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CA sets DA chief's confirmation hearing on Dec. 5

By **SHEILA CRISOSTOMO**

Agriculture Secretary Francisco Tiu Laurel is set to face the bicameral Commission on Appointments (CA) for his ad interim appointment next month, Surigao del Sur Rep. Johnny Pimentel said yesterday.

Pimentel said the CA's committee on agriculture chaired by Bataan Rep. Albert Garcia had scheduled Laurel's confirmation hearing on Dec. 5.

"As far as we're concerned, the biggest challenge that Secretary Tiu Laurel is facing now is how to swiftly modernize and boost the productivity of our agricultural sector," noted Pimentel who is a member of the bicameral CA.

Right now, he underscored that many

Filipino families are "struggling to put enough food on the table due to high prices."

"We must increase domestic food production by leaps and bounds in the years ahead. This is the only way we can suppress unwanted upward pressures on food prices," he added.

Laurel ran the family-owned Frabelle Group of Companies before he was appointed by President Marcos to head the Department of Agriculture on Nov. 5.

The lawmaker said the Frabelle Group has diverse businesses such as Frabelle Fishing Corp., Frabelle Cold Storage Corp., Westpac Meat Processing Corp., Eoana Canning and Food Processing Corp., Frabelle Shipyard Corp. and Frabelle Properties Corp.



Confirmation hearing for DA secretary set

BY RED MENDOZA

THE Commission on Appointments (CA) is set to conduct its confirmation hearing on the appointment of Francisco Tiu Laurel Jr. as Agriculture secretary in early December, a ranking member of the bicameral commission said.

CA Assistant Minority Leader and Surigao del Sur Rep. Johnny Pimentel said the commission's

Committee on Agriculture, led by Bataan Rep. Albert Garcia, scheduled Tiu Laurel's confirmation

hearing on December 5.

Pimentel said the biggest challenge Tiu Laurel faces is how to modernize and boost the productivity of the agricultural sector.

"Right now, many Filipino families are struggling to put enough food on the table due to high prices. [Thus] we must increase domestic food production by leaps and bounds in the years ahead. This is the only way we can suppress unwanted upward pressures on food prices,"

Pimentel added.

Tiu Laurel, whose family owned the Frabelle Group of Companies, was appointed by President Ferdinand Marcos Jr. on November 5.

Meanwhile, reappointed Health Secretary Teodoro Herbosa's confirmation hearing has yet to be scheduled by the CA's Committee on Health chaired by Sen. Christopher "Bong" Go.

Meanwhile, 55 Foreign Service officers are also awaiting their confirmation hearings before the CA.



Rice imports seen exceeding forecast to build up reserves ahead of El Niño

By Adrian H. Halili
Reporter

RICE IMPORTS will likely exceed earlier projections in order to build up reserves ahead of the peak of El Niño, analysts said.

Agriculture Secretary Francisco T. Laurel Jr. said last week that he gave rice traders 30 days to import rice or risk the cancellation of their permits.

Economists said El Niño, which is expected to run until early 2024, will dampen farm production, resulting in a need for more imports.

"It will be good to act conservatively when it comes to dealing with a possible rice shortage next year, when the lean season starts and a projected 'bad' El Niño is expected to hit food production worldwide," Calixto V. Chikiamco, Foundation for Economic Freedom (FEF) president, said in a Viber message.

As of Nov. 16, rice imports have hit 2.94 million metric tons (MT), according to the Bureau of Plant Industry.

The US Department of Agriculture projected earlier that rice imports this year may hit 3.8 million MT.

In response the Philippine Department of Agriculture (DA) said that imports of the grain would come in below the USDA's estimates.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort



likewise, said that the risk of El Niño on rice production will spur imports up to early 2024.

"As reduced rainfall would reduce rice production and supply, (the gap will be) filled by additional imports," Mr. Ricafort said in a Viber message.

The DA estimates paddy or unmilled rice production of 20 million MT this year, on track to exceed the 19.76 million MT posted in 2022.

The government weather service, known as PAGASA, has said that the peak of the dry spell will run until early 2024.

Mr. Laurel said last week that the additional rice imports will be sufficient to carry the grain supply into the next harvest.

Mr. Chikiamco said imports are "the correct policy move. We are see-

FREEMK

ing rising prices of rice due to lower volumes of imports and the end of the harvest. Secretary Laurel wants an immediate augmentation of supply to arrest the surging prices of rice," he said.

The price of imported rice was P45 per kilogram for the well-milled variety during the November 20-24 period, according to DA price monitors. The Philippines does not import regular-milled rice.

Mr. Chikiamco said the problem of rising prices is "due to lower volume of imports as traders have hesitated to import due to surging global prices."

The government had imposed a temporary price cap on regular-milled rice of P41 per kg and on well-milled rice of P45 via Executive Order No. 39. The measure was in force between August and October.



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'DA must blacklist traders who will delay rice imports'

By JASPER EMMANUEL Y. ARCALAS
✉@jearcalas

THE Department of Agriculture (DA) must "blacklist" rice importers who are not using their approved sanitary and phytosanitary import clearances (SPSICs), the Samahang Industriya ng Agrikultura (Sinag) said over the weekend.

"Those importers given permits but cannot deliver [to import] should be blacklisted and charged for holding the country at bay [magi-import lang sila when convenient]," Sinag Executive Director Jayson Cainglet said in a statement.

"To import is a privilege; it is not a license for impunity and [to] further destroy the agriculture sector."

The umbrella agriculture group said rice importers have been on a "wait-and-see" mode given the global rice situation.

The global market saw rice prices spike this year on the back of India's export ban on its rice shipments worsened by volatile market conditions.

"DA [Department of Agriculture] Secretary Francisco Tiu Laurel Jr. is weighing all options available at his disposal," the group said.

"That is, if the private sector are [still] willing to import [wait-and-see for the importers given the global rice situation at the moment] or if the government now needs to intervene."

The group issued the statement almost a week after Laurel warned rice traders that their SPSICs will

be canceled if they will not be able to bring in the approved import volume within 30 days.

In a House Committee on Agriculture and Food hearing last week, Laurel disclosed that there are about 1 million metric tons (MMT) of rice covered by valid SPSICs. (Related story: <https://businessmirror.com.ph/2023/11/21/da-importers-lose-spsic-if-rice-not-here-in-30-days/>).

"I said if they will not import those within 30 days, if they will not give a [purchase order], I will cancel all the [SPSICs] because I do not want to be held hostage by permits that were issued to them upon their request," he said in a mix of Filipino and English.

Laurel's decision was backed

by the Philippine Chamber of Agriculture and Food Inc. (PCAFI), which argued that shortening the deadline for the arrival of rice imports could deter price manipulation. (Related story: <https://businessmirror.com.ph/2023/11/24/da-chiefs-30-day-ultimatum-on-rice-imports-supported/>)

The BUSINESSMIRROR reported earlier that the country's rice imports is close to touching the 3-MMT mark as the state approved the entry of over 1 MMT of foreign supply via private traders and importers in the coming months. (Related story: <https://businessmirror.com.ph/2023/11/23/with-1-mmt-more-approved-phl-rice-imports-near-3-mmt/>)



Rice imports down as of mid-Nov

BY JANINE ALEXIS MIGUEL

THE volume of rice imports as of mid-November went down by 16.7 percent compared to the same period last year, the Department of Agriculture (DA) reported.

Data from the DA-Bureau of Plant Industry (BPI) showed that inbound shipments of the staple as of November 16 totaled 2.93 million metric tons (MT), down

at 516,895.173 MT.

Vietnam remained the country's top source of rice, shipping 2.61 million MT and accounting for 89.17 percent of total imports.

Thailand followed with 143,897.67 MT, Myanmar with 123,658 MT, and Pakistan with 30,325.21 MT. India also shipped 13,734.79 MT of rice to the country. The remaining volume, 6,213.12 MT, was shared by Cambodia, China, Japan, Taiwan, Italy and Spain.

In separate data, BPI showed that it had approved 4,186 sanitary and phytosanitary import clearances (SPSICs) from January to November.

From November 1 to 16, the BPI approved 604 SPSICs with a corresponding import volume of 484,379.79 MT of rice.

Agriculture Secretary Francisco Tiù Laurel said that he ordered importers to quickly use their import permits to buy an additional

1 million tons of rice from abroad to ensure sufficient supply and affordable prices of the staple.

Laurel said he would cancel all permits not used within 30 days. Earlier, the DA said that it could better manage the supply of rice and avoid price surges by assuring import permits are used quickly.

The Samahang Industriya ng Agrikultura (Sinag), meanwhile, said that Laurel is "weighing all options available at his disposal."

With the current global rice situation, Sinag Executive Director Jayson Cainglet said that the government should see if the private sector is still willing to import or if the government should now intervene.

However, Cainglet said that importers given permits but failed to import "should be blacklisted and charged for holding the country at bay," adding they only import the staple when it is convenient for them.

Chinese trade show orders led by durian, banana, coffee, pineapple

DURIAN, banana, specialty coffee, and pineapple were the top-performing commodities from the Philippines at the China International Import Expo (CIIE), the Department of Trade and Industry (DTI) said.

The Philippine delegation consisted of 16 food and beverage businesses, head of delegation Celerino S. Rodolfo, Trade Undersecretary and Board of Investments (BoI) Managing Head said in a Viber message.

Sales booked include purchase agreements signed prior to the opening of the trade show, which totaled \$876.63 million, and were turned over and signed during the event.

"More than \$226 million was recorded under booked sales, sales under negotiation, retail sales, and business matching activities after

the six-day trade exhibition," the BoI said in a statement over the weekend.

Aside from the 16 food exhibitors, the Philippine delegation was also joined by four other Philippine businesses supported by the International Trade Centre from the food, consumer, and services sectors.

Separate from the overall export sales at the Chinese expo, business matching activities led by the Export Marketing Bureau of the Department of Trade and Industry also generated sales of \$3.4 million.

The business matching activities were done in partnership with the Bank of China, the BoI said.

"The CIIE has become an important platform for the country to showcase its best-selling food products and attract potential

investors in China, creating new business opportunities and boosting the economy," Mr. Rodolfo said at the event.

"The Philippine government is keen on exploring opportunities for partnerships with Chinese enterprises to increase its export capacities to China by enhancing the entire value chain," Philippine Trade and Investment Center — Shanghai-based Commercial Counselor Glenn Peñaranda said.

DURIAN EXPORTS

During the event, the BoI said the Philippine pavilion hosted tastings of the main durian export variety, known as Golden Puyat.

"Chinese consumers who have tasted the same have likened the homegrown durian to Malaysia's own variety, 'Musang King,' which

is currently the most expensive durian in the Chinese market," it added.

The Philippines started durian exports to China in April.

After a few months of market access, the BoI said that China has become the major export destination for fresh durian, accounting for 3,481.29 metric tons out of 3,916.36 metric tons in durian exports in the 10 months to October.

"This year, the focus on durians at the CIIE is celebrated and supported, especially for hundreds of small farmers who will benefit from these exports," the BoI said.

"This signals a promising future for the Philippines' local agricultural communities as it is also expected to generate at least 10,000 direct and indirect jobs," it added. — **Justine Irish D. Tablie**





TONGPATS SA ITLOG BINUKING NG DA

INAMIN ng isang opisyal ng Department of Agriculture (DA) na nagkakaroon ng dayaan sa presyuhan ng itlog dahil karamihan ng mga customer ay hindi alam ang presyuhan ng bawat sukat ng itlog.

"Nagkakaroon ng dayaan sa itlog kasi hindi masyadong kabisado ng ating kababayan kung paano i-detemine 'yong large, medium at saka 'yong maliliit na itlog. Dapat ang presyuhan natin sa medium ay nasa otso pesos," pag-amin ni DA Assistant Secretary Arnel de Mesa.

Ang timbang ng itlog ay dapat 49 grams paba-ba kung extra small, 51-55 grams kung small, 56-60 grams kung medium, 61-65 grams kung large, 66-69 grams kung XL, 70-74 grams kung jumbo at 75-87 grams kung super jumbo.

Tiniyak naman ng opisyal na sapat ang supply ng itlog sa bansa lalo na sa papalapit na kapaskuhan.

Kaugnay nito, itinulak ng isang miyembro ng Kamara de Represen-

tantes na gawing per kilo na lamang ang bentahan ng itlog imbes na kada piraso.

Ayon kay AGAP Party-list Rep. Nicanor Briones, makatitiyak ang consumer na hindi sila malulugi kung magiging per kilo ang bentahan ng itlog.

"I-check ng consumer 'yong timbang ng itlog na kanilang binibili kung iyon nga eh halimbawa para sa small, medium, large, XL, jumbo. At least mabe-verify nila kung tama 'yong binibili nila

ayon sa timbang," paliwanag ni Briones.

Aniya, asahan ang pagtaas sa presyo ng itlog ngayong Kapaskuhan dahil sa paglaki ng demand pero inaasahan babalik ito sa dating presyo pagkatapos ng holiday.

Isa rin aniya sa naging dahilan ng pagsirit ng presyo ng itlog ay ang hindi matapos tapos na problema ng bird flu kaya maraming negosyante ang napipilitang magsara ng kanilang poultry.

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Solons: Expand Pinoys' access to healthy food

By JOVEE MARIE N. DELA CRUZ

[@joveemarie](#)

THE national government should encourage farming in urban and rural areas to end malnutrition and move closer to achieving food security, according to lawmakers.

House Deputy Majority Leader and Iloilo First District Rep. Jannette Garin said the persistent issue of malnutrition in the country requires the implementation of a long-term solution.

Garin, a former health secretary, highlighted the interconnected nature of malnutrition issues with the availability of safe water.

"Another problem is the availability of safe water, because this has contributed a lot to many patients, as there are children who experience diarrhea due to drinking unsafe water."

With this, Garin urged the government to extend support to rural areas for backyard farming, saying children must have access to nutritious food.

She also underscored the critical role of addressing the nutrition of pregnant women, noting that the nutritional well-being of

children begins from conception.

According to the United Nations International Children's Emergency Fund (UNICEF), every day, 95 children in the Philippines die from malnutrition, and 27 out of 1,000 Filipino children do not get past their fifth birthday.

Knowledge gained from nutrition-related training and seminars must have actual implementation, as it would have a positive impact on addressing the problems of malnutrition, she said.

"Solving malnutrition is not just a government's problem, but it should be a collaboration between our constituents. DOH should not stop having partnerships or agreements with UNICEF. The biggest problem that they have is the actual implementation on the ground."

The Department of Health and UNICEF recently formed a partnership to strengthen health in the

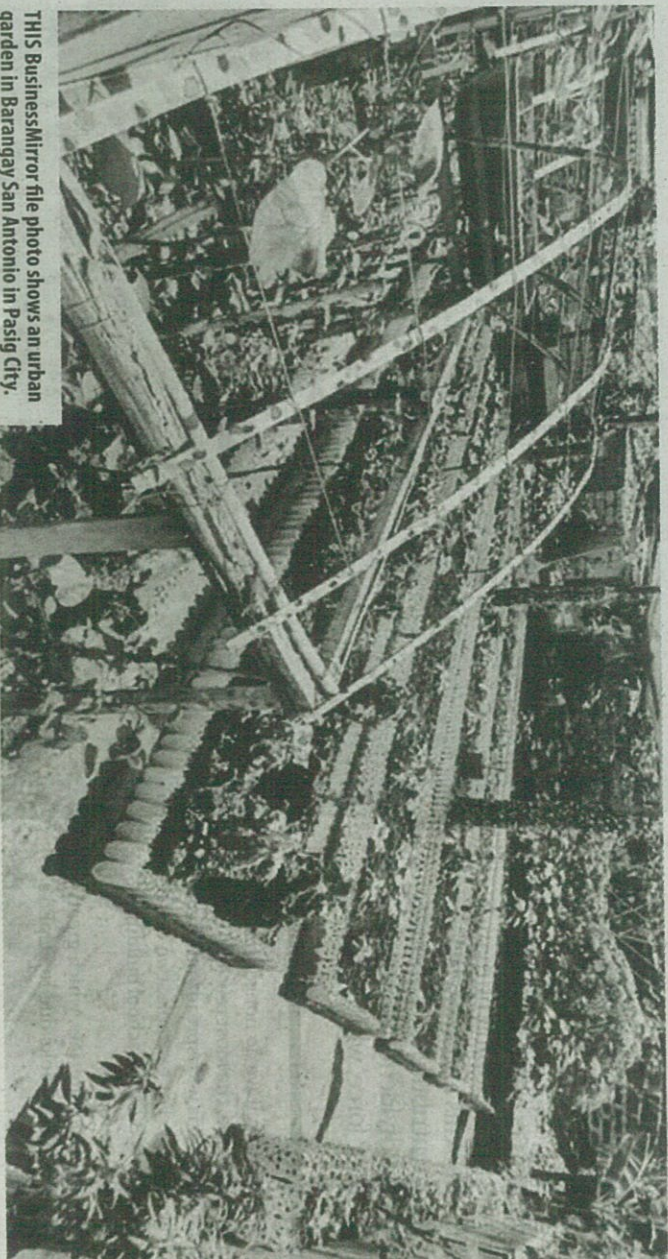
BusinessMirror

A broader look at today's business

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THIS BusinessMirror file photo shows an urban garden in Barangay San Antonio in Pasig City.

country and address malnutrition.

Urban farming bills

IN Congress, lawmakers are pushing for the passage of bills promoting urban agriculture.

Camarines Sur Rep. Luis Raymond Villafuerte Jr. said his House Bill 6051 "aligns" with President Ferdinand R. Marcos Jr.'s emphasis on the pivotal role of agriculture in driving growth and employment in the country.

At the heart of his legislative proposal, Villafuerte said, is the promotion of urban farming, a practice that encompasses the

cultivation, processing, and distribution of food within or around villages, towns, or cities.

This holistic approach to agriculture includes diverse components, such as animal agriculture, aquaculture, and agroforestry, among others, said the lawmaker.

Villafuerte said the essence of urban farming lies in its potential to provide numerous opportunities for citizens to access a variety of agricultural products right within their cities or communities.

"Recognizing the importance of fostering a deep understanding of urban farming, the proposed

measure seeks to integrate urban agriculture and vertical farming into the academic curriculum for secondary and tertiary-level students across public and private academic institutions," he said.

"Urban farming holds the promise of transforming cities into hubs of agricultural productivity, bridging the gap between rural and urban landscapes. By integrating such practices into educational curricula, the measure aims to create a future generation of informed individuals who can actively contribute to the advancement of agricultural

sustainability."

Ultimately, he said the integration of urban farming into educational frameworks not only serves as a response to the immediate challenges of food security but also stands as a forward-looking investment in the future of Philippine agriculture.

1-Pacman Rep. Mikee Romero also has also pitched his House Bill 806 for the rationalization of urban agriculture and institutionalizing farming in the highly-urbanized regions nationwide.

"Urban agriculture is the production, processing, and marketing of food in response to the demand of consumers within a metropolitan area, with the application of comprehensive production methods," he said.

"These urban poor are mostly restricted in terms of education and job opportunities. This Urban Farming Act will help them gain benefits as it will continue to promote a better livelihood by providing non-market access to food."

According to Romero, urban agriculture and farming will not only clean the environment, but they will also help minimize the effects of climate change.

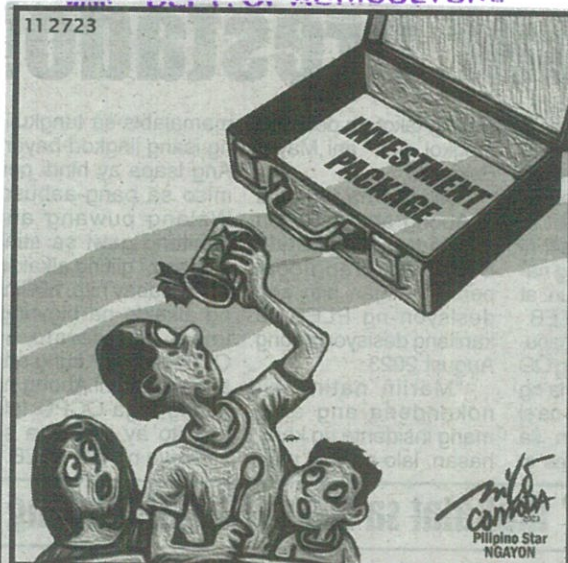
"This proposed House measure also seeks to combat the effects of overpopulation and climate change."

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Editorial

Nabawasan, bilang ng mga nagugutom?

SA lumabas na survey ng Social Weather Stations (SWS), bumaba umano ang bilang ng mga nagugutom sa third quarter ng 2023. Ito ay dahil umano sa epektibong pagtugon ng pamahalaan sa dinaranas na kahirapan. Noong Setyembre ay bumaba ng 9.8 percent ang mga nakaranas ng gutom. Mas mababa umano ito sa naitalang 10.4 percent noong Hunyo.

Pero kung titingnang mabuti ang ginawang survey, ang pagbaba ng bilang ng mga nagugutom ay naitala sa Visayas at "Balance Luzon". Sa Metro Manila at Mindanao ay nananatiling mataas ang bilang ng mga nagugutom o mga walang makain. Ibig sabihin, nanatili pa rin ang kasalatan nang marami at wala silang maipantustos sa pang-araw-araw na pamumuhay. Marami pa rin ang walang trabaho at tumutugna naman ito sa lumabas na survey kamakailan na problema pa rin ang unemployment sa bansa. Marami ang walang hanapbuhay kaya nagkakaroon ng kagutuman. At maaaring tama na mataas ang bilang ng mga nakararanas ng gutom sa Metro Manila at maski sa Mindanao dahil nga sa kawalan ng trabaho. Kahit nawala na ang bangis ng pandemya, hindi pa rin lubusang nakababangon ang ekonomiya kaya walang maipagkaloob na trabaho sa mamamayan.

Noong nakaraang linggo ay bumisita muli si President Ferdinand Marcos Jr sa United States—ikalawang beses niyang pagbisita—una ay noong Mayo 5, 2023. Sa bawat pagbisita niya sa mga bansa, lalo sa U.S. lagi niyang sinasabi na nakakuha siya ng investment package. Iyon daw ang maganda niyang pasalubong sa mamamayan. Hindi lamang sa U.S. kundi sa iba pang bansa—Saudi Arabia, Japan, Korea at iba pa na nagnanais magnegosyo sa Pilipinas.

Pero sa kabila na maraming bansa ang nagakong mag-i-invest sa Pilipinas, wala pa ring pagbabago sa ekonomiya. Hindi maramdaman ang pagangat o pag-unlad. Hindi kaya pawang pangako lamang ang ginagawa ng mga bansang dinadalaw ng Presidente? Totoo kaya ang mga iyon o pagpapakitang tao lamang?

Marami ang nakararanas ng gutom at kung hindi magkakaroon ng pagkakakitaan ang nakararaming Pilipino, nahaharap sa matinding pagsubok ang bansa. Nararapat na makalikha nang maraming trabaho at magagawa iyan kung ang pagtutuunan ng pamahalaan ay ang pagpapaunlad sa agrikultura na dating hinawakan ng Presidente.

Malaki ang posibilidad na kung mapauunlad ng pamahalaan ang sector ng agrikultura, ito ang magbibigay ng trabaho sa maraming Pilipino. Hindi lamang trabaho ang babaha kundi pati na rin ang pagkain sa hapag. Kapag nag-boom ang agrikultura, wala nang maghihirap at walang magugutom.



Cocoa farming lures new money as Brazil is set to revive exports

Cocoa farmers in Brazil are getting ready for a dramatic comeback.

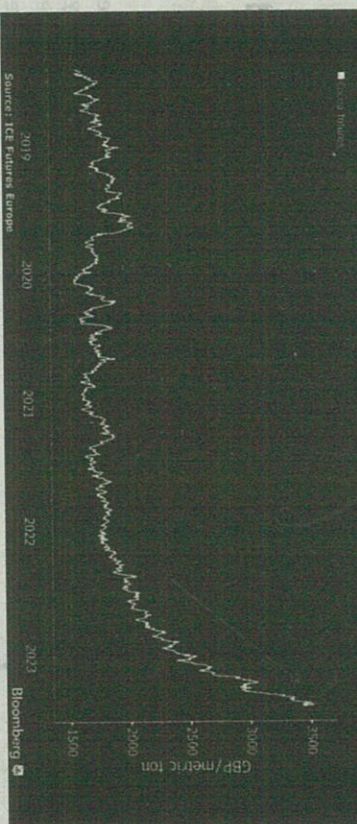
Once a prominent global supplier, the country lost it all to a tree-killing disease that decimated crops back in the 1980s. Now, it's planning a revival. There's fresh money flowing in, producers are venturing into new areas and traditional growers are receiving financial aid.

"There is a huge opportunity for Brazil to regain a leading role in the global cocoa supply chain," said Valmir Ortega, the founder of Belterra Agroflorestas, a company planting cocoa trees across degraded rainforest areas. They have the support of giants like Cargill Inc. and an investment fund created by Vale SA.

Brazil is looking to double cocoa production by 2030. That's one of the goals from a plan the country's cocoa commission (Cepac) is announcing this week. As soon as 2025, Brazil should be producing enough to satisfy domestic demand, according to director Lucimara Chiari. That would reduce Brazil's need to import beans, helping ease a severe global shortage of the chocolate ingredient.

"Of all cocoa producing countries, Brazil has the greatest growth potential," Chiari said. The development is much needed relief for the cocoa market, which has suffered from bad weather and crop disease in top growers Ivory Coast and Ghana. Such setbacks have dramatically shrunk global inventories, causing cocoa futures to soar almost 70 percent this year. The

Cocoa Prices Soar as World Faces Supply Shortage
Futures are up almost 70% this year as bad weather, diseases hit West Africa



price for the most-active contract in London climbed for a second straight day on Friday to as high as £3,476 per metric ton.

CocoaAction Brasil mapped at least 24 ongoing projects to aid the local cocoa supply chain, with a total investment of over 150 million Brazilian reais (\$30.6 million).

The Brazil cocoa boom is already more than just a promise. Farmers in different areas of the country are planting new trees, which will bear fruit in the next two to three years.

One of those farmers is Moises Schmidt, who recently planted cocoa in Barreiras, a municipality of Bahia state located almost 600 miles (966 kilometers) away from traditional cocoa areas. He is now expanding plantations in partnership with Cargill. It's a marked shift for the family business Schmidt Agricola, which for over forty years specialized in growing cotton, soybeans and corn.

"Cocoa farming was stuck in the past," Schmidt said. In contrast to the more traditional craft methods, his company made efforts to use new machinery and invest in seedlings that can resist the drier weather of his region. "That's the future."

Cocoa has become such a hot topic that even a biofuel's company is now looking to produce the chocolate ingredient. Brasil Biofuels SA focuses on fuel made from palm oil, but started to add cocoa plants to its tree nursery, hoping to cultivate 1,000 hectares next year.

To be sure, Brazilian cocoa production is still a fraction of what is grown in Africa, a continent that accounts for almost three quarters of global supply. What makes Brazil relevant is the fact that at least some of its farmers have the means to respond to heightened global demand by boosting

supplies, whereas in Africa many farmers live below the poverty line and their pay is set by authorities, so they don't immediately benefit from higher futures prices. Producers need money to invest, especially as new European rules require spending on traceability to prove crops weren't grown in deforested land.

A larger Brazilian production could bring down cocoa prices, although that would only be a factor in the long term, analysts at the Hightower Report said Friday. For now, prices continue to be driven by the poor outlook in West Africa.

Productivity of Brazilian farms is also lower than in Africa, but it has been improving, said Pedro Ronca, an agronomist and manager at the CocoaAction Brasil initiative. Many areas were still lacking the basic investments in soil treatments, as well as proper tree care. Providing farmers with access to financing and technical assistance is leading to significant yield gains, he said.

Perhaps the biggest threat to Brazil's ambitious cocoa plans still lies in tree health. More than 30 years after the first deadly outbreak, a new disease called frosty pod rot is haunting farmers. Fighting such risk will require even more investments, said Anna Paula Losi, chief executive officer of industry group AIPC. She believes Brazilians are up for the job.

"We have better knowledge and resources now," she said. "We are not the same."

Bloomberg News



Report: Sharp decrease in climate finance going to small-scale farmers

AHEAD of COP28, the UN's International Fund for Agricultural Development (IFAD) urges global leaders to shift gears and drastically and urgently scale-up climate finance for small-scale farmers and small agribusinesses.

IFAD noted that small-scale farmers and small agribusinesses produce one third of the world's food and up to 70 percent of the food in low- and middle-income countries. Many are brutally impacted by climate change.

Yet, climate finance going to small-scale agrifood systems has gone down by 44 percent and is now as low as 0.8 percent of total climate finance, falling far short of needs. This was according to a report published recently by the ClimateShot Investor Coalition (CLIC) and the Climate Policy Initiative (CPI).

"This trend is extremely worrying. We are going in the wrong direction. Small-scale farmers, who feed entire communities and nations in the developing world, need to be able to adapt to climate change now. If they don't, their lives and livelihoods—and global food security—are at risk," Alvaro Lario, IFAD president, said in a statement.

Small-scale farmers are often on the climate frontlines, living in vulnerable areas, and exposed to extreme weather events. Crop yields are predicted to fall by up to a quarter by the end of the century.

In some cases, yields could drastically drop by up to 80 percent as shown by case studies that IFAD commissioned in 2021. Many of the 3 billion people living in the rural areas of developing countries rely to an important extent on small-scale farming for a living and for their food supply.

Yet, according to the new analysis, "The Climate Finance Gap for Small Scale Agrifood Systems," climate finance to small-scale agrifood systems (which include small-scale farmers, farmers organizations, cooperative and also micro-, small rural agribusinesses serving them), is strikingly low, falling to \$5.53 billion, representing less than 0.8 percent of global climate finance in 2019/2020.

The amount has fallen by 44 percent compared to 2017/2018 when it reached \$9.85 billion.

This decline in finance is in stark contrast to a general rise in climate finance across other sectors including energy and transport, but parallels a 20-percent decrease for the agriculture, forestry, and other land use sector during the same period.

"Investments are slowing down when they should be drastically accelerating. This is extremely disturbing as solutions to help small-scale farmers to adapt do exist," said Lario. "We have the know-how and the tech-

nology, what we need are investments now."

Climate resilient and low emission irrigation systems and infrastructure, agroecology and agroforestry practices, better soil management practices, and crop diversification are solutions particularly adapted to small-scale farming. In addition, early-warning and climate information systems, as well as climate proof-infrastructures, such as food storage units and rural roads that withstand flooding are essential to prevent loss and damage.

In the context of national budgets being constrained, and many developing countries currently in difficult debt situations, IFAD called on the private sector to invest.

"Governments, finance institutions and the private sector all have a role to play to bring more finance to small-scale farming systems. We must convert National Determined Contributions and National Adaptation Plans into investment plans with a pipeline of bankable projects, and deploy innovative financial instruments to de-risk and attract private investments," said Lario.

"Investing in climate-smart small-scale agriculture is good for the planet and is good for businesses, it means more stability and guaranteed commodities supplies."

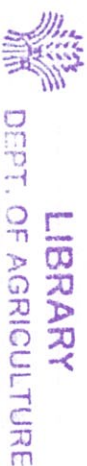
IFAD said it is developing new financial mechanisms to mobilize private investors. In June 2022, IFAD issued its first sustainable bonds, becoming the first United Nations Fund and the only UN body other than the World Bank Group to enter capital markets.

Last November 21, IFAD opened the London Stock Exchange markets to celebrate the listing of its sustainable bonds.

IFAD said it has been investing in supporting small-scale farmers to adapt to climate change for more than a decade, through its regular programming investing \$1.2 billion mostly for adaptation activities between 2019-2021 and managing Adaptation for Small Scale farmer Programme or ASAP+, a multimillion-dollar climate adaptation fund for small-scale farmers.

To address the urgency, IFAD is stepping up its efforts to channel more climate funding to rural areas. IFAD is committed to dedicating 40 percent of its core resources to climate action, focusing on adaptation, for the period 2022-2024—up from 35 percent for the previous three-year period (2019-2021).

In time for COP28 IFAD said it will also be bringing out a white paper for investing in climate adaptive water resilient food systems, that lays out a business case for benefit sharing, bundling, building bankable investments and blending for financing in this area.



El Niño expected to cause floods and heatwaves into early 2024, warn scientists

Kenza Bryan and Steven Bernard in London

THE cyclical El Niño effect which helped put the world on track for a heat record this year and is continuing to exacerbate and interfere with weather patterns will persist into 2024, scientists say.

The naturally occurring warming effect in the Pacific Ocean can cause global temperatures to rise in the short term and wreak havoc on crop yields in some parts of the world. Companies in various sectors, including food and transportation, have warned about the disruption to commodities and supply chains, as well as higher insurance risks.

In Brazil, where it is still spring, the National Institute of Meteorology issued a red alert for heat in the past week across several regions.

Rio de Janeiro experienced its hottest day of the year, reaching 41.9C on Saturday, recorded at Marabá station in Rio's western zone.

The El Niño phenomenon is expected to last until at least next April, the World Meteorological Organization has said. With this year already set to be "the warmest on record", 2024 may be "even warmer than 2023", said WMO secretary-general Petteri Taalas.

El Niño is typically associated with higher atmospheric temperatures, particularly in the year after it develops, but Taalas noted that the heat-trapping effect of greenhouse gases produced by human activity was responsible for the heat records being recorded so far.

El Niño is also associated with

wetter conditions in some parts of the world. The WMO predicted more rain in the next three months in parts of the Horn of Africa, South America and central and eastern Asia. "Extreme events such as heatwaves, drought, wildfires, heavy rain and floods will be enhanced in some regions, with major impacts," said Taalas.

In Somalia, the UN Office for the Coordination of Humanitarian Affairs blamed El Niño for exacerbating the worst flooding the country has experienced in a century and said it was providing assistance to 680,000 people. The "El Niño floods" death toll was put at 50, the Somali Disaster Management Agency said on social media platform X on Thursday.

In Dubai, the host city for the

upcoming UN climate summit, floods at the end of last week led to safety alerts from police, the cancellation of flights and the suspension of schools.

In recent days, regions across the southern hemisphere, from Kenya to the Dominican Republic, have suffered inundation from heavy rainfall that has caused danger and widespread disruption.

This year's El Niño episode has so far been less powerful than previous ones in 1997 and 2015 to 2016 but was still described as "strong" by the WMO.

The difference between monthly sea surface temperatures in the affected part of the Pacific and the long-term average rose to 1.5C in September, compared with 0.5C above average in May, the

WMO said.

Looking ahead to next year, Walter Baethgen, a scientist at Columbia University's International Research Institute for Climate and Society, said years of strong Pacific Ocean warming such as that the world was experiencing now had often been followed by years of strong Pacific Ocean cooling, in the opposite effect to El Niño known as La Niña.

A strong warming event in 1997 and 1998 was, for example, followed by a prolonged cooling effect between mid-1998 and early 2001. And during the "triple whammy" of successive La Niña cooling events between 2020 and 2022, the phenomenon remained relatively weak.

But this alternating pattern is

not guaranteed, and conditions for each year are particularly hard to forecast until the "spring predictability barrier" between March and May has passed.

Last year, the warmest on record, was a La Niña year of Pacific Ocean cooling, while the previous hottest year was 2016, an El Niño year of Pacific heating.

El Niño occurs on average every two to seven years and typically lasts up to a year.

Both the cooling and warming trends in the Pacific Ocean have localised knock-on effects that are strongest in regions close to the equator, and neither one can trigger as significant changes to global temperatures as the ones brought about by the heat-trapping effect of greenhouse gases, Baethgen said.

"The only hope to have a consistent robust cooling of global temperatures is by reducing greenhouse gases. There's no mystery or other way about it."





Ukraine farmers pin hopes on exports as war costs pile up

KYIV/PARIS — Ukraine's efforts to revive sea exports in defiance of Russia's military blockade have given a glimmer of hope to a teetering farm sector in which loss-making producers are abandoning some land in one of the world's biggest grain belts.

With no end in sight to the war with Russia, access to the Black Sea is critical if Ukraine is to preserve an agricultural industry that was the fourth-largest grain supplier globally before the conflict and in value terms accounted for half of Ukraine's total exports last year.

While makeshift export routes and abundant supply elsewhere have tamed record global food prices since last year, the strain on Ukrainian agriculture has worsened as a UN-backed export deal collapsed and European Union (EU) neighbors balked at land shipments.

Agriculture has suffered losses of over \$25 billion since the war began, Ukrainian grain trader association UGA estimates.

Ukraine's grain exports so far in the 2023/24 season that started in July are running 28% below the year-earlier volume, according to agriculture ministry data.

The area planted with corn, its flagship grain export, has shrunk by a quarter since the start of the war and total crop planting could suffer a double-digit decline in 2024, producers say, as cash-strapped farms leave some land idle.

A new Black Sea shipping channel may offer a lifeline, like for Ukraine's depleted steel industry. "The sea corridor is essential for Ukrainian farming to survive," Jean-Francois Lepy, head of grain trading at French agribusiness group InVivo, said.

"Without a corridor there is going to be a serious problem in 2024/2025," he said on the sidelines of this month's Global Grain conference in Geneva.

The "humanitarian corridor" established by Ukraine's military in late August has expanded steadily, with Kyiv estimating over 3 million tons of grain shipped so far.

Its future remains clouded by military risks, with several vessels struck by mines or missiles, but Ukrainian producers are encouraged.

"It gives us breakeven because before the ports opened almost everyone was loss-making," Dmitry Skorniyakov, chief executive officer of farm operator HarvEast.

Ukrainian producers see scope to reach 2-2.5 million tons of monthly grain exports through the corridor, which combined with volumes through land routes and transshipment via the Danube river could bring overall trade back towards a pre-war rhythm of 5-6 million tons per month.

Spike Brokers, which tracks exports in Ukraine, said on Nov. 1-17 Ukraine exported 404,000 tons of agricultural goods via the Danube and 352,000 tons from Black Sea ports. An additional 943,000 tons should leave from Black Sea ports and 464,000 tons from the Danube by the month-end.

"The situation in the coming months will be better than in September and October, as large ships are starting to arrive and the number of insurance companies that insure risks is growing," said Denys Marchuk, deputy head of the Agrarian Council, Ukraine's largest agribusiness group.

Some in the market are cautious given the still perilous security situation. A Russian missile strike on port infrastructure in Odesa on Nov. 21 added to a series of attacks on Ukraine's Black Sea and Danube grain ports.

Despite expansion at Romania's Constanta port, trade via the EU remains dogged by logistical bottlenecks and tensions with Kyiv's neighbors. Border protests by Polish lorry drivers have slowed food exports this month.

The new growing season could be a tipping point.

Winter wheat sowing will be down almost 10% on year, Ukraine's agriculture ministry estimates, with a dry start to autumn adding to farmers' problems.

HarvEast plans to leave uncultivated more than 10% of the 34,000 hectares it currently operates as it sacrifices less fertile fields seen as generating more losses, Mr. Skorniyakov said, forecasting a general trend of 10-20% of unplanted land next year versus 3-5% this year.

Yuriy Stelmakh, a grower in northern Ukraine, said his farm drilled 30% less area with winter crops due to a lack of funds.

Ukraine's agri-food industry is trying to adapt. Farmers have planted more oilseed crops like sunflower that can offer better margins, while high world sugar prices and cheap local grain to feed poultry have spurred exports of those products.

But as the war drags on, the sector faces a lack of visibility, labour shortages and structurally low prices, said Roman Gorobets, director of FE ASTRA in central Ukraine.

A huge wheat surplus in Russia and record corn and soybean harvests in Brazil have helped the world adapt to stop-start Ukrainian exports. A trade gap may be felt next year, though, if weather hits Brazilian crops and the Kremlin intervenes further in Russian exports.

Ukraine has sharply reduced exports of farm goods to Asian and African countries this year, according to agricultural business association UCAB.

Major importer Egypt has various supply sources for wheat, but few alternatives to Ukraine for corn and vegetable oil, Hesham Soliman, president of Egyptian merchant Mediterranean Star, said.

Much hangs on the spring planting season and whether Ukrainian growers cut back further on corn, relatively costly to produce.

"I don't think the world can afford for Ukraine's agriculture to suffer. We do need them, particularly on the corn side," said Scott Wellcome, director of grains risk management at GoodMills, Europe's largest miller. — Reuters