

Speech of Senator Cynthia Villar

Board of Agricultural Engineering

3rd Regional Forum on Sustainable Agricultural Mechanization in Asia and the Pacific
and the 3rd ASEAN Conference on Agricultural and Biosystems Engineering

Theme: “Human Resource Development for Sustainable Agricultural Mechanization”

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Thank you very much to the Board of Agricultural Engineering of the Professional Regulation Commission (PRC), Philippine Council for Agriculture and Fisheries (PCAF) of the Department of Agriculture, College of Engineering and Agro-Industrial Technology of UP Los Banos, and the Philippine Society of Agricultural Engineers for inviting me to be part of this twin event today – the 3rd Regional Forum on Sustainable Agricultural Mechanization in Asia and the Pacific and the 3rd ASEAN Conference on Agricultural and Biosystems Engineering. I am happy and honoured to be here with all of you.

And I must say that you have a very timely theme for your event – “Human Resource Development for Sustainable Agricultural Mechanization”, it is very important to the agriculture sector, as the organizers of this event, are very much aware of.

As the current chairperson of the Senate Committee on Agriculture and Food, I am a staunch supporter of incorporating research and development (R&D) in the agriculture sector, which will also help improve agricultural mechanization efforts. Even the National Economic Development Authority (NEDA) has acknowledged that we need to invest in R&D, and that we can increase the productivity of agriculture and boost job creation in the industry through science and technology. This is also expected to fast track the growth in the Agriculture, Fisheries and Forestry (AFF) sector.

I learned that based on studies, two of the barriers confronting farmers, fisherfolks and agricultural workers are lack of technical expertise and mechanization. Together with various government department/agencies and organizations such as the hosts of this event, we should focus on working together towards breaking down those barriers.

For starters, we have reviewed the implementation of Agriculture and Fisheries Modernization Act or AFMA under Republic Act No. 8435, to ensure that it is maximized and reaches the intended beneficiaries. AFMA calls for the allocation of at least modernization-related programs and projects.

Actually, we started late in our mechanization efforts, only five years ago, while our Asian neighbours started mechanizing their farms in over three decades ago (1970s). So we have a lot of catching up to do. Data shown to me cite that the Philippines lags behind its regional neighbours in farm mechanization. According to Philippine Center for Postharvest Development and Mechanization (PhilMech), the country's level of mechanization is at 1.23 hp/ha, behind our Asian neighbours: Japan was at 18.87 hp/ha, Korea at 9.38 hp/ha and Thailand at 4.20 hp/ha.

We hope, with our concerted efforts, we can improve our standing because it will be very beneficial to all of us. Mechanization can significantly bring down the cost of labor particularly for labor intensive crops like rice, sugar, and corn.

The Agriculture and Fisheries Mechanization Law or AFMECH will help promote the development and adoption of modern, appropriate, cost-effective and environmentally safe agricultural and fisheries machinery and equipment to enhance farm productivity and efficiency to achieve food security and increase farmers' income.

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I am aware that the Department of Agriculture is also vigorously pursuing a P6-billion farm mechanization program (FMP), the implementation of which started in 2011 and will run until next year (2016). The amount is being used to purchase various production and postharvest machinery and equipment, which the DA provides to qualified farmers groups and cooperatives, irrigators' associations (IAs), and local government units (LGUs). The DA and PhilMech hope to bring the country's mechanization level to 3 or 3.5 hp/ha by next year.

We really need to improve the global competitiveness of our farmers and country's agriculture sector as a whole especially since the regional economic integration under the ASEAN Economic Community (AEC) is upon us. Competition will be more intense and we need to enhance our competitiveness.

But of course, mechanization is not all about machineries and equipment, as your event theme pointed out, human resource development is an integral part of sustainable agricultural mechanization. We need to invest on people, too, for they will be on top of all our mechanization programs and projects.

To that end, I have also pursued in the Senate the granting of TESDA scholarships for agriculture training. Through the courses that will be offered, scholars will learn basic knowhow such as operation and maintenance of modern machineries and equipment.

On top of that, they will also be taught about financial literacy, accounting, entrepreneurship, among other relevant courses. TESDA has allotted 500 million pesos for agricultural training of 45,000 scholars at 12,000 pesos each. State universities and colleges or SUCs will offer agri-related courses for the scholars, because they have the best network to do it. They have 454 campuses or one campus for every three towns in the Philippines.

I am also pursuing the extension of the utilization of the Agriculture Competitiveness Enhancement Fund or ACEF, until 2020, it is due to end this month. ACEF was created to help prepare farmers and fishermen compete with their counterparts in ASEAN countries, as markets become liberalized. In particular, it is aimed at helping small farmers and fisherfolks increase their production and profitability as well as make them competent and competitive by funding their training, among others.

Small farmers and fisherfolks need to learn and acquire winning skills and strategies give them competitive advantage. Continuing education and training is key. In my interactions with farmers, I found out that what separates an award-winning and profitable farmer from an ordinary one is simply employing the correct strategy in farming.

An award winning farmer earns 50,000 pesos/ha/mo, while an ordinary farmer earns 4,000 pesos. The difference lies in the fact that one is using more effective and profitable farming techniques – most probably mechanized ones – than the other.

ACEF can provide a level field in access to not only education and training, but opportunities to modernize and mechanize existing facilities of operations. Eighty percent (80%) of the fund will be in the form of credit with minimal interest, which shall not exceed five million pesos (P5,000,000) per project per loan, for the acquisition and establishment of agri-based production and post-production, and processing machineries, equipment and facilities to achieve modern agricultural practices, to be managed by the Land Bank of the Philippines.

For the remainder of the fund (20%): Ten percent (10%) will be extended as grants for research and development of agricultural and fishery products, and the commercialization of such, including the upgrading of research facilities, of qualified state universities and colleges (SUCs), which again shall not exceed five million pesos (P5,000,000) per project; and ten percent (10%) will be used for the funding of a comprehensive scholarship and attractive grant-in-aid program for agriculture, forestry, fisheries, and veterinary medicine education, to be implemented by the Commission on Higher Education (CHED).

The bottomline in all our efforts, whether through our mechanization programs and legislations, is to boost the growth and development of the Philippine agriculture sector.

In order to do that, we need to help farmers and fisherfolks, who remain as among the poorest sectors in our country. Poverty incidence among farmers – at 40%, is higher than the average for the whole country, which stood at 25%. We need to correct that primarily because the Philippines is an agricultural country, two-thirds of our population are involved, directly and indirectly, in agriculture. Helping farmers, fisherfolks, and agricultural workers is as inclusive as we can get.

On that note, thank you again and more power to all of you; let us continue working together in bringing back the glory days of agriculture not only in our country but in the region as well.