CLIPPINGS FOR TODAY JANUARY 31, 2025

A. MANILA BULLETIN:

Philippine economy misses 2024 growth target, expands 5.6%

The power of soft power

B. THE PHILIPPINE STAR:

New BFAR chief appointment get nod of fisherfolk groups, LGUs

Philippines importing thousands of goats, sheep

Pork prices to decline – hog raisers

C. PHILIPPINE DAILY INQUIRER:

Virology center vital in combating ASF, other diseases – Tolentino

Farmers: Economic managers must explain why rice prices remain high

Regulator holds off import permits, fees for sugar stand-ins

D. BUSINESS WORLD:

New clearance fees for other sweeteners delayed

Inflation likely within target until ’26

E. REMATE:

Pinas aangkat ng breeder goats, sheep – DA

F. THE MANILA TIMES:

Business group opposes SRA order

Philippine agriculture in crisis (3)

MANILA BULLETIN:

Philippine economy misses 2024 growth target, expands 5.6%

BY DERCO ROSAL
Jan 30, 2025 10:13 AM

The economy maintained its growth momentum in the fourth quarter of 2024, but the full-year expansion fell short of the government's targets, the Philippine Statistics Authority (PSA) reported.

The country's economy, as measured by the gross domestic product (GDP), grew by 5.2 percent from October to December, unchanged from the third quarter but slower than the 5.5 percent recorded in the same period of 2023.

The third-quarter GDP performance brought the full-year growth rate to 5.6 percent, below the government's downwardly revised target range of 6.0 to 6.5 percent.

The Philippines has now missed its economic growth target for the second year in a row. After exceeding the target in 2022 with 7.6 percent growth, the country fell short in both 2023 and 2024.

According to the PSA, the expansion in the fourth quarter was driven mainly by the growth in the wholesale and retail trade, repair of motor vehicles and motorcycles, financial and insurance activities, and construction. Similarly, these industries were also the major contributors to the full-year growth.

The fourth-quarter growth prevented the government from hitting the 6.0 percent to 6.5 percent target—which was revised downward in December last year given the local and global uncertainties.
During the joint press conference, National Economic and Development Authority (NEDA) Undersecretary Rosemarie G. Edillon also reported that the government fell short of its targets for quality employment despite achieving its target employment numbers.
Edillon noted that, similar to 2023, the government "faced numerous setbacks like extreme weather events, geopolitical tensions, and subdued global demand."

In particular, the agriculture sector suffered between late October until mid-November, when six typhoons successively ravaged the Philippine archipelago.

Industry and services drove the 2024 quarter-four growth at 4.4 percent and 6.7 percent, respectively. On the other hand, manufacturing lagged at 3.1 percent, which "has been hampered by subdued global demand due to geopolitical tensions and the slow recovery of advanced economies."

Considering this trend, NEDA is ramping up its efforts to bolster the local economy and regain its growth momentum.

Regaining growth strength
"Looking ahead to 2025, we want to regain our growth momentum driven by strategic investments and initiatives designed to strengthen resilience and lay the foundation for long-term, inclusive growth," Edillon said.

Edillon emphasized the need to diversify the government's sources of growth to reach economic growth resilience.

"For inclusive quality employment, we must encourage more investments in sectors that require workers with higher-level skills and further develop an agile workforce," she added.

As for keeping the inflation tamed, she emphasized the need to anticipate potential shocks influenced by both global and local events.

With global trade risks stemming from the comeback of Donald Trump in the political scene, she assured the public that the Marcos Jr. administration will "maximize the opportunities with long-standing partners while expanding new free trade agreements (FTAs)."

Locally, the Department of Agriculture (DA) is set to accelerate the National Rice Program to meet the agency's 20.5 million MT production target, as the agriculture sector recently struggled with typhoons, droughts, and climate disruptions.

"We will ensure a stable food supply and prevent unwarranted price increases through strategic trade policies, timely release and distribution of production and post-production support, and proactive measures against hoarding," NEDA also said in a Jan. 30 statement.

According to NEDA, all these measures are part of the goal to lift more Filipinos out of the poverty trap. Three years from now (2028), the government aims to slash the number of poor individuals by below 10 percent. Data showed that nearly around 15 in 100 Filipinos were struggling to fund their needs as of 2023.

"By 2028, the government aims to reduce poverty incidence to single-digit, ensuring that far fewer Filipinos experience hunger, and more are resilient to natural and manmade shocks," NEDA said.

These, NEDA said, are within the government's reach provided that the government maintains a robust workforce, stable inflation, and sound fiscal management.

https://mb.com.ph/2025/1/30/ph-economy-misses-growth-target-expands-5-6#google_vignette

MANILA BULLETIN:

The power of soft power

BY YVETTE TAN
Jan 31, 2025 00:26 AM

AVANT GARDENER

I spent part of the holidays watching a couple of Kdramas and one thing I noticed was that both placed a value on farming but totally in passing. If you were a casual watcher and not someone on the lookout for agricultural content, they would have been easy to miss.

Beware, spoilers abound!

The first Kdrama was “Mr. Queen,” a show about an arrogant chef in the 20th century who gets trapped in the body of a queen from the Joseon Dynasty married to a king who, in modern history books, is known for his inefficiency in ruling and his love for partying. The chef has to save himself in the 20th century, the queen’s life in the Joseon era, and the entire nation. He transforms from a selfish person into a compassionate one while helping the queen, whose body he had taken over for some time, make the king fall in love with her and find a good life in the palace. He also helps the king become a good ruler.

Where does farming come in?

In the last episode, after the king has quashed all his enemies and secured the throne, his first decree is to cement the importance of Joseon’s agriculture. He says, “Joseon strives through agricultural work. So farmers must live well for the country to thrive. Exploitation by the chiefs destroys the country. I will now punish it at the level of treason.”

It’s a throwaway line in the sense that the audience is left to imagine a better Joseon because food production was brought up to the level of national treasures by the king and everyone, especially ministers who took advantage of them would be considered traitors to the state. It also shows that mistreating farmers is a timeless crime that transcends cultures.

Farming makes an even smaller footprint the the next Kdrama I watched titled “Moving.” It starts when two teens with superpowers realize that they’re not alone, and it leads to the uncovering of an international network of government agents with special abilities. It turns out that their parents were part of this network but defected when they realized that the government would want to turn their children into killing machines instead of letting them live regular lives.

The main character's parents, both agents, went into hiding and made money as persimmon farmers, until they were discovered and had to split up.
The episodes on the persimmon farm made the work out to be hard, but rewarding. The family had to downgrade their lifestyle, but being free was better than being rich. The main character's father, a former government assassin, says, "If I ever hear someone suggest that farming is an easy hobby, I'm honestly going to shoot them."

I'm not sure if this was a matter of suspending disbelief for television or a marvel of South Korea's farm machinery, but it looked like only two people could manage an entire orchard, with one person doing most of the farm work (granted, one of the workers could fly and the other had highly refined senses).

Again, another throwaway plot point. The writers just needed a way to show that the family was happy while in hiding. And yet, they picked farming.
It's no secret that South Korea is the current worldwide master in soft power. The popularity of its music, cinema, and TV shows have translated into an interest in South Korean culture and a boost in tourism at the very least and political leverage in the larger scheme of things. They're also very proud of their agriculture industry, and understand the importance of national food production and security.

Contrast that to the Philippines, where media likes to portray farmers as poor, oppressed, and without hope. While this is a reality for a lot of farmers, it also cements the impression that farming isn't something to consider if you want a good life.

I'm not saying we should lie about the state of our agriculture on fictional tv shows, I'm suggesting that there's a way to be truthful about our situation without giving people a bad impression of the industry.

A lot of people poo-poo popular entertainment, thinking that it's crass and for the masses and not at par with say, scholarly work or high art. These people are disregarding the power such forms of entertainment can hold, and it will only be to their detriment if they fail to use this as an opportunity to promote the kind of citizenry they want to see in their country.

These are only two Kdramas, but rewatch pandemic hit "Crash Landing on You" with an eye for agriculture and you'll see that food is practically a subplot.
Policies and the enactment thereof are important, but to reach people on an individual level, mass entertainment still holds a lot of power, and it's one that we should consider making use of when talking about agriculture.

https://mb.com.ph/2025/1/31/the-power-of-soft-power

THE PHILIPPINE STAR:

New BFAR chief appointment get nod of fisherfolk groups, LGUs

Philstar.com

January 30, 2025 | 1:00pm

Bureau of Fisheries and Aquatic Resources Director Elizer Salilig.

MANILA, Philippines — Various fisherfolk cooperatives and local government units that are home to big fishing communities welcomed the appointment of Elizer Salilig as director of the Bureau of Fisheries and Aquatic Resources (BFAR).

The groups are in agreement that having a career official at the helm of the agency bodes well for the fisheries sector.

President Ferdinand "Bongbong" Marcos Jr. recently named Salilig, who has been a public servant engaged in fisheries management for the last 34 years, to BFAR's top post. The latter was sworn into office by the Agriculture Secretary Francisco Tiu Laurel last January 24.

Juliet Gutierrez, president of Samaka Sablayan, an association of more than 20 cooperatives, credited Salilig for helping them organize cooperatives for women fisherfolk in the MIMAROPA (Mindoro, Marinduque, Romblon and Palawan) to achieve the group's goal of establishing "one women fisherfolk cooperative per municipality."

According to Geraldo Abello, chairperson of Dahilican Roxas Fishermen Cooperative, Salilig was instrumental for upskilling fishers in Oriental Mindoro to become entrepreneurs and engage in small businesses beyond fishing.

"[S]iya po ang nagging instrument upang imulat kaming mga mangingisda na hindi lang pala kami dapat aasa sa nahuling isda, kundi dapat kami ay maging entrepreneur at magnegosyo," Abello said.

Bongabong Mayor Elegio Malaluan and president of the League of Mayors of Oriental Mindoro, said that Salilig's stint as regional director of BFAR-MIMAROPA strengthened cooperation and collaboration between the agency and local government units particularly in the enforcement and implementation of fisheries laws, rules and regulations in a bid to keep a peaceful environment for both the commercial and municipal fishers.

For his part, Salilig said it was the responsibility of the agency to improve the lot of fisherfolk, the sector the plays a vital role in ensuring there is food on the table of every Filipino.

Speaking for the first time to his colleagues in BFAR since his appointment to the post last week, Salilig said: "The fisheries sector is an important pillar in the food supply chain and our economy."

"Responsibilidad natin sa BFAR na suportahan ang ating mga mangingisda at itaas ang kalidad ng kanilang pamumuhay sa pamamagitan ng pagbibigay ng nararapat na suporta at kalidad na serbisyo," said Salilig, whose been a public servant for the last 34 years.

According to Salilig, who started as fishery technician for the Department of Agriculture in Region XII, one of his goals is to boost the aquaculture industry and production.

"Amid the growing challenges posed by climate change, I am determined to focus on strengthening the aquaculture industry and transitioning toward sustainable fisheries practices," the new BFAR chief said upon his appointment by President Marcos. "To achieve this, we will actively collaborate with other government agencies and academic institutions to enhance research and development efforts."

"Ultimately, my goal is to lead the agency in fulfilling its mission to ensure fish sufficiency, improve the quality of life of our fisherfolk, and align with the President's vision of boosting productivity and yields, thereby uplifting their standard of living," he added.

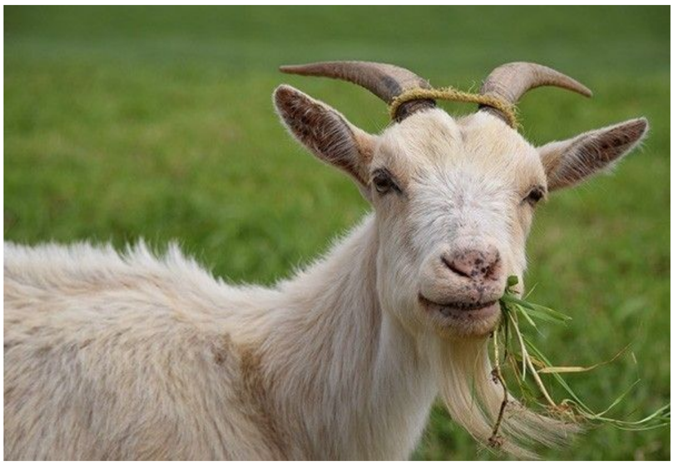
https://www.philstar.com/nation/2025/01/30/2417977/new-bfar-chief-appointment-get-nod-fisherfolk-groups-lgus

THE PHILIPPINE STAR:

Philippines importing thousands of goats, sheep

Jasper Emmanuel Arcalas - The Philippine Star

January 31, 2025 | 12:00am



Agriculture Secretary Francisco Tiu Laurel Jr. approved the importation of 1,520 breeder goats and 4,310 sheep to restock and upgrade local herds, primarily in Mindanao, according to the DA.

FitMum via Pixabay

MANILA, Philippines — The Department of Agriculture (DA) will be importing over 1,500 goats and at least 4,300 sheep to upgrade the domestic herd and improve the country's meat production.

Agriculture Secretary Francisco Tiu Laurel Jr. approved the importation of 1,520 breeder goats and 4,310 sheep to restock and upgrade local herds, primarily in Mindanao, according to the DA.

"The imported animals, which will help improve the genetic quality of local livestock, are part of efforts to strengthen the country's goat and sheep farming sectors," the DA said.

The DA said 155 Anglo Nubian bucks, 175 Boer bucks and 1,190 Boer does would be part of the goat importation program. All the imported goats would be distributed to nucleus and multiplier farms in Barili, Cebu and Makilala, North Cotabato.

For the sheep importation, about 260 Dorper rams and 4,050 Dorper ewes would be purchased by the DA and would be allocated for distribution in North Cotabato.

The bidding for the animal importation has yet to be scheduled but the DA emphasized that the funding has been already secured under the previous year's budget.

The imported small ruminants must be delivered within 90 days from the issuance of the notice of award by the DA's National Livestock Program, according to the DA.

The imported goats and sheep must be between six and 15 months old. The goats must at least 35 kilos for bucks and 30 kilos for does after quarantine, the DA said.

The imported sheep, meanwhile, must be full-blooded and must come from a registered farm with the rams weighing at least 40 kilos while the ewes must weigh at least 35 kilos.

"This importation is part of ongoing efforts to boost the Philippines' livestock industry, ensuring better quality herds and more sustainable meat production in the future," the DA said.

https://www.philstar.com/business/2025/01/31/2418016/philippines-importing-thousands-goats-sheep

THE PHILIPPINE STAR:

Pork prices to decline – hog raisers

Bella Cariaso - The Philippine Star

January 31, 2025 | 12:00am

Retail prices of pork have reached as high as P460 per kilo.

STAR / File

MANILA, Philippines — Pork prices are expected to decline in the next four weeks amid the spike in retail costs, according to pork producers.

Retail prices of pork have reached as high as P460 per kilo.

Holiday demand for pork went higher last year compared to 2023, Pork Producers Federation of the Philippines president Rolando Tambago said in a radio interview.

Lunar New Year festivities contributed to the demand, he noted.

Pork retail prices usually decline in March during Holy Week, he said.

The farmgate price of pork remains low at P220 to P225 per kilo, Tambago said.

The Department of Agriculture (DA), he said, should implement a maximum suggested retail price (SRP) on imported pork.

Tambago expressed doubt the government will penalize traders who violate the maximum SRP.

Seventy percent of the Philippine'' pork consumption came from imports, but the tariff cut did not bring down pork retail prices, farmers' group Samahang Industriya ng Agrikultura executive director Jayson Cainglet said earlier.

Summon economic managers
Meanwhile, economic managers must be summoned by Congress to explain rising rice prices despite the 20-percent tariff cut, former agriculture secretary Leonardo Montemayor said yesterday.

Remedial measures being undertaken should be explained amid Executive Order 62's failure to bring down rice retail prices, he noted.

"This is puzzling. The secretaries of finance, economic planning and trade convinced the President to cut rice tariffs… They were supremely confident that retail prices would fall by P7 per kilo by as early as August. Did they not have contingency measures if prices did not decrease, as is the case today?" Montemayor asked.

The flooding of imported rice continues following the implementation of EO 62 in June 2024.

Meanwhile, palay prices could decrease if a food security emergency is declared, Magsasaka party-list chairman Argel Joseph Cabatbat warned.

"Enabling the National Food Authority (NFA) to release too much rice or sell them at a low price will mean that many farmers will be forced to sell their palay to local traders at break-even or lower prices when harvests begin this February," Cabatbat said.

Cabatbat contradicted the National Price Coordinating Council (NPCC)'s claim that rice prices had risen extraordinarily, saying retail prices are now going down.

"The NPCC's recommendation would serve as the basis for Agriculture Secretary Francisco Tiu Laurel Jr. to declare a food security emergency in rice, thereby allowing the NFA to unload its stocks," he noted.

The NPCC has yet to transmit to the DA its resolution recommending the declaration.

Food security emergency

The delayed food security emergency declaration can be attributed to possible legal issues, according to farmers' group Federation of Free Farmers (FFF).

There should be an extraordinary increase in prices to declare an emergency as per Republic Act 12078 or the Agricultural Tariffication Act, FFF national manager Raul Montemayor said yesterday.

"Although still high, retail prices now are either stable or slowly going down. There was an extraordinary increase in the first few months of 2024, but that was almost a year ago. Why declare the emergency only now? It is clear that there is no current emergency," Montemayor told The STAR.

The National Economic and Development Authority and Department of Finance should be held accountable for pushing for tariff cuts and telling the public that rice prices would go down as a result, Montemayor said.

Rice liberalization
The rice liberalization law must be repealed and basic commodities' value-added tax and excise tax on oil should be junked to enable the poor to cope with rising food prices, according to Gabriela party-list Rep. Arlene Brosas.

RA 11203 has been a disaster for farmers and consumers, she said.

"After five years of implementation, prices continue to soar while local farmers suffer," Brosas said yesterday.

Sarah Elago, Gabriela's first nominee in this year's elections, has slammed the Marcos administration's continued reliance on importation. **– Jose Rodel Clapano**

https://www.philstar.com/headlines/2025/01/31/2418077/pork-prices-decline-hog-raisers

PHILIPPINE DAILY INQUIRER:

Virology center vital in combating ASF, other diseases – Tolentino

By: Leonel Abasola - @inquirerdotnet

Philiippine News Agency / 09:07 PM January 30, 2025

Senate Majority Leader Francis "Tol" Tolentino FILE PHOTO

MANILA, Philippines – Senate Majority Leader Francis Tolentino on Thursday said the creation of a Virology Institute of the Philippines (VIP) is needed to improve the country's response against animal-borne diseases, including African swine fever (ASF).

Tolentino made this remark as he pushed for the passage of Senate Bill (SB) 2893 which seeks to establish the VIP, citing overlapping mandates of different agencies in combating ASF.

He also filed Senate Resolution 565, which tasked the Senate Committee on Agriculture, Food and Agrarian Reform to probe the impact of ASF on domestic pork production, supply, and prices.

"The reason why we had a long battle with ASF is because of the apparent non-movement of the personnel within the Food and Drug Administration in conducting clinical trials for ASF vaccines. And when they were finally able to reach the conclusion that clinical trials were to be conducted, they [had to conduct] the same en masse," Tolentino said in a statement.

Under SB 2893, the VIP task is "to ensure seamless collaboration with RITM (Research Institute for Tropical Medicine) and other pertinent research bodies to delineate specific roles and responsibilities, ensuring that the research agenda is complementary rather than duplicative."

Tolentino expressed hope that the VIP, as envisioned in the bill, would be able to facilitate coordination not just among government bodies, but also with private laboratories.

These, he added, include laboratories within universities and private institutions, including pharmaceutical companies.

The VIP, under the proposed measure, shall be an attached agency of the Department of Science and Technology that “shall serve as the lead convenor for research and development in the field of virology, encompassing all kinds of viruses and other pathogens in plants, animals and humans.”

The VIP, as lead convenor for research and development, shall implement policies, plans, programs, and projects for the development of virology in the country and the promotion of scientific and technological activities for both the public and private sectors,” the bill read.

“It shall ensure that the results of these activities are properly applied towards vaccine self-reliance and utilized to accelerate economic and social development towards the protection of the citizens and the country’s resources,” it added.

https://newsinfo.inquirer.net/2029974/virology-center-vital-in-combating-asf-other-diseases-tolentino

PHILIPPINE DAILY INQUIRER:

Farmers: Economic managers must explain why rice prices remain high

By: Jown Manalo - Reporter / @jownmanaloINQ

INQUIRER.net / 10:59 PM January 30, 2025

NEW RICE POLICY. Rice vendor Eddie Pascual waits for customers at Marikina Public Market as the Department of Agriculture says it will announce "very soon" the maximum suggested retail price for imported rice to help lower prices. —GRIG C. MONTEGRANDE

MANILA, Philippines — Farmer groups have urged Congress to summon the country's economic managers to explain why rice prices remain high despite government efforts to bring them down.

In a statement on Thursday, the Federation of Free Farmers (FFF) and Magsasaka party-list (MPL) questioned why Agriculture Secretary Francisco Tiu Laurel Jr. has been the only official consistently attending the hearings of the Quinta committee on the issue, while other key officials remain absent.

"This is puzzling. The secretaries of finance, economic planning, and trade convinced the President to cut rice tariffs by 20 percent through Executive Order No. 62 last June 20, 2024," FFF Chairman Leonardo Montemayor said in the statement.

“They were supremely confident that retail prices would fall by P7 per kilo by as early as August. Did they not have contingency measures if prices did not decrease, as is the case today?” he asked.

According to the farmer groups, the Department of Agriculture is considering declaring a food security emergency in rice, which would allow the National Food Authority (NFA) to release more stocks into the market.

However, MPL Chairman Argel Joseph Cabatbat warned that flooding the market with cheaper government rice could hurt local farmers, especially as the harvest season begins in February.

“If the NFA releases too much rice or sells it at a low price, farmers will be forced to sell their palay to traders at break-even or even lower prices,” Cabatbat said.

The groups also challenged the National Price Coordinating Council on its January 14 recommendation that retail prices had increased to a level requiring emergency intervention.

They pointed out that rice prices have started to drop, questioning the timing and justification for declaring an emergency.

https://newsinfo.inquirer.net/2030006/farmers-economic-managers-must-explain-why-rice-prices-remain-high

PHILIPPINE DAILY INQUIRER:

Regulator holds off import permits, fees for sugar stand-ins

By: Jordeene B. Lagare - @inquirerdotnet

Philippine Daily Inquirer / 02:14 AM January 31, 2025

The Sugar Regulatory Administration (SRA) has suspended the implementation of its order that requires firms to secure permits and pay fees for importing sugar alternatives, responding to concerns from industry stakeholders about potential trade disruptions and higher consumer prices.

In a statement on Thursday, SRA Administrator Pablo Luis Azcona announced that SRA is postponing the enforcement of Sugar Order (SO) No. 6, which outlines the guidelines on importing certain "sugars" and sugar confectionery.

"We have received letters and are actively reaching out to set up meetings with the concerned groups," Azcona said, adding the Department of Agriculture (DA) will facilitate the dialogues to address their specific fears and concerns.

According to the SRA, two key issues were identified during the consultation process — processing delays and the associated costs of complying with the order.

Azcona said the SRA processes over a thousand sugar-related import clearances every year, with typical processing times averaging just two to three working days.

"We have been issuing import clearances for fructose under the same 1702 code since 2017, and there have been no reports of delays or disruptions to business operations," Azcona said.

The SRA is set to launch an online portal to further streamline the processing of import applications.

Azcona said the processing fee for sugar imports under SO 6 is "minimal" as it amounted to a mere P0.06 per kilogram, representing about 0.8 percent of the total cost of importing other types of sugar.

He also said the directive's objective is to obtain accurate data for improved supply and demand planning, benefiting both local farmers and consumers.

"SRA and the DA are very careful that policies made do not affect the consumers as well," he said.

"Again, their fears are unfounded as these are all speculative at the moment, since the order has not been implemented yet, and we welcome the opportunity to sit with them and find solutions to their concerns," he added.

The SRA issued SO 6 following the "grave concern" raised by sugar industry stakeholders over the alleged unregulated importation of certain "sugars" and "sweeteners" into the country. Since its issuance, various industry groups have sent separate letters to the DA and SRA to express their apprehensions regarding this directive.

Before the SRA made this announcement, the Federation of Philippine Industries (FPI) wrote a letter to President Marcos and Azcona asking them to reconsider the imposition of SO 6.

FPI chair Jesus Arranza said the SRA order is "another form of red tape" that could hurt several local industries and their hundreds of thousands of workers nationwide.

Arranza said the SRA order will merely result in bureaucratic inefficiencies; increase the cost of doing business, particularly on the part of Philippine Confectionery Biscuit Snack Food Association members and raise selling prices of beverage and confectionery products.

FPI also said that the order's intention is "to regulate the importation and shipment" of other types of sugar and confectioners sugar, "which are clearly non-sugar materials not envisioned for regulation under SRA's charter."

Further, Arranza said this could trigger a ripple of ill effects, such as port congestion leading to additional demurrage fees since local confectionery and beverage manufacturers might encounter production delays and pay additional costs.

https://business.inquirer.net/504001/regulator-holds-off-import-permits-fees-for-sugar-stand-ins

BUSINESS WORLD:

New clearance fees for other sweeteners delayed

January 30, 2025 | 9:33 pm

PHILIPPINE STAR/MIGUEL DE GUZMAN

THE Sugar Regulatory Administration (SRA) has deferred a new set of fees it had planned to collect starting this weekend for clearances to import a number of non-sugar sweeteners.

Sugar Order (SO) No. 6 had originally been set to take effect on Feb. 1 but encountered resistance from food and beverage manufacturers who objected to the additional cost.

The order imposes a P60 per metric ton clearance fee on sucrose, lactose, glucose, maltose, maple syrup, honey and caramel, and flavored syrups, among others.

The Philippine Confectionery Biscuit Snack Food Association and the Beverage Industry Association of the Philippines had written to the SRA, citing concerns over the fees.

The decision to defer had been arrived at during a Jan. 23 board meeting, pending consultations with industry, the SRA said.

In a statement on Thursday, the Federation of Philippine Industries (FPI) warned of the sugar order's possible impact on prices.

FPI President Jesus L. Arranza said SO 6 could also increase the “cost of doing business and adversely affect consumers.”

“The SRA order has the potential to trigger ripple effects, like congestion at the ports, leading to additional demurrage fees that would hurt the makers of confectioneries and beverages in terms of production delays and additional costs,” he added.

The SRA has said that the order is intended to help document and better monitor the entry of imported non-sugar sweeteners, and not to restrict their entry, while domestic sugar producers have long agitated for limits on imports of non-sugar sweeteners.

“There is no need to add another bureaucratic layer if the goal is only to gather data because import records are already available from the Bureau of Customs,” Mr. Arranza said.

SRA Administrator Pablo Luis S. Azcona said by telephone: “The Department of Agriculture (DA) took it upon itself to sit down with the people who wrote us letters and to see if their concerns are valid or speculative.”

Mr. Azcona said that the order will not cause delays in the processing of import clearances.

“We have been issuing import clearances for fructose under Tariff Code 1702 since 2017, and there have been no reports of delays or disruptions to business operations,” he added.

He called the clearance fees “minimal” and estimated them to account for about 0.08% of manufacturers’ costs.

He added that the SRA is also set to implement an online portal for import clearance applications.

“We welcome the opportunity to sit with them and find solutions to their concerns,” Mr. Azcona added. — **Adrian H. Halili**

https://www.bworldonline.com/economy/2025/01/30/650190/new-clearance-fees-for-other-sweeteners-delayed/

BUSINESS WORLD:

Inflation likely within target until ’26

January 30, 2025 | 12:35 am

Fruits are displayed at a market in Quezon City, Dec. 29, 2024. — PHILIPPINE STAR/MIGUEL DE GUZMAN

PRIVATE SECTOR economists expect inflation to remain within the central bank’s 2-4% target from this year to 2026, the Bangko Sentral ng Pilipinas (BSP) said.

The BSP’s latest survey of external forecasters in its Monetary Policy Report showed that analysts’ mean inflation forecast for this year stood at 3.1%, lower than the central bank’s 3.3% baseline projection.

The survey showed an 82.6% likelihood that inflation will settle within target this year and an 83.5% probability for 2026.

“Inflation expectations continue to be well-anchored. Risks are broadly balanced, with headline inflation expected to stay low and manageable over the medium term.”

For 2026, economists expect inflation to average 3.2%, also below the BSP’s 3.5% forecast.

Headline inflation averaged 3.2% in 2024, well within the target band. January inflation data will be released on Feb. 5.

The survey showed the within-target inflation outlook is mainly driven by easing rice and oil prices.

"Downside risks to the inflation outlook are seen to emanate largely from lower rice prices, amid the implementation of Executive Order (EO) No. 62 and lower oil prices," the BSP said,

President Ferdinand R. Marcos, Jr. last June signed EO 62, which slashed rice import tariffs to 15% from 35% until 2028, citing the need to curb rice prices.

Rice inflation has slowed to 0.8% in December from 5.1% in November and 19.6% a year prior. Rice is typically the biggest contributor to overall inflation.

Global crude oil prices are seen to ease further, the BSP said.

"Futures prices have declined due to market expectations of higher US oil production and expectations of weaker global demand as well as the likelihood of global oversupply."

"This in turn led to a delay in the anticipated increase in oil production by the Organization of the Petroleum Exporting Countries and other partner countries (OPEC+)."

However, the central bank warned that inflation could breach the 2-4% band if Dubai crude oil prices average above $90 per barrel from this year to 2026.

The Development Budget Coordination Committee expects Dubai crude oil to range from $60 to $80 per barrel from 2025 to 2026.

"These oil price scenarios consider only direct effects and do not incorporate potential second-round effects on transport fares, food prices, and wage increases."

The surveyed analysts also flagged upside risks to the inflation outlook such as supply disruptions due to geopolitical tensions and adverse weather conditions.

"The potential spike in electricity rates, higher-than-expected wage adjustments, and protectionist US trade policies were also identified as upside risks," it added.

The BSP also noted the possibility of rising electricity rates in the coming months.

"In July 2023, the Supreme Court nullified the previous cap on Wholesale Electricity Spot Market (WESM) prices for November 2013 and December 2013. Electricity rates could rise due to the potential increase in generation charges being passed on to consumers."

The central bank earlier warned that the balance of risks to the inflation outlook remain tilted to the upside for this year and the next.

The BSP expects inflation to settle at the midpoint of the 2-4% target until the first half of 2025, before accelerating to the upper end of the target from the second half of 2025 to the first half of 2026.

Inflation will ease closer to the midpoint of the target by the second half of 2026, driven by declining global commodity prices, it added.

FURTHER EASING

Meanwhile, analysts surveyed by the BSP also expect further monetary policy easing for this year.

"For 2025, the general view is that the BSP will ease its monetary policy stance by a range of 50-100 basis points (bps). Meanwhile, analysts have mixed views on the target reverse repurchase (RRP) rate for 2026," the BSP said.

Last year, the Monetary Board cut rates by a total of 75 bps, bringing the key rate to 5.75% by end-2024.

"On balance, there is scope for measured monetary policy easing given the within target inflation, manageable underlying price pressures and well-anchored inflation expectations. However, upside risks to inflation warrant close monitoring," the BSP said.

"A further cut in the policy rate will help reinforce the impact of the prior monetary easing on market interest rates, lending activity, and aggregate demand."

BSP Governor Eli M. Remolona, Jr. has said there is room to ease further as the current policy rate is still in "restrictive territory." However, the central bank is likely to deliver further rate reductions in "baby steps."

'BELOW POTENTIAL'

Meanwhile, the BSP expects the Philippine economy to "grow below potential" over the near term due to subdued demand. The government is targeting 6-8% for 2025 to 2026.

"The outlook for domestic growth indicates a more subdued pace of economic activity up to 2026," it said.

The BSP expected economic growth in 2024 to settle slightly below the government's 6-6.5% target, after a weaker-than-expected third-quarter gross domestic product (GDP) print.

Fourth-quarter and full-year GDP data will be released today (Jan. 30).

"However, GDP growth is seen to modestly improve and settle close to the low end of the targets for 2025 and 2026," the BSP said.

"The decline in global oil prices, the easing of BSP's monetary policy, and the reduction in the reserve requirement ratio are seen to support domestic economic activity."

Domestic demand is also seen to "remain firm but subdued." — **Luisa Maria Jacinta C. Jocson**

https://www.bworldonline.com/top-stories/2025/01/30/649867/inflation-likely-within-target-until-26/

REMATE:

Pinas aangkat ng breeder goats, sheep – DA

January 30, 2025 08:40

MANILA, Philippines – Inaprubahan ng Department of Agriculture (DA) ang pag-aangkat ng breeder goats at sheep upang mapabuti ang kalidad ng livestock at palakasin ang produksyon ng karne, partikular sa Mindanao.

Ayon kay Agriculture Secretary Francisco Tiu-Laurel Jr., layunin ng programa na pagandahin ang genetic quality ng mga hayop at suportahan ang sektor ng pagsasaka.

Kasama sa importasyon ang 155 Anglo Nubian bucks, 175 Boer bucks, at 1,190 Boer does na ipapamahagi sa mga farm sa Cebu at North Cotabato. Karagdagang 260 Dorper rams at 4,050 Dorper ewes naman ang mapupunta sa North Cotabato.

Ang proyekto ay may pondong nakalaan sa 2024 budget, at pangangasiwaan ng National Livestock Program. Ang mga imported na hayop ay dapat pumasa sa itinakdang timbang at edad, at may presyong mula USD500 hanggang USD5,000.

Ang Anglo-Nubians ay kilala sa kanilang gatas at karne, habang ang Boer goats at Dorper sheep ay may mataas na kalidad ng karne.

Matapos ang pormal na bidding process, inaasahang darating ang mga hayop sa loob ng 90 araw mula sa pag-isyu ng notice of award. ***(Santi Celario)***

https://remate.ph/pinas-aangkat-ng-breeder-goats-sheep-da/

THE MANILA TIMES:

Business group opposes SRA order

By Giselle P. Jordan
January 31, 2025

THE Federation of Philippine Industries (FPI) warned of an impending increase in the prices of soft drinks, other beverages, candies, and other confectioneries following a new order from the Sugar Regulatory Administration (SRA) mandating the regulation of the importation of three kinds of sugars.

SRA's Sugar Order 06, Series of 2023-2024, covers the importation in whatever form or content of 1) "sugars" including sucrose, specialty sugar, and flavored syrups, among others; 2) "other sugars" including, but not limited to, fructose, lactose, glucose, dextrose, maltose, maltodextrin, maple sugar and syrup, sugar syrup, palm sugar, coconut sap sugar, honey, caramel; and 3) "sugar confectionery."

The order, which was to take effect on Feb. 1, has been put on hold pending further discussions with stakeholders.

FPI issued a statement in behalf of its members, the Philippine Confectionery Biscuit Snack Food Association (PCBSA) and Beverage Industry Association of the Philippines (BIAP).

The BIAP, through FPI chairman Jesus Lim Arranza, said it was not consulted about the order.

The SRA explained its order was decided after a consultative meeting, in which stakeholders made an appeal to regulate the importation of sugar alternatives which have been "displacing" locally produced sugar.

The FPI countered that "other sugars" are unlikely to replace local sugar since other sugars have different uses and are sometimes used to complement each other.

For example, in confectioneries, FPI pointed out, glucose complements the use of sugar by serving as a hardener to improve the stability and shelf life of the products.

'Another bureaucratic layer'

SRA Administrator and CEO Pablo Luis Azcona said that, at the moment, the order will not be used to regulate importation but to gather data to determine the volume of imports.

Arranza commented that, if the intention is to gather data, there is no need to add "another bureaucratic layer," since importation records are available at the Bureau of Customs (BOC).

"It is quite easy for the BOC to obtain the same, given the fact that it has a database on such importations, as it is closely monitoring all the importations, including that of 'other sugars' and 'confectionery sugar.' This can easily be filtered out and collated, especially because of computerization progress at the BOC," Arranza said.

"We note that both the SRA and BOC are agencies belonging to the Executive Department, and surely, the appropriate arrangement on data gathering and/or exchange of data can be worked out and agreed upon by both agencies. Moreover, only minimal costs shall be incurred by SRA relative to the proposed data gathering, as the data will be directly provided by BOC to the SRA," Arranza added, noting that the FPI is willing to submit its importation data to the SRA regularly on a quarterly basis.

The FPI cautioned that changes resulting from the SRA order can cause congestion at the ports, which could cause delays and additional demurrage fees for local confectionery and beverage manufacturers. Arranza said these costs might be passed on to consumers.

Arranza further accused the SRA of enacting something beyond its authority, since the regulation of "other sugars" and confectionery sugar are outside its mandate.

He said the PCBSA and BIAP have submitted their position papers regarding SRA's order, but they have yet to receive a response.

The FPI has also sent a letter to President Ferdinand Marcos Jr., pointing out that SO 06 can be considered a form of red tape that could potentially harm local industries and workers.

Said the letter: "It is FPI's submission that implementing the Order will: 1) merely result in bureaucratic inefficiencies; 2) increase the cost of doing business, especially on the part of PCBSA members; 3) increase the selling prices of beverage and confectionery products; and 4) ultimately adversely affect the Filipino consumer."

The FPI said it sent a similar letter of appeal to Azcona, asking SRA for time to plan how to respond to the changes outlined in the order.

Azcona responded, saying he has received FPI's letter which was discussed at the SRA board meeting last week.

He added that FPI's concerns have been relayed to the Department of Agriculture.

https://www.manilatimes.net/2025/01/31/business/top-business/business-group-opposes-sra-order/2047397

THE MANILA TIMES:

Philippine agriculture in crisis (3)

FINER POINTS
By Fermin D. Adriano
January 31, 2025

THE second installment of this series briefly discussed China's dramatic agricultural transformation. Professor Jikun Huang of the China Center for Agricultural Policy at Peking University revealed the formula: institutions, policies and investments (IPI).

The strengthening of China's institutions involved in agricultural and rural development was realized with the appointment of highly qualified and competent officials and in investing heavily in capacity building of Chinese tillers. This also required significant investments in research, development and extension or training for small farmers.

With strong agricultural institutions, the correct policy direction and strategy were formulated and eventually found their articulation in China's medium- and long-term development plan for the sector. There were tweaks made during implementation, but these were done to further boost program and project implementation and not radically alter the plan due to a change in the political administration.

Investment decisions by the government accordingly followed. There was a shift of government resources toward financing goods of public nature (such as irrigation, postharvest facilities, rural roads, and research and development) instead of devoting these to providing production input support (seeds, fertilizer, fuel, etc.) that benefit farmers individually and only last during the cropping season.

A more recent experience of an impressive agricultural transformation is currently being experienced by neighboring Vietnam. The succeeding discussion draws insights from a presentation of Dr. Tran Cong Thang, former director general of Vietnam's Institute of Policy and Strategy for Agricultural and Rural Development, and a series of write-ups by the late Dr. Rolando Dy, former head of the University of Asia and the Pacific's Center for Food and Agribusiness.

After half a century of wars fought against a series of colonizers, Vietnam was practically a devastated country when the US military hurriedly left in 1975. Its agriculture was in shambles. In fact, it was importing numerous agricultural commodities, including rice, throughout the 1980s.

Now, Vietnam is the second-largest rice exporter in the world, after India. It is also the second-largest coffee exporter after Brazil, the third-largest producer of natural rubber after Thailand and Indonesia, is ranked second to India in the export of cashew nuts, and is one of the biggest producers and exporters of catfish (called Dory fish) in the world. How did Vietnam manage such an impressive agricultural transformation feat?

It basically followed the Chinese IPI formula. Professor Dy, citing the work of the late Dr. Eliseo Ponce, an agricultural research and extension expert, noted that the Vietnamese agricultural bureaucracy was strong due to the appointment of highly competent individuals to key positions. Though far from being perfect, it was able to provide proper directions to local officials, hold them accountable for the attainment of certain productivity targets, and penalize those unable to comply. Massive resources were extended to support research and extension activities as a way of strengthening farmers cooperatives and associations' capability.

The uncompromising goal is to raise overall farm productivity, unlike in the Philippines, where the Department of Agriculture (DA) is being transformed into a social welfare agency.

Professor Dy observed: "There is policy consistency at all levels of implementation, bearing in mind that agriculture extension in the country is very much decentralized under the provincial government. The national government provides policy directions; the local government implements. The agriculture research system under the Ministry of Agriculture and Rural Development is well-organized with highly trained staff and modern laboratories. The regulatory system of the country is well structured; it consists of a group of agencies under the ministry avoiding conflict of interests."

Professor Thang pointed out that the impetus to agricultural transformation was triggered by the "Agricultural Restructuring Program" launched by the Vietnamese government in the early 2010s. There were three components to the restructuring program, starting with the pursuit of market-oriented reform (agricultural liberalization as Vietnam joined the World Trade Organization then) wherein the country focused on the production of agricultural commodities where it had a comparative advantage to ensure higher productivity and competitiveness.

Also, Vietnam adopted a value-chain development approach by linking production areas with supporting industries and services in order to lower the final cost of the product.

Second was the restructuring of production areas. This involved the clustering and consolidation of millions of small farms into large-scale production units in order to achieve economies of scale and facilitate the provision of support services along the entire value chain. Budgetary support from the government was boosted by encouraging private sector investment in agriculture, which included institutional reforms to make the sector attractive to investors.

Third was the infusion of significant resources to science and technology development. This required a significant increase in government support to agricultural universities and other research institutions engaged in varietal improvements, better processing and packaging of products, and technical innovations in the farm. Vietnam also adopted the idea of dividing its farmlands into key production areas for certain commodities wherein the region has a comparative advantage.

The DA, through the late secretary Roberto Sebastian, introduced the concept during the Ramos administration, but it never gained traction because of the practice of our legislators to butcher the department's funds and distribute these to their respective congressional districts. The result was the absence of a critical mass of facilities that could significantly increase productivity in certain farming communities, as roads were not connected, irrigation facilities not properly maintained, and research results could not be applied in large-scale areas, etc.

The Vietnamese government divided its country into the following production areas: Red River Delta; Northern Mountainous area; North Central and Central coastal area; Central Highland; South East; and the Mekong River Delta. The Mekong River and Red River deltas obviously served as Vietnam's rice granaries combined with aquaculture production. The rest were devoted to the production of other agricultural products such as coffee, cashew, pepper, rubber, fruits and vegetables.

The Philippines, in contrast, wants to grow rice all over, despite many areas being considered marginal lands for rice production. The reason is that politicians know that they can easily get budgetary support for the development of rice lands because more than half of the DA's budget goes to supporting this crop. As a result, commodities where the province or region had a comparative advantage were never fully developed, which otherwise could have generated higher incomes for farmers.

Agriculture is a science and only the application of scientific knowledge to its development can lead to impressive results, as we have witnessed in the Chinese and Vietnamese cases. Unfortunately, our politicians think otherwise. For them, everything is politics. No wonder Philippine agriculture wallows in underdevelopment and slowly continues its inevitable march to the economic abyss.

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https://www.manilatimes.net/2025/01/31/business/top-business/philippine-agriculture-in-crisis-3/2047378