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#### **MANILA BULLETIN:**

# DA chief mulls food security emergency amid rice price volatility

**BY JEL SANTOS** Dec 27, 2024 04:04 PM



The Department of Agriculture (DA) said it is considering invoking a food security emergency under the amended Rice Tariffication Law (RTL) to curb rice price volatility.

Such a move, according to DA Secretary Francisco Tiu Laurel Jr., would authorize the release of buffer stocks from the National Food Authority (NFA) to stabilize market prices.

Other measures are also being reviewed as part of efforts to ensure affordability and food security.

As such, Laurel said they are exploring the option of allowing government corporations like Food Terminal Inc., to import significant quantities of rice to compete directly with private importers.

He also ordered the DA legal division to study whether provisions of the Consumer Price Act could be activated to deal with seeming acts of profiteering.

The DA has conceded that the reduction of rice tariffs by President Marcos Jr. — from 35 percent to 15 percent in July — has failed to bring down the prices of some rice brands, drawing discontent from both the government and consumers.

On Tuesday, Dec. 27, the DA claimed market rice retailers started lowering prices following the "successful" implementation of the Kadiwa ng Pangulo "Rice-for-All" program across Metro Manila.

The said program offers rice at ₱40 per kilo.

"Rice being sold by the Kadiwa and its retailers is cheaper by ₱3 to ₱5 compared with those being sold by market retailers, resulting in increased sales by rolling stores in the recent operation," a news release from the Presidential News Desk stated.

The agriculture department reported that "market retailers are currently reducing their prices to keep up with the lower price offered by rolling stores."

"So far, EDSA Balintawak Market (southbound, Brgy. Balingasa, Quezon City) distributed 110 sacks of rice; New Marulas Public Market (along Market Road, Brgy. Marulas, Valenzuela City), five sacks; and Malabon Central Market (along F. Sevilla Blvd., Brgy. Tañong, Malabon City), 32 sacks," it stated.

A total of 147 sacks of rice were distributed, based on the government report.

#### 'Rice emergency'

Earlier, Laurel said that declaring a "rice emergency" could help bring down persistently high rice prices while targeting profiteers.

The idea, initially suggested by lawmakers, follows the failure of recent government measures to stabilize rice prices.

Under Republic Act 12078, which amended the Rice Tariffication Law, the agriculture chief can declare a food security emergency upon the recommendation of the National Price Coordination Council if there is a supply shortage or extraordinary price fluctuations.

If implemented, the National Food Authority (NFA) will be authorized to release its buffer stocks at appropriate prices to alleviate the crisis.

NFA Administrator Larry Lacson revealed during a House hearing that the agency currently holds 5.5 million 50-kilogram bags in reserve.

Laurel said the emergency declaration could allow the NFA to release nearly six million bags of rice to the public at flexible prices.

"If declaring a rice emergency allows us to sell NFA's nearly six million bags of rice at flexible prices to the public, then that's definitely a good move," he said after inspecting rice stalls in Guadalupe, Makati.

The DA chief also underscored the measure's potential to target profiteers.

"If we really want to tackle those exploiting certain rice brands, this is the best way to hit them where it hurts—their pockets," he added.

https://mb.com.ph/2024/12/27/da-chief-mulls-food-security-emergency-amid-rice-price-volatility

#### **MANILA BULLETIN:**

# Salceda tells DA chief: Follow through on rice 'food security emergency'

**BY ELLSON QUISMORIO** 

Dec 27, 2024 10:30 AM

# AT A GLANCE

- Albay 2nd district Rep. Joey Salceda has told Department of Agriculture (DA) Secretary Francisco Tiu-Laurel Jr. to immediately immediately follow through on his pronouncement to invoke a "food security emergency" to stabilize rice prices.
- Salceda is the overall chairman of the House quinta-committee (quinta-comm).



Albay 2nd district Rep. Joey Salceda (Rep. Salceda's office)

The overall chairman of the House quinta-committee (quinta-comm) has told Department of Agriculture (DA) Secretary Francisco Tiu-Laurel Jr. to immediately follow through on his pronouncement to invoke a "food security emergency" to stabilize rice prices.

"Good. That's what the Murang Pagkain Supercommittee has been asking the DA to do," Albay 2nd district Rep. Joey Salceda said in reaction to Laurel's recent statement.

"The DA is not at all powerless under the law to curb price manipulation in the rice market," he underscored.

"I thank Secretary Kiko Tiu Laurel and urge him to follow through as soon as possible," Salceda said.

"We should see a price reduction of at least P6 per kilo as a result of stricter enforcement against hoarding," noted the quinta-comm lead chairman.

The DA earlier said that Laurel was considering several measures to address rice price volatility, "including invoking a food security emergency under the amended Rice Tariffication Law, which would allow the release of buffer stocks from the National Food Authority (NFA) to stabilize prices".

Rice is the Filipino staple food.

Salceda said the Murang Pagkain Supercommittee also asked the DA to look into warehouses and work with the Bureau of Customs (BOC) to do post-clearance inspections of imported stocks.

"We need action from the DA sooner rather than later, so I hope the study process doesn't last beyond a few days," he said.

https://mb.com.ph/2024/12/27/salceda-tells-da-chief-follow-through-on-rice-foodsecurity-emergency

## THE PHILIPPINE STAR:

# DA monitoring retail price of fruits

# **Bella Cariaso** - The Philippine Star

December 27, 2024 | 12:00am



Photo shows a vendor arranging fruits at a market stall in Quezon City. In the Philippines, eating round fruits, which resemble the shape of a coin, is a New Year's Eve tradition believed to bring good luck, prosperity and abundance.

#### Noel Pabalete

MANILA, Philippines — The Department of Agriculture (DA) is monitoring the retail price of local fruits amid the expected increase in demand during the New Year celebration.

Among the fruits included in the monitoring of the DA Agribusiness and Marketing Assistance Service (AMAS) are watermelon, melon, pomelo, avocado, mango and papaya.

Based on monitoring of the DA in Metro Manila markets, watermelon price ranged between P60 and P90 per kilo; pomelo, between P80 and P250 per kilo; melon, from P60 to P140 per kilo; avocado, from P300 to P600 per kilo; mango, P150 to P300 per kilo; and papaya, between P60 and P90 per kilo.

Preparing at least 12 or 13 round fruits on New Year's Eve is a tradition for many consumers as it symbolizes prosperity and good fortune.

On the other hand, the retail price of vegetables remains high amid the devastation brought by the successive typhoons to the agriculture sector, particularly high value crops.

The retail price of tomatoes goes for as high as P280 per kilo; eggplant, as high as P150 per kilo; pechay tagalog, as high as P120 per kilo; string beans, up to P140 per kilo; bitter gourd, P180 per kilo: squash, P70 per kilo.

The retail price of siling labuyo reached as high as P700 per kilo.

Meanwhile, carrots are sold as high as P200 per kilo; Baguio beans, as high as P280 per kilo; potatoes, up to P170 per kilo; chayote, P100 per kilo; cauliflower, P350 per kilo; bell pepper, P400 per kilo; broccoli, P400 per kilo; and cabbage, as high P120 per kilo.

Based on monitoring of the DA, the retail price of pork shoulder ranged between P290 and P370 per kilo; pork belly, between P330 and P410 per kilo; whole chicken, between P185 and P230 per kilo; beef rump, between P400 and P500 per kilo; beef brisket, between P320 and P460 per kilo; and medium-sized eggs, between P6.50 and P8 per piece.

https://www.philstar.com/headlines/2024/12/27/2410056/da-monitoring-retail-pricefruits

# **BCDA spearheading Ethnobotanical hub in** New Clark City

#### By: Alden M. Monzon @AldenMonzonINQ - @inquirerdotnet

Philippine Daily Inquirer / 02:37 PM December 27, 2024



#### INQUIRER FILE PHOTO

The Bases Conversion and Development Authority (BCDA) signed an agreement with the Department of Agriculture (DA) and the Pampanga State Agricultural University (PSAU) to establish a 10-hectare ethnobotanical learning facility in New Clark City to boost the capacity of local farmers and fisherfolk.

The BCDA said on Thursday that two memoranda of agreement (MOA) had been signed on Dec. 13 for the Ayta Ethno Botanical Center (AEBC) at the 9,450-hectare metropolis inside the Clark Freeport and Special Economic Zone in Tarlac.

BCDA resident and CEO Joshua Bingcang, DA regional field office III regional executive director Eduardo Lapuz and PSAU vice president for planning and resource generation Lyndon Solis signed the MOA.

#### Helping Aeta community

"I feel the importance of the contributions of our farmers. The government consistently recognizes the value of the agriculture sector," Bingcang said in a statement, adding that they intended to help the local Aetas and make them productive at the same time.

"There are more lands, instead of being idle, it can be productive. We can learn more so we can earn more and if this becomes successful," he said further, citing that it would be a 15-year partnership for the three government bodies.

Under the agreements, the DA has committed P4.8 million, while the BCDA will provide the 10-hectare land.

The PSAU, on the other hand, has expressed commitment to provide the knowledge and training, including the management, supervision and monitoring of activities at the learning facility.

The AEBC is expected to start operations next year, a BCDA representative told the Inquirer.

The BCDA wants the AEBC to become a model for food forests, a system in which edible, harvestable crops are produced in a multistory setting.

It said that the presence of such a learning facility inside New Clark City will also provide them an opportunity to develop the adjoining protected and forest reserve areas into an ecotourism spot. **INQ** 

https://business.inquirer.net/498908/bcda-spearheading-ethnobotanical-hubin-new-clark-city

# DA wants to remove brand label of imported rice

### By: Jordeene B. Lagare - @inquirerdotnet

Philippine Daily Inquirer / 02:10 AM December 27, 2024



NO LABEL Certain sellers were "intentionally confusing" consumers with branded imported rice, the DA said. —INQUIRER FILE PHOTO

The Department of Agriculture (DA) plans to remove brand labels from imported rice in another attempt to prevent the alleged price manipulation of the staple food.

It will also eliminate "premium" and "special" labels on imported rice, believing that some industry players are using them "to justify inflated prices."

"Importing rice is not a right but a privilege," Agriculture Secretary Francisco Tiu Laurel Jr. says.

"If traders are unwilling to follow our regulations, we will withhold permits for rice importation," he adds.

Locally produced rice, however, will be exempted from this rule to protect Filipino farmers and traders.

In market visits, the DA has observed that certain retailers and traders are "intentionally confusing" consumers with branded imported rice to jack up retail prices.

The DA estimates that a markup of P6 to P8 per kilogram on the landed cost of importing this commodity (or the cost of shipping a product) is sufficient to sustain the operations of retailers, traders and importers.

For instance, if rice was sourced from Vietnam, the country's leading source of imported rice, the retail price should not exceed P48 per kg if the commodity were purchased at an all-in cost of P40 a kilo.

The DA is considering to invoke a food security emergency so that the National Food Authority can release its buffer stocks to stabilize prices.

Under Republic Act No. 12078, which amended the Rice Tariffication Law, the agriculture secretary is empowered to declare such an emergency in case of a supply shortage or extraordinary price fluctuations upon the recommendation of the National Price Coordinating Council.

Likewise, the agency is considering to allow other government corporations, such as Food Terminal Inc., to import significant quantities of rice to directly compete with private importers.

The DA's legal division, meanwhile, is ordered to study whether provisions of the Consumer Price Act could be activated to deal with seeming acts of profiteering.

Tiu Laurel hints at enlisting concerned government agencies, particularly the Bureau of Internal Revenue, to audit the financial records of rice traders to ensure compliance with fair pricing practices. He says the Department of Trade and Industry may also assist in monitoring prices of rice in markets and groceries.

The DA launched this month the Rice-for-All program at select public markets in the metropolis and Metro Rail Transit Line 3 and Light Rail Manila Transit Line 1 stations to address rice price volatility.

Launched in August, this initiative sells well-milled rice in these areas for P40 per kg to the general public.

The DA is implementing these efforts as rice prices remain elevated despite the slowdown in global rice prices and the reduction of rice tariff to 15 percent from 35 percent effective last July.

A kilo of imported regular milled rice ranged from P40 to P48 as of Dec. 20 compared with P38-P52 per kg a year ago, based on the DA's price monitoring of Metro Manila markets.

Imported well-milled rice retailed for P40 to P52 per kg compared with P40 to P55 per kg previously.

https://business.inquirer.net/498812/da-wants-to-remove-brand-label-ofimported-rice

# Farmers' woes seen to persist despite extended aid

By: Kurt Dela Peña - Content Researcher Writer / @inquirerdotnet

INQUIRER.net / 01:18 PM December 27, 2024



RICE composite image from Inquirer file/stock photos

MANILA, Philippines—The government expressed confidence that extending the life of the Rice Competitiveness Awareness Fund (RCEF) to 2031 would open access to resources for farmers.

## But is this enough?

RCEF was first introduced in 2019, when Republic Act (RA) 11203, or the law on rice liberalization, was signed. The law replaced the ceiling on volume on imported rice with tariffs of 35 percent to 40 percent.

The tariffs on imported rice are then used by the government to fund RCEF and provide "even more assistance to farmers with excess tariff revenues."

RCEF was initially given P10 billion yearly to provide farmers with equipment, highquality seeds, credit lines and training programs. According to a study published in the International Journal of Economics, the law resulted in a 52 percent increase in the income of recipients, while non-recipients took losses of up to 19 percent.

The problem, however, is that the tariff on imported rice was brought down to 15 percent in July, as President Ferdinand Marcos Jr. issued Executive Order 62 in a bid to bring down the retail price of the grain.

# Lagging

With the extension of RCEF through RA 12078, which amended RA 11203, the government said that the program will now be given P30 billion a year "to make the rice industry even more competitive."

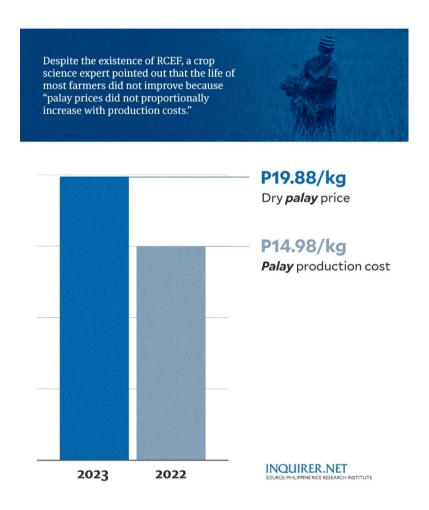
But even with the law, which somehow brought down the retail price of rice for consumers, a retired professor of crop science at UP Los Baños stressed that the law on rice liberalization did not benefit most farmers.



GRAPHIC: Ed Lustan/INQUIRER.net

Teodoro Mendoza pointed out to INQUIRER.net that even with RCEF, farmers are still struggling because their palay is sold at low prices even when production cost is high.

According to data from the Philippine Rice Research Institute (PRRI) and the Philippine Statistics Authority, (PSA) dry palay was sold for P19.88 a kilo in 2023, while the production cost was P13.38 a kilo.



GRAPHIC: Ed Lustan/INQUIRER.net

"[RCEF] did not materially improve their welfare, especially regarding credit. It did not liberate them from loan sharks that charge usurious interest rates," he said.

Mendoza previously stressed that farmers will eventually lose interest in tilling their land and increasing their yield, pointing out that a lot of them was already calling for a "respectable income."

# P30 billion 'not enough'

Marcos said as RCEF was set to expire, "it became clear that we needed to extend and strengthen the program," pointing out that "it will enable us to do much more for our farmers."

This, as out of the P30 billion a year, P15 billion will be allocated for extension and training programs, financial assistance, credit programs, soil improvement, and provision of solar-powered irrigation systems.

Some P9 billion will go to farm mechanization while P6 billion will be allocated for the development and distribution of high-quality seeds.

But as pointed out by Mendoza, even with the increase in RCEF funds, P30 billion will still not be significant "if distributed among farmers equitably."

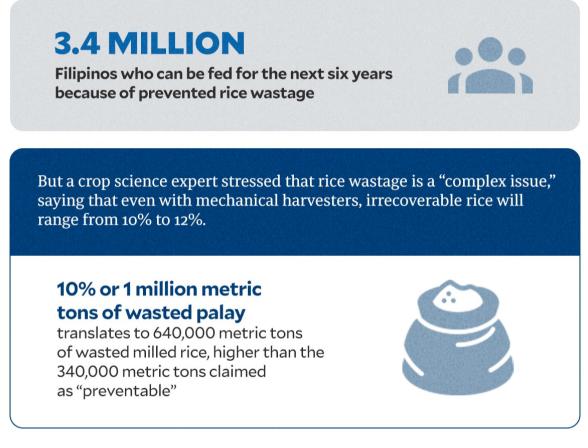
He explained that on credit, if the line will only be P3 billion, at P40,000 loan for every hectare, a P2 billion increase from the original P1 billion will only cover 50,000 more farmers who have one hectare each.

"What will be more meaningful is for the Land Bank of the Philippines to resume its credit services to the farmers, which is the basis for its creation," Mendoza said.

# **Rice wastage**

As pointed out by Malacañang, the new law will also help lower post-harvest losses by preventing 375,000 metric tons (MT) of milled rice from being wasted yearly.

The government said that the amendment will help lessen post-harvest losses by preventing 375,000 metric tons of milled rice from being wasted yearly.



INQUIRER.NET SOURCES: DEPARTMENT OF AGRICULTURE, DR. TEODORO MENDOZA

GRAPHIC: Ed Lustan/INQUIRER.net

This, it said, could help "feed an additional 3.4 million Filipinos each year for the next six years, maintaining food security and rice accessibility to all."

Mendoza, however, said that "wastage is a complex issue."

He explained that field rice wastage is "difficult," stressing that even with mechanical harvesters, unrecovered rice will range from 10 percent to 12 percent.

"At 50 percent of the 20 million MT harvested, this translates to 10 million MT. At 10 percent unrecovered, this is 1 million MT of palay or 640,000 MT of rice," Mendoza said.

This is still higher than the 340,000 MT, which the government said is preventable, and even if harvesting losses will only be five percent, the wastage will still be 640,000 MT for the 20 million harvested palay.

https://newsinfo.inquirer.net/2019021/farmers-woes-seen-to-persist-despiteextended-aid

# Wheat imports rising as Filipinos diversify diet

By: Jordeene B. Lagare @jordeenelagare - @inquirerdotnet

Philippine Daily Inquirer / 10:36 AM December 27, 2024



Wheat | INQUIRER.net stock photo

The Philippines is expected to import more wheat in the 2024-2025 marketing year as the demand for various products such as bread, cakes, and noodles increased along with population growth.

The United States Department of Agriculture's Foreign Agricultural Service (FAS) said the inflow of Philippine-bound wheat cargoes from July 2024 to June 2025 is expected to reach 7.2 million metric tons (MT).

The estimated volume is 4.1 percent higher than the 6.9 million MT of wheat that the USDA-FAS estimates to have been imported to the Philippines in the 2023-2024 marketing year.

The report expects the importation of milling wheat—which is used for human consumption to increase in the current marketing year but anticipates stable overseas purchases of feed wheat, which is used for animals' food. The Philippines does not produce wheat and depends solely on imports to meet its supply needs.

The demand for milling wheat is estimated to rise by 4.3 percent to 3.65 million MT while the forecast on feed wheat consumption is maintained at 3.45 million MT.

"Industry contacts engaged in manufacturing of flour and wheat-based products (bread, cakes, noodles, and pasta) report that consumption of milling wheat remains strong in the country supported by continued population growth and increasing income levels," the USDA-FAS said.

"As a result of income increases, industry contacts report that consumers are diversifying their diet to include other wheat-based products, alongside the staple rice, which [is] consumed both at home and outside the home (such as at quick-service and full-service restaurants)," it said.

#### Corn still king

However, the American agency said it anticipates the consumption of feed wheat to be unchanged as local feed manufacturers will favor feed corn more due to declining global corn prices.

The report observed that corn is still the preferred key ingredient in producing animal feeds given its nutritional profile (fattening) and physical attributes (yellow color).

Feed wheat, on the other hand, is used to fill supply gaps for feed corn or when prices for feed wheat are lower.

According to the USDA-FAS, prices of milling wheat have decreased to an average of \$274 per MT in July-August from \$311 per MT in the same period last year.

In the case of imported corn, prices have been dropping overall since May this year, save for an uptick in July, which decreased demand for imported feed wheat in the Philippines. **INQ** 

# https://business.inquirer.net/498874/wheat-imports-rising-as-filipinosdiversify-diet