

Speech for Chief Representative SAKAMOTO Takema

MV2C Business Forum

January 24, 2025 | 9:00 | Century Park Hotel

List of VIPs:

- Honorable Department of Agriculture Assistant Secretary,
Daniel Alfonso N. Atayde
- Honorable Department of Agriculture Undersecretary,
Cheryl Marie Natividad-Caballero
- Honorable La Trinidad, Benguet, Municipal Mayor, Romeo Salda
- Embassy of Japan, Minister, NIHEI Daisuke
- MV2C¹ Chief Advisor, JICA Expert, FURUICHI Shingo

- Dear MV2C Counterparts,
- Distinguished Partners from the Private Sector, and All Participants, Guests, and Friends,

Magandang Umaga po sa inyong lahat!

It is my great privilege and honor to have you all today in this momentous event, MV2C Business Forum.

This is the 2nd Stakeholders Forum for Food Value Chain Platform under DA²-JICA Technical Cooperation Project for Market-Driven Enhancement of Vegetable Value Chain in the Philippines or MV2C, to connect and explore the business opportunities.

¹ MV2C : the Project for Market-Driven Enhancement of Vegetable Value Chain in the Philippines

² DA : Department of Agriculture

At the outset, let me start to acknowledge the invaluable work and tremendous efforts of all counterparts from the central and regional DA offices, related LGUs³, and JICA expert team, in organizing this momentous event.

As you know, Japan International Cooperation Agency, or JICA, as a Japanese governmental agency responsible for Japan's official development assistance operation, has been vigorously promoting many wide-ranging development projects in emerging countries, like the lovely Philippines.

Actually, for more than half a century, JICA has been the closest and the most reliable development partner of the Philippines, as its biggest donor.

Field-wise, in addition to Big-Ticket-Projects, such as Metro Manila Subway Project and North-South Commuter Railway Project, in the Philippines, JICA is enthusiastically leading many development cooperation projects in various fields, such as DRR⁴, health, environment, education, Bangsamoro peace process, and today's theme, agriculture.

PPP⁵ promotion is also the priority of JICA in the Philippines.

Now, looking at the overview of agriculture, and the employment in the Philippines, the share of employees in the agriculture sector accounts for about 24%, meaning that one in four employees in the entire Philippines is engaged in agriculture. Agriculture, thus, plays an important role in terms of employment, too.

On the other hand, looking at the share to GDP, the agriculture sector GDP contribution remains only at about 9%, which is much lower than the percentage of employment.

³ LGUs : Local Government Units

⁴ DRR : Disaster Risk Reduction

⁵ PPP : Public-Private Partnership

Moreover, it is noteworthy that, while the poverty rate in the entire Philippines is about 18%, poverty rate in the agriculture sector is as high as about 30%. These data clearly highlight the huge gap for improvement and indicate a strong need for further modernization and development in the agriculture sector, and for further income generation for farmers.

Talking back to the topic of employment share of the agriculture sector, that is currently around 24%, we have to be reminded that the share in 2010 was 33%, larger by about 10% point.

Also, this share is decreasing year by year.

The main reason for this is, most probably, that agriculture is not very profitable, and is not attractive enough for employment, especially among young generation, and investment.

The Philippines' demographic dividend is the longest in the world.

This can be said as a prominent strength of the Philippines, as that shows the future potential.

However, the sufficient job creation is a critical challenge for the Philippines, as a future, where jobs are not secured enough, means social instability and economic stagnation.

In this regard, we are reminded that 3 of the 8 socio-economic agenda of the current Marcos administration highlight “jobs”.

Overseas Filipino Workers (OFW) and Business Process Outsourcing (BPO) are often mentioned as growth sectors in the Philippines.

However, their employment absorption capacity may not necessarily be large enough, especially considering the future impact of AI⁵ advancement.

Consequently, also taking into account the significance of food security, there is no doubt that agriculture is the backbone of the country, after all.

Therefore, it is definitely important to increase farmers' income by various means, such as;

- ① producing highly profitable crops,
- ② responding to the increasing demand of the health consciousness of the Filipino people,
- ③ minimizing post-harvest losses, and
- ④ improving production, transportation efficiency, and agro-industry, among others.

We are confident that such efforts to attract more farmers are essential, to move towards a more sustainable and prosperous Philippines.

While continuing to strengthen the bonds between the Philippines and Japan, agriculture modernization and development in this context are anchored in JICA's powerful cooperation.

JICA's cooperation also aligns to contribute to the Philippine Development Plan, DA's Vegetable Industry Roadmap, and the country's long-term plan, Ambisyon 2040 para sa "*Matatag, Maginhawa at Panatag na Buhay*."

As you may know, our MV2C project started in 2022 and will end in 2028.

⁵ AI : Artificial intelligence

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We are now halfway through our project implementation, however, since its launch, we were able to learn and experience many things that we would like to share today.

Our MV2C project aims to develop modern and innovative Inclusive Food Value Chain models, which will be replicable and be widely shared throughout the Philippines with FVC stakeholders.

Today's event is prepared to connect farmers and businesses, to start or expand their reach.

So, dear all participants here, I hope you to spend this time eagerly to learn about the FVC models, and to connect with possible partners each other for your future practical actions or business.

In discussion of food security, farmers' income increase, and job creation in the Philippines, there might be a tendency to focus too much on the agricultural production side.

However, I dare to emphasize that there is an acute need to streamline, improve and modernize every stage or node of the value chain from agricultural production, logistics to marketing to consumers, even to ensure better food supply at an affordable price to consumers.

Furthermore, I also emphasize loudly once again that you have great business opportunities in this significant and promising sector.

I look forward to and strongly encourage your active participation, especially during the Business Networking Session this afternoon.

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Please don't leave empty-handed, bring home interesting ideas, knowledge and connections with new business partners.

In closing, allow me to share the slogan of Department of Agriculture, that is;

“Masaganang Agrikultura, Maunlad na Ekonomiya”

“Prosperous Agriculture, Progressive Economy”.

Rest assured, JICA is always with you, having the Filipino spirit of *Bayanihan*!

Sama sama tayo!

Para sa Bagong Pilipinas!!

Thank you very much for your kind attention.

Maraming salamat po at mabuhay kayong lahat!

Good morning to all of you,

And *Manigong bagong taon!*