

# Palay yield target set at 7.5 metric tons per hectare



THE Department of Agriculture (DA) said it set the yield target at 7.5 metric tons (MT) of palay per hectare for the Masagana Rice Industry Development Program (MRIDP).

"We're recalibrating the program to identify areas for enhancement, including the distribution of improved seed, expansion of irrigation systems, and adjustments to rice cropping schedules," Agriculture Secretary Francisco P. Tiu Laurel, Jr. said in a statement on Tuesday.

The current national average yield is 4.17 MT per hectare, equivalent to 84 50-kilogram bags of palay, or unmilled rice.

The average yield of palay in irrigated areas is 4.51 MT. In non-irrigated areas it averages 3.34 MT.

"As we move forward, our aim is not just to increase productivity but also to ensure sustainability and resilience in our agricultural sector," Mr. Laurel added.

The upgraded target could translate to annual rice production of more than 25 million MT,

even if the target yield is achieved only in the 3.39 million hectares of irrigated farmland.

The DA has said it expects palay production this year of 20.44 million MT, up from 20.05 million MT in 2023.

In the first half, palay production declined 5% year on year to 8.53 million MT, according to the Philippine Statistics Authority.

"We must adopt a more scientific approach to farming to boost output and manage costs effectively," Mr. Laurel added.

The MRIDP aims to stabilize the rice supply at between 24.99 million MT and 26.86 million MT a year, in the process lowering growth in rice prices to less than 1% annually.

It also seeks to increase farmer incomes by 54% and ensure adequate reserves held by the National Food Authority.

"With increased production, farmers will enjoy gains from their labor while consumers should enjoy lower food prices," Mr. Laurel said. — **Adrian H. Halili**

## PHL urged to boost long-term El Niño readiness

By **John Victor D. Ordoñez**  
Reporter

THE PHILIPPINES needs to work on long-term preparations and inter-agency communication to mitigate the impact of drought and dry spells during El Niño episodes, according to the United Nations (UN) Office for the Coordination of Humanitarian Affairs (OCHA) Philippines.

At a Senate hearing of the environment, natural resources, and climate change com-

mittee, UN OCHA Philippines Head Manja Vidic described El Niño as a slow-onset disaster requiring a different approach to preparations compared to typhoons.

"El Niño becomes a crisis because we wait too long, but we have enough time and months to prepare for this compared to typhoons," she said.

"It's probably a governance issue rather than something that is purely a natural disaster issue."

She said her office has noted some sound practices in response to El Niño, singling out the in-

formation caravans organized by Bicol local governments.

"The LGUs did go ahead and communicated with the tools it had in place and engaged with the local population," Ms. Vidic said.

Farm damage caused by El Niño was reckoned at P15.3 billion, with 333,195 farmers and fisherfolk affected by droughts and dry spells, according to the Department of Agriculture (DA).

In its final farm damage bulletin connected to El Niño, the DA said crop losses amounted to 784,344 metric tons, spanning farmland of 270,855 hectares.

About 184,182 hectares of crops were deemed recoverable, it added.

Palawan, Iloilo, Camarines Sur and Occidental Mindoro were most affected by these dry spells and drought, the DA said.

In June the government weather service, known as PAGASA (Philippine Atmospheric, Geophysical and Astronomical Services Administration), announced the end of El Niño after conditions in the tropical Pacific returned to El Niño Southern Oscillation neutral levels, meaning neither El Niño nor La Niña was in effect.

## Senate ratifies bicam report of farm smuggling measure

THE SENATE approved and ratified on Tuesday the bicameral conference committee report on an amendment stiffening the penalties on smugglers and hoarders of agricultural products.

At a plenary session, Senator Cynthia A. Villar, who filed the Senate version of the bill, said the harmonization of Senate Bill No. 2432 and House Bill No. 9284 resulted in the inclusion of the Department of Finance in the Anti-Agriculture Economic Sabotage Enforcement Group, to be implemented when the measure becomes law.

"The reason for this is to prevent connivance between smugglers and employers of the Bureau of Customs," she said.

"The problematic system within the Bureau of Customs is one of the reasons why RA 10845 or the original Anti-Agricultural Economic Sabotage Law... proved to be inadequate."

The Senate approved the measure on final reading on Dec. 11, while the House of Representatives passed its counterpart bill on Sept. 27.

The bill will lower the threshold on instances of smuggled agriculture and fishery products to P1 million from P10 million for the violation to be classified as an act of economic sabotage.

Violators could face life imprisonment and a fine of thrice the value of agricultural and fishery products smuggled.

The government has been foregoing at least P200 billion in revenue each year to smuggling, Ms. Villar said, citing government estimates.

Later Tuesday, the House of Representatives also ratified the bicameral conference committee report by voice vote. — **John Victor D. Ordoñez**

## Livestock dev't bill hurdles Senate on second reading

THE SENATE approved on second reading on Tuesday a bill seeking to develop a modernization plan for the livestock, poultry and dairy industries.

Senate Bill No. 2558, filed by Senator Cynthia A. Villar, calls for a livestock, poultry, and dairy competitiveness fund to be set up with funding from import tariffs of P7.8 billion a year for the next 10 years.

It also calls for the establishment of the Office of the Undersecretary of the National Livestock, Poultry, Dairy, and other Animals Program to oversee policy geared at boosting production in these industries.

"For the longest time, the Livestock, Poultry and Dairy sector has been left to be run by the private sector. With this Act, the government will actively support and participate in the development of the sector," Ms. Villar said in May.

Farm output growth was little changed in the first quarter at 0.05%, amid a prolonged dry spell brought on by El Niño.

Poultry production grew 5.9% year on year during the period, slowing from 7.8% in the fourth quarter of 2023. — **John Victor D. Ordoñez**

## PCSO to grow lotto network after POGO ban

THE Philippine Charity Sweepstakes Office (PCSO) said it is adding more lotto outlets to offset funding it will lose when the ban on Philippine Offshore Gaming Operators (POGOs) goes into effect by year's end.

The ban will affect how much money the PCSO receives from the Philippine Amusement and Gaming Corp., PCSO Chairman Felix P. Reyes said in a budget briefing at the House of Representatives.

"Our objective is to increase revenue... and we're heading to-

wards adding more betting platforms," he said.

"In a previous board meeting, we approved (a policy allowing) us to install lotto outlets in chains of businesses such as remittance centers," he added.

The National Government will give up around P20 billion as a result of the POGO ban, according to Deputy Speaker and Quezon Rep. David C. Suarez.

President Ferdinand R. Marcos, Jr. during his annual address to Congress in July ordered the

closure of the POGO industry, citing its links to criminality and financial scams.

The PCSO is also looking into introducing a new form of lotto "to bring in more sales for the agency," Mr. Reyes said.

"We are launching a new variant named Lotto Bilyonaryo, and we're hoping to implement it as soon as possible," he said.

He added that the PCSO is also planning to invest some of its sales to further boost revenue.

"Under (the PCSO) charter, we're authorized to invest a percentage of our net receipts," Mr. Reyes said. "That's why we're looking for potential investments that would yield profits. We're waiting for an opportunity to invest."

PCSO's retail receipts amounted to P30.9 billion in the first quarter of 2024, according to its presentation to the House appropriations panel. — **Kenneth Christiane L. Basilio**

## Water resources department expected to boost access to sanitation services

THE creation of a Water department will concentrate responsibilities currently held by many agencies in one body, improving access to water and sanitation services, the National Economic and Development Authority (NEDA) said.

"For NEDA's perspective... it's really the optimal solution," NEDA Assistant Secretary Roderick M. Planta said at the SME Finance Forum on Tuesday.

The measure seeking to create a Department of Water Resources is among the list of priority bills identified by the Marcos administration, with approval by Congress expected before June 2025, according to the Legislative-Executive Development Advisory Council.

"We'd love the support from the private sector to make that happen," Mr. Planta added.

Under the NEDA's Philippine Water Supply and Sanitation Master Plan pub-

lished in 2021, the Philippines will need an estimated P1.07 trillion until 2030 to achieve universal access to water supply and sanitation.

The plan also supports the creation of the Department of Water Resources, which would "unify our fragmented water sector."

"Technically, how do you sort of encourage private sector participation when the regulatory environment is confusing?," Mr. Planta said.

Griselda G. Santos, Water.org regional director for Southeast Asia, noted the progress that has been made, but added that things need to be done with a bill pending to attain sustainable development goals by 2030.

"The fact that there's a law lodged in Congress right now (is) progress itself, but it's a question of when. In the meantime, do we wait for that law to be in place? Because it's a whole process, right?," she told reporters.

Ms. Santos said it would take billions of dollars per year to reach sustainable development goals by 2030.

"We cannot wait for the law to pass. We need some action between the public and private sector," she said.

Alberto E. Pascual, president and chief executive officer of Philippine Guarantee Corp., said that lending to high-risk projects such those in the water sector might be addressed by an agency in which the proper authority is lodged.

"If there's an agency like maybe the Department of Water (that) will orchestrate everything and will dictate the direction of where financing will be needed, the private banks and other lenders will take the cue," Mr. Pascual said.

"We, as the guarantee institution of the government, provide sovereign guarantees; we can mitigate the risk in lending to these water projects, because water projects are very complex, and there are a lot of risks," he added. — **Sheldeen Joy Talavera**



## Exporters battling for exemption from BoC container tracking system

By **Justine Irish D. Tabile**  
Reporter

EXPORTERS said they are in talks with the Bureau of Customs (BoC) to exempt their cargoes from the Electronic Tracking of Containerized Cargo (E-TRACC) system, saying its shipments are already tracked.

Philippine Exporters Confederation, Inc. President Sergio Ortiz-Luis, Jr. said the organization is in talks with the BoC "towards the exemption of exports from this because most of our logistics providers use GPS (global positioning system)," Mr. Ortiz-Luis told *BusinessWorld* via Viber.

The exporters' comments come after the Semiconductor and Electronics Industries in the Philippines Foundation, Inc. (SEIPI) also flagged the redundancy of E-TRACC.

According to SEIPI President Danilo C. Lachica, the system will also cost exporters P1 million to P2 million on top of the rising logistics costs.

"Plus, there has been no record of export diversion to the domestic market because exporters need to ship these goods; otherwise, they don't get paid. So E-TRACC is redundant and extra cost and time for exporters," he added.

Launched in 2020 through Customs Memorandum Order No. 04-2020, E-TRACC enables real-time monitoring of inland movements of containerized goods.

With the use of a GPS-enabled tracking device, the system secures the transport of the goods and prevents diversion and tampering.

In July 2022, the BoC fully implemented E-TRACC on all containers processed with no exceptions.

British Chamber of Commerce of the Philippines Executive Director Chris Nelson told *BusinessWorld* that the chamber understands why there is a request for the system to be waived for exporters, where cargo diversion is not a concern.

"The issue is obviously for imports ... While we haven't heard particularly of this system from our companies, what I would say is that we support things that strengthen and support legitimate sales," Mr. Nelson said in a phone interview.

"In that context, we are very strong supporters of the Anti-Agriculture Economic Sabotage Act, although that's different, it's about supporting and making sure that genuine imports that support the economy are there," he added.

He cited the importance of the government to take action against smuggling.

Confederation of Wearable Exporters of the Philippines Executive Director Maritess Jocsoson-Agoncillo told *BusinessWorld* that E-TRACC is redundant, noting that the industry has measures in place to track containers.

"The system flow has been efficient ... once containers are locked and released from the port of origin," Ms. Jocsoson-Agoncillo said via Viber.

"We have not experienced any hijacking, or even attempts, to open containers in transit," she added.

## Composting program eyed to cut fertilizer dependence

THE Department of Agriculture (DA) is planning to establish composting facilities, with the aim of reducing farmer dependence on expensive fertilizer.

"This is one method to minimize groundwater pollution and restore soil fertility, thereby reducing the vulnerability of marginal farmers to the high cost of chemical fertilizers," the DA said in Memorandum Circular No. 31.

"With regular applications, farms and households would be less dependent on chemical fertilizers and pesticides, significantly decreasing production costs and increasing returns on investment," the department said.

The project will be implemented via the Bureau of Soils and Water Management and DA Regional Field Offices.

The DA said composting packages include one rotary composter and a

biomass shredder with a maximum capacity of one ton per load.

"The machine has a larger capacity to produce a mass volume of compost fertilizer, making it ideal for larger scale composting needs and promoting more sustainable production practices," the DA said.

Recipients of the technology are those participating in the National Rice Program, National Corn Program, National Organic Agriculture Program, and High-Value Crops Development Program.

Recipients can be local government units, registered civil service organizations, state universities and colleges, learning sites and farm schools, and DA research stations or bureaus and agencies.

Qualified recipients are required to file regular production reports. — **Adrian H. Halili**