



#ADBSustainableFood Webinar Series



Fighting for Food Security: Lessons from Cross-Country Approaches

#ADBRuralDevelopment&FoodSecurity

Talking Points of Fermin Adriano

former Undersecretary for Policy and Planning, Department of Agriculture, Philippines

The Philippine Experience¹

During the initial outbreak of the Covid-19 pandemic in early 2020, the Philippine government imposed a strict lockdown to contain further spread of the virus. This resulted in major disruptions in the production of food and their transport. If the bottleneck was unresolved, Metro-Manila, a city teeming with more than 13 million people, would have suffered from serious food shortages.

The government immediately responded, particularly our Department of Agriculture, by issuing travel passes, prominently displayed on the windshield of vehicles transporting agricultural commodities and food to Metro-Manila and other major cities of the country to ensure the unimpeded flow of food supply. Special arrangements were also made to unload goods from key sea ports, experiencing congestion then, by providing travel passes to personnel manning these ports and hiring trucks to unload imported food commodities from docked sea vessels. The measures worked effectively as the Philippine response to the initial challenge of the pandemic even served as a model for other countries to emulate, as cited in a World Bank report of responses of countries to Covid 19 threat to food security.

In addition, the Philippine government ramped up local food production through the implementation of the “Plant, Plant, Plant” project. It has several components: urban agriculture, distribution of free female chicken or ducks, provision of free fish fries, etc., depending on the livelihood sources of the community, and free distribution of seeds

¹Written by Fermin D. Adriano, PhD, former Undersecretary for Policy and Planning, Department of Agriculture, Philippines.

and planting materials to promote community self-livelihood projects. Our local government units were mobilized for this purpose in close collaboration with the Department of Agriculture. Moreover, regular food price monitoring were conducted daily in key markets in Metro-Manila and the information disseminated through major media outlets to inform buyers of prevailing prices.

E-commerce was actively promoted to partly address logistics problems in delivering food to consumers and in lowering food prices as it is a technology that reduces the layers of traders involved in marketing food products. In addition, mobile rolling stores (called “Kadiwa”) were deployed by the government in areas where there is a huge concentration of the urban poor to enable them to access reasonably priced food.

On top of these measures, it should be noted that even before the pandemic, the government took the initiative of liberalizing rice trading, rice being the staple food of the Filipinos, and hence, treated as a political commodity. It took almost four decades for the Philippine Congress to finally pass the “Rice Tariffication Law” (RTL). RTL lifted the quantitative restriction (QR) or import ban on rice and replaced it with tariff. It was hailed as a major agricultural policy reform initiative as rice trading was previously in the hands of the government through the National Food Authority (NFA). RTL removed the monopoly control of NFA on rice trading, confined its role to the creation of buffer stock for emergency purposes, and allowed the private sector to engage in rice trading providing they meet SPS measures.

To counter the opposition to RTL, the law provided that around P10 billion pesos (approximately US\$200 million) from the rice tariff proceeds will be earmarked to a program called the “Rice Competitive Enhancement Program” (RCEF). RCEF is meant to improve the efficiency of the local rice industry and cushion the impact of the liberalization adjustment difficulties. The amount was apportioned to the provision of free farm machinery (50%), in-bred rice seeds (30%), subsidized credit (10%), and capacity building/training of farmers (10%). The law was implemented in March 2019 and by December 2021, it has generated tariff proceeds amounting to more than P40 billion, more than the P10 billion required annually to support RCEF for three years. The government then decided that the excess tariff proceedings of around P13 billion should be given as cash financial assistance to poor farmers

tilling two hectares and below. An amount of P5,000 (around US\$100) had been distributed to around 1 million small rice farmers up to this point. There are still remaining funds from the excess tariff and the current administration of President Marcos Jr. has given the instruction that their distribution should be accelerated given the adverse impact of the Russia-Ukraine conflict on the food security of the country.

An additional, and yet vital, component of the package as a result of the conflict in Europe is the decision of the new administration to provide fertilizer and fuel subsidies to farmers and fishers to cushion the impact of soaring fertilizer and fuel prices. The government has decided to provide the subsidies through a voucher system based on a registry of farmers and fishers, identifying the poor and small rural workers among them to be given priority in the provision of the subsidies. The government envisions that once the Farmers and Fishers Registry is completed and validated, all assistance to the farmers and fishers should just be deposited to their personal accounts through the government owned Land Bank of the Philippines, and in turn, the recipients can withdraw through their automatic teller machine (ATM) account. This will significantly reduce delay, incidences graft and corruption, and lower the administrative cost in providing the plethora of subsidies to farmers and fishers.

A similar scheme like the RTL is being contemplated for other heavily protected agricultural commodities such as corn, livestock, poultry and dairy. Bills in the Philippine Congress have been filed to liberalize trading of these agricultural commodities provided that all tariff proceeds collected should be earmarked to finance projects that will make the subsectors efficient and competitive. If we are able to do this, we can substantially lower cost of food prices in the country which contributes more than 40% to our overall inflation, assure us availability of a steady supply of nutritious food at affordable prices, while enhancing the competitiveness and efficiency of our local farmers and fishers.

Let me emphasize though that despite the innovations implemented by the Philippine government to address the challenge of food security, they will not guarantee a hundred percent food security to our people. The magnitude of the problem has grown enormously with the combined lingering effect of the pandemic, the Russia-Ukraine conflict, and now the additional challenges of climate change. The Philippines is among the top five countries vulnerable to climate change. As our government

and people find creative solutions to the current global food crisis facing its country, it will need the support of its friends and allies to weather this current threat to its food security.

An initial step towards this is to keep the global trade in food as open as possible. It will bring so much relief to many net food importing developing countries around the world, including the Philippines, if this appeal is heeded.
