## Agribusiness/The Economy S1/3

## ASEAN ministers commit to eventual elimination of crop burning

KUALA LUMPUR — Southeast Asian agriculture and forestry ministers have agreed to take collective action to minimize and eventually eliminate crop burning in the region, amid deteriorating air quality and concern about cross-border haze.

In a statement after a meeting of the Association of Southeast Asian Nations (ASEAN) in Malaysia, members recognized "the adverse environmental and health impacts of crop burning practices," and committed to collectively reduce and phase it out.

"The meeting recognized the need for sustainable alternatives to crop burning, including the adoption of innovative and environmentally friendly agricultural practices," it said. The pledge comes as air quality hit unhealthy levels in several parts of Malaysia in recent days and after weeks of elevated pollution in Indonesia.

Malaysia's environment minister in an interview with Reuters called on Indonesia and ASEAN to take action as air quality worsens, blaming it on fires from crop burning in Indonesia. Almost every dry season, smoke from fires to clear land for palm oil and pulp and paper plantations in Indonesia blankets much of the region, bringing risks to public health and worrying tourist operators and airlines.

Many of the companies that own these plantations are foreign or foreign-listed. Jakarta has denied detecting any smoke drifting over its borders into Malaysia.

The ASEAN meeting agreed to develop and implement educational campaigns and training programmes on sustainable agricultural practices, providing technical guidance on alternative methods for land clearing.

"This will require collective efforts, sustained commitment, and collaboration among (ASEAN members) farmers, local communities, and relevant stakeholders," it said.

The ministers also agreed to review and update existing regulations and guidelines with the aim of phasing out the use of antimicrobials in food production, they said. – *Reuters* 

## Philippines bans pork imports from Sweden

THE Department of Agriculture (DA) said it banned swine and pork products from Sweden, following reports of an outbreak of African Swine Fever (ASF) in that country.

In a memorandum

order signed by Undersecretary Domingo F. Panganiban, the DA imposed a temporary ban on shipments of domestic and wild pigs and their prod-

ucts and by-products including meat, pig skin, and semen.

"There is a need for regulatory controls through sanitary and phytosanitary measures to protect human and animal health," according to the memorandum.

The DA said that it would immediately suspend the processing, evaluation, and issuance of sanitary and phytosanitary import clearances for the affected products.

It added that all shipments en route before the ban will be

### allowed to enter provided that the animals were slaughtered before Aug. 6.

The memo also authorized the confiscation of all such shipments by the DA's Veterinary Quarantine Offi-

cers and Inspectors at all major ports.

The outbreak of ASF was initially detected in a wild boar in

FREEPIK Fagersta, Sweden. The finding was confirmed by the Swedish National Veterinary Institute on Sept. 6 and submitted to the World Organisation for Animal Health.

"Sweden is an accredited country to export swine related commodities to the Philippines and there is a need to prevent the entry of any ASF-susceptible products originating from Sweden that might enter through hand carried products from international vessels or any other possible routes," it said. – Adrian H. Halili

# El Niño peak during lean months for rice to show up in 2024 prices

#### **By Adrian H. Halili** *Reporter*

RICE PRICES in early 2024 are likely to reflect the peak of the El Niño dry spell, which also coincides with the lean season for the staple grain, according to Calixto V. Chikiamco, president of the Foundation for Economic Freedom.

Mr. Chikiamco said in a Viber message that the anticipated shortage needs to be headed off by building up inventory.

"If there isn't a large stock of reserves that could cushion the supply pinch, rice prices could increase again," Mr. Chikiamco said.

The government weather service, known as PAGASA (Philippine Atmospheric, Geophysical and Astronomical Services Administration), has forecast the peak of the El Niño to take place in late 2023 and early 2024.

A surge in the retail price of rice prompted President Ferdinand R. Marcos, Jr. to order price controls on Sept. 5. He fixed the



maximum price at P41 per kilogram for regular-milled rice and P45 for well-milled rice.

Mr. Chikiamco said the price controls, which were lifted on Wednesday, were "not sustainable," having caused traders to stop importing rice.

"The price ceiling caused traders to halt imports and therefore could have a short-term impact on rice supply. It also caused traders to reduce the price which they offered to farmers (for palay, or unmilled rice)," he said. Former Agriculture Secretary William D. Dar said another round of price controls should not be resorted to the next time prices rise.

"Instead of re-imposing price caps, it is better to reduce the present tariff to only 10%. You can reduce rice prices significantly, but this should only be a temporary measure," Mr. Dar said in a text message.

Mr. Marcos, who is also the Secretary of Agriculture, had rejected the proposal to temporarily lower the tariffs on imported rice, saying global rice prices are expected to fall.

Mr. Dar said that the government must continue to implement measures to stabilize rice prices.

"The government must see to it that there is big enough inventory in the hands of the households, commercial traders, and the National Food Authority (NFA)," Mr. Dar said.

As of early July, the national rice inventory fell 11.3% year on year to 1.8 million metric tons (MT), according to the Philippine Statistics Authority.

Inventory held by commercial establishments was at 984.76 thousand MT, households 771.93 thousand MT, and NFA warehouses 60.84 thousand MT.

"NFA must build up and increase its buffer stock by buying from local production," Mr. Dar added.

The NFA Council last month set a new purchase rate for dry and wet palay of P19-P23 and P16-P19 per kilo, respectively. The previous buying price was P16 per kilo for wet and P19 per kilo for dry palay.

## World food price index little changed in September despite surge in sugar

ROME — The United Nations (UN) food agency's world price index was largely stable in September, as declines in the indices for vegetable oils, dairy and meat offset a surge in sugar and maize prices.

The Food and Agriculture Organization's (FAO) price index, which tracks the most globally traded food



tied to worries about the impact of the El Niño weather pattern on production.

Vegetable oil prices fell 3.9%, while dairy prices dropped 2.3% — the ninth successive monthly fall, as lackluster global import demand and ample stocks in leading producing regions



Republic of the Philippines DEPARTMENT OF ENERGY

DEPARTMENT CIRCULAR NO. 0023-09-0027 Q

AMENDMENT TO DEPARTMENT CIRCULAR NO. DC2021-11-0036 TITLED PROVIDING THE REVISED GUIDELINES FOR THE GREEN ENERGY AUCTION PROGRAM IN THE PHILIPPINES

commodities, averaged 121.5 points last month against a revised 121.6 for August, the agency said.

The August reading was initially given as 121.4.

The September figure was 10.7% down year on year and 24% below an all-time high reached in March 2022 in the wake of Russia's invasion of Ukraine.

FAO's cereal index rose 1.0% from the previous month, with maize prices surging 7%, pushed up by strong demand for Brazilian supplies, slower selling in Argentina and increased barge freight rates in the US.

International wheat prices dropped 1.6%, thanks to strong supplies and good production prospects in Russia. Rice, which had rocketed BERNARD HERMANT-UNSPL

almost 10% in August, dipped 0.5% last month amid low import demand, FAO said.

The sugar index jumped 9.8% from August, hitting its highest level since November 2010 amid growing concerns over a tighter global supply outlook in the upcoming season, continued to weigh on the sector Meat prices dipped 1.0%.

In a separate report on cereal supply and demand, the FAO forecast world cereal production this year at 2.819 billion tons, up slightly from a previous estimate of 2.815 billion and some 0.9% higher than 2022 levels, the FAO said.

The higher forecast was almost entirely driven by more positive yield estimates for Russia and Ukraine, owing to continued favorable weather conditions, the FAO said.

The UN agency said its cereal supply and demand brief pegged global wheat output at 785 million tons, coarse grain production at 1.511 billion tons, up 2.7% from 2022, and world rice output at 523.1 million tons. – **Reuters**  WHEREAS, the Department of Energy (DOE) issued the revised Guidelines for the Green Energy Auction Program (GEAP) through Department Circular (DC) No. DC2021-11-0036 or the "GEAP Guidelines" on 03 November 2021;

**WHEREAS**, through the GEAP, the DOE instituted a competitive process in the selection of eligible renewable energy (RE) facilities entitled to the Feed-In Tariff Allowance (FIT-All) Fund;

**WHEREAS,** under the GEAP, the Feed-In Tariff (FIT) to be paid to the selected eligible RE facilities is fixed based on the price (in PhP/kWh) of the Winning Bidder's offered capacity in a Green Energy Auction, known as the "Green Energy Tariff" (GET);

WHEREAS, there is a need to clarify that the GET resulting from a Green Energy Auction is considered as the FIT to which a Winning Bidder is entitled, and is not a separate and distinct charge or imposition against the FIT-All Fund;

**NOW, THEREFORE,** pursuant to its authority under Republic Act No. 9513 or the Renewable Energy Act of 2008, the DOE hereby adopts, issues, and promulgates the amendment to the GEAP Guidelines:

Section 1. Section 9.13 of the GEAP Guidelines is hereby amended to read as follows:

"9.13. <u>Post-Auction Procedures</u>. After securing a COE-GET, the Winning Bidder/s shall comply with the procedures outlined in ERC Resolution No. 16, Series of 2014<sup>[5]</sup>. For purposes of securing a Certificate of Compliance from the ERC, the COE-GET shall be considered, interpreted, and accepted as the same Certificate of Endorsement for FIT Eligibility issued by the DOE under FIT. In the availment of the FIT-All Fund, the GET of a Winning Bidder shall be considered, interpreted, and accepted as the FIT."

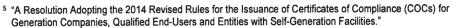
Section 2. Separability Clause. If any provision of this Circular is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

**Section 3. Repealing Clause**. All previous issuances, rules, and regulations inconsistent with this Circular are hereby repealed, amended, or modified accordingly.

**Section 4. Effectivity.** This Circular shall take effect fifteen (15) days following its complete publication in at least two (2) newspapers of general circulation and shall remain in effect until otherwise revoked. A copy of this Circular shall be filed with the University of the Philippines Law Center - Office of the National Administrative Register.

Issued this \_\_\_\_ day of September 2023 at the DOE, Energy Center, Rizal Drive cor. 34<sup>th</sup> Street, Bonifacio Global City, Taguig City, Metro Manila.





## Philippine food services industry sales expected to grow 20% in 2023, USDA says



GROWTH in the Philippine food services industry is projected at 20% this year amid a revival of hotels and tourism, according to the United States Department of Agriculture (USDA).

"With the recovery in the service industry, restaurants and hotels are expected to become more profitable in 2023," the USDA said in a report.

It added that dining in restaurants, catering, and events will continue to boost sales, with food delivery also established as a convenient option for consumers.

Restaurant chains are also seen continuing to open new stores and franchises.

The USDA also sees full-service restaurants overhauling limitedservice restaurants in terms of sales, with growth of 25% in 2023.

Limited-service restaurants, which accounts for more than half

of the industry, are expected to post sales growth of 20% this year.

Café and bar sales, on the other hand, are estimated to expand 20% as more establishments open. The forecast suggests a slowdown from the 26% reported in 2022.

The USDA said sales growth of street stalls and kiosks is expected to decelerate during the year, due to the "higher cost of raw materials and thrifty spending by consumers."

"The USDA projects the Philippine food service industry to recover to pre-pandemic levels by 2024," it said.

It said that the Philippines presents "a substantial opportunity" for US processed food, with the country becoming the seventh-largest export market for the US in 2022.

US consumer-oriented exports to the Philippines were the highest in Southeast Asia last year at \$1.6 billion. – **Adrian H. Halili**