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MANILA BULLETIN:

She's the world's most expensive cow, and part of Brazil's plan to put beef on everyone's plate

BY ASSOCIATED PRESS

Jun 4, 2024 05:25 PM

UBERABA, Brazil (AP) — Brazil has hundreds of millions of cows, but one in particular is extraordinary. Her massive, snow-white body is watched over by security cameras, a veterinarian and an armed guard. Worth \$4 million, Viatina-19 FIV Mara Movéis is the most expensive cow ever sold at auction, according to Guinness World Records. That's three times more than the last recordholder's price. And — at 1,100 kilograms (more than 2,400 pounds) — she's twice as heavy as an average adult of her breed. Along a highway through Brazil's heartland, Viatina-19's owners have put up two billboards praising her grandeur and beckoning ranchers, curious locals and busloads of veterinary students to make pilgrimages to see the supercow. Climate scientists agree that people need to consume less beef, the largest agricultural source of greenhouse gasses and a driver of Amazon deforestation. But the cattle industry is a major source of Brazilian economic development and the government is striving to conquer new export markets. The world's top beef exporter wants everyone, everywhere to eat its beef. The embodiment of Brazil's cattle ambitions is Viatina-19, the product of years of efforts to raise meatier cows. The country's prizewinners are sold at high-stakes auctions — so high that wealthy ranchers share ownership. They extract the eggs and semen from champion animals, create embryos and implant them in surrogate cows that they hope will produce the next magnificent specimens. "We're not slaughtering elite cattle. We're breeding them. And at the end of the line, going to feed the whole world," one of her owners, Ney Pereira, said after arriving by helicopter at his farm in Minas Gerais state. "I think Viatina will provide that." The cow's eye-popping price stems from how quickly she put on vast amounts of muscle, from her fertility and — crucially — how often she has passed those characteristics to her offspring, said Lorrany Martins, a veterinarian who is Pereira's daughter and right hand. Breeders also value posture, hoof solidity, docility, maternal ability and beauty. Those eager to level up their livestock's genetics pay around \$250,000 for an opportunity to collect Viatina-19's egg cells.

"She is the closest to perfection that has been attained so far," Martins said. "She's a complete cow, has all the characteristics that all the proprietors are looking for."

A GRAND MATRIARCH

A commodities boom in the 2000s turbocharged Brazilian agriculture, especially with a rising China buying soy and beef. Today, agriculture's influence extends to Brazil's Congress and the national consciousness. Country music is booming. TV viewers can watch the massive Globo network's seven-year campaign exalting the sector. The Cow Channel features live auctions. And Brazil, along with the U.S., is at the forefront of cattle genetics; it does more in-vitro fertilizations than any country in the world, said João Henrique Moreira Viana, genetic resources and biotechnology researcher at the government's agricultural research

corporation.

Viatina-19 won award after award — including "Miss South America" at the Fort Worth, Texas-based "Champion of the World" competition, a bovine version of Miss Universe where cows and bulls from different countries square off. But at 3 years old she hadn't yet proven that her egg cells, when fertilized and implanted in a surrogate cow, would reliably produce offspring bearing her champion characteristics, said Pereira, an internet executive who moved into elite cow breeding. He needed "a grand matriarch." Such cows cost so much that people buy and sell partial ownership, and Pereira's company Napemo Agriculture paid several million reais (almost \$800,000) in a 2022 auction for a 50% stake in Viatina-19. Another rancher kept the other half, so the two would jointly make important decisions and split revenues. As the auctioneer banged his gavel, the speakers blasted Elvis Presley's "Suspicious Minds." For Pereira, a lifelong Elvis fanatic, it was a sign. "It gave me butterflies in the stomach," he said. "We were new breeders. It was a bit of boldness, a bit of feeling and a bit of heart, too." Last year, Pereira and the other owner put a 33% stake in the cow up at auction. One bidder paid 7 million reais (\$1.3 million), making Viatina-19's full value break the Guinness record.

INDIA

TO

BRAZIL

In Brazil, 80% of the cows are Zebus, a subspecies originating in India with a distinctive hump and dewlap, or folds of draping neck skin. Viatina-19 belongs to the Nelore breed, which is raised for meat, not milk, and makes up most of Brazil's stock. The first Zebu arrived in Brazil in the latter half of the 19th century and they proved far hardier than European stock. They coped well with the sweltering tropical heat, proved resistant to parasites and gained weight faster. A prizewinning Nelore bull named Karvardi arrived from India in 1963, and some breeders still preserve cryogenically frozen doses of his semen, according to Brazil's Zebu association. Draped in traditional Indian vestments, Karvardi's preserved body stands in the Zebu Museum in Uberaba, the city in Brazil's agricultural heartland where Viatina-19 lives. Uberaba holds an annual gathering called ExpoZebu that bills itself as the world's biggest Zebu fair. Held several weeks ago, it was a far cry from the Brazil imagined abroad. The dress code was boots, baseball caps and blue jeans. Evening concerts drew 10,000 spectators belting out their favorite country songs. But the main attraction was the daily cattle shows. Ranchers came from as far away as Zimbabwe and Indonesia. Stockmen shaved cows' ears and the bases of their horns — the equivalent of a fresh human haircut to charm show judges and win prizes that boost an animal's auction price. The most prestigious auction is called Elo de Raça, and Viatina-19 has been sold at increasingly higher prices there. Searchlights shooting into the night sky on April 28 summoned the hundreds fortunate enough to receive invitations. Arthur Lira, the speaker of Congress' Lower House, drove in followed by a car with his security detail. He was set to offer his 3-month-old calf.

"The auctions always present the best of what each person has and that spreads to other people, other breeders, and the genetics evolve," said Lira, who ranches in Brazil's northeast. As the first cow entered the paddock, speakers blared Queen's "We Are the Champions." But that cow was a mere appetizer before the auction of this year's starlet, Donna, and three of her clones. The final sale price put her total value at 15.5 million reais (\$3 million). Presenting Donna, the announcer said that each of the four produces 80 egg cells a month — quadruple an average Nelore — and called them "a factory."

"Donna shows where we are with the Nelore breed and where we will go!" he shouted.

NEW

MARKETS

Showstoppers like Donna and Viatina-19 are rarities in Brazil, where there are more than 230

million cows, according to the United States Department of Agriculture. It has the world's largest beef cattle population, and that's problematic; of the nation's total greenhouse emissions, 86% are linked to its food production, mainly for beef and soy, according to a World Bank report published last month. Huge swaths of Amazon rainforest have been slashed to create pasture, releasing carbon stored in trees, and cows belch methane that's far worse for the climate. One of the best ways to cut livestock emissions is reducing cows' age of slaughter, said Rodrigo Gomes, a beef cattle researcher at the government's agricultural research corporation. Elite cows can gain weight fast enough to be slaughtered significantly younger. Others say genetic improvements are helpful but limited ways to reduce warming. Simpler, more effective measures include planting better grass for grazing and regularly moving cattle from pasture to pasture, said Beto Veríssimo, an agronomist who co-founded an environmental nonprofit called Imazon. Productivity in Brazil could be at least three times higher, said Veríssimo, who sits on the consultation committee of meatpacking giant JBS' Amazon fund. He receives no compensation. Ranching is here to stay; it's an economic engine in Brazil, which exported more than 2 million tons of beef in both 2022 and 2023, the most since records began in 1997. The overwhelming majority goes to developing nations, especially China, thanks to rising incomes that have put beef within reach. It's partly why agriculture and livestock activity grew 3.6% from 2015 to 2023, compared to 0.8% for services and a contraction in industry of 0.6%, according to calculations by LCA Consultores based on official data. President Luiz Inácio Lula da Silva has been working to open new markets. Last month, Lula met Prime Minister Fumio Kishida of Japan, home to the premium, marbled Wagyu beef; he urged his counterpart to taste Brazilian meat and become a believer. "Please," he said, addressing his vice president at the event, "take Prime Minister Fumio to eat steak at the best restaurant in Sao Paulo so that, the following week, he starts importing our beef." And in April, Lula visited one of the 38 Brazilian meatpacking plants that China authorized to send beef there. He boasted about the billions in revenue they will provide. Lula's administration last month declared Brazil totally free of foot-and-mouth disease, saying it will request recognition from the World Organization for Animal Health in August. That would open the world's more restrictive — and lucrative — markets to Brazilian beef, Vice President Geraldo Alckmin said at the time.

SEND IN THE CLONES

Just down the highway from the Elo de Raça auction stands what appears an ordinary farmhouse. But inside, employees in white coats extract DNA from cows' tail hair and use it to create embryos. Behind that laboratory, sprawling hills of pasture are dotted with some 500 surrogates pregnant with clones. "All those are rental bellies," said General Animal Genetics and Biotechnology's commercial director, Paulo Cerantola, motioning to a hilltop herd as his truck rumbled along a dirt road. It led to a stable beside a small pen where a cloned calf lay in the sunshine. Born the day before, it was still too unsure of its legs to stand, and a 2-day-old clone set an example by ambling about gamely. Another born 20 minutes earlier by cesarean section was huddled on hay in the rear of a stall, pressing backwards against the wall and unsettled by this strange new world. Perhaps one-third of fetal clones survive; the pregnancies can fail or a clone can be born with deformities that require euthanasia, Cerantola said. Clones of Viatina-19 are due in a few months, he said. But some ranchers wouldn't even want a big herd of her clones. High-maintenance cows like Viatina-19 aren't profitable on a commercial scale because they couldn't meet their energy

needs from grass alone, said P.J. Budler, a cattle judge and international business manager for Trans Ova Genetics, an Iowa-based company focused on improving the bovine gene pool. "For the environment and the resources that it would take to run a cow like (Viatina-19), she fits the mold ideally, but she's not the answer for all cattle everywhere," he said. Another Texas cattleman who traveled to ExpoZebu in 2023 to scope out the genetics scene was more critical, calling Viatina-19, and cows like her, "man-made freaks." "In my opinion, she needs a bullet in her head. She's poison for the industry," Grant Vassberg said by phone. "We still need cows to be efficient on grass. That's how you feed the world." Viatina-19's owner, Pereira, said she gets special treatment to boost egg cell production, but would thrive were she put to pasture — where almost all his elite cattle feed. Meanwhile, Viatina-19 is pregnant for the first time, which helps maintain hormone cycles, Pereira said, and he's eyeing expansion; her egg cells have sold to Bolivian buyers and he wants to export to the United Arab Emirates, India and the US. "If she is the best in the world – not just her price, but I believe she is the world's best – we need to share her around the world," Pereira said. His veterinarian daughter, Martins, is looking even farther ahead. "I hope she is the basis for an even better animal in the future, decades from now," she said.

<https://mb.com.ph/2024/6/4/she-s-the-world-s-most-expensive-cow-and-part-of-brazil-s-plan-to-put-beef-on-everyone-s-plate>

MANILA BULLETIN:

DA hopeful in hitting 20-million MT palay output target

BY CHINO S. LEYCO

Jun 4, 2024 04:38 PM

The Department of Agriculture (DA) said it is committed to its goal of producing 20.44 million metric tons of palay this year despite the impact of El Nino.

In a statement, Agriculture Undersecretary Chris Morales said that they are optimistic about achieving this target, especially with the support of private organizations.

Last year, palay harvest reached a record high of 20.06 million metric tons due to government interventions, funded primarily by tariffs on imported rice.

The Rice Tariffication Law allocated P10 billion through the Rice Competitiveness Enhancement Fund to mechanize rice farming, provide good seeds, and impart farming technologies to farmers.

Additionally, initiatives such as the provision of hybrid rice seeds and the contract growing program are also contributing to increased palay output.

While aiming for self-sufficiency in rice, the sufficiency level is influenced by population growth and additional rice demand from foreign tourists.

Morales said that the rice supply situation remains manageable, thanks to continuous private sector importation to supplement domestic production.

<https://mb.com.ph/2024/6/4/da-hopeful-in-hitting-20-million-mt-palay-output-target>

MANILA BULLETIN:

NEDA approves rice duty rate cut, targets P29/kilo for poor

BY XANDER DAVE CEBALLOS

Jun 4, 2024 02:23 PM

The reduction tariff on rice from 35 percent to 15 percent and additional government subsidies will lessen the cost of rice to P29 per kilo for the poor, National Economic and Development Authority (NEDA) Secretary Arsenio M. Balisacan said.

Balisacan said on Tuesday, June 4, that adjusting the tariff cuts on rice to 15 percent until 2028 will work hand in hand with government subsidies to ease the burden of poor households.

“We are, the Department of Agriculture, is aiming for the reduction to P29 per kilo at least for the poor because we will complement this tariff reduction with direct subsidies to the poor and the vulnerable so they could access the food at P29 per kilo,” Balisacan said in a briefing

“But overall with the tariff reduction from 35 to 15 percent, everybody would benefit from that,” he added.

The NEDA chief said this subsidy will be in the form of cash and will be channeled into government programs such as the Pantawid Pamilyang Pilipino Program to avoid “leakage.”

“We are also ramping up the implementation of the implementation of food stamp program,” he added. Balisacan noted that the impact of the rice tariff cuts would not be as large as world prices are still rising, but it could “substantially ease the upward pressure on domestic prices.”

President Ferdinand Marcos Jr., who chairs the NEDA Board, approved the new Comprehensive Tariff Program for 2024-2028, which extended tariff rates until 2028.

Besides rice, the NEDA board has also decided to reduce the tariff on certain chemicals and coal briquettes to improve energy security and reduce input costs.

Meanwhile, the tariff rates on corn, pork, mechanically deboned meats, sugar, vegetables such as onions, shallots, garlic, broccoli, carrots, cabbage, lettuce, sweet potatoes, cassava, coffee substitutes, complete feeds, and feed preparations will remain the same.

No loss from tariff reduction

Balisacan said that the collection from rice tariff would not have a great impact as it would enhance economic activities and improve the welfare of vulnerable households.

“The remaining tariff is quite substantial, 15 percent pa rin yun,” he said.

The law mandates that the Rice Competitiveness Enhancement Fund, implemented in 2018, should be allocated P10 billion each year for the next six years to support Filipino farmers.

The P10 billion budget for RCEF comes from the tariff collection from imported rice.

<https://mb.com.ph/2024/6/4/neda-approves-rice-duty-rate-cut-targets-p29-kilo-for-poor>

THE PHILIPPINE STAR:

President Marcos approves rice tariff cut to 15 percent until 2028

[Helen Flores](#) - The Philippine Star

June 5, 2024 | 12:00am



Workers arrange sacks of National Food Authority (NFA) palay or unmilled rice inside their warehouse in Balagtas, Bulacan on May 22, 2024.

STAR / Miguel De Guzman

MANILA, Philippines — To bring down the price of rice to P29 per kilo, President Marcos has lowered the tariff for imported rice until 2028, according to Socioeconomic Planning Secretary Arsenio Balisacan.

The National Economic and Development Authority (NEDA) Board, chaired by the President, approved the new Comprehensive Tariff Program for 2024-2028, which includes the reduction of rice tariff for both in- and out-quota rates from 35 to 15 percent.

At a Palace briefing yesterday, Balisacan said the newly approved tariff rates aim to ensure access and affordability to essential commodities while at the same time balancing the interest of consumers and local producers.

“The Department of Agriculture is aiming for a reduction (to) P29 per kilo, at least for the poor, because we will complement this tariff reduction with direct subsidies to the poor and the vulnerable, so they can access the food (rice),” Balisacan said.

“But overall, with the tariff reduced from 35 to 15 percent, everybody will benefit from that. This is crucial because world prices are still increasing,” he added.

Balisacan clarified that the lower rice tariff was aimed at bringing down the price of rice to P29 a kilo only for poor households, including beneficiaries of the government’s conditional cash transfer program or the Pantawid Pamilyang Pilipino Program (4Ps).

“Let me clarify, the P29 is the target cost of rice for the poor, those who are targeted for the 4Ps. So, it’s not a general price,” he said.

While reducing the rice tariff, Balisacan said the government would continue supporting domestic production through tariff cover as well as increased budgetary support to improve agricultural productivity.

He said the President would issue an executive order to implement the new tariff program.

As one of the most critical components of Filipino households’ consumption basket, rice contributed about two percentage points or over 50 percent to the country’s inflation in the past three months, Balisacan said.

At present, the average domestic retail price of regular-milled rice is P49 to P51 per kilo.

Marcos’ campaign promise was to reduce the price of rice to P20 a kilo.

Balisacan gave assurance that the lower rice tariff would not lower earnings for the government, but would increase economic activities.

“Because with the lower tariff that would enhance economic activities and improve the welfare of households, particularly the most vulnerable groups... it’s not actually a complete loss of revenue,” he said.

Balisacan said the government could still collect substantial import duty for the Rice Competitiveness Enhancement Fund (RCEF) despite the approval of the Comprehensive Tariff Program.

“The remaining tariff is still quite substantial, that is still 15 percent. So whatever imports, if those imports are coming in at still elevated high prices, it’s still quite a substantial tariff revenue for the RCEF,” he said.

Meanwhile, the NEDA Board retained the tariff cover for other agricultural products, including sugar and vegetables such as onion, garlic, broccoli, carrots,

cabbage, lettuce, sweet potatoes, cassava, coffee substitutes, complete feeds and feed preparations.

The board also approved a recommendation of the committee on tariff and related matters to reduce tariff on certain chemicals and coal briquettes to improve energy security and reduce input cost.

“Tariff reduction on coal will help ensure its availability at reasonable prices, thus supporting more stable electricity prices and supply in the country,” Balisacan said.

Rice production target

Meanwhile, the DA will not reduce its target of 20.44 million metric tons (MMT) of palay production this year despite the impact of the El Niño phenomenon.

DA Undersecretary Chris Morales said the agency is still aiming to achieve the record-high production this year.

Morales is in charge of the Masagana Rice Industry Development Program.

Last year, palay harvest reached a record high of 20.06 MMT with the help of government interventions.

The DA said the programs were primarily funded by tariff collected from imported rice as the Rice Tariffication Law sets aside P10 billion through the RCEF.

The RCEF aims to support programs that mechanize rice farming as well as provide farmers with good seeds and training on better farming technologies.

Other initiatives included the provision of hybrid seeds and the contract growing program of the National Irrigation Administration.

The DA is aiming to achieve rice self-sufficiency despite the growing population and additional rice demand due to the increasing number of tourists.

Morales said the rice supply situation is manageable with the continued importation of the private sector to augment domestic production. — **Romina Cabrera, Louise Maureen Simeon**

<https://www.philstar.com/headlines/2024/06/05/2360451/president-marcos-approves-rice-tariff-cut-15-percent-until-2028>

THE PHILIPPINE STAR:

Monetary Board member quits over 'ghost' scandal

[Keisha Ta-Asan](#) - The Philippine Star

June 5, 2024 | 1:00am



V. Bruce Tolentino

MANILA, Philippines — A member of the Monetary Board of the Bangko Sentral ng Pilipinas has resigned amid the controversy over ghost employees involving officials of the MB, the BSP's policy-making body.

V. Bruce Tolentino, a former deputy director-general of the International Rice Research Institute, submitted his resignation letter to President Marcos last week, sources told The STAR.

Tolentino, who was appointed MB member in June 2018 and reappointed in July 2020, was said to have requested that his resignation take effect on June 30. Tolentino's term was supposed to expire in July 2026.

Another source said Tolentino's staff had requested boxes from the Office of the Secretary, Monetary Board (OSMB) where he could put his belongings.

Malacañang has not yet made any announcement on the matter. Tolentino has not responded to requests for comment.

Tolentino submitted his resignation letter amid rumors of his involvement in the BSP's ghost employees scandal.

At a forum hosted by the Tuesday Club yesterday, BSP Governor Eli Remolona Jr. said the Office of the President has jurisdiction over MB members.

“There is a process that’s going on, separate from our process. The Office of the President is dealing with that,” Remolona said.

“I think they’re acting as fast as they can. They know it’s important,” he said. “I can say Malacañang will act on this.”

He said the central bank needs a good reputation and enough credibility to make monetary policy work and ensure the stability of the financial system.

“Where things stand, I think we acted as fast as we could in the bounds of due process, in the bounds of confidentiality,” Remolona said. “But the investigation process should go through very soon. We’re already in the disciplinary process. We want to recover the salaries.”

He added that the BSP is putting measures in place to make sure similar incidents won’t happen again.

Tolentino first joined the Monetary Board on June 18, 2018, serving the unexpired term of the late Valentin Araneta.

Prior to his initial BSP appointment in 2018, Tolentino worked as chief economist and country representative at The Asia Foundation, senior technical adviser at the Agriculture and Natural Resources of the Catholic Relief Services and senior economic policy adviser at the Asian Development Bank.

From 1986 to 1993, he worked as undersecretary for planning, policy and international trade of the Department of Agriculture during the term of former president Corazon Aquino.

Tolentino was also the first executive director of the Agricultural Credit Policy Council from 1987 to 1990.

This was not the first case where a member of the MB resigned from his or her position during their term. In February 2014, former press secretary and presidential spokesman Ignacio Bunye quit the Board due to the health condition of his wife.

<https://www.philstar.com/headlines/2024/06/05/2360465/monetary-board-member-quits-over-ghost-scandal>

THE PHILIPPINE STAR:

Native garlic to raise local sufficiency to 20 percent

[Jasper Emmanuel Arcalas](#) - The Philippine Star

June 5, 2024 | 12:00am



Agriculture Undersecretary Cheryl Marie Natividad-Caballero said the DA is aggressively pushing garlic as one of the banner high value crops programs given its growing demand, both for household and processing use.

MANILA, Philippines — The Department of Agriculture (DA) is raising the country's self-sufficiency in garlic to 20 percent next year by expanding domestic output in the Ilocos region and other areas nationwide.

Agriculture Undersecretary Cheryl Marie Natividad-Caballero said the DA is aggressively pushing garlic as one of the banner high value crops programs given its growing demand, both for household and processing use.

Boosting domestic production will slash the country's dependency on imported supplies.

The country currently imports 98 percent of its annual garlic requirement that is estimated to be about 130,000 metric tons (MT), Caballero said.

Caballero said they would create a multiplier farm in Batanes to produce seedlings that would be distributed to identified production areas in the country.

Aside from improving production in the Ilocos region, the DA wants to expand output of the commodity in other areas such as Regions 2, 4-B and 10.

“We want to bring back garlic as the ‘white gold’ of Ilocos region,” Caballero, who oversees the DA’s high value crops program, told reporters.

The Ilocos region considers garlic as white gold because of its income potential given its local and foreign market opportunities due to its distinct aroma and taste, according to the DA.

The DA is optimistic that it will be able to boost garlic production, replicating what it did with onion output this year.

Caballero explained that it is easier to boost garlic production since planting materials would be sourced locally compared to onion output wherein seeds are being imported.

“It is very doable,” she said.

Caballero explained that the country’s garlic variety has stronger pungency and taste compared to imported ones. Because of this, the DA is embarking on a DNA project to preserve the country’s garlic variety and prevent “intellectual piracy,” Caballero added.

Because of the unique characteristics of local garlic, consumers will still be able to save since they would only just use few cloves compared to a whole bulb of imported variety, she said.

The agriculture department is currently working out on its financial plan to determine the budgetary support requirement for the local garlic industry, Caballero said.

Local garlic costs about P400 per kilogram in Metro Manila wet markets, while imported varieties ranged between P130 and P180 per kilogram, according to latest DA monitoring report.

The country’s garlic output last year declined by two percent to 5,765 MT from 5,884 MT in 2022, according to the Philippine Statistics Authority.

About two-thirds of the annual garlic production in the Philippines comes from the Ilocos region, making it the country’s top producer of garlic.

<https://www.philstar.com/business/2024/06/05/2360361/native-garlic-raise-local-sufficiency-20-percent>

THE PHILIPPINE STAR:

EDITORIAL — More rice importation

The Philippine Star

June 5, 2024 | 12:00am



ADVERTISEMENT

With rice prices refusing to go down and even likely to further increase in the coming months, President Marcos will soon issue an executive order reducing the tariff on rice imports from 35 percent to just 15 percent until the end of his term in 2028. This comes on the heels of the final approval by the House of Representatives of a bill that seeks to restore the power of the National Food Authority to import rice during emergency situations.

The further liberalization of rice importation, according to Socioeconomic Planning Secretary Arsenio Balisacan, is meant to bring down rice prices to P29, to be offered to the country's poor. Rice farmers, however, are among those poor, and they are worried that further rice import liberalization would bury their livelihood. The government cannot brush aside the farmers' concerns.

Rice prices are a particularly sensitive issue for the Marcos administration, which rose to power on a campaign "aspiration" of bringing rice prices down to P20 a kilo. As the administration enters its third year, not even the heavily subsidized Kadiwa outlets can offer rice at that retail price. Several agriculture experts have noted that rice at P20 a kilo in regular retail outlets is not possible even by 2028.

This year, rice prices have remained high due to the lingering impact of an El Niño event that has caused prolonged drought in many areas. Rice prices have fueled food inflation. Despite a slight dip in rice prices that tracked trends in the world

market, food and transport costs pushed up the headline inflation rate last April for the third straight month.

Boosting domestic rice production is the ideal approach to stabilizing rice supply and prices. Being a net exporter of rice need not remain a dream or an aspiration for the country. President Marcos, since the early days of his administration when he was the concurrent agriculture secretary, had enumerated the problems that plague domestic rice production, along with the solutions.

Those solutions and interventions have been promised by previous administrations: sufficient irrigation, fertilizer and pesticide subsidies, post-harvest facilities, mechanization support, assistance in marketing, and for beneficiaries of agrarian reform, support in forming cooperatives to promote economies of scale.

These support services were supposed to be boosted with the allocation of billions annually from rice import tariffs that went to the Rice Competitiveness Enhancement Fund. Farmers say the full promise of RCEF, which will be affected by the looming tariff cut, has yet to be realized. In further liberalizing rice importation, the government must see to it that the support measures to increase domestic rice production do not remain in the realm of aspiration.

<https://www.philstar.com/opinion/2024/06/05/2360388/editorial-more-rice-importation>

PHILIPPINE DAILY INQUIRER:

Gov't intends to bring rice price down to P29/kilo for the poor

By: [Jean Mangaluz](#) - Reporter / [@JMangaluzINO](#)

[INQUIRER.net](#) / 03:19 PM June 04, 2024

MANILA, Philippines — The government aims to reduce rice prices to P29 per kilo for the poor, said National Economic and Development Authority (Neda) Secretary Arsenio Balisacan on Tuesday.

In a Palace briefing, Balisacan said this would not be the general pricing, but only for programs such as the Pantawid Pamilyang Pilipino Program (4Ps).

Balisacan said the reduced rice tariffs could eventually lower the prices of the staple in local markets to as low as P29 per kilo. However, he clarified that this was only for the 4Ps.

“Ang P29 na sinasabi natin, iyan iyong target na cost ng rice sa mga poor, those who are targeted for the 4Ps. So, it’s not a general price. Kasi ang concern natin is, those who are least able to cope with the rice price, dapat matulungan ng gobyeno,” said Balisacan. (The P29 that we are talking about is the target cost of rice for the poor, those who are targeted for the 4Ps. So, it’s not a general price. Because our concern is those who are least able to cope with the rice price (increases), they must be helped by the government.) Under the new Comprehensive Tariff Program for 2024-2028, President Ferdinand Marcos Jr. lowered the tariff on rice imports to 15 percent from 35 percent.

“We are at least aiming for, the Department of Agriculture is aiming for a reduction of (rice price) to P29 per kilo, at least for the poor, because we will complement this tariff reduction with the direct subsidies to the poor and vulnerable so that at least they could access the food, the P29 pesos per kilo,” Balisacan said.

<https://business.inquirer.net/462286/govt-intends-to-bring-rice-price-down-to-p29-kilo-for-the-poor>

BUSINESS WORLD:

Palay production target still within reach —

DA

June 4, 2024 | 9:04 pm



PHILIPPINE STAR/KRIZ JOHN ROSALES

THE Department of Agriculture (DA) on Tuesday said it is sticking with its palay (unmilled rice) production target of 20.44 million metric tons (MT) for 2024 despite the impact of climate events on the agriculture industry.

In a statement, Agriculture Undersecretary for Rice Industry Development Christopher V. Morales said that the DA has tapped private organizations to extend the reach of the rice production program.

“We’re optimistic since it’s still early June. We’re still aiming for that. We’re doing our best to achieve that,” he added.

The 20.44 million MT target represents a downgrade of the initial 20.8 million MT set early in the year, adjusted in view of the El Niño.

The DA has estimated the damage caused by El Niño at P6.35 billion, with rice as the most affected crop, sustaining damage of P3.3 billion or 134,828 MT.

Last year, palay production was 20.06 million MT.

The Rice Tariffication Law, or (Republic Act No. 11203) allocates P10 billion per year to support the Rice Competitiveness Enhancement Fund.

Mr. Morales said that domestic rice supply has remained “manageable,” amid the continuous entry of imported rice to make up for shortfalls in domestic production.

Also on Tuesday, the National Economic and Development Authority approved further reductions in rice import tariffs to 15% from the 35%, as ordered by Executive Order No. 50.

The US Department of Agriculture forecast rice imports for 2025 at 4.2 million MT, exceeding its revised estimate of 3.9 million MT for this year. The Philippines remains the world’s top rice importer.

Mr. Morales said DA programs like the provision of hybrid seed and contract growing programs of the National Irrigation Administration should also boost palay production.

The Masagana Rice Industry Development Program aims to stabilize the rice supply at between 24.99 million MT and 26.86 million MT, moderating growth in rice prices to less than 1% annually. — **Adrian H. Halili**

<https://www.bworldonline.com/economy/2024/06/04/599707/palay-production-target-still-within-reach-da/>

BUSINESS WORLD:

BAI, FDA in tieup to accelerate vaccine testing

June 4, 2024 | 9:00 pm



FREEPIK

THE Bureau of Animal Industry (BAI) and the Food and Drug Administration (FDA) signed a memorandum of agreement (MoA) on Tuesday to fast-track the testing process for animal vaccines.

In a statement, the BAI said the FDA will be tasked to issue a License to Operate to manufacturers, traders and distributors, and retailers of veterinary drugs and products, including vaccines and biologics.

“This MoA will significantly strengthen our fight against transboundary animal diseases such as African Swine Fever (ASF) and Highly Pathogenic Avian Influenza,” Agriculture Secretary Francisco P. Tiu Laurel, Jr. said.

Under the agreement, the BAI will conduct evaluations to determine the safety and efficacy of vaccines and biologics.

The agency will then endorse private applications to the FDA for the issuance of certificates of product registration, while also providing evaluation reports.

“We pledge to provide the necessary resources, expertise, and support to BAI as it undertakes its responsibilities under this agreement. We pledge to uphold the highest standards of quality and safety in the veterinary sector,” FDA Director General Samuel A. Zacate said.

As of May 28, the BAI reported that there are still nine provinces with active cases of ASF, with the disease present in 30 barangays.

The Department of Agriculture has said that the ASF vaccine is in the third stage of trials and is expected to be approved within the year.

On the other hand, eight provinces are still classified as affected by bird flu as of May 31. — **Adrian H. Halili**

<https://www.bworldonline.com/economy/2024/06/04/599698/bai-fda-in-tieup-to-accelerate-vaccine-testing/>

BUSINESS WORLD:

Sugarcane crop being sampled to evaluate Kanlaon eruption impact

June 4, 2024 | 9:01 pm



HANDOUT/COURTESY OF DOLLET DEMAFLIES/AFP

THE Sugar Regulatory Administration (SRA) said on Tuesday that it ordered samples to be taken from the sugarcane crop in Negros Island to evaluate the impact of the Kanlaon Volcano eruption.

“We gathered reports from the field of the strong sulfur smell coupled with the heavy rains in most areas in Central Negros and we know that this can turn into sulfuric acid which may affect our sugarcane,” SRA Administrator Pablo Luis S. Azcona said in a statement.

Late Monday, the Mount Kanlaon eruption sent up a 5,000-meter ash plume, according to the government volcanology service, known as Phivolcs.

He added that the sampling exercise will gather information on the acidity of the soil as well as its effects on cane already planted in the ashfall zone.

The SRA identified the sampling areas as La Castellana, Moises Padilla, Pontevedra and La Carlota City.

“We are hoping that the rains washed out the volcanic ash from planted canes,” he added.

He said that the SRA had received reports that some farmers had taken advantage of the heavy rains following the volcanic eruption to plant canes.

“The general condition of our sugar cane fields is already acidic and we just want to rule out more acidity in affected areas that can cause problems,” Mr. Azcona said.

The SRA will also release P2 million to aid affected areas and P500,000 on medical missions that will address respiratory diseases related to the incident.

Negros Island produces the bulk of the Philippines’ sugar. As of May 12, raw sugar production was 1.92 million MT (MMT), exceeding the year-earlier 1.799 MMT. — **Adrian H. Halili**

<https://www.bworldonline.com/economy/2024/06/04/599699/sugarcane-crop-being-sampled-to-evaluate-kanlaon-eruption-impact/>

NEDA Board okays lower tariff for rice

By Charles Dantes, Darwin G. Amojelar & Othel V. Campos

June 5, 2024, 12:55 am

Gov't sees rice prices to ease down to P29/k

The government seeks to bring down rice prices to P29 per kilo for low-income households following the approval of a tariff reduction on rice, chemicals, and coal briquettes to make these items more affordable.

Socioeconomic Planning Secretary Arsenio Balisacan said the Comprehensive Tariff Program for 2024-2028 was approved by the National Economic and Development Authority (NEDA) Board.

The program reduces tariff rates on rice imports to 15 percent for both in-quota and out-quota categories, down from the previous 35 percent.

“The Department of Agriculture is aiming for a reduction of P29 per kilo, at least for the poor, because we will complement this tariff reduction with the direct subsidies to the poor and vulnerable so that at least they could access the food, the P29-per-kilo rice,” Balisacan said.

The government will offer various forms of subsidies to help low-income families reach the P29 per kilo target, which includes discounted rice from the National Food Authority through Kadiwa centers.

Another option is via cash transfers channeled through the Pantawid Pamilyang Pilipino Program (4Ps) of the Department of Social Welfare and Development and expansion of the DSWD's food stamp program.

Balisacan said the lower tariff rates will benefit all Filipinos, not just the poor, as this would counter rising global rice prices and prevent further inflation.

“Overall, with the tariff reduction from 35 to 15 percent, everybody will benefit from that. This is crucial, as I emphasized, because world prices are still increasing,” Balisacan said.

“If we don’t reduce the tariff, with the increasing world prices compounded by 35 percent tariff over and above that, prices and inflation will remain to be a very serious problem. So with this, we expect those upward pressures and rice prices to ease,” the NEDA chief added.

The tariff adjustment will take effect after an executive order is issued.

Based on the latest inflation report of the Philippine Statistics Authority in the past three months, rice contributed about two percentage points (or over 50 percent) to the headline inflation, Balisacan said.

The NEDA Board also approved the CTRM’s recommendation to reduce the tariff on certain chemicals and coal briquettes to improve energy security and reduce input costs.

“Tariff reduction on coal will help ensure its availability at reasonable prices, thus supporting more stable electricity prices and supply in the country” Balisacan said.

“Given our present energy constraints, this reduction will be timely as we steadily work toward implementing planned investments in transmission facilities and renewable energy infrastructure in the coming years,” he added.

Balisacan said the chemicals proposed for reduction are inputs to manufacture antiseptics, detergents, and medical research.

Reducing the tariff on these inputs will help lower production costs and improve consumer welfare, he said.

The reduced tariff rates on corn, pork, and mechanically deboned meat under last year’s Executive Order No. 50 were also maintained until 2028 to ensure a stable supply of these commodities and enhance food security.

The Department of Agriculture, for its part, said it remains confident in achieving its target of producing 20.44 million metric tons of palay this year, despite the challenges posed by El Niño.

“We’re optimistic since it’s still early June. We’re still aiming for that. We’re doing our best to achieve that,” said DA Undersecretary Chris Morales, who heads the Masagana Rice Industry Development Program.

The Philippines achieved a record-breaking palay harvest of 20.06 million metric tons in 2023, attributed partly to government interventions funded by tariffs collected on imported rice.

The Rice Tariffication Law allocates P10 billion through the Rice Competitiveness Enhancement Fund to mechanize rice farming and provide farmers with high-quality seeds and training on improved agricultural techniques.

Editor's Note: This is an updated article. Originally posted with the headline NEDA says government is working on the possibility of selling rice at P29/kilo

<https://manilastandard.net/news/314455171/neda-says-government-is-working-on-the-possibility-of-selling-rice-at-p29-kilo.html>

Rice stock.



National Food Authority administrator Larry Lacson says the agency will exceed its first-half procurement target of 3.08 million 50-kilogram bags of palay, aided by the recent decision of the NFA Council to increase the buying price of the national staple. On April 11, the NFA Council raised the procurement price to a range of P23 to P30 for clean and dry palay from P19 to P23, while the buying price for fresh and wet was increased to P17 to P23 from P16 to P19.

<https://manilastandard.net/gallery/314455356/rice-stock-2.html>

DA upbeat about 2024 palay output despite El Niño

By Janine Alexis Miguel

June 5, 2024

THE Department of Agriculture (DA) is confident that this year's palay (unmilled rice) production will exceed 20 million metric tons (MT) despite the effects of the El Niño on the agriculture sector.

Agriculture Undersecretary Chris Morales, who also oversees the Masagana Rice Industry Development Program, said on Tuesday that they were maintaining the department's goal of producing 20.44 million MT of palay this year, which is higher than 2023's record 20.06 million MT.

"We're optimistic since it's still early June. We're still aiming for that. We're doing our best to achieve that," Morales said, adding that they had already tapped various private organizations to help extend the reach of the DA's rice production program.

Latest reports from the government showed that damage to the rice sector caused by the El Niño weather pattern had risen to P4.60 billion, with a potential production loss of 185,561 MT of palay from 83,862 hectares of farms planted to the crop.

The damaged volume is equivalent to nearly 1.40 percent of the total target production of 9.218 million this year.

Domestic rice inventory, meanwhile, declined by 10.9 percent as of April due to the El Niño, the Philippine Statistics Authority (PSA) has said. Rice inventory as of the beginning of the month was estimated at 1.64 MT, lower than the 1.84 million MT logged in the same period of 2023.

Month-on-month, rice stocks of April recorded an increase of 20.2 percent from the previous month's 1.37 million MT.

Morales said the current rice supply remained "manageable," especially with the continuous importation of the private sector to augment domestic production.

Last year's record palay harvest was attributed by the DA to increased government interventions such as programs funded by tariffs collected on imported rice.

The Rice Tariffication Law set aside P10 billion for the Rice Competitiveness Enhancement Fund (RCEF) to mechanize rice farming as well as provide farmers with quality seeds and training on better farming technologies.

However, Morales said that attaining rice self-sufficiency would also depend on the country's population growth and influx of tourists from abroad.

"DA's rice program is aiming for self-sufficiency of the country's main food staple, although the level of sufficiency is dependent on population growth and additional rice demand due to the increasing number of foreign tourists," he added.

The DA official said that in addition to the RCEF, other rice production efforts such as the distribution of hybrid rice seeds and the National Irrigation Administration's contract growing program would help boost output.

<https://www.manilatimes.net/2024/06/05/business/top-business/da-upbeat-about-2024-palay-output-despite-el-nio/1949960>

Agri groups reject rice tariff cut

By Janine Alexis Miguel

June 5, 2024

AGRICULTURAL groups on Tuesday criticized the government's move to slash rice tariffs, claiming that it would not lead to lower prices of the staple.

In a joint statement on Tuesday, 12 agricultural groups and a congressman said that reducing the tariffs to 15 percent from the current 35 percent would not necessarily benefit consumers and instead penalize local producers.

"As with all previous tariff reductions, a new round of tariff cuts will be useless as our foreign rice suppliers simply increase their prices," they said.

They added that lower tariffs had simply led to additional profits for importers and traders.

The groups claimed that Vietnam and Thailand started to increase rice prices from \$630 per metric ton (MT) to \$680 per MT of the 5 percent broken rice variety when the government bared plans to extend reduced rice tariffs last year.

Non-Asean rice exporters like India and Pakistan simply increased their export tax, they added.

The groups also rejected the government's claim that the economic impact of lower rice tariffs would be minimal. The Federation of Free Farmers (FFF) has said that the cost would be P43 billion alone for this year, not the less than P10 billion claimed by the Finance Department.

Aside from the FFF, the Samahang Industriya ng Agrikultura, Philippine Confederation of Grains Associations, Kilusang Magbubukid ng Pilipinas, Bantay Bigas, National Rice Seed Growers Federation of the Philippines Inc., United Broiler Raisers Association, Pambansang Mannalon, Mag-Uuma, Magbabaul, Magsasaka ng Pilipinas, Pangisda-Pilipinas, Fair Trade Alliance, Arya Progresibo, National Federation of Hog Farmers Inc. and Pangasinan 2nd District Rep. Mark Cojuangco signed the statement.

<https://www.manilatimes.net/2024/06/05/business/top-business/agri-groups-reject-rice-tariff-cut/1950021>

Price of ginger hits P280/kilo

By Philippines News Agency

June 5, 2024

THE Department of Agriculture (DA) on Tuesday said it was ramping up efforts to address the price spike of ginger in Metro Manila amid a supply shortfall and growing demand from the processing industry.

This came after the prevailing ginger price in Metro Manila hit P280 per kilogram on May 31, according to the DA-Bantay Presyo (price watch).

In an interview, DA Undersecretary for High-Value Crops Cheryl Marie Natividad-Caballero said the growing demand for processing contributed to the declining supply available in the market.

"We must understand na ang luya, hindi lang natin ginagamit pangbahay, pangluto... So, nag-aagawan ngayon ng supply (that ginger is not only used at home, for cooking... So, there's a scramble for supply). This is also being used now for processing. So, the spike in prices shows that there is a tight supply availability as of the moment," she said.

The emerging need in the processing industry for ginger includes salabat tea, considered one of the organic and natural health remedies, and yellow ginger, which may be used as turmeric, colorant, flavoring and for medicinal purposes, among others.

"So, the effects of Typhoon Aghon have nothing to do with the mounting prices considering that ginger harvest was done last March to April, with the latter part completed in May," Cabellero said.

She said assessments on the actual volume of households and processing requirements were now being conducted.

"If we have to make sure that there's stability in prices, we must be able to produce in two market streams. So, one for the household and one for processing," she said.

Possible challenges in logistics, however, are being taken into account since the farmgate prices of ginger vary, with the basic wholesale price set around P100/kg.

<https://www.manilatimes.net/2024/06/05/news/national/price-of-ginger-hits-p280kilo/1949944>

Rice tariffs slashed to 15%

By Niña Myka Pauline Arceo and Kristina Maralit

June 5, 2024

RICE tariffs have been slashed and reduced rates for other key commodities have been extended up to 2028 in a bid to lower prices and control inflation.

The National Economic and Development Authority (NEDA) on Tuesday said that its governing board had approved a new comprehensive tariff program "to ensure access and affordability ... while balancing the interests of consumers and local producers...".

In-quota and out-quota rates for rice, already lowered to 35 percent from 40 percent since 2021, will further cut to 15 percent. Reduced tariffs on corn, pork, and mechanically deboned meat were also extended.

The NEDA Board also lowered import duties for certain chemicals and coal briquettes to reduce energy prices.

Socioeconomic Planning Secretary Arsenio Balisacan noted that high rice prices were behind a current rise in inflation and that the tariff cuts, along with direct subsidies, were expected to lead to local rice prices falling to P29 per kilo.

"Based on the latest inflation reports of the Philippine Statistics Authority in the past three months, rice contributed about two percentage points or over 50 percent to headline inflation," he said.

"Reducing rice tariffs is expected to bring down rice prices for consumers while also supporting domestic production through tariff cover and increased budgetary support to improve agricultural productivity especially as global rice prices remain elevated," he added.

The P29 per kilo goal will be "at least for the poor, because we will complement this tariff reduction with the direct subsidies to the poor and vulnerable ... but overall, with the tariff reduction from 35 to 15 percent, everybody will benefit from that..."

Under the new comprehensive tariff program for 2024 to 2028, rates on over half of tariff lines covering agricultural and industrial goods with relatively low duties will be maintained.

"The tariff maintenance will ensure access to inputs and support efforts to improve productivity and competitiveness," Balisacan said, adding that the move "will help our domestic industries by reducing the costs they incur for their inputs, enabling them to be more competitive, especially in the global market.

The NEDA Board also agreed to merge tariff lines on some chemicals and chemical products, textiles, machinery, and transport equipment to simplify the tariff structure.

Tuesday's announcement had been flagged by Finance Secretary Ralph Recto, who last week said that rice tariffs could be cut to 15-20 percent.

Inflation picked up to 3.8 percent in April from 3.7 percent a month earlier, fueled by higher food and transport costs. Food inflation, in particular, rose to 6.3 percent from 5.7 percent.

Rice inflation eased to 23.9 percent from 24.4 percent but remained a key driver of overall inflation, accounting for 2.1 percentage points.

The Finance department has said that lower rice tariffs could lead to almost P10 billion in revenue losses for the government.

"Currently, the estimate is less than P10 billion in revenues if this happens," Finance Undersecretary Domini Velasquez said last week, adding that the "the loss... doesn't really matter if we can actually reduce prices by P4 to P5."

"[O]n the DoF's (Department of Finance) part, we're willing to forego that tariff loss just to ensure inflation also goes down," she added.

Balisacan on Tuesday said the reduced tariffs would not markedly impact government income but were expected to increase economic activities.

"The numbers, we believe, are not exactly lost because the lower tariff would enhance economic activities and also improve the welfare of households, particularly the most vulnerable groups," he said.

<https://www.manilatimes.net/2024/06/05/business/top-business/rice-tariffs-slashed-to-15/1949967>

Cloud seeding in Negros set this week

By Eugene Adiong

June 5, 2024

BACOLOD CITY — The Philippine Atmospheric, Geophysical and Astronomical Services Administration may have declared the start of the rainy season last week but the provincial government of Negros Occidental will still push through with its plan to induce rain through cloud seeding.

Negros Occidental Gov. Eugenio Jose Lacson said the Bureau of Soils and Water Management (BSWM) and the sugar farmers in the province have suggested to induce more rains, especially in areas heavily affected by the El Nino phenomenon.

Lacson said the BSWM is now coordinating with the Civil Aviation Authority of the Philippines for the cloud seeding.

"This cloud seeding thing is getting controversial as there are critics saying 'why conduct the cloud seeding now?'," Lacson said.

"I talked and asked some sugar planters if they are happy with the rain that we are having naturally and they said 'no.' I asked do you want more rains and they said 'yes' especially in areas that are not irrigated."

Lacson had wanted to induce rain last month but the BSWM said there were no seedable clouds at that time.

"If they had conducted cloud seeding at that time, there was only slim or no chance of inducing rain," Lacson said.

"They came back to us and now is the best time for cloud seeding because, obviously, the clouds we have now are seedable and that this will be funded by the Department of Agriculture."

The cloud seeding may take place this week, the governor added.

As of May 24, damages due to drought has reached P340,725,540, the Office of the Provincial Agriculturist reported to Lacson.

<https://www.manilatimes.net/2024/06/05/regions/cloud-seeding-in-negros-set-this-week/1950024>

Tariff cuts to combat inflation

By Jocelyn Montemayor

June 5, 2024

The National Economic and Development Authority (NEDA) Board headed by President Ferdinand Marcos Jr., has approved lower tariffs on rice and extended existing tariff cuts on some other commodities to combat inflation and ensure ample supply, NEDA Secretary Arsenio Balisacan said yesterday.

The NEDA board also approved the Comprehensive Tariff Program for 2024-2028 that calibrates the current tariff rates until 2028 to ensure access to, and affordability of, essential commodities.

Balisacan said the Comprehensive Tariff Program is a strategic move that will balance the interest of consumers and local producers which is crucial for fostering rapid, sustained and inclusive economic growth. An executive order will be issued on the new tariff program.

Tariffs on rice will be cut to 15 percent for both in-quota and out-quota rates, down from 35 percent, through to 2028, Lower tariffs on corn, pork and mechanically de-boned meat were also extended until 2028.

The Philippines will also lower import duties for chemicals and coal briquettes to reduce energy prices, Balisacan said.

The Philippines is one of the world's largest rice importers.

"This tariff reduction will substantially ease the upward pressure on domestic prices," Balisacan said.

Annual inflation quickened for a third straight month in April to 3.8 percent, driven by an uptick in transport and food prices, including rice.

"Reducing rice tariff is expected to bring down rice prices for consumers while also supporting domestic production through tariff cover and increased budgetary support to improve agricultural productivity especially as global rice prices remain elevated," Balisacan said.

Balisacan said based on the latest inflation reports of the Philippine Statistics Authority in the past three months, rice contributed about 2 percentage points or over 50 percent to the headline inflation.

He added the current upward price pressure for rice has been driven by the effects of the El Niño phenomenon as well as increasing demand given the growing population and economy.

Impact Balisacan said this is expected to lower rice prices to at least P29 per kilo but not as a general price but for the poor and vulnerable sector who will be receiving direct subsidies from the government.

Balisacan said that while the tariff is lowered to 15 percent, it would still generate a substantial amount for the government and the Rice Competitiveness Enhancement Fund (RCEF).

He said the rice sector would continue to enjoy comparatively high tariff protection from competitive imports as the “tariff is higher for the 80 to 90 percent of the total 11,484 tariff lines under the Asean Tariff Nomenclature 2022”.

“The remaining tariff is still quite substantial. It’s still 15 percent. So whatever imports, if those imports are coming in at still elevated high prices, it’d still be quite a substantial tariff revenue for the RCEF,” he said in mixed English and Filipino.

On the impact of the reduced tariff on rice farmers, Balisacan said there are specific programs that address the plight of farmers such as provision of subsidies, assistance and services.

Balisacan emphasized the importance of the tariff reduction as rice prices in the world market are expected to continue to increase until September.

“The market says that by September we will likely see a moderation of prices, but some other forecasts also showed that if beyond September (prices) may still continue to elevate. So, it’s better be prepared,” he said.

Other tariff moves

Balisacan said the NEDA Board also agreed to maintain until 2028 the reduced tariff rates on corn, pork and mechanically-deboned meat identified under Executive Order No. 50 that was issued in 2023.

Balisacan said this would ensure the stable supply of these commodities, help manage inflation, promote policy stability and investment planning and enhance food security.

The reduced rates on meat and other products under the modified Most Favoured Nation (MFN) rates was initially effective until the end 2024.

Balisacan said the NEDA Board likewise approved the recommendations of the Committee on Tariff and Related Matters (CTRM) to maintain the current rates on more than half of the tariff lines covering various agricultural and industrial products especially for raw materials and intermediate inputs used in manufacturing.

He said tariff cover for various other agricultural products such as sugar, onions, shallots, garlic, broccoli, carrots, cabbage, lettuce, sweet potatoes, cassava, coffee substitutes, complete feeds, and feed preparations are retained, while tariff lines on certain chemical and chemical products, textiles, machinery and transport equipment are merged to simplify the tariff structure for more efficient customs administration and improve the ease of doing business.

He said the tariff maintenance will ensure access to inputs and support efforts to improve productivity and competitiveness as well as help domestic industries by reducing the cost they incur for their inputs, enabling them to be more competitive especially in the global market.

Taxes on inputs to manufacture antiseptics, detergents and medical deserts are also reduced to “help lower production cost and improve consumer welfare.”

Also approved was reduction of tariff on certain chemicals and coal briquettes to improve energy security and reduce input costs.

“Tariff reduction on coal will help ensure its availability at reasonable prices, thus supporting more stable electricity prices and supply in the country. Given our present energy constraints, this reduction will be timely as we steadily work toward implementing planned investment, transmission facilities and renewable energy infrastructure in the coming years,” Balisacan said.

Infra progress

Meanwhile, the NEDA board also discussed the progress of the 185 infrastructure flagship projects (IFPs) under the Build Better More Program for the first quarter of the year.

Balisacan said since the President’s State of the Nation Address in 2023, three IFPs were completed, eight are still under construction, while go signals were given to six other projects.

https://malaya.com.ph/news_business/tariff-cuts-to-combat-inflation/

Typhoon Aghon damages P200-M crops, irrigation systems in Calabarzon – NIA

Ada Pelonia

June 5, 2024



Banana trees strewn across the roadside in Barangay San Juan, Batangas City, tell the tale of Typhoon Aghon’s fierce impact—its heavy rains and strong winds toppling these trees.

The National Irrigation Administration (NIA) said Typhoon Aghon damaged P200-million worth of irrigation systems and crops in Calabarzon.

The agency attached to the Department of Agriculture (DA) noted that 6,015 hectares (ha) of agricultural lands were affected.

It also said 6,569 farmers across the region have been directly affected by the typhoon.

“The NIA is coordinating with local government units (LGUs) and relevant agencies to provide support and assistance to these farmers, ensuring they receive the necessary aid to recover and continue their agricultural activities.”

According to the agency, it has outlined immediate repair plans categorized into Level I and Level II to address the damages on irrigation canals, protection works, canal structures, and dams.

NIA said Level I includes emergency works aimed at restoring service areas and saving standing crops, with an estimated cost pegged at P55.3 million. Level II involves comprehensive repairs to ensure the long-term stability of irrigation structures, with an estimated cost of P145 million.

“The NIA Calabarzon remains committed to rehabilitating and improving irrigation infrastructure to withstand future weather events. This includes upgrading current systems and implementing more resilient designs.”

The agency’s Operations and Maintenance (O&M) personnel cleared debris along the irrigation canals as an initial and immediate action to restore the flow of irrigation water, ensuring continuous water distribution for agricultural purposes.

Meanwhile, the DA reported that farm damage due to Typhoon Aghon has reached P81.84 million with the volume of production loss pegged at 2,586 metric tons (MT) of rice, corn, cassava, and high-value crops.

It added that Calabarzon suffered the brunt of the typhoon with damage to agricultural infrastructure reported at P965,400. The region also incurred damage to machineries and equipment amounting to P135,000.

“The best possible efforts are being undertaken to carry out assistance and appropriate interventions for the affected farmers,” the DA said in its report.

Image credits: Roy Domingo

<https://businessmirror.com.ph/2024/06/05/typhoon-aghon-damages-p200-m-crops-irrigation-systems-in-calabarzon-nia/>

PHL cuts rice tariffs to temper inflation

Samuel Medenilla

June 5, 2024

PRESIDENT Ferdinand R. Marcos Jr. is set to issue a new Executive Order (EO), which will slash rice tariffs to 15 percent amid the soaring international prices of the staple.

The government expects the tariff reduction to stabilize rice prices in the next four years and temper inflation.

The tariff reduction for rice is part of the Comprehensive Target Program (CTP) for 2024-2028, which was approved by the National Economic and Development Authority (Neda) Board led by the President, during its 17th Board meeting last Monday.

“For rice, one of the most critical components of Filipino households’ consumption basket, the Neda Board agrees to reduce the duty rate to 15 percent for both in-quota and out-quota rates from 35 percent until 2028. This decision aims to lower the price of rice further and make it more affordable,” Socioeconomic Planning Secretary Arsenio M. Balisacan said in a press briefing in Malacañang on Tuesday.

“The president will issue an executive order to implement this new tariff program,” he added.

‘Thin market’

Based on the latest market monitoring of the Department of Agriculture (DA), the price of imported well-milled rice ranges from P52 to P55 per kilogram (kg) while the regular-milled variety sells for as much as P51 per kilo.

Figures recorded by the DA on May 31 also showed that local commercial well-milled rice sells for P48 to P55 per kg while the price of the regular-milled variant ranges from P45 to P52 per kg.

The Philippine Statistics Authority (PSA) said rice contributed to about 2 percentage points or over 50 percent to headline inflation in the last three months.

“The DA is aiming [to reduce prices] to P29 per kilo, at least for the poor, because we will complement this tariff reduction with the direct subsidies to the poor and vulnerable,” Balisacan said.

Neda attributed the high international price of rice to the global impact of the El Niño phenomenon and rising demand.

Balisacan said the international rice market is “thin,” such that a shock in rice-producing countries like a drought in Vietnam could lead to “disruptions in the world market.”

The high global rice prices are expected to persist until September, he added.

RTL amendments

The Neda also said the government is trying to minimize the country’s exposure to the international rice market by boosting local rice production and supporting the proposed amendments to Republic Act (RA) 11203 or the Rice Tariffication Law (RTL).

Balisacan said the government wants to strengthen the ability of the National Food Authority (NFA) to compete with rice retailers during “emergencies.”

“What remains to be defined is the concept of emergency, because it’s not clear in the law what that emergency is when we say we stock for buffer stocking—is it only limited to the presence of calamities,” he said.

“But it may also involve certain manipulations by certain groups in the market, and we need to have the tools to address such issue,” he added.

Impact of tariff cut

When asked how the impact of the lower tariff for rice will affect the Rice Competitiveness Enhancement Fund (RCEF), Balisacan said the effects will depend on the amount of rice to be imported in the coming months.

“Of course, we reduced the tariff, but the volume might increase depending on how our local production responds to the improvement in the weather because we are now going into or transitioning into the so-called La Niña phenomenon,” he said.

Established by RA 11203, RCEF is sourced from rice tariffs and used to help improve the competitiveness of farmers after the liberalization of Philippine rice trade.

Last year, the government was able to collect P29 billion from rice tariffs.

Balisacan assured the government will provide other services to farmers, who will be affected by the lower RCEF, to enhance their productivity.

New rates

Aside from rice, the newly approved CTP also reduced the tariff on certain chemicals used to manufacture antiseptics and detergents as well as coal briquettes to improve energy security and reduce input cost.

“Tariff reduction on coal will help ensure its availability at reasonable prices, thus supporting more stable electricity prices and supply in the country,” Balisacan said.

Also extended, he said, is the duration of the reduced tariff rates on corn, pork and mechanically-deboned meat under Executive Order No. 50, Series of 2023. The current rates will remain in effect until 2028.

The CTP will merge the tariff lines on certain chemical and chemical products, textiles, machinery and transport equipment.

It, however, maintained the current rates on more than half of the tariff lines covering various agricultural and industrial products sugar, vegetables, such as onion shallots, garlic, broccoli, carrots, cabbage, lettuce, sweet potatoes, cassava, coffee substitutes, complete feeds and feed preparations.

“The tariff maintenance will ensure access to inputs and support efforts to improve productivity and competitiveness. This measure will help our domestic industries by reducing the cost they incur for their inputs, enabling them to be more competitive especially in the global market,” Balisacan said.

‘Long overdue’

A nongovernment organization lambasted the government for reducing the tariff on rice, but an economist said the move is “long overdue.”

“We remain steadfast and committed to defend local agriculture and in our capacity to produce our own agri-food needs,” Samahang Industriya ng Agrikultura (Sinag) said in a statement.

“The same sentiment applies to pork, chicken, corn and other agri commodities given the latest statement coming from National Economic and Development Authority [NEDA],” it added.

For Roehlano Briones, a senior research fellow at the Philippine Institute for Development Studies (PIDS), the government’s decision to reduce rice tariffs is “long overdue.”

“[It is] long overdue. Rice prices have been elevated since last year. Cut should have been done last year,” Briones told the BusinessMirror via SMS.

Finance Secretary Ralph Recto earlier proposed the reduction of rice tariffs to as much as 17.5 percent during the Philippine Economic Briefing in Pasay City last week.

With Ada Pelonia

<https://businessmirror.com.ph/2024/06/05/phl-cuts-rice-tariffs-to-temper-inflation/>

SRA to assess Kanlaon eruption impact on Negros sugarcane

Ada Pelonia

June 5, 2024

The Sugar Regulatory Administration (SRA) will assess the impact of Mt. Kanlaon volcano's eruption on sugarcanes planted in Negros Island, the country's top sugar producer.

SRA Administrator Pablo Luis Azcona ordered the agency's research and development arm to prioritize the sampling of sugarcanes and sugar land.

"We gathered reports from the field of the strong sulfur smell coupled with the heavy rains in most areas in Central Negros and we know that this can turn into sulfuric acid which may affect our sugar canes," Azcona said in a statement.

According to SRA, the testing would include scraping ash from cane leaves and collection from surface grounds in the municipalities of La Castellana, Moises Padilla, Pontevedra, and La Carlota City where volcanic ash turned some fields into gray.

Azcona said the agency received reports that some farmers took advantage of the heavy rains following the eruption to plant canes yesterday, and asked their research department to immediately release the results of the test.

"We are hoping that the rains washed out the volcanic ash from planted canes," he added.

He said the general condition of sugar cane fields is already acidic and the SRA wants to rule out more acidity in affected areas that can cause problems.

Azcona also ordered the release of P2 million for mitigating measures to help affected localities and another P500,000 for medical missions that would address respiratory diseases related to the incident.

Mt. Kanlaon in the Negros Island, one of the most active volcanoes in the country, erupted on Monday, creating a 5,000-meter plume. It was followed by a strong earthquake and coarse ashfall in the west.

The Philippine Institute of Volcanology and Seismology (Phivolcs) raised the alert level from 1 to 2, which meant “current unrest driven by shallow magmatic processes that could eventually lead to further explosive eruptions or even precede hazardous magmatic eruption.”

“The public is strongly advised to be vigilant and avoid the four kilometer-radius Permanent Danger Zone to minimize risks from sudden explosions, rockfall and landslides,” Phivolcs said in its bulletin.

<https://businessmirror.com.ph/2024/06/05/sra-to-assess-kanlaon-eruption-impact-on-negros-sugarcane/>

Bawas buwis sa bigas, aprub ng NEDA

[Gemma Garcia](#)

June 5, 2024 | 12:00am

MANILA, Philippines — Aprubado na sa National Economic and Development Authority (NEDA) ang pagbabawas ng 15% sa buwis sa bigas para sa in-quota at out-quota rates hanggang 2028.

Sinabi ni NEDA Secretary Arsenio Balisacan sa press briefing sa Malakanyang na layon ng kanilang hakbang ay para mapababa ang presyo ng bigas at maging abot kaya ito lalo na sa mga mahihirap na Filipino.'

Dahil naman sa tariff reduction kaya target aniya ng gobyerno na maibaba ang presyo ng bigas sa P29 kada kilo para sa mahihirap at iba pa ang mabebenepisyuhan nito.

Iginiit naman ni Balisacan na maglalaan muna ng kaunting oras bago maramdaman ang pagbaba sa presyo ng bigas dahil maglalabas pa ang pangulo ng executive order ang pangulo kung saan maiimpluwensyahan nito ang desisyon ng mga pribadong sektor para sa pag iimport.

'They can import, bring in more rice now from the world market at a much lower landed cost, then otherwise, would be the case without the tariff reduction,' ayon pa sa kalihim.

Nilinaw nama ni Balisacan na pinanatili ng NEDA Board ang taripa para sa ibat ibang produktong agrikultural kabilang dito ang asukal, gulay tulad ng sibuyas, bawang, brocolli, carrots, cabbage, lettuce, sweet potatoes, cassava, coffee substitutes at iba pa.

Ang comprehensive tariff review ay ginagawa kada limang taon.

<https://www.philstar.com/pilipino-star-ngayon/bansa/2024/06/05/2360489/bawas-buwis-sa-bigas-aprub-ng-neda>

REMATE:

Rice duty rate reduction aprub sa NEDA

June 4, 2024 13:00



MANILA, Philippines – Inaprubahan ng National Economic and Development Authority (NEDA) nitong Martes, Hunyo 4 ang pagbawas sa duty rate sa bigas sa 15% para sa in-quota at out-quota rates hanggang 2028, sinabi ni Secretary Arsenio Balisacan.

“This decision aims to lower the price of rice further and make it more affordable,” sinabi ni Balisacan sa press conference sa Malakanyang, sabay-sabing ang bigas ay nag-ambag sa 2 percentage points o mahigit 50% sa headline inflation sa pinakahuling inflation report ng Philippine Statistics Authority sa nakalipas na tatlong buwan.

“Reducing rice tariffs is expected to bring down rice prices for consumers while supporting domestic production through tariff cover and increased budgetary support to improve agricultural productivity, especially as global rice prices remain elevated,” dagdag pa niya.

Nang tanungin kung magkano ang magiging presyo ng bigas dahil sa tariff reduction, sinabi ng NEDA chief na tinatarget ng pamahalaan ang P29 kada kilo na bigas para sa mga mahihirap.

“The Department of Agriculture is aiming for a reduction of P29 per kilo at least for the poor because we will complement this tariff reduction with the direct subsidies to the poor and vulnerable that at least they could access the food at P29 per kilo, but overall, with the tariff reduction from 35 to 15%, everybody will benefit from that,” paliwanag pa ni Balisacan. *RNT/JGC*

<https://remate.ph/rice-duty-rate-reduction-aprub-sa-neda/>