

Disruptive Technologies for Profitability

Rice farm consolidation and Cacao

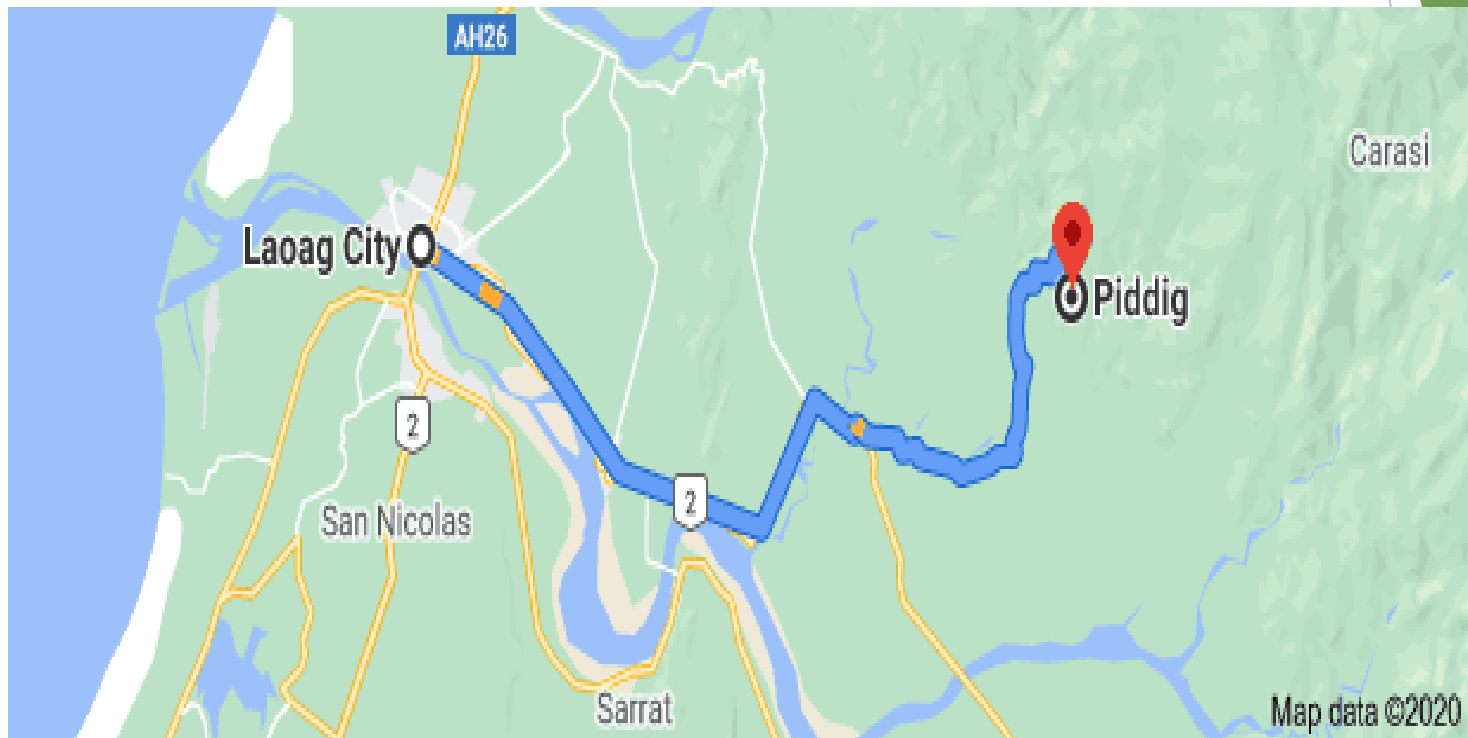


Rolando T. Dy
Center for Food and Agribusiness
University of Asia and the Pacific

Piddig
Rice farm
consolidation



Laoag to Piddig 58 km





THE HISTORICAL TOWN OF THE BASI REVOLT



Burnay where Basi stored



MARCH 19, 2020

PIDDIG VISION

Piddig shall be a God-loving community anchored on inclusive and sustainable growth nurtured by excellent governance and active participation of the people



#PIDDIGANGGALINGMO



@LGUPiddigIlocosNorte



The Development Innovator

Iloilo Times

Mayor who Matters in time of crisis



**Under his leadership,
the Municipality of Piddig:**

- ✓ Is the only LGU to have a trust fund in both the MDMHC and GMSM to cover the medical bills of their constituents.
- ✓ Distributes generous amounts of relief goods to all households in multiple tranches.
- ✓ Directly buys vegetables from farmers who would otherwise not have enough market for their products at this time. These are included in the food packages distributed to all households.
- ✓ Refurbishes existing structures that will be used as quarantine facilities. These structures will also have long-term use for other purposes.
- ✓ Campaigns for coordination among fellow mayors for their respective farm products to be made available for relief packs not only during the Covid crisis but also for other crises in the future.

MAYOR EDDIE GUILLEN

PIDDIG



Piddig Consolidated rice farms

Project Origin:

Drive for Convergence

- ▶ Mayor Eddie Guillen, a civil engineer, was first elected in 2010
- ▶ His focus was agriculture productivity to increase income and reduce poverty
- ▶ Lobbied government agencies for support
- ▶ DA provided a rice processing center and farm machines
- ▶ The DENR used the National Greening Program to start coffee production in public lands

4-Wheel Tractors





Rice harvester



Rice processing center

Project formulation

- ▶ The LGU organized the farmers into the Piddig Basi Multipurpose Cooperative (PBMC) to manage the rice processing center.
- ▶ The LGU felt without farm mechanization, productivity would be low
- ▶ Infrastructure support needed (FMRs, flood control dam) are support facilities

Acknowledgment: UP CIDS Discussion Paper

Project formulation

- Modest beginnings: 100 *zanjera* farmers on 100 ha in 2011
- Now: 1,000 farmers on 1,000 ha
- Piddig lobbied a flood control reservoir that can serve as supplementary irrigation.
- His ideas led him to an audience with the former DPWH Secretary Rogelio Singson. The flood control facility was the first of many projects he was able to bring in his municipality.



Small farm reservoir



Abucay flood control
cum farm reservoir with spillway

Farm support services

Extension
services
(e.g. soil tests)

Organic
fertilizer
livelihood by
women

Agriculture
financing from
coop

Cheaper
consolidated
crop insurance

Packaging and
marketing

Land tenure
services (e.g.,
land titling).

Product packaging

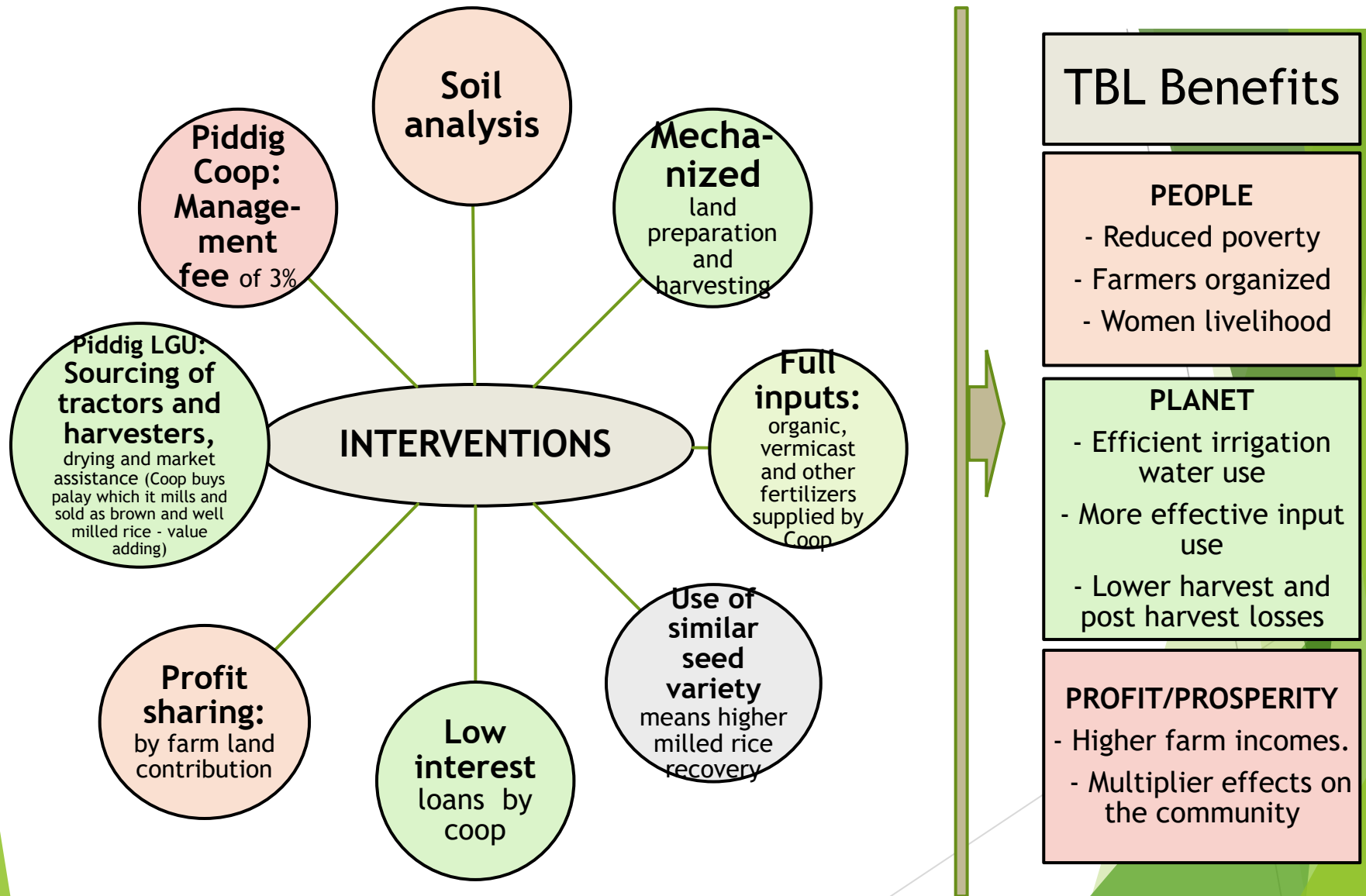
► 2 kg pack



► 25 kg bag



Interventions: Rice Farm Consolidation



Coop Beneficiary Impact

Particulars	Without Project		With Project	
	Inbred	Hybrid	Inbred	Hybrid
Yield kg/ha)	4,000	5,500	6,273	8,200
Production value (P/ha)				
Local traders (P19/kg)	76,000	104.500		
Coop buying (P21.50/kg)			134,869	176,000
Production Cost (P)				
Traditional	53.000	59,750		
Full mechanization			48,700	55,400
Income	23,000	44,750	86,169	120,900
Production Cost (P per kg)	13.30	10.90	7.76	6.75

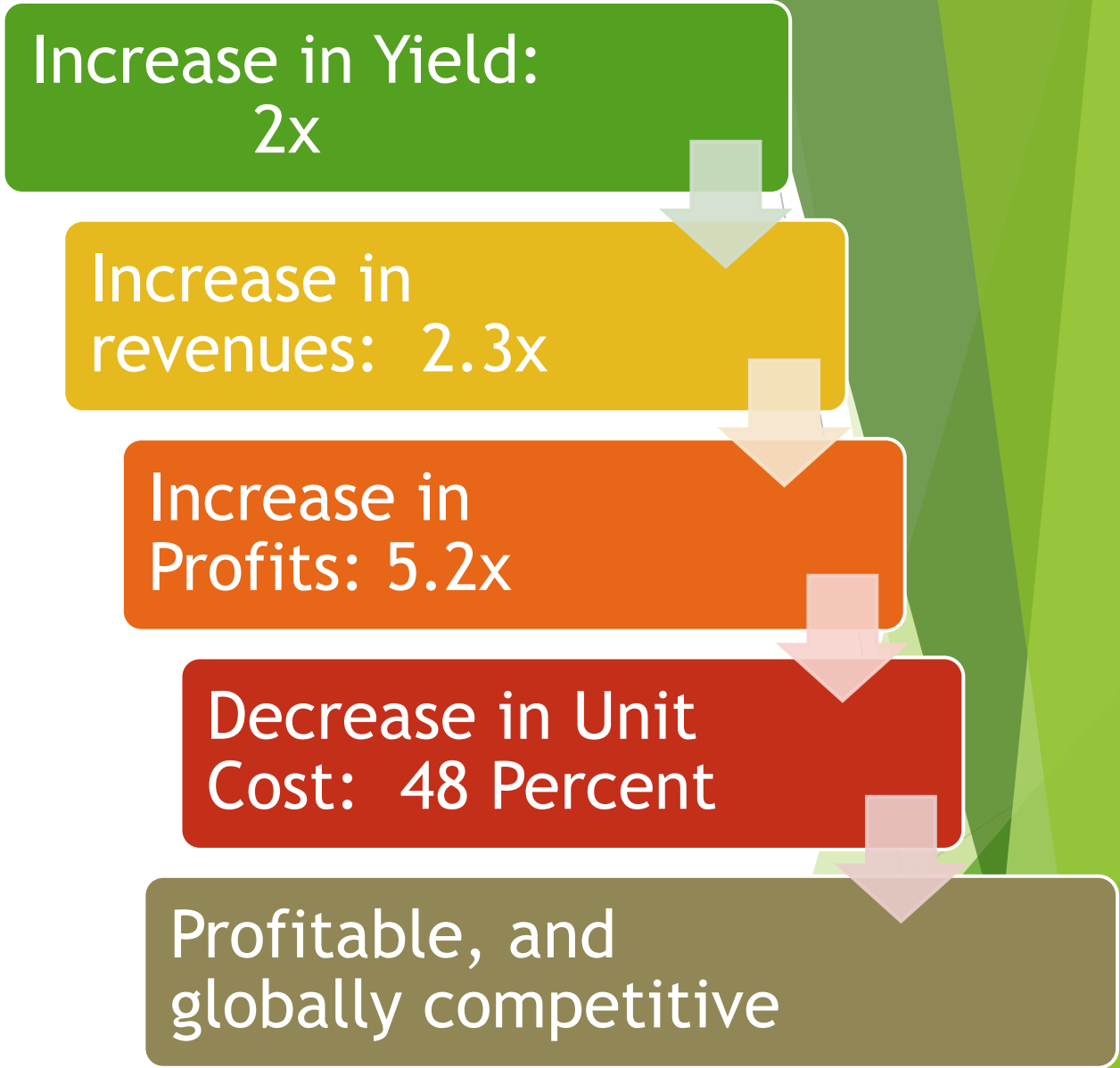
Value Chain Interventions

- ▶ Consolidation - economies of scale
- ▶ Value chain interventions
 - soils test, seed supply, irrigation scheduling,
 - faster, mechanized land prep, fertilizer application harvesting, storage, milling
 - cheaper bulk purchase
 - packaging and marketing

Analytics: Traditional vs. Modern

- ✓ Reduced poverty
- ✓ Social peace

Increase in Yield:
2x



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graph TD; A[Increase in Yield: 2x] --> B[Increase in revenues: 2.3x]; B --> C[Increase in Profits: 5.2x]; C --> D[Decrease in Unit Cost: 48 Percent]; D --> E[Profitable, and globally competitive];
```

Increase in
revenues: 2.3x

Increase in
Profits: 5.2x

Decrease in Unit
Cost: 48 Percent

Profitable, and
globally competitive

Soccsksargen
Region

New Tech
Sandique Farm
Makilala, North Cotabato



Jack, the
mechanical
engineer,
the perennial
agri tech
disruptor



Jack's modern rubber nursery





Jack with rubber tapper

**“ Rubber tree
is a perennial
plant.
You can’t afford
to make a mistake
today because
you will be
carrying that
mistake in
the next 30
years. ”**

Salamat gid!



Alfonso Jack Sandique
President, Philippine Rubber Development, Inc.
Member, NSSCC Rubber Industry Development
Sub-Committee

The Cacao farm, promising perennials



Young cacao trees



Young cacao tree



Pod harvest to fermentary



Pods and fermented beans



Project Origins

- ▶ Jack challenged the traditional cacao production
- ▶ Planting using PRDI rubber way
- ▶ Goals:
 1. Uniformity of stands
 2. High density of trees
 3. Short gestation period
 4. Sustainable, efficient farming system

Project Design

- ▶ Started June 2018

So far, so good!

Milestones:

- ▶ *85 percent success rate in nursery of superior planting materials; plastic bags 8 in x 16 in*
- ▶ *Fruit bearing in in 8-9 months but forcibly culled and allowed to bear fruits if girth @ one meter is measured or above 24 cm*

Early outcomes

- ▶ Girth achieved in 14 months
- ▶ Harvesting pods at high density for its age
- ▶ Estimate to close canopy at 2.5 years
- ▶ Density is 1,450 trees per ha vs trad 1,000
- ▶ Target production at maturity:
4 kg dried fermented beans per tree per year

Projected yield

- ▶ Typical cacao yield: 0.5 to 1 ton per ha
- ▶ Jack's: average 5 tons per ha per year of dried fermented beans

Take aways

Farming can be
very profitable

Hands-on
management

Best practice



Salamat gid mga kasimanwa!

