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The emotional issue of rice

The other day, I was briskly walking toward an automated teller machine (ATM), happy to see no one waiting, when an elderly man wearing a jacket and a hat emerged from behind a concrete post, shuffling toward the same machine. I stopped to give way. But instead of proceeding to the ATM window, he came up to me and whispered: "*Tatanawin ko na malaking utang na loob kung mabigyan niyo ako ng pambili ng isang kilong bigas para sa aking mga apo.*" (I would be most grateful if you could spare some money so I could buy a kilo of rice for my grandchildren.) I was momentarily stunned.

He was dressed in decent clothes and didn't look like a typical beggar. He stood there with a stoop, making him look much older than he probably was. Something about his hesitant manner suggested to me that he was doing this in sheer desperation. Without much thought, I handed him a hundred-peso bill, and said that I hoped it would be enough to buy two kilos of rice for his grandchildren. Countless elderly people like him in our country find themselves having to look after the day-to-day needs of their grandchildren because the kids' parents have gone away to look for work.

I know of no other commodity that carries the same emotional force that rice commands in our culture. Small wonder that Filipinos regard the insufficient supply of affordable rice as a source of national shame, which is why rice is the sensitive political issue that it is.

President Marcos knows this only too well. One of his major campaign promises, which got him a lot of attention, was to make rice available to Filipinos at P20 a kilo. To this day, he is being held to that promise. He took over the agriculture portfolio himself, he said, so he could better support the country's agriculture during his presidency. His goal, as I understand it, is not just to reduce rice imports, but to make the country completely self-reliant in this commodity.

In February 2023, Mr. Marcos brought



PUBLIC LIVES

RANDY DAVID

back the renowned agricultural scientist Dr. Leocadio S. Sebastian, who had previously resigned as Mr. Marcos' operations undersecretary in the same department, this time as undersecretary for rice industry development. In this capacity, Dr. Sebastian knows better than to talk about rice self-sufficiency. At his press briefing in May this year, he was entirely focused on getting farmers to use biofertilizers in combination with inorganic fertilizers in order to improve soil fertility, which, he said, has been severely depleted by long years of application of inorganic fertilizers like urea.

Dr. Sebastian knows only too well how hard it is for the country to attain self-sufficiency in rice. In 2006, while he was executive director of Philippine Rice Research Institute, he cowrote with Robert S. Zeigler, the then director general of the International Rice Research Institute (IRRI), the foreword to a richly-documented book titled "Why Does The Philippines Import Rice?"

Written by a group of scientists on rice economy, this extremely accessible book is available as a PDF document in the IRRI website (<https://tinyurl.com/mr343fyh>). It is useful to mention the most basic point made in this book, because we tend to heap all the blame on ourselves, the corruption in public agencies, the lack of adequate support from our institutions, and the laziness and inefficient

methods of our farmers, for the country's continuing dependence on rice importation.

While there is no single reason for why we need to import to augment our rice production, one factor stands out, according to the authors: "The Philippines imports rice because it is a nation of islands without any major river deltas like those in Thailand and Vietnam. The major traditional exporters are all on the Southeast Asian mainland (Thailand, Vietnam, Cambodia, and Myanmar), while the countries that have been consistently importing rice for more than a hundred years (Indonesia, the Philippines, Sri Lanka, Japan, Korea, and Malaysia) are all islands or narrow peninsulas."

Before the passage of the rice tariffication law, the National Food Authority had the sole power to import rice. Rice importation was however severely restricted so as not to prejudice the interests of local rice growers. On this point, the authors write: "Although it is not widely known, Filipino farmers receive much higher prices for their palay ... than do farmers in neighboring developing countries ... Not surprisingly, the very high palay prices received by Filipino farmers translate into very high prices paid by consumers."

Today, the situation is reversed. Because of the mandated price cap per kilo (for regular milled rice: P41 or \$0.72 and for well-milled rice: P45 or \$0.79), current rice prices in the Philippines are lower than those in most countries. Thus, even if they are now allowed to import, private traders are not importing. They are waiting for the price to go down in the world market, where the average price for 81 countries, as of August 2023, is \$1.88 or P106.65 per kilo.

We could be rice self-sufficient if we consumed less rice. But the poor among our people are such large rice eaters because there isn't much they can afford to buy to go with the rice.

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Diokno, Balisacan pinagbibitiw ng farmers group

Nanawagan ang grupo ng mga magsasaka na magbitiw na sa puwesto sina Department of Finance (DOF) Secretary Benjamin Diokno at National Economic Development Authority (NEDA) director General Arsenio Balisacan.

Ang panawagan ay kasunod na rin ng panukalang ibaba o alisin ang taripa sa imported na bigas para mapababa ang presyo sa merkado.

Kabilang sa mga lumagda sa isang joint statement ay ang SINAG; Federation of Free Farmers (FFF); Philippine Confederation of Grains Associations (PHILCONGRAINS); Kilusang Magbubukid ng Pilipinas (KMP); Pambansang Mannalon, Mag-uuma, Magba-baul; Magsasaka ng Pilipinas (P4MP); and National Movement for Food Sovereignty (NMFS).

Sa joint statement ng grupo, ang nasabing panukala nina Diokno at Balisacan ay mistulang parusang kamatayan para sa local rice farmers at nasa iba pang sektor ng agrikultura.

Naniniwala rin ang mga grupo na layon lang nang pagpapababa ng taripa ay palakihin ang kita ng mga importer at hindi rin makikinabang dito ang mga rice consumers dahil 85% na mga import ng mga bigas ay mga premium grade na karaniwang binibili ng mga nakakaluwag sa buhay.

Iginiit pa ng grupo na ang dapat na gawin ng gobyerno ay palakasin ang kapasidad na mag produce ng sariling bigas at pagsusulong ng food sufficiency na hindi umaasa sa importasyon.

Dapat din umanong panagutin ang mga opisyal sa pagsasabing hindi sila kinukunsulta ni pangulong Ferdinand Marcos Jr. sa pagpapatupad ng price ceiling na nagdulot ng hindi lamang misinterpretation sa pangulo kundi pagbibigay nito ng masamang imahe. (Gemma Garcia)



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Coconut hybrid with somatic embryogenesis technology is planted at the PCA-Zamboanga Research Center. CROPS RESEARCH DIVISION, DOST-PCAARRD

DOST-PCAARRD, PCA launch 7 coconut hybridization R&D projects

COCONUT hybridization research and development (R&D) aims to help the local coconut industry by sustaining the supply of quality planting materials in order to produce high-value products.

To support this, the Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development of the Department of Science and Technology (DOST-PCAARRD) partnered with three Philippine Coconut Authority (PCA) research centers in launching seven projects under the Coconut Hybridization Program of the Coconut Farmers and Industry Development Plan.

This was held recently during an inception meeting in Zamboanga City.

The council is strengthening its collaboration with PCA by providing fund support to the latter's existing R&D capacities and technical expertise.

Six of the seven projects focus on varietal improvement and selection of palms with outstanding traits, profiling hybrids and breeding cultivars that are resistant to biotic or ecological and abiotic or nonliving stresses.

Meanwhile, one project aims to enhance the science-based integrated pest management of coconut rhinoceros beetle, a widespread coconut insect pest that damages fruit-bearing palms.

The Crops Research Division (CRD) of DOST-PCAARRD facilitated a discussion to

clarify and refine project details, including the role of PCA as the implementing agency.

The monitoring and evaluation plan of each project and grant guidelines were also presented to the project teams.

"This inception meeting will lay the groundwork for our projects' successes," said DOST-PCAARRD OIC-Deputy Executive Director Juanito T. Batalon, for Research and Development.

Batalon added that a collaborative environment is the key to a smooth project implementation.

Meanwhile, CRD Director Leilani D. Pelegrina reiterated the importance of close coordination and open communication.

She said, "I want you to remember that the success of these projects depends on every one of us. We are a team, and our collective effort will determine the outcome of this endeavor."

The meeting was attended by then-PCA R&D Branch Deputy Administrator Ramon L. Rivera, Director Leonilo B. Abella of the Western Mindanao Agriculture, Aquatic and Natural Resources Research and Development Consortium, and DOST Region IX's Judilyn E. Alvarez.

Following the meeting, the CRD team visited several DOST and PCAARRD-supported laboratories, facilities and field setup at PCA-Zamboanga Research Center. *Rosemarie A. de Castro and Edmerson Z. Calungsod/S&T Media Service*



Gov't moves to improve barangay-level food infra

The Bureau of Agricultural and Fisheries Engineering (BAFE) has teamed up with other agencies to contribute to the nation's food security by improving infrastructure related to food production and distribution at the barangay level.

BAFE said it has collaborated with the Department of the Interior and Local Government (DILG), Department of Labor and Employment-Bureau of Workers with Special Concerns (DOLE-BWSC), Technical Education and Skills Development Authority (TESDA), and Agricultural Training Institute (ATI) for the maintenance of farm-to-market roads (FMRs), which are primarily barangay roads.

BAFE director Ariodear Rico stressed the need for improved maintenance of FMRs, particularly in fourth to sixth class municipalities, which are among the poorest.

"Based on our findings, the FMRs are poorly maintained that's why we are coming up with a collaborative program with TESDA, DOLE and DILG," he said.

With this, the agencies forged an agreement that DOLE's Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers (TUPAD), and TESDA's scholarship program would support the operation and maintenance requirements of FMRs in collaboration with DILG.

Meanwhile, BAFE and ATI will assist TESDA in developing training modules and deploying trainers and competency standards.

BAFE said FMRs enhance the transportation of agricultural goods, while the TUPAD program beneficiaries contribute to infrastructure development related to food production and distribution, and training improves understanding

and implementation of food security strategies.

The bureau stressed that FMRs are crucial for the transportation of agricultural goods from farms to markets as these improve the mobility of people, goods, and services providing access to employment and basic social services.

DILG undersecretary for barangay affairs Felicito Valmocina said barangays play a crucial role in food security and fighting climate change, with the government providing support to the barangays.

In particular, barangay workers involved in the program could benefit from TUPAD, as beneficiaries are involved in various projects like repair, maintenance, and/or rehabilitation of FMRs, according to DOLE-BWSC director Ahmma Charisma Lobrin-Satumba said.

— Danessa Rivera



NFA atat sa importation, bobokyan ni Villar

MALALAGAY sa alanganin ang panukalang budget ng National Food Authority (NFA) sa 2024 dahil sa kanilang polisiya na bumili ng maraming bigas sa abroad kaysa sa mga magsasaka sa Pilipinas.

Sa panayam sa tau-nang International Coastal Cleanup sa Las Piñas-Paríñaque Wetland Park, sinabi ni Senadora Cynthia Villar na ibine-benta ng mga lokal na magsasaka sa halagang P18 kada kilo ang palay na maaring maibenta sana ng P25 kada kilo ng bigas sa Kadiwa store.

Nagtataka aniya si Villar kung bakit hindi ito binibili ng NFA upang maging mura ang bigas sa mga Kadiwa store at mga pamilihan.

Binanggit pa ng chair ng Senate committee on agriculture and food na mas inuna pa ng NFA na magtungo sa India para sa kumbinsihin ang gobyerno rito na magbenta ng bigas sa Pilipinas.

Muling pinaalala ni Villar na hindi na mandato ng NFA ang bumili ng imported rice kundi ang bilhin ang palay ng mga lokal na magsasaka para magkaroon ng murang bigas sa merkado.

Nagbabala si Villar may problema rito ang NFA at kanyang kukuwestiyunin ito sa budget hearing ng Senado. Kung hindi aniya magpapakita ang mga opisyal ng NFA sa budget hearing, posibleng zero ang ilaan niyang budget ng ahensiya sa susunod na taon.



FOOD FOR THOUGHT

THE Bureau of Customs (BOC) is considering donating the confiscated 42,180 bags of imported rice to some departments implementing government assistance programs.

The smuggled rice, amounting to P42 million, was seized during a raid at a warehouse in Barangay San Jose Gusu in Zamboanga City, BOC-Port of Zamboanga chief Benito Lontok said during the Saturday News Forum in Quezon City.

Lontok said the plan to donate the smuggled rice for the implementation of

the Department of Agriculture's (DA) Kadiwa Program and the Department of Social Welfare and Development's (DSWD) assistance programs is still "subject to approval" of BOC Commissioner Bienvenido Rubio and Finance Secretary Benjamin Diokno.

The BOC-Port of Zamboanga first inspected the warehouse on May 19 after receiving information that smuggled rice was being stored there.

Lontok said authorities found irregularities, although the warehouse

owner, BLY Agri-Venture Trading, was able to submit import documents.

He noted the disparities between the actual seized goods and the descriptions provided in the submitted documents.

In a statement released Friday, the BOC said the payment records submitted by the warehouse referred to a shipment of "white rice 15 percent broken" but the confiscated rice was "Jasmine Fragrant Rice."

The warehouse also lacked the necessary San-

itary and Phytosanitary Import Clearance from the Bureau of Plant Industry.

The BOC-Port of Zamboanga on Sept. 1 issued an order of forfeiture due to the warehouse owner's violation of the Customs Modernization and Tariff Act, Rice Tariffication Law, and Republic Act 10845 or the Anti-Agricultural Smuggling Act of 2016.

Lontok said the BLY Agri-Venture Trading's case has already been forwarded to the BOC's central office in Manila for further investigation. PNA

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South Korea donates agriculture infra projects

Several agricultural infrastructure were built as a donation by the South Korean government to help boost farmers' incomes. South Korean Ambassador to the Philippines Lee Sang-hwa led the completion ceremony of nine greenhouses and one postharvest building in Siniloan, Laguna, last week. They were part of the project called "Pilot Village Project through the Establishment of Protective Cultivation and Postharvest Management of Vegetables in the Philippines" by the Korea Partnership for Innovation of Agriculture, an innovative official development assistance program of the Rural Development Administration, which is part of South Korea's international outreach programs. The project is expected to bring more stable income to farmers and encourage the youth to engage in farming as well. Lee said that "elevating the farmers' living standards is key" to the Philippines' quest "to become an upper middle-income country." Aside from Siniloan, other pilot village projects are also being done in Lucban, Quezon and Zaragoza, Nueva Ecija. — JACOB LAZARO



WHY ARE BUSINESS LEADERS STILL OPTIMISTIC ON PHILIPPINE ECONOMY DESPITE SLOWDOWN?

FFCCCII SUPPORTS SEC. DIOKNO PROPOSAL TO TEMPORARILY LOWER RICE TARIFFS, FOR CHEAPER RICE & STABLE SUPPLY

FFCCCII President Dr. Cecilio K. Pedro statement of support for tariff reduction on rice imports



Finance Secretary Benjamin Diokno

The Federation of Filipino Chinese Chambers of Commerce and Industry, Inc. (FFCCCII) declares its support for Finance Secretary Benjamin Diokno's proposal to reduce the tariff rates on imported rice temporarily to zero percent or a maximum of

10 percent amid the current supply gap and high prices of rice. We support government efforts to stabilize rice prices and supply.

The FFCCCII believes that Secretary Diokno's proposal to temporarily reduce the said rates from the existing 35% to 0% or maximum of 10% would not only translate to a decrease in rice prices and temper the

increasing inflation in food prices, but also address the demand-supply gap in this sector. This move will undeniably mitigate the pinch our countrymen are feeling due to the sharp increase in the price of rice, our staple food. We believe that the temporary lowering of tariff, coupled with other calibrated measures to be taken by this administration's economic

team, will result in the long-term stabilization of the prices of rice and improve the inflation situation.

As the umbrella organization of Filipino Chinese business associations with FFCCCII membership spanning across the Philippines and from various industries including the agriculture industry, we recognize the concerns of our farmers on

the possible effects of the tariff reduction, such as the entry of cheaper imported rice and lowering of the prices of domestic palay. However, at this time of soaring prices and lack of supply of this staple, we need to consider foremost the needs of our consuming public, the over 110 million Filipinos, and support this short-term measure.



FFCCCII URGES UNITY, REFORMS, LOCAL INDUSTRIES & BETTER AGRICULTURE FOR PHIL. PROGRESS

Message of Federation of Filipino Chinese Chambers of Commerce and Industry, Inc. (FFCCCII) President Dr. Cecilio K. Pedro at the Pandesal Forum on September 1, 2023 Friday 10:00 a.m. at Kamuning Bakery Café in Quezon City

Distinguished guests, our friends in the media:

Magandang Umaga sa inyong lahat.

It is my pleasure to be part of today's Pandesal Forum, and share some insights about today's important topic about our Philippine economy.

Amidst challenging times, we are still glad to hear the news of the 5.3% Philippine GDP growth for the first half of the year. This seems to be a slowdown due to high prices of commodities and slower global economic growth, but we remain optimistic and hopeful.

We believe there is still potential for sustained Philippine economic growth because of Filipino talent, no matter how difficult the challenges may be. Hindi tayo takot diyan sa mga krisis, basta bigyan ng mga pagkakataon o opportunities ang ating mga talentadong mga kababayan.

We must be cautious and address the inflation problem, which lessens the purchasing power of our people.

Still, we the FFCCCII believe that the Philippines can still achieve a good and positive Philippine economic growth rate for 2023 due to the country's positive economic fundamentals, with the expected increase in economic activities due to the Christmas season especially with the start of the exciting "ber" months today September 1, the hoped for revival of our tourism industry, and increased election-related spending with the upcoming barangay and SK (Sangguniang Kabataan) elections on October 30.

Along with these, we must also move to attract more Foreign Direct Investment (FDI) which is very important for our Philippine economy to remain competitive as against other countries in the region, especially our Asean neighbors.

One source of optimism is the Philippines' participation in the Regional Comprehensive Economic Partnership (RCEP), which is the world's largest free trade agreement. We hope this would help attract more FDI to the Philip-



Dr. Cecilio K. Pedro
FFCCCII President

pines as a production base noting our strategic location in the region.

Attracting foreign direct investments from all over Asia is one of the advocacies of the FFCCCII in the past, now and all the way to our forthcoming 70th anniversary celebration in March 2024.

And one way to attract FDIs is for our country to lower power costs, or else how could we compete? Let us invest in more energy projects, even explore the cheapest option of nuclear energy

which many of our neighbors have been doing. Explore good technology nuclear energy with adequate safety measures, in order to encourage more and big industries in the Philippines.

Then, of course, another reason for optimism is government's infrastructure investments --- the "Build Better More" program will have a strong impact on our economic growth and recovery. This will better interconnect our cities, provinces and people which, in turn, will spread faster economic development across the country.

The "Build Better More" projects shall also boost our tourism industry and create thousands of new jobs for our people, paving the way to create more growth opportunities nationwide.

On infrastructures and energy projects, we hope that our country should think and strategize long-term, like 10 years, 20 years or more. Long-term strategic planning should be beyond politics.

The manufacturing and agriculture sectors are vital sectors in the economy as a major source of employment and contributor to economy-wide productivity.

In agriculture, let us help our

farmers go high-tech, no longer depending on the carabaos. Make no mistake, mahal ko ang mga kalabaw natin dito sa Pilipinas, but for achieving self-sufficiency in agriculture, we need modern technologies, mechanization, even use of drones and robots. Isn't it sad that our country the Philippines is the world's biggest rice importer, despite the International Rice Research Institute (IRRI) located here? Agriculture is crucial for our food security. We have to feed our population of more than 114 million. We cannot just depend on imports.

On domestic industries, our Philippine-made brand Hapee Toothpaste and other products continue to manufacture here locally despite many foreign-produced competitors, because we have faith in the country. Our Filipino Chinese entrepreneurs at FFCCCII have for decades been promoting the "Buy Pinoy" advocacy to promote our Filipino-made products and services for a stronger economy.

We local manufacturers and our farmers need government support to fight smuggling of industrial and agricultural goods,

which is a threat to these our domestic industries and farms, but smuggling also threatens the jobs of our employees and the livelihoods of our farmers.

Growing our manufacturing and agriculture industries can lift our people out of poverty and strengthen our Philippine economic recovery.

Other positive reforms we at FFCCCII strongly advocate include the campaign for ease of doing business or the lessening of bureaucratic redtape and the drive for digitalization which both shall boost efficiency and sustainable Philippine economic growth.

Let us help sustainable, inclusive growth and global competitiveness for our Philippine economy.

Let us unite and focus on socio-economic reforms and innovations. Let us support efforts to create an environment that is conducive to business growth. And let us unite to achieve progress for the Philippines and all our people.

Magkaisa tayo, magsikap at tulungan natin ang paglago at pag-unlad ng ekonomiya ng Pilipinas!

Maraming Salamat sa inyong lahat.

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FFCCCII URGES CHEAPER ENERGY, MORE FOREIGN INVESTORS, SUPPORT AGRI & LOCAL INDUSTRIES

By Clarissa Mediavillo

FFCCCII President Dr. Cecilio K. Pedro expressed optimism in positive Philippine economic growth this year 2023 despite recent slowdown in growth rate and global uncertainties.

Dr. Pedro said the country needs to lower electric power rates by investing in renewable energy sources including safe nuclear power plants, woo foreign direct investments (FDIs), uplift local manufacturing industries and agriculture, accelerate digitalization of government and private sectors.

On efforts to attract foreign investors, Dr. Pedro announced that FFCCCII will two weeks later welcome a big investment and trade delegation from China's booming Fujian province, and three weeks later also welcome another big investment and trade delegation from Shandong province.

The industrialist Dr. Pedro also said he hopes the Philippines should compete with Asean neighbors like Thailand, Malaysia and Vietnam, saying that even latecomer Vietnam is already surpassing the country in terms of FDIs and economic development.



ECOP, FFCCCII URGE CHEAPER POWER, MORE FDIS, BOOST AGRICULTURE & LOCAL MFG., STABILIZE GEOPOLITICS

By Rose Servidad

Why are two business leaders optimistic about Philippine economic growth in 2023 as "still among fastest in Asia" for 2023 despite a slowdown, domestic challenges and global uncertainties?

Employers Confederation of the Philippines (ECOP) President and Philippine Chamber of Commerce and Industry (PCCI) Chairman Sergio Ortiz-Luis, Jr. and Federation of Filipino Chinese Chambers of Commerce and Industry, Inc. (FFCCCII) President and Hapee Toothpaste/Lamoiyan Corp. founder Dr. Cecilio K. Pedro, Jr. spoke candidly on September 1, 2023 and answered diverse media questions at the "Pandesal Forum" of Kamuning Bakery Cafe in Quezon City.

Ortiz said he expects 4.5% to 5% Philippine economic growth for 2023, which he thinks "is still a good accomplishment" for the Bongbong Marcos administration despite the global slowdown, the on-going Ukraine war in Europe and the unsettling USA trade war on China.

Dr. Pedro likewise expressed optimism for continued Philippine economic growth, but de-



Employers Confederation
of the Philippines



FFCCCII leaders give strong support for sustainable, inclusive Philippine economic growth led by President Dr. Cecilio K. Pedro.



FFCCCII President Dr. Cecilio K. Pedro and ECOP President & Chairman Sergio Ortiz-Luis, Jr. at Pandesal Forum of Kamuning Bakery Cafe in Quezon City.

clined to give a specific number on economic forecast.

Both cited Pres. Marcos for his earnest efforts to invite foreign investors and the generally still positive economic fundamentals of the country, but they also acknowledged that the Philippines and global economy face daunting difficulties. They urged government and all sectors to continue reforms, seek better efficiencies and stability.



EDITORIAL

Urgency of Land Use Act

The devastation brought about by heavy rains in Cebu and Mandaue cities this week should be a cautionary tale on what unregulated and unsustainable urbanization can do. Major areas in the two cities were transformed into waterways with floods rising to as high as two meters or about 6.5 feet.

Videos that went viral on social media included scenes of a mall's flooded parking lot and a house being swept away by a landslide.

Reports also said that a portion of a major street in downtown Cebu City collapsed due to the heavy rains, creating a sunken area about 15 m long and causing the adjacent concrete fence of Patria de Cebu to collapse; while a wall near the Mahiga Creek also collapsed due to the floods.

These were all caused, not by a typhoon, but by week-long torrential rains resulting in the evacuation of hundreds of families in affected areas and the suspension of classes. The culprit? Poor drainage system and heavy development, according to initial investigation, with a local official noting that waters kept rising because they had nowhere to go and flow as the areas were paved with concrete while existing drainage systems were mostly blocked with silt. The local government has called for short- and long-term solutions to these problems that are not unique to Cebu and are, in fact, replicated across the country, especially in the National Capital Region.

But what makes these floods in Cebu even more significant is that they come on the heels of the controversial "The Rise at Monterrazas," a high-end development project recently unveiled by social media influencer and engineer Slater Young, that will be built on a mountainside in the Queen City of the South. Critics were quick to point out the irony of building what Young dubbed as a "sustainable residential design" but has the potential of damaging its immediate environment.

The Philippine Institute for Development Studies (PIDS), the country's leading think tank, published an article by Lorenzo Makoy that raises questions and concerns about the project's impact on the mountain's ecology, hydrology, and geology, not to mention the people and communities living in it. The article asked three major questions: How many hectares of trees and the mountainside will they be demolishing to build the condos? Did they compare the volume of rainwater that their irrigation system and tanks can collect compared to the volume of rainwater that the trees and mountainside can collect, with roots absorbing water and the soil storing it? Have they conducted an environmental impact assessment or had one [been] conducted?

Young has assured critics that he has secured all the necessary permits, that the area is residential, and that his project will occupy only a "small, small portion" at the foot of the mountain. They have also conducted a soil profile to ensure that the project site is safe to build on—it is made of "very, very hard" limestone, he said.

However, the questions PIDS raised should be asked not only on high-profile projects but also on all development projects that are being planned or being built. How much of the natural ecosystem is lost for every land that is converted to industrial or residential use? How can soil erosion and liquefaction be prevented for every tree that is felled? How will these development projects impact the immediate environment?

This brings us to the crucial approval of the proposed National Land Use Act (NLUA), which, as Inquirer columnist Cielito F. Habito, noted in a December 2022 column, "has been languishing for nearly three decades now." Last May, President Marcos renewed his call for Congress to pass NLUA, which is envisioned to integrate all mandates and policies on the use and protection of lands. The President said it should be given the "urgent attention that it deserves," but made no mention of it in his second State of the Nation Address (the House of Representatives has already passed on third reading last May while the counterpart bill is still pending at the Senate committee level).

The importance of having an NLUA that clearly states the parameters of land use, lays out long-term plans, and institutionalizes reviews on sustainable land use, cannot be emphasized enough amidst the issues of climate change, food security, and population growth. The absence of a national framework has resulted in poor, and often conflicting, land use planning that has seen the unregulated conversion of agricultural, forest, or protected lands to residential, industrial, or mining sites that displaces communities and impacts the environment the way we have seen in Cebu this week. Today, it was a house built on a danger zone that was swept away or an area with no proper drainage system turned into a temporary swimming pool. Tomorrow, it could be an entire village—like what happened during Tropical Storm "Ondoy"—and cities ending up as waterworlds. Must things get worse before action is taken?

If the Marcos administration wants to "Build Better More," it should aggressively push for the enactment of NLUA as part of its legacy.



Agri trade deficit growth slows down in 2nd quarter

The growth of the country's trade deficit for agricultural goods slowed in the second quarter as exports plunged, outweighing a decline in imports, the Philippine Statistics Authority (PSA) reported.

In a report, the PSA said the total balance of trade in agricultural goods, or the difference between the value of exports and imports, posted a deficit of \$2.71 billion from April to June this year.

The gap inched up by 0.2 percent compared to \$2.703 billion the same period last year.

However, the increase in the trade deficit was slower compared to the 14.6 percent recorded in the same period last year and the 10.2 percent registered in the first three months

of 2023.

Meanwhile, the total agricultural trade for the second quarter posted a decline of 14.9 percent.

This was lower than the annual rate of 25.2 percent recorded in the same period a year ago, but a bit higher than the rate of 8.5 percent in the first quarter of the year.

Total agricultural exports experienced a decline of 24.4 percent or \$1.61 billion from April to June, while agricultural imports accounted for \$4.32 billion or 13.8 percent of the total agricultural trade.

Moreover, the PSA data also said agricultural export revenue dropped to \$1.61 billion or by 24.4 percent annual rate in the second quarter of 2023, from \$2.13 billion agricultural export revenue in the second quarter

of 2022.

In the second quarter of 2023, the value of agricultural exports accounted for 8.9 percent of the country's total exports.

The top 10 commodity groups in terms of value of agricultural exports contributed \$1.56 billion or 96.9 percent of the total agricultural export revenue in the second quarter of 2023.

The combined agricultural export value of the groups posted an annual decrease of 24.2 percent during the quarter.

Among the commodity groups, edible fruit and nuts; peel of citrus fruit melons, which was valued at \$521.86 million, comprised the largest share of 32.3 percent to the total agricultural exports for the second quarter of this year. (Xander Dave G. Ceballos)



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PSA: PH rice output may decline in Q3

The country's rice output may decline in the third quarter of this year, the Philippine Statistics Authority (PSA) said.

The PSA said production of palay is now estimated at 3.788 million metric tons from July to September, down from an earlier projection of 3.876 million metric tons.

This new estimate was based on the standing crop as of August 1 and it remains below the initial forecast of 2.56 million metric tons issued on July 1.

The PSA said the area planted for rice may drop 0.5 percent to 926,950

hectares from 931,750 last year, while yield per hectare may grow to 4.09 metric tons or by 0.5 percent.

The PSA said about 168,070 hectares or 18.1 percent of the updated standing crop has been harvested with a recorded palay output of 693.51 thousand metric tons.

Of the area remaining to be harvested, 14.7 percent of the crop is at the vegetative stage, 55.5 percent at the reproductive stage, and 29.8 percent at the maturing stage.

Meanwhile, corn output for the third quarter may increase to 2.4 million metric tons or by 5.4 percent,

which would represent an improvement over the year-earlier output of 2.35 million metric tons.

The new estimate, however, is lower than the PSA's initial forecast for the period of 2.56 million metric tons issued on July 1.

Area planted to corn during the period is estimated to rise to 1.8 percent year on year to 820.73 thousand hectares.

The yield per hectare of corn is thought to increase 3.8 percent year on year to 3.02 metric tons, compared to the 2.91 metric tons actual yield a year earlier. (Xander Dave G. Ceballos)



Overfishing, unsustainable tourism threaten Tañon Strait

By JONATHAN L. MAYUGA

LAST month, the University of the Philippines-Diliman College of Science (UPD-CS) reported the declining population of dolphins in Tañon Strait, a body of water in the Visayas that is known to harbor a variety of amazing mammals, including rare whales and dolphins.

This was based on the survey the UPD-CS conducted in the strait from July 20 to 23, focusing on dolphin populations within its southern part.

"The initiative revealed deeply concerning trends, such as a decrease in dolphin numbers, a reduction in species diversity and evasive behavior possibly linked to increasing human activity in the area," the UPD-CS reported.

Fewer, more elusive dolphins

IN a news release, Dr. Lemnuel Aragon, head of the UPD-CS Marine Mammal Research and Conservation Laboratory (MMRCL) that conducted the survey, said the number of spinner dolphins recorded by the team was fewer compared to past their years' undertakings.

Earlier surveys witnessed vibrant gatherings of diverse species of cetaceans—including numerous kinds of dolphins and species of whales, with groups of as many as 100 individuals spotted in a single day.

However, the recent survey was starkly different, showcasing only three species—spinner dolphins, common bottlenose dolphins and dwarf sperm whales.

Only between 80 and 90 individual spinner dolphins were encountered throughout the four-day survey, compared to 100 in just one day.

Aragones added that the team observed the evasive behavior of the dolphins—which is a sign of possible stress or disturbance due to the persistent presence of aggressive dolphin-watching boats.

Overfishing

BY the definition of the Fisheries Code and Amended Fisheries Code, Tañon Strait—that separates the islands of Negros and Cebu in the Visayas—is a

municipal fishing ground, hence off-limits to commercial fishing.

Municipal fishing grounds are the areas between the shorelines and 15 kilometers (km) toward the sea.

The areas are for the exclusive use of small, mostly subsistence fishermen, who have limited capacity to fish in distant waters.

Protectors of Tañon Strait have complained against overfishing in the area, a very important fishing ground both for Negrenses and Cebuanos.

Oceana Philippines, an international nongovernment organization advocating for sustainable fishing practices to conserve the world's oceans, said commercial fishing vessels have been frequenting the Tañon Strait in the past.

The group is also pushing for the implementation of the Amended Fisheries Code and the enforcement of monitoring devices in commercial fishing vessels to detect the behaviors of commercial fishers.

Tourism woes

TO generate jobs and livelihood opportunities, local governments in Negros and Cebu promote ecotourism in Tañon Strait, including whale and dolphin watching.

Lately, Aragon said his team observed a notable change in the behavior of dolphins, a possible sign of stress or disturbance, probably due to the persistent presence of aggressive dolphin-watching boats.

Aragones and his team, who have been monitoring the region since 1997, observed a significant increase in the number of dolphin-watching boats.

Although he noted that the area now hosts around 60 boats, down from the original 260, he still fears that this may still be too much.

"Too many dolphin-watching boats in the area disrupt the cetaceans' habits," he said. Marine mammals like dolphins and whales belong to cetacean family.

Less fish, less dolphin food

ARAGONES suspected that overutilization of the area's resources is a contributing factor to the decline in

the dolphin population.

"There should also be a comprehensive assessment of fisheries resources in the entire strait as there is clearly less food now for these creatures," he explained.

To preserve the delicate ecosystem and to safeguard the remarkable marine mammals in Tañon Strait, the scientists have proposed several measures, including a moratorium on adding more boats to the already existing fleet.

They also underscored the need for a comprehensive assessment of fisheries resources, including fishing activities in Tañon Strait, as a decline in food availability may be exacerbating the dolphins' struggles.

Furthermore, strict monitoring and regulation of illegal unreported and unregulated fishing practices in the area are necessary.

Sustainable tourism practices needed

THE marine mammal expert emphasized the importance of educating boat operators on responsible dolphin-watching protocols.

He said a certification process that trains operators to navigate around dolphins without causing stress could play a pivotal role in protecting the charismatic animals.

Research also suggests that previous ecotourism activities negatively impacted dolphin behavior,



reinforcing the need for responsible and sustainable tourism practices.

Tañon Strait is not the only area affected by unsustainable tourism practices.

Beach resorts like Boracay, El Nido, Puerto Galera and other popular tourist spots have experienced environmental degradation.

Not far from Tañon Strait, the Cebu whale shark watching in Sorsogon and Oslob have led to disturbances of ecosystems and altered behaviors of the whale sharks.

In Sorsogon, tourists on boats chase whale sharks to get a glimpse of the huge docile creature, and swim close to them for photo opportunities.

In Oslob, Cebu, whale sharks are fed to make them stay in the area, altering their supposedly "wild" behavior of filter-feeding plankton in coastal areas, and later on migrate to other areas as they tend to be more dependent on the food provided by tourist operators in the name of "eco-tourism."

Protected area

KNOWN as the Tañon Strait Protected Seascape, it is a Protected Area by virtue of Proclamation 1234 of 1998.

The area is about 160 km long. It connects the Visayas Sea in the north to the Bohol Sea in the south. Its width varies from 5 km to 27 km, with the narrowest point in the south.

With an area of more than 5,000 sq

km, it is the largest marine protected area in the country and is supposed to be protected by the Department of Environment and Natural Resources (DENR), which implements the Expanded National Protected Areas System (E-Nipas) Act.

Demystifying dolphin population decline

THERESA MUNDITA S. LIM, executive director of the Asean Centre for Biodiversity (ACB), said there are several reasons that may cause the decline of cetacean populations.

"Pollution is one. Marine debris, such as plastics can be ingested by dolphins, which mistake them for jellyfish and other sea creatures that they feed on," Lim told the BUSINESSMIRROR in an interview via Messenger on August 21.

Lim, a biodiversity expert, said ghost nets can also entangle large marine wildlife like dolphins, and cause them to drown.

Worse, she said oil spills may also suffocate large marine wildlife, driving them away, the same way that noise pollution can also drive them away.

"Noise can disorient them, thus, affecting their normal movement, driving them away, and could even result in strandings," Lim said.

Meanwhile, she said severely polluted waters due to chemicals, or high levels of bacteria from domestic waste, can cause various diseases.

Lastly, any form of disturbance, such as irresponsible tourism can drive away their populations and they may choose to travel through other routes.

According to Lim, Asean is known to host an assortment of dolphin species. Spinner dolphins, she said, naturally occur in other parts of Southeast Asia.

"They migrate across the waters of Indonesia, Malaysia, and the Philippines, as they are found within the Coral Triangle area," she said.

Alarming, sad

REACTING to the UPD-CS report, Oceana Philippines Vice President Gloria Estenzo-Ramos said the declining population of dolphins and what

is happening now in Tañon Strait is both alarming and sad, but said it is not surprising.

"I am not surprised by this development. There still seems to be no sense of stewardship and genuine sense of responsibility to enforce the Enipas Act, and Fisheries Code, to name a few, and the management plan duly approved by DENR under the sterling leadership of then-BMB [Biodiversity Management Bureau] Director Mundita Lim and DENR 7 Regional Director [Isabelo] Montejo," Ramos, an environmental lawyer, told the BUSINESSMIRROR on August 21.

Stronger law enforcement

RAMOS said there's a need to revive policies and programs that strengthen protection in Tañon Strait.

"We would like to see the Coastal Law Enforcement in Region 7 [CLEAR 7] to be active again. The Tañon Strait Protected Area Management Board met regularly and approved the resolution to require vessel monitoring measures for all commercial fishing vessels transiting in Tañon Strait," Ramos said.

Ramos's leadership in Oceana saw the creation of many Bantay Dagat (Sea Patrol) volunteer groups in Negros and Cebu, among its various initiatives to protect this very important body of water.

According to Ramos, Cebu province under then-Gov. Hilario Davide III became the first province to require vessel monitoring.

She added that climate change aggravates the impacts of "human indifference, apathy and greed in illegally, shamelessly and recklessly exploiting our declining marine resources."

Ramos agreed that plastics and water pollution abound.

She said, "Sadly, the ecological dots are still to be connected, especially by the duty holders, the government, except for a few."

Ramos pointed out: "The call now is not to wait for duty holders to do the right thing. We have to be that society that we long to be and future generations deserve—less talk, more action—a mantra for all who still cares."



'Price cap on rice to stoke inflation'

By **LAWRENCE AGCAOILI**

The continued imposition of a price cap on rice is expected to further fuel inflation, which accelerated to 5.3 percent in August after six consecutive months of declines, economists said.

ANZ chief economist for Southeast Asia Sanjay Mathur and economist Debalika Sarkar said the imposition of price ceilings on various varieties of rice could bring down the prices for regular milled rice by 34 percent and well-milled rice by 24 percent.

"However, price ceilings can stoke inflationary pressure or create shortages if not supported by complementary measures such as adequate monetary support to retailers, farmgate price regulations and/or a reduction of the rice import tariffs from the current 35 percent," Mathur and

Sarkar said in a recent commentary.

In the note titled "The Philippines: The Food and Fuel Problem Re-emerges," the authors said the government has plans to deploy the Sustainable Livelihood Program (SLP) budget to compensate for the losses borne by rice retailers.

However, ANZ said evasion of the ceilings could not be ruled out as the coverage of the program is limited and rice inventories are at a multi-year low.

President Marcos issued Executive Order 39 mandating a price ceiling of P41 per kilo

for regular milled rice and P45 per kilo for well-milled rice effective Sept. 5.

The House of Representatives is closely working with the Department of Budget and Management (DBM) to allocate P2 billion in cash assistance for retailers affected by the imposition of price ceiling.

The economic team of the Marcos administration led by Finance Secretary Benjamin Diokno said the implementation of price controls is a temporary measure aimed at assisting vulnerable and disadvantaged sectors during a period of high rice prices.

The EO is in line with the comprehensive approach to mitigate the concerns of rice retailers and farmers and to ensure that the rice supply remains sufficient at lower prices.

ANZ has revised its inflation forecast for this year, increasing it from 5.3 percent to six percent. This adjustment comes after inflation accelerated to 5.3 percent in August, following a six-month period of gradual decline from a peak of 8.7 percent in January.

Inflation averaged 6.6 percent from January to August, still way above the BSP's two to four percent target range.

ANZ said it would take longer for inflation to fall back below four percent in the first quarter of next year from the fourth quarter of this year.

"We see scope for inflation to rise in the near term. The risk is that food and energy prices feed through to other components of the inflation basket. Rice price ceilings may not generate the desired outcome if not supported by

complementary measures," Mathur and Sarkar said.

According to the authors, the acceleration in food prices was broad based to reflect a supply shock from seasonal typhoon activity and the impact of India's restriction on rice exports.

"Oil and food prices can also impact inflation expectations and raise the risk of second-round effects through the wage-price spiral. Consumer inflation expectations in the Philippines are usually adaptive and, like other emerging markets, are influenced heavily by prices of food, transport and utilities," Mathur and Sarkar said.

They warned that the formation of inflation expectations could also feed through to wages.

Bangko Sentral ng Pilipinas Governor and Monetary Board chairman Eli Remolona

Jr. said he sees no grounds for raising interest rates on Sept. 21, despite the recent uptick in inflation. This is due to the anticipation that supply shocks, which caused the surge in food and oil prices, will subside relatively quickly.

The central bank's Monetary Board was able to extend its hawkish pause as it kept interest rates unchanged for three straight rate-setting meetings from May to August this year due to the inflation downtrend as well as the slower-than-expected gross domestic product growth in the second quarter.

It would be recalled the BSP raised key policy rates by 425 basis points between May last year and March this year to tame inflation and stabilize the peso that slumped to an all-time low of 59 to \$1 last October.



₱42M halaga ng imported na bigas, nasabat sa Zambo

Aabot sa 42,000 kilo ng bigas na nasa ₱42 milyon ang halaga ang nasabat ng Bureau of Customs (BOC) sa isinagawang raid sa isang warehouse sa Zamboanga City.

Ayon kay Atty. Benny Lontoc ng BOC sa Port of Zamboanga, nakatanggap sila ng impormasyon na may dumating sa port ang milyon-milyong halaga ng

bigas ng wala import entry.

Kaya naman agad na ininspeksyon ng BOC ang kargamento at nadiskubreng hindi tumugma ang nakalista sa dokumento sa tunay na laman nito.

"We are committed na labanan ang smuggling ng agricultural products lalo na ang bigas," anang opisyal. **(Natalia Antonio)**



PH-South Korea trade deal to save sagging banana industry

THE recently signed Philippines-Korea Free Trade Agreement (PH-KR FTA) is expected to address the declining share of banana exports.

The FTA will gradually reduce tariff for banana exports, with the rate at zero level within five years once the trade pact enters into force.

Pilipino Banana Growers and Exporters Association executive director Stephen Antig told the Philippine News Agency (PNA) on Friday that in less than a decade, the share of Philippine bananas in terms of value in the South Korean market declined to 72.6 percent last year from 95.6 percent in 2014.

"(O)ur share was eroded by the entry of bananas from other countries that are cheaper because of zero tariff," he said in an e-mail reply to PNA.

Bananas from Vietnam that are exported to Korea are slapped a 6 percent tariff but will be scrapped next year because of their bilateral trade pact that has been in effect since 2015.

Ecuador, Colombia and Peru also have free market access for their banana exports to South Korea, according to the Department of Trade and Industry (DTI).

"We need the lower tariffs compared to our competitors who have zero tariffs already versus the 30 percent tariff for Philippine bananas," Antig said.

"The FTA will level the banana playing field and make Philippine bananas more competitive in the world market. Hopefully with the FTA, the Philippines will be able to ship more bananas into Korea because it will now be cheaper and affordable to more consumers even if there is a cap on the volume. In effect, it is a breath of fresh air for the sagging industry," he added.



President Ferdinand R. Marcos said he looks forward to the expansion of the trade agreement.

"When I look at the involvement of Korea and the Philippines, I can say that the relationship between our two countries remains vibrant. And I think it is accelerating... I would like to take this opportunity to deepen further that relationship," he said after witnessing the signing on the sidelines of the 43rd Association of Southeast Asian Nations Summit in Jakarta, Indonesia on Sept. 7.

DTI Secretary Alfredo Pascual and Korea Trade Minister Ahn Duk Geun signed the PH-KR FTA in the presence of Marcos and President Yoon Suk Yeol.

More Korean investments

Philippine Chamber of Commerce and Industry president George Barcelon told the PNA in another phone interview that the FTA will stimulate investments into the country.

"One of the areas I can see that will benefit is the car industry," Barcelon said, adding that Korean carmakers can now compete with Japanese car man-

ufacturers due to the lowering of tariffs for automotive vehicles and auto parts imported from Korea.

Likewise, Philippine Economic Zone Authority Director (PEZA) General Tereso Panga said he is optimistic that there will be an influx of investments from South Korean firms once the Philippines-ROK FTA takes effect.

"We are seeing an increasing trend with more South Korean investments coming in the country. Last year, we have approved a total of PHP 1.019 billion investments from South Korean projects and for our performance this year," he said. PNA