

Drought threatens northern Italy's crops

ROME — Northern Italian regions risk losing up to half their agricultural output due to a drought, a farm lobby said on Friday, as lakes and rivers across much of Italy start to run dangerously low, jeopardizing irrigation.

The federation of Italian utility companies, Utilitalia, warned this week

that the country's longest river, the Po, was experiencing its worst drought in 70 years, leaving many sections of the vast, northern waterway completely dried up.

Other rivers stretching into central Italy were also far lower than normal at this time of year, sector authority ANBI said, adding that the current crisis was

highlighting "the consequences of climate change on the peninsula."

Agricultural lobby CIA urged immediate action, calling for emergency irrigation to save crops such as tomatoes and watermelons and the creation of new infrastructure, including basins for rainwater storage.

"The total damage (is) already set to exceed one billion euros," CIA said in a statement, adding that water shortages could also hit the production of corn and soya, whose supply is already under threat due to the war in Ukraine.

The governors of the northern Piedmont and Lombardy regions — where

part of the agricultural output depends on the Po river — said they would ask the national government to declare a drought state of emergency.

In some areas of Turin, Piedmont's capital, blackouts were reported overnight due to the hot weather stressing underground cables, local media reported. — Reuters

Corn price hike forces Mexicans to reduce purchases of tortillas

MEXICO CITY — Business at Marco Antonio Jimenez's taco stall in Mexico City was just starting to recover from repeated COVID-19 lockdowns when global corn prices skyrocketed, sinking his sales once again.

The surge in the cost of corn — which is used to make Mexico's staple tortilla — forced Mr. Jimenez to raise the price of his tacos by two pesos (10 US cents), but he said many of his mainly low-income customers could no longer afford the 20-peso snack.

"When the price of tortillas increases, I have to increase the price of tacos," Mr. Jimenez, 26, told the Thomson Reuters Foundation. "Many people prefer not to buy anything anymore," he said.

The conflict in Ukraine has hit global grains and fertilizer supplies, contributing to a jump of almost 20% in global corn prices between February and March and taking them to a nine-year high in April, according to World Bank data.

Ukraine is the world's No. 4 corn supplier, while seven Latin American countries were among the 20 biggest importers of the grain during 2021.

That fuels the threat of food poverty in a region where 267 million people have had to reduce the amount they eat since the start of the coronavirus pandemic, with many sometimes going hungry, said Carolina Trivelli, senior adviser for strategic analysis at the Food and Agriculture Organization (FAO).

Latin America had the biggest increase in food poverty globally between 2014 and 2020 due to the reduction of economic growth rates, extreme inequality and serious climate events that predated the pandemic, according to recent FAO statistics.

In Mexico, longer and more frequent droughts have forced farmers in some corn-growing areas to switch to less thirsty crops in recent years.

Such factors mean the region is especially vulnerable to the impact of higher grains and fertilizer costs linked to the war in Ukraine, Ms. Trivelli said. Rising fertilizer prices can lead farmers to cut their usage, causing production to fall.

"We are seeing the perfect storm," Ms. Trivelli said. Jovani Santiago, 34, who works at a tortilla shop on the northern fringe of Mexico City, said he sees first-hand how the everyday essential is becoming a luxury for some customers.

"I've seen the kilo of tortilla go up (from 18 pesos) to 22 pesos in the last month," said Mr. Santiago. "Now people have to buy less than they used to."

As the pandemic wreaked havoc on the region's already weak economies, the prevalence of food insecurity rose to 40.9% from 31.9% between 2019 and 2020 in Latin America and the Caribbean, according to the latest FAO data.

Accelerated inflation is expected to push 7.8 million people more into food insecurity this year, according to new estimates released by the Economic Commission for Latin America and the Caribbean (ECLAC).

Food and drink inflation in six countries — Colombia, Paraguay, Mexico, Chile, Brazil and Uruguay — hit double digits in March, with women and people with informal jobs set to be hit hardest, ECLAC said.

"Food security must be a priority. For that, international food and fertilizer commerce must not be restricted, as that would accelerate inflation and damage the poorest," Mario Cimoli, acting executive secretary of the UN agency, told a recent news conference.

Central American countries such as Guatemala and Honduras, which rely on corn-based foods like tamales

and pupusas, are particularly at risk from rising grains prices after the 2020 hurricanes Eta and Iota wrecked crops and exacerbated hunger.

Caribbean countries, which are heavily dependent on imported grains and fuel, are also threatened by food insecurity due to an increase in debt burdens during the pandemic, said Ms. Trivelli.

Alarmed about the impact on consumers, governments are taking emergency measures to rein in inflation. Mexico has suspended import duties for a year on a range of essential goods including corn, while Argentina — where inflation could top 70% this year — proposed a bill this month to tax companies that earn "extraordinary income" as a result of fallout from the war in Ukraine — mainly commodities firms.

During the Summit of the Americas in early June, the Biden administration pledged \$331 million in funding for food security in El Salvador, Guatemala, Honduras, Haiti and Colombia.

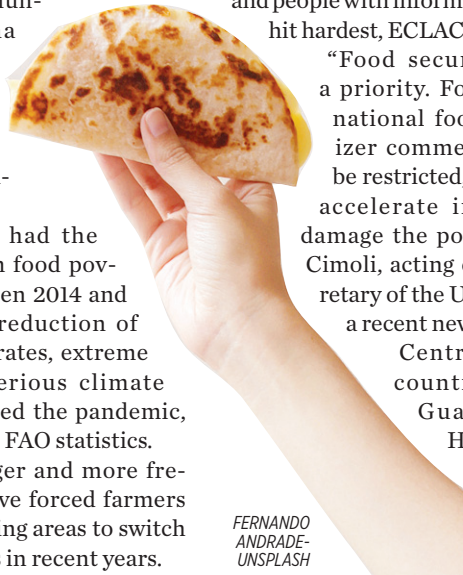
However, analysts say the food crisis looks set to last until well into 2023, calling for public policies such as direct welfare payments or school lunch programs to help the poorest.

"We need a package of temporary and focalized social policies for the most vulnerable populations and measures to support food production," said Ms. Trivelli.

The jump in food prices — which is also linked to climate worries and lingering pandemic fallout — also fanned the risk of social unrest in countries including Brazil and Argentina, according to a recent report by international risk consultants Verisk Maplecroft.

Idly waiting on his taco stand for the first customers of the day, Mr. Jimenez said he was worried about his rapidly dwindling income, which has dropped from 10,000 pesos to 7,000 in a matter of weeks.

"We're being attacked on all fronts. Meat, eggs, even electricity has gone up," he said. "Since the pandemic we haven't had a chance to recover." — Thomson Reuters Foundation



FERNANDO ANDRADE-UNSPASH

Hike, from SI/1

"We think the BSP will be wary of stifling the recovery and will continue to tread carefully between maintaining growth momentum and containing inflationary pressures," Mr. Tsuchiya said.

The Philippine economy already surpassed pre-pandemic levels in the first quarter, with GDP expanding by 8.3%.

Economic managers are targeting a 7-8% GDP growth this year.

China Banking Corp. Chief Economist Domini S. Velasquez said a more measured monetary tightening cycle is ideal for the Philippines.

"We think that continued moderate hikes by the BSP will allow the economy to absorb interest rate increases at a more measured pace. In this time of uncertainty, it also provides time for the BSP to assess the impact of monetary tightening on our growth recovery," she said.

In a June 14 roundtable with *BusinessWorld* editors, incoming BSP governor and current Monetary Board member Felipe M. Medalla signaled the pace of subsequent tightening will be gradual, ruling out rate hikes of more than 25 bps.

However, Mr. Medalla's statement was made a day before the US Federal Reserve approved a 75-bp interest rate hike, its biggest since 1994.

The aggressive monetary tightening by the US Federal Reserve may spur capital outflows and put more downward pressure on the peso, some analysts said. This may prompt the Monetary Board to consider a 50-bp rate hike, they said.

Philippine National Bank economist Alvin Joseph A. Arogo said he now expects a 50-bp increase by the BSP after the Fed's latest rate hike and the peso breaching the P53-\$1 level.

The peso closed at P53.75 per dollar on Friday, weaker by 28 centavos from its P53.47 finish on Thursday, based on Bankers Association of the Philippines data.

It also shed 75 centavos from its P53 close a week earlier. This was the peso's weakest close in over three and a half years or since its P53.80 finish against the greenback on Oct. 25, 2018.

"A 50-bp bump in June will let the BSP balance growth recovery and manage inflation, while getting ahead of the Fed's pace. This should also help temper the peso's weakness with the current account deficit projected at \$19.1 billion this year," Security Bank Corp. Chief Economist Robert Dan J. Rocas said in an e-mail.

Some analysts expect the BSP's policy normalization to be gradual as inflation is expected to return to the 2-4% target range by 2023.

The Monetary Board kicked off its tightening cycle on May 19 by raising the yield on the BSP's overnight reverse purchase

facility by 25 bps to 2.25%. Interest rates on the overnight deposit and lending facilities were also hiked to 1.75% and 2.75%, respectively.

This was the first increase in borrowing costs since 2018 and followed cuts worth 200 bps in 2020 as the BSP moved to support the economy amid the coronavirus pandemic.

"As things stand, we expect only two more interest rate hikes next year, taking the rate to 3%, implying that a full reversal of the COVID-era cuts is unlikely to take place until after 2023," Pantheon Chief Emerging Asia Economist Miguel Chanco said.

Moody's Analytics analyst Sonia Zhu said the central bank may increase rates three more times, with the policy rate seen at 3% and above by end-2022.

Oxford Economics' Mr. Tsuchiya said the BSP is likely to hike the policy rate by 100 bps this year.

"We expect the BSP to gradually continue tightening beyond this year, and unwind all the 200 bps cuts implemented at the onset of the pandemic by early 2024," he said.

However, for ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa, the BSP should "not simply be in 'normalization mode' but it should assume a tightening stance" to curb red-hot inflation.

"We have the BSP back at 4% by early next year," he added.

After Thursday, there are four more Monetary Board meetings scheduled this year — Aug. 18, Sept. 22, Nov. 11, and Dec. 15.



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JOB VACANCY

Job Title: Deputy Project Manager

Minimum Job Qualifications/Description:

- Minimum 15 years work experiences as Project Manager in Water & Wastewater Treatment Plants/Sewage Treatment Plants/Common Effluent Treatment Plants/Reverse Osmosis/Demineralization Plants
- Minimum a Bachelor Degree in Science/Engineering but preferably a Master Degree
- Lead and direct technical and administrative project team
- Manage changes to scope, cost and schedule of project work
- Coordinate priorities and resources between multiple projects
- Coordinate cross-functional meetings of personnel related to project
- Allocate appropriate resources to ensure projects are completed within given time and budget
- Utilize corporate ISO processes to track project schedule and cost
- Participate in project performance review meetings and discussions
- Proficiency in Indian languages (preferably Hindi) is a must, both verbal and written for effective communication and coordination with the Global Headquarters in India

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JOB VACANCY

Job Title: Finance Manager

Minimum Job Qualifications/Description:

- Minimum 15 years work experiences as Finance Manager in Water & Wastewater Treatment Plants/Sewage Treatment Plants/Common Effluent Treatment Plants/Reverse Osmosis/Demineralization Plants
- Bachelor Degree in Finance or a related field, such as Economics, Accounting or Business Administration but preferably a Master Degree
- Oversee the operations and development of the company's finance departments including creating and reviewing policies, budgeting, recruiting, training and conducting regular assessments of financial procedures
- Supervise the preparation of quarterly and annual account reconciliations, monitor and enforce compliance with tax and financial reporting standards and assist with cash flow forecasting
- Create strategic business plans based on the analysis of the company's status and financial forecasts
- Proficiency in Indian languages (preferably Hindi) is a must, both verbal and written for effective communication and coordination with the Global Headquarters in India

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JOB VACANCY

Position: Project Manager
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Contact No.: 0955-724-1290
Email Address: hr@dscpi.com

Qualifications:

- Bachelor's/College Degree in any field
- Knowledge in MS Office and other applications required in creating and submitting reports as well as project management tools
- Ability to lead project teams of various sizes and see them through to completion

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Qualifications:

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Job Title: Senior Project Manager

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- Minimum 12 years work experiences as Project Engineer in Water & Wastewater Treatment Plants/Sewage Treatment Plants/Common Effluent Treatment Plants/Reverse Osmosis/Demineralization Plants
- Minimum a Bachelor Degree in Science/Engineering but preferably a Master Degree
- Experience of leading and developing (multi-skilled) people
- Strong PC skills and experience of packages such as SAP (Standard Analyses: Purchasing Information System)
- Knowledge of lean manufacturing techniques and recognized QC tools, Knowledge of Health & Safety legislation including ISO14001
- Plan project requirements and resources, including the sourcing of subcontract elements and anticipate any potential project risks, etc.
- Define the customer specification into either a departmental action or subcontractor order
- Proficiency in Indian languages (preferably Hindi) is a must, both verbal and written for effective communication and coordination with the Global Headquarters in India

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JOB VACANCY

Job Title: Project Manager

Minimum Job Qualifications/Description:

- Minimum 15 years work experiences as Project Manager in Water & Wastewater Treatment Plants/Sewage Treatment Plants/Common Effluent Treatment Plants/Reverse Osmosis/Demineralization Plants
- Minimum a Bachelor Degree in Science/Engineering but preferably a Master Degree
- Project Management Professional (PMP) certification is a plus
- Ability to lead project teams of various sizes and see them through to completion
- Strong understanding of formal project management methodologies.
- Understanding of ERP implementation
- Experience overseeing a construction project & Budget experience
- Prepare budget based on scope of work and resource requirements
- Manage contracts with vendors and suppliers by assigning tasks and communicating expected deliverables
- Proficiency in Indian languages (preferably Hindi) is a must, both verbal and written for effective communication and coordination with the Global Headquarters in India

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Collaboration: A key in creating sustainable agri-enterprises

Limited market information and market access are two major obstacles to increased smallholder farmers' income. According to studies, farmers in grassroot communities often lack access to profitable, value-added markets. In the absence of critical supporting functions, such as infrastructure and service provision — farmers struggle to transform their traditional subsistence farms into a feasible commercially oriented production. Buyers, on the other hand, such as wholesalers, find it difficult to get the quantity and quality of produce that they need for processing on a timely basis.

Because of this challenge, SM Foundation, Inc. (SMFI) collaborated with various government agencies, and engaged various SM business units such as the SM Development Corp. (SMDC), SM Supermalls and SM Markets to ensure that local farmers under the Kabalikat Sa Kabuhayan (KSK) program have venues where they can sell their produce amid the COVID-19 pandemic.

From training KSK participants in practicing sustainable farming technologies via technology transfer and product development, SMFI, together with various SM business units, used the power of collaboration to create farm-market linkage — which intends to create a powerful driver of rural poverty reduction.

Team social good

The Good Guys Market is a weekend market set up in SMDC properties to connect small-scale farmers directly with consumers — condo residents. This initiative links around 26,000 small-scale farmers directly with consumers.

Together with SM Supermalls, SMFI launched the Green Lane initiative. Led by the wives of the KSK farmers, the social enterprise offers a wide variety of quality yet affordable indoor and landscape



KSK Farmers' Market Day at SM City Sta. Rosa

plants which cater to every enthusiast's preference. In addition, the team also launched the KSK Farmers' Market Day to provide farmers with market exposure in select SM Malls nationwide.

Meanwhile, SMFI also partnered with SM Markets in creating market for onion farmers. Through the partnership, SMFI was able to establish specialized onion pop-up booths creating a stable market for small-scale onion farmers.

Millions of smallholder farmers are seeking ways to improve the productivity of their farms and to improve their market performance. Modern farming technologies, paired with market linkage, such as the SM KSK, plays a vital role in improving the livelihood of small-scale farmers and their families.

SM Foundation's Kabalikat Sa Kabuhayan is SMFI's Social Good program on sustainable agriculture that intends to uplift the lives of Filipinos in grassroot communities through sustainable agriculture via technology transfer, product development and farm-market linkage. To date, the program has trained more than 28,500 farmers from more than 900 cities/municipalities nationwide.