New high-value crop offices to focus on export items, coffee

THE Department of Agriculture (DA) said it is reorganizing its high-value crops program by establishing three offices dedicated to exportable items, coffee, and commodities for domestic consumption.

Agriculture Secretary Francisco P. Tiu Laurel, Jr. told reporters that the reorganization had been planned last year, but was waiting on clarity on budget availability.

"Only in January could we act on it. We were just waiting for the DA's budget, which was released on Jan. 10. It was only after that that we were able to decide how much would go to each office," he said on the sidelines of the P20 rice program launch in San Juan City on Friday.

Mr. Laurel said that while the DA continues to concentrate resources on certain staple crops, programs for high-value crops had been managed under a single, broad program.

"We concentrate heavily on rice, sugar, corn, and coconut. But high-value crops were too broad and all under one roof. What we did was create more focus on individual sets of commodities," he said.

Mr. Laurel said the reorganization will also help address consumer prices for high-value crops sold domestically, such as tomato, ginger, potato, chili pepper, and mung beans.

On Feb. 2, Mr. Laurel signed Department Order No. 2, which created the Coffee Industry Development Office (CIDO), tasked with tackling challenges in the coffee sector.

CIDO will be addressing outdated farming practices, ageing farmers, and limited infrastructure and equipment in the coffee industry.

Philip C. Young, Agriculture assistant secretary for export development, earlier told *BusinessWorld* that DA is finalizing the functions, structure, personnel, and budget requirements for the new office for export-oriented high-value crops, which he will head.

"It's under organization, that new office, but we are already preparing some framework and program for the commodities," he said. — **Vonn Andrei E. Villamiel**

Red onion imports not deemed 'overwhelming,' Agri dep't says

THE Department of Agriculture (DA) said imported red onion stocks currently in cold storage are not sufficient to drive down farmgate prices, contrary to farmer claims.

"The numbers show that current stocks from imports are not overwhelming the market but merely plugging a supply gap," Agriculture Secretary Francisco P. Tiu Laurel, Jr. said in a statement on Sunday.

The DA said Mr. Laurel ordered a review of onion stocks after producers in Nueva Ecija reported that imported supplies were piling up in warehouses in Central Luzon and dragging down farmgate prices.

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The Bureau of Plant Industry reported that as of Feb. 13, its survey of 82% of cold storage facilities found inventories of 4,454 metric tons (MT) of red onion and 5,271 MT of yellow onion, most of which were imported.

The DA said red onion stocks are projected to be sufficient until Feb. 19, with yellow onion adequate until March 15.

The DA said around 8,000 MT of red onions covered by valid import clearances are still expected to arrive by mid-February. However, it estimates that, even if all shipments arrive, imports are likely good until March 6, just as the harvest starts to peak.

"We are taking a closer look at why onion prices are falling at this time of the year, as claimed by farmers," Mr. Laurel said.

The DA said it will inspect cold storage facilities, including those it funded, and urged farmers to use available storage to extend shelf life and better time the release of their harvest to avoid market oversupply. — **Vonn Andrei E. Villamiel**

EU, Australia make progress on resolving trade frictions

BRUSSELS — The European Union (EU) and Australia, whose plans for a sweeping free trade deal have been put on hold since 2023 due to disputes over certain sectors such as farming, said they have made progress on resolving areas of disagreement.

"Good progress was achieved in narrowing gaps on a small number of outstanding matters. The principals will now report back to their leaders," said European Trade Commissioner Maros Sefcovic and Australian Trade Commissioner Don Farrell in a joint statement.

A previous attempt to reach a trade deal failed in 2023, with Australia wanting greater access for lamb and beef exports to Europe, while the EU wants greater access to Australian critical minerals and lower tariffs on manufactured goods.

The EU wants to compete more strongly with the US and China, and last month struck a trade deal with India. — ***Reuters***

French firm files complaint with EU over duty-skirting cut-price Chinese lysine, a key animal feed ingredient

PARIS — French chemical company Eurolysine said it filed a complaint with the European Union (EU) alleging that a reduction in price of Chinese lysine, used in animal feed, has made penalties to stop unfair pricing ineffective.

The move highlights wider concerns over cheap Chinese imports affecting several sectors and stoking trade spats between the world's second-largest economy and the 27-member bloc.

Eurolysine, the EU's sole fermentation-based amino acid producer, said market conditions for lysine, valine and tryptophan had worsened for more than six months, arguing that Chinese prices have fallen below production costs.

Lysine, valine and tryptophan are essential amino acids used in animal feed to support growth, protein synthesis and stress regulation in livestock, making stable pricing critical for Europe's feed and farming sectors.

Lysine prices are 20% lower than in July 2024, while tryptophan has dropped 60% over a year, Eurolysine, part of French agrifood group Avril, said.

The EU imposed provisional anti-dumping duties on Chinese lysine in early 2025 after an initial complaint filed in April 2024 by Metex Noovistago, now renamed Eurolysine. However, the company said Chinese exporters cut prices further, effectively neutralizing the tariffs.

Eurolysine said it filed a new complaint with the European Commission on Feb. 11, seeking an anti-absorption investigation to ensure tariffs reflect continued undercutting by Chinese suppliers.

The China Chamber of Commerce to the European Union was not immediately available for comment.

Eurolysine also pointed to the EU's decision to impose definitive anti-dumping duties on Chinese valine starting Feb. 14, saying the measure would need close monitoring to ensure it was not circumvented in a similar way. — ***Reuters***

Reduced BoI investment approvals goal reflects review of RE service contracts

By Justine Irish D. Tabile
Senior Reporter

THE reduced investment approvals target for the Board of Investments (BoI) for 2026 reflects a slowdown in the renewable energy (RE) segment after a number of contracts were reviewed.

John Paolo R. Rivera, senior research fellow at the Philippine Institute for Development Studies (PIDS), said: "Over the past few years, large-scale RE projects, especially solar and wind, significantly boosted total approvals because of their capital-intensive nature," he told *BusinessWorld*.

"With some contracts under review or revoked and the pipeline recalibrated, approvals are now expected to be driven more by mineral processing, infrastructure, and high-value manufacturing, which typically involve smaller project sizes but potentially stronger value-added and employment effects," he added.

He said the lower investment approval target does not reflect weaker investor interest in the Philippines but rather "a normalization in project composition and a shift toward more strategic, industry-focused investments."

In January, the Department of Energy (DoE) said 163 terminated and relinquished service contracts since 2024 accounted for nearly 18,000 megawatts worth of potential capacity.

These contracts consisted of hydro, solar, wind, geothermal, and biomass projects that had been awarded via green energy auctions (GEAs).

The Department of Trade and Industry (DTI) said on Saturday that it set a P1-trillion target for BoI investment approvals this year.

This is lower than the P1.56 trillion worth of investment pledges approved in 2025. The BoI expats approvals to be driven by mineral processing, infrastructure, and high-value manufacturing projects.

"As these typically have lower investment costs per project than RE, we are therefore targeting lower BoI registrations this year," the DTI said.

For 2026, Trade Undersecretary and BoI Managing Head Ceferino S. Rodolfo said the government expects the investment picture to reflect the benefits of various investment-related reforms.

"The biggest driver of investments is not promotions in a marketing sense but policy reform," he told *BusinessWorld*.

"We have seen this in RE, with the surge of investments following the lifting of foreign equity caps on RE projects, or with telecommunications, with the issuance of policy on shared telco towers," he added.

He said the focus in 2026 will be on mining and mineral processing, digital infrastructure, tourism, and high-value manufacturing.

The government expects to reap benefits from the Enhanced Fiscal Regime for Large-Scale Metallic Mining Act, the conclusion of the critical minerals agreement with the US, and the Konektadong Pinoy Act.

The BoI also expects to see results from the visa-free entry policy for key source markets, full implementation of the value-added tax refund for tourists, and the implementation of a Semiconductor Industry Roadmap, among others.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said the corruption scandal of 2025 remains a risk clouding the investment picture.

"For the coming months, improved governance standards and reforms will help improve investor confidence and sentiment, could lead to a pickup in investment," he said via Viber, citing as a prerequisite the effectiveness of anti-corruption measures and other reforms related to further improving governance standards.

Meanwhile, exporters said it might be possible to achieve the export target set by the DTI assuming no changes in the Trump tariffs.

"I think we might even exceed it because in 2025, surprisingly, we made something like $135 billion," Philippine Exporters Confederation, Inc. President Sergio R. Ortiz-Luis, Jr. said via telephone.

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