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DA execs: P20/kilo rice not achievable in 2 years

By **SHEILA CRISOSTOMO**
and **DANESSA RIVERA**

Officials of the **Department of Agriculture (DA)** admitted yesterday that the campaign promise of **President Marcos** to bring down the price of rice to P20 per kilo is unlikely to see fulfillment in the next two years.

"Next two years? *Baka mahirap po* (I think it will be difficult)," DA Undersecretary for policy, planning and regulations Mercedita Sombilla said in response to questioning from Kabataan party-list Rep. Raoul Manuel during yesterday's hearing of the House committee on appropriations on the DA's proposed budget of P167.5 billion in 2024.

Marcos, concurrently DA chief, did not attend the hearing.

For his part, Albay Rep. Edcel Lagman asked the officials about the President's assurance of rice security in the country by 2030.

"At what amount will the price of rice stabilize, because according to the President, it will stabilize. So at what amount?" he said.

DA Senior Undersecretary Domingo Panganiban responded they have "not figured that out" but underscored that "in all probabilities, it

is possible" to achieve.

"We are looking at solutions to the problems but not at this point in time," he added.

Panganiban conceded there were "instances in the past that have happened" and they "affected the achievement of food security in the country."

He cited the incomplete or inadequate irrigation projects as well as the conversion of rice lands into subdivisions.

The official added that facilities such as market roads and equipment like harvesters and threshers "and everything are not in full bloom."

"So, these problems affected the achievement of food security in the country. And on that basis, we are not in a position to say that we shall be self sufficient by the end of the Marcos administration," he said.

Panganiban added that prices range from P38 to P50 or P60 and on that basis, the DA is still looking for solutions to these problems.

Lagman expressed dismay, saying it was a campaign promise that "could have made the President win" in the elections.

"It is bad enough that the current price of rice is way above the cam-

paign promise of P20 per kilo but it is just as bad that the department has no estimate at what price it will stabilize," he added.

Also during the hearing, Manila Rep. Benny Abante asked DA Undersecretary for Rice Industry Development Leocadio Sebastian – identified by Panganiban as the department's "rice expert" – if he believes there is a rice cartel.

Sebastian responded: "I don't believe, Mr. Chair, there is a rice cartel."

Abante retorted that even the Philippine Competition Commission believes there is a rice cartel in the country.

"In the city of Manila, I believe there is a rice cartel. This is my first time that you answered there is no rice cartel," Abante added.

Basilan Rep. Mujiv Hataman questioned the DA officials if P20 per kilo rice price is possible once the country achieves the target of 97.5 percent rice self-sufficiency in five years under the Masagana Rice Industry Development Program.

"It depends on the market, how it will play. If we are able to, for example Mr. Chair, improve our value chain and reduce the cost... like the post-harvest cost...

then we can also reduce the cost of production ... not P20 but at least we can maintain a lower price that is affordable. I think our objective should be affordability for our population," Sebastian said.

When told by Hataman that affordability is "very relative," the DA official said attaining P20 per kilo might be a little challenging.

Sebastian further said the P20 per kilo rice is an "aspiration" of the DA.

"As the President has also rightly expressed, Mr. Chair, we would like to make sure our farmers will benefit from any agricultural development that we will have. We're to make sure they have a good income. That is our main objective," he said.

When further pressed if the President's campaign promise is achievable, Sebastian said: "I cannot answer that, Mr. Chair."

An exasperated Hataman said if the P20 per kilo target cannot be achieved by 2028 or by the end of the Marcos administration, it should at least be factored into the rice roadmap.

Isabela Rep. Antonio Albano said the DA needs to make a plan to make sure the price of rice goes down.

Sebastian, however, said reducing rice prices is included in the roadmap

but not P20 per kilo.

Based on DA's monitoring in Metro Manila markets as of yesterday, retail prices of local commercial rice range between P54-62 per kilo for special, P47-60 per kilo for premium, P46-57 per kilo for well-milled and P41-55 per kilo for regular milled.

On the other hand, prices of imported commercial rice were at P52-65 per kilo for special, P47-57 per kilo for premium, P46 per kilo for well milled.

The DA monitoring stated that imported regular milled rice was not available in markets.

Sombillo presented during the hearing the DA's requested budget of P396.04 billion in 2024, representing an increase of about 126 percent from the P167.5 billion recommended by the Department of Budget and Management.

The "salient items" in the proposed allocation are P9.80 billion for hybrid seed assistance, fertilizer assistance at P9.55 billion, P2.750 billion for Agricultural Credit Program, P2.49 billion for Yellow Corn Product Enhancement Program for Seeds and Fertilizers and P1 billion for quick response fund.

– With Ramon Efren Lazaro



NEWS

Lowering price of rice to P20 a kilo 'difficult'—DA execs

By **Jordeene B. Lagare**
and **Julie M. Aurelio**
@Team_Inquirer

Don't expect rice to sell for P20/kilo

Turning into reality President Marcos' campaign promise to peg the price of rice at only P20 per kilo remains a far-fetched possibility as agriculture officials cited external factors beyond their control. "Lowering the price to P20 would be quite difficult," Agriculture Undersecretary Leocadio Sebastian told Rep. Mujiv Hataman during a hearing on the Department of Agriculture's 2024 budget on Tuesday.

—STORY BY JORDEENE B. LAGARE AND JULIE M. AURELIO

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Turning into reality President Marcos' campaign promise to peg the price of rice at only P20 per kilo remains a far-fetched possibility as agriculture officials cited on Tuesday external factors beyond their control that would make it hard to keep rice prices down in the coming years.

This was the reply House Deputy Minority Leader Mujiv Hataman got from officials of the Department of Agriculture (DA) where the President serves in a concurrent capacity as secretary.



PRICE WATCH A rice stall owner at Kamuning public market in Quezon City checks his stock as he waits for buyers on Tuesday. According to agriculture officials, who faced lawmakers at the House during a hearing on the Department of Agriculture's 2024 budget, it will be difficult to bring down the price of rice to as low as P20 a kilo due to factors beyond their control. —GRIG C. MONTEGRANDE

During a hearing on the DA's budget for next year, Hataman asked about the probability of Mr. Marcos' campaign vow being realized once the country attains optimal rice self-sufficiency level.

When Agriculture Undersecretary Leocadio Sebastian replied, "Not P20 but at least we can maintain a lower price that is affordable," Hataman commented: "But affordability is very relative."

"Lowering the price to P20 would be quite difficult," Sebastian told the lawmaker who then asked if the DA has a blueprint for achieving the President's campaign promise.

"That is our goal when it comes to reducing the cost," Sebastian said. Pressed further,

he commented: "I cannot answer that."

"To be honest, we never discussed those things you are asking with the President," he admitted. "Reduction is included, but not P20."

For her part, Agriculture Undersecretary Mercedita Sombilla cited various factors "beyond [their] control" as the reason behind rising rice prices.

According to her, prices in the local and global rice markets are influenced by international prices which have "spiked overtime."

Sombilla also cited last year's rise in the farm-gate price of palay (unhusked rice) due to higher farm input costs.

Asked if reducing the price of a kilo of rice to P20 could be

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yugan, Cabadbaran, Surigao and Butuan, had the lowest.

In the country, the commercial price of rice is traditionally double that of the farm-gate price.

RISE Program pushed

To ensure stability in the price and supply of rice, AGRI party list Rep. Wilbert Lee proposed on Tuesday a subsidy and incentive program that would make rice production profitable for some 2.6 million farmers.

"It's about time that the government sets aside a subsidy to purchase rice from farmers at a price that will allow them to earn profits and support their families. If we let the problems in the agriculture sector worsen and pose heavier burdens on farmers, they will be discouraged from continuing their livelihood and we will have a hard time encouraging the youth to be involved in agriculture," Lee said in a statement.

Under his proposed Rice Incentivization, Self-Sufficiency, and Enterprise (RISE) Program, the government would be mandated to allot funds to buy palay from local farmers at competitive prices and then sell the staple to consumers at affordable prices.

"With this subsidy, farmers can ensure that they can sell their produce at a fair price, and they will be encouraged to

improve their production. We will have adequate rice supply and we won't rely heavily on importation," Lee said.

He added that selling rice to the public at lower prices would also "ease the burdens of our rice farmers and consumers, while helping ensure our food security."

Lee suggested the RISE Program amid a spike in rice prices, with the staple being sold for as much as P62 a kilo in some regions.

Based on the DA's price monitoring per kilo of rice as of Tuesday, local regular milled rice was being sold from P41 to P55 in Metro Manila compared to P38 a year ago.

As for local well-milled rice, the prices ranged from P46 to P57 as against last year's P40 while for local premium rice, the prices were between P47 and P60 compared to P45 in 2022.

Local special rice, on the other hand, sold for P54 to P62, up from the previous P50.

At the moment, imported regular milled rice is not available but in August 2022, it retailed at P38.

Imported well-milled rice was sold at P46, lower than P41 in the past year.

Imported premium rice retailed from P47 to P57, up from the previous P45 while imported special rice ranged from P52 to P65 against P52 last year. INQ

achieved by 2028, she replied in the affirmative but qualified her answer by adding, "But the environment is volatile so this makes it difficult."

The farm-gate price refers to the selling price between farmers and traders although it is largely dictated by the latter.

Data from the Philippine Statistics Authority showed that as of May, the farm-gate price of palay reached P19.06 a kilo, an increase of 10.4 percent from P17.24 per kilo a year ago.

Northern Mindanao recorded the largest farm-gate price increase among regions while Caraga, composed of the provinces of Agusan del Sur and Norte, Dinagat Islands, Surigao del Sur and Norte, and the cities of Tandag, Bislig, Ba-



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Food insecurity

Last week, we saw the escalation of an already-heated discussion on what some experts believe is a looming major rice shortage and a similarly sizzling debate on whether or not the national government should resort to the importation of basic food items to fill the gap of an alleged massive shortage in these staples, including rice, fish, pork, and fish.

Critics have blamed the national government for an alleged lack of foresight and failure to proactively address the perennial shortage and to put "permanent" solutions in place. It looks like the public no longer wants to hear palliatives and this may be the reason why a senior government official was heavily criticized for reportedly suggesting that Filipinos shift to several root crops as a replacement for rice.

The debate brought out a common fear – which our bid for food security is in a bind. Many have expressed that fear this way: "We are supposed to be an agricultural country that must be self-reliant when it comes to feeding our population, at least with the staple fare." Others add: "In the 1970s, we taught many countries in Asia how to plant rice, and now, we are buying rice from them."

The fact is there is no single country in the world today which can claim that it has achieved total "food security." Even the biggest and "richest" countries are major importers of agricultural products.

The two global superpowers – the United States and China – are also the biggest food importers. In 2020, China spent some \$200 billion to buy food from other countries, putting it at the top of the list. The US is in second place at about \$150 billion.

In that list of the world's biggest food importers are Germany, the United Kingdom, and France. Two of our richest Asian neighbors are also on that list: Japan and the Republic of Korea.

Another rich Asian neighbor is also a major food importer: Singapore. Speaking of reliance on food imports, Singapore buys 90 percent of what its population eats from over 100 other

countries around the world – a fact reported by the Singapore Food Agency. For example, this island nation imports oranges from Egypt, milk powder from Uruguay, and shrimps from Saudi Arabia. The world-renowned Hainanese Chicken Rice is based on fowl imported from countries like Brazil, Malaysia, Thailand, and, lately, Indonesia.

The bottom line is that the importation of food to feed the local population or to fill gaps in supply is not an unusual practice and is not unique to the Philippines. It is a reality that governments around the world recognize and have adopted.

Many of these governments are also working towards reducing their dependence on food importation. They recognize that reliance on food importation makes their nations vulnerable to other risks to their security. Singapore, for example, is developing its capability to ensure that it can produce 30 percent of its nutritional requirements locally.

In our country, the experts point to two major challenges in our bid to have a secure supply of locally-produced food: climate change and the productivity of our arable land.

According to an article published by the Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA), the seasons of torrential rains and heavy drought are causing massive destruction in our agricultural and food production areas. "The effects of climate change manifest in pest damage, crop failure, and crop diseases, among others," the SEARCA article said.

The other challenge is the dwindling productivity of land devoted to agriculture in our country. The fact is the size of local arable land has remained steady, even growing in recent years. The figure was 5.45 million hectares in 2011. The figure rose to 5.59 million hectares from 2013 to 2019. It was last reported at 13-plus million hectares in 2022. The question is, if the size of land is used to produce food is growing, are there gaps in the supply?

That would bring us back to the effects of climate change. And, perhaps,

the rapid growth of our population plus the increased demand for food could be aggravating the expanding gap between supply and demand.

President

Bongbong Marcos, Jr.'s significant attention to the challenges facing our bid for food security provides us with a source of comfort and confidence. Among his pronouncements before the global community upon his assumption to office last year was the need for countries "to invest in food security."

Speaking before the United Nations General Assembly, **President Marcos, Jr.** cited the need "to take concrete steps towards modern and resilient agriculture." He underscored that "food is not just a commodity or it just a livelihood. He said "food is an existential imperative, and a moral one," adding that it is "the very basis of human security."

How are countries putting this into action?

There are reportedly more than 800 million people all over the world affected by food "insecurity" or the lack of access to their nutritional requirements mainly due to insufficient supply and poverty. It is comforting to note that the international community through the UN is collaborating in the effort to address this.

What matters a lot at this point is what the national government will do to lessen the sense of insecurity among our people. It may resort to importation to temporarily fill the gap in supply until local production can fill it. We may have to accept this option and not begrudge the government for having to adopt such an option. It is a remedial measure many countries in the world have embraced to feed their population.

(For feedback, please email to antipolocitygov@gmail.com or send it to Block 6 Lot 10 Sta. Barbara 1 cor. Bradley St., Mission Hills Subd., Brgy. San Roque, Antipolo City, Rizal.)



THE VIEW
FROM RIZAL
DR. JUN YNARES



P20/kilo rice not doable – DA

BY WENDELL VIGILIA

PRESIDENT Marcos Jr.'s campaign promise of bringing down the price of rice to P20 per kilo will remain unachievable under his administration even if the country achieves rice sufficiency, an agriculture official told lawmakers yesterday.

Agriculture Undersecretary Leonardo Sebastian told congressmen during the deliberations on the Department of Agriculture's (DA) proposed national budget for 2024 that the price of rice will not go down to as low as P20 even under the best case scenario.

"Not P20 (per kilo) but at least we can maintain a lower price that is affordable. I think our objective should be affordability for our population, Mr. Chair," Sebastian told the panel chaired by Rep. Zaldy Co (PL, Ako Bicol), stressing that lowering the price to P20 per kilo would be "difficult."

The matter was discussed after Basilan Rep. Mujiv Hataman asked if the P20 per kilo rice, which Marcos Jr. promised during his presidential campaign, will finally happen if the country achieves rice sufficiency.

The President is the concurrent DA secretary.

"Nakasama ba sa road map natin o sa plano yung P20 (per kilo). Kung hindi 2028 (Marcos Jr.'s final year in office), kailan ang projection? Ang mahalaga, nasa plano ng Department of Agriculture (Is the P20 per kilo rice part of our plan or road map? If not by 2028, when is the projection? What's important is, it's in the DA's plans)," asked Hataman, an opposition lawmaker.

Sebastian, however, could not directly answer, prompting the Basilan lawmaker to press for a categorical reply from Sebastian who said that the department cannot promise P20 per kilo although it has been the DA's "goalpost" and

the President's "aspiration."

Sebastian candidly said the DA had no discussions on the matter when Isabela Rep. Tonypet Albano asked if achieving rice self-sufficiency would ensure low rice prices.

Sebastian likewise told opposition leader Albay Rep. Edcel Lagman that the price of rice will only stabilize at P45 and P46 a kilo during the harvest period, which Lagman said is still far from P20.

Agriculture Undersecretary Mercedita Sombilla explained that the spike in local prices is influ-

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P20/KILO

enced by global prices and high input cost plus the lowering buffer stock.

She said the country is approaching lean months as it has just entered the harvesting period, which will enter its peak sometime in October and the middle of November.

Lagman, a member of the Liberal Party, said that since the campaign promise greatly helped Marcos Jr. win the presidency, spiraling prices of rice "may stagger his incumbency."

SUPPLY

Sebastian echoed the President's earlier pronouncement that there is no supply shortage as of now: "When our local supply, Mr. chair, is below the demand,

then we would say there is a rice shortage."

The DA earlier recommended the importation of 500,000 metric tons (MT) of rice to cover crop losses expected to be brought about by the El Niño phenomenon between November and January 2024.

The President has already assured the public that the country has sufficient supply of rice to meet demands even after the El Niño weather phenomenon next year.

But while there is enough supply of rice in the country, the President said he has started talking with the leaders of other nations for a possible importation of rice should the need arise in the future.

GOOD GOVERNANCE

Northern Samar Rep. Paul Daza, a senior deputy minority leader, said it is

not a sign of "good governance" that the President has not met with his undersecretaries in the DA for the past six months, as revealed by Sebastian.

"Thank you for your honesty. I think that's one glaring problem. There's advantages of having the President be the main secretary for a department. But for a department with so many issues and problems, I don't think it's good governance, personally," Daza said.

While he has the highest respect for the President, Daza said he believes that what the country needs is a full-time agriculture secretary, especially now that the country's rice supply is getting low.

The 2024 National Expenditure Program (NEP) showed that the DA's budget has grown by P32 billion since last year when the department only had a P76.15

billion budget.

Under this year's national budget, the DA was given P101.21 billion and a proposed P108.5 billion in 2024.

Rep. Arlene Brosas (PL, Gabriela) said the allocated funds for local production, particularly for rice, are significantly inadequate, noting that the National Rice Program will only receive P30.9 billion, while the NFA buffer stocking program is allocated P9 billion.

She also noted that the DA's loan programs only include the Agricultural Enhancement Fund (P828.72 million), Expanded Rice Credit Assistance (P1 million), and Agricultural Credit Program (P2.82 billion).

These programs fall short in addressing the needs of farmers and promoting sustainable agriculture, Brosas said.

"Year after year, the government provides loans to farmers, but there is no direct production subsidy included in the 2024 budget. This is the only direct assistance that farmers can receive amidst the ongoing crisis and importation, yet the government has been slow in providing it," she said.

Brosas also questioned the allocation of funds under the Support for Infrastructure Projects and Social Programs (SIPSIP) in the 2022 and 2024 budgets.

In 2022, P13.05 billion was transferred to the DA under SIPSIP, while in 2024, P50.03 billion is allocated to the Strengthening Assistance for Government Infrastructure and Social Programs.

She said the transfer of funds were questionable, as they lack detailed reports on how the funds have been utilized.



NFA still won't be allowed to import rice under new law

THE NATIONAL Food Authority (NFA) would still be barred from importing rice under proposed changes to the Rice Tariffication Law, the Agriculture department told congressmen on Tuesday.

During a budget hearing at the House of Representatives, Agriculture Undersecretary Mercedita A. Sombilla said Congress should revise allocations under the Rice Competitiveness Enhancement Fund.

"We will be trying to make some revisions to the Rice Tariffication law in terms of the allocations of the different components," she said, noting that the distribution of seeds and machinery has increased farmers' income and gave them yield advantage.

Under the law, 30% of the fund is earmarked for seeds, 50% for mechanization, 10% for training and 10% for credit. Out of the Department of Agriculture (DA)'s proposed 2024 budget, P10 billion will be allotted to the rice fund.

The agency asked for a P167.5-billion budget for next year, higher than the P108.5-billion proposal from the Budget department.

The budget includes P9.55 billion for fertilizer assistance, while P9.8 billion will be spent on hybrid seeds under the National Rice program.

Another P2.22 billion will be allotted to the Integrated National Swine

Production Initiatives for Recovery and Expansion program.

Ms. Sombilla said P2.49 billion was allocated to enhance production of yellow corn, while P492.7 million will be spent for President Ferdinand R. Marcos' Kadiwa program. The Agricultural Credit program will be given P2.75 billion.

Under the proposed budget, P374 million will be earmarked for the construction of cold storage facilities for onions, while P149.09 million will be used to expand the country's durian production.

"This national expenditure program is only around 42% of the department's

total proposal as submitted to the Department of Budget and Management," she said.

Agriculture Senior Undersecretary Domingo F. Panganiban said Mr. Marcos, who is Agriculture secretary, had not joined the agency's meetings in the past six months. He meets with the President twice a week so the chief executive could relay his concerns.

"The issues and concerns that the President tells me are concerns that I'm telling the undersecretaries, assistant secretaries and directors," he said. Lawmakers have long called on Mr. Marcos to appoint a full-time Agriculture secretary. — **Beatriz Marie D. Cruz**



Satellites to fight hunger

Our government should get a young and competent team at the Agriculture department to avoid and address situations like the brewing crisis on rice availability and affordability. Nothing more can be expected from a senior agriculture undersecretary in his mid-80s. That should have been obvious to the President from the start.

I have nothing against old people because I am old myself. But it is time to recruit a younger generation of professionals who are more adept in the new technologies that could help us address problems, including food production.

There is an Information Communication and Technical Services unit at DA under the Secretary's Office. However, its capability is very low because it cannot recruit good IT people due to the low salary level compared to the private sector.

DEMAND AND SUPPLY



BOO CHANCO

Yet, we should more extensively use drone and satellite technologies to give decision makers up-to-date data on the status of our rice farmlands. For instance, advanced algorithms can be employed to process the collected data from drones and satellites to help predict potential crop failures.

Drones can identify signs of pests and diseases in crops early, allowing authorities to take targeted action to mitigate the spread and minimize crop loss. With real-time data from drones and satellites, authorities can also make informed decisions about resource allocation, such as adjusting irrigation schedules, applying fertilizers or pesticides, and planning for crop diversification.

Actually, we have a program that could serve as the country's platform in the use of satellite and digital technology for agriculture.

The Philippine Rice Information System (PRISM) is a project that aims to use satellite imagery and remote sensing technologies for better decision-making in the agricultural sector. This includes monitoring rice production, estimating yields, identifying areas affected by pests and diseases, and overall improving the country's food security efforts.

But the PRISM project has problems. Its satellite image is poor due to low magnification and our farms are not geo-tagged. Geo-tagging will require an additional budget so that we can properly monitor individual farmers' property for among others, credit application and insurance damage compensation.

We also have a satellite program, specifically the Diwata microsatellite series, managed by the Department of Science and Technology (DOST). Diwata-1 and Diwata-2 are two microsatellites developed by Filipino engineers and scientists in collaboration with international partners.

Diwata-1, launched in 2016, and Diwata-2, launched in 2018, are part of our efforts to have our own Earth observation capabilities. These satellites are equipped with remote sensing instruments that can capture images and data that can provide valuable inputs to enhance our agricultural sector and food security.

Now, we are told that DTI's investment arm is investing \$30 million in Singapore-based Kacific Broadband Satellites Group in exchange for shares in the company and a sizable stake in the latter's second satellite slated for launch in 2027.

The press release says the National Development Corp (NDC) will invest \$10-million equity in Kacific, \$10 million for the Kacific-2 satellite, and \$10 million in one of Kacific's other joint ventures. Is this investment in Kacific coordinated with DA and DOST? Or was the investment decision simply a result of good salesmanship on the part of the Singaporeans?

In today's fast paced evolution of technology, it doesn't make sense for countries with limited resources to invest in any technology that can become obsolete very fast. Our government should just buy access to services that's immediately needed.

The motherhood justification for the deal is to enable the government to support its digital infrastructure rollout programs aimed to deliver connectivity nationwide and will further the country's communication infrastructure capabilities. But it isn't just about expanding broadband services so people can log in to TikTok. Satellite technology must also help get us better outcomes in agriculture.

Then another question arises, why Kacific when Starlink is a better-known proven technology on the use of satellites? How does Kacific compare with Starlink in terms of cost and reliability for the use we have in mind?

In terms of technology, Kacific uses geosynchronous or geostationary equatorial orbit satellites (GEO). These are fixed satellites about 36,000 km away from earth and can carry high bandwidth capacity.

Starlink, on the other hand, uses low-earth orbit (LEO) satellites, which are nearer the earth.

Both GEO and LEO satellites can be useful for monitoring agricultural fields, with different advantages and limitations. While GEO satellites might not offer the same level of detail as LEO satellites or drones, they can still provide valuable information for monitoring agricultural fields.

LEO satellites like Starlink can capture detailed images of agricultural fields with higher resolution than GEO satellites. This allows for more accurate assessment of crop health, growth, and potential issues.

LEO satellites orbit the Earth more frequently, enabling near real-time monitoring and quicker response to changes in crop conditions. LEO satellites can also capture specific areas of interest on short notice, making them well-suited for monitoring crop emergencies or natural disasters.

Many LEO satellites carry sensors capable of capturing multi-spectral and hyperspectral data. This data can provide insights into plant health, nutrient levels, and disease detection. LEO satellites can collect data beyond visible light, such as infrared and thermal data, allowing for more comprehensive analysis of crop conditions.

In practice, a combination of both GEO and LEO satellites, along with drones and ground-based sensors, can offer a comprehensive monitoring of agricultural fields. GEO satellites can provide broad overviews and weather data, while LEO satellites and drones can offer detailed, frequent, and targeted observations. The choice of technology depends on the specific monitoring needs and the cost.

While these technologies offer great potential, data analysis, integration, and collaboration among various users are crucial to effectively translate the collected data into actionable insights for agricultural planning and management. Unfortunately, we get the impression that the different departments of government are not coordinating.

Securing resources in GEO or LEO or both should be the result of an intentional effort to achieve certain goals with our limited resources. If NDC is acting alone and, as it now seems, without maximum transparency, they must be stopped until they (DA, DOST, DICT, DTI) all agree on what exactly they need.

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BUT STILL HIGHER THAN LAST YEAR'S

DA TRIMS BUDGET REQUEST BY 58%

The Department of Agriculture (DA) is seeking a budget of P167 billion for 2024—significantly lower than its earlier proposal of P396 billion—to be used mostly for scaling up agricultural output and providing interventions for local producers.

The P167-billion proposed allocation is 6.15 percent higher than the agency's budget of P158 billion in the previous year.

"While this means is a slight increase for the DA's budgetary allocation, this is only around 42 percent of the total proposal as submitted to the Department of Budget and Management," Agriculture Undersecretary Mercedita Sombilla said during the House of Representatives' budget hearing.

Broken down, P9.8 billion will be earmarked for hybrid seed assistance and another P9.6 billion for fertilizer assistance through discount vouchers through its National Rice Program.

"Public investments related to rice and fisheries production account for bulk of the increases," Agriculture Senior Undersecretary Domingo Panganiban said.

Panganiban also said this would support various initiatives "that support the sustainable production of high

value crops and corn."

Some P2.2 billion will go to the implementation of the Integrated National Swine Production Initiatives for Recovery and Expansion program intended to accelerate calibrated repopulation and production expansion through farm clustering and consolidation.

Meanwhile, P2.8 billion will be allotted for agricultural credit program through Agricultural Credit Policy Council to extend funding to farmers and fisherfolk nationwide.

The DA also intends to spend P2.5 billion for the yellow corn production enhancement program for seeds and fertilizers.

Kilusang Magbubukid ng Pilipinas (KMP) lamented the agency's proposed budget for the agriculture sector as it shows agricultural production is not a priority of the Marcos administration in the national budget for 2024.

Although it reflects a increase, the group claimed it only accounts for 3.4 percent of the P5.8-trillion national budget requested by President Marcos. "Contrary to the President's claim, agriculture and food security are not real priorities of this administration," KMP secretary general Ronnie Manalo said. —JORDEENE B. LAGARE INQ

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₱20 per kilo rice not part of DA's plans, official tells House panel

By ELLSON QUISMORIO

Agriculture Undersecretary Leocadio Sebastian admitted before congressmen that reducing the retail price of rice to ₱20 per kilo is not part of the Department of Agriculture's (DA) plans.

Sebastian made this revelation during deliberations on the DA's proposed budget for 2024 before the House Committee of Appropriations on Tuesday, Aug. 22.

During the budget hearing, the congressman-interpellators kept bringing up the subject of President Marcos' campaign promise last year of pulling down the price of rice to ₱20 per kilo.

Marcos, whose term will end in 2028, is the concurrent DA secretary.

"Nakasama ba sa road map natin o sa plano yung ₱20 [per kilo]. Kung hindi 2028, kelan ang projection? Ang mahalaga, nasa plano ng Department of Agriculture (Is ▶ 5

₱20 per kilo rice not part of DA's plans, official tells House panel 1◀

the ₱20 per kilo rice part of our plan or road map? If not by 2028, when is the projection? What's important is, it's part of DA's plans," asked House Deputy Minority Leader and Basilan lone district Rep. Mujiv Hataman.

When Sebastian—the DA's undersecretary for rice industry development—couldn't give a direct answer. Hataman pressed and asked, "So, walang sagot doon, Mr. Chair? So, Mr. Chair, hindi kasama sa plano yung pagbaba ng presyo ng bigas by 2028 (So, there's no answer to that, Mr. Chair? So, it's not part of your plan to lower rice prices by 2028)?"

"[Price] reduction, that is included, but not the ₱20, Mr. Chair," Sebastian said.

When Hataman asked him what the agency's target price for the staple grain was, at least during the Marcos administration, the DA

official merely laughed and didn't provide an answer.

Earlier in the hearing, Sebastian described the ₱20 per kilo rice promise as "our goal post when it comes to reducing the cost."

"As the President has also said, that is our aspiration Mr. Chair," he said.

But when Hataman asked if such price level was achievable, Sebastian answered—again, laughing—"I cannot answer that Mr. Chair." He would later categorically tell the Basilan solon that it wasn't part of the agency's road map.

Isabela 1st District Rep. Tonypet Albano asked Sebastian whether or not he thinks achieving rice self-sufficiency for the country could lead to lower rice prices, but the latter again gave a deflating response.

"Mr. Chair, to be honest, we

never discussed about those things you are asking, Mr. Chair, with the President," he said.

Sebastian, during the interpellation of administration critic Albay 1st District Rep. Edcel Lagman, said that the DA expects prices of rice to stabilize between ₱45 and ₱46 a kilo once the harvest period kicks in.

"Hopefully, we can cope with that price Mr. Chair. But at this time Mr. Chair, because of the high price of imported rice coming in, it is pulling the price of the local to a higher level... Imported rice cost higher," he said.

Lagman replied: "That's still far from the campaign promise of ₱20, and this campaign promise must have had the President win the presidency. But spiraling prices of rice may stagger his incumbency."



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PH TO HOST INTL RICE CONGRESS

THE Philippines will host for the first time the International Rice Congress (IRC), a platform for rice-based food systems innovators to work towards shaping a food and nutrition secure future, in October this year.

Convened by the International Rice Research Institute (IRRI) every four years,

previous congresses were held in Beijing (2002), New Delhi (2006), Hanoi (2010), Bangkok (2014) and Singapore (2018).

The 6th IRC, which expects 2,000 delegates, is organized by IRRI, the Consortium of International Agriculture Research Centers (CGIAR) and the Department of Agriculture (DA).

Keynote speakers are Michael Graham, head of Crop Science Research and Development Breeding of Bayer; Prof. Sally Mackenzie of Biology and Plant Science of the Pennsylvania State University; Yvonne Pinto, director of Bioeconomy-AgBio of Eagle Genomics; William Salas, chief strategy officer of Regrow; Baboucarr Manneh,

director general of AfricaRice Center; Prof. Keiji Otsuka of Development Economics of Kobe University of Japan; Secretary Himanshu Pathak of the Department of Agricultural Research and Education of New Delhi and Monetary Board member V. Bruce Tolentino of the Bangko Sentral ng Pilipinas. **PNA**



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MEAT IMPORTS DOWN IN JULY, YEAR TO DATE

THE Philippines imported a total of 111.47 million kilograms (kg) of meat last month, data from the Department of Agriculture (DA) showed.

Based on the report from DA's Bureau of Animal Industry (BAI), the July import volume was 17.29 percent lower than the year-earlier 134.78 million kg.

It was also slightly lower, by 0.85 percent, from June 2023's 112.4 million kg.

Year to date, the country's meat imports totaled 702.2 million kg, 4.47 percent lower than the 734.92 million kg recorded in the same seven-month period in the previous year.

The BAI report said that July's lower import volume was driven by tight supplies of beef, pork and turkey.

Pork accounted for 60.5 million kg or 54.28 percent of the total. The volume was 20.73 percent lower year on year.

The country also brought in about 12.03 million kg of beef, 30.15 percent lower on an annual basis and down by 3.43 percent month

on month.

Chicken meat imports totaled 36.55 million kg, a slight increase of 0.93 percent from July last year.

Imported buffalo meat, at 2.26 million kg, was 53.71 percent lower than the previous year's volume.

Duck meat imports were relatively minimal at 34,420 kg and were 22.88 percent higher year on year.

Imported turkey meat totaled just 1,500 kg for July month, 3.47 percent lower compared to a year earlier and down 93.48 percent from June.

Lamb meat imports, lastly, fell by an annual 45.35 percent to 62,993 kg.

The BAI said that Brazil was the country's biggest supplier of meat, contributing 222.98 million kg or 31.75 percent of the year-to-date total.

The United States and Spain followed with 117.75 million kg and 91.10 million kg of meat, respectively.

JANINE ALEXIS MIGUEL



DA seeks higher budget in 2024



Investments related to rice and fisheries production account for bulk of the increase in the 2024 budget.

BY JED MACAPAGAL

THE Department of Agriculture (DA) is seeking approval of a P167.46-billion for next year, 6.15 percent higher than this year's budget of P158.16 billion.

DA Senior Undersecretary Domingo Panganiban told a Congressional hearing yesterday investments related to rice and fisheries production account for bulk of the increases and include "increased budgetary outlays for various activities that support the sustainable production of high value crops and corn."

The DA originally sought for P400 billion but the Department of Budget and Management only allotted P167 billion.

Mercedita Sombilla, DA undersecretary for policy, planning and regulations, said in her report among salient items in the agency's proposed budget for next year include the P2.22-billion allocation for hog repopulation under the Integrated National Swine Production Initiatives for Recovery and Expansion Program; P9.55 billion for fertilizer assistance; P9.8 billion for hybrid seed assistance; P2.49 billion for the yellow corn production enhancement program; P2.75 billion for the agricultural credit program; and P1 billion for quick response fund.

Meanwhile, the Kilusang Magbubukid ng Pilipinas (KMP) said agriculture and food production appears to be less of a priority by

the administration in the proposed national budget for next year.

KMP said in a statement even if the overall budget for agriculture and agrarian reform increased by 6 percent to P197.84 billion, the amount only covers 3.43 percent of the total P5.768 trillion national budget requested.

The group added said DA's budget proposal is "very meager compared to the budget allocation for military spending, debt interest payments and infrastructure."

It said agriculture is only in the eighth place of the national government's priority sectors based on the national proposed budget.

See DA > Page A2

DA

KMP also cited red flags identified by the Commission on Audit (COA) in its audit report on the DA for last year which mentioned the agency failed to distribute a total of 855,493 bags of rice seeds meant for farmers under the P10 billion Rice Competitiveness Enhancement Fund. The DA also failed to distribute 2,088 pieces of farm machinery, based on the COA report.

COA said the non-distribution

of the seeds and equipment deprived the farmers of their needed assistance while the undistributed farm machinery includes 942 hand tractors, 599 floating tillers, 329 reapers, and 215 recirculating dryers.

COA also cited the National Irrigation Administration's delays or termination of 83 projects covering three calendar years and amounting to a total of P1.2 billion.



Meat imports drop 4.5% in seven months to July

MEAT imports fell 4.5% year on year in the seven months to July, with the declines broadly based as shipments of beef, pork, and turkey weakening, the Bureau of Animal Industry (BAI) reported.

The BAI said that in volume terms, imports amounted to 702.17 million kilograms during the seven months. The total for July was 111.48 million kilos, down from 112.44 kilos in June and 134.79 million kilos a year earlier.

Beef shipments fell 19.1% year on year to 77.71 million kilos in the seven-months. Beef accounted for 10.9% of all meat imports.

Brazil was the top beef supplier at 27.45 million kilos, followed by Australia with 23.07 million and Ireland 8.99 million.

Pork accounted for 49.4% of meat imports with 346.79 million kilos in the seven months to July, down 12.8% from a year earlier.

Spain remained the top pork supplier, providing 90.2 million kilos, followed by

Canada with 65.16 million and Brazil 51.13 million.

Turkey and buffalo shipments fell 58.2% to 114.42 million and 1.03% to 27.57 million, respectively, during the seven months.

Chicken, duck, and lamb imports rose during the period.

Chicken imports rose 17.4% year on year to 249.37 million kilos. Chicken accounted for about 35% of all meat imports during the period.

Some 55.2% or 138.21 million kilos of chicken imports came in the form of mechanically deboned meat used mostly in canned products. The category declined 43.2% for the period.

Brazil was the top chicken supplier with 144.4 million kilos, followed by the US with 86.14 million and Canada 9.24 million.

Duck imports surged to 197.76 million kilos from 48.52 million a year earlier, while lamb shipments rose 20.3% to 485.13 million kilos. — **Adrian H. Halili**



NFA-Albay gets rice donation for Mayon-affected residents

THE National Food Authority (NFA) received 10,000 bags of rice from the government of Japan for Mayon Volcano-affected residents of Albay recently.

The government of Japan, through its Ministry of Agriculture, Forestry and Fisheries (MAFF-Japan) donated 10,000 bags of rice under the auspices of the Asean Plus Three Emergency Rice Reserve (APTERR) Tier 3 Program.

Taking the lead in the event were Japanese Minister for Economic Affairs Nihei Daisuke, APTERR Secretariat General Manager Choomjet Karnjanakesorn, NFA Special Assistant to the Administrator Roger Navarro, and Social Welfare Director Michael Christopher Mathay.

The NFA-Operations Coordination Department (OCD) and the NFA Bicol Region, led by Regional Manager Osmundo Guinto Jr., also helped in the facilitation and coordination for the success of the event.

The 300 metric tons (MT) of rice

donated by Japan was accepted by Department of Agriculture (DA) Senior Undersecretary Domingo Panganiban and the NFA for buffer stocking.

Meanwhile, the Department of Social Welfare and Development (DSWD) and the local government of Albay will distribute the rice to identified beneficiaries.

For his part, Gov. Edcel Greco Lagman of Albay thanked the Japanese government and the APTERR for the donation.

"Hopefully, other countries will follow the lead of Japan," the governor said.

APTERR is a regional cooperation among Asean+3 countries geared toward strengthening food security, poverty alleviation and malnutrition eradication.

As a member country, the Philippines, through the NFA, has continued to avail of the programs under the framework of APTERR to augment the country's rice reserve in case of disasters and calamities.

Raadee S. Sausa

editorial



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Protecting Filipino consumers during Christmas season

THE latest price monitoring report of the Department of Agriculture (DA) indicated that prices of certain products, like onions, were relatively stable. In its survey of wet markets in Metro Manila, the agency's regular report, dubbed Bantay Presyo, showed that price movements of a number of agricultural products have been minimal, except for rice. As of August 21, a kilo of regular milled rice now costs P55 per kilo, higher than the quotation of P38 per kilo to P52 per kilo just a week ago.

Prices of onions, especially the red variety, did not register dramatic spikes, according to Bantay Presyo data. Vendors from Malabon Central Market are even selling local red onions for as low as P140 per kilo. The thought that the price of this popular condiment remains stable is comforting, but this should not lull policymakers, particularly those averse to numbers, into complacency.

This is because Bantay Presyo data published on August 22, 2022 showed that the average retail price of local red onions was only at P140 per kilo. Five markets that were covered by the survey even sold red onions for as low P120 per kilo—Guadalupe Public Market in Makati, Pasay City Market, Pasig City Mega Market, Muñoz Market in Quezon City, and Malabon Central Market. Year-ago prices were lower than the average of P160 per kilo recorded on August 21.

The harvest of onions usually peaks in March or April, while the lean season is from June to December. This is why onion prices usually start rising in the third quarter and are highest during the holidays, when supplies have thinned due to the spike in demand. Some areas will start harvesting onions in December, but the volume is often not enough to meet the demand of individual consumers and establishments.

Before 2022, however, urban areas in the Philippines did not have to cough up as much as P700 for a kilo of red onions. The year 2022 was record-setting, as it was the first time in the country's history that prices of red onions were comparable or even higher than the average daily minimum wage. And it happened despite the fact that traders bought red onions at an average farmgate price of P55 per kilo from January to June 2022, based on data from the Philippine Statistics Authority (PSA).

The latest report of the PSA on the value of agri-fisheries production has a bit of good news, which gives us hope that the onion price spikes in 2022 will not happen again this year. The PSA reported that onion production in the second quarter went up by 3.4 percent to 84,900 metric tons from last year's 82,080 MT. This brought the total onion production from January to June to 241,400 MT, 5.3 percent higher than the 229,220 MT recorded a year ago.

The Philippines will soon kick off the longest celebration of Christmas in the world in a few days. Demand for consumer products will soon rise along with their price tags. It would do well for government officials and policymakers to start implementing the necessary measures to cushion the impact of unscrupulous business practices on hapless consumers who continue to grapple with a stubborn inflation.



DA: High rice prices due to expensive imports, inputs

By JOVEE MARIE N. DELA CRUZ

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THE high cost of production and more expensive imports are putting pressure on prices of locally produced rice, officials of the **Department of Agriculture (DA)** told lawmakers on Tuesday.

Agriculture Undersecretary for Rice Industry Development Leocadio Sebastian said prices of regular milled rice could fall below P50 per kg once harvest starts, but it would be difficult to pull it down to a level seen before the start of the lean season.

During the budget briefing for the DA's 2024 allocation, Sebastian said rice prices could fall to as much as P45 per kilo.

"We expect that by harvest time [prices will stabilize], considering the price of local rice has also gone up, [due to] higher cost of production and higher farmgate price. If we stabilize at P45 to P46 (per kilo), that will be good for farmers," he said.

"Hopefully we can cope with that price, Mr. Chair. But at this time, because of the high price of imported rice coming in, it is pulling the price of the local rice to a higher level. The imported rice is costing more than local produce," Sebastian added.

The palay harvest season is expected to start in September and will run until November.

"(Rice) prices are very variable around the country; in the provinces, rice is P40, but in Metro Manila, P46 to

P48 is the lowest. But in other places it's much lower," he said.

Albay Rep. Edcel Lagman told the DA official that "stabilizing the price of rice" is nowhere near the president's campaign promise of P20 per kilo.

"This campaign promise must have had the President win the presidency. But spiraling prices may stagger his incumbency," said Lagman.

Sebastian said the agency is focused on reducing the cost of rice and make it more affordable.

Earlier, the DA said the initial harvest of palay from three provinces will augment the supply of rice and stabilize the price of the staple.

Sebastian said rice harvest has kicked off in the provinces of Isabela, Nueva Ecija, and North Cotabato, which could deliver some 900,000 metric tons (MT).

Search for solutions

FOR his part, Agriculture Senior Undersecretary Domingo Panganiban assured the public that the agency is "continuously looking for solutions."

"The prices of rice range from P38 to P60 (per kilo). We are looking for a solution to that. We have sent people to India to negotiate for the importation of some 500,000 metric tons of rice," he said.

"We are still in the process of accelerating what will be done as far as rice price stabilization is concerned. The best solution, probably at this point, is to import to initially stabilize the price of rice," he added.

Data from the DA's National Rice Program showed palay prices in March 2023 rose to P17.69 a kilo for fresh and P19.73 for dry. Compared to the same month last year, palay prices were P15.99 for fresh and P18.41 for dry palay.

Separate data from the Philippine Rice Industry Stakeholders Movement (PRISM), comprising rice millers and palay traders, showed both fresh and dry palay prices for the 2023 dry season: Isabela, P18.50 (fresh) and P22.50 (dry); Nueva Ecija, P19.50 and P23.50; Bulacan, P20 and P24; Tarlac and Pangasinan, P18.50 and P22.50; Mindoro, P19 and P23; Leyte, P17.50 and P21.50; Caraga, P19 and P23; Iloilo, P18 and P22; and Davao, P19.40 and P23.40.

Sombilla told lawmakers that the spike in rice prices is due to "various factors."

"It's being influenced by the global prices, which have spiked overtime, and also local farmgate prices, which have also [increased] over the last year, primarily from input costs, so the farm gate price has increased, and this is the reason we need to import. Our stocks are a bit thin, but we want to really ensure that we have enough—before the harvest season comes in—in case there are eventualities that we need to respond to," she said.

"Hopefully, by government-to-government [importation] arraignment through the private sector, we will get the reasonable prices that would maintain the price of rice. So the price increase is really beyond

our control," she added.

For 2024, the DA has a total budget of P167.5 billion, 9.7 billion more than 2023's budget allocation.

The budget includes P9.55 billion for the implementation of fertilizer assistance through discount voucher and/or interventions monitoring card under the National Rice Program.

It also includes P9.8 billion for the implementation of hybrid seed assistance through discount vouchers and/or interventions monitoring card under the National Rice Program.

Sombilla also said the DA is targeting to reduce the price of regular milled rice to at least P32 per kilo by 2028.

"If the same environment would have prevail, we were really hoping to have a stable prices between P27 and P32 for regular mill rice by 2028, if all things being the same," she said.

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Presyo ng bigas 'di kaya sa P20/kilo - DA

Wala umanong kayahan ang **Department of Agriculture (DA)** na maibaba sa P20 ang kada kilo ng bigas sa bansa.

Sinabi ni DA Undersecretary Leoca-

dio Sebastian na ang presyuhan sa bigas ay depende sa merkado kahit na nakopo ng ahensiya ang target na 95% rice sufficiency sa

Nina ANGIE DELA CRUZ at JOY CANTOS

pagtatapos ng termino ni Pangulong Ferdinand Marcos Jr. sa taong 2028.

Sinabi ni Sebastian na kaya nilang maibaba ang post-harvest cost at production cost pero hindi nila kayang gawing P20 ang presyo ng kada kilo ng bigas.

Anyang, ang presyo ng bigas ay mag-estabilize sa P45 hanggang P46 per kilo sa panahon ng anihan.

Niliwanag ni Sebas-

tian na dahil sa pagpasok ng imported na bigas sa bansa na may kamahalan ng presyo ay tumataas din ang presyo ng lokal na bigas sa mga pamilihan.

Una rito, tinagubilinan ng Kamara ang DA na ang projection ng ahensiya ay nananatiling mataas ng dalawang beses kaysa sa pangako ni Pangulong Marcos na ibababa nito ang presyo ng bigas sa bansa.

Sa pagdinig ng House Committee on Appropriations sa panukalang P167.5 bilyong pondo ng DA, kinuwestiyon ni Basilan Rep. Mujiv Hataman kung nasa road map ba ng DA ang P20 kilo ng bigas sa ilalim ng termino ni PBBM.

Sinabi ni Sebastian na hindi napag-usapan ng mga opisyal ng DA ang P20 kada kilo pero kasama anyang ito sa kanilang hangarin pero hindi sa nasabing halaga.



Subsidy for rice farmers proposed

By Jester Manalastas

ANEOPHYTESolonhasproposed theestablishmentofasubsidyprogramdesignedtoencouragefarmers to produce more and make the countryrice self-sufficient.

AGRIParty-listRep. Wilbert T. Lee expressed concern over reports that international rice supplies and prices are in a constant state of instability and unpredictability, and local rice production unable to guarantee affordable rice for consumers.

Dubbed the Rice Incentivization, Self-Sufficiency, and

Enterprise (RISE) Program, its objective is to make rice production profitable for farmers while ensuring that rice prices remain stable and affordable for the ordinary Filipino consumer via a subsidy that will be provided for the country's estimated 2.6 million rice farmers.

"Panahon na para maglaan ang gobyerno ng subsidiya sa pagbili ng bigas sa mga magsasaka sa presyong tiyak ang kanilang magiging kita para masuportahan ang pamilya. Kung hahayaan natin na manatili ang mga problema sa sektor at mas bumigat pa ang pasanin ng

mga magsasaka, panghihinaan sila ng loob na magpatuloy sa kanilang kabuhayan at mahihirapan tayong hikayatin ang kabataan na pasukin ang agrikultura. We will also have an epidemic of rice fields being turned into subdivisions," Lee said.

"Via the RISE Program, we believe there is a chance for the Philippine rice industry to rise again. Sa subsidiyang ito ng gobyerno para masigurong maibebenta ng mga magsasaka ang bigas sa presyong hindi sila babaratin, ma-e-engganyo silang pataasin ang kanilang produksyon. Sa tulong nito, magkaka-

roon ng sapat na supply ang bansa at hindi tayo aasa lang sa importasyon," he also said.

He added that aside from buying rice from farmers at competitive prices, the RISE Program will mandate the government to sell the rice it acquires to consumers at affordable rates.

"Bibilhin ng gobyerno ang bigas sa presyong sigurado ang kita ng mga magsasaka, at ibebenta sa consumers sa halagang mas abot-kaya. Mapapagaan na ang pasanin ng mga magsasaka at mamimili, makakatulong pa sa ating food security. Dito sa RISE Program, Winner Tayo

Lahat," stressed Lee.

"Kailangan itong paglaanan ng kaukulang budget para matugunan na ang kakulangan sa bigas na napakatagal nang pino-problema ng ating bansa," he further explained.

Data from the **Philippine Rice Research Institute (Phil-Rice)** shows that in 2021, the country imported 2.9 million metric tons of rice, while in 2020 the country brought in 2.2 million metric tons of the food staple. In 2019, on the other hand, the country imported a whopping 3.1 million metric tons of rice.

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'UNFIT FOR HUMAN CONSUMPTION'

CEBU CITY GOV'T GOES AFTER 'SPOILED MEAT' VENDORS

CEBU CITY—City officials here warned meat sellers they would face hefty penalties if they were caught selling products unsafe for consumption after a surprised inspection early this month at a public market here yielded 35 kilograms of spoiled meat.

Robert Barquilla, the city's market administrator, was quoted by Cebu City News, the online news platform of the city government, that surprise inspections would be conducted at the Carbon Public Market and even at satellite markets to

ensure that vendors were not selling spoiled meat to their customers.

Barquilla made the warning on Monday after personnel from the Market Operations Division (MOD) and the Department of Veterinary Medicine and Fisheries (DVMPF) seized the 35 kilos of spoiled meat from 10 vendors during a surprise inspection at Carbon Public Market on Aug. 10.

According to Barquilla, some of the confiscated meat had turned green, indicating they

were already unsafe for consumption.

After their products were seized, the erring vendors were given a citation ticket and were verbally warned by MOD personnel, he said.

'Singapore-like city'

The DVMPF also required each of the erring vendors to pay a fine of P2,000 to P5,000, depending on the gravity of the offense.

Barquilla said the MOD would revoke the permit to op-

erate of the vendors who would be caught selling spoiled meat three times.

The market administrator advised the public to report vendors who are caught selling spoiled meats.

"The direction of (Cebu City) Mayor Mike Rama is a Singapore-like city. Hence, we should display meat, fish, vegetables and fruits that are really fresh. I mean we should prevent selling rotten goods and food," Barquilla said. —NESTLE

SEMILLA INQ



UNSAFE Stocks of pork believed to be unsafe for consumption are confiscated by personnel of the Cebu City government's Department of Veterinary Medicine and Fisheries in a surprise inspection early in August. —NESTLE SEMILLA



The ASEAN Economic Ministers join the ASEAN Business Advisory Council at the meeting last August 19 to 20 in Semarang Indonesia. The meetings are in preparation for the ASEAN Business Investment Summit in September, which will be attended by leaders of the ASEAN member states.

KALAP-INSPIRED AGRI-MSME DEVELOPMENT PROGRAM GAINS TRACTION IN ASEAN

Kapatid Angat Lahat sa Agri Program, the Agri MSME development program of Go Negosyo, is starting to gain traction in the ASEAN region. ASEAN Business Advisory Council Philippines chair Joey Concepcion shared this as the 55th ASEAN Economic Ministers Meeting was concluded last August 19, 2023 in Semarang, Indonesia.

In his speech before the ASEAN Economic Ministers, Concepcion said that the ASEAN BAC Philippines is now starting to forge partnerships among ASEAN member states to expand the KALAP initiative to address agricultural productivity in each country and ultimately contribute to the region's food security.

"KALAP is an agri MSME development program that builds on proven private sector block-farming models to enhance food security, boost farm productivity, and raise farmer incomes by enabling them to become entrepreneurs," he said in his speech.

KALAP signed the first of these agreements with Malaysia last July 27 during President Ferdinand Marcos Jr.'s state visit. Since then, five more member states have shown interest in participating, and Concepcion is confident that more ASEAN member-states will soon come onboard.

In addition, Concepcion said a region-wide implementation of the Agri-MSME development initiative might be a good time to revisit and expand the logistics ASEAN RO-RO Network Initiative, which was co-launched by President Joko Widodo during ASEAN50 in 2017.

"We are working towards bringing in as many ASEAN countries to collaborate, and we are grateful for the help of Indonesia, especially ASEAN BAC chair Arsjad Rasjid," he said.

Concepcion noted the synergy between ASEAN BAC Indonesia and ASEAN BAC Philippines in its prioritization of food security, as well as the need for the ASEAN to strengthen regional supply chains. Specifically, he noted the ASEAN BAC Indonesia's own agri-MSME development program which shares similar principles and objectives as KALAP.

The Inclusive Closed Loop Model is being implemented as one of the legacy programs of ASEAN BAC Indonesia to mark its chairmanship. The program aims to empower

MSMEs and farmers with finance, knowledge, technology, and market access, and aligns with KALAP's aim of raising farm productivity by integrating them into the value chain of large agriculture companies, also called big-brother companies.

The ASEAN BAC chair emphasized inclusiveness as a goal that is embodied in its chairmanship's theme of ASEAN Centrality. In previous interviews, Rasjid noted that ASEAN economy's great potential, and the importance of being innovative in its approaches to ensure that no one is left behind.

For his part, Concepcion reiterated the importance of private sector working side by side with government, as reflected in the ASEAN BAC's mandate to provide private sector feedback and guidance to boost ASEAN's efforts towards economic integration. "The region's bright economic future can be fully realized when government and private sector work together," he said.

Along with the KALAP agriculture MSME partnership, ASEAN-BAC Philippines also called on the ASEAN Economic Ministers to support the strengthening of the ASEAN Creative Economy Working Group and institutionalize its legacy project of its chairmanship, the AMEN mentorship program. The AMEN program has already completed Phases 1 and 2, and is readying the implementation of Phase 3.

The ASEAN-BAC meetings are in preparation for the ASEAN Business Investment Summit, which is scheduled to be held in Jakarta in September 2023. At this event, the results of the previous meetings will be communicated to the leaders of ASEAN countries.



ASEAN Business Advisory Council Philippines Chair Joey Concepcion (center) with Philippine Chamber of Commerce and Industry's George Barcelon (right) and Go Negosyo Senior Adviser Dr. William Dar discuss at the ASEAN - BAC meeting in Indonesia the agri MSME Development model of Kapatid Angat Lahat sa Agri Program (KALAP).



Editorial

Plan needed to curb El Niño impact on supply, prices

BMI Research, part of the Fitch Solutions family of companies, last week issued an alarming but not surprising forecast for global sugar prices. The El Niño climate phenomenon is expected to hinder world sugar production, leading to constrained supplies and higher prices for at least the rest of this year. Sugar has been a problematic staple for the Philippines this year even without the onset of El Niño, along with rice and other vital staple food items.

We appreciate that the government has acknowledged the threat of El Niño and the need to respond to it, but mere assurances that adequate supplies of basic commodities will continue to be available at reasonable prices are not good enough. A detailed plan to address supplies needs to be formulated, and more importantly, it needs to be communicated clearly to the public to reduce the uncertainty that drives speculation and price inflation.

The El Niño climate phenomenon is a cyclical warming of the eastern Pacific Ocean that alters weather patterns around the world. In the Philippines and across much of Southeast Asia, it typically results in drier, near-drought conditions punctuated by intense tropical storms, although these may be fewer in number than in an average year. Dry conditions in many sugar-producing regions of the world will likely reduce harvests, BMI said in its report, singling out Thailand as one country expected to be hard-hit.

Apart from whatever negative impact El Niño will have on the Philippines' domestic sugar production, the warning of likely reduced output from Thailand is significant, as that country is the source of most of our imported sugar when imports are necessary. Unfortunately, due to reduced output earlier in the year from domestic sources, a great deal of imported sugar has been required; so far in 2023, the Sugar Regulatory Administration has approved 590,000 metric tons of imports, which amounts to about 31 percent of the country's annual demand.

Speculative trading

Other commodities that are likely to be affected include rice, corn and vegetables. In recent days, there has been some public consternation over the rising price of rice, which at first glance might seem to be a consequence of recent tropical storms but, on closer examination, appears not to be a supply problem at all. Instead, it seems highly likely that speculative trading in anticipation of reduced supplies and higher prices has been occurring, in effect ensuring supply and price difficulties. With more detailed information steadily becoming available about the impact of El Niño, this kind of speculation is likely to increase as well, both among unscrupulous traders and among ordinary merchants, who are not necessarily trying to game the market but are just conducting business as sensibly as they think necessary to be able to continue to serve their customers.

With the prospect that the usual default solution to supply and price woes — importation — will not be available for staples such as sugar and rice, or at least not at acceptable price levels, the government needs to draw up plans for alternative sources and how to best manage domestic sources. These plans need to be communicated to the public in a clear and detailed manner, describing how much of the needed commodities will be available, when they will be available, and within what price range. This information is not always shared, but it should be, because it obviates the need for speculation and hoarding, whether of the intentional, profit-seeking variety or because of worries among ordinary consumers who feel compelled to "stock up" because they are unsure if supplies will be available next week or next month.

The supply management plan should also take into consideration measures to reduce consumption and combat food waste; these have been largely unsuccessful in the past, but now is a good time to learn from those unsatisfactory outcomes.

Finally, it goes without saying that aggressive and transparent action needs to be taken against illegal speculation and hoarding. Blaming "unscrupulous traders" for supply woes has almost become a trope because of the chronic lack of real follow-up. That needs to change, and public examples need to be made of offenders as a warning to others to stop their nefarious activities.



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Higher yields reported by recipients of improved rice seed

FARMERS who were supplied improved rice seed financed by the Rice Competitiveness Enhancement Fund (RCEF) reported higher yields of palay, or unmilled rice, the Philippine Rice Research Institute (PhilRice) said.

In a statement, PhilRice said that the average yield of RCEF seed recipients increased to 4,320 kilogram per hectare from 3,630 during the dry season, while for the wet season yields rose to 4,020 kilos per hectare from 3,690.

“The distribution covers seven seasons of implementation from the 2020 dry season to the recently concluded 2023 dry season,” according to PhilRice.

PhilRice compiled the harvest results from 42 low and medium-yielding provinces.

RCEF is a component of the Rice Tarification Law (Republic Act 11203), which effectively privatized the rice import process, formerly a government monopoly. It made importers pay a 35% tariff on shipments of Southeast Asian grain. The tariffs

generated finance an RCEF allocation of P10 billion a year for six years.

From these funds, RCEF distributes machinery, seed, fertilizer, and rice-growing know-how, among others, to modernize the rice industry.

As of March 15, about 11.95 million bags of certified seed were distributed to rice farmers.

“Majority of the one million farmer-beneficiaries received certified seed multiple times across seasons. We estimate that at least 1.5 million hectares

are being planted annually,” Flordeliza H. Bordey, head of the RCEF Program Management Office at PhilRice said.

Ms. Bordey added that the majority of distributed and delivered seeds were to local government unit partners.

“We have distributed most of the seed with some (set aside) as reserve stock for distribution to early planters in the next cropping season,” she said.

PhilRice said that less than 1% of delivered RCEF seed was reported as damaged. — **Adrian H. Halili**



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FROM CAMBODIA, MYANMAR

Indonesia's Bulog seeks rice imports

JAKARTA- Indonesia's state food procurement firm Bulog is looking to import rice from Cambodia and Myanmar to top up government stocks as the country anticipates output disruptions due to the El Nino weather pattern, the company said on Monday.

Earlier this month, Bulog said it had imported 1.6 million metric tons of rice from Thailand, Vietnam, India and Pakistan this year. It has also procured 786,697 tons of rice domestically.

Indonesia issued a 2 million tons rice import quota for 2023, on top of a 300,000 tons carry over quota from 2022, as the dry weather pattern is set to bring drought to parts of the archipelago.

"None (has been contracted yet), but hopefully in the near future," Bulog's corporate secretary, Awaluddin Iqbal, said when asked about its rice import plan from Cambodia and Myanmar, without giving any more details.

Indonesia's rice output is estimated at 31.56 million tons this year, while consumption is estimated at 30.84 million tons, a government data showed on Monday.

Prices of medium grade rice in Indonesia averaged at 13,600 rupiah (\$0.8871) a kg on Monday, up 14.77 percent from a year earlier.

The chairman of the Jakarta chapter of Indonesia's rice millers association, Nellys Soekidi, said

average daily rice supply from local farmers to the capital's central rice market had dropped by around 20 percent in the past month as harvest yield plunged.

"Production dropped, so that the unhusked rice became contested goods," Nellys said.

Prices of rice exported from Asian hubs hit new peaks since 2008 this month as top exporter India's recent ban on shipments fueled concerns over global supply of the staple, driving Vietnamese exporters to renegotiate higher prices for around half a million tons of rice.

Indonesia has increased its social welfare budget by 8 trillion rupiah (\$532.41 million) to distribute more rice to lower-income

households and help control food prices, the finance minister said on Monday.

The decision came after the country's weather agency warned that the El Niño weather pattern is set to bring drought to parts of the archipelago, which could hurt its rice output at a time when international prices are rising after India halted exports last week.

The government will distribute an additional 10 kilograms (22 pounds) of rice to 21.35 million vulnerable families per month from October to December, on top of the existing rice assistance program, Minister Sri Mulyani Indrawati said in a press conference. - Reuters



Investor pressure group urges G20 to reform agricultural subsidies

LONDON — A group of 32 investors managing \$7.3 trillion in assets have urged the Group of 20 (G20) group of wealthier countries to align agricultural subsidies with their climate and nature goals by the end of the decade, a statement seen by Reuters showed.

The group, which includes Britain's biggest asset manager Legal & General Investment Managers and the fund arm of BNP Paribas, issued their first ever call to the countries' finance chiefs ahead of a G20 summit in September in India.

The intervention marks the first time investors have grouped together to tackle global subsidies in this way, they said, and follows a narrower 2021 request to the European Union, amid concern about the risks to investment portfolios of inaction.

A 2021 United Nations (UN) report said around 87% of the \$540 billion in total annual subsidies to agricultural producers included measures that were price distorting and potentially harmful to nature and human health.

In addition, subsidies caused \$4-\$6 trillion in damage to nature each year, a landmark 2021 UK report on the economics of biodiversity said.

While a global deal to preserve biodiversity, including reform of subsidies, was struck in December in Montreal, it was crucial that richer countries acted quickly, said Helena Wright, policy director at the FAIRR Initiative, a grouping of investors managing \$70 trillion focused on farming issues.

"Investors are calling on the G20 to lead by example and ensure these commitments are

met — to the benefit of the climate and nature."

To help fix the issue, the investors called for governments to link their financial support to the sector with their environmental obligations, including the Paris Agreement on climate change and the pledge to protect biodiversity.

They should also shift incentives to focus on sustainable agriculture; remove subsidies from products with a high impact on climate-damaging emissions, such as dairy or red meat; and increase funding to help workers impacted by the switch.

"We need wholesale transformation of the food system, because it's one of the most-damaging systems of all to the climate and nature," Rachel Crossley, head of stewardship for Europe at

BNP Paribas Asset Management told Reuters.

Launched in 2016, the FAIRR Initiative provides data, research and advocacy initiatives that address the risks and opportunities in the food sector.

Among its most high-profile wins was the successful lobbying of the U.N.'s Food and Agriculture Organization to create a global roadmap for the food sector out to 2050, with the results due to be released at November's COP28 climate talks in Dubai.

A call two years ago for G20 nations to disclose targets to reduce agricultural emissions in their national net-zero plans was also picked up by the COP28 hosts, who are asking governments to sign a declaration that includes such a pledge. — **Reuters**