

PHILIPPINE AGRICULTURE 2020: A STRATEGY FOR POVERTY REDUCTION, FOOD SECURITY, COMPETITIVENESS, SUSTAINABILITY, AND JUSTICE AND PEACE

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Philippine Agriculture (PA) 2020 is a medium term strategic plan for the agriculture and natural resources sector articulated by scientists, farmers, entrepreneurs, non-government workers, people in the bureaucracy and other stakeholders in a series of consultations and workshops convened by the National Academy of Science and Technology, Philippines (NAST PHL).

The plan envisions a sector that shall have major role in reducing poverty, achieving food security, global competitiveness, sustainability and justice and peace. It looks forward ten years hence to a vision of robust and vibrant agricultural and natural resources production systems and ecosystems services that improve and sustain well being in the Philippines.

PA 2020 adopted as its conceptual framework the UN Millennium Ecosystems Assessment which posits a strong linkage between ecosystems and human well being. Using this ecosystem framework, agriculture is seen as embedded in three overlapping and interacting systems- 1) agricultural systems, 2) natural resources systems, and 3) social systems.

Agricultural systems involve the production of crop livestock, fisheries and trees for food, feed, clothing and shelter. Their productivity and sustainability are driven by changes in climate, technologies, tenurial arrangements, in the country's resource endowments and on the ecological services provided by environment and natural resource systems. The social systems, characterized by population size and quality, culture, peace and order, tenurial systems and governance integrate the manner how the two physical systems are utilized for human well being for now, and for the generations to come.

Moreover, PA 2020 embraced the social philosophy that agriculture is a way of life and that it has multiple functions: That agriculture beyond its economic and material contributions is connected to the distribution of social and political power and to the culture and values that animate it and enrich

society as a whole. That the multiple goals of poverty reduction, attainment of food security, competitiveness, sustainability, and of justice and peace cannot be achieved without a holistic view that expands production and broadens markets, hand in hand with empowering people to move out of poverty and preserving the sources of pride in Filipino culture.

Thus PA 2020 rests on three pillars: 1) organizing and managing agriculture as a business, 2) changing the social structure through asset reform, and 3) nurturing values respecting nature and community.

To make the social philosophy and pillars of PA 2020 operational, three broad enabling strategies are required, namely, 1) technology development, 2) investments, and 3) governance reforms.

Technology innovations raise yields, improve product quality, reduce losses and conserve the environment resulting in enhanced productivity, profitability, competitiveness and sustainability. These technology modernization requirements and opportunities are treated at length in the fifteen agro-industrial clusters into which the whole of agriculture and natural resources were divided.

The modernization of agriculture calls for massive public investments in physical infrastructure, in rural credit and finance, in human capital and institutions. These public investments make agriculture more productive and less risky and therefore more competitive for private investments.

Governance is the “binding force” for the enabling strategies. In the first place the public sector has a major role in initiating development interventions. Appropriate laws, policies, rules and regulations need to be in place to make the public institutions work and to define the space within which the private sector has to operate and most importantly development in order to be sustainable and equitable require the broad participation of stakeholders.

PA 2020 essentially is a blueprint for the modernization of Philippine agriculture not so much from the perspective of macro planners and legislators but from the point of view of sector stakeholders, technical people and the implementers. Thus it basically reinforces the Agriculture and Fisheries Modernization Act of 1997 (AFMA) and the NEDA MTPDP but

richer in organization and technical details and ideas on project planning and implementation. Much of the added value of the PA 2020 exercise come from the attached Industry Cluster Strategic Plans (ISPs) and the extra effort to translate the broad sector objectives and strategies into Indicative Action Plans unique for each industry cluster. These suggested Indicative Action Plans are described at length in the fifteen Industry Cluster Strategic Plans (ISPs) in the annexes.

PA 2020 proceeds from the premise that the anemic performance of Philippine agriculture in the last three decades has not been for lack of appropriate laws, policies, institutions, programs and human resources. Most of the features of a modern agriculture sector are in place but what had been lacking for the most part are 1) the political will to fully invest in its requirements; 2) concentration and sustained efforts, 3) coordination and convergence of public and private investments and interventions, and 4) greater transparency and accountability in the use of public funds.

Up to 2006 the annual appropriations to the Department of Agriculture, its attached corporations and for the implementation of AFMA together was only about P18-20 billion. Thus the lack of funds has ceased to be a real constraint and hence the guarded optimism for the 7% projected growth rate of agriculture consistent with the NEDA medium term plan. The big challenge now is to allocate the resources properly and in a balanced and carefully calibrated manner to those programs and activities which will contribute the most to the national goals of poverty reduction, food security, productivity, competitiveness, sustainability, and justice and peace.

An annual public expenditure of around P50-60 billion should be adequate to meet the modernization needs of agriculture and fisheries in the coming decade. Thus the first and foremost requirement is to sustain this level of public expenditure for agriculture in the General Appropriations Acts.

What needs and can be done in the near term most of which can be implemented with the human, financial and institutional resources at hand include the following:

For Near-Term Implementation

1. Updating of Industry Cluster Road Maps
2. Translating the Updated Industry Road Maps into Operational National Commodity Programs
3. Strengthening of the LGU ANR Extension Offices
4. Strengthening of DA Regional Offices
5. Establishment of Dedicated Extension Units in Selected SUCs
6. Emancipation of the DA Bureaus
7. Strengthening of Statistics Gathering and Analysis Capability of BAS including Utilization of GIS and Remote Sensing Technology
8. Organizing All-Philippine Farming Systems RDE Networks for Rice, Corn and Coconut
9. Professional Management and Institutional Support to Farmers Organizations
10. Review and Oversight of NIA Operations
11. Completion of Agrarian Reform
12. Resurrection of the Bureau of Agricultural Extension
13. Resolution of the Fisheries Governance Issue
14. Review of Priority Setting and Resource Allocation Among Programs and Activities
15. Phase out of Procurement and Distribution of Farm Inputs

Those which require additional legislation, policy reform, major restructuring as well as programs and projects which have longer gestation period include the following:

For Medium-to-Long Term Implementation

1. Enactment of a National Land Use Policy
2. Unified Lands Administration and Public Lands Management; Creation of a Lands Administration Authority under DENR
3. Further Extension of AFMA till 2020
4. Reform of the National Food Authority
5. Creation of a Special Small Farmers Fund, with Subsidized Interest Rates
6. Irrigators Associations to Collect and Retain Water Users Fees; Amendment of NIA Charter from a Corporation to a Bureau

7. Conversion of Production Forestlands Covered by CBFMAs, CLOAs and CADCs/ CATCs into Large Forest and Industrial Tree Crop Plantations.
8. Devolution of Natural Resources Extension Services from DENR to the LGUs and their Rationalization into Merged Agriculture and Natural Resources Extension Offices.

The Philippine population will continue to grow unabated to 2020 and beyond as the population debate remains unresolved. The low per capita availability of arable land and freshwater will further decline. Thus the country, like most of the rest of the developing world, faces the dauntless task of producing more and more food from less and less arable land and irrigation water.

A net food importer even now, the Philippines cannot, even if it wished, be fully food self-sufficient. Nevertheless with strong measures to preserve prime arable lands, the full harvest, storage and careful utilization of surface waters and aquifers, and with modern production and postharvest technologies, the country can produce a big part of what it imports now and still produce some niche products for export.

Among the hierarchy of national purposes, elimination of poverty is most pressing and problematic. Poverty is pervasive in the country, more so in the countryside. The problem of poverty cannot be adequately addressed without resolving the challenges of productivity and equitable access to productive assets by farmers and fisher folks.

PA 2020 has embraced the social philosophy that agriculture beyond its economic and material contributions is connected to the distribution of social and political power and to the culture and values that animate it and enrich society as a whole.