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Global staple food supplies to be strained by El Niño, export curbs



500,000 MT rice arriving from India, Taiwan

By BELLA CARIASO
and DANESSA RIVERA

Nearly 500,000 metric tons of rice from Taiwan and India will arrive beginning this month until February 2024, the Department of Agriculture (DA) said yesterday.

This is in preparation for the possible impact of the El Niño phenomenon on palay production.

"We received reports that around

100,000 tons of imported rice have already arrived in the country. This is part of the 495,000 MT committed by import permit holders to (Agriculture) Secretary (Francisco) Tiu Laurel," DA Undersecretary Roger Navarro said in a statement yesterday.

Meanwhile, a total of 20,000 bags – equivalent to 1,000 MT – delivered before Christmas Day constituted the first batch of the 40,000 bags of rice donated by Taiwan, Navarro said.

Another 75,000 MT will arrive from

India starting this week until early January, the DA official said.

"The 75,000 MT due in the coming weeks is part of the 295,000 MT of rice India has allocated to the Philippines," Navarro said.

In October, India approved the export of over one million MT to seven countries, with the Philippines getting over 28 percent of the export allocation.

"With the arrival of imported rice and the volume harvested by farmers in recent

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500,000 MT From Page 1

months, the country will have sufficient supply of the national food staple until the next harvest which starts in March," Navarro noted.

These imported rice will be slapped with an import duty of 35 percent, he said.

He noted that the country's daily rice consumption is 36,000 MT per day, or 1.08 million tons monthly.

Economic managers, especially the Bangko Sentral ng Pilipinas (BSP), are closely watching the rice supply situation due to its impact on inflation.

The BSP has aggressively raised interest rates since last year to tame inflation, which affects the purchasing power of consumers and undermines economic growth.

Based on monitoring of the DA, the retail price of local regular milled rice was pegged at P52 per kilo; local well-milled rice, P56 per kilo; local premium rice, P62 per kilo and local special rice, P68 per kilo.

Imported well-milled rice was sold at P58 per kilo; imported premium rice, P61 per kilo and imported special rice, P65 per kilo.

'Prices still high'

Rice watch group Bantay Bigas

said the extension of low tariffs on commodities, particularly on rice, under Executive Order 50 only shows that these measures did not deliver the goal of lowering prices.

"The consumers did not feel the effect of the low tariff but the price of food products continues to rise, especially rice," Bantay Bigas spokesperson Cathy Estavillo said in Filipino.

She said this extension will only serve the interests of importers and traders and will result in billions of forgone government revenues.

"Our call remains to strengthen local production through support services and subsidies to farmers, post-harvest facilities and issue an EO to stop the implementation of Republic Act 11203 (Rice Tariffication Law) so that the trading function of the National Food Authority can be immediately restored. The NFA can buy a significant volume of farmers' produce," Estavillo said.

"(We will also call for the) immediate release of the P12-billion fund from the Rice Competitiveness Enhancement Fund and distribute it to farmers. We call on different sectors and agricultural stakeholders to unite against the re-extension of low

tariffs," she said.

Meanwhile, former agriculture secretary Leonardo Montemayor criticized the decision to extend the lower tariffs on rice, corn and pork until the end of 2024, saying that for the last three years of its implementation, hog raisers and farmers suffered from the yearly leeway given to imported agricultural commodities but which did not benefit the consumers and the government.

"It has also caused the Bureau of Customs, the government billions of revenue losses," Montemayor said in a radio interview.

He said that if economic managers will solely depend on lower tariffs, the target of affordable food will not happen and that what should be done is strengthen local production if the government wants cheaper agricultural commodities for Filipinos.

"Based on our experience in the last three years as the lower tariffs started in the middle of 2021, during the time of (former) president (Rodrigo) Duterte, it failed to bring down the retail prices of rice, corn and pork," Montemayor said.

"Even with tariff of 35 percent or 40 percent for in-quota or out-quota, it (retail prices of pork) should not exceed P300 but the cheapest imported pork was pegged at P400 and above,"

Montemayor noted.

"What is the guarantee that the extension of the lower tariffs will benefit the consumers? On the part of the farmers, it affects their production," he said.

Montemayor also backed the imposition of suggested retail price on pork to prevent overpricing in the market.

He added that the promise of affordable prices for consumers does not happen, same with rice, based on monitoring of the DA in Metro Manila markets, imported well-milled and regular milled rice were not available as imported premium rice was sold for as high as P60 per kilo and imported special rice, P66 per kilo.

At the same time, Montemayor said farmers will be further affected by the lower tariff on imported corn as the prevailing price in the world market was only P14 to P15 per kilo compared to P19 per kilo for locally produced corn.

"Even if you impose tariffs, the retail price of imported corn will be P16, P17 (per kilo). It will affect the retail price of corn, especially with lower tariffs," he noted.

For his part, Philippine Pork Producers Federation president Nonon Tambago said the move to extend the lowering of tariff has further affected

the confidence of local swine farmers amid the slump in farmgate price as it reached P175 per kilo.

"We are deeply disappointed with the decision to extend the lower tariff on pork until Dec. 31, 2024. Over the past three years, multiple executive orders have been issued to lower tariffs, but they have not achieved the goal of making pork more affordable for consumers," Tambago told **The STAR**.

He noted that despite the decrease in farmgate price, the retail price remains high at P350 per kilo.

"Instead of focusing solely on lowering tariffs, it is crucial to address the gap between farmgate and retail prices as part of a long-term solution. It is important for economic managers to consider the real situation faced by thousands of local farmers, rather than consistently favoring a few importers and traders," Tambago added.

Samahang Industriya ng Agrikultura executive director Jayson Cainglet said it was unfortunate that the economic team succeeded in convincing President Marcos to issue EO 50.

"Here (in the Philippines), it is the reverse. Local producers are penalized and importers are rewarded and pampered with four straight years of reduced tariffs on rice, pork and corn," Cainglet said.



YEARENDER

A pivotal phase for Phil agriculture

By DANESSA RIVERA

A year and a half into the Marcos administration, the Philippine agriculture sector is still on a tightrope in terms of balancing local food production and importation of key commodities.



Laurel

With high input and retail costs coupled with the potential impact of El Niño, this balancing act seems like a tall order for President Marcos' full-time successor, Agriculture Secretary Francisco Tiu Laurel, who was appointed last Nov. 3.

Marcos described Laurel as someone who has a "fair understanding" of "what needs to be done."

Before his appointment to the Cabinet, he served as president of Frabelle Fishing Corp. – the world's third largest tuna fishing company – from 1985 to Oct. 31 this year. His wealth of experience spans diverse industries, encompassing fishing, meat and seafood processing, cold-chain networks and aquaculture as well as shipbuilding and repair, all of which he now brings to the DA.

With his extensive experience, some within the agriculture and fisheries sector are hopeful that Laurel will prioritize local production over resorting to importation to ensure the country's food security and affordability.

While some express support, others are eager to see the new agriculture chief demonstrate his worth and expertise beyond being one of the biggest campaign donors to President Marcos during his 2022 presidential campaign.

Laurel was encouraged to reconsider liberalization policies that led to an influx of imported goods, emphasizing the need to uplift the morale and productivity of local food producers.

But barely a month since his appointment, the National Economic and Development Authority (NEDA) Board endorsed the extension of lower tariffs on key commodities, such as rice, corn and pork, under Executive Order (EO) 10. President Marcos has approved the extension for another year.

The NEDA endorsement aims to avoid the return of tariff rates to 30 percent in-quota and 40 percent out-quota for pork, to 40 percent in-quota and 50 percent out-quota for rice, and to 35 percent in-quota for corn by Jan. 1.

Presently, importers benefit from a 15 percent in-quota and 25 percent out-quota tariff rate for pork, a reduced tariff of 35 percent on imported rice, and a five percent in-quota tariff on corn until Dec. 31.

While importers are pleased with the prospect of an extended low tariff regime, local producers argue that they are on the losing end, as this endorsement would only further encourage the importation of rice, corn and pork.

"Despite our submission of hard data that demonstrate EO 10 did not significantly reduce retail prices of pork and rice, the economic managers remained steadfast in their 'import more' policy. President Marcos was likely misled with false or selective information and advice. The real winners are a few importers and traders," Federation of Free Farmers (FFF) national manager Raul Montemayor said.

Last year, the Philippines once again overtook China as the world's top rice importer, according to the United States Department of Agriculture (USDA). The Philippines had held the top spot in 2008, 2010 and again in 2019.

The USDA forecasts the Philippines to import 3.8 million metric tons (MT) of rice in the marketing year 2023-2024 (or from August 2023 to July 2024 in the US agency's calendar).

Last year, the country shipped a record high 3.83 million MT of rice. As of Dec. 14, Philippine rice imports had already reached 3.22 million MT.

The DA anticipates a decrease in rice imports for the current year compared to the record high in the previous year, with production expected to reach another record performance of 20 million MT. The highest palay production on record was attained in 2021, reaching an output of 19.96 million metric tons.

Despite the massive importation of rice, retail prices of the staple continued to soar in public markets.

This led President Marcos, who was the agriculture chief at the time, to issue Executive Order 39 in September, imposing price caps of P41 per kilo for regular milled rice and P45 per kilo for well-milled rice.

The price caps, which were issued following the reported widespread illegal trade manipulation despite the staple food's ample supply, were lifted in early October.

But based on the DA's monitoring as of Dec. 21, the retail price of local regular milled rice still ranged between P38 and P52 per kilo; local well-milled rice, between P32 and P56 per kilo; local premium rice, between P50 and

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YEARENDER

A pivotal phase From B1

P62 per kilo; and local special rice, between P54 and P68 per kilo.

The retail price of imported well-milled rice is P58 per kilo; imported premium rice, between P51 and P60 per kilo; and imported special rice, between P58 and P65 per kilo.

This is still a long way from the P20 per kilo campaign promise of President Marcos due to the uncertainties in the world

market. But this price point remains the aspiration of the Marcos administration, Laurel said.

Meanwhile, the same case can be said with the local pork industry – retail prices have remained high while local producers struggled to match the price of low-priced imported pork, thereby affecting their productivity.

The pork industry, which is still on the recovery path from the harsh impact of the African swine fever since 2019, said the continued implementation of the reduced tariff did not translate

to cheaper pork to consumers and further extending this would only result in uneven retail pricing of pork in the markets and discourage hog raisers.

"The local hog industry is disappointed with the recent extension of EO 10 until the end of 2024. Importation at reduced tariff for pork has always been the lazy solution of NEDA for almost four years now and it means another year of suffering for local producers. We are with the government to tame down inflation, but they should also make tangible efforts on improving local production," Pork Producers Federation of the Philippines Inc. (Pro-Pork) president Rolando Tambago said.

With a lot more problems faced by the agri-fishery sector, Laurel said "feeding 118 million Filipinos is a daunting yet 'achievable goal' with a whole-of-nation approach to the modernization of the long-neglected agriculture sector."

Laurel said the DA would step up efforts to mechanize farming, build more agricultural infrastructure and adopt latest technologies to boost the country's food production and eventually address the importation issue.

As per President Marcos' directive, the push for agricultural modernization will focus on equally important sectors like rice, livestock, poultry, fisheries and high value crops to ensure that affordable food items are readily available and accessible to Filipino consumers.



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DA: Imported rice arriving until February 2024

By GABRIELL CHRISTEL GALANG

The Department of Agriculture (DA) announced on Wednesday, Dec. 27, that imported rice has begun to arrive, with shipments expected to continue until early February next year.

Agriculture Undersecretary Roger Navarro, officer-in-charge for operations, said around 76,000 metric tons of rice from Taiwan and India are set to arrive in the country this month and early January.

Navarro also said the private sector is set to receive nearly half a million metric tons of imported rice, which are expected to arrive between December and early February.

"We received reports that around 100,000 tons of imported rice has already arrived in the country. This is part of the 495,000 metric tons committed by import permit holders to [Agriculture] Secretary [Francisco] Tiu Laurel," Navarro said in a statement.

The government is now intensifying efforts to boost inventory of the national food staple in preparation for the adverse effects of the El Niño weather phenomenon.

Separately, a total 20,000 bags, equivalent to 1,000 metric tons of rice delivered before Christmas Day was the first batch of the 40,000 bags of

rice donated by Taiwan, Navarro added.

Within the last week of December and early January, Navarro said 75,000 metric tons of rice will arrive from India.

India has banned the export of non-basmati white rice last July to stabilize domestic supply and prices.

In October, however, India approved the export of over one million metric tons to seven countries, with the Philippines getting over 28 percent of the export allocation.

"The 75,000 metric tons due in the coming weeks is part of the 295,000 metric tons of rice India has allocated to the Philippines," Navarro said.

With the arrival of imported rice and the volume harvested by farmers in recent months, Navarro said the country will have sufficient supply of the national food staple until the next harvest which starts in March.

National rice consumption is around 36,000 metric tons per day, or around 1.08 million tons per month.

Economic managers, especially the Bangko Sentral ng Pilipinas (BSP), are closely watching the rice supply situation due to its impact on inflation.

The BSP has aggressively raised interest rates since last year to tame inflation, which affects the purchasing power of consumers and undermines economic growth.



PH AGRICULTURE IN 2023

Welcoming leadership, facing hardship, building partnerships

BY VINA MEDENILLA

SINCE assuming the role of head of state in June 2022, President Ferdinand “Bongbong” Marcos Jr. chose to serve as the temporary Agriculture secretary, emphasizing his administration’s primary focus on the agricultural sector.

Earlier this year, Marcos expressed his criteria for the next Agriculture chief, saying an agriculture expert should take on the responsibility rather than a policeman or a military man with no involvement in the industry.

Marcos said once he fulfilled the bucket list and addressed the hardship hounding the Agriculture sector, he would step down and appoint a new secretary.

Having held the role of Agriculture chief for over a year and in response to public calls for a new secretary for the Department of Agriculture (DA), Marcos passed the title to industrialist and fishing magnate Francisco Tiu Laurel Jr. on Nov. 3, 2023.

This appointment served as one of the milestones in Philippine agriculture this

year under the Marcos administration.

A run-through of some agricultural initiatives

Last March, the launch of the Halina’t Magtanim ng Prutas at Gulay sa Barangay Project (Hapag) Kadiwa ay Yaman (KAY) Plants for Bountiful Barangays Movement (PBBM), or Hapag KAY PBBM, marked a huge step toward food security, particularly at the household level.

The initiative aimed to encourage organizations and communities to establish food gardens at home and in vacant spaces in *barangay* (villages) and other urban areas. This effort was part of a broader goal to address poverty and hunger in the country.

In July, DA officials engaged in discussions with representatives from the private



The first Kadiwa pop-up store inside the New Bilibid Prison offers a variety of products such as assorted vegetables, fruits, eggs, fish, mushroom products, coffee, noodles and more. PHOTO FROM THE DEPARTMENT OF AGRICULTURE WEBSITE

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President Ferdinand 'Bongbong' Marcos Jr. appoints fishing magnate Francisco Tiu Laurel Jr. as the country's new Agriculture chief. PHOTO FROM THE DEPARTMENT OF AGRICULTURE WEBSITE

sector to discuss collaborative efforts to resolve the supply crisis and revitalize the Philippine salt industry. In the same month, the DA also held the development partners' forum with the goal of broadening alliances with development partners, exploring investment opportunities and seeking support from official development assistance partners.

The month of September was an eventful month for the sector with the opening of a Kadiwa store in the New Bilibid Prison (NBP) in Muntinlupa City, the launch of the 2023 Young Farmers Challenge (YFC) Program and the completion of infrastructure projects for farmers in Siniloan, Laguna, among others.

The YFC Program provided deserving young farmers with financial assistance, serving as their initial capital for establishing an agribusiness venture of their

choice. Notably, the DA also established the Kadiwa pop-up store at NBP on Sept. 28, 2023. It offered persons deprived of liberty, local residents and Bureau of Corrections employees with direct access to affordable and fresh produce.

In light of the projected escalation of El Niño by late 2023 onward, which would possibly cause decreased rainfall until the first half of 2024, Marcos ordered the completion of water-related projects and irrigation facilities by April 2024 to counteract the effects of El Niño.

The Chief Executive led the inauguration of the Balbalungao reservoir irrigation project in Nueva Ecija. In his address, he emphasized the urgency of finishing the project and ensuring operational facilities to mitigate possible water and power supply shortages, caused by El Niño next year.

Once fully operational, Marcos said

the Balbalungao Dam would provide irrigation to about 1,000 hectares of agricultural land in Lupao, Nueva Ecija and would benefit about 560 farmers and their families.

To support the repair and upkeep of national irrigation facilities and the construction of new canals, the government also distributed excavators worth P776 million to irrigator associations.

For his part, the newly appointed Agriculture secretary sought the support of the private sector to achieve the goal of modernizing Philippine agriculture.

"We've been stressing from day 1 — since I was appointed as the new Agriculture Secretary — the need to modernize the agriculture sector, not only to feed 118 million Filipinos, but ensure food security by practicing a whole-of-nation approach," Laurel said.



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Rice imports to bolster supply during El Niño

THE Department of Agriculture (DA) said it is expecting just under 500,000 metric tons (MT) of rice imports to arrive soon as the government builds up its reserves for El Niño.

In a statement on Wednesday, Agriculture Undersecretary Roger V. Navarro said arrivals are scheduled for late December until early February, shipped in by private traders.

"We received reports that around 100,000 tons of im-

ported rice has already arrived. This is part of the 495,000 metric tons committed by import permit holders," Mr. Navarro added.

The DA has imposed a 30-day deadline on rice traders to bring in their imports. The deadline starts running from the date of issuance of the Sanitary and Phytosanitary Import Clearance.

Secretary Francisco Tiu Laurel, Jr. told a House of Represen-

tatives committee that he has instructed traders to use up permits for an additional 1 million MT of rice, also within 30 days, to increase supply.

Mr. Navarro added that about 75,000 MT of rice is set to arrive from India during the last week of Dec. until early January.

"The 75,000 metric tons due in the coming weeks is part of the 295,000 metric tons of rice India

has allocated to the Philippines," he said.

In October, the Indian government allocated a 295,000 MT quota for non-basmati white rice to the Philippines. It had earlier banned all imports of non-basmati white rice to stabilize its domestic supply and prices.

On the other hand, 20,000 bags or 1,000 MT of rice also arrived from Taiwan as the first tranche

of its 40,000-bag donation to the Philippines.

"With the arrival of imported rice and the volume harvested by farmers in recent months... the country will have sufficient supply until the next harvest, which starts in March," he said.

The DA has said that full-year imports may hit 3.6 million MT. This is below the 3.8 million MT projection of the US Department of Agriculture.

As of Dec. 14, rice imports have amounted to 3.22 million MT, according to the Bureau of Plant Industry.

According to PAGASA (Philippine Atmospheric, Geophysical and Astronomical Services Administration), the government weather service, El Niño is expected to intensify between January and May, with its effects felt by 63 provinces in the form of drought and dry spells. — **Adrian H. Halili**



Agri usec binida 500K toneladang imported rice

Tiwala ang Department of Agriculture (DA) na sapat ang supply ng bigas sa bansa hanggang sa susunod na harvest season sa Marso 2024.

Nasa halos kalahating milyong tonelada kasi ng bigas na inangkat ng pribadong sektor ang inaasahang darating sa bansa mula ngayong buwan ng Disyembre hanggang Pebrero sa susunod na taon.

Sa ilalim umano ito ng kasunduan ni Agriculture Secretary Francisco Tiu Laurel Jr. at mga negosyante na mayroong rice import permits.

"We received reports that around 100,000 tons of imported rice has already arrived in the country. This is part of the 495,000 metric tons committed by import permit holders

to Secretary Tiu Laurel," pahayag ni DA officer-in-charge for operations Undersecretary Roger Navarro.

Kabilang din ang Pilipinas sa makakakuha ng ng higit isang milyong tonelada mula sa India kasama ang anim pang bansa.

"The 75,000 metric tons due in the coming weeks is part of the 295,000 metric tons of rice in India has allocated to the Philippines," giit ni Navarro.

Bukod pa riyang nagbigay umano ang Taiwan ng 20,000 bag ng bigas na katumbas ng nasa 1,000 metriko tonelada ng bigas.

Nabatid na umaabot sa 36,000 metriko tonelada kada araw o 1.08 milyong tonelada kada buwan ang nakokonsumong bigas ng bansa. (Natalia Antonio)



DA: 500K MT rice imports coming as El Niño buffer

FROM A1

By **Jordeene B. Lagare**
and **Melvin Gascon**
@Team_Inquirer

Almost 500,000 metric tons (MT) of imported rice will arrive in the Philippines between this month and February next year to boost local inventory in the wake of the dry spell caused by the El Niño phenomenon, the **Department of Agriculture (DA)** said in a statement on Wednesday.

It said that 76,000 MT of rice from Taiwan and India are scheduled to enter the country until early January.

Taiwan has shipped 20,000 bags of rice (equivalent to 1,000 MT) before Christmas, representing half of the 40,000 bags donated by the Taiwanese government.

Another 75,000 MT of rice from India will be delivered from the last week of December to early January.

This is part of the 295,000 MT of rice earmarked by the Indian government to the Philippines in an accord brokered earlier.

The Philippines received the highest allocation from the Indian government when it announced last July plans to export 1.03 million MT of non-basmati white rice to seven countries, including Nepal, Cameroon, Côte d'Ivoire, Republic of Guinea, Malaysia and Seychelles.

The DA did not disclose the other shipments, with Agriculture Undersecretary Roger Navarro only saying that the nearly 500,000 MT of rice to be purchased abroad would be subject to standard importation rules and levied a 35-percent import duty.

Enough supply

Navarro noted that the country would have enough supply until the next harvest season begins in March with the arrival of the imported rice



Imee Marcos —SENATE PRIB

and the harvest by farmers in recent months.

The DA pegged national rice consumption at 36,000 MT a day or about 1.08 million MT a month.

As of Dec. 14, the country has imported 3.22 million MT of rice this year, based on data from the Bureau of Plant Industry.

Vietnam accounted for 2.81 million MT or 87.3 percent of


As of Dec. 14, the country has imported 3.22 million MT of rice this year, based on data from the Bureau of Plant Industry

the total, while India exported only 13,735 MT.

By virtue of Executive Order (EO) No. 50 signed by President Marcos on Dec. 22, the tariff rate on rice was retained at 35 percent until the end of 2024.

The President signed the order to keep food prices stable amid the ongoing El Niño phenomenon, the continuing prev-

alence of African swine fever (ASF) and the trade restrictions imposed by some countries.

The EO noted the current economic condition warranted the implementation of lowered tariff rates to maintain affordable prices, manage inflationary pressures, help augment the supply of agricultural commodities and diversify market sources.

Imee on tariffs

Sen. Imee Marcos on Wednesday frowned at the latest issuance by her brother to extend for another year the current rates of import duty on rice, corn, and meat products.

In a statement, Marcos, vice chair of the Senate committee on agriculture, food and agrarian reform, said the DA should have learned from the "failed scheme" of the past administration of lowering import tariffs that did not bring the promised results of lower prices of commodities.

"When the tariffs on meat,

rice and corn were first lowered in 2021, the promise was to lower prices of these commodities. While runaway inflation has been arrested, prices have not fallen below the promised pre-2021 levels," she pointed out.

"Today, as we anticipate the additional worldwide threat of El Niño, can [the government] persist with that failed scheme of cheap importation to lower food prices?" Marcos asked.

Imports no solution

She insisted that importation was not the solution to the country's food security problems.

"Firstly, relying on imports and modifying the rates are not sustainable policies because other countries are limiting their exportation of food to serve their domestic needs first," she said.

In addition, "much-reduced" government collection of import duties on rice, corn and meat products would

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DA: 500K MT RICE IMPORTS COMING AS EL NIÑO BUFFER

FROM A2

not be able to subsidize the agricultural inputs needed by local farmers, Marcos noted.

"There is no shortcut to agricultural sufficiency. The government should fast-track the completion of irrigation facilities so long promised, build warehouses, food storage and an expanded cold chain," she said.

Long-known remedies

The lawmaker added that the private sector must also invest in the countryside, especially in value-adding, processing and distribution.

"Our young farmers need to be provided consolidated farmland, agricultural machinery and training, access to capital and markets—everything we have known for a long time but still refuse to provide," she said.

Marcos said the DA should also review the implementation of the repopulation program for areas affected by ASF by "realistically facing" the challenge of biosecurity for the country's backyard hog raisers. INQ



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Red tide up in 3 Mindanao provinces

ZAMBOANGA CITY: The Bureau of Fisheries and Aquatic Resources (BFAR) has warned the public that all types of shellfish and acetes, a genus of small shrimp that resemble krill, gathered from three provinces in the southern Philippines are not safe for human consumption.

The warning was released after the waters in Zamboanga del Sur's Dumanguillas Bay, Surigao del Sur's Lianga Bay, and the coast of Surigao del Norte's San Benito town were tested positive for paralytic shellfish poison or toxic red tide.

Aside from those places, the BFAR said shellfish from the coastal waters of Pontevedra in Capiz province in Western Visayas, and Dauis island and Tagbilaran City in Bohol province in Central Visayas are also unsafe for human consumption due to the presence of toxic red tide.

"All types of shellfish and Acetes

sp. or alamang gathered from the areas shown above are not safe for human consumption," BFAR said.

It said fish, squids, shrimps and crabs caught in those areas are safe for human consumption provided that they are fresh and washed thoroughly, and internal organs such as gills and intestines are removed before cooking.

Toxic red tide is caused by harmful algal blooms, which can lead to severe health problems when shellfish and other seafood are contaminated.

Harmful algal blooms occur when colonies of algae — plant-like organisms that live in the sea and freshwater — grow out of control while producing toxic or harmful effects on people, fish, shellfish, marine mammals and birds. The human illnesses caused by harmful algal blooms, though rare, can be debilitating or even fatal.

AL JACINTO



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USDA keeps PH rice import forecast

BY JANINE ALEXIS MIGUEL

THE United States Department of Agriculture (USDA) said that Philippine rice imports are likely to remain low due to the shortened deadline for imports, which discourages traders from shipping the commodity into the country.

The agency maintained its forecast of lower rice imports, projecting it to hit 3.5 million metric tons (MT) from July 2023 to June 2024, lower than the previous estimate

of 3.8 million MT.

USDA said the new 30-day deadline by the Department of Agriculture (DA) to import rice following the issuance of a sani-

tary and phytosanitary import clearance (SPSIC) is likely to affect the country's inward shipments of the staple.

The DA shortened the effectivity of import permits to ensure proper compliance and enough supply of rice in the market.

The previous memorandum mandated traders to use their SPSICs within 60 days from the date of permit issuance for products coming from the Association of Southeast Asian Nations member-countries, except Myanmar, and 90

days for those coming from Myanmar and other countries.

High global prices of rice and the previous price ceiling were also identified by the USDA as factors likely to affect the staple's import volume.

"Industry contacts report continued diminished interest among rice importers due to elevated prices in international markets," said the USDA.

"President (Ferdinand) Marcos's one-month imposition of price ceilings encouraged a wait-and-see attitude, with some importers can-

celing purchases while the ceiling was in effect," it added.

On Aug. 31, 2023, the President signed Executive Order (EO) 39, mandating retail price ceilings on rice of P41 per kilo (kg) for regular-milled rice and P45 per kg for well-milled rice. It was lifted on Oct. 4, 2023.

Rice production in the same period, meanwhile, was forecast at 12.5 million MT, lower than the previous estimate of 12.6 million MT.

"Effects thus far from the 2023 El Niño are mixed but balanced

across the country, as expected. Overall effects on production appear minimal up to the time of this report's publication," said the USDA.

The agency also maintained its previous forecast for rice consumption at 16.4 million MT, noting that retail rice prices have been increasing following the slight drop during the one-month price ceiling.

"As a staple, however, rice consumption has thus far proven less affected by price increases than other food," it said.



Time to revive the PH salt industry

WITH over 36,000 kilometers of shorelines, the Philippines has the potential to become an exporter of salt.

But, at present, the country has to import 92 percent of its salt requirements that makes more urgent the signing into law of a measure already ratified by both the House and Senate seeking to make the country self-sufficient in the commodity.

The proposed Philippine Salt Industry Development Act provides for the development of a five-year road map to revitalize and modernize the country's almost neglected salt industry.

The measure is one of the priorities of President Ferdinand Marcos Jr. through the Legislative Executive Development Advisory Council.

The salt industry road map also seeks to attract private sector investments with the ultimate aim of making the Philippines an exporter of the commodity.

The bill identifies 13 provinces as priority areas for salt production including Ilocos Norte, Ilocos Sur, La Union, Pangasinan, Zambales, Bataan, Occidental Mindoro, Ori-



MOVING FORWARD

WILLIAM D. DAR

ental Mindoro, Palawan, Marinduque, Quezon, Misamis Oriental and Antique.

The Department of Environment and Natural Resources through the National Mapping and Resource Information Authority, and the Department of Agriculture (DA) through the Bureau of Fisheries and Aquatic Resources will identify and designate public lands for salt production in the 13 priority provinces.

In a news article published in the Philippine News Agency website, Bicol Saro Party-list Rep. Brian Raymund Yamsuan said that the proposed law also aims to provide support to small salt producers and cooperatives by providing them inputs and equipment to boost their production of the commodity. Also, salt farm warehouses will be built, and modern salt production and processing technologies will be developed.

To develop and implement the

salt industry road map for the Philippines, the proposed law pushes for the creation of the Philippine Salt Industry Development Council that will be chaired by the DA with the Department of Trade and Industry as vice chairman.

Also generate more jobs

Besides expanding and modernizing the local salt industry, the implementation of the proposed law should also result in the generation of more jobs in the countryside not only from salt production but also from the value chain for the commodity. This, in turn, will help reduce poverty in the countryside, especially in the coastal areas where there are fisherfolk who are still part of the country's poorest of the poor.

And I believe that the Philippine salt industry, given the right policy, technical, scientific and financial support through the proposed Philippine Salt Industry Development Act can increase its production dramatically or by more than fourfolds over the medium term.

I say this because the Philippines definitely has the resources to dra-

matically increase salt production. We just need to look at the case of Vietnam that only has 3,200 kilometers of shorelines but produces an average of 1.1 million metric tons (MT) of salt annually. Today, the Philippines can produce only 60,000 MT of salt every year.

Globally, China leads in salt production with over 64 million MT produced in 2022. India, the United States, Germany, Australia, Canada, Mexico, Chile, Brazil, Turkey and the Netherlands round up the top 10 producers of salt globally, according to figures from the website of Statista.

While I do not see the Philippines becoming part of the top 10 producers of the commodity globally, we should aim to become an exporter of quality salt produced with the most modern technologies.

Local efforts continue

However, even if the Philippine Salt Industry Development Act has yet to be signed into law, I see very good efforts at the local level to increase the output of the commodity.

One good example is the provincial government of Pangasinan

aiming to increase the production of salt from its 473.8-hectare Pangasinan Salt Center farm located in Barangay Zaragoza.

The first cycle of salt production from November to December this year is estimated to yield 8,000 to 10,000 MT, while 15,000 to 20,000 MT is being targeted from the second production cycle from February to May 2024.

The salt farm is now under the management of the Pangasinan provincial government that has ensured the continued employment of the 70 salt farmers in the farm.

The Department of Trade and Industry will also provide shared service facilities for salt farmers in Antique with financial backing from the provincial government worth P3.9 million.

And in Occidental Mindoro, once the top producer of salt in the Philippines, is aiming to become the "Salt Capital of the Philippines" with assistance from the Bureau of Fisheries and Aquatic Resources.

From the aforementioned efforts, it is clear that there is no lack of enthusiasm to revive the domestic salt industry. And I believe the proposed Philippine Salt Industry

Development Act will provide the impetus to get more actors and stakeholders at the local level to revive and modernize the country's salt industry.

And aside from making food more tasty, salt also has applications in the food and pharmaceutical industries, and is used as fertilizer for coconut trees. So, reviving the local salt industry will also benefit the coconut industry where a big number of farmers are also part of the poorest of the poor.

So, making the country self-sufficient in salt can have a big impact on countryside growth through livelihood and job generation, and reviving the coconut industry, which can significantly reduce poverty over the long term.

Let me greet all of you Happy New Year! Let us all pray and hope that 2024 and beyond will be a better year for the country's agriculture sector and the whole Philippines.

And let us also continue to support the vision of President Ferdinand Marcos Jr. in making the Philippines an upper-middle-class country.



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DA to build seed storage facility

A SEED storage facility for local farm producers is set to be opened under Bangsamoro's special geographical area in North Cotabato, according to the Department of Agriculture (DA).

In a statement, the DA said that the P5.34-million facility would be able to hold about 10,000 seed bags, while there would be a solar dryer with a capacity of 80 to 100 bags.

The DA funded the construction project, while the Ministry of Agriculture, Fisheries, and Agrarian Reform (MAFAR) of the Bangsamoro regional government will be its implementer.

The construction of the facility is expected to be completed on or before June 17, 2024, with about 330 square meters as the seed storage floor and 600 square meters as drying pavement.

The facility would ensure that seeds are kept in physical and physiological condition from harvest until planting starts. — **Adrian H. Halili**



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PHILIPPINE STAR/WALTER BOLLOZOS



Pork prices to remain high due to cost of feed, lingering ASF

By Adrian H. Halili
Reporter

PORK PRICES are expected to remain higher until next year, with feed still expensive and African Swine Fever (ASF) lingering in some regions.

"Unless biosecurity measures are installed, which only the big raisers can afford, pork supply will remain unstable. With a growing population, demand will simply outstrip supply," Former Agriculture Undersecretary Fermin D. Adriano said in a Viber message.

"Prices will remain elevated," Mr. Adriano added.

In October, the Department of Agriculture said it is currently in various stages of testing ASF vaccines, with four companies seeking to introduce their products on the market.

Mr. Adriano said that the recent extension of lowered tariffs on commodities like pork, rice, and corn will only ease the supply problem "a little."

On Tuesday, the government approved the extension of lowered pork tariffs at 15% for imports within the minimum access volume (MAV) quota and 25% for those exceeding the quota. The extension of the low-tariff regime was implemented via Executive Order 50.

Additionally, tariff rates for rice remained at 35% regardless of source or volume, while corn was kept at 5% for shipments

within the MAV quota and 15% for those exceeding the quota.

"But with costs of feed ingredients like corn and wheat continually rising, there is no way that pork prices will decline to their old levels," he said.

Edwin C. Mapanao, president of the Philippine Association of Feed Millers, Inc. said in an e-mail that the feed mill industry is currently facing challenges in sourcing raw materials.

Mr. Mapanao added that there is still a need to increase the volume of corn imports to address the deficit of about 2 to 3 million metric tons annually.

The group has called for a standard 5% tariff on corn imports, regardless of volume.

He said corn imports would do more to improve the competitiveness of the livestock industry, as against allowing more meat imports.

Yellow corn makes up 40% to 60% of animal feed. Feed accounts for about 60% of the cost to grow farm animals.

"While other matters impact our competitiveness, addressing feed input sufficiency will certainly improve the livestock situation," Mr. Mapanao said.

He added that the lowered tariffs should not have included meat, as the measure has impacted the livestock industry.

"We believe that this should not be the case considering that it displaces the food value chain by discouraging the expansion of meat producers," Mr. Mapanao said.



Govt hikes 2024 spending for farm-to-market roads to P19B

THE Marcos Jr. administration is hiking its spending for the rehabilitation and construction of farm-to-market roads (FMR) nationwide by 35 percent year-on-year to over P19 billion—the highest on record—according to the state's budget documents.

The General Appropriations Act of 2024 (GAA) showed that the national government allotted P19.596 billion for various FMR projects next year, about 35.36 percent higher than the P14.476 billion it earmarked this year.

The GAA indicated that the state increased the budget for all regions with FMR projects except for one: Mimaropa region.

In terms of budget allocation, the Bicol Region cornered the highest funding at P2.812 billion or about 14.35 percent of the national government's total earmarked allotment for FMR projects.

Budget documents also showed that the Bicol region got the highest increase for FMR funding on an annual basis. The region's allotment for next year is more than double or about 140 percent higher than its P1.171 billion allotment this year.

With the increase, Bicol region surpasses Ilocos region next year in terms of FMR budget allocation.

Nonetheless, the Ilocos region, which would receive P2.186 billion next year for FMRs, ranked second across the 15 regions with FMR budget allocation. The region's funding next year is about 7.24 percent over its P2.038 billion budget this year, according to the 2024 GAA.

Central Luzon ranked third in terms of FMR budget allocation, which also stood above the P2-billion level, next year. The region would receive P2.056 billion next

year, 46.40 percent more than its P1.404 billion allotment this year.

Only Mimaropa region saw a drop in its FMR budget allocation next as it suffered a 6.8-percent year-on-year cut to P538.833 million from this year's P578.150 million funding.

Six regions would also have an above P1-billion budget allocation for FMRs next year: Northern Mindanao (P1.11 billion), Central Visayas (P1.117 billion), Cagayan Valley (P1.263 billion), Calabarzon (P1.404 billion), Western Visayas (P1.52 billion) and Eastern Visayas (P1.915 billion).

All these six regions received higher budget allocation for FMRs next year with a growth rate ranging between 18.8 percent to as much as 36.56 percent on an annual basis, according to the 2024 GAA.

The FMR budget allocation of the other regions were as follows: Cordillera Administrative Region at P548 million, SOCCSKSARGEN at P682.046 million, Caraga at P710 million, Davao region at P866 million and Zamboanga Peninsula at P876 million.

2024 NEP vs GAA

STATE documents also showed that the national government's

budget for FMRs next year is 13.47 percent higher than the P17.268 billion proposed by the administration under the 2024 National Expenditure Program (NEP).

The increase between the actual and the proposed 2024 funding benefitted 12 regions that saw their budget rise while three regions suffered a cut.

In terms of difference, the Northern Mindanao region saw the highest increase in its FMR budget by 39.62 percent from its proposed funding to the actual approved allocation under the 2024 GAA.

Bicol Region saw its FMR budget allocation under the 2024 GAA rise by 33.39 percent from what was initially allotted for it under the

2024 NEP. Western Visayas's approved budget for FMRs next year is also 33.92 percent over what the administration initially proposed to the Congress.

The only three regions that saw their FMR budget slashed under the 2024 GAA versus their allocations under the 2024 NEP were SOCCSKSARGEN (-1.84 percent), Zamboanga Peninsula (-5.55 percent) and Eastern Visayas (-12.08 percent), according to state documents.

Marcos earlier said the FMR projects of the national government are critical in facilitating the "seamless" transport of goods at a lesser cost, particularly for the country's food growers.

Under the 2024 GAA, the budget for the FMR projects will be released directly by the Department of Budget and Management (DBM) to the Department of Public Works and Highways (DPWH) for the construction, improvement, rehabilitation and repair of FMRs in accordance with the approved network plan.

For its part, the Department of Agriculture (DA) must ensure that the FMR network plan contains the scope of work, estimated length in kilometers and specific location for each FMR project. Furthermore, the DA must provide a list of priority FMR projects that lead to arterial or secondary roads and key production areas. The FMRs must also be "properly" geo-tagged.

"The approved FMR network plan shall be regularly updated to prioritize: [i] major rice, corn, high value commercial crops, livestock and fishery producing provinces; [ii] areas where the majority of small farmers and agrarian reform beneficiaries registered under the RSBSA (Registry System for the Basic Sectors in Agriculture) are located; and [iii] provinces or regions where the absolute number of poor farmers and the incidence of poverty are high as identified in the latest official poverty statistics of the PSA," the 2024 GAA read.

"Upon completion of the construction, improvement, rehabilitation and repair of FMRs, the DPWH shall turn over the management and ownership thereof to the LGUs concerned, which shall commit to shoulder the maintenance and repair costs," it added.

Jasper Emmanuel Y. Arcalas

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FIRST PERSON

ALEX MAGNO

Unavoidable

President Marcos issued Executive Order 50 maintaining lowered tariff rates for rice, pork and corn until the end of 2024. It was an unavoidable decision.

The usual suspects raised the usual howl over the continued lowering of tariff rates. The lower tariff rates will be hard on our farmers, they argue. That is true. They will be forced to compete against cheaper food imports.

But what other option do we have?

If we keep tariff rates high, food will be more expensive. That will fuel our poverty rates and raise inflation. High inflation will harm everyone without exception. A high food price regime coupled with a high inflation regime will harm our economic development.

Already the high food price regime is causing widespread malnutrition and stunting among our children. The damage wrought on our human capital is immense.

There is no way we can solve our agricultural crisis in the foreseeable future – not until we radically reconfigure our farm systems. Domestic production of key commodities will be lower than domestic demand for them. Importation helps us avert shortages resulting from this.

If we do not import what our agriculture cannot produce, we will face even more serious problems. There could be food riots. There could be starvation in some areas. All these will convert into instability in the political sphere. The damage to our community will spiral.

As things stand, the “lower” tariff rates are still too high. We will still be imposing 35 percent tariff rates for rice. Tariffs for pork will range from 15 to 25 percent. Corn, which is principally used for animal feed, will still pay 5 to 15 percent.

Those who oppose these lowered tariff rates are operating on the assumption that there should be no imports at all. That is an unrealistic assumption.

Let’s face it: our agriculture has failed us. All of us are at fault for this.

Our farm systems are inefficient. They are kept so by the uneconomical subdivision of farmland. Our agriculture is trapped in subsistence mode. That will not do to get our people properly fed.

For decades, because we are trapped in subsistence mode, there has been only negligible investment in food processing, in logistics systems with much lower spillage and spoilage rates than the criminal inefficiency we now have and in agro-industry. We do not have orchards to speak of and no modern vegetable farms.



Until we are able to exorcise ourselves of our deep-seated fetishism for small farms, our agriculture will continue to fail us. Our food price regime will be high. Our farmers will always be poor nonetheless.

I am sure Agriculture Secretary Francis Tiu Laurel understands what needs to be done. After all, he built up a fishing, processed food and logistics conglomerate by his keen insight into what ails our food production. But he also understands that the reforms will have to be radical and sweeping, requiring the investment of much political capital.

The conservatives (who love describing themselves as “progressives” in the Orwellian-speak of our warped political dialect) will oppose radical reforms tooth and nail. They will persist in their romantic embrace of the small farmer, who is poor precisely because his farm is small and therefore poorly capitalized.

The reason we had a high tariff wall around our agriculture was to protect its inefficiency. From behind this tariff wall, our consumers were made to pay higher prices for food to sustain farm inefficiency. This produced a high poverty rate in our society – and all the distortions implied by this condition, from rapid urban migration to the export of our workers.

People resort to smuggling agricultural produce for one basic reason: they are cheaper elsewhere than here. A high tariff wall simply makes smuggling more profitable. Lower tariff rates will lower rewards for those choosing to risk smuggling. No amount of raids on warehouses, conducted mainly for political publicity, solves the basic arithmetic of the problem.

For decades, what we had in place of a sustainable agriculture strategy was a scheme for distributing subsidies to keep our small farmers afloat. For rice, government subsidized milling, transport and warehousing. For everything else, it came in the form of free fertilizers, small farm implements and politically-priced farmgate procurement.

This approach worked well for the politicians. It kept populists popular and enabled them a multi-generational grip on power.

Today, we have an even greater patronage state, distributing subsidies for every conceivable excuse. This is our distorted version of economic inclusion.

The measure of the scope and depth of this patronage state is the size of our public debt. We have basically indentured the next generations of Filipinos to buy legitimacy for today’s political elite.

Compared to the higher tariff rates that have now been suspended for another year, the “lower” rates prescribed by Executive Order 50 is still a coverup. A bikini version, but still a coverup.

It covers up our agriculture’s structural failure brought about by insane uneconomic orthodoxies we still embrace. Our domestic cost of production will still remain higher than elsewhere. A high food price regime will still inflict poverty on our people. And our farmers will still remain poor.

The cost of producing sugar locally is twice the world average. The price of rice is triple those of our immediately adjacent economies. Vegetable and fruit prices, the commodities that matter for our good health, are priced beyond reach.

This cannot possibly persist.



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Editorial

Maintaining low food tariffs is a good call

AS was reported Wednesday, President Ferdinand Marcos Jr. has issued an Executive Order (EO) 50 maintaining lowered tariff rates for imports of rice, corn and pork meat through the end of 2024. While the decision will certainly be met with opposition from some parts of the agricultural sector, it was a good call. The risks to food supplies and prices from the El Niño-related drought, the persistence of African swine fever (ASF), and other factors are too great to ignore and require a response now rather than later.

EO 50, in effect, simply renewed EO 10 issued by Marcos at the end of last year, which would have expired on December 31 if no action had been taken. The new order extends the lowered tariffs until Dec. 31, 2024. Under the scheme, the tariff on rice is kept at 35 percent; the tariff for corn is 5 percent for in-quota volumes and 15 percent for out-quota shipments; and the tariff on fresh, chilled or frozen pork meat is maintained at 15 percent and 25 percent for in-quota and out-quota volumes, respectively.

The usual complaint from domestic producers about reduced tariffs on agricultural commodities is that they undercut the prices of the rice, corn and pork produced by our own farmers. It is not an entirely invalid concern; if imports are sourced from countries with substantially lower production costs — which, unfortunately, is the case more often than not — then higher tariffs are needed to keep domestic products competitive.

But even though it may be painful for the domestic agriculture sector to hear, the real-

The biggest advantage of lower tariffs is to buy time to aggressively address agricultural productivity, climate and weather impacts, and ramp up efforts against African swine fever.

ity is that higher tariffs can only be justified if sufficient domestic supply can be assured and if there is effective action to eliminate extraneous production and wholesale costs in order to make the pre-tariff prices of domestic and imported commodities comparable. Under those conditions, it then makes sense to impose higher tariffs to protect the domestic supply. Those conditions do not exist now, however, and are unlikely to be achieved in the foreseeable future, certainly not this year.

The El Niño-related drought, which has already set in across most of the country, will have the effect of reducing agricultural output, particularly for grain crops like rice and corn, which require a considerable amount of water. The government and the agricultural sector are well aware of the risk, of course, and are taking steps to address it, but those can only go so far — efficient water use is only effective as long as there is water, and in the next couple of months there will be considerably less of it. Drought conditions also affect productivity for pork producers, but the bigger problem here is the stubborn ASF infection, which has continued to affect the country despite efforts to eradicate it.

External factors also need to be considered. The consensus among economic analysts concerning global food prices for the coming year is that they will remain elevated above pre-pandemic (2019) prices. High energy prices and trade constraints, largely due to the wars in Ukraine and in the Middle East, will push prices upward, along with El Niño weather effects in some places, although in some areas good harvests are forecast. Thus, the situation for the Philippines is that although importing basic food commodities is not desirable, if it is needed, as it certainly appears it will be, then lower tariffs are necessary to blunt the impact of other price pressures that are beyond the government's ability to control.

Even though the decision to extend lower tariffs was necessary and proactive, the government should not lose sight of its intention for it to be a temporary measure. The biggest advantage of lower tariffs is to buy time to aggressively address agricultural productivity, climate and weather impacts, and ramp up efforts against ASF. As for the latter, the expertise of other countries should be sought, as the destructive disease has been successfully controlled in most other places; China is one good example. The tariff decision was indeed a good call, given the prevailing circumstances, but the opportunity it provides to strengthen our own agriculture sector must not be wasted.



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Food group seeks agri statistics database

LOCAL food producers urged the National Economic and Development Authority (NEDA) to establish next year a long-delayed agricultural statistics database that will be available to all stakeholders online.

In an interview on Tuesday, Elias Jose Inciong, president of the United Broiler Raisers Association, said having easy access to crucial information will guide poultry farm managers in setting production targets that accurately reflect prevailing consumer demand.

He partially attributed the current oversupply in chicken meat to uninformed decision-making by local growers and importers.

"Poultry farms produced aggressively in anticipation of higher demand during the holidays. Importation of frozen chicken was just as aggressive for the same reason. But the expected high demand did not materialize ... resulting in the oversupply of chicken we are seeing today," Inciong said.

He said the glut in chicken meat has caused farmgate prices to drop to levels where poultry farmers are hardly breaking even with their investments.

Inciong said having a digital repository of agriculture data will help both entrepreneurs and government policymakers make better decisions, drawn from the same vetted body of information.

President Ferdinand Marcos Jr. underscored the importance of digitalization in the improvement of government services during his last State of the Nation Address in July.

"Digitalization will support the government's data-driven, science-based planning and decision-making. It is the greatest and most powerful tool, not just to improve ease of doing business, but also against many forms of graft and corruption," the President said.

Marcos told agencies that "consistent with this transformative policy direction, all government offices must then ensure that their vital services are digitalized immediately."

Meanwhile, the Department of Budget and Management highlighted the need to embrace digitalization with the allocation of P38.75 billion in the 2024 budget, representing a 61-percent increase from its P24.93-billion funding this year. **PNA**



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Bacnotan mushroom growers trained

TO improve mushroom-growing skills among locals, the Don Mariano Marcos Memorial State University North La Union Campus (DMMMSU-NLUC) College of Agriculture conducted a two-day training on Oyster Mushroom Production on Dec. 18-19, 2023.

Maricon Viduya, DMMMSU Strategic Communications director, said the event that took place at the DMMMSU-NLUC Board Room was conducted in coordination with the local government unit (LGU) of Bacnotan in La Union.

She said the training that was funded by the Bacnotan LGU aims to enhance the participants' technical knowledge and increase the number of mushroom growers in the town.

During the first day of the event, Viduya said the training focused on basic knowledge about mushrooms, choosing the right species for beginners and care management techniques.

She said the participants also discussed issues, problems and



■ The College of Agriculture of the North La Union Campus (NLUC) of the Don Mariano Marcos Memorial State University conducted a two-day training on oyster mushroom production at the NLUC Board Room on Dec. 18-19, 2023. PHOTO FROM DMMMSU OFFICIAL WEBSITE

recommendations concerning mushroom culture and production with Analyn Sagun and Maridell Bane-eng, both faculty members of DMMMSU-NLUC's College of Agriculture, leading the discussions and demonstrations.

On the second day, Viduya said the training also delved into more technical topics such as grain spawn production, fruiting bag production, sterilization of fruiting bags, and inoculation and incubation of grain spawn and

fruiting bags.

With a visit to CJ Farm in Barangay Sapilang in Bacnotan, the training culminated with a simple ceremony where participants were awarded certificates of completion.

In her closing remarks, Maria Elaine Boguen, DMMMSU-NLUC extension unit head, commended the participants for their eagerness to learn, participate actively in discussions and practical activities, and commit to enhanc-

ing their skills.

Expressing her satisfaction with the successful implementation of the training, Boguen praised the collaborative efforts of the organizing team and the support from Bacnotan LGU.

She said the efforts of DMMMSU-NLUC and Bacnotan LGU "provided an invaluable learning opportunity for the locals, laying the groundwork for a future focused on sustainable agriculture."

LEANDER C. DOMINGO



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Liliw farmers benefit from digitalization

■ The Southeast Asian Regional Center for Graduate Studies and Research in Agriculture join forces with AppGeese Inc. to digitalize agriculture platform in Liliw from 2020. CONTRIBUTED PHOTO

The Manila Times®

Date: DEC. 28, 2023 Page: B4



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BY LEANDER C. DOMINGO

THE Los Baños-based Southeast Asian Regional Center for Graduate Studies and Research in Agriculture (Searca) and AppGeese Inc. have revolutionized farming in Liliw through digitalization.

Glenn Gregorio, Searca director, said AppGeese is a sociotechno-prise pioneering digital agriculture in Laguna since 2020.

He said that three years into the initiative, Searca's Emerging Innovation for Growth Department or EIGD conducted a monitoring visit to Liliw to assess the impact of the project on local farmers and

agricultural groups.

He said the Liliw Upland Farmers Marketing Cooperative (Lufamco) became an integral part of the project under the guidance of Liliw municipal agriculture officer Eunice Decena.

Gregorio added that farmers in Liliw formerly sold their produce individually, limiting their market to the local vicinity before Searca

and AppGeese introduced digitalization to them.

He said Liliw farmers cultivated a diverse range of vegetables and crops, including cabbage, string beans, chayote and radish.

Searca noted that recognizing the potential for market linkage and the robust support structure in the area for farming, Lufamco was selected by the project team to participate in piloting a digital agriculture platform.

At the start, only 10 farmer-members underwent a series of activities, including field visits, training in packaging and sorting, and an introduction to digital marketing using the AgriEx application.

AgriEx provides real-time access to buyers, orders and market demand.

Marvin Felices, a farmer coordinator, streamlined communication among Lufamco members and was able to guide his fellow farmers in aligning their crops with market trends using AgriEx.

AppGeese facilitated seamless transactions, picking up produce within a day and offering immediate payment through e-money transfer while surpassing prevailing market prices.

With the digital platform, Gregorio said Lufamco conducted regular transactions for two years from 2020 to 2022.

The cooperative also attracted attention from other marketing partners, including the Kadiwa Market managed by the Depart-

ment of Agriculture and Gawad Kalinga, resulting in the expansion of the cooperative's market reach.

Gregorio said the cooperative also diversified its activities with assistance from the Department of Science and Technology, and ventured into producing and selling its own organic fertilizer. Lufamco also constructed a multipurpose building in Liliw, generating additional income by renting it out.

Enrico Arvesu, Lufamco president, thanked Searca for the transformative impact of the project.

"We are very thankful to be identified in this kind of project, which helped us appreciate the importance of planning and consolidation of our produce to reach

a wider market," Arvesu said.

He said the project opened more opportunities for their group, and online marketing gave them the opportunity to reach more customers beyond their local area. "We truly saw our potential."

"For the municipality of Liliw, this initiative signifies a commitment to embrace opportunities that uplift the livelihood of local farmers," Gregorio said.

The Searca director noted that the success of the project has spurred the municipality "to explore further partnerships, with plans in the pipeline to connect their produce to even wider markets, ensuring sustained growth for the agricultural community."



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Extension of tariff cuts seen to mitigate El Niño impact on food prices

THE EXTENSION of reduced tariffs on rice and other key agricultural commodities will help cushion the inflationary impact of the El Niño weather phenomenon, analysts said.

"This will ensure stable, if not lower, prices for these products, particularly during the El Niño next year which will hit our agriculture sector. This move is most welcome," former Agriculture Undersecretary Fermin D. Adriano said in a Viber message.

President Ferdinand R. Marcos, Jr. last week signed Executive Order (EO) No. 50, which extends the reduced Most Favored Nation (MFN) tariff rates on rice, corn, and pork until Dec. 31, 2024.

The rates for rice imports will be kept at 35% for shipments both within or over the minimum access volume (MAV) quota.

Tariff rates for swine, fresh, chilled or frozen meat are retained at 15% for in-quota and 25% for out-quota imports.

Imports for corn maintained the MFN duty at 5% and 15% for

in-quota and out-quota shipments, respectively.

"The present economic condition warrants the continued application of the reduced tariff rates on rice, corn, and meat of swine (fresh, chilled or frozen) to maintain affordable prices for the purpose of ensuring food security, managing inflationary pressures, help augment the supply of basic agricultural commodities in the country, and diversify the country's market sources," the EO stated.

There will also be a review of the tariff rates on rice, pork, and corn every six months, it added.

Philippine Chamber of Commerce and Industry President George T. Barcelon said that the lower tariff rates will help tame inflation.

"Extending the tariffs on key food commodities (will help) deal with inflation. That would help somewhat, because of the projected El Niño there could be price increases for these food commodities. I think that's a good move," he said via phone call.

Tariff, SI/12



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Tariff, from S1/1

In the first 11 months of the year, inflation averaged 6.2%. This was still above the central bank's 6% full-year forecast and 2-4% target range.

"The reduced MFN tariff rates would help cushion agriculture and food production and supply and eventually price and inflation issues that may be brought by El Niño — a positive impact," retired Pampanga State Agricultural University professor Roy S. Kempis said in a Viber message.

Mr. Kempis said that domestic production will be adversely affected by the dry weather event, particularly palay (unmilled rice) and corn.

"Supply would be compromised for these crops and eventually rice and feeds; following the value chain, feeds will also be a challenge

— which uses corn as an ingredient to the extent of 70% per unit volume or weight, and pork may be more expensive," he added.

The latest bulletin by the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) showed that a strong El Niño is seen to persist in the country until January 2024.

The weather event increases the likelihood of below-normal rainfall conditions, which could bring dry spells and droughts in some areas of the country.

The state weather bureau also projected that by the end of May 2024, 65 provinces will experience a drought while six will face a dry spell.

PAGASA also reported in its latest crop condition assessment that

most of the provinces in Luzon received "inadequate amounts of water required to support both the rice and corn crops."

FRONTLOADING IMPORTS?

National Economic and Development Authority (NEDA) Secretary Arsenio M. Balisacan earlier recommended frontloading rice imports to mitigate inflationary pressures.

"Frontloading of imports next year is an act to bring in imported goods for the year at the earliest possible time. Since domestic supply grows as a result of the frontloading, prices tend to go down, thus, inflation is tamed," Mr. Kempis said.

However, he noted that the scheduling of these frontloaded imports must be consistent with

the country's agricultural production patterns.

"Timing is important such that frontloading happens way before and/or months after domestic production is available for harvesting. This is a way of a counterbalance to have decent farmgate prices for palay, swine, and corn such that rice, pork, and feeds are reasonably priced," he added.

The reduced tariff rates will also boost free trade and improve the country's trade relations, Mr. Kempis said.

"The countries from where the Philippines gets its imported rice, pork, and corn are able to export more because Philippine importers find it cheaper to import the commodities involved, from these exporting countries," he said.

On the other hand, Samahang Industriya ng Agrikultura Executive Director Jayson H. Cainglet said that the extension of lower tariffs will only benefit importers and traders.

"Local producers have nothing to do with the spiraling costs of staples, especially rice. Local traders and even those not usually involved in local production have been scrambling to source palay given the rising global prices of rice," he said in a Viber message.

"It is this mindset of 'importation as the only solution' that has put us in this dire situation. The greatest tragedy of our times is this self-inflicted destruction of our capacity to produce our own food. The folly to rely on the global markets is again exposed as

expensive, unreliable, and reckless," he added.

Mr. Cainglet noted the foregone revenues from these tariff cuts, which could have been used to support the agriculture sector.

"There is a downside though in extending the reduced MFN treatment by the Philippines. Revenue collection primarily from import taxes on the above-said products that are covered by the reduced MFN tariff rates, is consequently reduced," Mr. Kempis said.

Mr. Kempis also said that there may be a need for more subsidies and overall government spending to manage the impacts of the weather event.

In 2019, the El Niño caused agricultural damage of up to P8 billion in the Philippines. — **Luisa Maria Jacinta C. Jocson**

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PHL expects 571MT rice to come in till Feb

THE Philippines expects the entry of 571,000 metric tons (MT) of rice this month until February, with most of the volume coming in through private traders, as the country braces for the adverse effects of El Niño.

The Department of Agriculture (DA) on Wednesday said the rice is the result of private traders' commitment to government and some donations.

Agriculture Undersecretary for Operations-OIC Roger V. Navarro said the private traders have committed to import at least 495,000 MT when they secured their respective sanitary and phytosanitary import clearances (SPSICs).

Navarro pointed out that the importation is in compliance with the agreement between Agriculture Secretary Francisco P. Tiu

Laurel Jr. and private traders and importers who are holding valid SPSICs. "We received reports that around 100,000 tons of imported rice has already arrived in the country. This is part of the 495,000 metric tons committed by import permit holders to Secretary Tiu Laurel," Navarro said.

Navarro disclosed that at least 75,000 MT out of the 295,000 MT of rice allowed by India to be exported to the Philippines will arrive within the last week of December and early January.

Furthermore, Navarro said half of the 2,000 MT donated by Taiwan to the Philippines already arrived before Christmas day.

"With the arrival of imported rice and the volume harvested by farmers in recent months, the country will have sufficient supply

of the national food staple until the next harvest which starts in March," Navarro added.

The country's rice imports as of mid-December have breached the 3.2 million MT level, with over 130,000 MT arriving in the first 14 days of this month, according to the Bureau of Plant Industry (BPI).

Latest BPI data showed that total rice imports as of December 14 reached 3.223 MMT, some 603,000 MT lower than the 3.826 MMT recorded full-year import volume last year.

The DA earlier projected that the country's total rice imports this year could settle at around 3.65 MMT, if the remaining valid import volume arrives in the country.

(Related story: <https://businessmirror.com.ph/2023/12/14/rice-imports-to-fall-by-5-due-to-high-prices/>)

BPI data also showed that Vietnam remained the country's top source of imported rice, accounting for 87 percent of the total import volume as of December 14.

The data also showed that BPI approved and issued 557 sanitary and phytosanitary import clearances (SPSICs) in December for the importation of 444,270.4 MT of rice.

Under the updated rules and regulations of the Department of Agriculture, the approved rice import volume must enter the country within 30 days after the corresponding SPSICs were issued.

Agriculture officials earlier cautioned that without rice imports coming in the next few months, particularly in January and Febru-

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Rice...

CONTINUED FROM A1

ary, the country would have thin grain stocks, especially amid the anticipated impact of El Niño on domestic rice production.

"Without [rice] imports, we will have less than 39 days at the end of the first semester and 61 days at the end of March, which is very thin supply considering our archipelagic condition. We cannot spread the 61 days [stock level] evenly, so we need to import," Agriculture Undersecretary for Rice Industry Development Leocadio S. Sebastian said earlier. (Related story: www.businessmirror.com.ph/2023/12/15/da-sees-domestic-milled-rice-output-decline-in-h1-2024-amid-el-nino-threat)

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NEDA urged to put up digital agri database

LOCAL food producers have urged the National Economic and Development Authority (NEDA) to establish in 2024 a long-delayed agricultural statistics database that will be available to all stakeholders online.

In an interview on Tuesday, Elias Jose Inciong, president of the United Broiler Raisers Association (UBRA), said having easy access to crucial information will guide poultry farm managers in

setting production targets that accurately reflect prevailing consumer demand.

He partially attributed the current oversupply in chicken meat to uninformed decision-making by local growers and importers.

"Poultry farms produced aggressively in anticipation of higher demand during the holidays. Importation of frozen chicken was just as aggressive for the same reason. But the expected high demand

did not materialize...resulting in the oversupply of chicken we are seeing today," Inciong said.

He said the glut in chicken meat has caused farm gate prices to drop to levels where poultry farmers are hardly breaking even with their investments.

Inciong said having a digital repository of agriculture data will help both entrepreneurs and government policy-makers make better decisions, drawn from the

same vetted body of information.

President Ferdinand R. Marcos, Jr. underscored the importance of digitalization in the improvement of government services during his last State of the Nation (SONA) address in July.

"Digitalization will support the government's data-driven, science-based planning and decision-making. It is the greatest and most powerful tool, not just to improve ease of doing

business, but also against many forms of graft and corruption," the President said.

Marcos told agencies that "consistent with this transformative policy direction, all government offices must then ensure that their vital services are digitalized immediately."

Meanwhile, the Department of Budget and Management (DBM) highlighted the need to embrace digitalization with the allocation of P38.75 billion in the 2024 budget, representing a 61-percent increase from its P24.93-billion funding this year.

"Technological advancement has given rise to a growing digital economy which continues to create new forms of work, transforming the employment landscape. Hence, investing in the digitalization of the bureaucracy is crucial not only in enhancing its efficiency but also in generating quality jobs for Filipinos," DBM Secretary Amenah Pangandaman said in a previous statement.

With a digitalization budget of over P2 billion in 2024, Neda is among the 10 government agencies with the highest allocations for the program. *PNA*

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'Low tariffs punishing local food producers without cutting prices'

By JASPER EMMANUEL Y. ARCALAS

[@jearcalas](#)

LOCAL food producers are being "penalized" by the Marcos Jr. administration with its decision to extend lower tariff rates on key food items until the end of 2024, the Samahang Industriya ng Agrikultura (Sinag) said on Wednesday.

"It is very unfortunate that the economic team led by Secretaries Ben Diokno and Arsenio Balisacan had succeeded in the issuance of EO [Executive Order] 50; penalizing local producers while promoting the interests of a few privileged importers and favored traders," the group said in a statement.

Sinag was referring to the latest executive issuance by President Ferdinand Marcos Jr. last Tuesday that formally authorized the extension of the lower tariff rates on imported pork, rice and corn until December 31, 2024. **(Related story: <https://businessmirror.com.ph/2023/12/27/pbbm-issues-eo-extending-lower-food-tariffs/>)**

Marcos, in issuing EO 50, argued that keeping the tariffs on the three commodities is critical in ensuring the country has sufficient food supply while averting unnecessary price spikes because of volatile global market conditions, including El Niño.

"The present economic condition warrants the continued application of the reduced tariff rates on rice, corn, and meat of swine (fresh, chilled or frozen) to maintain affordable prices for the purpose of ensuring food security, managing inflationary pressures, help augment the supply of basic agricultural commodities in the country, and diversify the country's market sources," Marcos, who is a former agriculture secretary himself, said in EO 50 issued on December 22 but was only made public recently.

This is not the first time that Marcos kept the lower tariff rates on imported commodities. Earlier this year, Marcos issued EO 10, the precedent of EO 50, to extend the tariff rates until the end of this year.

The industry group said local food producers "have nothing to do with the spiraling costs of staple crops," particularly rice.

"Extreme weather situations [like El Niño, La Niña, stronger

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typhoons, droughts] and global pandemics (Covid-19, ASF [African Swine Fever], avian flu, walking pneumonias) are the new normal that have prodded the rest of the world to be food self-reliant," Sinag said.

"Even Singapore, the poster boy of food imports, has been pursuing a food self-reliant economy," it added.

Sinag, led by Engr. Rosendo So, emphasized that local producers are "penalized" while importers are "rewarded" and "pampered" with four straight years of reduced tariffs on rice, pork and corn.

"Ang mga taga-Neda na lang ang naniniwala sa biyayang dulot ng unlimited imports at benevolence ng importers. [It is only those in Neda who still believe in the benefits of unlimited imports and the benevolence of]," it said.

"It is this mindset of 'importation as the only solution' that has put us in this dire situation," it added.

The group challenged the administration on the benefits of extending the lower tariff rates, arguing that prices of commodities did not drop in the past three years under the reduced tariff regime.

Citing its own price monitoring, Sinag said the price of well-milled rice in 2021 ranged between P40 and P42 per kilogram while it is now ranging from P48 to P54 per kilogram.

Sinag added that prices of pork liempo were between P230 and P250 per kilogram last 2021, but are now at P360 to P400 per kilogram.

"Who really benefited from the

lower tariffs? Worse, we've lost billions in foregone revenues, further crippling the capacity of the government to provide public support to the agriculture sector," it said.

"Countries that have relied on their own capacity to produce food have not been impacted by any new developments in the global market," it added.

Two weeks ago, the National Economic and Development Authority (Neda) Board approved the extension of reduced tariff rates on key commodities until the end of 2024 to keep local food prices stable amid the volatile supply situation. **(Related story: <https://businessmirror.com.ph/2023/12/15/lower-tariffs-on-key-food-items-extended-till-end-2024/>)**

With the approval, the tariff rates on the following commodities will remain until end-2024: 15 percent and 25 percent for in-quota and out-quota pork imports, respectively; 5 percent and 15 percent for in-quota and out-quota corn imports; and a 35-percent uniform rate for rice imports.

The extension of the lower tariff rates on the three commodities was seen in some quarters as a step in the right direction to stabilize domestic food prices and arrest any possible price spikes.

"That is great, a much-needed move given that international prices of key food items are elevated. There is also continued uncertainty due to the combined impacts of conflicts in Ukraine and Israel, plus the worsening threat of drought," Monetary Board member V. Bruce J. Tolentino earlier told the BUSINESSMIRROR.

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Grupo ng magbababoy dismayado sa pagpapalawig ng mababang taripa

Dismayado ang grupo ng mga magbababoy sa desisyon ni Pangulong Ferdinand Marcos, Jr. na palawigin pa ang mababang buwis sa mga imported na baboy na posibleng makaapekto sa negosyo ng mga local hog raisers sa bansa.

Ayon kay Philippine Pork Producers Federation President Nonon Tambago, ilang executive orders na ang inilalabas ng Malakanyang subalit hindi pa rin kaya ng bulsa ng mga mamimili ang presyo ng baboy.

Sinabi ni Tambago na ang 'extension' ay makakaapekto sa negosyo ng mga local hog raiser matapos pumalo sa P175 kada kilo ang farmgate price.

Inilabas ni Executive Secretary Lucas Bersamin ang Executive Order (EO) 50, kung saan mananatiling mababa ang taripa o buwis ng imported na baboy, bigas at mais hanggang Disyembre 31, 2024.

"This extension is further damaging the confidence of local swine farmers as farmgate prices have been greatly affected, currently averaging P175 per kilo, which is below the cost of production," ani Tambago.

Sa ngayon ayon kay Tambago, nasa P350 per kilo ang presyo ng baboy.

Nakikitang solusyon ni Tambago ay pagsasaayos sa presyo ng farmgate at retail prices at hindi ang pagbibigay ng pabor sa mga importers at traders.

Ayon naman kay Samahang Industriya ng Agrikultura (SINAG) Executive Director Jayson Cainglet, nakakalungkot na tila hindi naiisip ng economic team ni Marcos sa pangunguna ni Finance Secretary Benjamin Diokno at National Economic Development Authority (NEDA) Secretary Arsenio Balisacan ang kapakanan ng local hog raisers at sa halip ay patuloy na inimpluwensiyahan ang Pangulong Marcos na mag-isyu ng EO 50.

Aniya, nangyayari sa bansa na ang mga local producers ang napapatawan ng multa habang napapaboran ang mga importers kung saan apat na taon nang nagtatamasa sa mababang buwis sa bigas, mais at baboy. (Doris Franche-Borja)



PRESYO NG BIGAS, KARNE SISIRIT

MAGPAPATULOY ang pagtaas sa presyo ng bigas, mais at karne kahit pinalawig ng pamahalaan ang mababang taripa sa importasyon nito, ayon sa United Broiler Raisers Association.

Sinabi ni Atty. Elias Jose Inciong, presidente ng grupo, hindi makakatulong ang inisyung Executive Order No. 50 ni Executive Secretary Lucas Bersamin noong December 22, 2023 para maibaba ang presyo ng bigas, mais at karne sa pamilihan.

Ikatlong taon na aniyang pinalawig ang mababang taripa sa mga produktong ito at napatunayan na hindi naman ito nakakatulong para maibaba ang presyo ng bigas, mais at karne.

“Yong ganyang executive order dapat pansamantala eh nagiging forever na eh kahit taon-taon na lang eh. Pero nabibigyan ba ng solusyon ‘yong tunay na suliranin na mahal ang bilihan, nalulugi ang iyong agricultural sector. ‘Yong bang kabuhayan ng Pilipino eh gumaganda, bumaba ba ang inflation? Hindi. Lalong lumalala,” wika ni Inciong sa interview ng DZBB.

Nang tanungin kung lalo pang tataas ang presyo ng bigas at karne, sinabi nitong “Talagang palala iyan hangga’t ganyan.”

Asahan aniyang pagdating ng El Niño, lalo pang magtataas ang presyo ng bigas dahil tatamaan din ng tagtuyot ang bansang Thailand at Vietnam na pinagkukunan ng bigas ng Pilipinas.

“Mas matindi ang tama sa dalawang bansa na iyan, ‘yong Thailand

at Vietnam na pinanggagalingan ng bigas natin,” babala pa niya.

Aniya, matagal na silang kumontra sa pagbaba ng taripa sa importasyon pero hindi naman nakikinig ang gobyerno sa masamang epekto nito sa mga lokal na magsasaka.

“Kahit anong sabihin mong facts, kahit anong pakita mong data, ano ang karanasan, kasi pangatlong taon na iyang extension na yan eh, makikita naman natin wala namang solusyon. Hindi naman nabigyan ng solusyon ‘yong sitwasyon, bagkus ay lumala. Tingnan mo ‘yong sa bigas kasi kumakampante sila. Akala nila dahil may ganyang Executive Order, bababa ang presyo ng bilihan. Hindi naman bumaba, lalong lumalala, kita mo sa bigas. ‘Yon ang inaalala ko sa ibang commodities,” diin ni Inciong.

Kinastigo rin nito ang National Economic and Development Authority (NEDA) dahil tila tinatago ang posisyon ng pinuno ng importer sa Pilipinas na walang epekto ang pagbaba ng taripa.

“Yong mismong head ng importer, si Jess Chan, tinanong sa Tariff Commission tungkol diyan eh. Anong impact sa importation nila sa presyo. Ang sabi niya pareho kami ng producers kahit mababa ang farmgate ng producers ay hindi bumababa ang retail, ganon din daw sila dahil iisa ang value chain. Eh kung ganun naman pala bakit binababaan pa yung taripa, nagtatapon lang ng pera kung wala rin iyan,” paglalahad ni Inciong.



NEDA urged to put up digital agri database

LOCAL food producers have urged the National Economic and Development Authority (NEDA) to establish in 2024 a long-delayed agricultural statistics database that will be available to all stakeholders online.

In an interview, Elias Jose Inciong, president of the United Broiler Raisers Association (UBRA), said having easy access to crucial information will guide poultry farm managers in setting production targets that accurately reflect prevailing consumer demand.

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Inciong said having a digital repository of agriculture data will help both entrepreneurs and government poli-

cy-makers make better decisions, drawn from the same vetted body of information.

President Ferdinand R. Marcos Jr. underscored the importance of digitalization in the improvement of government services during his last State of the Nation (SONA) address in July.



EDITORIAL

High prices

PRESIDENT Marcos has issued an executive order (EO) that reflects the government's genuine concern over the rising prices of goods in the country.

In issuing EO No. 50, Marcos said that there is a need to maintain the temporary modification of rates of import duty on rice, corn and meat products.

This is to ensure affordable prices amid the negative impact of the El Nino phenomenon on the price and production of rice and corn in the country.

Then there's the continuing prevalence of African Swine Fever (ASF) and the trade restrictions imposed by some exporting nations that affect prices of goods.

Under the Customs Modernization and Tariff Act (CMTA), the Chief Executive is empowered to increase, reduce or remove existing rates of import duty.

The National Economic and Development Authority (NEDA) board had earlier endorsed the temporary extension up to the end of 2024 the reduced Most Favored Nation rates for rice, corn and swine meat.

The reduced tariff rates were granted under EO No. 10, which was issued in December last year.

We agree with President Marcos when he said that the present economic condition warrants the continued application of the reduced tariff rates.

Let's unburden the citizens from the problem of high-priced goods.



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Raw sugar hits nine-month low; arabica coffee rises

NEW YORK — Raw sugar futures on ICE fell on Tuesday to the lowest price since early March in light trading, while arabica coffee closed higher.

Trading was closed for London-based robusta, white sugar and cocoa futures due to the Boxing Day holiday.

SUGAR: March raw sugar settled down 0.09 cent or 0.4% at 20.53 cents per pound (lb), after sliding to its weakest since early March at 20.03 cents per lb.

Only over 25,000 contracts traded in the spot month as most

dealers remained on the sidelines during the holiday period.

Brazil's sugar production remained strong, a major factor for the recent price slide.

Brazil's sugar industry group UNICA said on Tuesday that output more than tripled in the first half of December, as mills tried to extend the crushing season to the limit under drier-than-normal weather and still relatively high sugar prices.

Egypt's government said on Tuesday that strategic reserves of sugar are sufficient for 5.3 months.

COFFEE: March arabica coffee settled up 1.55 cents or 0.8% at \$1.9435 per lb, having hit its highest since April last week.

The market remains supported by limited coffee supplies, with low inventories at destination countries, along with weather-related problems for production in Asia and South and Central America.

Traders also worry about delays in the flow of containers used to transport coffee around the world due to the attacks against vessels in the Suez Canal.

But France's CMA CGM said it is increasing the number of vessels traveling through the Suez Canal joining Maersk in returning to the area after US-led efforts to prevent attacks.

COCOA: March New York cocoa settled down \$28 or 0.6% at \$4,283 a metric ton.

Cocoa arrivals at ports in top grower Ivory Coast reached 747,000 tons by Dec. 24 since the start of the season on Oct. 1, down 36.3% from the same period last season, exporters estimated on Tuesday. — **Reuters**



Global staple food supplies to be strained by El Niño, export curbs

SINGAPORE — High food prices in recent years have prompted farmers worldwide to plant more cereals and oilseeds, but consumers are set to face tighter supplies well into 2024, amid adverse El Niño weather, export restrictions and higher biofuel mandates.

Global wheat, corn and soybean prices — after several years of strong gains — are headed for losses in 2023 on easing Black Sea bottlenecks and fears of a global recession, although prices remain vulnerable to supply shocks and food inflation in the New Year, analysts and traders said. “The supply picture for grains certainly improved in 2023 with bigger crops in some of the key places which matter. But we are not really out of the woods yet,” said Ole Houe, director of advisory services at agriculture brokerage IKON Commodities in Sydney.

“We have El Niño weather forecast until at least April-May. Brazil is almost certainly going to produce less corn, and China is surprising the market by buying larger volumes of wheat and corn from the international market.”

EL NIÑO & FOOD PRODUCTION

The El Niño weather phenomenon,

which brought dryness to large parts of Asia this year, is forecast to continue in the first half of 2024, putting at risk supplies of rice, wheat, palm oil and other farm products in some of the world's top agricultural exporters and importers.

Traders and officials expect Asian rice production in the first half of 2024 to drop as dry planting conditions and shrinking reservoirs are likely to cut yields.

World rice supplies tightened this year already after the El Niño weather phenomenon cut into production, prompting India, by far the world's biggest exporter, to restrict shipments.

While other grains markets were losing value, rice prices rallied to their highest in 15 years in 2023, with quotations in some Asian export hubs gaining 40%-45%.

India's next wheat crop is also being threatened by lack of moisture, which could force the world's second-largest wheat consumer to seek imports for the first time in six years as domestic inventories at state warehouses have dropped to their lowest in seven years.

FARMERS DOWN UNDER

Come April, farmers in Australia,

the world's No. 2 wheat exporter, could be planting their crop in dry soils, after months of intense heat curbed yields for this year's crop and ended a three-dream run of record harvests.

This is likely to prompt buyers, including China and Indonesia, to seek larger volumes of wheat from other exporters in North America, Europe and the Black Sea region.

“The (wheat) supply situation in the current 2023/24 crop year is likely to deteriorate compared to last season,” Commerzbank wrote in a note.

“This is because exports from important producer countries are likely to be significantly lower.”

On the bright side for grain supplies, South American corn, wheat and soybean production is expected to improve in 2024, although erratic weather in Brazil is leaving some doubt.

In Argentina, abundant rainfall over farming heartlands is likely to boost production of soybeans, corn and wheat in one of the world's largest grain exporting nations.

According to Argentina's Rosario grains exchange (BCR), 95% of early planted corn and

75% of soybeans are in “excellent to very good” conditions, thanks to rains since the end of October across the country's Pampas region.

Brazil is set for near-record farm output in 2024, although the country's soybean and corn production estimates have been reduced in recent weeks due to dry weather.

Global palm oil production is also likely to fall next year due to dry El Niño weather, supporting cooking oil prices that dropped more than 10% in 2023. The decline in output comes amid expectations of higher demand for making palm oil-based biodiesel and cooking oil.

“We see more upside price risk than down,” said CoBank, a leading lender to the US agriculture sector.

“Global grain and oilseed stock inventories are tight by historic measures, the northern hemisphere will likely have a strong El Niño weather pattern during the growing season for the first time since 2015, the dollar should continue its recent decline, and global demand should return to its long-term growth trend.” —

Reuters