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P9.25M govt assistance distributed to Aklan, Antique families hit by ASF

BY JOCELYN MONTEMAYOR

THE Department of Social Welfare and Development (DSWD) yesterday said it has distributed more than P9.25 million worth of assistance to families affected by the African swine fever (ASF) in Aklan and Antique.

The DSWD-Disaster Response Operations Monitoring and Information Center (DROMIC) said that as of July 15, some P531,000 worth of assistance has been distributed to families living in Tangalan, Aklan, while P8.75 million worth of emergency cash transfer (ECT) has been provided to families in Hamtic in Antique.

The province of Aklan has been under a state of calamity due to ASF since May this year, while Hamtic and the province of Capiz were placed under a state of calamity in June.

DSWD said 15,442 families or 74,413 persons are affected by the ASF in 299 barangays in Western Visayas.

The department said that while ASF does not pose a danger to human health, it has devastating effects on pig populations and the farming economy.

DSWD Region VI, quoting a report of the World Organization for Animal Health (WOAH), described ASF as a highly contagious viral disease of domestic and wild

pigs that "can survive on clothes, boots, wheels, and other materials. It can also survive in various pork products, such as ham, sausages, or bacon."

Earlier this month, President Marcos Jr. said the second phase for the trial of ASF vaccines is already underway, noting that the first phase of the trials on safety and efficacy of the vaccines has yielded positive results.

The President said the vaccine is 80 percent effective, a factor which he said could fast track the issuance of a certificate of product registration (CPR) for the ASF vaccines by the Philippine Food and Drug Administration (FDA).



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NFA blames law for buffer gap

THE NATIONAL Food Authority (NFA) blamed the Rice Tariffication law for its inability to compete with private traders in procuring buffer stocks.

"When our government enacted Republic Act 11203 or the Rice Tariffication Law, NFA was not capacitated to compete with private traders in buying wet *palay* harvests of our local farmers," Carolina Manzano, NFA acting public relations officer V, said in an e-mail.

In a 2022 report, the Commission on Audit (CoA) said the NFA had failed to build up sufficient rice reserves despite receiving P7 billion in subsidy from the government.

It said the optimum level of rice buffer stocks to be maintained by NFA was fixed at 300,000 metric tons (MT), equivalent to nine days of nationwide consumption.

But Ms. Manzano said farmers had sold their expected produce before harvest to private traders "due to financial needs."

The Rice Tariffication Law deregulated rice imports, allowing private parties to import with fewer restrictions at a tariff of 35% on grain brought in from Southeast Asia.

The law removed the NFA monopoly on rice imports, restricting it to buying domestically harvested rice. Its purchases are then held in reserve for calamities and local shortages.

"Efforts have been exerted to undertake various strategies to procure *palay* to reach the set procurement target for calendar year 2022," Ms. Manzano said. — **Beatriz Marie D. Cruz**



P750M in agri rehab funds deemed insufficient

THE P750 million in available funding to rehabilitate farmland and fisheries after calamities has been called inadequate given the number of potential claimants, industry officials said.

"The P750 million is good only for 30,000 farmers," Raul Q. Montemayor, national manager of Federation of Free Farmers, said in a Viber message, noting that some 1.5 million are engaged in rice farming alone.

"I think the better approach is for banks to simplify their lending systems and for government agencies like ACPC (the Agricultural Credit Policy Council) to reduce the risks in lending by

subsidizing crop insurance, interest rates and loan guarantee premiums," he said.

Cristina G. Lopez, deputy executive director of the ACPC, said the P750 million referred to represents the year's funding for the Survival and Recovery Aid (SURE). This year's budget is up from P500 million previously.

Asked about the potential mobilization of the funds for El Niño, she said: "Right now, our funds are in position. We have partner banks, and they have the funds we placed with them," she said by phone.

She added that affected farmers and fisherfolk can readily ap-

ply for loans of up to P25,000 with partner banks.

These loans charge zero interest and are payable over three years.

The ACPC's network of lending conduits consists of rural banks, cooperatives, government financial institutions, non-government organizations, and associations.

Jayson H. Cainglet, executive director of Samahang Industriya ng Agrikultura, said that the level of funding will not cover the typical crop damage inflicted by calamities.

"*Maliit ang P25,000 kung damaged crops* (P25,000 is a small

amount for crop damage). The cost (of production) per hectare for rice is between P65,000 and P75,000... but the crucial factor in loans is that they should be given out immediately, to allow farmers hit by calamities to start again," he said.

He added that farmers should be given the full amounts requested in the event of El Niño damage.

The Philippines experienced its worst episode of El Niño between 1997 and 1998, when agricultural output contracted 6.67%, according to the Department of Agriculture.

"During that episode, palay (unmilled rice) production reportedly dropped by around 20%.

I don't have data on actual losses and loan defaults, but it must have been massive," Mr. Montemayor said.

In 2016, the El Niño lasted 18 months, with the resulting drought affecting more than 400,000 farmers tilling 550,000 hectares of farmland, according to the World Bank.

Ms. Lopez said that the ACPC is working with the Philippine Crop Insurance Corp. (PCIC) to implement the SURE program to ensure quick payouts.

Ms. Lopez added that the program offers another calamity loan with a one-year moratorium on amortization.

President Ferdinand R. Marcos, Jr., who also serves as the Secretary of Agriculture, has said that the PCIC's coverage is insufficient to insure the country's 2.2 million hectares of agricultural land.

He said that a new approach needs to be developed via the Land Bank of the Philippines (LANDBANK) featuring credit and insurance products for farmers.

"The President ensured that the LANDBANK will become more active and return to its principal mandate as an agricultural bank," the Philippine Council for Agriculture and Fisheries said in a statement on Thursday.

— **Sheldene Joy Talavera**

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3 fake BFAR employees barred from leaving Phl

The Bureau of Immigration (BI) prevented three women, who posed as Bureau of Fisheries and Aquatic Resources (BFAR) personnel, from leaving for Jeju Island in South Korea last July 9.

In a statement yesterday, the BI's travel and control enforcement unit said the three women misrepresented themselves as government employees during a preliminary immigration inspection at the Ninoy Aquino International Airport Terminal 3.

The women were reportedly about to board a Scoot airlines flight that would take them to Jeju Island.

They were able to present travel authority papers as BFAR employees but later admitted that they bought the documents from a stall in Quiapo, Manila, the BI said.

A travel authority for government employees is a document that allows them to travel on official business or for personal reasons.

The BI noted that the three women gave inconsistent statements about their work, prompting officers to verify their documents.

BI Commissioner Norman Tansingco believes that the three

women were recruited to illegally work in South Korea.

"During the interview, they admitted that they paid P150,000 to a contact they met through Facebook to process their documents," said Tansingco.

"One of them mentioned talking to several agents for assistance," he added.

All three travelers were found to be possible victims of human trafficking and illegal recruitment. Their case was referred to the Inter-Agency Council Against Trafficking for further investigation.

— Evelyn Macairan



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Gov't may require restaurants to reveal meat products' sources

The Department of Agriculture (DA) is considering proposals to require restaurants and eateries to disclose their sources of meat products following the discovery of expired meat products in Bulacan.

DA Assistant Secretary and spokesperson Kristine Evangelista cautioned the public to be wary of the food they eat in restaurants and eateries.

"If you are a restaurant owner, you need to have a certificate on the source of the meat products. This is something we need to look into. Restaurants should display this certificate so everybody can have access to this," Evangelista said.

Personnel of the DA's office of the assistant secretary for inspectorate and enforcement recently seized 175,000 kilos of smuggled frozen

agricultural products with an estimated market value of P35 million in a warehouse in Meycauayan.

Evangelista said the owner of the warehouse has been identified, but she withheld the name until proper charges are filed.

She said the DA is coordinating with the National Meat Inspection Service (NMIS) to strengthen its campaign against unaccredited cold

storage facilities.

Under the Meat Inspection Code of the Philippines, importers, owners of cold storage facilities and sellers found in possession of expired meat products can face a prison term of up to 12 years.

"We should not take this lightly as our consumers will be affected. Anybody who buys meat should make sure that there is a certificate

of inspection from the NMIS. Even online sellers should be monitored. Those who are involved in the value chain should be made accountable," Evangelista said.

Among the items confiscated during the raid were expired pork leg, lamb meat and chicken skin.

Banned frozen meat products from Germany and India were also discovered during the raid. – **Bella Carias**



EDITORIAL

El Niño preps: Why only now?

The Philippine Atmospheric, Geophysical, and Astronomical Services Administration (Pagasa) predicted as early as May this year that the El Niño weather phenomenon characterized by an extended dry spell may emerge in June and will likely persist until the first quarter of next year.

Because El Niño increases the likelihood of below-normal rainfall conditions that would have a negative impact on people's health and livelihood, particularly in agriculture, the National Disaster Risk Reduction and Management Council through the Office of Civil Defense (OCD) directed concerned government agencies to prepare and implement necessary measures to minimize its impact.

Unfortunately, it seems that the government did not heed its own advice, as the National Action Plan to mitigate the adverse effects of El Niño has yet to be finalized and the OCD is scheduled to convene the National El Niño Team only on July 19. "We are looking forward to the finalization of the National Action Plan for El Niño by this team as we continue to undertake various activities specific to our agency mandates to ensure that the effects of El Niño-induced dry spells and drought to the country can be countered," OCD administrator Undersecretary Ariel Nepomuceno said late last week.

The primary question on Filipinos' minds is: Why only now?

Where is the sense of urgency considering that the government already knew it was coming months back and the Philippines knows far too well the potentially devastating effects of El Niño, which could become more severe with worsening climate change? Did the government agencies tasked to prepare for this weather phenomenon wait for Pagasa to officially announce on July 4 the onset of El Niño before springing into action and drawing up a mitigation plan, just when precious time had already been wasted?

Indeed, the effects of this weather phenomenon that occurs every two to seven years are already being keenly felt, with the lack of rain in agricultural areas leading to reduced harvests and therefore raised selling prices, keeping inflation rates at stubbornly high levels.

Pagasa revealed that as of June 30, dry spells—three consecutive months where rainfall was reduced by as much as 60 percent—had already hit Apayao, Kalinga, and Cagayan provinces.

Meanwhile, dry conditions—two consecutive months of a 21-60 percent drop in average rainfall—were also witnessed in the rice-producing provinces of Isabela and Tarlac, which will mean a possible increase in the price of the staple down the road. Plus, last week, west zone concessionaire Maynilad Water Services Inc. started daily water supply interruptions in its concession area, affecting some 600,000 customers.

In May, when Pagasa started monitoring El Niño more closely, the government could have already mounted a more aggressive campaign to enjoin households and commercial enterprises to conserve water so that the drawdown from Angat Dam, which supplies 95 percent of the water needs of the National Capital Region, could have been slowed down. Conservation measures may not have prevented Maynilad from altogether avoiding supply interruptions with Angat's water level dropping to below minimum operating level, but perhaps the extent may be not as long as 11 hours in some of its concession areas.

To think that El Niño is just starting to make its presence felt with its effects expected to strengthen toward a "moderate to severe" degree by the latter part of this year. Bitter experience tells us that even a "mild" El Niño—as expected for this year's episode—will already have considerable impact. In 2019, when a "weak" El Niño hit the country, a **Department of Agriculture (DA)** report showed that damage and losses reached P5.05 billion. DA reported then that the damage reached P2.69 billion for rice and P2.36 billion for corn, affecting hundreds of thousands of hectares of farmlands. At that time, 42 provinces experienced a dry spell while 22 were hit by drought.

The regular occurrence of El Niño and other natural disasters should have already made preparedness second nature for the Philippines, especially—as experts have long pointed out—that the best time to prepare is when they have not happened yet.

Instead, what happens far too often is planning and action come late in the game, and they are promptly forgotten as soon as the disaster is over. For example, when it became clear in 2019 that there would be "full-blown" El Niño, the Duterte administration extended discussions of creating a Department of Water to address water supply issues and mitigate effects of El Niño.

There was likewise talk then of interventions such as a campaign to conserve water and energy, plus the installation of water tank systems, establishment of water treatment plants, dredging of waterways, and the streamlined regulation of the country's water and river basins to ensure adequate water supply for drinking and for irrigation.

The weather phenomenon is back but little progress, if any, had been made on these measures proposed. These will again be likely listed on the things-to-do when the OCD and other government agencies meet this week.

The question now is whether these will actually be implemented or just another case of a lot of expensive talk and too little action.



Nueva Ecija braces for El Niño

BY CELSO M. CAJUCOM

SCIENCE CITY OF MUNOZ, Nueva Ecija: The provincial government of Nueva Ecija is hopeful that local farmers will survive the wet season this year ahead of the possible ill effects of El Niño.

It is preparing to mitigate the possible impact of El Niño on 105,000 local farmers, who have been credited for putting the province on top in rice output in Region 3 (Central Luzon) with an average output of 7.57 metric tons per hectare.

For this notable production record, Bernardo Valdez, Nueva Ecija provincial agriculturist, this week cited collaborative efforts between local and national government agencies, such as the Upper Pam-panga River Integrated Irrigation System (Upriis).

Valdez said the milestone was reported during the recently concluded Philippine Rice Industry Workshop held in Cauayan City, Isabela province, from June 26-28, 2023, led by Department of Agriculture Undersecretary Leo Sebastian.

The Upriis under the **National Irrigation Administration (NIA)** manages the Pantabangan dam and four other multipurpose small reservoir irrigation projects (SRIPs) in Nueva Ecija.

These Upriis water projects are Marikit dam in Pantabangan town, Balbalungao dam in Lupao town, Upper Tabuating dam in General Tinio town and Aulo



'SMART' AGRICULTURE

Edmund Leo Rico, Ostrom country lead; engineer Rosalinda "Rose" Bote, the UPRIIS department manager (2nd from right); Evangeline Sibayan, Ostrom project leader (3rd from right); Jane Boles, Ostrom director for International Land Use (4th from right); Ostrom Climate Solutions president and CEO Phil Cull (5th from right); engineer Rogelio Macatula, acting Division 5 manager (6th from right); PhilRice representative Eduardo Quilang; and Viviana dela Cruz, the UPRIIS chief of operations of the engineering division (partly hidden in 2nd row) all play leading roles in the Climate Smart Rice Project in Nueva Ecija. PHOTO BY CELSO M. CAJUCOM

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dam in Palayan City.

Rosalinda Bote, newly promoted regional manager and the department manager of the Upriis, on Thursday, July 13, 2023, in an interview with The Manila Times, said about 30 percent of the dam water had been released to farmers on June 16, 2023, irrigating the Upriis coverage of 147,664.07 hectares tilled by 102,340 farmers in the province.

The Upriis also installed solar-powered irrigation pumps at tail-end areas in the towns of Aliaga, Licab, Natividad, Quezon and Zaragoza, thus freeing farmers from the expensive cost of gasoline and diesel.

The solar-pump project, through water reuse, helps alleviate insufficiency of water in areas that are not served by the dams.

The El Niño is expected to last until 2024.

Also on Thursday, the water level of Pantabangan dam in Nueva Ecija was reported to have fallen below 178.38 meters.

On the same day, the Upriis, Philippine Rice Research Institute (PhilRice), Canadian private partner Ostrom Climate Solutions Inc. And

three irrigators' associations (IAs) joined hands to implement water savings through the nature-based alternate wetting and drying (AWD) technology against a possible dry spell that El Niño may cause.

The PhilRice and the Upriis have been partners of Ostrom in aiming for better climate-change adaptation and mitigation through the AWD technology, which envisions to promote a water-saving methodology that will reduce methane emissions from rice farming.

Also on Thursday, Ostrom, a private company, signed a memorandum of agreement (MoA)

with the three IAs on Water Rights Assessment implementing the technology held at Pagasa gym in this city.

About 18,000 hectares covered by Division 5 of the Upriis will be used as pilot area for the technology, engineer Rogelio Macatula, acting division-5 manager, said.

Whatever water saved by the division, the implementer of the pilot test, can be allocated to other areas, augmenting the water coming from Pantabangan dam.

During the wet season, local dams, such as those in Peñaranda town and San Jose, help maximize

the use of rain water.

During the ceremony, Bote distributed certificates to the irrigators' 39 associations condoning their unpaid Upriis irrigation service fees (ISFs).

Republic Act 10969 or the "Free Irrigation Service Act" exempts farmers with landholdings of eight hectares and below from paying service fees.

Bote proceeded to the Canadian firm's office at the PhilRice compound with another signing event together with Ostrom Climate Solutions president and CEO Phil Cull; Jane Boles, Ostrom's director

for International Land Use; Edmund Leo Rico, Ostrom's country lead; Ostrom's project leader Evangeline Sibayan; Viviana de la Cruz, Upriis chief of operations of the engineering division; PhilRice representative Eduardo Quilang; and Macatula and met with another 10 irrigators' associations from Guimba town to sign the MoA as part of the Climate Smart Rice Project.

Ostrom Climate Solutions is intending to disseminate information on the AWD technology to the entire service area of the Upriis in four years and may even expand to other national irrigation systems.

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Agri producers urged to practice rainwater collection, storage

THE Department of Agriculture (DA) is encouraging food producers to practice rainwater harvesting to help them cope with the adverse impact of El Niño on farm production.

With an average rainfall of 2,348 millimeters, the DA said food producers can take the opportunity to stock rain water for future use.

"The DA has put in place water management strategies as part of its adaptation and mitigation efforts on the effects of El Niño on agricultural production. One of the strategies that DA is campaigning for is the rainwater harvesting or the collection and storage of rain, rather than letting it run off," the agency said in a statement.

It is also implementing other water management projects, including the improvement of irrigation canals and other small scale irrigation projects. The agency is banking on the Alternate Wetting and Drying (AWD) technology, which uses relatively much less water. AWD is the controlled and intermittent release of irrigation water.

"Other mitigation projects that are underway is the replacement of unserviceable pump and engine sets. These are just some of the measures that the government has been doing early on to prevent production losses due to the dry spells that El Niño entails," DA's National El Niño Team Chairman U-Nichols Manalo said in a statement.

With the latest advisory related to the presence of El Niño in the Tropical Pacific, weather experts expect unusual warming of sea surface temperatures, which may lead to the strengthening of the abnormal weather phenomenon in the coming months.

As such, the likelihood of below-normal rainfall is anticipated, causing dry spells and droughts in some areas of the country. However, with the enhanced Southwest monsoon season or Habagat, the western part of the Philippines may still get above-normal rainfall.

"We are constantly coordinating with different bureaus and agencies under DA so we can come up with a unified strategy to help our food

producers improve production and increase income event during the possible drought," Manalo said.

The DA is the lead agency tasked to ensure the food security agenda under an inter-agency task force which includes the Departments of Trade and Industry, Labor and Employment, Interior and Local Government, Social Work and Development, Energy and the National Economic Development Authority. Other cooperating agencies are the Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development under the Department of Science and Technology and the Philippine Crop Insurance Corporation under the Department of Finance. *Raadee S. Sausa*

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Govt, private sector want to build salt plants

By RAADEE S. SAUSA

[@raadeeboy](#)

THE government and the private sector are keen on putting up advanced salt production plants as one of the interventions to revive the Philippine salt industry, according to the Department of Agriculture (DA).

Senior Agriculture Undersecretary Domingo F. Panganiban said government officials and representatives from the private sector discussed a proposal for reviving the salt industry during a meeting held at the DA's central office in Quezon City last week.

Panganiban said the proposal focused on the establishment of a national network of advanced salt

production plants through investment and policy interventions.

"The presentation cited the weakening condition of the Philippine salt industry through various factors, such as climate change, land conversion and economic globalization," the DA said.

Aside from Panganiban, the meeting was also attended by

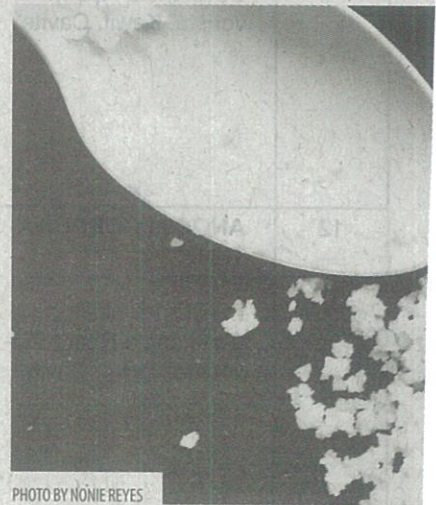


PHOTO BY NONIE REYES

Agriculture Undersecretary for Fisheries Drusila Bayate and Bureau of Fisheries and Aquatic Resources (BFAR) National Director Demosthenes Escoto who gave an update on the various legislative measures that seek to revitalize the country's salt industry.

"The existing law that we have

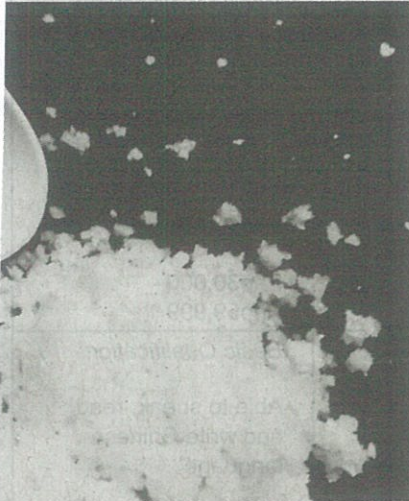
BusinessMirror

A broader look at today's business

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on salt is still the old salt law, the old iodization act. There is a written initiative in the Congress and Senate, so the House of Representatives will pass the bill. For Senate, it will be open for deliberation on the plenary. The good thing is that these particular bills have been included

as one of the priority bills of the president. We are hoping that by this year, a new salt law will be implemented and will be effective," Escoto said.

In line with the facilitation of production, such as identifying suitable locations for salt farms and making infrastructure investments, Bayate suggested that the parties should have access to the integrated plan of the national government "to effectively align with the operational requirements."

"The government has an integrated plan that will match the logistic need, plan of DPWH [Department of Public Works and Highways], the farm-to-market road, and tourism road. If there is any development plan from a local government *na hihingi siya ng* appropriation, it should be within that big plan. I think we should have access to that integrated plan because it includes

logistics that can help in the planning of this proposal."

Acknowledging the importance of a private-public partnership in enhancing local salt self-sufficiency, Panganiban told BFAR and the private sector representatives to collaborate and work together to accelerate the modernization and industrialization of the Philippine salt industry.

"[The DA] has implemented several initiatives aimed at improving salt production and providing technical assistance to marginal and artisanal salt makers, with the support of its attached agencies."

In March, the DA launched Oplan Asin to conduct consultations with salt farmers nationwide and allocated a total of P200 million to fund the purchase of postharvest facilities and materials and training sessions to improve salt quality.

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DA works with private sector, Congress for salt industry dev't

THE government is awaiting the passage of bills that would modernize the salt industry.

Bureau of Fisheries and Aquatic Resources (BFAR) national director Demosthenes Escoto said the law needs updating.

"The existing law that we have on salt is still the old salt law, the old Iodization Act. There is a written initiative in the Congress and Senate, so the House of Representatives will pass the bill. For Senate, it will be open for deliberation on the plenary," he said in a statement on Saturday.

In May, House Bill (HB) 8278, or the proposed Philip-

pine Salt Industry Development Act, was approved with an overwhelming 287 votes.

The measure is listed by the Legislative Executive Development Advisory Council as one of the priority measures of President Ferdinand R. Marcos Jr.

Under the measure, salt – whether unprocessed or processed – is classified as a basic agricultural product with all its necessary legal and regulatory implications.

"The DA shall also ensure that salt is a priority commodity to be produced locally in areas or regions identified in this Act, as well as in the development

plan for the salt industry," the bill read.

HB 8278 also creates the Philippine Salt Industry Development Council to ensure the unified and integrated implementation of the roadmap and accelerate the modernization and industrialization of the Philippine salt industry.

The Senate versions are still under scrutiny.

"The good thing is that these particular bills have been included as priority bills of the President. We are hoping that by this year, a new salt law will be implemented and will be effective," Escoto added. PNA

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15 container vans ng puslit na asukal, nasabat

Nasabat ng mga tauhan ng Bureau of Customs (BOC) ang 15 container vans na naglalaman ng mga puslit na asukal sa Port of Manila nitong Hulyo 12.

Nagkasa ng operasyon ang Manila International Container Port (MICP), sa koordinasyon ng Customs Intelligence and Investigation Service (CIIS), Enforcement and Security Service (ESS) at Formal Entry Division (FED) makaraan ang timbre na kanilang natanggap.

Naka-consign ang shipment sa Smile Agri Ven-

tures Inc., at idineklara na Silica Sand. Nang isailalim sa pisikal na inspeksyon, nadiskubre na mga refined sugar ang laman ng mga container van.

"Pursuant to Sugar Regulatory Administration - Bureau of Customs (SRA-BOC) Joint Memorandum No. 4-2002, the importation of sugar shall be subject to SRA clearance prior its release from the customs custody," ayon sa BOC.

Sa ilalim ng Section 117 ng Customs Modernization and Tariff Act (CMTA), sa subject na "Regulated

Importation and Exportation", nakasaad na ang mga goods na dadaan sa regulasyon ay maaaring i-import o i-export makaraan makuha ang mga kinakailangang "goods declaration o export declaration, clearances, licenses" at iba pang requirements.

Patuloy na isinasailalim pa sa kaukulang imben-taryo ang nasamsam na kontrabando para mabaitid ang kabuuang halaga nito at imbestigasyon para makilala ang mga nasa likod ng importasyon upang masampahan ng kaukulang kaso. (Danilo Garcia)

REMATE

ANG DIARYO NG MASA

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Produksyon ng bigas inaasahang darami sa bagong batas

UMAASA si Speaker Ferdinand Martin G. Romualdez na makatutulong ang pag-amyenda sa Republic Act No. 11953, o ang New Agrarian Emancipation Act upang dumami ang produksyon ng bigas sa bansa.

"I have a strong feeling that the new law would pave the way for our farmers to produce more rice, which is our basic staple, and other crops that they grow in between rice planting," ani Speaker Romualdez.

Sa ilalim ng RA No. 11953 ang lahat ng utang ng 610,054 agrarian reform beneficiaries mula sa termino ni Pangulong Ferdinand Marcos Sr. ay sasagutin na ng gobyerno. Umaabot ang halaga nito sa P58 bilyon.

Ang mga lupa na ibinigay sa ilalim ng agrarian reform ay bibigyan din ng exemption sa pagbabayad ng estate tax.

Ang gobyerno na rin ang magbabayad sa P206.2 milyong pagkakautang ng 10,201 agrarian reform beneficiaries sa may-ari ng lupa na kanilang sinasaka sa ilalim ng voluntary land transfer-direct payment scheme.

Ang mga makikinabang sa RA No. 11953 ay nagsasaka ng mahigit 1.1 milyong hektarya ng palayan.

"Now that our farmers will soon be free of debt, I hope that they will be able to increase their produce to at least 100 50-kilo bags per hectare, from the present 60 to 70 cavans. But of course, the government will have to help along the way," ani Speaker Romualdez.

Ang pagsalo umano sa utang ng mga benepisaryo ay unang hakbang sa pagtulong sa mga magsasaka upang maging produktibo ang mga ito at maiangat ang kanilang buhay sa kahirapan at magparami sa produksyon ng bigas sa bansa.

Binigyan-diin ng lider ng Kamara ang pangangailangan na ituloy-tuloy ang suporta sa mga magsasaka upang mangyari ang layunin ng bagong batas.

Nanawagan si Speaker sa mga ahensya ng gobyerno, partikular sa Department of Agrarian Reform, Department of Agriculture at National Irrigation Authority ng tuloy-tuloy na suporta sa mga magsasaka.

Dapat din umanong bantayan ng mga ahensya ang mga magsasaka upang malaman ang kalagayan ng mga ito.

Nanawagan din ang lider ng Kamara sa mga ahensya ng gobyerno na tiyakin na maipatutupad ng maayos ang RA No. 11953 upang matiyak na magtatagumpay ito.

RNT



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Baking industry to grow to \$2.5B in '27

BY JED MACAPAGAL

SALES of baked goods are projected to reach \$2.5 billion by 2027 or a compound annual growth rate of 5 percent from 2022's \$1.9 billion, according to the United States Department of Agriculture (USDA).

A USDA report dated July 12 said the Philippine baking industry in 2022 spent roughly \$1.5 billion on ingredients, 77 percent of which or \$1.2 billion were from imports. The United States supplied more than 55 percent or \$845 million imported ingredients, mostly wheat.

The study said Philippine bakers consider flour the most significant ingredient as 70 percent of the cost of the staple bread, pan de sal, is on flour. For other baked goods, flour accounts for up to 50 percent of the cost.

Add-in ingredients such as fruits, nuts and chocolate contribute up to 15 percent of the cost of baked goods while dairy, eggs and sugar/sweeteners, each represent 9 percent. Oils, shortening, yeast, baking powder and flavorings account for the remaining 8 percent of the cost.

The USDA said processors of packaged baked goods comprise the bulk of bakers at 35 percent. Their products like bread, biscuits, cookies, crackers and small cakes are commonly found in retail shelves.

Neighborhood bakeries account for 25 percent. Their prod-



Pandesal is the staple bread, widely sold in community bakeries that number around 42,000 across the country. USDA says there is at least one neighborhood bakery in each barangay. (File photo)

ucts are typically made by hand and use affordable ingredients.

The USDA said there is at least one bakery in each barangay in the Philippines. There are more than 42,000 neighborhood bakeries in the country.

Bakeshop chains which offer a wide range of cakes, pastries

and other baked goods account for 20 percent while hotels, restaurants and institutions have 12 percent contribution.

The smallest share of 8 percent are from artisanal bakers or specialty bakeshops and home bakers.

Breads like pan de sal and

sliced, loaf bread dominate the baked product categories with a 65 percent share while biscuits, cookies and crackers popular as snack items have a 20 percent share.

Cakes and pastries comprise 12 percent. Pizza crusts account for 3 percent.



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Philippine baking industry seen growing 5% a year to \$2.5 billion by 2027



THEME PHOTOS-UNSPLASH

THE Philippine baking industry's retail sales are expected to grow 5% a year to \$2.5 billion by 2027, according to the US Department of Agriculture (USDA).

"Driven by moderate inflation, population growth, and urbanization, the value is expected to grow at a compound annual growth rate (CAGR) of 5%, reaching \$2.5 billion by 2027," the USDA said in a report.

Headline inflation in June slowed to 5.4% from 6.1% in May, the lowest level in 14 months, which the Philippine Statistics Authority attributed to easing food and transport prices.

"This presents an excellent opportunity for US exporters of baking ingredients to enter the market, maximize promotions, and constantly introduce new products," the USDA said.

The USDA tracks agricultural developments in other countries as a service to its farmers, who are major food exporters.

Its estimate for baked goods sales in the Philippines last year was \$1.9 billion.

In 2022, Philippine bakers spent roughly \$1.5 billion on ingredients, with 77% or \$1.2 billion being imported. The

US accounted for about \$845 million of those ingredients.

"Traders believe the US is well-positioned to increase its exports of baking ingredients to the Philippines in the coming years by leveraging the Filipino consumer's general preference for high-quality US-origin products" it said.

Baking, S1/3

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Baking, from SI/2

Of the bakery ingredients, flour accounted for 50%, while add-in ingredients such as fruits, nuts, and chocolate accounted for 15%.

Dairy products, eggs, sugar and sweeteners made up 9% each. The remaining 8% consisted of oils, shortening, yeast, baking powder, and flavorings.

According to the USDA, exports of milling wheat to the Philippines rose at a CAGR of 11% to nearly \$1.3 billion in the five years to 2022. The US accounted for 78% of the Philippine market for imported wheat.

In terms of finished product imports, the Philippine baking industry was estimated to have used imported wheat flour worth \$8 million, followed by mixes and doughs (\$11 million), dairy products (\$100 million), egg products (roughly \$4.5 million), sugar and sweeteners (\$135 million), leavening agents (\$20 million), and flavorings (\$8 million).

"Consumers are feeling the impact of an ongoing sugar crisis, as the current prices of baked

goods have increased by at least 6% when compared to prices in June 2022," the USDA said.

"Low- to middle-income consumers have reduced their consumption of baked goods or have turned to cheaper alternatives," it added.

Imported baking add-on ingredients totaled \$32 million while another \$20 million worth of add-ons were sourced locally, including bananas, cassava, coconuts, mangoes, mung beans, pineapples, and purple yam.

The USDA said that the supply and quality of local products have been affected due to "poor post-harvest capacity, lack of robust cold chain infrastructure, and high transportation cost." This has opened opportunities for US exports to present a wide variety of baking add-on ingredients.

Despite "strong competition due to a tariff disadvantage," the USDA said Philippine bakers prefer products from the US "due to their superior quality and availability." — **Sheldeem Joy Talavera**



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Competitiveness of coconut exports could improve with IP protections, regulator says

THE Intellectual Property Office of the Philippines (IPOPHL) said coconut exporters could be made more competitive with intellectual property (IP) protections.

"IP protections (safeguard) the innovations and brand value of products and services, making them a potential exclusive source of competitiveness for our exporters of coconut products," IPOPHL Deputy Director General Ann Claire C. Cabochan said.

She was speaking at a recent training program organized by the International Trade Center and the Department of Trade and Industry.

Such protections, in turn, could spur innovation just as the government is rolling out the Coconut Farmers and Industry Development Plan (CFIDP).

The CFIDP hopes to raise average annual yields to 150 nuts per tree while raising incomes for 2.5 million coconut farmers.

The CFIDP is authorized by Republic Act 11524, or the Coconut Farmers and Industry Fund Act of 2021. The law placed coconut levy assets into a trust fund that will bankroll the rehabilitation and modernization of the industry. — **Revin Mikhael D. Ochave**

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Ongoing avian influenza outbreaks in animals pose risk to humans

THE current outbreaks of avian influenza (also called "bird flu") have caused devastation in animal populations, including poultry, wild birds, and some mammals, and harmed farmers' livelihoods and the food trade. Although largely affecting animals, these outbreaks pose ongoing risks to humans.

The Food and Agriculture Organization of the United Nations (FAO), the World Health Organization (WHO), and the World Organization for Animal Health (WOAH) urged countries to work together across sectors to save as many animals as possible and to protect people.

Avian influenza viruses normally spread among birds, but the increasing number of H5N1 avian influenza detections among mammals—which are biologically closer to humans than birds are—raises concern that the virus might adapt to infect humans more easily. In addition, some mammals may act as mixing vessels for influenza viruses, leading to the emergence of new viruses that could be more harmful to animals and humans.

The primary risk factor for human infection appears to be direct or indirect exposure to infected live or dead poultry or contaminated environments, such as live bird markets. Slaughtering, defeathering, handling carcasses of infected poultry, and preparing poultry for consumption, especially in household settings, are also likely to be risk factors. Controlling the circulation of avian influenza viruses in poultry is essential to reducing the risk of human infection.

Last year, 67 countries in five continents reported H5N1 high pathogenicity avian influenza outbreaks in poultry and wild birds to WOAH, with more than 131 million domestic poultry lost due to death or culling in affected farms and villages.

In 2023, another 14 countries reported outbreaks, mainly in the Americas, as the disease continues to spread. Several mass death events have been reported

in wild birds, caused by influenza A(H5N1) clade 2.3.4.4b viruses.

Recently, there have been increasing reports of deadly outbreaks among mammals also caused by influenza A(H5)—including influenza A(H5N1)—viruses. 10 countries across three continents have reported outbreaks in mammals to WOAH since 2022. There are likely to be more countries where outbreaks have not yet been detected or reported. Both land and sea mammals have been affected, including outbreaks in farmed mink in Spain, seals in the United States of America, and sea lions in Peru and Chile, with at least 26 species known to have been affected. H5N1 viruses have also been detected in domestic animals such as cats and dogs in several countries, with recent detections of H5N1 in cats announced by authorities in Poland.

Species of mammals known to be infected with A(H5N1) clade 2.3.4.4b viruses to date: ferret, mink, European otter, North American river otter, marine otter, European badger, skunk, Virginia opossum, Amur leopard, Amur tiger, mountain lion, fisher, European polecat, lynx, bobcat, domestic cat, red fox, coyote, racoon, racoon dog, South American bush dog, American black bear, brown Bear, grizzly bear, Kodiak bear, domestic pig (serology only), grey seal, harbor seal, fur seal, sea lion, porpoise, bottlenose dolphin, short-beaked common dolphin, white sided dolphin, dogs, Japanese raccoon dogs, Beech marten, Caspian seals, Asiatic black bear, Chilean dolphin, Burmeister's porpoise. More studies are needed to understand baseline levels of infection in wild mammals.

"There is a recent paradigm change in the ecology and epidemiology of avian influenza which has heightened global concern as the disease spread to new geographical regions and caused unusual wild bird die-offs, and alarming rise in mammalian cases," said Dr Gregorio Torres, Head of the Science Department at WOAH.



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Wheat, corn climb

CHICAGO- US wheat futures rose as drought conditions in Canada and the northern Plains continue to weigh on the market, as does uncertainty over the future of Ukraine's wartime grain export shipping deal that is set to expire on Monday.

Corn followed wheat up on yield concerns and technical trading. Old-crop soybeans fell and new-crop soybeans ticked up, as investors continue to question the massive harvests forecast

in the US Agriculture Department's most recent production outlook.

As the most active soybean futures contract touched a nearly two-week high during the session, some funds and investors sold off beans in profit-taking. Others bought more corn, two traders said.

Still, longer-term forecasts of wetter weather coming to the US grain belt capped any hope for a big rally, traders said. - Reuters



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UNSPLASH



Raw sugar rises on tight supplies, weather worries

LONDON/NEW YORK — Raw sugar futures on ICE were higher on Friday, boosted by supply tightness and weather concerns, while cocoa and arabica coffee prices also climbed.

SUGAR: October raw sugar settled up 0.31 cent or 1.3% at 24.32 cents per pound (lb). The market posted a weekly gain of about 3.4%.

Dealers said there remained concerns that the El Niño weather event could curb production in India and Thailand.

August white sugar, which expired on Friday, settled up \$7.10 or 1% at \$700.70 a ton.

The open interest on the August contract has been falling steadily in the run-up to expiry and stood at 3,464 lots, as of July 13, equating to 173,200 metric tons of sugar.

A test of Russia's sugar beet, the second this year, showed an average root weight of 173 grams compared with 144 grams in July last year, the Russian Sugar

Producers' Union industry lobby said on Friday.

COCOA: September London cocoa settled up £45 or 1.8% to £2,498 per ton. The contract lost 3.2% for the week.

Dealers said concerns about weak demand has put the market on the defensive following weaker-than-expected European second quarter grind data.

The North American grind is scheduled for July 20.

They noted the July contract expired at 1100 GMT on Friday with a small delivery anticipated. The open interest, as of July 13, stood at 2,561 lots, equating to just 25,610 metric tons of cocoa.

September New York cocoa settled up \$85 or 2.6% to \$3,352 a ton.

COFFEE: September arabica coffee settled up 3.2 cents or 2% at \$1.608 per lb.

September robusta coffee settled up \$15 or 0.6% at \$2,540 a ton. — **Reuters**



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MARJAN BLAN-UNSPASH

Breadbasket Brazil to stock up on food, citing inflation concerns

SAO PAULO — Top food producer Brazil will start stocking up on food staples, a government agency said, as the administration of President Luiz Inacio Lula da Silva makes good on last year's campaign trail promise to curb food inflation.

In a bid to increase public storage capacity, food supply and statistics agency Conab announced a 34% rise in fees it will pay for government-accredited warehouse operators, the first increase in six years.

The policy marks a sharp reversal from the previous government's stance, which never deemed stocking up on food as an option.

"We will go back to making public stocks, which is essential to fight food inflation," Conab President Edegar Pretto said in a statement. "For that, we first need to expand Conab's accredited network."

Conab said details of the new policy, including budget allocation, food purchase mechanisms and the staples involved will be announced by

the agriculture ministry at a later date.

Mr. Pretto said Conab's own warehouses, as well as those of accredited third parties, will be involved in the effort.

The new policy comes at time when many countries worry about the impact on consumers of high food costs.

In France, the government secured a pledge from 75 food companies to cut prices on hundreds of products. In the UK, the government ditched plans to ask supermarkets to impose a voluntary price cap on basic goods after a backlash from retailers.

In general, food stockpiling is more common in nations where food production is insufficient.

Brazil is a large producer and exporter of soybeans, corn, coffee, sugar, chicken and beef but has a chronic storage deficit.

Brazil's summer grain production in 2023 outgrew its storage capacity for the time in 20 years.

Historically, the government buys grains such as corn when prices reach a certain minimum threshold. — *Reuters*



EU removes post-Fukushima curbs on Japan food imports

BRUSSELS — The European Union (EU) agreed to remove restrictions on Japanese food imports, imposed after the 2011 Fukushima nuclear accident, with the hope that Japan will ease its controls on EU farm produce.

The EU has required pre-export testing of food products for radioactivity since an earthquake and tsunami wrecked the Fukushima Dai-ichi nuclear plant on Japan's east coast.

Since 2021, it has required certificates showing levels of radioactive isotopes in wild mushrooms, some fish species and edible wild plants, such as bamboo shoots, from Fukushima and nine other prefectures.

The European Commission said these restrictions had been fully lifted, while noting Japan continued to monitor for radioactivity and stressing Japan should publish its findings.

"This move will help drive forward the reconstruction of the devastated areas and is one we appreciate and welcome," Japanese

Prime Minister Fumio Kishida told a press conference after an EU-Japan summit.

European Commission President Ursula von der Leyen said both sides had also agreed to work on removing Japanese trade barriers to EU beef, fruit and vegetables, whose access to Japan is limited by food safety rules.

Mr. Kishida said Japan would make a judgment based on science, as the EU had done in lifting its restrictions.

At the summit, the EU and Japan also committed to deeper cooperation in green and digital transitions, research and other fields. "We both need to de-risk our supply chains so one of our objectives is to reduce over reliance on a handful of suppliers, many of them based in China," Ms. Von der Leyen said, adding cooperation would include critical raw materials.

The European Union and Japan already have a free trade agreement and are united in opposition to Russia's invasion of Ukraine. — **Reuters**



Record heat waves hit US, Europe, Asia

ROME: Tens of millions of people battled dangerously high temperatures around the world on Sunday as record heat forecasts hung over parts of the United States, Europe and Asia, in the latest example of the threat from global warming.

A powerful heat wave stretching from California to Texas was expected to peak, the US National Weather Service said, warning of an "extremely hot and dangerous weekend." Daytime highs were

►Heat wavesA8



DRY COUNTRY

Picture taken on Thursday, July 13, 2023, shows a field of pistachio trees growing in a very dry field in Daimiel, in the Castilla La Mancha region. With high temperatures, a lack of rain and being hit by several heat waves, Spain suffers from a severe drought, also due to the high water needs of agriculture.

AFP PHOTO



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■ HEAT WAVES FROM A1

Record

forecast to range between 10 and 20 degrees Fahrenheit above normal in the west.

Arizona's state capital Phoenix recorded 16 straight days above 109 F (43 degrees Celsius), with residents facing temperatures of 111 F on Saturday, en route to an expected 115 F.

California's Death Valley, one of the hottest places on Earth, was also likely to register new peaks on Sunday, with the mercury possibly rising to 130 F (54 C).

Authorities have been sounding the alarm, advising people to avoid outdoor activities in the daytime and to be wary of dehydration.

At a construction site outside Houston, Texas, a 28-year-old worker who gave his name only as Juan helped complete a wall in the blazing heat.

"Just when I take a drink of water, I get dizzy, I want to vomit because of the heat," he told Agence France-Presse.

The Las Vegas weather service warned that assuming high temperatures naturally come with the area's desert climate was "a DANGEROUS mindset! This heat wave is NOT typical desert heat." Southern California is fighting numerous wildfires, including one in Riverside County that has burned more than 7,500 acres (3,000 hectares) and prompted evacuation orders.

Further north, the Canadian government reported that wildfires had burned a record-breaking 10 million hectares this year, with more damage expected as the summer drags on.

Historic highs forecast in Europe, Italy faced weekend predictions of historic highs with the health ministry issuing a red alert for 16 cities including Rome, Bologna and Florence.

The weather center warned Italians to prepare for "the most intense heat wave of the summer and also one of the most intense of all time." The thermometer is likely to hit 40 C in Rome by Monday and 43 C on Tuesday, smashing the record of 40.5 C set in August 2007.

The islands of Sicily and Sardinia could wilt under temperatures as high as 48 C, the European Space Agency warned — "potentially the hottest temperatures ever recorded in Europe." The Acropolis in Athens, one of Greece's top tourist attractions, will close during the hottest hours on Sunday, for the third day running.

In France, high temperatures and resulting drought are posing a threat to the farming industry, earning Agriculture Minister Marc Fesneau criticism from climatologists for having brushed aside conditions as "normal enough for summer." This June was the second-hottest on record in France, according to the national weather agency, and several areas of the country have been under a heat wave alert since Tuesday.

There is little reprieve ahead for Spain, whose meteorological agency warned that a new heatwave Monday through Wednesday will bring temperatures above 40 C to the Canary Islands and the southern Andalusia region.

Killer rains

As torrential rains lashed northern Japan on Sunday, a man was found dead in a flooded car, a week after seven people were killed in similar weather in the country's southwest.

Parts of eastern Japan are expected to reach 38-39 C on Sunday and Monday, with the meteorological agency warning temperatures could hit previous records.

In South Korea, rescuers on Sunday battled to reach people trapped in a flooded tunnel, after heavy rains for the

last four days triggered floods and landslides that killed at least 33 people and left 10 missing.

The country is at the peak of its summer monsoon season, with more rain forecast through Wednesday.

In northern India, relentless monsoon rains have reportedly killed at least 90 people, following burning heat.

Major flooding and landslides are common during India's monsoons, but experts say climate change is increasing their frequency and severity.

China on Sunday issued several temperature alerts, warning thermometers could reach 40-45 C in the partly desert region of Xinjiang, and 39 C in southern Guangxi region.

Morocco was slated for above-average temperatures this weekend with highs of 47 C in some provinces — more typical of August than July — sparking concerns for water shortages, the meteorological service said.

River Tigris shrinking In Iraq, where scorching summers are common, 37-year-old Wissam Abed usually cools off from Baghdad's brutal summer by swimming in the Tigris river.

But as rivers dry up, so does the age-old pastime.

With temperatures near 50 C and wind whipping through the city like a hairdryer, Abed stood in the middle of the river, but the water only comes up to his waist.

"Year after year, the water situation gets worse," he told AFP.

While it can be difficult to attribute a particular weather event to climate change, scientists insist that global warming — linked to dependence on fossil fuels — is behind the multiplication and intensification of heat waves.

The EU's climate monitoring service said the world saw its hottest June on record last month.

AFP



Report: Over 122M more people facing hunger due to Covid-19, weather shocks

OVER 122 million more people are facing hunger in the world since 2019 due to the pandemic and repeated weather shocks and conflicts, including the war in Ukraine, according to the latest State of Food Security and Nutrition in the World (SOFI) report recently published by five United Nations specialized agencies.

If trends remain as they are, the Sustainable Development Goal of ending hunger by 2030 will not be reached, the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development (IFAD), the United Nations Children's Fund (UNICEF), the World Health Organization (WHO) and the World Food Programme (WFP) warn.

The 2023 edition of the report reveals that between 691 and 783 million people faced hunger in 2022, with a mid-range of 735 million. This represents an increase of 122 million people compared to 2019, before the Covid-19 pandemic.

While global hunger numbers have stalled between 2021 and 2022, there are many places in the world facing deepening food crises. Progress in hunger reduction was observed in Asia and Latin America, but hunger was still on the rise in Western Asia, the Caribbean and throughout all subregions of Africa in 2022. Africa remains the worst-affected region with one in five people facing hunger on the continent, more than twice the global average.

"There are rays of hope, some regions are on track to achieve some 2030 nutrition targets. But overall, we need an intense and immediate global effort to rescue the Sustainable Development Goals. We must build resilience against the crises and shocks that drive food insecurity—from conflict to climate," said UN Secretary-General António Guterres through a video message during the launch of the report at the UN Headquarters in New York.

The heads of the five UN agencies, FAO Director-General QU Dongyu; IFAD President Alvaro Lario; UNICEF Executive Director Catherine Russell; WFP's Executive Director Cindy McCain; and WHO Director-General Dr. Tedros Adhanom Ghebreyesus write in the report's Foreword: "No doubt, achieving the Sustainable Development Goal target of Zero Hunger by 2030 poses a daunting challenge. In-

deed, it is projected that almost 600 million people will still be facing hunger in 2030. The major drivers of food insecurity and malnutrition are our 'new normal,' and we have no option but to redouble our efforts to transform agrifood systems and leverage them towards reaching the Sustainable Development Goal 2 [SDG 2] targets."

Beyond hunger

THE food security and nutrition situation remained grim in 2022. The report finds that approximately 29.6 percent of the global population, equivalent to 2.4 billion people, did not have constant access to food, as measured by the prevalence of moderate or severe

food insecurity. Among them, around 900 million individuals faced severe food insecurity.

Meanwhile, the capacity of people to access healthy diets has deteriorated across the world: more than 3.1 billion people in the world—or 42 percent—were unable to afford a healthy diet in 2021. This represents an overall increase of 134 million people compared to 2019.

Millions of children under five continue to suffer from malnutrition: in 2022, 148 million children under five years of age (22.3 percent) were stunted, 45 million (6.8 percent) were wasted, and 37 million (5.6 percent) were overweight.

Progress has been seen in exclusive breastfeeding with 48 percent of infants under 6-months of age benefiting from this practice, close to the 2025 target. However, more concerted efforts will be required to meet the 2030 malnutrition targets.

The report also looks at increased urbanization as a "megatrend" affecting how and what people eat. With almost seven in ten people projected to live in cities by 2050, governments and others working to tackle hunger, food insecurity and malnutrition must seek to understand these urbanization trends and account for them in their policymaking.

In particular, the simple rural and urban divide concept is no longer sufficient to understand the ways in which urbanization is shaping agrifood systems. A more complex rural-urban continuum perspective is needed considering both the degree of connectivity that people have and types of connections that exist between urban and rural areas.

For the first time, this evolution is documented systematically across 11 countries. The report illustrates that food purchases are significant not only among urban households but also across the rural-urban continuum, including those residing far from urban centers. The new findings also show how consumption of highly processed foods is also increasing in peri-urban and rural areas of some countries.

Unfortunately, spatial inequalities remain. Food insecurity affects more people living in rural areas. Moderate or severe food insecurity affected 33 percent of adults living in rural areas and 26 percent in urban areas.

Children's malnutrition also displays urban and rural specificities: the prevalence of child stunting is higher in rural areas (35.8 percent) than in urban areas (22.4 percent). Wasting is higher in rural areas (10.5 percent) than in urban areas (7.7 percent), while overweight is slightly more prevalent in urban areas (5.4 percent) compared to rural areas (3.5 percent).

The report recommends that to effectively promote food security and nutrition, policy interventions, actions and investments must be guided by a comprehensive understanding of the complex and changing relationship between the rural-urban continuum and agrifood systems.

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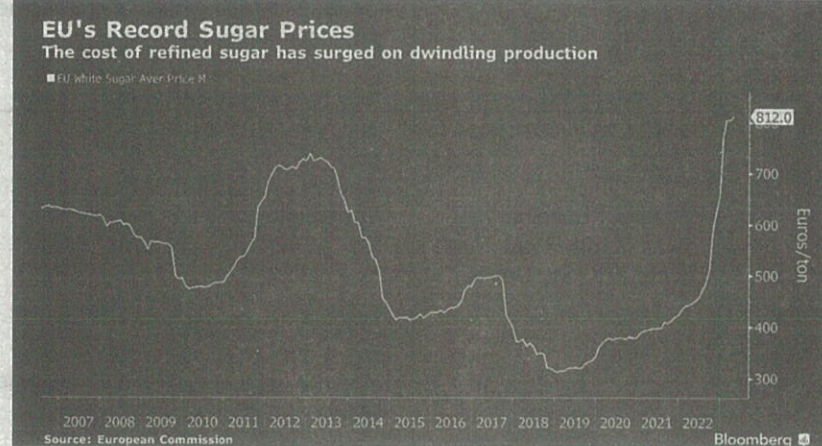
Soaring cost of sugar threatens to push up prices across the EU

EUROPEAN consumers may soon have to pay more for sweet treats as summer heatwaves push up the price of sugar.

Sugar buyers and producers are currently negotiating contracts for the 2023-24 harvest season, which starts in October. Prices being cited are over €1,000 a ton, said people with knowledge of the matter—more than double what they were in the middle of last year. That's set to raise costs in the snack aisle.

Last year's drought-related drop in sugar output offers a glimpse into what might unfold if the same were to happen again. Sugar production for the current 2022-23 season fell 12 percent relative to the previous one, and at 14.6 million tons, was one million tons below initial EU estimates. While large companies—and in turn, consumers—were shielded from big price hikes thanks to long-term contracts; prices in the spot market have surged 58 percent since last October, squeezing smaller and medium-sized confectioneries.

Warning signs are already flashing: rain delayed this year's planting by roughly a month, and rising temperatures have since increased the risk of both drought and pests spreading faster and ravaging small sugar beet crops.



Producers have so far taken a cautious approach to pricing, said John Stansfield, a senior sugar analyst at DNEXT Intelligence. "Critically, it's what happens in the next two or three months: do we get rain or do we get just drought conditions?"

With supplies already tight and the threat of drought looming, Germany's Suedzucker AG and France's Tereos are among those who expect prices to stay high. And this year, with new contracts being signed at record price levels, the extra costs won't be easy to avoid. Kona Haque, head of commodities research at ED&F Man, said some companies will have to

pass the burden along to consumers.

"It's not the end of sugar price inflation for Europe," said Yury Sharanov, president of CIUS, a lobby group representing both sugar consumers and industrial-scale buyers in Europe.

The situation has been exacerbated by low levels of sugar stock, which shrank last year as companies dipped into their reserves. Destocking will be "the ultimate driver for EU sugar prices, which are incredibly sticky," said Julian Price, an independent sugar consultant and former president of the European Association of Sugar Traders.

Despite all this, some analysts are

cautiously optimistic that production may increase. The EU has forecast that output could reach 15.5 million tons this season, with a spike in Poland's sugar beet acreage offsetting a decline in France.

Not everybody agrees. Analysts have also expressed concern about yellow virus, a disease that can wipe out sugar beet crops. Following France's restrictions on neonicotinoids—a type of pesticide that protects against the yellow virus—experts at Green Pool Commodity Specialists estimate that Europe's sugar production could drop below the EU estimate to 14.8 million tons.

"Whilst there have been few reports so far of virus yellows symptoms, it is still too early to say if 2023 beet crops have dodged the yellow virus bullet," Green Pool analysts noted. "It is possible that symptoms appear this month."

Such instability isn't limited to Europe. The world's sugar comes from cane—grown in tropical climes—and beets, which thrive in traditionally cooler areas further north. Extreme weather is hurting both kinds, with El Niño threatening to curb cane harvests in Southeast Asia and Africa, and rising temperatures making Europe less hospitable to beets. **Bloomberg News**