid=IwAR1GBBDTciKaiuqv67IZRrjnxdoHJShxT8iUj6YxTVeP9B5mAPKusCqGqs>);

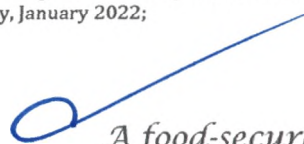
² Retrieved from https://www.theexpresswire.com/pressrelease/Flower-and-Ornamental-Plants-Market-In-2021-is-estimated-to-clock-a-modest-CAGR-of-63-During-the-forecast-period-2021-2026-with-Top-Countries-Data-latest-117-Pages-Report_14129757;

³ Philippine Statistics Authority, January 2022;

⁴ Ibid.;

⁵ Ibid.;

⁶ Ibid.;



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credit interest rates, and substantial shortage of supply for export hamper the growth potential of the ornamental industry⁷;

WHEREAS, various stakeholders, associations, and civil society organizations have constantly requested for the provision of the needed support for the industry stakeholders such as higher budget for ornamentals for its mass propagation, development of new varieties, improved production technologies, among others, and generation of more livelihood opportunities;

WHEREAS, considering that the country has vast potentials for cut flower production, has favorable agro-climatic conditions for its year-round production with the capability to grow both tropical and subtropical varieties, the provision of support from the government will ensure the industry's growth⁸;

WHEREAS, with the vital role of ornamentals industry in the local economy and its vast potential as global ornamentals supplier, the Department of Agriculture recognizes the importance of providing support to the ornamentals industry and forge a consolidated effort with industry players to achieve economies of scale to make it globally competitive;

NOW, THEREFORE, I, WILLIAM D. DAR, Ph.D., Secretary of the Department of Agriculture, by virtue of the powers vested in me by law, do hereby order the inclusion of ornamentals as one of the priority crops of the High-Value Crops Development Program. The Department of Agriculture, its Regional Field Offices, Bureaus, and Attached Agencies shall ensure the following:

1. Allocation of budget and support for the development of the ornamentals industry to increase production, farmers' income, and marketability in both domestic and international markets;
2. Provision of support for the production of quality planting materials through distribution of mother plants; establishment of production facilities such as nurseries and tissue culture laboratories; conduct of research for varietal improvement; and support in technology acquisition/transfer of post-harvest processing and packaging technology to increase product shelf life and quality;
3. Conduct of trainings on proper plant care, breeding, propagation techniques, post-harvest handling and packaging, among others; and
4. Provision of support in local and international trade fair promotions and other related events; and
5. Crafting of the Ornamentals Commodity Industry Roadmap (CIR).

This Memorandum Circular shall take effect immediately.

Done this 23rd day of March 2022.


WILLIAM D. DAR, Ph.D.
Secretary

DEPARTMENT OF AGRICULTURE

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⁷ Teresita L. Rosario, Cut-flower Production ... in the Philippines, Department of Horticulture, University of the Philippines, Los Baños, Laguna; <https://www.fao.org/3/ac452e/ac452e07.htm#fn7>;

⁸ Ibid.

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