

Comments on un-numbered House Bill entitled: AN ACT TO DEVELOP THE ANIMAL AND FEED INDUSTRY VALUE CHAIN, HARMONIZING FOR THE PURPOSE THE DISEASE PREVENTION, CONTROL, AND REGULATORY FUNCTIONS, CREATING THE LIVESTOCK, POULTRY, DAIRY, AND FEED COMPETITIVENESS FUNDS, AND FOR OTHER PURPOSES

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The bill, should it pass into law, is long overdue for the development of the livestock, poultry, dairy, and corn industries. I especially laud the repeal of export restrictions for corn (Sec 13), nationality restrictions in the postharvest corn value chain (Sec 14), and the reporting line of BASR under Department Undersecretary of Regulations. The following are my specific comments towards improvement of the draft:

1. While I understand that meat and maize tariffs remains contentious, may I reiterate the research finding (Briones and Espineli, 2022) that high feed cost undermines value chain competitiveness, which in turn is bloated by high tariffs on imported maize. Hence, tariff reduction is a cost-effective instrument to achieve industry competitiveness. As social protection against intense competition from imports, the Livestock, Poultry, and Dairy Competitiveness and Development Enhancement Fund (LPDCDEF) and Corn Competitiveness and Development Enhancement Fund (CCDEF) can be wholly allocated to cash grants (“direct financial assistance”) to small-scale livestock, poultry, dairy, and corn farmers. Understandably, the draft reflects current political reality.
2. Sec 4, and Sec 6: the function on Feed Corn Development should be absorbed by PLPA to avoid confusion and overlap. The “National Corn Program” may therefore be ended, or if maintained, should be limited to human food corn (typically, the white variety).
3. Sec 7, (3) (ii): there should be explicit amendment or repeal of contrary provisions in the Local Government Code (RA 7160), such as Sec 443 (4) (xiii) assigning quarantine powers to the local Sanggunian. This will forestall disputes between national and local authorities over containment measures.
4. Sec 7 (4) assigns animal welfare office to the LPDPDCS. However, there is no explicit mention of the function of animal welfare in the Section. I suggest language be included as follows:
Livestock, Poultry, and Dairy Protection and Disease Control Service 18 (LPDPDCS) – shall, in addition to the roles of the BAI mandated under Sections 19 2, 3, 4 and 5 of Act 3639 of 1930, be responsible for programs, policies, surveillance, and emergency action to protect the livestock, poultry, and dairy industries from the risk of outbreak of diseases or pests, [and safeguard animal welfare], and shall have the following powers and functions:
...

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(iv) Safeguarding animal welfare, in accordance with relevant provisions of RA 8485 as amended by RA 10631.

5. Sec 19 is unnecessarily complex. I suggest simpler categories. The following are not fixed in stone, but just as more realistic alternative: 30% for shared service facilities; 10% for credit; 20% for direct financial assistance; 20% for R&D; and 20% for extension (including community organizing). There should also be a provision allowing DA Secretary to adjust allocations upon review.
6. Sec 22-23: to further incentivize organizing of smallhold farmers into cooperatives, I suggest that government support extended solely to members of cooperatives and farmer association (Briones and Espineli, 2022), at least 50% + 1 of members composed of backyard livestock, poultry, and dairy farmers and their dependents as documented by the RSBSA list.
7. Sec 25: The mandatory allocation of 40% of the National Feeding Program budget for procuring locally produced fresh milk and fresh-milk based products may be deleted. The provision will inadvertently raise the cost of school meals and reduce resources for procuring other healthy foods. Instead, the 40% target can be incorporated in the Philippine Animal and Feed industry Value Chain Development Roadmap for specific areas (where a viable dairy industry and logistics is well developed).

Reference:

Briones, R, and I Espineli. 2022. Towards Competitive Livestock, Poultry, and Dairy Industries: Consolidated Benchmarking Study. Discussion Paper Series No. 2022-20. Quezon City: PIDS.