

# Farmers back 4-6 months of tariff review

By Adrian H. Halili *Reporter*

A FOUR-TO-SIX-MONTH review of tariffs imposed on agricultural goods would promise relief for domestic producers against tariffs lowered potentially until 2028, farmers said.

Federation of Free Farmers (FFF) National Manager Raul Q. Montemayor said the more frequent review proposal shortens the review period from the one year the FFF originally proposed for the 15% tariff on rice.

"A review could result in cutting short the implementation period and reverting to 35% or even 50% for shipments exceeding the Minimum Access Volume quota," Mr. Montemayor said via Viber.

Executive Order (EO) No. 62, signed by President Ferdinand R. Marcos, Jr. last week, formally approved the reduced tariff on rice imports to 15% from 35%, until 2028. It also cov-

ers lower tariffs on pork, corn, and mechanically deboned meat.

The EO also called for a review of the tariff schedule every four months to adjust to changes in global prices and supply.

Agriculture Secretary Francisco P. Tiu Laurel, Jr. said last week that he had proposed a shorter period for tariff reviews, following consultations.

In May, the Board of the National Economic and Development Authority approved a plan to lower tariffs on industrial and farm goods, including the further reduction of rice import tariffs.

Jayson H. Cainglet, executive director of the Samahang Industriya ng Agrikultura said that there should be a mechanism for the retraction of the executive order.

"We propose benchmarks for revoking the EO if the price of rice does not fall, and when the farmgate price falls," Mr. Cainglet said via Viber.

He added that about 500,000 farmers would be affected by the EO due to

the decline in farmgate prices of palay, or unmilled rice.

"The executive order was not clear; it did not state what (actions) would be done after a review," Danilo V. Fausto, president of the Philippine Chamber of Agriculture and Food, Inc. said by phone.

He added that rice farmers could face a potential P10 per kilogram decline in farmgate prices should import tariffs be lowered.

"The traders and rice millers will have to buy (palay or unmilled rice) at a lower price to compete with imported rice," Mr. Fausto said.

The average farmgate price for palay rose 30.2% year on year to an average of P24.81 per kilo in May, according to the Philippine Statistics Authority.

Mr. Montemayor said issues raised in previous consultations with the Tariff Commission have remained unaddressed.

"In the past, we carried the burden of proving that the tariffs were not

effective; I think, it should be the proponents of the tariff cut who should prove that their prescription was effective," he added.

Roy S. Kempis, a retired professor at the Pampanga State Agricultural University, said the more frequent tariff reviews would make them more responsive to changes in global prices and supply.

"A periodic review and eventual adjustments of rates can adapt to these changes. This makes the tariff regime more realistically set based on how sensitive the changes are in world prices and supply," Mr. Kempis said via Viber.

The Philippines is expected to import about 4.6 million metric tons (MMT) this year in the face of the lowered tariffs and increased consumption, the US Department of Agriculture reported.

The Philippines has imported 2.23 MMT of rice as of June 13, according to the Bureau of Plant Industry.



## PHL coffee imports seen falling 3.7%

PHILIPPINE coffee imports are expected to fall 3.7% this year, according to the US Department of Agriculture (USDA).

In a report, the USDA estimates that imports of soluble coffee to the Philippines would amount to 6.3 million 60-kilogram bags, against 6.5 million bags in 2023.

The Philippines imports most of its coffee requirement as domestic production cannot meet demand. Philippine-grown coffee can service about 38% of market requirements.

Most imports are soluble or instant coffee.

The Philippines is the fourth-largest coffee importer after Japan, the US, and the European Union.

The USDA reported that its global coffee export estimate in 2024 was downgraded to 119.5 million bags following lower output from major coffee producers.

"Central America and Mexico are reduced to 12.9 million on reduced exportable supplies. Indonesia is down 700,000 bags to 4.3 million on lower output," it said.

On the other hand, the USDA raised its export forecast for Vietnam to 29.1 million bags as farmers reported improved yields through better irrigation, mitigating the effects of drought and high temperatures.

The Philippines imports most of its coffee requirement from Vietnam.

It added that domestic consumption is expected to drop 1.8% to 6.95 million bags this year.

The global coffee production forecast this year was downgraded to 169.2 million bags, likewise, due to lower production from Central America, Mexico, and Indonesia.

"Central America and Mexico are reduced... to 16.4 million bags due to higher-than-anticipated incidents of coffee cherry borer insect infestation as well as coffee rust. Indonesia is revised to 8.2 million as drought conditions in Southern Sumatra lowered Robusta yields," it said.

Philippine coffee production was estimated at 450 thousand 60 kilo bags, against the 475 thousand bags in 2023. — **Adrian H. Halili**

## China's dumping probe to test resilience of Spain's pig farmers

MADRID — China's dumping probe into European Union (EU) pork imports following duties slapped on Chinese electric vehicles (EVs) caught Spain's pig farmers on the hop this week, but the sector has shown it is resilient and is far less vulnerable than the bloc's car industry.

Spain supplied 22% of China's imported pork in 2023, worth 1.2 billion euros, and stands to lose more than any of the bloc's members from the probe into underpriced pork after the EU took aim at China's subsidized electric vehicle imports last week.

"It was like a shock of cold water, we didn't expect it," said Giuseppe Aloisio, general director of the National Association of Spanish Meat Industries (ANICE). "This is a concern because the volume is significant, but it will not bankrupt the pork sector if the Chinese end up deciding to impose tariffs," he added.

The investigation was prompted by a complaint from the China Animal Husbandry Association on behalf of the domestic pork industry,

China said, without giving further details.

With the probe likely to take at least a year to complete, there is plenty of time for negotiation, though on Thursday China said it may take provisional measures if dumping is established after a preliminary investigation.

Subsidies received by the pork industry comply with WTO rules, Spain's Agriculture Minister Luis Planas said on Tuesday, adding that Spain is speaking to the EU about possible solutions.

Spain's pork industry has shown itself to be resilient in the past, and the greater strategic importance of its car industry — the second-largest in Europe behind Germany — means it is unlikely to try and push the EU to row back its measures against Chinese EVs, according to Miguel Otero, a senior analyst at Elcano Royal Institute in Madrid.

European automakers are being challenged by an influx of lower-cost EVs from Chinese rivals. The European Commission has said prices are typically 20% below those of EU-made models.

"If the trade-off is you're not going to export any pork to China but you keep the car industry as it is or you expand it, you sacrifice the pork," Mr. Otero said.

Spain hasn't stated its position on EV tariffs, but Economy Minister Carlos Cuello told Reuters late Wednesday that a balance had to be found between promoting free commerce and protecting strategic interests.

"The same way we don't want a trade war, we want to avoid a subsidy race. We must be able to find a point where we compete, but fairly," he said.

Cars and car parts accounted for 18% of Spain's total exports in 2023, according to the Spanish Institute for Foreign Trade (ICEX).

The industry was worth about 40 billion euros, according to the Spanish Carmakers Association.

The EU on June 12 placed extra duties on Chinese EVs to combat what it said were excessive subsidies and to protect an industry worth more than 1 trillion euros, according to McKinsey & Co.

Spain's pork industry, meanwhile, withstood import bans by Russia over

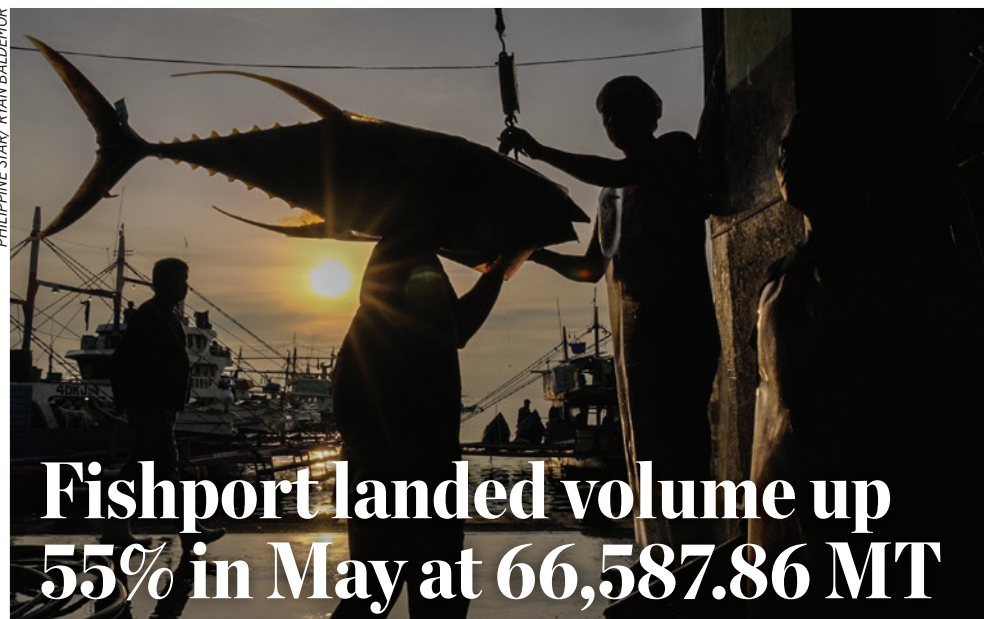
swine flu fears in 2009 and 2013 and also after EU sanctions in 2014 on Russia for its annexation of Crimea.

Russia was Spain's biggest customer outside the EU in 2012, importing 153 million euros of frozen pork before falling to just 180,000 euros in 2014.

The sector is ready to pivot to other markets again, said Alberto Herranz, director of Spain's pork producers' association Interporc. "When the Russian market was closed, we didn't go crying to the European Union, nor did we go crying to the Ministry of Agriculture, but what we did was to take a step forward and look for diversification," Mr. Herranz said.

Trade with China picked up just as exports to Russia ground to a halt. Spain's exports of frozen pork to China reached a peak of 2.5 billion euros in 2020 as an outbreak of swine flu ravaged China's domestic production.

While China remains its largest market, exports have since declined and are expected to keep falling as China's production returns to normal. — **Reuters**



## Fishport landed volume up 55% in May at 66,587.86 MT

THE catch landed at regional fishports rose 55.5% by volume in May, according to the Philippine Fisheries Development Authority (PFDA).

In a report, the PFDA said the landed catch was 66,587.86 metric tons (MT) during the period, up from 42,814.9 MT a year earlier.

Month on month, fish deliveries rose 10.5% from April levels.

The PFDA said the increased fish catch came despite the "lingering effects of El Niño and the onset of the rainy season which may have affected fish and fishing activities."

The General Santos Fishport Complex reported deliveries of 34,747.19 MT, more

than double the 15,788 MT booked a year earlier.

Deliveries at the Navotas fishport increased 18.7% to 23,312.20 MT during the month.

The Iloilo fishport reported volume of 3,172.54 MT, followed by Bulan fishport in Sorsogon with 2,310.55 MT and the Lucena Fish Port Complex with 1,817.06 MT.

The catch landed at the Zamboanga fishport was 898.94 MT, while that in Davao was at 222,389 MT.

It added that fish landed at Sual, Pangasinan was 78.7 MT during the month. — **Adrian H. Halili**

## Chinese e-vehicle firm invited to establish operations in PHL

THE Philippine Consulate in Chongqing, China and the Philippine Trade and Investment Center (PTIC) said they have invited Chongqing E-Cars Technology Co., Ltd. to set up an assembly plant and expand its operations in the Philippines.

Citing the market for electric tricycles, Chongqing Consul General Ivan Frank M. Olea and PTIC Commercial Consul Glenn G. Peñaranda met with Chongqing E-Cars Vice-President Alex Wang on June 21 to discuss plans for expanding e-trike deployments in the Philippines.

At the meeting, Mr. Wang said lithium-powered e-trikes can run for 140-170 kilometers on a single charge and are more

sustainable than traditional gasoline-fueled tricycles.

In April, the Pakil, Laguna municipal government launched 12 three-wheelers made by Chongqing E-Cars, making Pakil the first local government unit to partner with the Chinese manufacturer in green transportation.

Mr. Peñaranda said the PTIC would be willing to assist the company in setting up a manufacturing or assembly plant in the country.

"Mr. Olea added that the Consulate General and Chongqing E-Cars can strengthen cooperation in terms of promoting people-to-people and business-to-business exchanges between the Philippines and China," the consulate said. — **John Victor D. Ordoñez**



We at TeAm Energy believe in the power of cooperation. As we aspire to create a positive impact around us, we discover others who share the same values. By working side-by-side with our government stakeholders, we make progress towards our shared goals.

Together, we have improved lives in the communities we touch.

We've lit up barangays in isolated areas. We've modernized farming with renewable energy, and supported public schools with solar energy. We've equipped hospitals with medical machines, and improved the facilities of municipal and barangay health centers.

We've supplemented local livelihood programs and helped protect forests. We've supported food security programs and helped improve the delivery of basic services.

Through these measures, we express our belief that nationwide progress is attainable. And our commitment to cooperation surely affirms that we build partnerships for progress.



TeAm Energy is one of the largest independent power producers in the country with more than 2,000 megawatts (MW) of installed generating capacity nationwide. It operates two power plants: the 1,200 MW Sual Power Station in Pangasinan and the 735 MW Pagbilao Power Station in Quezon province. It also has a 50% stake in the 420 MW Pagbilao Unit 3 Power Project in Quezon.