

08

Expanding
Economic
Opportunities
in Agriculture,
Forestry, and
Fisheries

EXPANDING ECONOMIC OPPORTUNITIES IN AGRICULTURE, FORESTRY, AND FISHERIES

With 24.0 percent¹ of the country's labor force employed in the agriculture, forestry, and fisheries (AFF) sector, the government is working to revitalize and modernize the sector to increase productivity, ensure food security and, most importantly, improve the welfare of the millions of farmers and fisherfolk who depend on it.

Moving forward, the government needs to identify investment areas that will enhance the sector's competitiveness, profitability, and resiliency.

Assessment

Table 8.1 Accomplishments versus Targets in Expanding Economic Opportunities in Agriculture, Forestry, and Fisheries

INDICATOR	BASELINE		ANNUAL PLAN TARGETS				ACCOMPLISHMENT			
	YEAR	VALUE	2017	2018	2019	2020	PERIOD COVERED	2017	PERIOD COVERED	2018
Outcome: Economic opportunities in agriculture, forestry, and fisheries expanded										
Growth of Gross Value Added (GVA) in AFF increased (% in real terms)	2015	0.1	2.5-3.5	2.5-3.5	2.5-3.5	2.5-3.5	Jan-Dec	3.9	Jan-Dec	0.8
a. Crops	2015	-1.8	2.0-3.0	2.0-3.0	2.0-3.0	2.0-3.0	Jan-Dec	6.5	Jan-Dec	-0.9
b. Livestock	2015	3.8	3.0-4.0	3.0-4.0	3.0-4.0	3.0-4.0	Jan-Dec	1.1	Jan-Dec	1.9
c. Poultry	2015	5.7	3.0-4.0	3.0-4.0	3.0-4.0	3.0-4.0	Jan-Dec	4.5	Jan-Dec	5.8
d. Forestry	2015	-26.7	2.0-3.0	2.0-3.0	2.0-3.0	2.0-3.0	Jan-Dec	-7.3	Jan-Dec	3.8
Growth in Value of Production of Fisheries increased (% at constant prices)										
a. Commercial	2015	-3.3	2.5	2.5	2.5	2.5	Jan-Dec	-5.3	Jan-Dec	-2.5
b. Municipal	2015	-2.2	1.0	1.0	1.0	1.0	Jan-Dec	-0.9	Jan-Dec	-1.7
c. Aquaculture	2015	0.8	5.0	5.0	5.0	5.0	Jan-Dec	1.9	Jan-Dec	-0.5
Growth in the value of agriculture and fishery exports increased (% FOB value, cumulative)	2015	-21.6	2.0	5.0	7.0	9.0	Jan-Dec	27.7	Jan-Dec	-8.4
Outcome: Access to economic opportunities by small farmers and fisherfolk increased										
Growth in labor productivity of farmers and fisherfolk increased (% in real terms)	2015	4.6	5.0-6.0	5.0-6.0	5.0-6.0	5.0-6.0	Jan-Dec	12.1	Jan-Dec	3.4

¹ 2018 Annual Labor and Employment Status reported by the Philippine Statistics Authority (as of December 28, 2018)

Expanding economic opportunities in AFF

The AFF sector grew at a rate slower than the target of 2.5 to 3.5 percent. The sector's overall gross value added (GVA) grew by only 0.8 percent in 2018, far from the 3.9 percent growth in 2017, with crops, livestock, and fisheries missing their targets for 2018 and outweighing the growth of the poultry subsector.

Contraction in the growth of crops subsector pulled down the overall AFF growth. Accounting for 48 percent of the total output of AFF, crops output declined by 0.9 percent. Typhoons heavily affected rice and corn² with losses valued at around PHP20.7 billion and PHP9.1 billion, respectively.³ Output (in terms of GVA) also decreased for sugarcane, mango, coffee, and cassava mainly due to lower production,⁴ offsetting the improved outputs of coconut (including copra), banana, pineapple, and rubber.

The poultry subsector surpassed its annual target, while the livestock subsector improved but remained lower than the target. Accounting for 12.0 percent of the total sector output, poultry grew by 5.8 percent exceeding the high-end 2018 target of 4.0 percent. This is attributed to the expansion of layer and broiler farms, improvement of farm facilities and disease control management, and opening of new commercial broiler farms in Central Luzon, CALABARZON, Zamboanga Peninsula, and SOCCSKSARGEN.

On the other hand, accounting for 14 percent of the total AFF output, livestock posted a 1.9 percent growth – higher than the 1.1 percent in 2017, but fell short of 2018 target of 3.0 to 4.0 percent. The decreased production of carabao, cattle, and goat slowed down the growth of livestock output, offsetting the improved production of hogs and dairy. Contributing to this decline was the reservation of carabao stocks for breeding and dairy purposes, and as draft animals in some regions. Furthermore, the reduction in pasture areas in SOCCSKSARGEN and closure of some farms in MIMAROPA contributed to lower inventory of cattle, while the decrease in goat production was attributed to the reservation of stocks for breeding and fattening.⁵

Forestry output exceeded the high-end target of 3.0 percent. Recovering from a contraction of 7.3 percent in 2017, forestry output went up by 3.8 percent in 2018. This is attributed to the higher volume of timber harvested from established plantations in production areas and from holders of Integrated Forest Management Agreements⁶ that practice sustainable development of forestland area and forest resources. Forestry production is expected to further increase in the next few years in the face of expansion of forest plantations and delineation of production and protection forests.

Output of the fisheries subsectors declined. The growth in the value of aquaculture production contracted by 0.5 percent in 2018 mainly due to sulfur upwelling and delayed stocking in freshwater cages particularly in CALABARZON, occurrence of ice-ice disease in seaweeds in Leyte and Antique,⁷ and overflow of some brackish water fishponds in Central Luzon caused by typhoons. The production of tiger prawns was also affected by the occurrence of white spots disease in Northern Mindanao. Moreover, the value of commercial and municipal production declined by 2.4 percent and 1.7 percent, respectively, due to less fishing trips caused by weather disturbances and degradation of fishery resources/habitats.

Earnings from agriculture and fishery exports dropped by 8.4 percent. A significant decrease in the value of the top Philippine export commodities such as coconut oil, desiccated coconut, pineapple and its

² Rice and corn share 53 percent of the total crops gross value added (GVA).

³ January to December 2018.

⁴ These crops share 12 percent of the total crops GVA.

⁵ Reasons for the decrease in production of carabao, cattle, and goat were cited from the report of the Philippine Statistics Authority Performance of Philippine Agriculture.

⁶ Pursuant to Department of Environment and Natural Resources (DENR) Administrative Order No. 99-53, a qualified applicant may enter into contract with DENR and be granted with exclusive right to develop, manage, protect, and utilize a specified area of forestland and forest resources, consistent with the principle of sustainable development and in accordance with an approved Comprehensive Development and Management Plan.

⁷ Freshwater pens share 1.5 percent of the country's aquaculture production. Rizal Province shares 68 percent of the country's total freshwater pens production. Seaweeds production in Leyte and Antique share 1.0 percent and 7.0 percent, respectively, of the country's seaweed production.

products, tuna, and centrifugal sugar was recorded in 2018.⁸ Among these commodities, centrifugal sugar, which was mostly exported to USA, decreased the most in terms of value and volume of exports by 80.0 percent and 82.0 percent, respectively. Contributing to this decline is the amendment of policies⁹ issued by the Sugar Regulatory Administration reducing the allocation of locally-produced raw sugar for the world market (including the USA) from an average of 20.0 percent in 2017 down to 6.0 percent in 2018. On the other hand, the allocation of sugar for domestic market increased in consideration of lower production and increasing domestic prices of raw and refined sugar in 2018.

Approval of Republic Act No. 10969 or the Free Irrigation Service Act in February 02, 2018. This Act exempts all farmers with eight hectares and below from paying irrigation service fees (ISF) for water derived from national irrigation systems and communal irrigation systems under the National Irrigation Administration (NIA).¹⁰ This Act also condones and writes off all unpaid ISF and corresponding penalties of exempt farmers, and all loans, past due accounts and corresponding interest and penalties of irrigators associations to NIA. The NIA Board of Directors, through a resolution dated December 18, 2018, confirmed and issued the Implementing Rules and Regulations of the law.

Congress ratified the bill removing the quantitative restrictions (QR) on rice imports in November 28, 2018, which was enacted into law in February 14, 2019. RA No. 11203¹¹ amends the two-decade-old RA No. 8178, otherwise known as the Agricultural Tariffication Act of 1996, and replaces the QR on rice imports with tariff. It establishes the Rice Competitiveness Enhancement Fund (RCEF) that will fund programs and projects to enhance the competitiveness and profitability of the sector to support farmers who will be adversely affected by the removal of the QR. The bulk of the RCEF will be allocated for the provision of farm machineries and equipment, and development, propagation, and promotion of rice seeds.¹²

Increasing access to economic opportunities by small farmers and fisherfolk

AFF labor productivity improved but at a slower rate. Slight increase of AFF output accompanied by a 2.6 percent decline in AFF employment, labor productivity in the sector registered 3.4 percent growth,¹³ which is lower than the 5.0 to 6.0 percent target for 2018. The National Economic and Development Authority is currently undertaking a study on rural labor migration to determine the reasons on the continuous decline in AFF employment.¹⁴ Based on the initial results of the study, unstable, low farm income in the sector, and availability of better-paying opportunities in other sectors (i.e., industry and services) push farmers and farmworkers to move out from the agriculture sector.

Increase in productivity-enhancing support services and AFF investment were observed. The Department of Agriculture-Agricultural Credit Policy Council (DA-ACPC) continued in rolling out easy, fast, accessible, and affordable financing facilities prioritizing small farmers and fisherfolk (SFFs) located in unbanked municipalities. As of September 2018, credit programs under DA-ACPC has provided financing

⁸ These commodities account for about 40.0 percent of the total value of agri-fishery exports from January to October 2018.

⁹ Sugar Order No. 1-A (2016-2017), Sugar Order No. 1-B (2016-2017), Sugar Order No. 1 (2017-2018), Sugar Order No. 1-A (2017-2018), and Sugar Order No. 1-B (2017-2018).

¹⁰ These also include NIS and CIS funded, constructed, maintained, and administered by other government agencies, including those that have been turned over to irrigators associations.

¹¹ An Act Liberalizing the Importation, Exportation, and Trading of Rice, Lifting for the Purpose the Quantitative Import Restriction on Rice, and for Other Purposes

¹² The RCEF worth PHP10 billion is allocated for farm machineries and equipment (50%), rice seed development, propagation, and promotion (30%), expanded credit assistance (10%), and extension services (10%). In case the annual tariff revenues from rice importation exceeds the PHP10 billion in any given year, excess tariff revenues will be allocated to financial assistance to rice farmers, titling of agricultural rice lands, expanded crop insurance program for rice, and crop diversification program.

¹³ As of December 2018.

¹⁴ The R&D study seeks to understand the factors affecting the decline in agriculture employment.

to a total of 399,148 SFFs or 26.3 percent of the total number of borrowing SFFs in the Registry System for Basic Sectors in Agriculture (RSBSA) in unbanked municipalities. These facilities, bundled with insurance, include the Production Loan Easy Access (PLEA) Program and the Survival and Recovery (SURE) Loan Program.¹⁵ Other financing facilities are also being implemented to finance the acquisition of machinery, equipment, and facilities from production to post-harvest through Farm Machinery Loan Easy Access; and working capital requirements of trading, marketing, and processing of agri-fisheries products through Working Capital Loan Easy Access.

In addition, farmers and fisherfolk also tapped the Agricultural Competitiveness Enhancement Fund (ACEF) Lending Program through the Land Bank of the Philippines (LBP).¹⁶ As of December 31, 2018, the Bank's total releases under the ACEF Lending Program amounted to PHP25.2 million. The loans were channeled largely to productive activities involving the acquisition of agricultural facilities, machineries, and equipment, crop production, and fishery and livestock production. Further, LBP recently implemented the Accessible and Sustainable Lending Program for Small Farmers (ASL Farmers Program) to expand its reach to more small farmers and fishers nationwide.¹⁷ It employs direct marketing where Supervised Credit Technicians will directly market the Program to all farmers and fisherfolk in the master list generated in coordination with the Department of Agrarian Reform (DAR) and Department of Agriculture (DA). The ASL Farmers Program was pilot-tested in Isabela and Nueva Ecija in October 2018.

In terms of AFF research and development (R&D), the share of budget appropriation in the total AFF GVA slightly increased to 0.37 percent in 2018 from 0.36 percent in 2017, but is still lower than the target of 0.40 percent. The R&D budget resulted in the development of 162 new technologies,¹⁸ exceeding the 2018 target of 127. There is still a need to strengthen extension services to increase the adoption of technologies by farmers and fisherfolk through promotion and information dissemination (e.g., farm field schools, technology demonstration, one-stop shops).

On the other hand, approved private investment in AFF has improved, recording a 7.7 percent growth¹⁹ in 2018 compared to a decline of 29.3 percent in 2017, but still below the target growth of 10.0 percent.

¹⁵ The PLEA Program provides non-collateral loans for agri-fishery production, including long-gestating crops, at 6.0 percent annual interest rate payable within two to ten years, depending on the project cycle. The SURE Program is a post-disaster support facility which provides emergency loans for immediate needs and recovery loans for the rehabilitation of agricultural and livelihood activities of small farmers and fisherfolk in areas declared under state of calamity.

¹⁶ Farmers and fisherfolk can tap the ACEF financing facility for the following purposes: for individual farmers and fisherfolk to finance the purchase of farm inputs and equipment or farm improvement not exceeding PHP1M per individual; and for cooperatives, associations, and medium and small enterprises (MSEs) engaged in agricultural production, farming, agri-business, and similar activities – to acquire and establish agri-based production and post-production, and processing machineries, equipment and facilities to achieve modern agricultural practices not to exceed PHP5M per project per cooperative/association/MSEs.

¹⁷ The Bank has earmarked PHP10 billion in loans to assist small farmers' agricultural financing needs and help them improve productivity and income.

¹⁸ These new technologies were under the Bureau of Agricultural Research (108), Philippine Carabao Center (32), Philippine Center for Postharvest Development and Mechanization (18), and Philippine Fiber Industry Development Authority (4). DA-BAR funded/developed the following: 2 Community-Based Participatory Action Researches (i.e., on dairy buffalo and on diversified farming system for sugar apple + vegetables + legume); 20 technologies under the Climate Change Program (e.g., geospatially referenced data on climate risks, biophysical, agricultural and socio-economic parameters used in generating suitability/vulnerability maps); 6 technologies under the Biotechnology Program (e.g., DNA barcodes for detection of fishery products for export); 18 technologies under the National Rice Program (e.g., improved rice postharvest technology called as IM Palay HD system or Integrated and Mechanized Palay Handling and Drying system), 17 technologies under the National Corn Program (e.g., Native corn varieties tolerant to abiotic stress), 27 technologies under the National High Value Crops Development Program (e.g., utilized grinded rhizomes "sapal" into flour and substitutes flour for pastries), and 18 technologies under the National Organic Agriculture Program (e.g., science-based organic production management system for lowland rice and vegetable).

¹⁹ Private investments in the AFF sector grew by 7.7 percent with the addition of investment approvals from the Regional Board of Investments – Autonomous Region in Muslim Mindanao (ARMM) amounting to a total of PHP1.21 billion in 2018. The reported accomplishment in ARMM is attributed to the inflow of investments from private investors due to the anticipation of the ratification of the Bangsamoro Organic Law; and the increasing demand for Cacao in international markets.

Land distribution under the Comprehensive Agrarian Reform Program continued. The DAR distributed a total of 4,888,177 hectares (ha) of land out of the 2018 cumulative target of 4,925,466 ha. in the Philippine Development Plan (PDP) 2017-2022, benefiting about 2.87 million agrarian reform beneficiaries. The DAR also subdivided collective certificates of land ownership award covering 1,202,200 ha. Resolving issues of problematic landholdings, such as those with land titling, survey, coverage, and land transfer issues, can facilitate the attainment of the PDP target.

Share of registered small fisherfolk within municipal water surpassed the target. The Bureau of Fisheries and Aquatic Resources (BFAR) reported that the ratio of registered boats²⁰ in coastal areas to the total number of registered municipal fisherfolk²¹ increased by 27.6 percent, which is above the 13.7 percent target for 2018. The improvement is still attributed to BFAR's intensified campaign for fisherfolk to register in the FisherFolk Registration System.

Moving forward

With RA No. 11203, the removal of the QR on rice imports, as well as the removal of unnecessary government intervention (i.e., National Food Authority's [NFA] monopoly and regulation of rice importation) will create a more competitive rice market to ensure the availability and accessibility of affordable rice for every Filipino. The expected reduction in the domestic price of rice will benefit the general public, especially the poor who spend about 29.0 percent of their total food expenditure on rice,²² including farmers themselves who are net consumers when their harvests are sold to cover other basic necessities.

Moreover, the Act will remove all the regulatory functions of the NFA, and transfer its critical food safety function to the DA as provided by the Food Safety Act of 2013. This was done because NFA being both a player and a regulator in the rice industry is a clear conflict of interest and is inconsistent with the Government-Owned and -Controlled Corporation (GOCC) Governance Act of 2011.²³

On the other hand, the increasing risks posed by the effects of global warming and climate change may affect the productivity of the AFF sector and the country's food security if left unaddressed, especially since the country has been experiencing El Niño phenomena since last year.

Given this outlook, the government will implement strategic activities to leverage available opportunities for the sector and ensure that key policy reforms will be felt by the people.

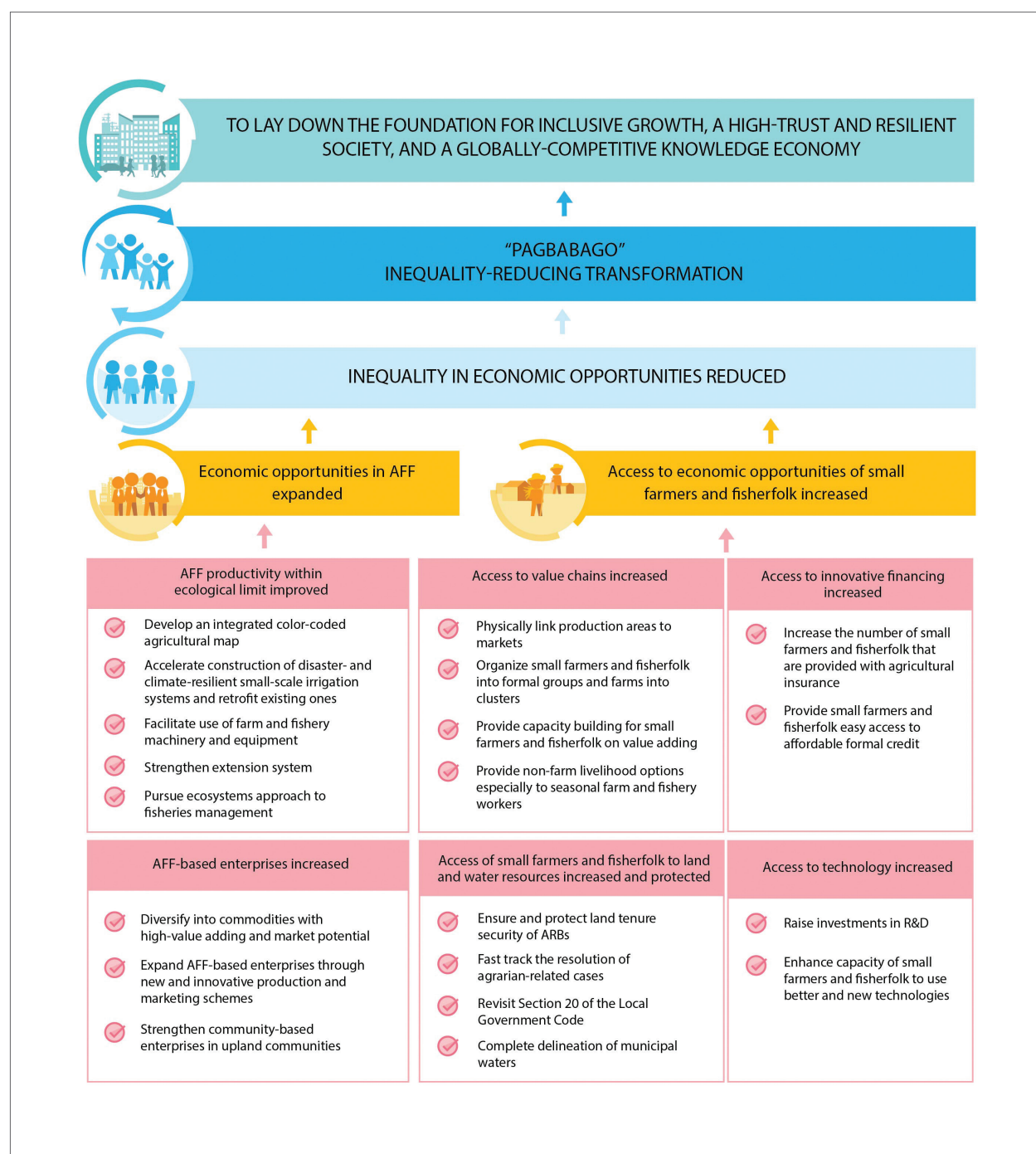
²⁰ The number of registered boats is based on the Municipal Fishing Vessel and Gear Registration System (BoatR), the centralized database system of BFAR for the registration of fishing boats three (3) gross tonnage and below, conducted by municipal and city local government units.

²¹ The number of registered municipal fisherfolk is based on the Municipal FisherFolk Registration System of the BFAR, which was implemented in compliance with the mandate of RA 8550 (The Philippine Fisheries Code) to enhance, fast-track, and complete the Municipal Fisherfolk Registry of coastal local government units (LGUs) nationwide.

²² Based on the Family Income and Expenditure Survey for 2015.

²³ Section 2, item G of the Governance Act states that, "There is a clear separation between the regulatory and proprietary activities of GOCCs, in order to achieve a level playing field with corporations in the private sector performing similar commercial activities for the public."

Figure 8.1 Strategic Framework to Expand Economic Opportunities in Agriculture, Forestry, and Fisheries



Intensify complementary interventions and efforts to maximize benefits from rice tariffication. For this impact to be felt and sustained, the government should encourage more rice traders to participate and ensure fair market competition among various firms and industry players in the rice value chain. The Philippine Competition Commission should be vigilant in monitoring the rice market to avoid cornering of the supply of imported rice by big traders. Efficient market price information systems should also be put in place to inform farmers and traders of the current (and possibly projected) domestic and world market prices that will guide them in selling their produce.

To ensure the accurate collection of tariff revenue from rice importation, implementation of the National Single Window Program is crucial, and should be complemented with heightened anti-smuggling efforts by the Bureau of Customs, in collaboration with the Philippine Coast Guard and other concerned agencies.

To enhance the competitiveness and profitability of the rice sector and assist farmers who will be adversely affected by the removal of the QR, a Rice Industry Roadmap should be formulated by the DA in consultation with other government agencies and stakeholders. The Roadmap should contain more aggressive and well-targeted interventions that include the promotion and adoption of farm machineries and equipment, among others, to increase productivity, reduce production costs, reduce post-harvest losses, and increase income. This is also the opportunity to accelerate commodity diversification in the Philippine agriculture sector by assisting uncompetitive rice farmers to diversify to other high value commodities. The limited public investments accorded to non-rice subsectors should be corrected. Immediate updating of the RSBSA is also needed to ensure proper identification of beneficiaries of RCEF.

Restructure the NFA to focus its function on buffer stocking. Under RA 11203, the NFA is now mandated to focus on maintaining a national buffer stock to address emergency situations and to sustain the disaster relief programs of the government during natural or man-made calamities. The Act also mandated the NFA to procure the buffer stock solely from local farmers. Given the reduced role of the NFA under the post-Rice QR regime, the NFA will need to be restructured in terms of personnel (especially those involved in regulatory functions) and properties that would no longer be required. The restructuring plan should also include proposals on the settlement of the outstanding debt of the NFA valued at PHP140 billion in 2018, either from the sale of its assets or absorption of the debt by the national government subject to certain conditionalities. Further, with the reduction in subsidy given to the NFA, the national government will have more funds available to allocate to other sectors, such as education and health.

The NFA can still sell affordable rice since there is a need to periodically replenish its buffer stocks, but it should focus on very targeted markets such as marginalized and far-flung areas, which some private traders may not find profitable to serve. Likewise, the government may also explore the possibility of distributing rice stamps or discount vouchers for indigent families to avail rice at subsidized retail price.

Revisit initiatives to increase resilience of AFF to climate and disaster risks. Every year, drought and numerous typhoons hit the country causing long dry spells, destructive flooding, and landslides that heavily affect the agriculture and fisheries sectors. While strategies to increase resilience are identified in the PDP, revisiting existing efforts has to be done to assess the effectiveness and efficiency of implementation of programs and projects on the ground. Construction of disaster- and climate-resilient farm structures and retrofitting of existing ones (e.g. small-scale irrigation systems) has to be accelerated. AFF extension systems should also be strengthened to increase adoption of climate- and shock-resilient technologies (e.g., greenhouses, varieties that are short-maturing, high-yielding, flood and drought tolerant, and stress-resilient) and best practices (e.g., alternate wetting and drying technology, integrated pest management). Further, concerned agencies should enhance decision support tools by providing timely and site-specific weather and climate advisories and utilizing advanced and appropriate information and communication technology to make it more available and accessible to stakeholders. Updating of suitability and vulnerability maps, as well as identifying disaster prone areas, are also necessary to guide agricultural planning, investments, and activities.

In view of the presence of weak El Niño that will likely continue until end of 2019,²⁴ concerned agencies (e.g., DA) are expected to enhance coordination with PAGASA to monitor the status of El Niño and ensure that appropriate interventions are in place. In August 2018, DA created a National El Niño Task Force²⁵ which oversees the activities related to the monitoring, assessment, and mitigation of possible impacts of El Niño to agriculture. The Task Force also defines the needed interventions, operationalizes assistance schemes to farmers/fisherfolk, and coordinates with other concerned institutions (e.g., NDRRMC) to harmonize and efficiently implement the El Niño Mitigation and Adaptation Plan which is being finalized by the DA. The provision of production support (e.g., distribution of crop varieties that are high quality drought-tolerant or early maturing) and agricultural insurance, pest and disease management, water supply augmentation (e.g., pump irrigation), and information, education, and communication campaigns are among the planned core activities of DA that must be implemented.

Implement strategies that address the push factors responsible for out-of-agriculture labor migration.

Although the sector continues to have a significant share to the country's labor force, the number of employed in the sector has consistently decreased in recent years due to unstable and low farm income. As the country intends to continuously push for the improvement of profitability in the AFF sector, the government should invest in capacity enhancement of farmers and fisherfolk, particularly on the provision of training on agripreneurship and value-adding activities, to increase their income. Competency-based training on farm machinery operation and basic maintenance should also be provided considering the intensification of strategies to enhance productivity in AFF specifically through farm mechanization. Capacity-building programs should also be conducted for non-agriculture workers who are interested to venture into farming, particularly returning OFWs and senior high school students. Programs and projects to increase access of value chain players to innovative financing, and facilitate and generate agribusiness investments, also need to be implemented.

Strengthen efforts to integrate smallholder farmers and fisherfolk into larger agribusiness enterprises.

Intensive promotion of farm diversification has to be complemented with social preparation such as capacity building and organization building and management. Organized farmers and fisherfolk should be provided with training on value-adding activities that translate to more active engagement of farmers and fisherfolk in venturing in commodities with high-value adding and market potential, agribusiness, and enterprise development. Increasing domestic participation in the global supply and/or value chains is also necessary (refer to Chapter 9). Similar efforts have to be implemented to transform AFF from a production-oriented sector to an innovative and market-driven agribusiness or agro-industry clusters.

Amend the Revised Charter of the DA-Philippine Crop Insurance Corporation (PCIC) Act of 1995 or RA 8175 as well as other relevant laws. In 2018, PCIC provided agricultural insurance²⁶ to only 15.5 percent of small farmers and fisherfolk. Although this exceeded the 2018 target of 14.4 percent, a greater number of beneficiaries should be provided with insurance considering the risks of natural calamities (e.g., typhoons, El Niño) and pest infestations. However, PCIC is unable to reach more farmers and fisherfolk due to budget constraints. Hence, there is a need to reorganize the PCIC and increase its authorized PHP2 billion capital stock to cater to the demands of small farmers and fisherfolk more effectively.

²⁴ Based on PAGASA El Niño and Climate Outlook (as of April 24, 2019), models from the Climate Prediction Center and the International Research Institute for Climate and Society (IRI) in the United States of America indicate weak El Niño conditions for May to August, continuing into September to December 2019 season.

²⁵ Pursuant to DA Special Order No. 945 series of 2018, issued on August 28, 2018.

²⁶ The PCIC provide insurance protection to farmers against losses arising from natural calamities, plant diseases and pest infestations of crops (i.e. rice, corn, and high value crops), livestock (i.e. cattle, carabao, horse, swine, goat and sheep), poultry (i.e. broiler chicken), and fisheries (i.e. fishponds, mariculture parks, and seaweed farms). It also provides protection against damage to/loss of non-crop agricultural assets including but not limited to machineries, equipment, transport facilities and other related infrastructures due to peril/s insured against.

Continue to push for the creation of the Coconut Farmers and Industry Trust Fund. The bill²⁷ creating the Trust Fund has to provide necessary safeguards to ensure that the fund will fully benefit coconut farmers and farm workers. Formulation of measures to properly manage, utilize and oversee the use of Coco Levy fund is needed. As the basis of utilizing the Trust Fund, the Coconut Farmers and Industry Development Plan has to be finalized with stakeholder consultations to ensure that actions to be implemented will benefit the coconut industry.

Reinforce efforts to protect and conserve fishery resources through ecosystems approach to fisheries management. In view of the need to sustainably manage fishery resources to harness their economic potential, the government aims to further intensify the implementation of ecosystems approach to fisheries management. In particular, priority will be given to the enhancement of registry and licensing system for boat, vessel, and gear, as well as the monitoring of compliance with catch documentation requirements among municipal and commercial fishing boats; and identification of priority fishery management areas and development of harvest control rules to avoid overfishing. In addition, the government must continuously strengthen its efforts to provide alternative livelihood support to fisherfolk (particularly those who are affected by closed fishing season), promote value addition and diversification of fishery products, and develop fishery culture system for species with high market potential to lessen pressure on resources. Complementary strategies on intensifying sustainable management of coastal and marine ecosystems will also be continuously pursued to ensure sustained provision of ecosystem services, particularly in providing habitats to fishery resources to meet both the present and future demand (*see Chapter 20*).

²⁷ The bill was ratified by Congress in November 28, 2018, but was vetoed by the President in February 08, 2019.

