

US agriculture delegation visiting Davao in Sept.

DAVAO CITY — Eight US agricultural companies will visit Davao in September, US Ambassador to the Philippines MaryKay Carlson said on Friday.

Ms. Carlson said the delegation is seeking investment and trade opportunities in the region, which is a major producer of Philippine agricultural exports.

“Agriculture is the strength of this region. A trade mission is coming next month, big firms like John Deere. I go back to ag-

riculture because you have such a great advantage here when it comes to agriculture and I know that you gain a lot of foreign exchange from export of agricultural products,” she told BusinessWorld at the Park Inn by Radisson Davao.

“The US is the largest export market for the Philippines. Of the services and products you are sending overseas, the greatest destination is in the US,” she added.

Beyond trade and investment, Ms. Carlson said the US sees opportunities to work with the Philippines through its foreign aid organization.

“In some areas, we hear President Ferdinand Marcos, Jr. speaks often about the importance of food security and nutrition security. I think there is a lot that we can do in this area through USAID (the US Agency for International Development).”

President Ferdinand R. Marcos, Jr. met with US businesses in Washington, DC, during his four-day visit to the US in May.

Ms. Carlson cited the strong people-to-people ties with the Philippines as the basis for building the relationship further, noting the large numbers of Filipino students in the US, the significant Filipino-American population, and the 350,000 Americans living in the Philippines. — **Maya M. Padillo**



US AMBASSADOR to the Philippines
MaryKay Carlson

MAYA M. PADILLO

PFDA opens processing facility at Navotas fish port

THE Philippine Fisheries Development Authority (PFDA) inaugurated the new processing facility at the Navotas Fish Port Complex, which will be operated by a women's organization producing smoked fish.

In a statement, the PFDA said that Eco-Friendly Women of Navotas Fish Port, Inc. will run the processing facility.

The PFDA also added 44 food stalls to the freshly renovated Market 3.

“This new infrastructure also aims to provide more employment opportunities and an additional sources of income for the

members of the association,” the PFDA said.

The PFDA is also looking into constructing additional regional fish port (RFP) complexes and establishing modern fish trading centers elsewhere in the Philippines.

Six ports are being upgraded in Davao, Iloilo, Zamboanga, Camaligan, Camarines Sur, Sual, Pangasinan, as well as Navotas.

Fish landed at RFPs totaled 42,814.19 metric tons in May, down 4.26% from a month earlier, mainly due to the early onset of the rainy season. — **Sheldeen Joy Talavera**

Fisherfolk call for support during closed season

Pambansang Lakas ng Kilusang Mamamalakaya ng Pilipinas (Pamalakaya), an organization of fisherfolk, said the government's primary policy response to closed fishing seasons should be to support the fishing communities rendered idle, rather than importing fish.

“It seems like the government isn't learning when it comes to solving the production crisis,” Pamalakaya Vice Chairman Ronnel Arambulo said in a statement.

“They are aware that the major fishing grounds (observe) a closed fishing season every year, but they don't have any contin-

gency plan (for the fisherfolk),” he added.

Last week, the Department of Agriculture (DA) approved imports of 35,000 metric tons (MT) of fish for wet markets, which are to be brought in between Oct. 1 and Dec. 31.

The species to be imported are frozen round scad or galunggong, bigeye scad or matang baka, bonito, moonfish, and mackerel.

Bureau of Fisheries and Aquatic Resources spokesman Nazario C. Briguera told reporters that the imports will cover the expected shortfall caused by the closed season.

In its supply and situation outlook, the BFAR estimated a fish deficit of 57,830 MT by the fourth quarter.

Closed fishing seasons are declared to allow fish to spawn and restore their numbers.

“Prior to the three-month closed fishing season every last quarter of the year, local production should be strengthened by providing support to fishers such as fuel subsidies,” Mr. Arambulo said.

He also said that the government should ensure availability of cold storage to ensure the adequate supply of fish during the closed season.

“It is unacceptable that just because there is a temporary ban on catching round scad, it will allow imports,” Mr. Arambulo said.

“The government should take the lead in promoting our local fish instead of imports,” he added.

As of Thursday, DA price monitors put the price of domestically-caught round scad at between P200 and P280 while imported round scad fetched P200.

The prevailing price of tilapia in Metro Manila markets was P120-P160. Milkfish or bangus sold for P150-P240. — **Sheldeen Joy Talavera**

India faces record low rains in August, posing threat to summer crops

MUMBAI — India is heading for its driest August in more than a century, with scant rainfall likely to persist across large areas, partly because of the El Niño weather pattern, two weather department officials told Reuters on Friday.

August rainfall, expected to be the lowest since records began in 1901, could dent yields of summer-sown crops, from rice to soybeans, boosting prices and overall food inflation, which jumped in July to the highest since January 2020.

The monsoon, vital for the \$3-trillion economy, delivers nearly 70% of the rain India needs to water farms and refill reservoirs and aquifers.

“The monsoon is not reviving as we had expected,” said a senior official of the India Meteorological Department (IMD), who sought anonymity as the matter is a sensitive one.

“We are going to end the month with a significant deficit in the southern, western, and central parts.”

India is on course to receive an average of less than 180 mm (7 inches) of rainfall this month, he added, based on rains so far and expectations for the rest of the month.

The weather authorities are expected to announce August totals of rainfall and the forecast for September on Aug. 31 or Sept. 1.

India received just 90.7 mm (3.6 inches) in the first 17 days of August, nearly 40% lower than normal. The month's normal average is 254.9 mm (10 inches), he said.

Earlier, the IMD had anticipated a rainfall deficit of up to 8% in August. The lowest August rainfall on record was in 2005, with 191.2 mm (7.5 inches).

Monsoon rainfall is expected to improve over the next two weeks in the northeast and some central regions, but dry conditions in northwestern and southern states are likely to persist, said another IMD official.

“Normally, we experience a dry spell of five to seven days in August,”

said the official, who also spoke on condition of anonymity. “However, this year the dry spell has been unusually prolonged in southern India. The El Niño weather pattern has begun to impact the Indian monsoon.”

El Niño, a warming of waters that usually stifles rainfall over the Indian subcontinent, has emerged in the tropical Pacific for the first time in seven years. This monsoon has been uneven, with June rains 10% below average but July rains rebounding to 13% above average.

Summer rains are crucial as nearly half of India's farmland lacks irrigation. Farmers typically start planting rice, corn, cotton, soybeans, sugarcane and peanuts, among other crops, from June 1, when the monsoon begins to lash the southern state of Kerala.

The lengthy dry spell has led to extremely low soil moisture, which could inhibit growth of crops, said Harish Galipelli, director of trading firm ILA Commodities India Pvt Ltd. — **Reuters**

BoP

from S1/1

Mr. Ricafort said the narrower BoP deficit was also due to the continued growth in dollar inflows from remittances, business process outsourcing revenues, foreign tourism receipts, profit from Philippine Offshore Gaming Operators (POGO) firms and foreign investments.

The central bank also noted the BoP position reflects the final gross international reserves (GIR) level of \$100 billion as of end-July, 0.6% higher than the \$99.4 billion as of end-June.

The GIR level reflects a more than adequate liquidity buffer equal to 7.4 months' worth of imports of goods and payments of services and primary income.

“Specifically, it ensures availability of foreign exchange to meet balance of payments financing needs, such as for payment of imports and debt service, in extreme conditions when there are no export earnings or foreign loans,” the BSP said.

The GIR can also cover up to 5.9 times the country's short-term external debt based on original maturity and 4.1 times based on residual maturity.

Further growth in dollar inflows and continued narrowing of the country's trade deficit will support the BoP position of the Philippines moving forward, Mr. Ricafort said.

The planned retail dollar bond offering by the National Government as well as its debut of about \$1-billion Islamic bonds this year will boost the dollar reserves, he said.

The government is eyeing to launch a retail dollar bond offering in the third quarter, with an offer size of around \$2 billion. The last retail dollar bond sale was in 2021, when the Philippines raised almost \$1.6 billion or P80.91 billion.

Earlier in June, the central bank revised its BoP deficit forecast to \$1.2 billion or equivalent to -0.3% of gross domestic product (GDP), down from the \$1.6-billion (-1.3% of GDP) forecast in March.

The BSP also projected a narrower current account deficit at \$15.1 billion (-3.4% of GDP) this year from \$17.1 billion (-4% of GDP) previously.

The country's GIR is expected to hit \$100 billion by end-2022 and \$102 billion by end-2023.

Underspending,

from S1/1

“Even if you want (a budget that is) as high as P100 billion for a certain project, but you won't be able to spend it, it will be part of our formula,” she said.

Still, Mr. Diokno said he is optimistic the economy will expand in the second half as easing inflation may boost household consumption and face-to-face schooling lifts economic activity.

He noted that government spending usually catches up in the second half.

Meanwhile, the DBM is pushing for amendments to the procurement laws to speed up government spending.

“I know that the current government procurement process is difficult, so we will reform that, and we will present it to the President next week,” Ms. Pangandaman said.

Ms. Pangandaman earlier said the Government Procurement Policy Board is working on simplifying the law's implementing rules and regulations to address bottlenecks.

The DBM is also working on building the capacity of local government units (LGUs) amid the implementation of the Supreme Court's Mandanas-Garcia ruling.

“We have to recognize that the capacity per LGU (is different),” Ms. Pangandaman said. “There are LGUs, especially those who are progressive, who can really create and implement projects that are highly impact and highly technical, but there are some who don't have enough capacity.”

She said the National Economic and Development Authority (NEDA) will soon release a study that would identify which projects and programs would be better handled by the National Government or LGUs.

“Hopefully we'll have the study soon so we will be able to identify which projects and programs can be delivered more efficiently by the National Government and what programs can be delivered by our LGUs,” she said.

The government is currently working on devolving national government functions and programs to LGUs to give them the capacity to govern.

Under the Supreme Court's Mandanas-Garcia ruling, LGUs were granted a larger share of national taxes to support them in the devolution. — **Keisha B. Ta-asan with inputs from AMCS**