

AGRICULTURE ADVOCACY PAPER 2022



ABOUT ECCP

The **European Chamber of Commerce of the Philippines** (ECCP) is a service-oriented organization whose main goal is to foster close economic ties and business relations between the Philippines and Europe. The ECCP does this through offering a wide range of consultancy services and by fostering connections between companies, organizations, and individuals with existing or potential business ties to Europe and the Philippines. It is also at the forefront of pro-business, pro-growth advocacy in the Philippines, representing European business interests for increased market access and trade facilitation, at the highest level of Philippine political discussions.

The ECCP views itself as the stepping stone for Europeans into the Philippine market and for Filipinos into the European market.



AGRICULTURE ADVOCACY PAPER 2022



EUROPEAN CHAMBER OF COMMERCE OF THE PHILIPPINES
19th Floor, Philippine AXA Life Center Bldg.,
Sen. Gil Puyat Ave. cor. Tindalo Street,
Makati City, Metro Manila, Philippines, 1200

Positions expressed in the advocacy papers are the result of the activities of the Sector Committees working under the ECCP.

EDITORIAL BOARD

Florian Gottein
Sophia Mari Antoinette Ordoña
Katrina Angelica Baligod
Ma. Elena Tabbu
Mazel Cathleen Salazar

Chienie Patricia Nethercott
Aila Jenina Torres
Angelita Bonsilao
Sonja Cristi Leigh Duller

ECCP COMMITTEE CHAIRS

COMMITTEE	COMMITTEE LEADERS
Agriculture	Ruth Novales Dr. Mary Ann Sayoc
Automotive	Willy Tee Ten Paulo Duarte
Aviation	Atty. Marvin Masangkay Lourdes Cariño Angeles
Customs	Atty. Mark Anthony Tamayo
Education	Bai Norma Shareef Dr. Luningning Misuarez Umar Dr. Amor Pentaliday
Environment and Water	Christine Ponce-Garcia
Food and Beverages	Helen Grace Baisa
Healthcare and Pharmaceuticals	Dr. Ma. Teresa Dioko
Human Capital	Atty. Eliseo Zuñiga
ICT-BPM-KPM	Erik Moller Nielsen Karl Bantiling
Infrastructure	Ram Maganti Reinier Dizon
Innovations	Amor Maclang David Almirol Abid Zaidi
Intellectual Property Rights	Atty. Divina Ilas-Panganiban
Open Finance and Financial Inclusion	John Januszczak Eng Teng Wong
Real Estate	Lylah Fronda-Ledonio Paula Queaño Mikko Barranda Ricardo Lagdameo

Renewable Energy and Energy Efficiency	Ruth Yu-Owen Ditmar Gorges
Sustainability	Ram Maganti
Tax and Financial Services	Atty. Kristine Anne Mercado-Tamayo Atty. Maria Concepcion Simundac
Transportation and Logistics	Michael Kurt Raeuber
Tourism	Dottie Wurgler-Cronin Gwendolyn Dela Cruz
Women in Business	Sheila Lobien Lourdes Angeles Jen Alava-Francisco Carmie De Leon
Young Professionals	Patricia Reposo Kenneth Kung

We would also like to acknowledge the support of our committee members.

METHODOLOGY

The 2022 edition of the ECCP Advocacy Papers features issues and recommendations developed after extensive discussions among members of the ECCP sector committees, consultations and meetings with representatives from the Philippine Government, and other stakeholders. Information gathered from organizing events that cover relevant topics, participating in numerous hearings and committee meetings in both chambers of the Philippine Congress, as well as in private sector consultations held by several government agencies were also taken into consideration upon writing.

Further, the recommendations provided in each paper were primarily based on the discussions during the quarterly sector committee meetings. The ECCP Advocacy Team carefully examined each issue and advocacy recommendation in close collaboration with the sector committee leaders and members to make sure they were in line with European business interests and priorities. Once the Advocacy Team had finalized the first draft of each sector paper, it was then disseminated to the Committee members and other important stakeholders for consultation. This allowed for the collection of input that would later be used to create the final draft of the papers.

The assessment of the status of each recommendation included in 2021 Advocacy Papers were examined under the following criteria:

Completed/Substantial Progress: Recommended action has either been completed or there has been significant progress towards the realization of the recommendation.

Some Progress: Movement towards realizing the recommendation has been made, but substantial work still needs to be done to fully achieve and complete the proposed measure.

No Progress/Retrogression: Minimal progress or no movement towards attaining the recommended reforms were done, or the status of the issue has worsened and has evolved to an even bigger bottleneck for European businesses.

MESSAGE FROM THE ECCP PRESIDENT

On behalf of the European Chamber of Commerce of the Philippines (ECCP), I am pleased to present the 2022 ECCP Advocacy Papers. This year's edition features an overview of the current business regulatory landscape in the Philippines as well as industry-specific challenges of the 22 sector committees of the Chamber. More importantly, the paper puts forward constructive policy recommendations for strengthening European-Philippine economic relations and opening up a new decade of growth opportunities as the theme of this year's Summit suggests.

Indeed, the past year has been a period unlike any other with the ongoing health crisis testing the resilience of most organizations and redefining the way we do business. Our advocacy work has also stepped up in organizing virtual discussions and actively engaging key stakeholders including policymakers to raise awareness on issues that matter the most to our members as well as push for reforms that will support our community during this period of uncertainty.

Understandably, the past 20 months have seen a shift of policy priorities from the Philippine government by focusing more on pandemic response and providing social safety nets to the affected and vulnerable. Nevertheless, we have witnessed promising developments on the economic front that will help restore business confidence and boost the country's position as a competitive destination for trade and investments including those from Europe. Among these include the signing of the landmark Corporate Recovery and Tax Incentives for Enterprises Act, the Financial Institutions Strategic Transfer Act, and the inking of the world's largest trade bloc known as the Regional Comprehensive Economic Partnership, of which the Philippines is a party. In addition, the Philippines' improved ranking of 90th in 2020 from 124th in 2019 of the World Bank's Doing Business report demonstrates the global community's relative trust in the country's business environment.

We at the Chamber strive to make the most of these exciting developments in the years to come. The 2022 ECCP Advocacy Papers is our contribution to addressing some of the remaining challenges to helpfully realize the potential of our bilateral ties and economic prospects. I would like to thank our Committee leaders, member companies, and the team behind our flagship publication. Moreover, the European business community continues to stand at the forefront of these crucial issues, which when addressed, will further support our shared goals towards inclusive and sustainable recovery. As such, we remain committed to working with the Philippines in navigating this new decade of growth opportunities.

Mr. Lars Wittig
ECCP President



WHERE ARE WE NOW?

THE PHILIPPINES

The Philippines prides itself in its dynamic and robust economy, transforming into one of the region's top economic performers and attracting companies to invest and expand their operations. In the last decade, the country was able to sustain an average annual growth of 6.4% between 2010-2019 from an average of 4.5% between 2000-2009.¹ However, the onset of the unprecedented COVID-19 pandemic has resulted in a drastic decline of economic activity around the world. The Philippines has not been spared from the economic effects of the pandemic. The country's growth collapsed, with a negative growth rate of 9.6% in terms of Growth Domestic Product (GDP), in 2020 (Table 1). Among its neighboring countries in the Association of Southeast Asian Nations (ASEAN), the Philippines was ranked 10th in terms of Gross Domestic Product (GDP) growth rate (Table 1). Ranked last, the Philippines appears to be the Southeast Asian economy most affected by the pandemic in 2020.

Table 1. ASEAN GDP Year-on-Year Growth Rates, 2020 and 2021 (% per year)

Country	2020	2020 ranking	2021	2021 ranking
Brunei Darussalam	1.1	3rd	-1.5	9th
Cambodia	-3.1	6th	3	5th
Indonesia	-2.1	5th	3.7	3rd
Lao People's Dem. Rep.	-0.5	4th	2.3	7th
Malaysia	-5.6	8th	3.1	4th
Myanmar	3.3	1st	-18.4	10th
Philippines	-9.6	10th	5.6	2nd
Singapore	-5.4	7th	7.6	1st
Thailand	-6.1	9th	1.6	8th
Vietnam	2.9	2nd	2.6	6th

Asian Development Bank. Asian Development Outlook 2022²

Nonetheless, in 2021, the Philippines ranked second among the ASEAN countries in terms of growth rates. Growth was buoyed by robust private domestic demand, including a dramatic increase in investment in the second quarter of 2021 and a steady rise in household final consumption expenditure³.

Furthermore, for the year 2022, multilateral agencies have expressed optimism for the Philippines with an estimated 6.0% and 6.5% growth rate by the World Bank and the Asian Development Bank, respectively. A strong rebound in domestic demand with the easing of COVID-19 mobility restrictions in the country will support robust growth for the Philippine economy in 2022 amidst the Russia-Ukraine conflict, inflationary pressures and disruptions in global supply chains.

The growth projection for 2023 is at 5.8% and 6.3% by the World Bank and ADB, respectively. This is attributed to monetary policy tightening and accelerating inflation affecting domestic demand.

Additionally, the annual preliminary figures show that the country's employment rate rose from 89.7% in 2020 to 92.2% in 2021, with the services sector accounting for 58.1% share, followed by the agriculture sector with 22%, and the industry sector with 19.9%⁴. As of writing, the country's unemployment rate decreased to 5.2 percent in July 2022 from 7.2 percent in the same period last year.⁵

On the other hand, inflationary pressures have been widely felt. As of writing, inflation in the Philippines heated up to 6.9 percent in September 2022 from 6.3 percent in July, according to the Philippine Statistics Authority. This was mainly driven by faster rate of increases in prices of foodstuff as well as electricity and housing.⁶

In terms of the country's Foreign Direct Investments (FDI), the BSP officially recorded USD 10.518 billion net inflows for 2021. Majority of the equity capital placement came from Singapore (USD 526.69 million), Japan (USD 257 million), USA (USD 73.60 million), Germany (USD 29.20 million), and Hong Kong (USD 23.45 million)⁷. In the same year, top European FDI sources are include Germany (USD 32.94 million), United Kingdom (USD 15.77 million), Sweden (USD 6.24 million), France (USD 4.43 million) and Spain (USD 4.34 million). More recently, total FDI net inflows from January to June 2022 reached USD 4.64 billion, an increase of 3% over the same period last year. Specifically, the top source country is **Singapore** with USD 526.69, followed by **Japan** (USD 257), **USA** (USD 73.60), **Germany** (USD 29.20), and **Hong Kong** (USD 23.45).



	Jan-June 2022	Jan-June 2021	2021	2020
Globally	USD 4.64 billion (+3.07% year-on-year increase)	USD 4.50 billion	USD 12.41 billion	USD 6.82 billion
Europe (both EU and non-EU states)	USD 62.54 million (+53% year-on-year increase)	USD 40.87 million	USD 48.08 million	USD 326.47 million

¹ World Bank. (07 April 2021). Philippines: Overview. Retrieved from <https://www.worldbank.org/en/country/philippines/overview>

² Asian Development Bank (April 2022). Asian Development Outlook 2022. Retrieved from <https://data.adb.org/dataset/asian-development-outlook-ado-2022-statistical-appendix-tables>

³ World Bank (June 2022). Philippines economic update 2022 edition. Retrieved from <https://documents1.worldbank.org/curated/en/099325006072264961/pdf/P177408091735101c0b25405cf39f312c86.pdf>.

⁴

⁴ Philippines Statistics Authority. Percent distribution of employed persons by major industry group July 2020 and July 2021. Retrieved from <https://psa.gov.ph/statistics/survey/labor-and-employment/labor-force-survey/tab1>

⁵ National Economic and Development Authority (September 2022). Ph Records Lowest Unemployment Rate Since Covid-19 Onset—Neda. Retrieved from <https://neda.gov.ph/ph-records-lowest-unemployment-rate-since-covid-19-onset-neda/#:~:text=As%20reported%20by%20the%20Philippine,Labor%20Force%20Survey%20since%202005.>

⁶ <https://psa.gov.ph/press-releases/id/168188>

⁷ Bangko Sentral ng Pilipinas. Net foreign direct investment flows (BPM6), by country. Retrieved from https://www.bsp.gov.ph/Statistics/External/tab10_fdc.aspx.AGRICULTURE

The total external trade of the country in terms of goods was recorded at USD 192.532 billion in the year 2021, representing a growth of 24.2% compared to the USD 155.02 billion recorded during 2020, but most importantly an augmentation of 10 billion compared to the 2019, pre-pandemic data. Among the major trading partners are the People's Republic of China, Japan, and the USA⁸. The European Union (EU) followed as the fourth largest trading partner, accounting for 7.9% of the country's total trade in 2021⁹. Meanwhile, as for the Philippines' bilateral trade with the EU member countries, Germany ranked as the top trading partner, with a total of trade of USD 4.985 billion. Likewise, in 2020, Germany ranked as the highest trading partner with a total trade of USD 4.343 billion.¹⁰

Furthermore, in the 2022 World Competitiveness Ranking compiled by the Institute for Management Development (IMD), the Philippines ranked 48th out of 63 countries, climbing four spots from the previous ranking. Specifically, the report notes that the country moved up in two of the factors: Economic Performance rose 4 places to 53rd; Infrastructure climbed 2 spots to 57th. Meanwhile, the Philippines' ranking for government Efficiency slipped three more spots to 48th, and public finance fell six places to 51st.

Nevertheless, we have seen significant progress such as the easing of COVID-19 restrictions, increased mobility for businesses and consumers, as well as solid headways in boosting business confidence and the country's position as a competitive destination for trade and investments. We are optimistic that we will see positive outcomes from the passage of game-changing economic reforms such as the amendments to the Public Services Act, the Retail Trade Liberalization Act, and the Foreign Investment Act. These will undoubtedly usher in foreign direct investments and create more jobs for Filipinos.

AGRICULTURE ADVOCACY PAPER 2022

8 Philippines Statistics Authority. Highlights of the 2021 annual final international merchandise trade statistics of the philippines . Retrieved from <https://psa.gov.ph/content/highlights-2021-annual-final-international-merchandise-trade-statistics-philippines>, table 1 and 5.

9 European commission. Countries and Regions: The Philippines. Retrieved from https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/philippines_en.

10 Department of trade and Industry of the Philippines. Philippines merchandise total trade, historical trend. Retrieved from <http://www.tradelinephilippines.dti.gov.ph:8080/total-trade>.

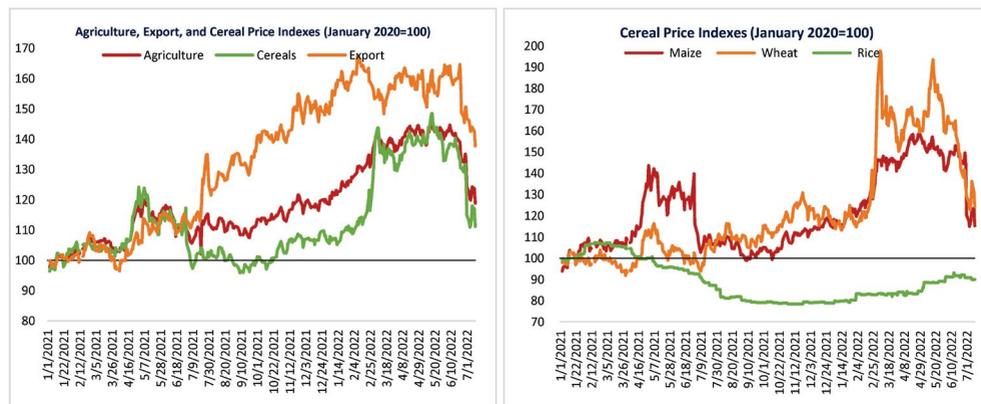
INTRODUCTION

There has been a steep increase in food prices across most major food categories, especially oils and cereals. According to the World Bank, while improvements have been noted in the agricultural, cereal, and exports price indexes which posted a decrease of 11%, 15%, and 5% respectively as of 12 July 2022, the reported figures are still higher from the reported figure in January 2021 by 19%, 11% and 37% respectively.¹

GLOBAL MARKET OUTLOOK (AS OF JULY 12, 2022)

Trends in Global Agricultural Commodity Prices

Figure 1: Trends in Agricultural and Cereal Prices (Nominal Indexes)



Source: World Bank commodity price data.

Note: Daily prices from January 1, 2021, to July 12, 2022. The export index includes cocoa, coffee, and cotton; the cereal index includes rice, wheat, and maize.

A number of factors could have contributed to the rapid rise in food prices, including the COVID-19 impact on supply chains, recent climatic events (e.g., heat waves and droughts), the Russia-Ukraine conflict, among others. Additionally, food protectionism is observed to be on the rise as some economies attempt to safeguard local supplies, and the effects are threatening to spill over into richer economies.

Against the backdrop of a looming global food crisis, the need for a highly productive and innovative agriculture sector has never been more urgent.

In the Philippines, the impact of the global food crisis has also been felt with inflation on food at the national level hitting a record high of 6.4% for the month of June 2022, posting an increase from the 5.2% inflation rate in May 2022 and from the 3.9% inflation rate recorded in June 2021. The Philippines Statistics Authority (PSA) attributed the increase to the higher annual growth of inflation rate in the fruits and nuts groups and in the meat indexes.² To address this issue, the government plans to focus on boosting agriculture production and the reconstruction of the value chain to reduce reliance on food imports with the ultimate goal of attaining food sovereignty.

Agricultural trade for the year 2021 stood at USD22.49 billion and recorded an annual growth rate of 19.8% from 2020, which posted an annual decrement of -7.1%. Agricultural exports and imports for the said year

amounted to USD6.79 billion (30.2%) and USD15.71 billion (69.8%), respectively with exports having a 9.4% annual growth while agricultural imports rose by 24.9%.

Agricultural exports to the European Union (EU) amounted to USD1.39 billion with the Netherlands, Spain, and Germany as the top three buyers. Meanwhile, the top three major agricultural commodities exported to the EU remains to be (i) animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes, (ii) preparations of meat, of fish or of crustaceans, molluscs, and other aquatic invertebrates; and (iii) preparation of vegetables, fruit, nuts or other parts of plants.

Table 1. Top 10 Countries in the European Union for agricultural exports, the total value of agricultural exports, and their respective top export commodity group in 2021

Country	Total Value of Agricultural Exports	Top commodity group
1 The Netherlands	USD698.11 million	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes
2 Spain	USD159.60 million	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes
3 Germany	USD136.43 million	Preparations of meat, of fish or of crustaceans, molluscs and other aquatic invertebrates
4 United Kingdom ³	USD121.18 million	Preparations of vegetables, fruit, nuts or other parts of plants
5 Italy	USD114.28 million	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes
6 France	USD40.63 million	Edible fruit and nuts; peel of citrus fruit melons
7 Belgium	USD37.04 million	Preparations of meat, of fish or of crustaceans, molluscs and other aquatic invertebrates
8 Greece	USD16.60 million	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes
9 Sweden	USD10.44 million	Preparations of meat, of fish or of crustaceans, molluscs and other aquatic invertebrates
10 Denmark	USD10.26 million	Lac; gums, resins and other vegetable saps and extracts

Source: Philippine Statistics Authority

On the other hand, agricultural imports to the EU was valued at USD1.62 billion with Spain (USD333.5 million), Belgium (USD255.20), and the Netherlands (USD214.3 million) as the Philippines' top three suppliers. The top three major agricultural commodities imported from the EU were (i) meat and edible meat offal at USD587.39 million; (ii) dairy produce; birds' eggs; natural honey; edible products of animal

¹ The World Bank. (15 July 2022). Food Security Update. Retrieved from <https://thedocs.worldbank.org/en/doc/4cda3ceaa5a01b7590e7105fd5e6ca4f-0320012022/original/Food-Security-update-LXVI-July-15-2022.pdf>

² Philippine Statistics Authority. (5 July 2022). Summary Inflation Report Consumer Price Index (2018=100): June 2022. Retrieved from <https://psa.gov.ph/price-indices/cpi-ir/title/Summary%20Inflation%20Report%20Consumer%20Price%20Index%20%282018%3D100%29%3A%20June%202022>

³ The United Kingdom of Great Britain and Northern Ireland is listed under the European Union group of the PSA

origin, not elsewhere classified at USD277.17 million; and (iii) residues and waste from the food industries; prepared animal fodder at USD181.41 million.

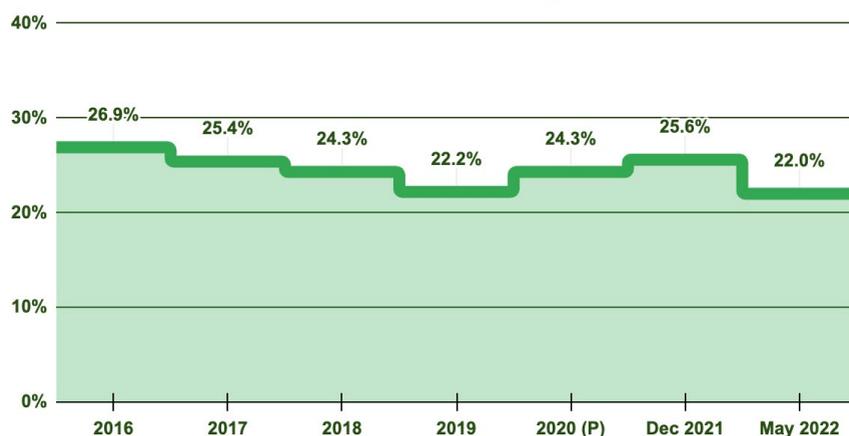
RECENT REFORMS AND INDUSTRY DEVELOPMENTS

Table 2. Top 10 Countries in the European Union for agricultural imports, the total value of agricultural imports, and their respective top import commodity group in 2021			
Country		Total Value of Agricultural Exports	Top commodity group
1	Spain	USD333.49 million	Meat and edible meat offal
2	Belgium	USD255.20 million	Meat and edible meat offal
3	The Netherlands	USD214.27 million	Meat and edible meat offal
4	France	USD185.94 million	Meat and edible meat offal
5	Italy	USD133.70 million	Residues and waste from the food industries; prepared animal fodder
6	Germany	USD98.98 million	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere classified
7	Ireland	USD96.57 million	Meat and edible meat offal
8	United Kingdom	USD90.95 million	Meat and edible meat offal
9	Denmark	USD72.98 million	Meat and edible meat offal
10	Bulgaria	USD46.63 million	Cereals

Source: Philippine Statistics Authority

Despite the challenges, agriculture continues to be one of the key sectors of the country with the sector having the second largest share in the labor market at 22%. It is important to note, however, that a downward trend has been observed in the sector's employment rate as shown in the graph below.

Employment share of the Agriculture Sector in the Total Labor Force of the Philippines



Source: Philippine Statistics Authority

- Philippines Food Systems Transformation Pathway:** After a series of subnational and national dialogues, the Philippine government has developed the Philippines Food Systems Transformation Pathway which aims to act as a blueprint for the country in its pursuit of food sustainability and serves as the country's contribution to the United Nations Food Systems Summit. The document presents an "an overview of the current Philippine food systems and provides strategic areas and partnership and governance mechanisms that have been agreed upon during various multi-stakeholder food systems dialogues".⁴
- TradeNet:** As of February 2022, the Bureau of Customs reported that 21 out of the 76 trade regulatory government agencies (TRGAs) have onboarded TradeNet⁵ following the issuance of the Anti-Red Tape Authority's issuance of Memorandum Circular 2021-01 last year, which mandates all TRGAs to onboard the said platform. According to the BOC, the remaining 55 TRGAs are anticipated to use the system within the year. The following are the 21 TRGAs who have joined TradeNet.
 - Biodiversity Management Bureau
 - Bureau of Agriculture and Fisheries Standards
 - Bureau of Animal Industry
 - Bureau of Fisheries and Aquatic Resources
 - Bureau of Internal Revenue
 - Bureau of Plant Industry
 - Bureau of Quarantine
 - Bureau of Customs
 - Department of Foreign Affairs-Office of Protocol
 - Department of Trade and Industry-Export Marketing Bureau
 - Fertilizer and Pesticide Authority
 - National Meat Inspection Service
 - National Telecommunications Commission
 - National Tobacco Administration
 - Oil Industry Management Bureau
 - Optical Media Board
 - Philippine Coconut Authority
 - Philippine Drug Enforcement Agency
 - Philippine National Police Firearms and Explosives Office
 - Philippine Nuclear Research Institute
 - Sugar Regulatory Administration
- "Plant, Plant, Plant Program Part 2"**. Following the initial implementation of the Plant, Plant, Plan program in 2020 in response to the pandemic, the DA launched the part 2 of the program last 7 March 2022 as part of the measures of the government to address the economic challenges posed by the pandemic and exacerbated by the Ukraine crisis. The flagship program on food security will be composed of urban and peri-urban agriculture with a budget of PhP 1 billion, aquaculture and mariculture fisheries with a budget of PhP 1 billion, food mobilization with a budget of PhP 1 billion, local feeds production with a budget of PhP 1 billion, and fertilizer subsidy with a budget of PhP 20 billion.⁶

4 UNFSS. (21 September 2021). Philippines Food Systems Transformation Pathway. Retrieved from <https://summitdialogues.org/wp-content/uploads/2021/09/Philippines-National-Food-Systems-Transformation-Pathway.pdf>

5 TradeNet is the country's online platform established as the operating system for all issuances of trade permits and other required documents related to trade facilitation and is used to connect to the ASW.

6 Department of Agriculture. (7 March 2022). Plant, Plant, Plant Program Part 2 launched. Retrieved from <https://www.da.gov.ph/plant-plant-agriculture>

- **European Union (EU) – Philippines Trade Relations:** The EU and the Philippines held its second joint committee meeting last 26 April 2022 to discuss, among others, the implementation of the EU-Philippines Partnership and Cooperation Agreement and the GSP+ which is set to expire in 2023. A third joint committee is scheduled to be held in Brussels within the first quarter of 2023.⁷ Additionally, still on the topic of GSP+, representatives from the EU Commission, Directorate General Trade and Directorate General Employment as well as European External Action Service visited the Philippines last 28 February 2022 with the purpose of assessing and discussing Philippines' compliance with the 27 core international conventions in the field of human and labour rights, the environment and good governance.
- **Rice Extension Services Program (RESP):** As part of the government's thrust to upskill Filipino farmers and in accordance with the implementation of the Rice Liberalization Act, the Technical Education and Skills Development Authority (TESDA) launched RESP which offers several skills training programs for rice farmers including digital agriculture course, pest and nutrient management, and rice machinery operations among others. For this year, TESDA has allocated 50,000 scholarship slots under the said program, and as of the first of the year, a total of 25,494 rice farmers have availed of the slots and are undergoing training.⁸
- **Commodity Industry Roadmaps:** On 17 June 2022, the Department of Agriculture (DA) in partnership with various industry stakeholders officially launched its 20 Philippine Commodity Industry Roadmaps (CIRs).⁹ The CIRs are categorized into three clusters namely: (i) High Value Crops Cluster composed of the abaca, banana, coffee, cacao, coconut, mango, onion, and vegetable industries; (ii) Fisheries and Aquaculture Cluster focused on milkfish, seaweed, shellfish, shrimp, and tilapia industries; and (iii) Poultry, Livestock, and Corn Cluster which includes carabao, dairy, hog, poultry broiler, poultry layer, small ruminants, and yellow corn industries.¹⁰
- **Meat import ban from Europe:** The DA, in June 2022, signed four memorandum orders to formally lift the import ban on poultry products coming from, Denmark, Spain, Czech Republic, and Belgium.¹¹ It can be recalled that the government imposed temporary import bans on poultry products from several European countries due to the highly pathogenic avian influenza starting last year.
- **Market-Driven Enhancement of Vegetable Value Chain in the Philippines (MV2C):** DA, in partnership with Japan International Cooperation Agency (JICA), has launched M2VC – a five-year technical cooperation project seeking to enhance the country's vegetable value chain. Among the salient features of the partnership is the development of a vegetable value chain roadmap which was initially presented at a series of workshops held in July 2022, following the conduct of a value chain survey in several provinces like Benguet and Quezon.¹²
- **Coconut Farmers and Industry Development Plan (CFIPD):** In line with the signing of RA No. 11524 which creates a coconut levy trust fund to support coconut farmers and their families last February 2021, the Philippine Coconut Authority launched CFIPD on 24 June 2022. The Plan, which was approved through Executive Order 172 last 2 June 2022, seeks to boost the productivity and revenue of the 2.5 million Filipino coconut farmers as well as modernize the country's coconut industry.¹³

- **Agri-Agra Law amendments:** Following the approval of the reconciled bill by the Senate and the House of Representatives last 23 May 2022¹⁴, the legislation seeking to amend the agri-agra credit provisions on an older law Republic Act (RA) No. 10000 or the Agri-Agra Reform Credit Act of 2009 (Agri-Agra Law) officially lapsed into law on 28 July 2022. The new law is expected to boost the productivity of the Agriculture sector by facilitating easier access to financial services and programs.
- **Regional Comprehensive Economic Partnership (RCEP):** RCEP is a free trade agreement including the ten members of the ASEAN¹⁵ and is often touted as the largest trade bloc in the world, representing 30% of the global GDP or USD 26.2 trillion. As of writing, the Philippines has yet to ratify its participation in the trade agreement with the 18th Congress adjourning last June 2022 without concurring to the ratification. Following the election of the new administration, President Marcos Jr. has expressed his intent to review the trade agreement and has tasked DA officials to submit their views and positions on the mega deal.
- **Government thrust for the Agriculture Sector:** During the first State of the Nation Address of President Ferdinand Marcos Jr., he highlighted the agricultural sector as one of the main drivers of the country's push for growth and employment. Additionally, to stabilize the domestic food supply chain, the government aims to increase production through financial assistance such as agricultural loans and subsidies (i.e., fertilizer, seeds, feeds, and fuel) as well as technical assistance with the main goal of improving the agriculture value chain. Farm to market roads and agrarian reform programs will also be pushed by the administration.¹⁶
- According to the President, a one-year moratorium on the payment of land amortization and interest payment to provide relief to farmers and allow them to focus on boosting farm productivity will be implemented through an executive order. In terms of legislation, President Marcos Jr. called on the Congress to pass a law to amend Section 26 of Republic Act 6657 thereby liberating beneficiaries from the agrarian reform debt as well as the passage of the National Land Use Act.¹⁷



plant-program-part-2-launched/

7 Delegation of the European Union to the Philippines – Press and Information Team. (27 April 2022). Philippines and EU Renew Ties in the Second Joint Committee Meeting. Retrieved from https://www.eeas.europa.eu/delegations/philippines/philippines-and-eu-renew-ties-second-joint-committee-meeting_en?s=176

8 Technical Education and Skills Development Authority. (17 July 2022). Rice Farmers Continue to Receive Training from TESDA. Retrieved from <https://www.tesda.gov.ph/Media/NewsDetail/20141>

9 Department of Agriculture. (15 July 2022). PH Commodity Industry Roadmaps now accessible to public. Retrieved from <https://pia.gov.ph/press-releases/2022/07/15/ph-commodity-industry-roadmaps-now-accessible-to-public>

10 Philippine Council for Agriculture and Fisheries. (n.d.). Commodity Industry Roadmaps. Retrieved from <http://www.pcaf.da.gov.ph/index.php/commodity-industry-roadmap/>

11 Department of Agriculture. (2022). Memorandum Orders. Retrieved from <https://www.da.gov.ph/laws-and-issuances/memorandum-orders/>

12 Department of Agriculture – Agriculture and Fisheries Information Division. (17 July 2022). DA, JICA Push for Enhanced Vegetable Value Chain in New Project. Retrieved from <https://www.da.gov.ph/da-jica-push-for-enhanced-vegetable-value-chain-in-new-project/>

13 Department of Agriculture Communications Group. (27 June 2022). CFIPD Launched to Strengthen PHL Coconut Industry. Retrieved from <https://www.da.gov.ph/cfidp-launched-to-strengthen-phl-coconut-industry/>

14 Senate of the Philippines. (2022). Senate Bill No. 2494. Retrieved from https://legacy.senate.gov.ph/lis/bill_res.aspx?congress=18&q=SBN-2494

15 Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam – as well as Australia, China, Japan, New Zealand, and South Korea

16 Office of the President. (25 July 2022). Transcript: President Ferdinand R. Marcos Jr.'s First State of the Nation Address Speech (as delivered). Retrieved from <https://pia.gov.ph/publications/2022/07/25/transcript-president-ferdinand-r-marcos-jrs-first-state-of-the-nation-address-speech-as-delivered>

17 Ibid.

ADVOCACY RECOMMENDATIONS

1. Increase food production through agricultural value chain development

The ECCP welcomes the government's pronouncements to prioritize the development of the agriculture sector. Agricultural development not only provides for increased quantity and quality of food, it also provides for the betterment of the country's poorest population with the sector serving as the primary source of income for them.

In line with our shared advocacy of achieving a food-secure Philippines with a dynamic and high-growth agriculture sector, we submit the following proposals:

Increase budget allocation for the agriculture sector

Increased financial support for the agriculture sector has been long-awaited with numerous domestic and international organizations noting the need for a substantial increase in the agriculture's budget allocation to address the increasing challenges that the sector faces. However, despite the calls from multiple stakeholders and while several improvements have been made, budget allocation for the sector remains to be minimal. For the year 2022, agriculture ranked seventh of the top ten departments in terms of budget allocation. DA and the National Irrigation Administration (NIA) were allocated PhP102.5 billion which is less than half of the agency's initial proposal of PhP231 billion posting a slight decrease from the previous allocation of PhP102.7 billion in 2021.¹⁸

We express our support to the government's pronouncements that agriculture will be given priority for increase in budget allocation under the new administration. With proper planning and allocation, we believe that the increased financial support will be pivotal to the realization of the sector's full potential and to the attainment of the government's agricultural targets. We highly encourage our legislators to support the proposal and provide the much needed financial support that the sector needs to cope with increasing challenges.

Improve financial access for agriculture stakeholders

The ECCP welcomes the much awaited enactment of Republic Act 11901 otherwise known as the Agriculture, Fisheries and Rural Development Financing Act of 2022 which seeks to promote better access to finance by amending the Agri-Agra Reform Credit Act of 2009. Under the said law, all banking institutions are mandated to "set aside a credit quota, or a minimum mandatory agricultural and fisheries financing requirement of at least 25 percent of their total loanable funds for five years from the date of commencement of the banks' operations". The law also provides for the establishment of a special fund from collected penalties wherein 20% of the fund will be earmarked for the capacity building initiatives of agricultural and fishery-related organizations.

Likewise, in augmentation of this positive development, we call on the government to support other measures focused on minimizing the risks in the sector including the development of an effective crop insurance system providing farmers with basic coverage for existing and new crops, land title regime reform, promotion of financial literacy to farmers, and the facilitation of long-gestation high-value crops to ensure cash flow capabilities.

Support investments in Sustainable Agricultural Infrastructure

Infrastructure plays a critical role in food security. In fact, one of the main causes of food losses, especially in low and middle income countries, apart from inefficient harvesting is the inadequate

infrastructure for food storage and market access.¹⁹ In order for the food supply chain to be fully operational, one must recognize the need for better technologies and infrastructure mechanisms.

As a champion for increased investment in sustainable infrastructure, the ECCP welcomes the President's decision to continue and strengthen the previous administration's "Build, Build, Build" program. Particularly, we highly support the continuation of the farm-to-road market project and the development of a farm to market road masterplan to enhance the supply chain and promote food security as well as empower rural communities. We also advocate for the continued implementation of the DA's Agri-Industrial Business Corridors program which aims to improve food production, disperse agro-based industries to regions and decongest Metro Manila, entice investments from the private sector, and integrate smallholder farmers.

Lastly, to further strengthen the sector's value chain, we highly encourage the government to also look into other forms of infrastructure such as food storage infrastructure and facilities, post-harvest facilities, and green infrastructure among others.

Promote innovation and the use of digital technology in the Agriculture sector

Business leaders agree that innovation is key to stay ahead of the game and remain relevant in an increasingly complex and unpredictable landscape. At the same time, we recognize that innovation is not just a driver of business growth but as a catalyst to solve some of the most pressing and complex problems facing society including food insecurity.

As such, we encourage the government to support investments and promote initiatives on innovating the agriculture sector through the use of policy support and implementation of incentive schemes to mention a few. We also recommend developing a roadmap on farming technologies and systems such as agri- and aqua-energy farms and renewable energy-powered irrigation systems to promote renewable and clean energy in the agriculture sector.

Additionally, the Chamber urges the government to support and harness the growth of regenerative agriculture in the country. The development of the said system will greatly benefit food production as regenerative farming approaches enriches soil health leading to increased fertility and improved water infiltration. Regenerative agriculture also increases biodiversity and helps in fighting climate change.

We believe that investment in innovation as well as creating an innovative culture is imperative to fully maximize the sector's potential, attract investments, and promote sustainable growth and development.

Boost productivity and competitiveness of the Livestock Industry

The livestock industry is one of the most important sub-sectors in the country's agricultural industry. However, the industry has met setbacks in recent years due to the adverse impact of several viral disease outbreaks such as the african swine fever which hit the industry in 2019 and the avian influenza which continues to spread in Luzon and Mindanao.

We welcome and support the move of our lawmakers to file bills that are specifically focused on the development and competitiveness of the livestock sector. In particular, we advocate for the passage of the Livestock, Poultry, and Dairy Development Act currently pending in the lower house. Some of the salient points of the bill include:

- Reforms the institutional setup to govern the corn-feed-livestock-poultry value chain;
- Creates Competitiveness Enhancement Funds for the Corn Sector as well as the Livestock

¹⁸ Department of Budget and Management. (30 December 2021). 2022 People's Enacted Budget: Sustaining the Legacy of Real Change for the Future Generation. Retrieved from <https://www.dbm.gov.ph/images/pdf/files/2022-Peoples-Enacted-Budget-final.pdf>

¹⁹ Economist Intelligence Unit. (2014). Food loss and its intersection with food security. Retrieved from https://foodsecurityindex.eiu.com/Home/DownloadResource?fileName=EIU_GFSI%202014_Special%20report_Food%20loss.pdf

Poultry Sector similar to that of the Rice Competitiveness Enhancement Fund under the Rice Trade Liberalization Law;

- Removes tariff quota system for said commodities as well as import/export restrictions specific to corn; and
- Removes foreign investment restrictions in the Rice and Corn Sectors.

Coconut levy fund asset privatization and implementation of the Coconut Industry Roadmap

We welcome the launch of the industry commodity roadmaps, including the Coconut Industry Roadmap, earlier this year. Relatedly, we advocate for the privatization of the coconut levy fund assets to facilitate easier access for the coconut farmers. The Chamber looks forward to working with the government to implement projects and programs aimed to improve the overall productivity and income of coconut farmers as well as to modernize the coconut industry to attain social equity.

Intensify efforts to encourage youth participation and promote gender equality in the agricultural sector.

The Chamber recognizes and lauds the efforts of the government to attract the younger population to get involved in the agriculture sector. Initiatives such as the Kapital Access for Young Agripreneurs (KAYA) and Mentoring and Attracting Youth in Agribusiness (MAYA) programs as well as the launch of the Agricultural and Fishery Youthpreneur Council have proven to be of great help in enabling the youth to discover and deepen their interest in agriculture.

We also recognize the government's efforts to promote gender equality in the sector including the creation of the committee on Gender Equality and Social Inclusion by the DA-Philippine Council for Agriculture and Fisheries (PCAF) and the Women in Agriculture project which aims to improve the access to livelihood of women and vulnerable groups (i.e. Indigenous People, Senior Citizens, and Differently Abled Persons).²⁰

As pressure on our food system continues to increase, we strongly believe that the government should further intensify its efforts in attracting and encouraging the youth to engage in the sector and pursue agribusiness opportunities. Some possible recommendations to do so would be the inclusion of agriculture in the curriculum to spur interest in the sector at a young age and encourage students to look at agriculture as a viable future career.

Similarly, we also advocate for policies and programs aimed at addressing gender gaps in agriculture in recognition of the increasing involvement of women in different segments of the sector. We are of the opinion that addressing the gender gaps in terms of wages, resources, and employment will help maximize the potential of the sector. As such, we encourage the government to craft an overarching strategy aimed at reducing gender biases and other constraints on women and other vulnerable groups. The Chamber also recommends increased government assistance in terms of financial and policy support as well as providing more platforms for representation and learning opportunities. Lastly, we would like to express our support for the revision of the Registry System for Basic Sectors in Agriculture (RSBSA) guidelines to amend the definition of "farmers" and "fishers" in accordance with the Magna Carta on Women.

Youth involvement and gender equality will not only lower unemployment rates but would also improve food security. As such, we look forward to working with the government on finding possible solutions to address gender inequality and to encourage the young generation to get involved in the sector.

²⁰ Philippine Council for Agriculture and Fisheries. (26 July 2022). OPPC on GESI Promotes Increase of Women and Minority Group Inclusion in RSBSA and other DA Interventions. Retrieved from <http://www.pcaf.da.gov.ph/index.php/2022/07/28/the-committee-on-gender-equality-and-social-inclusion-gesi-in-its-second-regular-meeting-on-july-22-2022-passed-a-policy-resolution-recommending-to-the-registry-system-for-basic-sectors-in-agricul/>

2. Promote ease of doing business by pursuing a sound, transparent, efficient, and science-based regulatory framework.

As in all industries, ease of doing business plays a vital role to ensure the unimpeded and efficient flow of food systems in the country. We firmly believe that having a streamlined, transparent, and science-based regulatory framework would ensure the sufficient supply of agricultural products such as rice, corn, sugar, etc.

Additionally, not only will it aid in the accessibility of food in terms of production, but would also help in terms of affordability as reduction of red tapes would encourage more producers and manufacturers to enter and participate in the market resulting in more options for consumers to choose from.

Modernize and streamline regulations for fertilizers and pesticides

We champion the modernization and simplification of the regulatory process with the aim of facilitating access for farmers to high quality fertilizers, pesticides and other agricultural related goods that can help increase productivity. In line with this, we believe that the modernization and digitalization of the Fertilizer and Pesticide Authority must be prioritized particularly in today's time where increased agricultural production is needed more than ever.

Furthermore, we reiterate our recommendation to review the list of controlled and regulated chemicals, and relax regulations on the importation process and commercial distribution of natural substances such as pheromones to facilitate the importation of high-quality fertilizer and pesticide products in the Philippines. As of writing, the FPA requires additional requirements on the said chemicals despite having lower potential risks than conventional pesticides. We believe that the relaxation of the stringent requirements will offer farmers low-cost and safer alternatives to sustain and increase their yield.

Delineate the regulatory jurisdiction of veterinary drugs and biologics

The ECCP reiterates its call to revert the delineation of regulatory jurisdictions between the Bureau of Animal Industry (BAI) and the Food and Drug Administration (FDA) under the Joint Administrative Order (JAO) No. 2013-0026 permanently. We believe that this move will finally address the overlapping functions performed by the two agencies on the registration, importation, testing, inspection, and use of veterinary drugs and biologics in the Philippines and clarify the confusion in the regulatory framework which has adversely affected the industry's overall productivity in terms of cost and compliance issues.

As was followed during the implementation of JAO No. 2013-0026, we recommend for animal health products to be under the jurisdiction of BAI while health products should be within the remit of FDA. We believe that this arrangement will be an optimal resolution to the regulatory tussle between the two agencies as it will release additional responsibilities from the FDA and allow it to prioritize other responsibilities concerning human health. In the longer term, we strongly recommend the prioritization of the passage of the Animal Health and Veterinary Services Act in order to permanently and clearly delineate BAI's jurisdiction over veterinary drugs while also strengthening BAI to carry out its mandate as the premier agency charged with overseeing the animal sector.

Amend RA No. 7308 or the Seed Industry Development Act (SIDA)

Enacted in 1992, SIDA seeks to address the rapid production of counterfeit seeds in the country which are relatively cheaper than branded seeds but are riskier in terms of plant health and productivity. The problem, however, lies in the law's implementation as it lacks provisions defining what falls under illegal seed practices.

With this in mind, we strongly call for the amendment of the three-decade-old law to further strengthen the Bureau of Plant Industry's law enforcement capabilities. Additionally, we recommend for the following provisions:

- Expand the coverage of the law to include all types of seeds (i.e., open-pollinated, hybrids, and seeds developed through biotechnology);
- Implement voluntary crop variety registration; and
- Harmonize SIDA with the Plant Variety Protection Act of 2002 which protects the use of seed varieties by smallholder farmers and the companies that own them.

Fast-track the operationalization of TradeNet and pursue integration with the ASEAN Single Window (ASW)

The ECCP lauds the initiative of the government to launch and operationalize the National Single Window or most commonly known as the TradeNet. The system, once fully operationalized and integrated with the ASW, will not only expedite the trade procedures in the country, but would also promote trust and transparency between our trading partners and lead to a more robust and dynamic trade, both at the international and domestic level.

As such, we welcome the reported onboarding of the 21 TRGAs earlier this year and we look forward to the onboarding of the remaining 50 TRGAs by the end of the 2022 as pronounced by the BOC. The Chamber urgently calls to expedite the onboarding of the required government agencies and integrate with the ASW which will allow the Philippines to maximize the benefits of being a member of the Association of Southeast Asian Nations (ASEAN).

Further liberalization of the rice and corn industries

Increased trade and investments is vital to establish a competitive market and ensure food self-sufficiency. As such, the ECCP strongly advocates for the facilitation of trade in the country, particularly for the food and agriculture sectors. We reiterate our call to review current laws restricting the participation of foreign companies in certain agricultural activities, particularly in the rice and corn industry.

Currently, the sector is heavily limited to domestic participation due to a 1960 law that prohibits foreigners from engaging in the culture, milling, warehousing, transporting, exportation, importation, distribution, or acquisition for the purpose of trade of such crops.²¹ We call on Congress to pass a legislation that will fulfill the original intention of PD NO. 194 to fully liberalize rice and corn industry by repealing the divestment requirement, rationalize the definition of rice and corn industry, and reiterate the promotion of productive foreign investments in agriculture as key to national and rural development. The Chamber believes that the liberalisation of the rice and corn industry will reiterate the promotion of productive foreign investments in agriculture as key to national and rural development and will allow such foreign investments to create ripple effects by generating jobs and invigorate the countryside.

Relatedly, to help address high food inflation today, we encourage the government to pursue a food security policy that is not overly protective and consider reducing tariffs on certain commodities where the country is currently in deficit, such as corn or even pork, with higher quotas that match the local deficit. The tariff revenues accrued from these imports can then be earmarked to enhance the competitiveness of the same industries so that eventually we can improve productivity and rely less on these imports over time.

Continued implementation of the Special Safeguard Measure (SSG) to ensure the growth of the domestic coffee industry

In line with the government's thrust to improve local production and reduce reliance on importation,

the ECCP reiterates its support for the continued implementation of the special safeguard measure (SSG). Over the years, European companies have made substantial investments in the country's agriculture sector by partnering with local manufacturers to generate employment, utilize local raw materials, purchase more local produce, increase farmers' incomes, promote knowledge transfer, and boost the country's export revenues. However, the proliferation of cheap and illegal imported agricultural commodities including coffee products poses a significant risk to the sustainable growth and development of the sector.

We strongly believe that the said trade measure should remain in place to encourage manufacturers to source locally and help support the livelihoods of smallholder Filipino farmers by ensuring a ready market for them. Relatedly, we also encourage the continuous observance of minimum access volumes of coffee imports in aid to the growth of local industries.

3. Maximize the agricultural potential of the Bangsamoro region

Over the years, the ECCP has been a staunch supporter of the national and local government in the peace process and sustainable socioeconomic development in Mindanao, particularly in the Bangsamoro region. The Chamber has launched various initiatives together with our partners including the Delegation of the European Union to the Philippines and Konrad Adenauer Stiftung Foundation, among others. The Bangsamoro region holds massive potential to become a major source of agricultural growth in the country. We welcome the initiatives of the government to maximize this potential including the launch of the **Food Security and Nutrition (FSN) Roadmap of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)** which aims to achieve a 'self-reliant, food secure, and resilient' Bangsamoro Region by providing a ten-year framework starting from 2020 up to 2030 and beyond²² as well as the **Bangsamoro Food Security and Nutrition Plan** earlier this year.

In augmentation to the said initiatives, we reiterate our call for stronger policy environment through the enactment of bills, resolutions, and other relevant legal framework that will enable Bangsamoro as an important contributor to the agricultural development of the country with the end-goal to shift from low-value agricultural practices into high-value agribusiness ventures. This could be achieved through the establishment of government-owned and -controlled corporations with the mandate to pursue agricultural development projects and initiatives. Likewise, due to the region's Muslim-dominated demographics, there is an opportunity to also harness the region's competitive advantage in halal food industry and Islamic banking and finance.

Collaboration between the public and the private sector remains crucial for the development of the Bangsamoro region. As such, we call on the Philippine government at the national and local level to support private sector-led initiatives to encourage more trade and investments in the region and provide economic opportunities through job creation, infrastructure development, and integrated value chains among others.

4. Establish a constructive regular dialogue between stakeholders

We appreciate the government's initiative to conduct public consultations to ensure that the private sector is involved in the formulation of its laws and regulations. We support public-private cooperation so that expertise can be shared and ensure that proposed solutions are responsive and are well-coordinated.

The ECCP and its Agriculture Committee look forward to an active and fruitful collaboration with the new administration, academe, civil society groups, and other stakeholders to identify and address challenges affecting the agricultural sector. We look forward to working with stakeholders in achieving our shared vision to use agriculture as a driver towards sustainable and inclusive growth and development.

²¹ Republic Act No. 3018 or the Rice and Corn Nationalization Law
22

ASSESSMENT OF 2021 RECOMMENDATIONS

ISSUE	RECOMMENDATIONS	COMPLETED / SUBSTANTIAL PROGRESS	SOME PROGRESS	NO PROGRESS / RETROGRESSION
<p>Address both European and Philippine agriculture issues in trade arrangements</p>	<p>Guarantee agriculture interests in preferential trade arrangements of the Philippines and European countries</p>		<p>The EU and the Philippine held its second joint committee meeting last 26 April 2022 to discuss, among others, the implementation of the EU-Philippines Partnership and Cooperation Agreement and the GSP+ which is set to expire in 2023. A third joint committee is scheduled to be held in Brussels within the first quarter of 2023. Additionally, still on the topic of GSP+, representatives from the EU Commission, Directorate General Trade and Directorate General Employment as well as European External Action Service visited the Philippines last 28 February 2022 with the purpose of assessing and discussing Philippines' compliance with the 27 core international conventions in the field of human and labour rights, the environment and good governance.</p>	<p>While trade officials between Brussels and Manila have virtually met in 2020, there are not yet any clear details as to the next round of negotiations for the EU-Philippines FTA.</p>
<p>Further develop the agricultural value chain</p>	<p>Increase investments in agriculture-related infrastructure projects</p>		<p>President Marcos has pronounced that more farm-to-market roads will be pushed under his administration</p>	<p>As of writing, no bill has been re-filed on the 30-Year National Infrastructure Master Plan in both houses of Congress.</p>
	<p>Make access to finance easier for agricultural stakeholders</p>	<p>Following the approval of the reconciled bill by the Senate and the House of Representatives last 23 May 2022, the legislation seeking to amend the agri-agra credit provisions on an older law Republic Act (RA) No. 10000 or the Agri-Agra Reform Credit Act of 2009 (Agri-Agra Law) officially lapsed into law on 28 July 2022. The new law is expected to boost the productivity of the Agriculture sector by facilitating easier access to financial services and programs.</p>		
	<p>Strengthen capacity-building measures through youth engagement and agripreneurship</p>		<p>DA launched two programs—KAYA and MAYA—in 2020 to promote youth agripreneurship. Additionally, TESDA launched RESP which offers several skills training programs for rice farmers including digital agriculture course, pest and nutrient management, and rice machinery operations among others. For this year, TESDA has allocated 50,000 scholarship slots under the said program, and as of the first of the year, a total of 25,494 rice farmers have availed of the slots and are undergoing training.</p>	

ISSUE	RECOMMENDATIONS	COMPLETED / SUBSTANTIAL PROGRESS	SOME PROGRESS	NO PROGRESS / RETROGRESSION
Pursue a sound, transparent, efficient, and science-based regulatory framework	Improve fertilizer and pesticide regulations		FPA has completed its onboarding to the NSW and TradeNet program and has started to discourage face-to-face transactions in line with COVID-19 physical distancing measures. Nevertheless, members noted that stringent additional requirements remain in place to import and distribute certain natural substances.	
	Fast-track implementation of the TradeNet program	As of February 2022, the Bureau of Customs reported that 21 out of the 76 trade regulatory government agencies (TRGAs) have onboarded TradeNet following the issuance of the Anti-Red Tape Authority's issuance of Memorandum Circular 2021-01 last year, which mandates all TRGAs to onboard the said platform. According to the BOC, the remaining 55 TRGAs are anticipated to use the system within the year.		
	Modernize the seed industry regulatory environment			There have been no significant developments on the proposed amendments to SIDA and the country has yet to adopt ISPM 38.
	Utilize trade remedy measures to ensure the growth of the domestic coffee industry	DA DO No. 06-2018 imposing out-quota SSG on coffee and coffee products remains in effect		
	Further liberalize the rice and corn trade			HB 6161 and HB 6154, both seeking to liberalize the rice and corn industry, remained pending at the Committee level until the end of the 18th congress.
	Delineate the regulatory jurisdiction of veterinary drugs and biologics		FDA Advisory 2022-0591, released last 14 March 2022, mandates that the manufacture, importation, exportation, distribution sale, offer for sale, transfer, promotion, advertisement, sponsorship of veterinary medicine, vaccines and biologicals as well as other veterinary products and medical devices will now be handled exclusively by the Center for Drug Regulation and Research (CDRR), instead of the BAI.	
Promote regular, inclusive, and constructive stakeholder dialogue	Actively support participatory governance		The ECCP, through its Agriculture Committee, has been organizing various webinars, engaging with key stakeholders through policy advocacy, submitting position papers, and partnering with other partnership platforms on common interests in the agriculture sector.	

ISSUE	RECOMMENDATIONS	COMPLETED / SUBSTANTIAL PROGRESS	SOME PROGRESS	NO PROGRESS / RETROGRESSION
<p>Harness the agricultural potential of the Bangsamoro region</p>	<p>Create a favorable and enabling environment for the sustainable and inclusive growth of the region's agriculture sector</p>		<p>In line with the Bangsamoro government's advocacy to attain food security in the region, the government launched the Bangsamoro Food Security and Nutrition Plan (BFSNP) which aims to be a blueprint for the regional government to ensure that BARMM is "self-reliant, food-secured, and resilient, with prosperous farmers and fisherfolks". BFSNP was accomplished last 16-18 March 2022 by the Ministry of Agriculture, Fisheries, and Agrarian Reform (MAFAR) and the Bangsamoro Planning and Development Authority in collaboration with the World Food Programme (WFP)</p>	



EUROPEAN CHAMBER OF COMMERCE OF THE PHILIPPINES

 19th Floor, Philippine AXA Life Center Bldg.,
Sen. Gil Puyat Ave. cor. Tindalo Street,
Makati City, Metro Manila, Philippines, 1200

 8845-1324 to 26

 info@eccp.com

 www.eccp.com