

# INDUSTRY NEWS

Philippines Livestock | Animal Health | Animal Nutrition

## Philippines' agriculture and fisheries production declines by 3.3% in Q2 2024

Total production for the quarter amounted to PHP 413.91 billion (USD 7.3 billion). The livestock sub-sector, the value of production decreased by 0.3% year-on-year, reach to PHP 63.33 billion(USD1.1 billion). Livestock represented 15.3%of the total agricultural and fisheries production during this period. swine production, the major component of livestock output, saw a slight decrease of 0.2% compared to the previous year.

Poultry production posted an annual growth of 8.7%, reaching PHP 70.15 billion (USD1.2 billion) in the second quarter of 2024. Poultry made up 16.9% of the total production value, with all commodities in this sub-sector experiencing increases.

The fisheries sub-sector also saw growth, with a 2.2% year-on-year increase in value, amounting to PHP 60.40 billion (USD1.06 billion). Fisheries accounted for 14.6% of the total production value during the second quarter of 2024. (Source: Philippine Statistics Authority, August 19<sup>th</sup> 2024)

## Philippine Senate passes bill to strengthen livestock, poultry, and dairy industry



The Philippine Senate has passed a bill that establishes a national roadmap aimed at enhancing the local livestock, poultry, and dairy (LPD) industry.

Senate Bill 2558, also known as the "Act Strengthening Livestock, Poultry, and Dairy Industry Development and Competitiveness, Rationalizing the Organization and Functions of Relevant Government Agencies, and Creating a Competitiveness Enhancement Fund," was approved on the third and final reading.

Senator Cynthia Villar, the bill's principal author and sponsor, said the LPD industry has been hindered by fragmented government support and uncoordinated policies. She emphasized the need for a clear strategy to address these issues.

"We will set a clear and strategic direction for the LPD industry, strengthen the organizational structure and institutional capacity of relevant agencies, and ensure that adequate resources are provided to support the growth and competitiveness of the industry," Villar stated during her sponsorship speech.

The legislation also calls for the creation of the LPD Competitiveness Enhancement Fund, which will have an annual appropriation of up to PHP 7.8 billion (USD136





## Philippine milk production rises 15% in first half of 2024

The Philippines' National Dairy Authority (NDA) has reported a 15% increase in milk production from January to June, with output reaching 16,020 tonnes, compared to 13,940 tonnes during the same period last year.

This production represents approximately 21% of the total liquid milk supply in the country, equating to one glass out of every five consumed, according to the NDA.

The local milk production sector is supported by a dairy animal inventory of 151,059 heads, including 34,754 dairy cattle, 80,805 dairy carabaos, and 35,500 dairy goats..

Executive Order (EO) No. 62 approved by Philippine President Ferdinand R. Marcos Jr. is expected to lend stability and predictably for meat importers until 2028.

Under EO 62, lower tariffs for pork, fresh, chilled, or frozen meat will remain at 15% for in-quota and 25% for out-quota. (Source: Philippines Department of Agriculture, July 24<sup>th</sup> 2024)

million). The fund will be sourced from tariff collections on imported LPD products, modeled after the Rice Competitiveness Enhancement Fund.

The bill outlines the functions of various government agencies tasked with developing the LPD industry, with the Bureau of Animal Industry serving as the lead agency for implementing key programs. Among these programs are the Breeder Availability and Genetic Improvement Program, the Pasture Crops and Animal Feeds Program, and the Native Animal Program.

Additionally, the bill includes the Animal Health Welfare and Protection Program, which seeks to provide veterinary health services and support for LPD. This comes as the country grapples with an outbreak of African swine fever in Batangas. (Source: The Philippine Star, August 16<sup>th</sup> 2024)

## USDA forecasts growth in Philippine pork and beef imports by 2025



The USDA expects pork imports to rise by 6%, reaching 510,000 tonnes, as the domestic supply continues to be affected by African swine fever (ASF), despite ongoing vaccination efforts.

"While ASF remains present in the Philippines, the animal disease situation should improve in 2025," the USDA stated. The agency forecasts Philippine pork production next year to grow by 2%, reaching 1.06 million tonnes.



The USDA reported a decline in ASF cases from January to March 2024, but recent increases in August 2024 are expected to limit growth in pork production in 2025. However, the cost of animal feed is projected to decrease next year as corn supply normalizes, which could improve profits for pig farmers.

Pork consumption is anticipated to grow by 1.9%, reaching 1.58 MMT from 2024 levels..

In addition to pork, the USDA also predicted a 3% rise in beef and carabeef imports, which are expected to reach 226,000 MT in 2025.

"Population growth and a positive economic outlook buoyed by falling international prices, especially from the Philippines' main beef suppliers, will push beef imports higher in 2025.

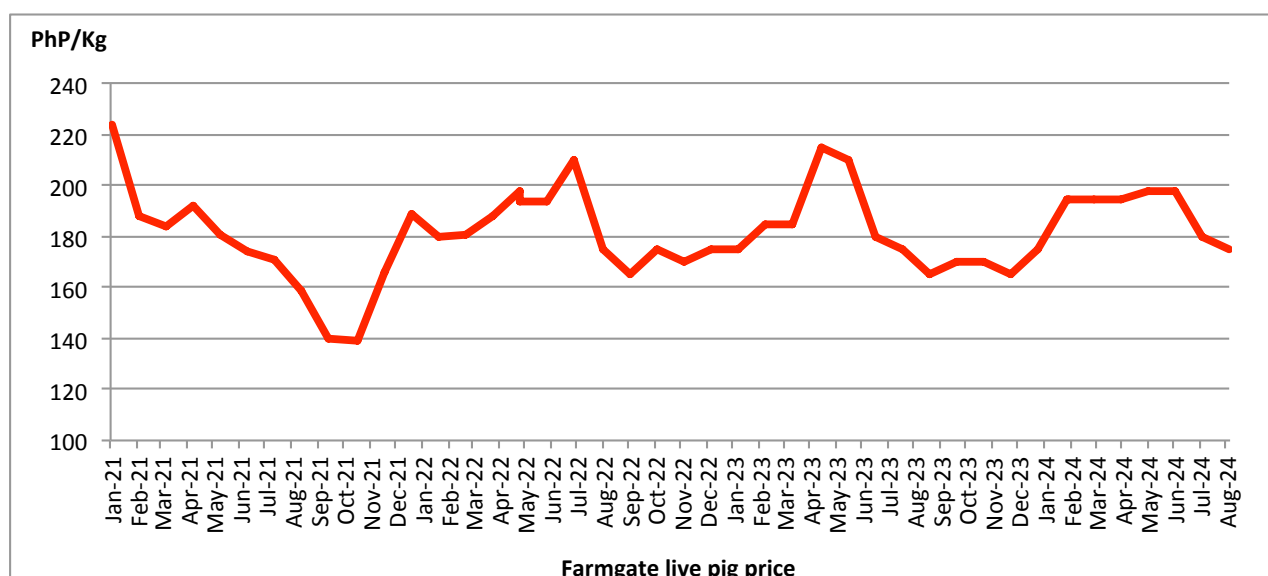
Despite these trends, beef production is expected to remain relatively unchanged at 184,000 tonnes in 2025, limited by the availability of suitable land for cattle raising and persistently high feed prices.

The USDA noted that while improved cattle genetics and live animal imports have sustained the livestock sector's pace, there has not been a significant increase in herd numbers or overall meat production.

Beef consumption is expected to grow by 1.7%, reaching 184,000 tonnes next year.(Source: USDA, 25<sup>th</sup> August 2024)

### Live pig price in August 2024

The average farm gate live pig price in August 2024 is 175 PhP/Kg, which is 3% lower than the previous month. Year-on-year increase of 6%.(Source: Genesis Global Report, August 2024)



### Whole chicken price in August 2024

The average price of whole chicken in July 2024 is 208 PhP/kg , which is 0.2% lower than last month. Year-on-year increase of 11%.(Source: Philippines Department of Agriculture, August 2024)

