

CLIPPINGS FOR MONDAY, AUGUST 07, 2023

A. SEC. PBBM QUOTED

ABANTE

BBM: Bigas aangatn kung 'di sapat ang suplay

PEOPLE'S JOURNAL

Marcos: Protect tobacco farmers

BUSINESS MIRROR

PHL can secure rice supply via RPZs – Solon

MALAYA BUSINESS INSIGHT

PH looking for rice import partners – Marcos

MANILA BULLETIN

'Don't worry, we have enough rice' – Marcos

Gov't may extend anew lower tariffs on agri, coal

B. DA FAMILY

BUSINESS MIRROR

'Rice stocks are more than enough for next few months'

MALAYA BUSINESS INSIGHT

BPI ramps up efforts vs Banana pests, diseases

THE MANILA TIMES

DA smarting from P1.7-B 'Egay' damage

Palay production down slightly in April- June

Agency ramping up banana sector efforts

THE PHILIPPINE STAR

Rice supply

Rice prices seen to go up by P4/ kilo

PHILIPPINE DAILY INQUIRER

Rice prices in Soccsksaargen rise as supply dwindles

BUSINESS WORLD

Farm output may have expanded in 2nd quarter

C. AGRI-RELATED STORY

BUSINESS MIRROR

PHL 'May overshoot' inflation target: BSP

'Smuggled cigarettes pose health risks impede govt efforts to cut diseases'

MALAYA BUSINESS INSIGHT

Damage to agri, infra from Egay reaches P6.6B

Tariff cut extension under review

THE PHILIPPINE STAR

Extension of lower agri tariffs up for review

BUSINESS WORLD

Cotabato farmers trained in VCO, coco water production

Upland rice farming touted as hunger prevention program

Palay output growth estimated at 1.6% in three months to June

D. FOREIGN STORY

BUSINESS MIRROR

Wheat pares weekly loss after attack briefly shut Russian port

Global food commodity prices up in July – FAO

MALAYA BUSINESS INSIGHT

Wheat, corn firm

Vietnam minister says higher rice prices offer opportunities to boost exports

BUSINESS WORLD

Raw sugar futures hit 2-1/1-week lows

World rice price index jumps to near 12-year high in July, says FAO

Mexico says US refuses to cooperate on GM corn studies

Abante

UNA SA BALITA

Date: PMW 07, 2023 Page: 2



LIBRARY
DEPT. OF AGRICULTURE

BBM: Bigas aangkatin kung 'di sapat ang supply

PINAWI ni Pangulong Ferdinand "Bong-bong" Marcos Jr. ang pangamba ng mga magsasaka sa plano ng gobyerno na pag-aangkat ng bigas mula sa ibang bansa.

Sa lingguhang vlog ng pangulo, sinabi nitong hindi aangkat ng bigas kung mayroong sapat na supply ang bansa.

Gagawin lamang aniya ang pag-aangkat kung may kakulangan sa supply.

Sinabi ng pangulo na sa ngayon ay mayroong supply ng bigas at ang binabantayan ay ang presyo nito dahil rumataas ang halaga ng bigas sa buong

munundo.

"Gagawin lang natin ito kung hindi sapat ang supply kaya't dapat asahan ng ating mga magsasaka na hindi tayo mag-i-import kung sapat ang supply dito sa Pilipinas," anang pangulo.

Naunang inihayag ng presidente na manipis ang supply ng bigas sa bansa dahil sa iniwang pinsala ng Bagyong Egay sa agrikultura, bukod pa sa inaasahang magiging epekto ng El Niño phenomenon sa mga darating na buwan at pinag-aaralan ang posibleng pag-aangkat ng bigas. (Aileen Taliping)



Marcos: Protect tobacco farmers

PRESIDENT Ferdinand R. Marcos Jr. recently underscored the importance of protecting the livelihood of tobacco farmers.

"These past years, we had seen so much change in our health policies that affected the tobacco industry. As such, we must seek ways to protect the livelihood of thousands of our tobacco farmers," Marcos said in his speech delivered by Ilocos Norte Gov. Matthew J. Marcos Manotoc at the International Tobacco Agricultural Summit at Shangri-la the Fort in Bonifacio Global City.

The President said the tobacco industry has been a catalyst for economic growth in the country, especially in Northern Luzon and Mindanao.

"For many of our people, it is an indispensable bedrock that generates income, livelihood, opportunities, and employment, particularly in areas where its cultivation spans generations and holds pivotal significance in the way of its communities," said Marcos.

"It is a significant source of tax revenues that are used to fund government programs," he added.

Marcos directed the Department of Agriculture and the



President Marcos and a tobacco farmer

National Tobacco Administration (NTA) to explore other crops that can be grown alongside tobacco.

To protect local tobacco farmers, the NTA said it is closely coordinating with other government agencies to help combat the illicit tobacco trade.

"We are working with the BIR

(Bureau of Internal Revenue). We are supporting their efforts [to combat] illicit trade," said NTA administrator Belinda Sanchez on the sidelines of the summit.

NTA regulatory department manager Robert Ambros, meanwhile, disclosed the losses due to illicit tobacco trade amounted to about PHP30 billion from

2020 to 2022.

"That record was taken from previous years. We've heard that information during last year's congressional hearings on tobacco trading and smuggling," he said.

Ambros said the projected losses for this year are "a little higher" than PHP30 billion.

PHL can secure rice supply via RPZs—solon

The Philippines can build up its rice supply and mitigate the effects of calamities on food security through the establishment of rice production zones (RPZs), according to Senate President Juan Miguel Zubiri.

Zubiri noted that Typhoons Egay and Falcon “blew a big hole” in the food basket regions in the North. This, he said, could limit the country’s food supply.

“I told the President about my proposal to establish RPZs and he found it to be very interesting. In my opinion, we cannot be certain about our food security today and then be insecure tomorrow because of factors beyond our control or just because

our sources of rice imports, such as India have become uncertain,” he said in a statement.

“Typhoons Egay and Falcon blew a big hole in our food basket regions in the North. This will surely have an effect on the supply of agricultural products, including rice. The earlier we build our RPZs, the sooner we buffer our rice supply and mitigate the effects of calamities on food security.”

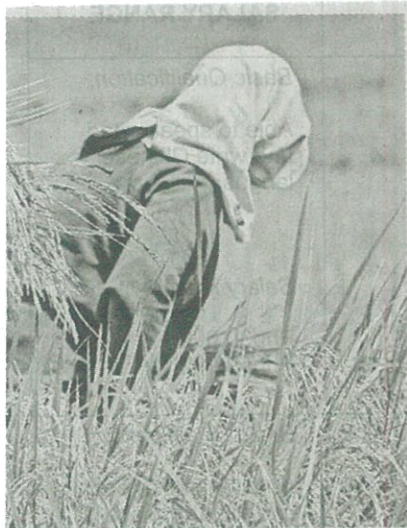
Zubiri said he made RPZ proposal



THIS BUSINESSMIRROR file photo shows farmers harvesting rice in La Union.

to no less than President Ferdinand R. Marcos Jr. during the dinner hosted by the Chief Executive for members of the Philippine Senate last week.

In their discussions, Zubiri said the topic veered to talks about the supply of rice in the country



and how senators were expressing concerns about the recent announcement of India on a ban on non-Basmati rice exports.

Under his proposal, provinces can be grouped into one RPZ and President Marcos, as concurrent Secretary of Agriculture, can assign

an Undersecretary or Assistant Secretary to handle a specific RPZ each and to make sure they hand hold the Farmers until their crops reach maximum efficiency of production.

“They will focus on enhancing capabilities to produce rice, like pouring support for seedlings, fertilizers, pest control and modernized equipment.”

The senator from Bukidnon said in establishing RPZs, the government can take its cue from Republic Act 8435 or the Agriculture and Fisheries Modernization Act of 1997, which mandates the Bureau of Soils and Water Management to identify Networks of Protected Areas for Agricultural and Agro-industrial Development (NPAAADs).

These NPAAADs, Zubiri further said, are ideal RPZs and can be a good starting point because the bureau maps out all fertile, rich and irrigable lands suitable

for crop production, including the planting of rice.

“The two recent typhoons badly hit Regions I, II and III, which roughly accounts for 40 percent of rice input and 80 percent of corn production. *Kaya kailangan tayong tumingin sa ibang lugar para mapunan ang deficit.*”

The senator also pushed for quick turnaround programs for affected farmers in the North for replanting to allow the immediate recovery of rice granaries in typhoon-hit areas.

Under the 2023 General Appropriations Act, the main programs under the DA-Office of the Secretary that can be used to aid rice farmers include the National Rice Program and the Rice Competitiveness Enhancement Program.

He said the national government can tap the unutilized portions of these funds to help affected farmers.

Butch Fernandez



PH looking for rice import partners – Marcos

BY JOCELYN MONTEMAYOR

THE government is talking with different countries with rice supply to spare to secure possible importation in the future should the need arise in preparation for the adverse impacts of the El Niño weather phenomenon, President Marcos Jr. has said in his video blog over the weekend.

The President, in his 246th vlog that was released on Saturday, however, stressed that the country would not import rice if there will be enough local supply when the full impact of the El Niño happens.

“Naghahanap tayo ng mga kaibigan natin. Mabuti na lang at

marami sa kanila ay nakilala ko sa mga byahe-byahe. Kinakausap natin ngayon, e baka mabigyan tayo ng pagkakataon makapag-import galing sa kanila (We are looking at our friends. It was good that I met many of them during my foreign travels. We are now talking with them. They might give us a chance to import from them),” Marcos said.

“Ngunit gagawin lang natin ito kung hindi sapat ang supply. Kaya’t dapat asahan ng ating mga magsasaka na hindi tayo mag-i-import kung sapat ang supply dito sa Pilipinas (We would only do this if the local supply of rice is not enough. The farmers can expect that we will not import rice if the supply in the Philippines is enough),” he added.

The President said the problem is that many Southeast Asian countries are preparing for El Niño, which is making it difficult to find available supply.

Marcos said the demand for rice worldwide is currently high as countries such as India, that has already imposed a ban on their rice exports.

He said Vietnam has limited its supply for exports while Indonesia and Thailand are not exporting but buying rice instead to augment their supply when the full impact of El Niño is felt from the end of 2023 towards the early 2024.

The President reiterated that at present, the supply of rice in the country is still enough despite the devastation in the agriculture

sector following the onslaught of super typhoon Egay.

Marcos, who is also the concurrent secretary of the Department of Agriculture, assured the public that there is nothing to worry about the current supply.

He said the DA has prepositioned seedlings nationwide and is prepared to augment the seeds that would be distributed to farmers affected by the typhoons to enable them to plant anew and eventually recover from the loss.

He said the corn industry is among those heavily affected, and while it is already too late to replant corn to make it to the harvest season, they would also provide farmers with high valued seeds.



'Don't worry, we have enough rice' — Marcos



POSSIBLE PRICE HIKE — A woman tries to haggle with a rice vendor for the cheapest price at a stall in San Andres Market in Manila on Sunday, August 6, 2023. (Arnold Quizol)

President Marcos allayed the fears of farmers and the general public by saying that the country has enough supply of rice and that the government would not resort to importation for as long as there is sufficient buffer stock.

Marcos said this in the wake of the two typhoons that ravaged parts of the country and caused billions of pesos of damage to agriculture.

In his vlog released on Saturday night, Aug. 5, the President clarified that the country's rice supply was enough.

He noted that Super Typhoon Egay alone left P3 billion worth of damage in the agriculture sector, while 142,000 hectares of agricultural land were affected.

"Upang malinawan po tayo, kaklaruhin ko lang, meron po tayong sapat na supply ng bigas at wala tayong dapat ipangamba (So that it's clear to us, I want to clarify, we have enough ► 4

'Don't worry, we have enough rice' — Marcos 1◀

rice supply and we have nothing to worry about)," he said.

"Dapat asahan ng ating magsasaka na hindi tayo mag-i-import kung sapat ang supply dito sa Pilipinas. Huwag sana kayong mabahala. Meron tayong bigas (Our farmers should expect that we won't import rice if we have enough supply in the Philippines. Don't worry. We have rice)," he added.

Buffer stock

Marcos said the government is closely monitoring the rice buffer stock under the National Food Authority (NFA).

"Tinitiyak natin na ang NFA ay dumami ang buffer stock dahil dumarami rin itong mga sakuna na dumadating dito sa Pilipinas (We're ensuring that the NFA has more buffer stock because we also encounter more calamities here in the Philippines)," he said.

However, Marcos said the problem is that other Southeast Asian countries are also securing their buffer stock to prepare for the looming El Niño by late this year or early 2024.

"Lahat tayo ay naghahanda para sa El Niño. Kaya't ang mahirap diyan ay lahat-lahat sabay-sabay namimili

(All of us are preparing for the El Niño. That's why it's difficult because all of us are buying at the same time)," he said.

Marcos, who also heads the Department of Agriculture (DA), said that countries exporting rice started to limit, if not stop, exporting the commodity. This supposedly included India, with which he initially eyed having a rice deal.

According to the President, he is talking with the people he met during his overseas trips to secure the country's rice buffer stock.

"Naghahanap tayo ng mga kaibigan natin. Mabuti naman at marami sa kanila ay nakilala ko sa mga biyahe-biyahe, kinakausap natin ngayon (We're looking at our friends. It's a good thing that I met many of them during my travels. I'm talking to them now)," he said.

"Baka mabigyan tayo ng pagkakataon makapag-import galing sa kanila. Ngunit gagawin lang natin ito kung hindi sapat ang supply (They might allow us to import rice from their country. But we'll only do this if we don't have enough rice supply)," he added. (Argyll Cyrus Geducos)



Gov't may extend anew lower tariffs on agri, coal

By CHINO S. LEYCO

The Department of Finance (DOF) announced that the government is currently reviewing the potential extension of tariff reductions on pork, corn, rice, and coal that are set to expire by the end of the year.

During the Chat with SBED last Friday, Aug. 4, Finance Secretary Benjamin E. Diokno said a meeting will be held in September to assess the necessity of extending Executive Order No. 10 issued by President Marcos in December 2022.

"We're reviewing the possible extension," Diokno told reporters. "We will meet in September to review if we have to extend across all commodities."

EO 10 has maintained reduced tariff



SEC. DIOKNO

rates for four commodities until Dec. 31, 2023.

The reduced rates are 15 percent (in-quota) and 25 percent (out-quota) for pork, five percent (in-quota) and 15 percent (out-quota) for corn, and 35 percent (in-quota and

out-quota) for rice.

Meanwhile, coal will remain duty-free until year's end, subject to semi-annual reviews.

EO 10 is already an extension of EO 171, issued by former President Rodrigo Duterte, which reduced the

tariff rates for in-quota and out-quota pork shipments.

Finance Undersecretary Zeno Ronald R. Abenoja also said the Inter-Agency Committee on Inflation and Market Outlook (IAC-IMO) has broadened its review scope beyond the four commodities included in EO 10.

He said the expansion is in response to the recent typhoons that have affected the country and global headwinds.

Abenoja referred to the IAC-IMO's action as a "comprehensive review" that encompasses both food and non-food factors contributing to inflation.

"It covers not only the four agricultural commodities but also the other drivers of inflation that we have seen in the past few months," Abenoja said.

The IAC-IMO serves as an advisory

body to **President Ferdinand R. Marcos Jr.'s** Economic Development Group (EDG).

The primary role of the IAC-IMO is to monitor the key factors driving the increase in prices of essential goods, particularly food and energy, as well as their underlying sources and causes.

The advisory body is co-chaired by the secretaries of the National Economic and Development Authority and the DOF.

The vice chairperson of the IAC-IMO is the Secretary of the Department of Budget and Management, while the secretaries of the Departments of Agriculture, Trade, Energy, Science and Technology, and Interior and Local Government serve as members of the committee.

Date: AUG. 07, 2023 Page: A1 d A4



LIBRARY
DEPT. OF AGRICULTURE

'Rice stocks are more than enough for next few months'

THE Department of Agriculture (DA) has clarified that National Food Authority (NFA's) stocks are not at alarming levels, considering the buffer stock at 300,000 to 350,000 metric tons at any given time.

"Our rice supply is more than enough for our needs for the next few months," DA Undersecretary Leocadio Sebastian for Rice Industry Development said.

The country's national buffer stocks must refer to grains—whether palay or milled rice—held by traders from local purchases and imports and households.

For her part, DA Undersecretary Mercedita Sombilla for Policy, Planning and Regulation said that, "it would be faulty to compute NFA buffer stocks on the basis of the average national daily consumption of 37,362 MT since NFA stocks are now limited to emergency relief and for the requirements of the Department of Social Welfare and Development [DSWD]."

The NFA is mandated by the Rice Tariffication Law (RTL) to buy its

buffer stocks only from local farmers to help them get better rates for their palay.

Moreover, the RTL buffer stock study of 2020 said the NFA inventory must be at 300,000 to 350,000 metric tons at any given time.

"However, the actual buffer stock of NFA now is only 53,060 MT. We indeed need to increase this level," Sombilla said.

Meanwhile, Sebastian has placed the country's rice supply at 5.7 million metric tons of palay harvested during the dry season and an additional 1.9 million MT of imported rice in stock and 1.8 million MT carry-over stock from 2022.

The country also has new harvest in July and August, albeit minimal.

Furthermore, DA's latest bulletin shows that, per the assessment by Regional Field Offices (RFOs) in Cordillera Administrative Region, Ilocos Region, Cagayan Valley, Central Luzon, Calabarzon, Mimaropa, Western Visayas, Zamboanga

CONTINUED ON A4

'Rice stocks are more than enough for next few months'

Continued from A1

Peninsula, Soccsksargen and Caraga, damage and losses caused by Super Typhoon Egay in the agricultural and fishery sector now amounts to P4.47 billion.

The typhoon affected "170,510 farmers and fisherfolk, with total volume of production loss at 152,041 metric tons [MT] and 195,539 hectares [ha] of agricultural areas," the bulletin shows.

The affected commodities include rice, corn, high-value crops, livestock and poultry, and fisheries.

Damage was also incurred in irrigation systems, agricultural and fishery infrastructures, and fishing paraphernalia. Damage and losses in rice amounted to P1.75 billion with affected area at 111,547 ha and volume of production loss at 42,754 MT, or 0.21 percent of the total annual production target volume for rice at 19.76 million MT.

For corn, damage and losses amounted to P1.74 billion with affected area at 81,998 ha and volume of production loss at 95,658 MT, or 1.03 percent of the total annual production target volume for corn at 9.30 million MT. **Raadee S. Sausa**



LIBRARY
DEPT. OF AGRICULTURE

BPI ramps up efforts vs banana pests, diseases

THE Bureau of Plant Industry (BPI) is ramping up efforts to address pests and diseases in banana farming.

"We're focusing on pest management. It doesn't matter how well we produce if we lose from pest and diseases. We're coordinating with the regional field offices to have management measures for that. Our research, we're ramping it up," Glenn Panganiban, BPI director, told reporters in an interview last week.

Panganiban said for surveillance and monitoring, BPI has partnered with the Philippine Space Agency to initiate a project that can verify the scope of damage of banana disease in the country.

Panganiban said BPI also plans to tap the academe and international organizations.

A market review of the Food and Agriculture Organization of the United Nations (FAO) released last month showed the Philippines remained the second top exporter of bananas in 2022, shipping 2.3 million tons of the fruit. But this is a 4 percent drop from 2.4 million tons in 2021.

FAO said the spread of fusarium wilt tropical race 4 disease as well as the high costs of inputs and fertilizers affected production of



Top exporter. The Philippines remains the second largest exporter of bananas as of 2022 but its production is almost flat last year due to pests and diseases affecting small farms. (PNA Photo)

small-scale banana farmers in the Philippines.

The disease more commonly known as Panama disease, is caused by the soil-borne fungus *Fusarium oxysporum* that enters the banana plant's roots and colonizes the xylem vessels, blocking the flow of water and nutrients which can cause the

wilting and death of the crop.

A report from the Philippine Statistics Authority showed the country produced 9.01 million metric tons (MT) of bananas, down by 0.9 percent from 2021's 9.09 million MT.

Banana varieties included in the statistics include bungulan, caven-

dish, lakatan, latundan and saba, among others.

Cavendish variety was the top banana variety for 2022 at 4.65 million MT or 51.6 percent of last year's total banana production, followed by saba with 2.52 million MT or 27.9 percent of local production. -Jed Macapagal



LIBRARY
DEPT. OF AGRICULTURE

DA smarting from P1.7-B 'Egay' damage

TUGUEGARAO CITY, Cagayan: The Department of Agriculture Regional Field Office 2 (DA-RFO2) will be "strategizing and pooling efforts" to rehabilitate areas damaged by Typhoon "Egay" in Region 2 (Cagayan Valley).

In a convergence meeting on Friday, Aug. 4, 2023, DA-RFO2 Executive Director and Officer in Charge Rose Mary Aquino said there is a need for a methodical strategy through the Masagana Industry Rice Development Program in the rehabilitation of damages, especially to rice.

The meeting was attended by officials from the National Food Authority (NFA) and National Irrigation Administration (NIA) and provincial agriculturists of the different provincial governments of Cagayan

Valley.

It was convened to act on the rehabilitation of rice areas damaged by "Egay," strategize to fast-track the Registry System for Basic Sectors in Agriculture cross-checking of irrigation associations members, propose strategies to implement the contract-growing of the NFA and maximize the irrigated rice ecosystem during the 2023-2024 dry season.

"We have to strategize and pool efforts together to have an efficient rehabilitation of the damages caused by Super Typhoon Egay, and to ensure the effectiveness of the interventions that we effect to the farmers," Aquino said, adding that there is a need to agree on the terms "so we can commit ourselves to the

fullest."

Engineer Monico Castro, DA-RFO2 Field Operations Division chief, said the typhoon damaged rice, corn, high-value crops, livestock and infrastructure in the region.

"The typhoon left P1.7 billion worth of estimated losses with rice at P426 million estimated damage, while corn suffered the most with P1.1 billion worth of estimated losses," Castro added.

Dr. Marvin Luis, DA-RFO2 assistant division chief and regional rice program coordinator, said farmers who opt to plant again this month should bank on NIA's supply of water for their plant.

Luis added that the farmers need to be certain for irrigation "so we can also position inputs like in-bred or hybrid rice,

fertilizers, inoculants and biocontrol agents."

Jaylord Yaquin Bagasin, alternate rice focal person and farm and fisheries clustering and consolidation program coordinator, said there is also a need to study the El Niño weather phenomenon.

"We need a thorough study of the negatively impacted rice areas in the region, water deficit areas like tail ends of irrigation systems, and to identify possible options to include crop diversification," Bagasin added.

He said there is also a need to identify and maximize rice production in areas with assured irrigation and promote commodity diversification to areas that are vulnerable to El Niño this year and in 2024.

LEANDER C. DOMINGO



LIBRARY
DEPT. OF AGRICULTURE

Palay production down slightly in April-June

LOCAL production of palay (unmilled rice) is estimated to reach 4.27 million metric tons (MT) from April to June 2023, lower than the previous estimate of 4.28 million MT, the Philippine Statistics Authority (PSA) said.

The previous estimate was issued in May this year.

The April to June production of 4.27 million MT is 1.6 percent higher than last year's actual estimate of 4.20 million MT.

As of June 1, 2023, about 840,510 hectares or 87.4 percent of the 961,140 hectares of farmlands planted to palay have been harvested with a recorded output of 3.76 million MT.

"Of the total area of 120,630 hectares of standing palay yet to be harvested, 96.9 percent were at the maturing stage, while 3.1 percent were at the reproductive stage," the PSA said.

Chief economist at Rizal Com-

mmercial Banking Corp. Michael Ricafort said that storm damage in Northern Luzon, especially in Cagayan Valley, Ilocos Region, Cordillera Region and Central Luzon, could lead to reduced palay output and an uptick in prices. Those areas are among the biggest producers of palay in the country.

"Higher world prices of rice, recently coming from two-year highs due to drought in some rice-producing countries, would somewhat encourage more planting and harvesting that help increase local supplies," he added.

On Wednesday, the Department of Agriculture said the country had enough rice supply despite the damage sustained by the agricultural sector from recent typhoons.

"It is enough for the next few months; we're also in the middle of planting season, and we're expecting harvest by August and September," said Agriculture Undersecretary Leo-

cadio Sebastian in a public briefing.

Agriculture Undersecretary Mercedita Sombilla said that the country had set the importation of 1.3 million MT of milled rice to add to the country's existing stocks.

PSA also gave an update on corn production for the same period, showing a decline to 1.48 million MT. This is 0.5 percent lower than the 1.49 million MT output in the same period of 2022.

"However, the updated corn production estimate as of June 1 based on standing crop was higher by 0.3 percent from the 1.47 million MT record as of April 1," PSA said.

Harvest area for corn during the period is estimated to have gone down by 2.6 percent year on year to 408,890 hectares from the 419,990 hectares of actual harvest area last year.

The yield per hectare of corn is forecasted to have inched up to 3.61 MT or higher by 2.3 percent

compared to the 3.53 MT actual yield a year earlier.

Some 323,920 hectares or 79.2 percent of the 408,890 hectares updated area of standing crop have been harvested with a production output of 1.25 million MT.

As of June 1, the total area yet to be harvested was recorded at 84,980 hectares.

"About 86.5 percent of standing corn were at the maturing stage, while 13.5 percent were at the reproductive stage," it said.

Ricafort attributed the corn production increase to better weather conditions during the dry season but warned of the potential effects of the El Niño in the coming months.

"Risk of El Niño drought in the country from the fourth quarter of 2023 to first quarter of 2024 could reduce rainfall, production of rice, corn and agricultural products, going forward," said Ricafort.

JANINE ALEXIS MIGUEL



LIBRARY
DEPT. OF AGRICULTURE

Agency ramping up banana sector efforts

THE Department of Agriculture-Bureau of Plant Industry (BPI) is ramping up its research activities for the local banana industry to maintain the country's position as the second biggest producer of the commodity in the world.

BPI Director Gerald Glenn Panganiban said that they are focusing on addressing the spread of the Banana Fusarium Wilt Tropical Race 4 (TR4) disease that affected the country's banana production.

"We've had that issue years back and I think our part in the Bureau of Plant Industry, we're really focusing on the best management because it doesn't matter how well we produce if we lose from pests and diseases," Panganiban told reporters at the sidelines of BPI and Nestle advocacy launch on Tuesday.

According to the banana market review of the Food and Agriculture Organization (FAO) of the United Nations, the Philippines maintained its position as the second largest exporter of bananas in the world. The Philippines exported 2.3 million metric tons (MT) of bananas last year, or a 4-percent drop from the 2.4 million MT shipped in 2021.

The Philippines also remains the main banana exporter in Asia, supplying 60 percent of the region's banana shipments on average in 2022.

However, the FAO said that high global transportation costs in the

first half of the year and TR4 posed additional obstacles to the growth of banana exports in Asia and the Philippines.

"Severe concerns about the spread of plant diseases, importantly the accelerated spread of the Banana Fusarium Wilt Tropical Race 4 disease in the Philippines and its alarming presence in Peru and Colombia, caused substantial additional economic strain," it said.

"The Philippines saw production was severely affected by the spread of TR4 in the country as well as the high costs of inputs and fertilizers," FAO added.

Panganiban said BPI is coordinating with the regional field offices to address the disease.

"For the surveillance and monitoring, we partnered with the Philippine Space Agency to initiate a project to identify the scope of damages," said Panganiban.

He added they also partnered with some international organizations and local academes to combat TR4. "We need the help from everyone."

The Philippines ranked second after Ecuador as the world's top exporter of bananas. The latter shipped about 5.8 million MT of bananas last year.

On the other hand, FAO noted that Filipino bananas dropped by 14 percent in 2022 "due to the continuing production difficulties experienced in the Philippines."

JANINE ALEXIS MIGUEL

Date: PUG 09, 2023 Page: 83



LIBRARY
DEPT. OF AGRICULTURE

Rice supply

One government official urged our local private rice traders to start importing more rice to improve our buffer against potential supply problems. Then, another said we have sufficient rice supply even with the typhoon damage, a less than expected production, and uncertainty in the international rice market.

Agriculture Usec Mercedita Sombilla said that the country's stock of rice is good to last for 39 days, which is less than the mandated stocks good for 60 days.

But a few days later, Agriculture Usec Leo Sebastian said the Philippines has enough rice supply due to the 5.7 million metric tons (MT) of palay (unhusked rice) harvested during the dry season and the additional 1.9 million MT of imported rice in stock.

Last year, the Philippines imported 3.79 million MT of rice, including 3.16 million MT sourced from Vietnam. Other shipments came from Myanmar, Pakistan, and Thailand.

Sen. Grace Poe pointed out that Vietnam, which supplies more than 90 percent of the Philippines' rice imports, already increased its price to \$600 per MT compared to the previous \$500 per MT.

Sen. Poe said Filipinos consume 118.81 kilograms or two sacks of rice each on average a year. According to Philippine Statistics Authority data, the Philippines is only 81.5 percent rice self-sufficient.

As of now, there is no rice crisis. But the stock of 39 days the **DA claims** is thin compared to the standard 60 to 90 days. So, there are good reasons for preemptive moves to avert a rice supply crisis. But the government's options are now limited.

Under the Rice Tariffication Law, the government cannot import rice. Only the private sector can. This was supposed to fix the problems caused when the government, through the National Food Authority, was importing for the country. RTL allows anyone to import rice at any time with no need for approval by higher government authorities.

But the private rice traders are reluctant to import now. It is understandable. According to the Food and Agriculture Organization (FAO), the world rice price index has jumped to near a 12 year high in July due to strong demand and India's ban on rice exports to stabilize their domestic price. India accounts for 40 percent of rice exports that are now out of the market.

Our rice traders do not want to be caught with high priced rice if the world rice price goes down as quickly as it has risen. Besides, our government may impose price controls preventing them from recovering their import cost. Perhaps, the government should temporarily suspend the 30 percent tariff on imported rice to give traders leeway.

In any case, our rice traders also prefer a market environment that is nervous about sufficient supply. This enables them to increase their profit margins. The rice traders, like our other food traders in onions, sugar, etc., operate like a cartel. They coordinate their moves, negating the much-desired operation of free market forces.

This nullifies the assumption of our free-market economists about market forces assuring us that the private rice traders will readily import when there is market need and keep prices stable. Economic assumptions can crumble when it gets in contact with people.

Dealing with a bunch of rice traders is not easy. It is time for the President to talk to the conglomerates with the facilities, trading ability, and financial muscle to import grains and other food products to start importing rice now to build up a decent stockpile. Given proper incentives, the conglomerates should be ready to help.

San Miguel has time and again made sounds that they are ready to import rice if the government requests them. They can import in bulk, not in sacks, which reduces handling costs. They have modern grain receiving and storage facilities with the right temperature and humidity controls that can store grains longer than NFA and most of the ordinary rice traders can.

There are other conglomerates that can help. RFM has long been importing wheat used to make flour and should be able to shift some of their facilities for rice. The SM Group and Universal Robina should be more than glad to pitch in if called upon by the President. It is not all public service because they can make money too on the rice trade.

The nice thing about dealing with the conglomerates is that they are visible. It is more difficult to control faceless rice traders operating out of dark bodegas in Divisoria. The conglomerates have more reasons to behave than the Divisoria rice traders.

So there... a solution to a potential problem if the government wants a solution.

The President must be decisive in containing any increase in rice prices, specially because food price inflation specifically for the bottom 30 percent of our population is still quite high. Overall July inflation easing to 4.7 percent and 6.8 percent for January to July will make Ben Diokno dance with joy, but for the bottom 30 percent of our population, it is still at a high of 5.2 percent for July and 7.6 percent for January to July.

Food inflation is still a problem. Inflation for sugar and vegetables is at 22 percent in July. Bread is at 10.7 percent and milk is at eight percent. The poor are badly affected because the bulk of their consumption (up to 80 percent) is spent on basic necessities, such as food, electricity, water, and transportation that are all above normal inflation rates.

As an economist friend puts it, when BBM said in his SONA *bumaba ang presyo ng pagkain*, he mistook slowing down in inflation with a significant decline in prices. *Bumagal lang ang pagtaas ng presyo pero mataas pa rin.*

No wonder the national Social Weather Survey of June 28 to July 1, 2023, found that 10.4 percent of Filipino families experienced involuntary hunger – being hungry and not having anything to eat – at least once in the past three months. The June 2023 hunger figure was higher than the 9.8 percent in March 2023.

The President must make a decisive move to assure our rice supply. He must bring down food inflation because too many of our people are already going hungry.

Boo Chanco's email address is bchanco@gmail.com. Follow him on X (twitter) @boochanco

DEMAND AND SUPPLY



BOO CHANCO

Date: Aug. 07, 2023 Page: 123



LIBRARY
DEPT. OF AGRICULTURE

Rice prices seen to go up by P4/kilo

By **BELLA CARIASO**

The retail price of rice will have a P4 per kilo increase until the mid-September palay harvest as the price of palay continues to rise, according to farmers' group Philippine Chamber of Agriculture and Food Inc. (PCAFI).

"We expect that the

retail prices of rice will go down once the harvest starts," PCAFI president Danilo Fausto said in a radio interview over the weekend.

The harvest will start in Central Luzon by the second week of September, he noted.

The upward trend in the retail price of

Turn to Page 3

Rice From Page 1

grains can be attributed to the high cost of imported rice, particularly in Vietnam, which supplies 90 percent of the Philippines' rice imports, according to Fausto.

"Based on our feedback from rice importers, Vietnam does not honor the previous contracts even (though) traders already gave a down-payment. Based on the data, imported rice from Vietnam is now at \$540 per metric ton or about P30 to P32 per kilo. Early part of the year, it was only pegged between \$420 and \$440 per metric ton or about P23 to P24 per kilo landed cost," he said.

Vietnam is taking advantage of India's recent announcement banning the exportation of non-basmati white rice, he noted.

"When you look at the retail prices of imported rice compared to local rice in the market, imported rice is higher. With the expected shortage of rice in the world, Vietnam is taking advantage of the situation," Fausto said.

Meanwhile, current rice buffer stocks can cover 30 to 45 days but the country would need 1.5 million to 1.7 million metric tons of rice to have sufficient supply for 45 to 60 days, Fausto added.

"As of now, the farmers do not have palay stocks and the supply is in the hands of the commercial traders," he said.

"President (Marcos) can intervene through the government-to-government transaction to be able to get (enough) supply," he noted.

Marcos can directly negotiate with Vietnam and Thailand for the importation of rice, he added.

The Department of Agriculture (DA) should also assist in improving the rice yield of farmers from other regions and not just Central Luzon and Cagayan Valley farmers, according to Fausto.

"The average yield per hectare is 80 to 100 cavans of rice per hectare. The country's rice-producing regions include Central Luzon, Cagayan Valley, Ilocos region, Western Visayas, Soccsksargen and BARMM. More lands were planted with palay in Western Visayas but the average yield was only 65 cavans. In Nueva Ecija, the average yield ranges between 120 and 150 cavans," he said.

"There is a big difference as the government's assistance in terms of technology, high yielding crops is focused in Central Luzon and Cagayan Valley. The DA should also look into the needs of other regions," he added.

- With Catherine Talavera

Date: Aug. 07, 2023 Page: A9



LIBRARY
DEPT. OF AGRICULTURE

Rice prices in Soccsksargen rise as supply dwindles

With cheap varieties sold by NFA hard to come by, consumers have no choice but to buy expensive commercial grains, says retailers group

By Williamor A. Magbanua
@InqNational

KIDAPAWAN CITY—Dwindling supply has pushed prices of both local and imported rice up by as much as P55 per kilo in the last two weeks and was projected to rise further in the coming days, grain retailers in Soccsksargen warned on Sunday.

Carmelito Bacus, president of the Grain Retailers Association Confederation in Soccsksargen, said they were only getting limited supply of rice during the lean season, causing prices to increase at an average of P5 per kilo in the last week of July and the first week of August.

While traders expected the mid-October harvest season in the region to boost local supply, rice prices would not likely go down because of existing rice export restrictions from India that has been keeping up the rice prices coming from Vietnam, a major source of rice imported to the Philippines, said Bacus.

Soccsksargen, formerly the Central Mindanao region, is composed of the rice-producing provinces of South Cotabato, Cotabato, Sarangani, Sultan Kudarat and the cities of General Santos, Kidapawan and Koronadal.

As of Saturday, the rice sold at the Kidapawan Mega Market ranged from P44 per kilo (local variety) to P55 per kilo (imported grain), depending on its variety and country of origin.



NEW TAGS Rice dealers in a market in Kidapawan City put new price tags on their stocks in this photo taken on Aug. 5. Prices of both local and imported rice in Kidapawan have risen by as much as P5 per kilo, according to the grains retailer association in Soccsksargen region. —WILLIAMOR A. MAGBANUA

This was an increase from the prices in June when the cheapest local rice varieties only cost P39 per kilo while the imported kind ranged from P45 to P47 a kilo.

"Now, the cheapest local rice already costs P2,200 per [50-kilogram] sack, while the imported ones cost at least P2,500 per sack," Bacus said.

Cash flow affected

Most of the local grains sold in the city's central district came from the farming town of Mlang in Cotabato province and from Bukidnon province, while the stocks of imported rice mainly came from Davao City.

Bacus said the high prices of rice also affected their daily cash flow as most of their buyers already preferred buying in small volume instead of in bulk.

Lately, retailers were only selling an average of 15 sacks a day for both local and imported rice, which was lower than the 25 to 30 sacks a day they were selling in the first quarter of the year, when the market was still flooded with rice from Vietnam and Thailand, he said.

No NFA rice available

"The successive increases in prices prompted consumers to buy in kilograms instead of in sacks," Bacus said.

Since the cheap rice sold by the National Food Authority (NFA) could no longer be found in any public market in the region except in Kadiwa stores of the Department of Agriculture, it also meant that the poor had been forced to buy expensive rice in the market, Bacus said.

This developed as more than 30,000 individuals had already benefited from the cheap rice sold at P20 per kilo by the city government of Kidapawan since March this year.

Under the program, the city government earmarked P11 million this year as assistance to accredited farmers, allowing the city to buy palay at prevailing NFA prices, mill the grain and sell it to residents at P20 per kilo.

While the cheap rice used to be available only on Saturdays at the Mercado Kidapaweno, Mayor Jose Paolo Evangelista said the local government would directly bring the cheap price to the targeted 300 poorest households in the city.

He said the local government would rely on barangay nutrition scholars and village officials to identify the poor families who could buy the cheap rice from the local government.

"We will continue our advocacy as we pour more funds for our buyback program to encourage more farmers to sell their produce to the city government," Evangelista said. INQ



LIBRARY
DEPT. OF AGRICULTURE

Farm output may have expanded in 2nd quarter

THE PHILIPPINES' overall agricultural output likely saw an improvement in the second quarter due to favorable weather conditions and low base effects.

"I would think there was some improvement this year due to better (sunnier) weather in the second quarter," Raul Q. Montemayor, national manager of Federation of Free Farmers, said in a Facebook Messenger chat.

He noted that agricultural output is coming from a "low base" as it shrank by 0.6% in the second quarter of 2022.

In the first quarter, the value of production in the agriculture and fisheries sector expanded by 2.1%. Agriculture contributes about a 10th of the country's gross domestic product (GDP) and a fourth of jobs.

The Philippine Statistics Authority (PSA) is set to release second-quarter farm output data on Aug. 9, a day before the GDP data.

The Department of Agriculture set a 2.3%-2.5% agricultural output growth target for this year.

"The (gross value added) in real terms has been declining constantly since 2018. If ever there is an improvement this year, we would still end up lower in real terms compared with 2018," he said.

In 2022, the gross value added (GVA) of the agriculture, forestry and fishing sector stood at P1.78 trillion or 8.9% of the GDP — the lowest contribution over the last five years. In 2018, agriculture accounted for 9.7% of GDP.

"Declining GVA in real terms (constant 2018 prices) means a decline in output. The hog and poultry sectors are still recovering from the (African swine fe-

ver), so any recovery will come up as an increase in output (compared with low base levels)," Mr. Montemayor said.

He noted that crops and fisheries output is also declining or stagnating.

"It may be due to the continuous entry of imports which depress farmgate prices and discourage farmers/fishers from expanding their production. Or the support being given is not enough, or the wrong one, or is not properly delivered," Mr. Montemayor said.

Elias Jose M. Inciong, president of the United Broiler Raisers Association, said production volume may have been higher in the second quarter.

"There might be a decline in terms of value as farmgate prices were unusually low for a second quarter," he said in a Viber message.

He noted that in April, the farmgate price of chicken on a liveweight basis reached P89 per kilogram which is below the production cost.

Alfred Ng, vice-president of the National Federation of Hog Farmers, Inc., said there was higher production in the second quarter amid hog repopulation efforts in areas which were stricken by the African swine fever.

Mr. Ng said there is currently a surplus in pork supply as reflected by the decline in liveweight prices.

"From P200 per kilogram during the first quarter, it had gone down to P150 backyard and P160-P170 commercial which some farmers claim they are losing money as feeds remain high and gas prices are up again," he said.

Farm output, SI/3

Farm output, from SI/1

Asis G. Perez, former director of the Bureau of Fisheries and Aquatic Resources and co-convenor of advocacy group Tugon Kabuhayan, said fisheries production likely saw improved numbers since there were no weather disturbances except for one typhoon in the second quarter.

"I anticipate good numbers since we noticed the price of fish has gone down, which is an indication that there is a lot of supply," he said in mixed Filipino and English via Viber message.

Mr. Perez noted demand for fish appeared lower in the second quarter, which may have dampened prices. This month, he said fish prices have gone up again.

Meanwhile, Ateneo de Manila University economics professor Leonardo A. Lanzona said agricultural output may have declined in the second quarter due to unusually heavy rains in May and June.

"It is difficult to predict agricultural production in the second quarter. It may take a rocket scientist to accurately forecast the performance of the agricultural given its vulnerability to climate change changes," he said in an e-mail.

Mr. Lanzona noted that the El Niño weather pattern does not bode well for agricultural production for the rest of the year.

In July, the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) declared the onset of El



PHILIPPINE STAR/ EDD GUMBAN

A FARMER prepares to plant rice in Mallipot, Albay province, June 16.

Niño. PAGASA earlier projected a high probability of more than 56% chance of moderate to strong occurrence of El Niño in the last quarter of the year.

"A much bigger issue is the lack of government action to counter the impact of climate change," Mr. Lanzona said, adding the government should push for crop diversification.

"This is obviously a challenging task. However, when the disaster does come — a flood, another pandemic, or even some terrible geopolitical conflict — then the investment in resilience will pay off," he said. — **Sheldeen Joy Talavera**



LIBRARY
DEPT. OF AGRICULTURE

Date: AUG. 07, 2023 Page: A1 & A2

PHL 'MAY OVERSHOOT' INFLATION TARGET: BSP

By CAI U. ORDINARIO [@caiordinario](#)

GIVEN recent developments, the Bangko Sentral ng Pilipinas (BSP) said the country may overshoot the inflation target this year.

Nonetheless, with various measures to address supply chain issues, the country may still be able to "stick the landing" when it comes to the government's inflation targets, according to BSP Governor Eli Remolona Jr.

The Development Budget Coordination Committee (DBCC) set an inflation target of 2.5 to 4.5 percent this year and 2 to 4 percent next year until 2028.

"We want to stick the landing, as they say in gymnastics," Remolona said. "We wanna get to the target range without overshooting it too much. I think we will overshoot a little bit *pero hindi kami madadapa* [but we won't fall down]. From getting to the target range, I think we can settle comfortably within the 2-4 percent target range."

SEE "PHL," A2

PHL...CONTINUED FROM A1



LIBRARY
DEPT. OF AGRICULTURE

In terms of its impact on monetary policy rates, Remolona said, there are limits in terms of how much more interest rates can rise.

Remolona said the country is "nearing our full capacity" in terms of interest rates. This means, if the Monetary Board will raise interest rates on August 17, it cannot be too high.

"I think we're very close to our full capacity at this point so that means, if we're going to hike, we have to be very careful not to hike too much; *siguro konti lang siguro muna* [maybe just a little] but if we're gonna cut, there's room to cut. So wait until August 17," Remolona said.

In terms of resorting to a pause, Remolona said, this will only happen if the data that Monetary Board receives is conflicting or inconsistent with each other.

"Usually, the pause is because we wanna reassess and if the data that comes are not quite consistent with each other, and we are scratching our heads [thinking, 'what really happened?'] then the thing to do is pause. We don't wanna raise just because we feel like raising, we wanna know why we're raising. Isn't that the way it should be," Remolona said.

The BSP Governor added that the Monetary Board will take into consideration the forward guidance of the United States Federal Reserve as well as the BSP when making its decision.

This is because interest rate hikes, particularly of the US Federal Reserve, do not only impact the country's economic growth and investment potential but also its foreign exchange rates.

"They hiked by only 25 basis points. That means what people usually look at is the differential between the target Fed funds rate and our own RRP [Reverse Repurchase] policy rate," Remolona said.

"That differential has narrowed by 25 basis points, so normally that weakens the peso. But actually what market participants do is look forward to what will happen in the next few meetings; and looking at the next few meetings it doesn't look like the differential will narrow further, that is why the peso remains stable despite the hike by the FOMC [Federal Open Market Committee]," he added.

Remolona said the peso moves according to the forward guidance by the BSP, not just at the differential itself or "what happens in the differential over the next few meetings."

He said the differential right now is between 75 and 100 basis points. But, Remolona said, the

more important thing is to know what happens in the six months to one-year period.

"What we observed, it's not just the differential that matters, it's also the forward guidance by the Fed, forward guidance by the BSP about the likelihood of future moves," Remolona said.

"So we found when we were kinda hawkish in our forward guidance the peso actually—even with the differential narrowing—the peso actually got stronger," he added.

Rice as driver

RICE may again be the cause of higher inflation in the coming months as Philippine Statistics Authority (PSA) data showed that prices returned to levels that were seen prior to the implementation of a law that sought to bring down the price of the staple.

On Friday, the PSA reported that inflation averaged 4.7 percent in July 2023 and was the lowest in 16 months. **(Full story here: <https://BUSINESSMIRROR.com.ph/2023/08/04/commodity-prices-hit-16-month-low-in-july-psa/>).**

PSA data showed, however, rice inflation averaged 4.2 percent in July 2023, the highest since February 2019 when the increase in the commodity's prices was at 4.5 percent. The Rice Trade Liberalization (RTL) Act was implemented in March 2019.

National Statistician Claire Dennis S. Mapa said rice prices this year gradually increased starting in February when inflation for the staple posted a 2.2-percent increase; March, 2.6 percent; April, 2.9 percent; May, 3.4 percent; and June, 3.6 percent before reaching 4.2 percent in July.

Mapa said that in July, similar to June, the PSA also recorded increases in the price of all rice varieties that they monitor—regular milled, well-milled, and special rice.

Based on data, Mapa said regular milled rice prices averaged P41.50 per kilo, higher than the P41.20 per kilo in June and P39.60 per kilo in July 2022.

For well-milled rice, Mapa said the average price was at P45.50 per kilo in July, higher than the P45.20 in June and P43.90 in July 2022.

Special rice, Mapa added, averaged P54.60 per kilo in July, higher than the P54.40 posted in June and P53.10 in July 2022.

Data obtained from PSA also showed that average regular milled rice prices started climbing in March 2022 at P38.97 per kilo, while special rice, the most expensive rice variety, started increasing from P52.96 per kilo in June 2022.

Date: Pub. 07, 2023 Page: AS



LIBRARY
DEPT. OF AGRICULTURE

'Smuggled cigarettes pose health risks, impede govt efforts to cut diseases'

SMUGGLED often pose health and safety risks and impede the government's efforts to reduce smoking prevalence and tobacco-related diseases, according to Senator Cynthia Villar.

The chairman of the Senate Committee on Agriculture, Food and Agrarian Reform made this pronouncement in her speech during the recent International Tobacco Agriculture Summit.

"It is my advocacy to support our farmers as they are the backbone of the Philippine agriculture sector and smuggling undermines the livelihood of these farmers by saturating the market with cheap, adulterated and untaxed products," she said.

The senator added that this illicit competition leads to reduced prices and demand for locally grown tobacco, resulting in income loss of the farmers.

"This is the reason why as the Chairperson of the Senate Committee on Agriculture and Food, this 19th Congress, I filed bills in response to the issues of smuggling."

It is the policy of the state to promote the productivity of the agriculture sector and protect the farmers from unscrupulous traders and importers.

"Moreover, it also sees to it that consumers access agricultural products at affordable and reasonable prices, by preventing large scale abuses in the market such as hoarding, cartel and profiteering."

In 2016, the government passed the Anti-Agricultural Smuggling Act. Unfortunately, she said not a single smuggler has been imprisoned since then.

The senator also noted that last Christmas, the prices of onions

soared to P750 per kilo making Philippine onions the most expensive in the world.

"These onions were bought at P8 to P15 per kilo from farmers and were stored at cold storage by borders to create artificial shortage for the prices to go up to the detriment of the buying public," Villar said.

"Thus, we are amending the law which shall be known as the 'Anti-Agricultural Economic Sabotage Act of 2023' this will include the acts of hoarding, profiteering and cartel of agricultural products as economic sabotage."

Tobacco will be included in the agricultural products covered by this proposed measure.

"We also filed a bill establishing Anti-Agricultural Smuggling Courts to try cases involving smuggling, hoarding, profiteering and cartel of agricultural products to ensure that individuals and organizations involved in these activities are held accountable for their actions," Villar said.

The lawmaker is hoping to immediately pass these measures to apprehend the smugglers and effectively combat the illicit trade of agricultural products, including tobacco.

She noted that the tobacco industry plays a vital role in the economy, as the Philippines is one of the world's largest tobacco producers.

The industry also offers income opportunities across various sectors, including farming, factories, marketing and retail.

Despite the pandemic, the industry's significance to rural economies is highlighted by a 47.8-percent increase in the area planted for tobacco between 2019 and 2022. *Raadee S. Sausa*



Damage to agri, infra from 'Egay' reaches P6.6B

BY VICTOR REYES

COST of damage to infrastructure and agriculture due to super typhoon "Egay" has reached P6.57 billion, according to the National Disaster Risk Reduction and Management Council.

The figure is around P812 million away from matching the country's sixth most destructive tropical typhoon, severe tropical storm "Maring," in the last five years.

Maring wreaked havoc in 2021, causing P7.38 billion in damage to infrastructure (P4.06 billion) and agriculture (P3.32 billion).

The NDRRMC said Egay, which hit the country late last month, has so far left P3.63 billion in damage to infrastructure in eight regions -- Ilocos, Cagayan Valley, Calabarzon,

Mimaropa, Bicol, Western Visayas, Eastern Visayas and Cordillera Administrative Region (CAR).

It said Egay also caused P2.94 billion in damage to agriculture in Ilocos, Cagayan Valley, Central Luzon, Calabarzon, Mimaropa, Western Visayas and CAR.

CAR registered the highest damage to infrastructure at P2.26 billion while Cagayan Valley incurred most of the agricultural damage at P1.75 billion.

Egay has also "partially" and "totally" damaged 60,991 houses in 13 regions, 20,148 of which are in Ilocos, 19,020 in CAR, and 17,477 in Cagayan Valley.

Egay's death toll is 29, with 11 missing and 165 injured.

Fourteen of the fatalities are in CAR, eight in Ilocos, four in Calabarzon, two in Western Visayas and one in Davao.

The number of affected population is at 806,836 families or 3,032,077 individuals. They are from in 4,833 barangays in 14 regions -- Ilocos, Cagayan Valley, Central Luzon, Calabarzon, Mimaropa, Bicol, Western Visayas, Eastern Visayas, Northern Mindanao, Davao, Soccsksargen, Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), CAR and National Capital Region (NCR).

Of the number, 13,779 families or 51,593 individuals are still housed at 648 evacuation centers as of yesterday. It said 57,985 families or 233,609 individuals are staying with their relatives or friends.

The NDRRMC said P269.44 million in assistance, mostly food packs, have been already provided to those affected, specifically in Ilocos, Cagayan Valley, Central Luzon, Calabarzon, Mimaropa, Bicol, Western Visayas, Davao, BARMM, CAR and NCR.

Eleven provinces and 19 cities and municipalities have declared a state of calamity.

The Department of Social Welfare and Development (DSWD) said about P410 million worth of food and non-food relief items have been distributed to families affected by typhoons Egay and the succeeding storm "Falcon."

President Marcos Jr., in a Vlog released on Saturday night, assured the affected communities that the national government will not stop assisting them until they are able to get back on their feet. — *With Jocelyn Montemayor*



Tariff cut extension under review

THE government is conducting a comprehensive review on the possibility of further extending the validity of reduced tariff rates on specific agricultural products.

Finance Secretary Benjamin Diokno said in a press briefing at the Department of Finance (DOF) office in Manila last Friday that the government is reviewing the possible extension.

"We have a meeting next month, we'll wait in September... if we have to extend, across all commodities (covered)," Diokno said.

Zeno Ronald Abenoja, DOF undersecretary, said the Inter-agency Committee on Inflation and Market Outlook (IAC-IMO) has begun reviewing all these items.

"Given the recent developments, typhoon and also external developments, the review is ongoing. That really covers not only the four agricultural commodities under Executive Order (EO) 10, but also the other drivers of inflation that we've been seeing in the past few months," Abenoja said.

"The extension will cover just four, but the IAC-IMO as you



Pork cuts are displayed at a stall in Commonwealth Market in Quezon City on March 28, 2023. The temporary reduction in the tariff on pork serves to augment supply and ease prices. (File Photo)

know reviews both food and non-food sources of inflation, so a comprehensive review is actually ongoing including those that are

included in the EO 10," he added. The President previously approved the extension of EO 171 on reduced import duty rates

through EO 10, which was issued on December 29, 2022.

See **TARIFF** > Page A2

TARIFF

EO 171 reduced the most favored nation (MFN) tariff rates for key commodities such as meat of swine (fresh, chilled or frozen), maize (corn), rice and coal until December 31, 2022.

The enactment of EO 10 extends the reduced MFN tariff rates of meat of swine (fresh, chilled or frozen), maize (corn) and rice until December 31, 2023, and coal beyond 2023, provided that there will be a semestral review of the reduced tariff

rates after the aforementioned period.

The decision to extend the validity of the reduced MFN tariff rates aims to protect consumers by keeping prices affordable to ensure food security, augmenting the local supply of basic agricultural commodities, reducing the cost of electricity and diversifying the country's market sources.

Under EO 10, duty on pork are at 15 percent for in quota and 25

percent for out quota shipments until the end of the year.

EO 10 also maintained tariffs of in quota and out quota rice to 35 percent and placed corn tariff to 5 percent for in quota and to 15 percent for out quota until Dec. 31, 2023.

The policy also maintained the zero tariff on coal beyond the end of the year but will be subject to a semestral review after the said period.

Under EO 10, duty on pork are

at 15 percent for in quota and 25 percent for out quota shipments until the end of the year.

EO 10 also maintained tariffs of in quota and out quota rice to 35 percent and placed corn tariff to 5 percent for in quota and to 15 percent for out quota until Dec. 31, 2023.

The policy also maintained the zero tariff on coal beyond the end of the year but will be subject to a semestral review after the said period.



Extension of lower agri tariffs up for review

By LOUISE MAUREEN SIMEON

The government is reviewing the possible extension of lower tariff rates on major agricultural commodities to ensure that inflation will continue its downward trend and return within target as scheduled.

In a briefing, Finance Secretary Benjamin Diokno said the economic team is assessing the extension of lower tariffs on meat, rice, corn and coal to keep prices of goods affordable.

"We are reviewing the possible extension. We will have another meeting next month to see if we have to extend across

all commodities covered," Diokno said.

President Marcos, through Executive Order 10, subjected fresh, chilled or frozen swine meat, maize, rice, and coal to the most favored nation rates for 2023 after inflation spiked last year.

The measure, however, will expire by year-end.

Finance Undersecretary Zeno Abenoja noted that the Interagency Committee on Inflation and Market Outlook (IAC-IMO) is already reviewing the covered items given the recent typhoons, the threat of El Niño, as well as external developments globally.

These include the export ban of India on its grains that is starting to drive up prices in major producing countries such as Vietnam, from where the Philippines sources about 90 percent of its imports.

"The possible extension will cover just the four (commodities), but the IAC-IMO reviews both food and non-food sources of inflation," Abenoja said.

"A comprehensive review is actively ongoing, including those that are included in EO 10," he said.

The EO reduced rates of duty on fresh, chilled, or frozen swine meat up to 25 percent, corn at 15 percent,

rice at 35 percent, and coal at zero.

Inflation cooled to a 16th month low of 4.7 percent in July primarily due to slower food and non-food inflation.

Last week, HSBC Global Research warned that inflation could start picking up yet again next year, which means that the current slowdown would likely be temporary.

HSBC said inflation may rise once again by the second semester of 2024 as temporary tariff cuts on rice, coal, corn, and pork will expire, which could reintroduce another inflationary wave to the country.

"We estimate the maxi-

mum impact of these tariff adjustments to inflation to be as much as 1.4 percentage points," HSBC said.

"We expect headline inflation to be tangent to the BSP's upper-bound target range of four percent in the second half – a level that will likely complicate the BSP's timing of the rate cuts," it said.

As of now, Abenoja said the rice situation in the country seems to be manageable given that rice stock will be sufficient until year-end.

Nonetheless, the government continues to look at developments abroad, especially the spillover of the India rice ban that could affect rice prices from other exporters.



Cotabato farmers trained in VCO, coco water production

THIRTY FARMERS from Libungan, Cotabato Province have undergone training in virgin coconut oil (VCO) and coconut water production, provincial officials said.

The training was conducted by the Office of the Provincial Agriculturist (OPAg).

Provincial Advisory Council member Rosalie H. Cabaya said the training was designed to raise farmer incomes by preparing them to sell higher value-added products.

Governor Emmylou J. Taliño-Mendoza has said one of the goals is also to make Cotabato farmers practice sustainable agriculture.

Ms. Mendoza said the province is continuing to identify areas suitable for coconut plantations and to develop new technology for coconut manufacturing.

According to OPAg, Cotabato Province had 78,727 hectares deemed suitable for coconut plantations. — **Maya M. Padillo**



COTABATO PROVINCE



Upland rice farming touted as hunger prevention program

DAVAO CITY — Former Agriculture Secretary Emmanuel F. Piñol said upland rice farming on small plots could serve to mitigate hunger among farmers.

The “Kalahating Ektarya sa Bawat Pamilya (A half hectare for every family)” program (KEBP) will involve both hybrid and inbred rice, and is designed to address a possible downturn in production due to the prevailing El Niño.

“Ang focus nito ay may *makain ang pamilyang Pilipino* in the rural areas *kasi sila ang pinaka vulnerable* whenever the prices of commodity goes up (The focus is for rural families to have something available to eat because they are the most vulnerable whenever rice prices rise),” he said.

Mr. Piñol, who is also a former chairman of the Mindanao Development Authority, said the recommended hybrid seed variety is the Tatag TH82 (mestizo 51 NSIC 350H) alongside AMO Foliar Fertilizer and chicken manure slurry. The combination has a target yield of at least two metric tons per half hectare, ultimately yielding 1,200 kilos of milled rice or 24 50-kilo sacks of rice.

According to Mr. Piñol, other ways of cushioning the expected rice shortage include the repair and rehabilitation of irrigation systems, especially those used for communal irrigation, and maximum use of high-yielding hybrid and inbred seed to increase production, including the Inbred RC 222 variety.

He urged all companies in the hybrid rice seed industry to conduct an inventory of the seed supply.

He said upland areas benefit from high moisture and

regular rainfall even during El Niño events.

Mr. Piñol said the program will engage local government units to use their development and calamity funds to prepare for the impending rice crisis by aiding farm families in planting rice for their own consumption during the crisis and eventually as an eventual component of a broader food security strategy.

The KEBP initially targets North Cotabato’s upland rice areas in Arakan, Antipas, President Roxas, Magpet, Kidapawan, Makilala, Tulan, M’Lang, Matalam, Aleosan, Midsayap, Libungan, Pigcawayan, Alamada, and Banisilan, where upland rice farming had long been practiced.

“For every farm family in the highlands or in non-irrigated but water supply-accessible areas, seed good for half a hectare will be provided along with the needed inputs for land preparation, fertilization, and plant care,” Mr. Piñol said.

Mr. Piñol created the program in partnership with Seedworks Philippines, a company that is promoting TH82.

According to Remus Morandante, vice-president of Seedworks Philippines, with TH82 farmers can enjoy high yields despite the many biotic and abiotic stresses affecting rice farming.

TH82 has a proven tolerance to intermittent drought and is applicable for direct and dry seeding cultures.

Seedworks, a plant science company, is engaged in the research, production, and marketing of rice, cotton, millet, mustard, and vegetables that grow even in adverse weather and soil conditions. — **Maya M. Padillo**



Palay output growth estimated at 1.6% in three months to June

PRODUCTION of palay, or unmilled rice, in the second quarter was estimated to have risen 1.6% year on year during the second quarter, the Philippine Statistics Authority (PSA) said.

The PSA estimate for palay volume was 4.27 million metric tons (MT), higher than the actual output of 4.20 million MT a year earlier. The estimate was based on the standing crop as of June 1.

The new projection is 0.2% lower than the initial forecast of 4.28 million MT issued on April 1.

In the three months to June, the harvest area for the quarter is estimated to have increased by 0.8% year on year to 961.14 thousand hectares. If realized, yield per hectare will grow 0.7% to 4.44 MT.

"As of June 1, 2023, about 840.51 thousand hectares or 87.4% of the 961.14 thousand hectares updated harvest area of standing crop have been harvested with recorded palay output of 3.76 million metric tons," the PSA said.

Of the standing palay yet to be harvested, 96.9% were at the maturing stage, while 3.1% were at the reproductive stage.

The PSA also reported that corn production is estimated to have declined 0.5% to 1.48 million MT, based on the standing crop as of June 1.

The new estimate was 0.3% higher than the 1.47 million MT issued on April 1.

The PSA cut its harvest area estimate by 2.6% to 408.89 thousand hectares, while the assumed

yield per hectare is estimated to have risen by 2.3% to 3.61 MT.

"As of June 1, 2023, the updated area harvested for corn was 323.92 thousand hectares or 79.2% of the 408.89 thousand hectares updated area of standing crop with reported corn production of 1.25 million metric tons," the PSA said.

Of the standing crop, 86.5% were at the maturing stage, while 13.5% were at the reproductive stage. — **Sheldeen Joy Talavera**



Date: FUG. 07, 2023 Page: AS

Wheat pares weekly loss after attack briefly shut Russian port

WHEAT futures rose more than 4 percent, paring a weekly loss, after an attack forced a major Russian grain-shipping hub to temporarily close.

Traffic at the Novorossiysk port was halted for several hours on Friday after a Ukrainian drone attack on a naval vessel. The overnight assault was repelled without damage to port facilities, according to the Russian Defense Ministry.

Although the closure was short-lived, escalating war added to uncertainty over Black Sea trade flows in the midst of this year's harvests. Russia pulled out of a deal last month that had established a safe corridor for grain shipments from three Ukrainian ports.

Futures also got a bump from India's rare move to consider abolishing an import tax, which could see the world's second-largest

wheat producer bringing in more overseas supply. The last time the nation imported a significant amount of wheat was in the 2017-18 season.

Friday's gains are unlikely to prevent wheat from posting the first weekly loss in over a month. "Wheat prices have relinquished some of their gains this week as markets weighed the damaged Ukrainian grain supplies and the Russian surplus to satisfy the global demand," Jacqueline Holland, an analyst at Farm Futures, said in a phone interview.

Chicago futures climbed as much as 4.3 percent, before paring the advance. Paris wheat also rose to trade steady on the week.

Argentina beef

BEEF prices in Argentina are poised to soar over the coming months—fresh fuel for

inflation already galloping at 116 percent annually in a country that eats the most red meat in the world.

Argentine beef inflation has stayed in check this year as ranchers flooded cattle markets because of a brutal drought that frazzled pastures, providing ample supply to butcher shops.

Beef cuts sold in stores in the Buenos Aires metro area, home to nearly a third of Argentines, cost 72 percent more in June than a year earlier. While that may sound high, it pales in comparison to overall inflation, which is comfortably in triple-digit territory.

A recent decision to temporarily weaken the exchange rate for corn exports—designed to spur shipments abroad—has bumped up domestic feed costs. Prices paid for livestock have therefore swelled over the last couple of

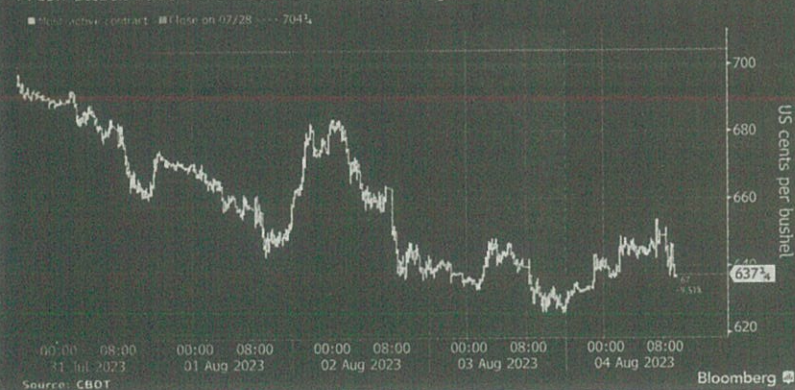
weeks and are trickling down to supermarkets and butchers.

What's more, as rains return to the Pampas farm belt—albeit slowly and unequally—ranchers are starting to take the opposite approach to drought times, keeping cows in replenished fields to rebuild herds. That will tighten supplies to meatpackers, pushing up both cattle and beef prices over the rest of the year.

"When the rains start falling normally, pastures will recover and farmers will withhold cattle," said Miguel Schiariti, head of beef industry group Cicra and a rancher himself.

Beef prices could rise 40 percent by October from June's levels, according to Cicra—though Schiariti said predicting the magnitude of the increase is tough after the corn measure and the faltering rains.

Wheat Futures Trim Weekly Loss
Fresh attack added Black Sea trade uncertainty



♦♦♦ The timing couldn't be worse for Economy Minister Sergio Massa, who is the ruling Peronist party's main presidential candidate, before a key primary election on August 13 and the main vote on October 22.

Argentine voters vie with their neighbors

in Uruguay as the biggest per capita consumers of red meat on the planet. Massa is already struggling to fight annual inflation. Food, clothing and home appliances have all driven the print, and fuel hikes at the pump show no sign of respite. *Bloomberg News*



Global food commodity prices up in July—FAO

GLOBAL food commodity prices rose in July, influenced by the termination of the Black Sea Grain Initiative and new trade restrictions on rice, the Food and Agriculture Organization of the United Nations (FAO) reported last Friday.

The FAO Food Price Index, which tracks monthly changes in the international prices of globally-traded food commodities, averaged 123.9 points in July, up 1.3 percent from the previous month while 11.8 percent below its July 2022 level.

The increase was driven by a sharp jump in the FAO Vegetable Oil Price Index, which rose 12.1 percent from June after seven months of consecutive declines. International sunflower oil prices rebounded by more than 15 percent in the month, due mostly to renewed uncertainties surrounding the exportable supplies after the Russian

Federation's decision to end implementation of the Black Sea Grain Initiative. World prices for palm, soy and rapeseed oils increased on concerns over output prospects in leading producing countries.

The FAO Cereal Price Index declined by 0.5 percent from June, driven by a 4.8 percent drop in international coarse grain quotations due to increased seasonal supplies of maize from ongoing harvests in Argentina and Brazil and potentially higher-than-anticipated production in the United States of America. However, international wheat prices rose by 1.6 percent, their first monthly increase in nine months, due to uncertainty over exports from Ukraine as well as continued dry conditions in North America.

The FAO All Rice Price Index increased by 2.8 percent on the month and 19.7 percent on the year to reach its highest nominal level

since September 2011, as India's 20 July prohibition of non-parboiled Indica exports fostered expectations of greater sales in other origins, amplifying upward pressure already exerted on prices by seasonally tighter supplies and Asian purchases.

This upward pressure of rice prices "raises substantial food security concerns for a large swathe of the world population, especially those that are most poor and who dedicate a larger share of their incomes to purchase food," FAO warned, adding that export restrictions can bear adverse consequences on production, consumption and prices that last beyond the duration of their implementation and risk exacerbating high food domestic inflation in many countries.

The FAO Sugar Price Index declined by 3.9 percent as good progress in Brazil's sugarcane harvest and improved rains across most

growing areas in India weighed on world quotations, as did subdued demand from Indonesia and China, the world's largest sugar importers. Persistent concerns over the potential impact of the El Niño phenomenon on sugarcane crops, along with higher international crude oil prices, mitigated the decline.

The FAO Dairy Price Index declined by 0.4 percent in July to stand 20.6 percent below its July 2022 value. World cheese prices recovered slightly after steep recent declines as hot weather affected seasonally declining milk supplies in Europe.

The FAO Meat Price Index declined 0.3 percent from June.

Quotations for bovine, ovine and poultry meat declined on solid supply availabilities and in some cases lower demand from leading importers. Pig meat prices, by contrast, rose, reflecting high seasonal demand coupled with ongoing tight supplies from Western Europe and the United States.

Malaya Business Insight

Date: Aug. 07, 2023 Page: A4



LIBRARY
DEPT. OF AGRICULTURE

Wheat, corn firm

CHICAGO- Chicago wheat climbed on Friday after a Ukrainian drone attack near a Russian Black-Sea export hub, rekindling global supply fears while India raised demand expectations as it considers scrapping wheat tariffs.

Soybeans climbed on stronger crude and vegetable oil markets, also on alert following the Black Sea disruptions.

Corn followed wheat higher.

Chicago Board of Trade most active wheat gained 6 cents to \$6.33 per bushel, after climbing to \$6.53-3/4 overnight. Wheat futures ended the week down 9.83 percent lower, its biggest weekly loss since the week ended June 30.

CBOT corn firmed 3-3/4 cents to end at \$4.97-1/4 per bushel. For

the week, the contract fell 6.18 percent.

Soybeans added 8 cents to end at \$13.33-1/4 a bushel, but ended the week down 3.73 percent.

Ukrainian sea drones attacked a Russian navy base near the port of Novorossiysk, a major terminal for Russian grain and oil exports. The port temporarily halted all ship movement before resuming normal operations.

"There was some destruction, but the port is still working," said Tom Fritz, commodity broker at EFG Group. "Markets get emotional, we get these middle of the night spikes, but as long as these ports continue to work, what's the point of sustaining the rally?"

- Reuters



Vietnam minister says higher rice prices offer opportunities to boost exports

HANOI- Vietnam's trade minister said a surge in global rice prices offered an opportunity to increase exports, but stressed the need to ensure domestic food security.

Prices of Vietnam's 5 percent broken rice hit a 15-year high of \$590-\$600 per metric ton on Friday, up from \$550-\$575 a week ago, traders said, after India on July 20 ordered a halt to its largest export category to calm domestic prices.

"This is an opportunity for us to boost rice production and exports," Minister of Industry and Trade Nguyen Hong Dien said at a conference, according to a statement on the ministry's website.

Vietnam, the world's third largest rice exporter after India and

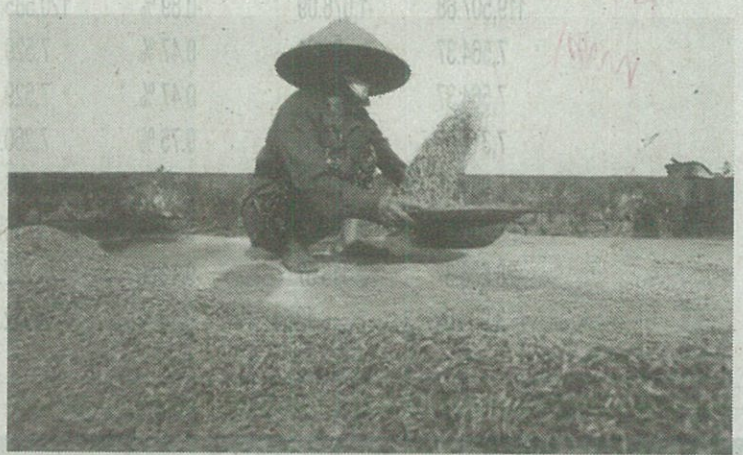
Thailand, is expected to export 7.8 million metric tons of rice this year, up from 7.1 million tons last year, an agriculture minister official said on Tuesday.

Its rice paddy output is expected to rise to 43 million tons from 42.7 million tons, the official added.

Dien on Friday also called on the country's rice exporters to honour export contracts signed before the recent price surge to maintain demand, and seek to sign new contracts based on the "current market conditions".

"We need to stick to the signed contracts to protect our reputation," Dien said.

Two trade sources said earlier this week that some rice export-



A farmer harvesting rice by a paddy field outside Hanoi. (Reuters Photo)

ers in Thailand and Vietnam were re-negotiating prices on sales contracts for around half a million

metric tons for August shipment as India's ban tightens global supplies. - **Reuters**

Raw sugar futures hit 2-1/2-week lows

LONDON — Raw sugar futures on ICE hit 2-1/2-week lows on Friday, posting a second straight weekly loss as the market continues to consolidate at current, still historically high levels. Arabica coffee gained the most in the week among softs.

SUGAR: October raw sugar settled down 0.33 cent or 1.4% at 23.69 cents per pound (lb), having hit its lowest since mid-July at 23.57. The contract lost 1% in the week, after losing 4.4% last week.

Dealers noted limited news about supplies, adding that sugar is trying to consolidate at around 24 cents and that relatively high white sugar prices should encourage refiners to buy more raw for processing.

They said there was some selling by Brazilian mills following

the nearly 3% fall on the country's currency against the dollar as the Brazilian central bank cut interest rates.

The United Nations Food and Agriculture Organization said its sugar price index shed nearly 4% in July, marking a second straight monthly drop on favorable supply prospects in Brazil and India.

October white sugar fell \$12.80 or 1.8% at \$686.20 per metric ton.

COCOA: December London cocoa rose £6 or 0.2% to £2,680 per ton, still some way off a 46-year high hit on Wednesday. It was flat for the week.

December New York cocoa rose \$10 or 0.3% to \$3,498 a ton, having clocked its highest level since 2011 last week.

Dealers said funds are poised to roll their long positions from

September cocoa to December, boosting the latter's prices.

Cocoa remains supported at historically high levels by fears the current long-standing market deficit has further to run.

COFFEE: September arabica coffee settled down 3.4 cents or 2.1% at \$1.6135 per lb, having hit a one-month peak on Wednesday. It gained 2.18% in the week.

Data and research firm BMI, a unit of Fitch Solutions, said it continues to expect arabica futures to trade at an average of \$1.80 per lb through the year, but has increased its 2024 forecast to \$1.70.

The revision is in response to lowered output expectations, especially from top producer Brazil.

September robusta coffee dropped \$33 or 1.2% at \$2,612 a ton. — **Reuters**



LIBRARY
DEPT. OF AGRICULTURE

Date: August 7, 2023 Page: 52/5



LIBRARY
DEPT. OF AGRICULTURE

World rice price index jumps to near 12-year high in July, says FAO

MUMBAI — The United Nations food agency's rice price index rose 2.8% in July from a month ago to their highest level in nearly 12 years as prices in key exporting countries jumped on strong demand and India's move to curb the exports, the agency said on Friday.

The Food and Agriculture Organization's (FAO) All Rice Price Index, which tracks prices in key exporting countries, averaged 129.7 points in July against 126.2 points for the previous month, the agency said.

The July score was almost 20% higher than the last year's 108.4 points and the highest since September 2011, it said.

The agency's overall world food price index also rose in July, rebounding from two-year lows.

India, which accounts for 40% of world rice exports, last month ordered a halt to its largest rice export category to calm domestic prices, which climbed to multi-year highs in recent weeks as erratic weather threatens production. — **Reuters**



Mexico says US refuses to cooperate on GM corn studies

MEXICO CITY — The US has denied a request by Mexico to jointly conduct scientific research on the health impact of genetically modified (GM) corn, a Mexican government official said, a sign the two sides could be inching closer to a formal trade dispute.

Mexico has repeatedly called on the US to work together on scientific studies amid a conflict over the Latin American country's plans to limit the use of GM

corn. Mexico buys about \$5 billion worth of corn from its trade partner annually, most of which is GM yellow corn used for livestock feed.

The US, however, denied this request and made it clear it will not participate in new scientific studies with Mexico, Mexican Deputy Agriculture Minister Victor Suarez said in an interview with Reuters.

The two countries discussed Mexico's request, including during a visit by US Agriculture Sec-

retary Tom Vilsack, but the US will not oblige, Mr. Suarez said.

"They did not want to establish a period in which the two parties agree to carry out impact studies on animal health and human health," Mr. Suarez.

"Their science is the Word of God. That is not science, that is ideology," he added.

When asked to comment on what Mr. Suarez said, the US Department of Agriculture referred

Reuters to previous remarks by Mr. Vilsack stating that the US "fundamentally disagrees" with Mexico's position on biotechnology.

Mexico wants to ban GM corn for human consumption in the food staple tortilla, which is mostly made of white corn, and eventually replace GM yellow corn used for livestock feed, arguing that biotech corn harms native varieties and may have adverse health effects. — **Reuters**