

## **USDA Foreign Agricultural Service**

# **GAIN Report**

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# Philippines Agricultural Situation Philippine FIELDS Program 2008

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### **Report Highlights:**

Responding to rising global and domestic food prices, the Philippine government recently disclosed a P43.7 billion (\$1.05 billion) package of agricultural intervention programs designed to improve the country's long-term food security prospects.

Includes PSD Changes: No Includes Trade Matrix: No Trade Report Manila [RP1] As a result of high and rising global rice prices, President Gloria Macapagal-Arroyo, in a National Food Summit held April 4, 2008, announced the creation of a P43.7 (\$1.05 billion) billion package of agricultural intervention programs. Known as the FIELDS program, the package was reportedly designed by the Department of Agriculture (DA) and Malacañang Palace and focuses in increasing domestic food production to ensure the long-term food security of the country.

FIELDS stands for fertilizer, irrigation and infrastructure, education and training, loans and credit, dryers and post-harvest facilities, and quality planting seeds.

Although details are not yet readily available, the FIELDS funding support reportedly is broken down as follows:

- P500 (\$12.04) million for fertilizer support (with special focus on organic fertilizers) from the Agricultural Competitiveness Enhancement Fund (ACEF).
- P6 billion (\$144.58 million) for irrigation repair and rehabilitation by 2010.
- P6 billion (\$144.58 million) for farm-to-market roads and other rural transport infrastructure.
- P5 billion (\$120.48 million) for farmer's training and research and development (R&D). Of this amount, P2 billion (\$48.19 million) will be used for R&D and P1 billion (\$24.10 million) each for capacity building programs.
- P15 billion (\$361.45 million) for farm credit, in addition to the P5 billion (\$120.48 million) Mrs. Arroyo earlier ordered the Land Bank of the Philippines to make available to rice farmers.
- P2 billion (\$48.19 million) for post-harvest support like dryers and storage facilities.
- P9.2 billion (\$221.69 million) for hybrid and certified seed production and subsidies until 2010, of which P6.5 billion (\$156.63 million) will be for certified seeds and P2.7 (\$65.06 million) billion for hybrid seeds. Certified seeds are to be planted in 600,000 hectares this year, and hybrid seeds to be planted in 900,000 hectares over the 2009-2010 period.