



## PHL milled rice production seen at 13.3 million MT by 2025 — FAO

PHILIPPINE milled rice production is expected to hit 13.3 million metric tons (MMT) next year, according to the United Nations Food and Agriculture Organization (FAO).

In a report, the FAO said “record crops” are expected for the Philippines in 2025 due to improved climate conditions and government support.

“Within the region, Bangladesh, India, and the Philippines are all seen gathering record crops,” it said.

The Philippines produced about 20.06 million MT of unmilled rice in 2023, equivalent to about 13 million MT in milled rice.

The effects of El Niño lead to a decline in palay production during the first quarter.

Palay output fell to 4.69 MMT for the first quarter, from 4.78 MMT a year earlier, according to the Philippine Statistics Authority.

Agricultural damage due to El Niño was estimated at P9.89 billion, with rice and corn as the most affected crops, the Department of Agriculture reported.

The government weather service, known as PAGASA (Philippine Atmospheric, Geophysical and Astronomical Services Administration), announced the end of El Niño, and estimated the chances of La Niña setting in at 69% between July and September.

The FAO said global milled rice production is expected to increase 0.9% to 534.9 MMT.

“A combination of area expansions and yield improvements are expected to sustain this growth, as attractive paddy prices at the onset of the season could keep plantings at the record extension attained in 2023/24,” the FAO said.

It added that improved growing conditions following the dissipation of El Niño may revive yield growth.

“Asia is expected to account for much of the production expansion envisaged for 2024-25,” it added. — **Adrian H. Halili**

# NFA palay procurement currently equivalent to 4 days’ consumption

THE National Food Authority (NFA) said its procurement of palay (unmilled rice) has hit 3.37 million 50-kilogram bags as of June 13, sufficient to meet about four days’ consumption for the rice equivalent.

In a statement, the NFA said: “This translates to approximately 168,262 metric tons (MT) of palay. The total inventory is now sufficient to cover four days of national consumption in case of emergencies or disasters,” it said.

The NFA added that the higher than target purchasing was due to the higher palay buying price approved by the NFA council in April.

The NFA Council approved a buying price for palay of P23 to P30 per kilogram (kg) for dry and clean palay and P17 to P23 per kg for fresh palay, depending on location.

“We are very pleased with the outcome of the NFA Council’s decision to raise palay procurement prices. We will continue with this program to ensure

our rice farmers enjoy the fruits of their hard work,” Agriculture Secretary Francisco P. Tiu Laurel, Jr. said.

The previous purchase price for dry and wet palay was P19-P23 and P16-P19 per kg, respectively.

“We continue to scour the countryside for additional palay that we can buy to bolster the national buffer stock,” NFA Administrator Larry R. Lacson said.

The agency added that P17 billion was allocated for rice procurement this

year, including funds rolled over from 2023.

“The NFA still retains around P12 billion for palay procurement in the second half of the year, despite significant purchases at higher prices in recent weeks,” it said.

Mr. Lacson has said that 60% of the NFA’s requirements will be bought during the second half.

The NFA is targeting a rice reserve of 495 thousand MT by the end of the year. — **Adrian H. Halili**

## G7 leaders launch initiative for global food security

BARI, Italy — Group of Seven (G7) leaders have pledged to step up efforts against global malnutrition, according to a draft statement on Friday that noted Russia’s invasion of Ukraine had “aggravated” the world’s food problems.

The G7 Apulia Food Systems Initiative (AFSI) — named after the Southern Italian region hosting the leaders’ summit — will aim to “overcome structural barriers to food security and nutrition,” according to the draft.

The initiative will focus on low-income countries and support projects in Africa, one of the top priorities under Italy’s rotating G7 presidency this year.

Prime Minister Giorgia Meloni announced a flagship Italian plan to help Africa earlier this year and has repeatedly said that support for the continent is essential to address the root cause of illegal migration to Europe.

The Western powers also committed to work together to “improve the fiscal space for

food security” including by reducing borrowing costs for poorer nations via mechanisms such as debt swaps.

Debt-for-nature swaps are financial instruments through which a developing country’s debt is cut in return for protecting vital ecosystems.

The AFSI initiative, whose details will be agreed by G7 development ministers in the coming months, drew criticism from African agricultural groups who said they had not been consulted.

“It is missing family farmers organizations that have not been involved even though small-scale producers will be key to its success,” according to

Ibrahima Coulibaly, President of the West African Network of Peasants and Agricultural Producers.

“And it’s missing a plan to ensure that the finance raised gets to family farmers and supports a shift to more diverse and nature friendly approaches which are key to adaptation. The G7 urgently needs to fill these gaps,” he added. — **Reuters**



ITALIAN PRIME MINISTER  
GIORGIA MELONI

## From northwest to east China, parched and baking regions grapple with drought

BEIJING — Weeks of scarce rainfall in parts of China, coupled with sweltering heat, has brought drought to several provinces, prompting alerts and actions from authorities to minimize impacts on agriculture, and water and energy supplies.

Temperatures this week are forecast to scale record highs in parts of China as countries across Asia brace themselves for another summer of extreme weather.

China’s Water Resources Ministry this week launched emergency responses to manage drought on in Gansu, Shaanxi, Shanxi, Henan and Shandong provinces, indicating various regions in the country spanning the northwest to the east are facing parched and scorching conditions.

With dwindling precipitation since May in areas around the Yellow River Basin, in combination with the onset of searing temperatures this month, drought is threatening cultivated land that were being prepared to be sown as well as sown crops, Xinhua reported.

The harsh weather conditions will feature until the end of this week, with drought expected to worsen, the official media said.

In some parts of Hebei, Henan and Shandong provinces, temperatures could reach 44 degrees Celsius (111.2 degrees Fahrenheit), potentially breaking historical records for the month of June, state broadcaster CCTV said.

Surface temperatures could hit 70 degrees Celsius in some localities including in Shanxi and Shaanxi, it added. The emergency management ministry has alerted affected regions including northwestern Shaanxi, northern Hebei and Shanxi, eastern Anhui and Shandong as well as central Henan to protect water and food production.

China’s national forecaster predicted continuous heat wave conditions and warned about the need to prepare for emergency power supplies as well as fire prevention in forest areas, the *People’s Daily* reported.

Electricity demand typically soars in high temperatures as people crank up the air-conditioning to stay cool.

Rain, not heat, is the threat in southern China. Coastal Fujian’s provincial observatory raised a warning for wet weather and potential disasters after forecasting heavy rainfall until Saturday. — **Reuters**

## PHL shipbuilder Propmech bats for incentives, supplier clustering

By Kyle Aristophere T. Atienza  
Reporter

THE PHILIPPINES needs to grant incentives and develop supplier clusters for shipbuilders to help them become competitive exporters, shipyard operator Propmech Corp. said.

The lack of such support is preventing the industry from achieving economies of scale, affecting its export-competitiveness, Propmech Director Glenn Tong told *BusinessWorld* during a media tour of its Subic freeport shipyard last week.

Apart from Subic, Propmech operates yards in Mandaue City, Cadiz, Negros Occidental, General Santos City, Puerto Princesa, and Zamboanga City.

“Shipbuilding in the Philippines is something that we can develop not only for ourselves but for exports in the future. The government should look into creating high-value products that can be utilized for exports.”

Mr. Tong said the industry will require marine-related businesses like ship repair and maintenance and parts makers to cluster in key areas, simplifying supply chains.

“In other countries, they patronize their own shipbuilders and give them support and locations where they can operate. Over time, they dominate world markets,” he said.

Incentives for shipbuilders are also necessary over the medium term, noting that it will take “some time” for their business to become profitable under present conditions.

Propmech supplied 12 of Philippine Navy’s Multi-Purpose Attack Craft (MPAC) — the company’s flagship vessels — between 2009 and 2019, three of which recently completed comprehensive maintenance and refurbishment work at its Subic facility.

“In this specific batch, they wanted to bring all the equipment back to new,” Mr. Tong said, referring to a batch of three MPACs acquired in 2016.

“We were able to bring the vessels back to new — back to original performance,” he said. “It is more of a return to original form.”

The missile-capable MPACs are “a testament to us being able to build a vessel that no other country was interested in building,” Mr. Tong noted.

Mr. Tong said his company hopes to supply government agencies with more vessels.

“We are talking with the Department of National Defense, the Navy, and the Philippine Coast Guard and other entities to provide some equipment. It’s under negotiation. There are discussions ongoing.”

Propmech said its “versatile” MPACs have been active in the Navy’s counterterrorism and territorial defense mission.

Joshua Bernard Espeña, vice-president at Manila-based International Development and Security Cooperation, said the shipbuilding industry needs to “identify where the country can establish a niche position in parts of the ship/combat system.”

“While going independent sounds patriotic, it needs to be put into perspective. The global defense industry is vast with relatively more mature industries out there,” he said in a Facebook Messenger chat.

“It should identify where it can niche, perhaps hull design or installation of weapons for small ships like patrol boats or frigates, and eventually consider competing in the global market,” he added. “The Philippines can consider looking into compatible and efficient designs for other parts of maritime platforms.”

Philippine shipyards numbered 124 in 2022, up from 116 in 2021, according to the Maritime Industry Authority.

The shipbuilding industry, which has had to contend with weak domestic demand, also has to deal with expensive electricity and high production costs, being dependent on imports of key materials for making ships such as steel and resin, according to Mr. Tong.

The shipbuilding industry is also vulnerable to shocks like conflict in key global waterways, according to George N. Manzano, a trade expert at the University of Asia and the Pacific.

“Geopolitics (and) trade embargoes can create shocks to the shipping industry and thus indirectly affect shipbuilding,” he said in an e-mail.

It is also among the industries under pressure to employ sustainable and environmentally friendly practices as governments seek to advance the transition to clean energy, he added.

The shipping industry accounted for 1.015 million tons of carbon dioxide emissions globally from 2007 to 2012, according to an International Maritime Organization report.

## The Philippines looks up to Estonia’s best practices as first foray into online voting for OFWs set in 2025

The Philippines is eyeing to duplicate the success of online voting in the European country of Estonia in line with the goal of the Commission on Elections (Comelec) to make it easier for Filipinos living and working abroad to cast their votes in next year’s midterm election.

In a recent forum held at the Rappler office in Pasig where Comelec demonstrated the automated counting machines (ACMs), Chairman George Erwin Garcia of the Comelec assured the public that online voting will be introduced in 2025, a move that is set to revolutionize the voting process for millions of overseas Filipino workers (OFWs).

Garcia said the initiative aims to make voting more accessible and convenient for Filipinos living abroad, significantly pushing forward the country’s democratic process. He noted that if successful, the Comelec could extend online voting to senior citizens, persons with disabilities, and pregnant women in the Philippines, thereby increasing democratic participation.

To leave no stone unturned in ensuring the success of the new voting method, Garcia announced that Comelec officials were sent to Estonia to benchmark the Baltic country’s trailblazing online voting system.

“[A] commissioner and the head of the Information Technology Department left for Estonia, the first country in the world to implement voting. We want to learn how they secured and protected the votes

of their citizens using internet voting. Of course, it’s best to get ideas from other countries that have already successfully used the technology,” Garcia said.

Estonia has been offering internet voting to all its citizens since 2005, with 41% opting for this method in the recent European Parliament elections. The Estonian model features a seven-day online voting period while maintaining the option for in-person voting, ensuring flexibility and convenience.

The system, designed from the ground up to complement traditional voting, discourages coercion and vote-buying by allowing multiple online votes, with only the final vote counting. This ingenious feature, along with the rule that in-person votes overrule electronic ones, allows for greater election integrity.

Estonia’s system, initially developed by Estonian tech company Cybernetica and upgraded in 2014 with the help of international election company Smartmatic, has been providing a secure and effective online voting system to other countries like Norway, Germany, Canada, and Chile.

The introduction of the Automated Election System in 2010 has resulted in dramatic improvements in speed, accuracy, and security in the country’s electoral process. Observers see online voting as the next level in this evolution, promising to give a voice to the sizable Filipino diaspora, whose economic contributions hit a record high of US\$36.14 billion in 2022.