

# INDUSTRY NEWS

## A High Level Review of 2025

### Philippines's PhP 85.2 million chicken layer program aims to drive domestic egg production

The Philippines' Department of Agriculture (DA) will roll out a PhP 85.2 million chicken layer program in 2025 that seeks to boost egg production.

The identified beneficiaries would receive a module worth PhP 79,500 that shall contain 48 heads of ready-to-lay chickens, a three-tier battery cage with feeder and nipple drinker, two bags of pre-lay and six bags of layer feeds good for two-and-a-half months, a set of vitamins, medications, and a shed-type house for the chickens.

There would be 11 beneficiaries in 82 provinces across nationwide. The allocated budget for the distribution of the interventions to the beneficiaries is PhP 71.72 million. The DA allocated PhP 6.52 million for the Bureau of Animal Industry, which would manage the project, and PhP 6.96 million to the Agricultural Training Institute for training and extension support. (Source: The Philippine Star, January 20<sup>th</sup> 2025)

### PhP 1.25 billion allotted for pig industry's recovery from ASF



The Department of Agriculture (DA) has allocated PhP 1.25 billion to help the pig industry recover from African swine fever (ASF) as retail prices of pork remain high due to supply shortage.

Agriculture Secretary Francisco Tiu Laurel issued Memorandum Circular No. 2, implementing the swine industry recovery project (SIRP) to modernize the country's swine industry.

"The SIRP aims to restore and revive the swine industry in the Philippines, which has been severely hit by ASF and other difficulties," Tiu Laurel said in the circular.

He said the SIRP aims to fortify the industry by enhancing biosecurity, modernizing farm infrastructure, improving genetic quality and expanding market access.

"This effort aims to engage various stakeholders, including small farmers, cooperatives, commercial breeders and at-



## Asian Agribusiness Consulting



## Feed costs make production costs of Philippines' pork, chicken among highest in Asia

Pork and chicken production costs in the Philippines are among the highest in Asia due to high feed costs, the Philippine Institute for Development Studies (PIDS) said.

A more recent estimate from the Department of Agriculture puts production costs for pigs at PhP165–180/kg. Pig feed accounts for about 57% of operating expenses.

High feed costs similarly affect chicken production. For broiler farms, production costs at PhP 71/kg (on a live-weight basis) for commercial operators and up to PhP 78/kg for backyard growers. By dressed weight, the average production cost for large-scale broiler farms in the Philippines is PhP 92.36/kg. The study linked high costs to elevated corn prices, a primary ingredient in animal feed. Corn prices in the Philippines remain higher than in neighboring countries. (Source: Business World, 20<sup>th</sup> November, 2025)

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risk agricultural communities offering customized assistance to restore, modernize and maintain the swine production nationwide," Tiu Laurel said.

The ASF virus has caused significant losses to the swine industry and undermined a crucial sector of the nation's agricultural and food security since 2019.

"The outbreak also compelled small farmers to slaughter their herds, resulting in significant financial hardships for a majority of families. The reduction in pork output has resulted in elevated prices and shortage, affecting consumers and the entire food supply chain," Tiu Laurel said.

The ASF problem has revealed several weaknesses of the Philippine swine industry, especially in biosecurity and disease control.

A majority of small and backyard farmers who are integral to the local pig supply lack finances and expertise to establish appropriate biosecurity measures. This made them vulnerable to viral transmission.

Tiu Laurel said efforts exerted by the government and the private sector to contain the outbreak through quarantines, movement restrictions and surveillance did not stop the spread of ASF. A more comprehensive and coordinated strategy is required to control the disease and recover the industry.

SIRP seeks to mitigate the effects of ASF, avert future outbreaks and assist farmers in reconstructing and modernizing their operations. (Source: The Philippine Star, January 18<sup>th</sup> 2025)



## Philippines unveils 10-year, USD 3.43 billion plan to build biosecure livestock and poultry industry



The Philippines' PhP 200 billion Animal Industry Development and Competitiveness Act (AIDCA)—signed by President Ferdinand Marcos Jr., marks a turning point in how the Philippines approaches livestock, poultry, and dairy production: from backyard farming to biosecure, technology-driven agribusiness.

The law arrives amid repeated outbreaks of African Swine Fever and bird flu, which have battered farmers and pushed up food prices. It's not just about raising more animals, it's about future-proofing the food chain.

AIDCA transforms the Bureau of Animal Industry (BAI) into a full-fledged line agency and gives the Philippine Carabao Center and National Dairy Authority new muscle in biotechnology, vaccine research, and animal health response. Of this amount, 26% will support herd repopulation and build-up, 70% for swine, 20% for poultry, and 5% each for native breeds and other animals. A key feature of the law is the Animal Competitiveness Enhancement Fund (AnCEF), which will receive around USD 345 million yearly from tariffs on imported meat and dairy.

Beyond herd repopulation, the new law has additional allocations: USD 20.7 million for promoting animal health and disease prevention; USD 31 million to help producers recover from biosecurity threats like ASF and AI; USD 120.75 million to upgrade post-harvest infrastructure, including slaughterhouses and cold storage facilities, Support for feed development to improve nutrition and reduce import dependence, and expanded access to affordable credit to help producers invest in growth and recovery.

If tariff collections exceed USD 345 million in any year, the surplus will be used to support farmer recovery and compensation. For producers across the animal protein industry, AIDCA represents a long-awaited move toward strategic investment, institutional reform, and sector-wide resilience.

"This law is more than a funding mechanism, it's a bold commitment to the people who feed our country," said Agriculture Secretary Francisco Tiu Laurel Jr. "It marks a turning point for Philippine agriculture—one that empowers farmers, protects consumers, and prepares our food systems for the future."

While the law's headline feature is its funding size, its true test lies in implementation, ensuring local vaccine production, disease surveillance, and animal traceability systems actually reach farmers at the grassroots.

AIDCA is the government's biggest bet yet on modernising the livestock sector—a move that could make Philippine agriculture not just productive, but biosecure, resilient, and globally competitive. (Source: InsiderPH, 6<sup>th</sup> October, 2025)



## Swine Fever decimates 40 percent of Philippine pigs



The Philippine swine sector has incurred billions in losses since the first African Swine Fever outbreak in 2019 and left the current swine population at only 60% of the nearly 13 million heads before the outbreak, the Department of Agriculture reported.

The DA also said that the ASF has led to significant job losses, billions in investments and income, and has hindered efforts toward achieving food security.

This situation has led the DA to come up with a three-year vaccine development program through the newly-inaugurated vaccine unit of the Center for Transboundary Animal Diseases (CenTrAD). The allocated fund for this is PhP 151 million.

This state-of-the-art facility is dedicated to the development of shots to immunize animals against infectious diseases. The allocated funds also include the procurement of the government's first Biosafety Level 3 Laboratory. The program targets to deliver vaccine prototypes by 2028 or sooner. (Source: The Philippine Star, April 13<sup>th</sup> 2025)

## Philippines pork to rebound in 2026

The Philippines is set for a modest pork recovery in 2026 as African swine fever headwinds ease and the government widens a controlled vaccine rollout. FAS Manila projects pork production at 980,000 tonnes, up 2% from 2025, supported by stronger biosecurity, improved genetics, and lower feed costs.

However, its latest forecast is still lower than its initial estimate of 1 million metric tonnes, as it took into account the impact of ASF's resurgence in the second half of 2024.

Contributing to the forecast production growth are expanded coverage of the government-controlled ASF vaccine rollout, heightened biosecurity measures implemented by swine industry, and adoption of better swine genetics among commercial farms.

Lower feed costs, particularly local corn and imported soybean meal, are expected to provide cost relief and enhance profitability.

Consumption is forecast to rise 4% to 1.73 MMT on population and economic growth, keeping import needs high at a projected 750,000 tonnes in 2026. This is 7% higher than the estimated shipments in 2025 at 700,000 Tonnes.



Local production challenges, driven by an animal disease outbreak, combined with growing population demand, are expected to support increased importation.

The Department of Agriculture (DA) granted Brazil system accreditation to export pork, beef, and poultry meat into the Philippines last year, which expanded their access to the Philippine market. As a low-cost supplier, Brazil's pork shipments to the Philippines are expected to increase.

Beef output is flat at 182,000 tons, with imports expected to grow 3% as foodservice and processors demand increase. (Source: Business Mirror, 24<sup>th</sup> September, 2025)

## The Philippines targets 7% growth in 2026 poultry production



The Philippines is forecasting 1.81 MMT of chicken meat in 2026, a 7% increase YoY, thanks to the commercial rollout of an H5N1 vaccine, tighter farm biosecurity, and improving production economics.

Commercial farms now account for 54% of the national chicken inventory, reflecting continued migration to closed-house systems and stricter hygiene routines.

Feed cost relief is supportive, with yellow corn and soybean meal prices down 23% in H1 2025, while DOC supply and pricing normalized. The Philippine Statistics Authority reported 9% production growth in H1 2025, setting a higher base for 2026.

Processors and integrators are positioned to leverage better throughput and stable raw material costs into Q4 2025 stocking and 2026 contract cycles. (Source: AsianAgribiz, 24<sup>th</sup> September, 2025)

## New law shifts FDA authority over livestock to specialized agencies

The Philippine Department of Agriculture has established a technical working group to oversee the transfer of the functions handled by the FDA to the Bureau of Animal Industry and the National Dairy Authority, including the facilitation of animal vaccines and the issue of related certificates of product registrations.

The law will also help in developing local capacity to create vaccines and response protocols for major animal health threats such as African swine fever, and avian influenza, which will reduce dependence on foreign supplies while also improving national biosecurity.



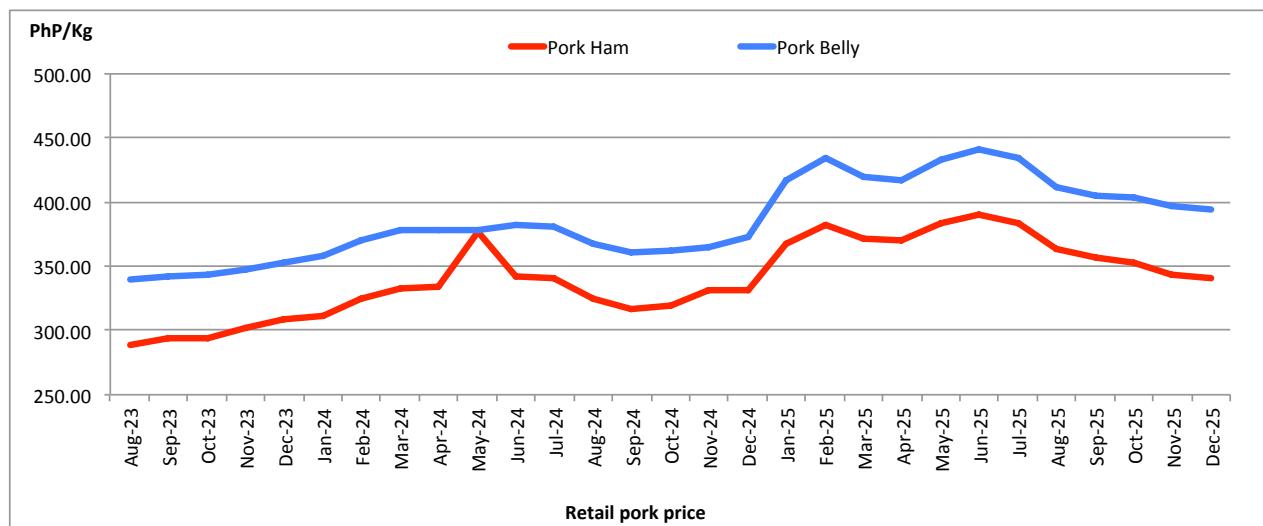
The Special Order detailed that the TWG will do the necessary preparatory and technical groundwork apart from the conduct of coordination meetings related to the transition, as well as the identification of policy and technical issues that need deliberation.(Source: Malaya, 31<sup>st</sup> October, 2025)

## Pork price in 2025: elevated pork prices in the Philippines driven by domestic deficit

Philippine pork prices (Pork Ham and Belly) showed a clear structural shift to a higher price plateau in 2025 compared to 2024. After volatile movement within a lower band in 2024, prices jumped significantly from January 2025, peaking around mid-year before a gradual decline in the second half. However, year-end prices in December 2025 remained substantially elevated compared to the same period in 2024.

This sustained high price level in 2025 is primarily attributed to the lasting domestic supply deficit caused by African Swine Fever (ASF), which continued to constrain local pig production.

Furthermore, the country's heavy reliance on imports exposed the market to high global meat and feed grain prices, keeping overall costs high.(Source: Philippines Department of Agriculture, 2025)



## Volatility and sustained highs in Philippine chicken prices in 2025

The wholesale price of chicken in the Philippines exhibited significant volatility but a clear upward shift to a higher price plateau from 2024 to 2025. 2025 saw prices establish a consistently higher base level, culminating in a sharp peak of PhP 229.66/kg in July 2025—the highest point in the two-year period. While prices retreated from this peak in the latter half of 2025, closing the year above PhP 200/kg and indicating a structural increase in market prices.

This trend is primarily driven by the compounded pressures facing the Philippine poultry sector in 2025. The ongoing threat and sporadic outbreaks of Avian Influenza (AI) continued to disrupt local supply, leading to periodic culling and constraining production growth. Simultaneously, persistently high global prices for corn and soybean meal—key feed ingredients—significantly



raised the cost of production. Strong domestic demand, supported by chicken's role as a more affordable protein alternative to pork, sustained market pressure.

