

30 June 2020

**REPRESENTATIVE WILFRIDO MARK M. ENVERGA**  
Chairperson  
Committee on Agriculture and Food  
House of Representatives  
Batasan Complex, Batasan Hills  
Quezon City

Dear **Representative Enverga**:

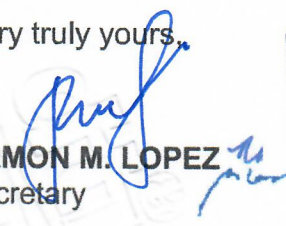
We are pleased to submit the Department's position on House Bill No. 6721, entitled:

**“An Act Establishing the Agriculture Information System in All Cities and Municipalities”**

This is without prejudice to the Department's submission of additional inputs.

With my best regards.

Very truly yours,



**RAMON M. LOPEZ**  
Secretary



**OFFICE OF THE SECRETARY**

DTI Position on

**House Bill No. 6721**

**“An Act Establishing the Agriculture Information System in All Cities and Municipalities”**

The Department supports the passage of the bill, as an important component of our thrust to promote the growth and modernization of our agricultural sector through the establishment of an Agriculture Information System. It aims to provide a centralized, real-time agricultural information/database for policy formulation and decision-making and to create wider range of market linkages among farmers and agricultural buyers. However, we defer to the Department of Agriculture (DA) on the specific details of the proposed legislation.

The bill seeks to institutionalize a centralized database for agricultural products, establishing an information system in all cities and municipalities in the country. Agriculture is a pillar of the economy, as majority of the rural population depends on it in terms of livelihood while the whole country relies on it for food and as source of inputs to manufacturing. A commodity-based database system can facilitate availability of information which would serve as the initial step needed to provide small farmers and small processors access to more viable market opportunities. It can also provide timely and updated information such as level of crop prices, impending threats like diseases, weather forecasts, and other agriculture related news; analyses and advisories, which all can serve as bases for business and policy formulation and decision-making.

Technology has caused markets to undergo rapid transformation. This same technology can also replace traditional marketing channels by building coordinated linkages among farmers, processors, retailers and others, with the end view of not only increasing sales of agricultural products, but ultimately, building long-term business relationships.

The Department also recommends the inclusion of DTI programs and services in the proposed Agricultural Information System which are available to entrepreneurial farmers. Aside from DTI Regional and Provincial Offices, we have over a thousand *Negosyo Centers* (NCs) established nationwide that serve as one-stop-shops for entrepreneurship assistance (e.g., marketing, training/seminars, trade, etc.). As of January 2020, there are 1,116 NCs nationwide (536 in Luzon, 271 in Visayas, and 309 in Mindanao)<sup>1</sup> where farmers can closely coordinate with for detailed information on various DTI programs such as the following:

- **Pondo sa Pagbabago at Pag-asenso (P3) Program** – a microfinancing program chiefly implemented by the Small Business Corporation (SBCorp.) that provides accessible, affordable, and cost-efficient loans with the goal of diminishing usurious lenders and informal sources of capital;

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<sup>1</sup> DTI Report on Negosyo Centers, <https://www.dti.gov.ph/negosyo/negosyo-center/reports/>

- **Kapatid Mentor Micro Enterprise (KMME) Program** – a coaching and mentoring approach wherein established corporations are partnered to teach micro, small and medium enterprises (MSMEs) on different aspects of business operations and link them to the value chain of medium and large firms through inclusive business models;
- **SME Roving Academy (SMERA)** – a learning program for MSMEs to become competitive in domestic and international markets through consultations and assistance;
- **Shared Service Facilities (SSF)** – in coordination with the Department of Science and Technology (DOST), enables MSMEs to boost their productivity and competitiveness by addressing the gaps and bottlenecks in the value chain of priority industry clusters through the provision of processing equipment for the common use of the MSMEs within industry clusters all over the country;
- **One Town, One Product (OTOP)** – enables localities and communities to determine, support, and promote products or services that are rooted in its local culture, community, and competitive advantage;
- **Industry Cluster Enhancement (ICE) Program** – aims to develop more globally integrated, highly sustainable and productive priority industry clusters where MSMEs are heavily involved;
- **Domestic Trade Exchange** – promotes the efficient marketing of local products and services through the conduct of marketing events, such as trade fairs, in-store displays, showcases, and local trade missions; expand and strengthening linkages among MSMEs through information exchange and other market matching-related activities; and the
  - **SikatPinoy: National Food Fair, National Handicrafts Fair, National Art and Fashion Fair** – serves as venues for MSMEs to showcase their innovative and quality products and services in the domestic market.
  - **Go Lokal!** – a retail concept store that offers opportunity for MSMEs to go mainstream by providing market access platform for market incubation and brand testing through the 114 Go Lokal! Stores in the country.
  - **International Food Exhibition (IFEX) Philippines<sup>2</sup>** – is a business-to-business platform for local and international food companies to discover new markets, launch new products, and allow exhibitors and buyers to be part of business opportunities worldwide. IFEX Philippines is the country's biggest international trade exhibition on the Philippines' and Asia's ethnic and specialty food, tropical fruits, vegetables, seafood, beverages, bakery and confectionery products, meat and poultry, Halal-certified products, as well as natural, organic and healthy food products.
- **Regional Interactive Platform for Philippine Exporters (RIPPLES) Plus<sup>3</sup>** – aims to expand the supply base of internationally-competitive Philippine export products and services by extending strategic company-level interventions such as capacity building trainings, product development, market information, global product trends to participating companies to make them export-ready, or to enhance their export capacity and competitiveness. When deemed export

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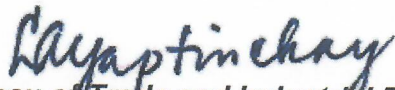
<sup>2</sup> IFEX Philippines official website, <http://www.citem.gov.ph/signature-event/ifex-philippines> and <http://www.ifexphilippines.com/en/>

<sup>3</sup> RIPPLES Plus prepares the companies to compete in terms of volume, quality, price, packaging, compliance with market entry requirements, rules and regulations, and design leadership, or alignment with current design trends

ready, these companies are matched with prospective foreign buyers, and their products are promoted in the export market.

Further, the bill will give a boost to the plan of the DA to develop an Agri-Information Support Portal which is envisioned to link all its bureaus, attached agencies, and regional offices to have a system that will provide a more efficient sourcing of farm information and data and faster reporting of programs and projects that will aid in policy making process for the farming and fishing sectors.<sup>4</sup>

In view of the foregoing, the Department reiterates its support to the passage of the bill with deference to the position of DA in terms of specific details.



**Bureau of Trade and Industrial Policy Research**

**29 May 2020**

Ref: BTIPR-052020-081

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<sup>4</sup> "DA to develop a web-based info system to support policymaking process," Philippine Information Agency, published on 12 January 2020, <https://pia.gov.ph/press-releases/releases/1032645>