

CLIPPINGS FOR WEDNESDAY, JANUARY 03, 2024

A. SEC. FTL Jr. QUOTED

MANILA BULLETIN

'New game plan' for DA in 2024

PEOPLE'S JOURNAL

Gov't braces for El Niño

B. DA FAMILY

PHILIPPINE DAILY INQUIRER

Smuggling blamed for carrot glut in Benguet

THE MANILA TIMES

Farmers told to practice simultaneous planting

BUSINESS MIRROR

Farmers, MSMEs harness digital tech to boost livelihood skills

PEOPLE'S JOURNAL

DA ends 2023 with cash distribution to help farmers

C. AGRI-RELATED STORY

THE PHILIPPINE STAR

'Inflation likely eased to 4% in December'

BUSINESS WORLD

Biodiesel manufacturer sees higher coconut content improving mileage

MALAYA BUSINESS INSIGHT

Commercialization of biofertilizer proposed

BUSINESS MIRROR

Editorial: PHL still at the mercy of global food traders

D. FOREIGN STORY

BUSINESS WORLD

Palm touches over 2-week low on lackluster exports

MALAYA BUSINESS INSIGHT

Corn hits 31% yearly loss

Thai rice rates soar to 15-year highs

Date: JAN 03, 2024 Page: 3



LIBRARY
DEPT. OF AGRICULTURE

'New game plan' for DA in 2024

The Department of Agriculture (DA) is gearing up for a new game plan aimed at improving and modernizing agricultural and food production in the country.

Agriculture Secretary Francisco Tiu Laurel, Jr. said on Tuesday, Jan. 2, that he will be introducing this year's strategy to modernize agriculture and enhance farm production capacity in the coming week.

Laurel said the plan would benefit the local economy, enhance the livelihoods of farmers and fisherfolk, and potentially inspire more individuals to pursue careers in agriculture.

He admitted that 2024, with the looming threat of the El Niño phenomenon, will be "a very challenging year."

"As I told you last time, all eyes are trained on us, more on me probably because I'm the new agriculture secretary," Laurel said to the DA employees.

He also told the agriculture agency that full cooperation is a must in addressing the food production challenge, especially as the El Niño phenomenon approaches in the first quarter of 2024.

"The entire country expects that we could feed them and that we will try to bring commodity prices down," he added.

The DA is also expected to achieve food security and lessen food production imports.

Since the beginning of his term in November, Laurel met with various agriculture officials, farmers, fisherfolk, and stakeholders, as well as inaugurated new irrigation and other facilities.

"[This] determines a better course of action and gathers support to achieve President Ferdinand Marcos' vision of a modern farm sector and better lives for farmers and fishermen," DA reported.

Subsequently, the agriculture chief emphasized the need for more timely farm and market statistics and other modern technologies like enhancing farm mechanization.

"Very soon, we will have that program – possibly in the next 10 days – that we will cascade to everyone," he said.

"Basically, a lot of things need to be done. We need to do this with a sense of urgency because there are only four years left in the administration of President Marcos. And we also have to change the perception of Filipinos, that we can produce more food for our country," the DA chief added.

The increased local production would bring money to the pockets of Filipino farmers and fisherfolk instead of relying on commodities sourced abroad.

The agriculture chief believes, "this would fuel investment in the agriculture sector that employs four in every 10 Filipinos."



Gov't braces for El Niño drought

By Joel dela Torre

AGRICULTURE Secretary Francisco Laurel said the government has already started this early implementing measures to mitigate the impact of the expected prolonged dry spell on food production.

According to him, the DA and other agencies in the Inter-Agency Task Force on El Niño, have taken into place interventions that also address farmers and fisherfolk who may be adversely affected by the weather phenomenon.

On top of its priorities include repair and rehabilitation of irrigation canals and cloud-seeding not to mention dispersal of farm animals and provision of alternative livelihoods to farmers and fishermen, implementation of low-water use technology for rice farming and quick-turnaround strategy.

"We are leaving no stones

untuned in our effort to ease the impact of El Niño on our farmers and fishermen as well as consumers by ensuring food production is sufficient and supply is secure during the expected dry spell that could affect a majority of provinces and millions who depend on agriculture and fisheries," Laurel said.

As of November, the DA chief said that out of 843 kilometers of target irrigation canals, 740 kilometers have been improved and constructed as of November while 40 units of small-scale irrigation systems covering 1,477.5 hectares have been repaired and rehabilitated to distribute water more effectively and efficiently.

Meanwhile, the DA's Bureau of Soil and Water Management has requested a total P112 million for cloud-seeding operations for 2024 to supplement the water requirement of standing crops during periods of low rainfall.



LIBRARY
DEPT. OF AGRICULTURE

PRODUCE GIVEN AWAY OR LEFT TO ROT

SMUGGLING BLAMED FOR CARROT GLUT IN BENGUET

By Kimberlie Quitasol
and Allan Macatuno
@InqNational

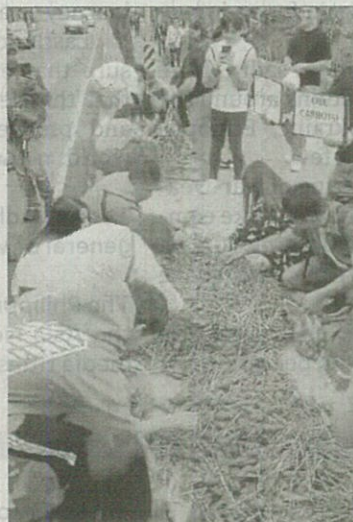
BAGUIO CTY—Hundreds of kilos of carrots from farms in Benguet province were distributed for free at Burnham Park here in the run-up to the New Year following an oversupply of the crop during the holiday season that has caused a strain on local farmers.

The surplus of carrots due to the increased production has been exacerbated by reports of unabated smuggling of vegetables that continues to hurt local growers, said Agot Balanoy, spokesperson for the Benguet-based League of Associations at La Trinidad Vegetable Trading Areas Inc. (LTVTA).

All-time low

Balanoy said that although the newly harvested carrots were given away for free on Dec. 29 last year, she described it as an “unfortunate” move of the farmers who are faced with losses due to the glut.

“We feel sorry for our small-scale farmers who borrowed money for their production costs only to end up donating or throwing away their produce,” she told the Inquirer



ROADSIDE DOLE-OUT
Passersby grab carrots being given away at Burnham Park in Baguio City on Dec. 29 due to an oversupply resulting from the low demand, which Benguet farmers say is caused by smuggling.

—SCRENGRAB FROM VIDEO BY JANE CADALIG/CONTRIBUTOR

in an interview on Tuesday.

Balanoy added: “How will they (farmers) survive for the next two to three months? They will be forced to borrow money again. This is why farmers end up buried in debt.”

Data gathered by the LTVTA

showed that about 8 million kilos of assorted highland vegetables worth about P240 million were unsold during the Christmas holiday from Dec. 20, 2023 to Dec. 30, 2023, which was supposed to be the peak season for the local vegetable industry.

According to Rural Rising Philippines (RuRi), a nonprofit group helping distressed local farmers, the price of carrots at the La Trinidad Vegetable Trading Post in Benguet has dropped to an all-time low of P1 per kilo during the holiday season.

Based on the monitoring of the Department of Agriculture (DA), the wholesale price of carrots during the holidays was between P20 and P25 per kilo.

Rescue buy

“This [drop in prices] forced highland farmers to dump their carrots, or in this case, give them away,” RuRi said in a Facebook post.

The group noted that it was not “generosity” that drove the farmers to give their crops but the “sad state” of the local farming industry.

RuRi called on the public to help buy the farmers’ carrots that would be harvested next week to avoid a glut.

Balanoy said some of the un-

sold carrots and other vegetables were donated to the Bureau of Jail Management and Penology, the Philippine National Police, the Department of Social Welfare and Development and the DA.

According to LTVTA, many of the produce were left unharvested.

“There were farmers who decided not to harvest and just let their crops rot in the gardens,” Balanoy said.

Last week, Balanoy and her group asked the government to address the rampant smuggling of vegetables, mostly from China, during the holiday season after traders and growers complained about the low demand.

She said the illegal entry of vegetables is “killing the vegetable and agricultural industry,” especially the farmers.

Records from the DA showed that Benguet and other areas in the Cordillera region supply 80 percent of the daily salad vegetable demand in the National Capital Region.

An average of 1.7 million kilos of crops are shipped from Benguet to Metro Manila every day.

Government data also showed that vegetable farming is the major source of livelihood among the 58,000 families in Benguet, Ifugao and Mountain Province. **INQ**



Farmers told to practice simultaneous planting

THE Philippine Rice Research Institute (PhilRice) has urged farmers to adopt the practice of "sabayang pagtatanim" or simultaneous planting, a method that focuses on the critical phase of crop establishment.

In a statement, Community Relations Office Science Research Specialist 2 Jonathan Cabral said that while the method aims to increase yields and improve the overall health of rice crops, the call comes as PhilRice recognizes the challenges the farmers are facing.

Cabral noted that factors such as limited water supply in certain localities and the desire to avoid peak seasons to secure higher rice prices often contribute to deviations from the prescribed rest period and simultaneous planting.

Through simultaneous planting, Cabral added, farmers are advised to plant 14 days before or after the peak planting season to ensure collective effort in rice cultivation.

One of the primary benefits of this method is the effective prevention of the increase of pests and insects in rice fields.

"If farmers in an area plant simultaneously, their rice crops will almost be harvested at the same

time. In this way, pests and insects have nothing to feed on, preventing them from multiplying," Cabral said.

He said by allowing the fields to lie fallow for 30 days, farmers disrupt the life cycle of pests and reduce their numbers and mitigate potential damage to crops by depriving them of habitat and putting them to hunger.

Notably, the approach also reduces reliance on pesticides, minimizes the need for chemical interventions, pushes efficient water usage from irrigation, optimizing the yields, and enhances crop quality in subsequent planting seasons.

PhilRice also recommends that rice fields remain fallow for 30 days after harvest to adhere to the simultaneous planting approach.

Aside from pest infestation control, Cabral explained that the habitats of diseases in rice are disrupted through the rest period. Also, organic materials such as hay or rice straw decompose thoroughly, serving as additional fertilizer.

PhilRice emphasized the importance of community-wide collaboration in adopting this planting method.

"Simultaneous planting should be done as much as possible within

the appropriate area. This means that in our community, we should all participate in this activity, and we encourage

neighboring farmers to do the same so that everyone benefits from this process," he said.

JERRY M. HERNANDEZ



Farmers, MSMEs harness digital tech to boost livelihood skills

PLDT and its wireless unit Smart Communications Inc. (Smart) have ushered 14,442 farmers, fisherfolk, co-operatives, and micro, small and medium-sized enterprises (MSME) towards digitalization through their tech-enabled solutions this year, a 40 percent increase from 2022.

“Under our livelihood advocacy, PLDT and Smart have enabled farmers, fisherfolk, cooperatives, and MSMEs nationwide to participate in the digital economy. We have also helped boost their productivity and eventually increase their income,” said Stephanie V. Orino, AVP and Head of Stakeholder Management Team at PLDT and Smart.

This year, 11,464 MSMEs and co-operative members have undergone a digital upskilling training under the PLDT Group’s eBiznovation, reaching a total of 21,105 local entrepreneurs since it started.

PLDT and Smart’s Digital Farmers Program (DFP) have strengthened the digital literacy of 2,796 farmers, youth, agri-extension workers, farm field schools, and other stakeholders, another milestone for the year. To date, DFP has extended the benefits of using technology in agriculture to 9,351 Filipino farmers with over 300 trainings rolled out.

This is made possible by the strong collaboration with partners, such as the Department of Trade and Industry and the Department of Agriculture through its Agricultural Training Institute (DA-ATI).

“Working together with our stakeholders, including the likes of digital giant TikTok Shop, and from the public sector, such as DTI and

our long-time partner DA-ATI, we continue to provide capacity building sessions, digital and e-commerce solutions, specific product offerings for farmers, fisherfolk, MSMEs, and co-operatives and our network of thousands of load retailers to further boost their digital literacy and livelihood opportunities,” said Jay C. Lagdameo, VP and Head of Corporate Relationship Management at PLDT Enterprise.

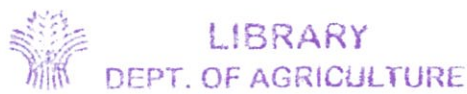
Empowering farming communities and local enterprises through digital tools and mobile technologies towards sustainable agriculture and inclusive growth is a key priority of DFP and eBiznovation.

“To respond to the gap between the existing digital ecosystem and farming communities, DA-ATI has partnered with PLDT and Smart to strengthen the digital literacy among farmers and fisherfolk. This is also aligned with the digitalization push of the national government, to modernize and upscale agriculture through technology,” said Engr. Remy Recoter, Director of DA-ATI.

PLDT and Smart’s efforts to promote inclusive technologies that can help boost livelihood opportunities among farmers, fisherfolk, cooperatives, and MSMEs aim to contribute to the UNSDG #1 No Poverty, #2 Zero Hunger, and #8 Decent Work and Economic Growth. This also underscores the Group’s support to the government’s Go Digital Pilipinas Movement. PLDT is a founding member of the Digital Infrastructure pillar of the presidential Private Sector Advisory Council, which seeks to uplift the lives of Filipinos through adoption of digital services.



PHOTO shows farmer-beneficiaries practicing their new skills in doing business through tech-enabled solutions.



DA ends 2023 with cash distribution to help rice farmers

A TOTAL of 44,719 farmers who are tilling up to two hectares of farmlands have received cash assistance from the Department of Agriculture (DA) before the year ends.

Each of them has received P5,000 unconditional cash assistance pledged by President Ferdinand R. Marcos Jr. under the P12-billion Rice Farmers Financial Assistance (RFFA) program.

The DA tapped the Development Bank of the Philippines (DBP) to distribute these unconditional cash grants which the beneficiaries can use for daily subsistence and personal needs.

The DBP engaged the Universal Storefront Services Corporation (USSC) to use its over 850 stores nationwide, the ATMs owned by other banks, and other non-bank entities under BancNet

for the fund distribution.

According to USSC, around 499,381 farmers of the 2.38 million target beneficiaries have been enlisted this year under the RFFA program.

USSC branches chief Jonathan Relucio said the regions with the highest withdrawals of RFFA grants include the Cordillera Administrative Region, Caraga and Mimaropa. PNA



'Inflation likely eased to 4% in December'

The country's inflation is expected to have further slowed in December and returned to the central bank's target range, according to UK-based think tank Pantheon Macroeconomics.

"Inflation likely inched down minimally to four percent in December from 4.1 percent in November," Pantheon Macroeconomics chief emerging Asia economist Miguel Chanco and senior Asia economist Moorthy Krsh-

nan said in a report.

With this forecast, the think tank expects inflation to return to the upper end of the Bangko Sentral ng Pilipinas (BSP)'s target range of two to four percent for the first time since March 2022.

"Cooling food inflation will be the primary drag," Chanco and Krshnan said.

Pantheon Macroeconomics' inflation forecast for December is within the BSP's projected range of 3.6 to 4.4

percent.

Earlier, the BSP said it sees higher prices of rice and meat as primary sources of upward price pressures in December.

On the other hand, the BSP expects lower prices of agricultural products such as vegetables, fruits and fish contributing to downward price pressures.

It also cited lower electricity rates and petroleum prices as those likely to contribute to downward price pressures.

Last November, headline inflation eased to a 20-month low of 4.1 percent from October's 4.9 percent due to slower food price upticks.

Food also registered a lower inflation of 5.8 percent in November from 7.1 percent in October.

From January to November, inflation averaged 6.2 percent.

The Philippine Statistics Authority is set to release inflation data for December on Jan. 5. — Louella Desiderio



LIBRARY
DEPT. OF AGRICULTURE

Biodiesel manufacturer sees higher coconut content improving mileage

INCREASING the coconut content of the biodiesel blend will have a minimal impact on price but may also improve vehicle mileage, producing net savings, a coco biodiesel producer said.

"More significant will be the mileage improvement expected with B3. Because mileage can improve by 5-15% the net savings can be rather significant in peso terms," Jun Lao, president of Chemrez Technologies, Inc., told *BusinessWorld* in a Viber message. B3 refers to biofuel with 3% coconut content.

On its website, Chemrez — a subsidiary of publicly listed D&L Industries, Inc.

— operates the country's first continuous-process biodiesel plant.

In a draft circular, the Department of Energy is proposing to implement an increase in the coconut methyl ester (CME) blend to 3% (B3) starting July 1, from the current B2.

It also proposed to raise the biodiesel blend to 4%, effective July 1, 2025, and to 5% on July 1, 2026.

The Biofuels Act of 2006 requires that all liquid fuels contain domestically sourced biofuel components.

"If the price of CME is lower than diesel, the blend will make the pump price lower.

Depending on the prevailing prices prior to the effectivity of B3, it can also go the other way. Either way the price difference of B2 and B3 will be minimal," Mr. Lao said.

A combustion engine operating at a given efficiency and fuel quality can produce incomplete combustion, he said, with inefficient engines producing black smoke from the exhaust system.

"You can improve combustion by overhauling the engine and using better quality fuel. CME does the latter," Mr. Lao said.

"CME improves the fuel quality, so it burns more completely. There is

more power and less black smoke. That means the car engine will perform better by delivering better mileage," he added.

He said a car performing at 10 kilometers per liter (kms/liter) will soon achieve 11 kms/liter when B3 takes effect, effectively bringing down the cost of fuel by 10%, Mr. Lao said.

"So I expect the cost of transport to drop with B3 implementation. Along with that is the cleaner emission from cars. Then a massive reduction in CO2 (carbon dioxide) from land transport," he said. —

Sheldeen Joy Talavera

Malaya Business Insight

Date: JAN. 03, 2024 Page: A3



LIBRARY
DEPT. OF AGRICULTURE

Commercialization of biofertilizer proposed

AgriSpecialist Inc. (ASI) plans to expand the production of biofertilizer to accommodate 100 percent of the country's biofertilizer requirement on farms planted with rice and corn.

In his meeting with officials of the Board of Investments recently, Mario Labadan Jr., president of ASI, discussed the possible strategic collaborations in the commercialization of the country's biofertilizer industry.

ASI's facility located in Sta. Rosa, Laguna could be the first

commercial-scale manufacturing plant for biofertilizer called Bio-N, a product developed by the University of the Philippines Los Banos-National Institute of Molecular Biology and Biotechnology.

The product can potentially increase crop yields by 11 percent. Notably, five to six 200-gram sachets of Bio-N can replace two 50-kilogram bags of urea per hectare planted with rice.

With the product, farmers can save around P10,000 per hectare.



editorial

PHIL still at the mercy of global food traders

THERE seems to be no end in sight for the war in Eastern Europe, which started in February 2022 when Russian forces attacked Ukraine. The uncertainty caused by this conflict continues to rattle markets, although some governments have already made adjustments to shield their citizens from its fallout. Unfortunately, policy tweaks and interventions to ensure the food supply of certain nations, such as export restrictions, have exacerbated the difficulties that confronted countries dependent on imports, like the Philippines.

The Houthi rebels attacking merchant ships in the Red Sea is the latest international development that threatens to further upend the global commodity trade. The Red Sea is a vital global trade route and according to The Times of Israel, it is a busy waterway with ships traversing the Suez Canal to bring goods between Asia and Europe. Container ships bringing food products like palm oil and grain also pass through the Red Sea (**See, "How are Houthi seizures in the vital Red Sea shipping lane impacting global trade?" The Times of Israel, December 14, 2023**).

Apart from these developments, the Philippines continues to grapple with challenges that hinder its farm sector from significantly increasing its production. These challenges include the El Niño phenomenon, which could potentially dry up farmlands and slash rice output this year. Also, the local livestock sector has yet to eradicate the African swine fever, a fatal hog disease that almost decimated the local pig population.

It is true that one of the President's campaign promises was to minimize imports and prop up the local agrifood sector. Unfortunately, the current administration's hands are practically tied when it comes to beefing up the domestic food supply simply because the country's dependency on imported food products has been increasing during the past three decades. The issuance of Executive Order (EO) 50, which extended the validity of lower tariffs on rice, corn, and meat products, is in a way an admission that the country is still in need of imports to ensure its food security (**See, "PBBM issues EO extending lower food tariffs," in the BUSINESSMIRROR, December 27, 2023**).

EO 50 allows traders to bring in rice, corn and meat products at lower tariff rates until December 31, 2024. The EO's goal is to maintain current food prices and manage inflationary pressures. This is because food is still one of the top drivers of inflation, particularly in 2022, when food inflation rose by double digits.

Initiatives such as the issuance of EO 50 must be complemented by efforts to significantly increase domestic food production. Geopolitical tensions as well as disruptions in global trade have shown that the Philippines should start reducing its dependence on foreign sources to strengthen food security and to "manage inflationary pressures." Sans critical interventions that would allow the local farm sector to increase its productivity and contribution to GDP, the country would remain hostage to international traders who thrive on volatility and profit from geopolitical tensions



LIBRARY
DEPT. OF AGRICULTURE

Palm touches over 2-week low on lackluster exports

SINGAPORE — Malaysian palm oil futures declined on Tuesday to a more than two-week low, weighed down by lackluster export data and weakness in soybean prices as a result of ample supply.

The benchmark palm oil contract for March delivery on the Bursa Malaysia Derivatives Exchange fell 25 ringgit, or 0.7%, to 3,696 ringgit (\$803.48) a metric ton by the midday break. Earlier in the day, it hit the lowest level since Dec. 14, 2023.

Prices are subdued due to “lower exports as a result of weak destination demand, and low trade volumes in the first trading day of the year,” said Mitesh

Saiya, trading manager at Mumbai-based trading firm Kantilal Laxmichand & Co.

Exports of Malaysian palm oil products for December fell 9.9% from November, cargo surveyor Intertek Testing Services said on Friday.

Indonesia has lowered its crude palm oil reference price for the Jan. 1-15 period to \$746.69 a metric ton, a trade ministry official said on Friday.

Dalian’s most-active soyoil contract DBYcv1 and its palm oil contract fell 1% and 0.6%, respectively.

Palm oil is affected by price movements in related oils as they compete for a share in the global vegetable oils market.

Abundant rainfall in Argentina’s core farming heartlands over recent weeks is favouring soybean production.

According to Argentina’s Rosario grains exchange (BCR), 75% of soybeans are in “excellent to very good” condition.

The Malaysian ringgit, palm’s currency of trade, weakened 0.3% against the dollar. A weaker ringgit makes palm oil more attractive for foreign currency holders.

Analysts warn that global palm oil production is likely to fall this year due to dry El Niño weather, supporting cooking oil prices that dropped more than 10% in 2023.

— Reuters



SEBASTIEN NOEL/UNSPLASH



Corn hits 31% yearly loss

CHICAGO- Chicago corn closed on Friday with its biggest yearly drop in a decade while wheat and soybeans also posted steep annual declines after bumper harvests in Brazil and resilient Black Sea trade tempered concerns about weather and war.

Overall, the most-active corn contract closed down 31 percent over 2023, the sharpest decline since 2013 for the most globally traded commodity crop. Wheat fell 21 percent this year, while soybeans lost 15 percent.

Grain and oilseeds will end a run of several years of price gains linked to harvest setbacks, the COVID-19 pandemic and Russia's invasion of Ukraine.

Record corn harvests this year in Brazil and the United States, as well as an all-time high for Brazilian soybean production, have helped offset severe drought in Argentina.

Improved rainfall in Argentina towards the end of the year has, however, allowed farmers to make good progress sowing the next corn and soy crops. - *Reuters*



Thai rice rates soar to 15-year highs

PRICES of rice exported from some Asian hubs climbed on Thursday, as supply constraints drove Thai rates to over fifteen-year highs, while prices for India's parboiled variety trailed behind at a two-month peak.

Thailand's 5 percent broken rice prices were quoted at \$655-\$660 per metric ton, its highest since early October, 2008, versus last week's \$646-\$650.

Prices of the Thai variety are also set to log their biggest ever yearly gain since LSEG data going back to early 2000's, up around 41 percent for the year so far.

Traders attributed the price increases to new demand from overseas, particularly Indonesia and the Philippines, as supply has become short ahead of the New Year holiday.

India's parboiled rice exports prices extended gains this week to their highest level since October, on limited supplies and tracking gains in prices offered by other competing countries.

"White rice prices have been rallying in the past few weeks, which is making parboiled varieties attractive for price-sensitive consumers," said a Mumbai-based exporter.

India's 5 percent broken parboiled variety was quoted at \$508 to \$515 per metric ton, from last week's \$505-\$512, and looked set for its biggest annual rise since 2004.



A file photo of farmer harvesting rice at a paddy field outside Hanoi. (Reuters Photo)

India's rice output is expected to drop this year for the first time in eight, raising the prospect that New Delhi will extend curbs on exports of the grain to keep a lid on food prices ahead of elections.

Vietnam's 5 percent broken rice was offered at \$653 per metric ton,

down from last week's \$660-\$665. It is also set to log highest yearly gains at 44 percent so far.

"Prices edged down slightly this week as the market in general is tepid now, with traders awaiting new supplies from the Winter-Spring crop," said a trader based in the Mekong

Delta, Vietnam's rice bowl.

"Looking forward to the first half of 2024, Philippines, China and Indonesia will remain Vietnam rice's top destinations, while exports to Ghana, Egypt may be slightly lower," the trader added.

-Reuters