



## **Making agriculture profitable and sustainable once again**

**by Ernesto M. Ordoñez – February 1, 2018**

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For agriculture to be successful, agribusiness is critical. An agriculture commodity will not provide revenues unless it is produced and sold. Thus, an efficient supply chain from farm to table (or seed to shelf) is needed if agriculture is to become profitable and consequently, sustainable. This is what agribusiness is all about.

Last January 25, the Philippine Chamber of Agriculture and Food, Inc. (PCAFI) met with officials of the Department of Agriculture (DA) to discuss how to develop agriculture. PCAFI is the agribusiness arm of the five-coalition Agri-Fisheries Alliance (AFA). The other groups in AFA are the farmers and fisherfolk, science and technology representatives, rural women and multisector leaders. Without the critical link of agribusiness in the AFA's private sector system of support, agriculture development will suffer.

### **PCAFI role**

Many are encouraged by the turnaround of agriculture, which had a 3-percent growth under the current administration as compared to only 1 percent during the previous administration. This proves that agriculture can further improve with the support of government initiatives.

PCAFI members are well qualified to give recommendations to the government for purposes of improvement. For each of the 33 different agricultural subsectors (e.g. rice, corn, coconut, poultry, hogs, capture fisheries), a successful agribusiness leader was identified to help lead that sector.

PCAFI chair Alex Escaño and president Philip Ong have also spearheaded several meetings with the government's legislative and executive branches. They have also organized guided tours in Asean countries that have done better than us.

PCAFI plans to visit next Vietnam, which has already surpassed the Philippines in so many ways. Take for example coffee. We now import 80 percent of our coffee from there.

Agriculture Secretary Manny Piñol could not come to the PCAFI meeting, but was ably represented by Undersecretary Ariel Cayanan.

### **Unfulfilled initiative**

To achieve good performance, one must know what to do (effectiveness) and how to do this (efficiency). At last Thursday's meeting, two of the six key recommendations PCAFI was responsible for were highlighted.

We can't stress enough the importance of road maps. The Department of Trade and Industry has already submitted more than 30 industry road maps to government think tank Philippine Institute for Development Studies, but the DA has yet to submit one for agriculture.

An example of a good list of goals and deliverables is the one led by Danny Fausto, PCAFI dairy subsector champion. This roadmap was primarily formulated by the private sector with guidance from the DA. This was done differently from previous road maps that did not have a shade of private sector backing.

Teams drafting these goal lists must be composed of members from the government and private sector. They will also be responsible for updating the blueprint and its utilization. This way, the road maps don't just gather dust, hidden inside the shelf.

For implementation, the ISO 9000 globally accepted management system should be established in all DA units. Today, very few of the DA units have this management system. Without one, the department's efficiency in service delivery is limited.

At last Thursday's meeting, the DA officials welcomed PCAFI's recommendations. The question now is the speed of delivery. Agribusiness can best fulfill its critical role in ensuring agriculture development via swift and decisive actions from the DA.

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