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Enhancing NTA-LGU partnership for sustainable tobacco industry



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Enhancing NTA-LGU partnership for sustainable tobacco industry

The NTA is engaging the League of Municipalities of the Philippines (LMP) chapters in the different tobacco-producing provinces in Northern Luzon for a collaboration to boost the country's tobacco industry.

Administrator and CEO Belinda S. Sanchez spearheaded this initiative of getting the support of the LMP in the agency's effort to request the Department of Budget and Management (DBM) for a bigger budget from the Tobacco Fund.

Per paragraph 4, of Section 5 of Republic Act 4155, (An Act to Promote and Strengthen the Virginia Tobacco Industry signed on June 20, 1964), the Tobacco Fund shall be used for operational, office, and field expenses, including the establishment of Tobacco Research and Grading Institute.

On June 13, 2006, the DBM approved the establishment of a Special Account in the General Fund (SAGF 151) pursuant to RA 4155 and PD No. 1234, to account for the share of the NTA from the Tobacco Fund.

Based on the Reconciliation Statement provided by the Bureau of Treasury, dated September 20, 2022, the Tobacco Fund has already reached a net balance of P92.3 billion.

A total of P5.512 billion out of the Tobacco Fund or about 5.7% of the current net balance had already been released by the DBM to NTA from 2010-2022. The NTA used the fund for the support of the tobacco supply chain, through farm mechanization, farm inputs, curing barns, extension and marketing supports, agricultural production, processing and marketing, reforestation,

irrigation, and trading center; and for expenses related to NTA and tobacco research and grading, through capacity building, farmers' training center, and quality and assurance laboratory.

Aside from working on a bigger allocation from the Tobacco Fund, the NTA is encouraging the tobacco-producing LGUs to give more support assistance to their farmers from their RA 7171 and RA 8240 excise tax fund shares. This is to inspire the farmers to produce more quality tobacco for export and local market.

The more the farmers produced quality tobacco, the more they earned higher income, which would increase their purchasing power to buy their foods and basic needs for their families.

The NTA is also introducing to the LGUs the Sustainable Tobacco Enhancement Program (STEP), a roadmap of vital programs and projects for the continuing economic viability of the tobacco industry.

Through a series of meetings with LMP chapters in Ilocos Norte, Ilocos Sur, Cagayan, Isabela, and La Union, the NTA got all-support from the top officials of the tobacco-producing LGUs on a bigger allocation from the Tobacco Fund for the benefit of the local tobacco growers. The LGUs even aimed to expand their tobacco plantation for a bigger share from the tobacco excise taxes.

This much-needed collaboration between the NTA and the LMP chapters of the tobacco-producing LGUs is indeed a vital strategy for a sustainable tobacco industry. ■



Special Assistant to the Administrator, Benjamin V. Sarmiento (6th from Right) with other NTA officials and LMP-Ilocos Norte Chapter members (Photo: FGL)

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Tobacco cited as one of top contributors on Q1 economic growth



Photo: NTA Candon

AGRICULTURE Senior Undersecretary Domingo F. Panganiban cited tobacco as one of the top contributors to the economic growth in the first quarter of 2023 during the regular management committee meeting of the Department of Agriculture and its attached agencies and corporations in Zamboanga City on June 7.

Other agricultural products that are top contributors to the economic growth are rice, livestock, poultry, corn, onion, cassava, cabbage, abaca, tomato, and mango.

Usec. Panganiban said that the country's agriculture sector marked a significant accomplishment in the first three months of the year.

"Despite high inflation, the value of the agriculture sector's gross output grew by some 2.1 percent in the first quarter of 2023 compared to a 0.3 decline in the same quarter of 2022," he said.

"Our rice farmers achieved the most remarkable expansion. The value of the nation's palay output increased by 5.2% during the first quarter of this year. This was followed by the value of livestock production, which increased by 4.1%; poultry, by 3.2%; and corn production, grew by 3.2%," he added.

He urged the continued efforts to further build these markets as they bring strong economic returns and bigger income of farmers.

The growth of the sector in the first quarter is an indication that farmers are making progress in overcoming some of the new problems that prevent the achievement of these conditions.

"We made excellent progress in expanding markets for our farm products abroad last year. We are now exporting fresh and frozen durian to China; fresh dragon fruit to Australia; young coconut to Taiwan; corn seeds to Columbia; Hass avocado to Korea and Japan, papaya seeds to India and Ecuador; *pili* nuts to Europe; shallots to Indonesia; fresh pineapples to the USA, and fresh pineapple and mango to Israel among others," he said.

He added that the value of the country's exports of agro-based products rose to \$7.5 billion in 2022, around \$678.68 million increase over those of the same period in 2021.

As to its economic significance, the country's tobacco industry brought about 0.08% or P15.88 billion of the GDP in 2021. It provides livelihood to at least 2.1 million people, including more than 430,000 farmers, farm works, and their family members. The tobacco industry contributes P74 billion annually for the Universal Health Care program in which 54% of the health budget in 2020 came from sin tax collections.

NTA Administrator and CEO Belinda S. Sanchez, who attended the meeting, said that the local tobacco industry has a significant part of the country's economic and cultural fabric, dating back to the 16th century.

"As a pillar of the Philippine agricultural landscape, we can further leverage our socioeconomic potential to harness opportunities that can lead us to becoming a significant growth sector of the country's economy," she said. (FGL)



MOA signing. NTA Administrator and CEO Belinda S. Sanchez (3rd from left) signs the MOA with Maguindanao Del Sur Gov. Bai Mariam Sangki-Mangudadatu, with Regulation Department Manager Atty. Rohbert A. Ambros, OIC Deputy Administrator for Operations Dr. Giovanni B. Palabay, and Sultan sa Barongis Mayor Allandatu M. Angas Sr., as witnesses. (Photo: FGL)

MOA inked for tobacco growing expansion in Maguindanao Del Sur

NTA Administrator and CEO Belinda S. Sanchez and Maguindanao Del Sur Governor Bai Mariam Sangki-Mangudadatu signed a Memorandum of Agreement (MOA) on the tobacco expansion program of the province in a ceremony held at the provincial capitol in Buluan, Maguindanao Del Sur on June 13.

The MOA was the highlight of the consultative meeting conducted by the provincial government with farmer leaders, tobacco growers, and field technicians of the Office of the Provincial Agriculturist, and other local tobacco stakeholders, and initial distribution of fertilizers and pesticides for tobacco farming.

Administrator Sanchez said the initiative would mean the start of the strong partnership between the NTA and Maguindanao Del Sur in supporting the farmers for their endeavor to produce more tobacco not only for local consumption but also for export.

“We will provide the training for the farmers on the new farming technologies for the production of quality tobacco,” said Sanchez.

For her part, Governor Sangki-Mangudadatu assured the provision of the necessary support assistance to all tobacco farmers in the province.

The governor, who is the wife of Suharto Mangudadatu, Director General of the Technical Education and Skills Development Authority (TESDA), recalled that her province was the top producer of Native Batek in Mindanao. The Moro Islamic Liberation Front (MILF) prohibited the growing of tobacco in some towns in the province under their control in 1998.

Only the towns of Pagalungan and Datu Montawal, then under the control of Moro Islamic Liberation Front

(MNLF), are persistently producing the tobacco in the province for local consumption. Datu Montawal remains as the trading center or “bagsakan” of the produced tobacco in the province.

With the MOA signing, the governor is expecting more farmers from the different towns in the province would take advantage of their tobacco farm expansion program.

Farmers from at least nine towns of the province have already expressed their interest to engage in tobacco production: Ampatuan, Datu Abdulla Sangki, Datu Paglas, Datu Piang, Datu Saudi Ampatuan, Datu Unsay, Guindulungan, Mamasapano, and Sultan sa Barongis.

With Administrator Sanchez in the MOA signing were OIC Deputy Administrator of Operations Dr. Giovanni B. Palabay and Regulation Department Manager Atty. Rohbert A. Ambros.

Maguindanao Del Sur officials present during the activity were Sultan sa Barongis Mayor Allandatu M. Angas Sr. and Vice Mayor Alfissar Angas; Provincial Legal Officer Atty. Josefina D. Torrena; and Provincial Agriculturist Jedahni E. Ulangkaya.

Ulangkaya and Torrena led the officials from Maguindanao Del Sur who conducted a benchmarking activity on the tobacco production practices of the farmers in the second district of Ilocos Sur on May 17.

Adonis D. Lazo, officer-in-charge of NTA Candon, said the visit of the Maguindanao officials was in line with their plan to expand their tobacco plantations. He discussed with the visiting officials the provision of technical, financial, and marketing assistance under Tobacco Contract Growing System (TCGS), the agency’s flagship program. (FGL)

NTA Board Approves 5-Year Strategic Plan

THE NTA Governing Board approved the agency's new five-year strategic plan that has five priority areas with strategic objectives to help chart the direction of the tobacco regulatory agency in fulfilling its mandate of promoting farmers' welfare.

The approval is based on the results of the strategic planning workshop and other related activities conducted early this year, presented by Corporate Planning Department (CPD) Manager Fortuna C. Benosa to the Board during its Joint Board Committee Meeting of Legal Matters and Properties, Research, and Extension, held at the NTA Central Office in Quezon City on June 15.

NTA Administrator and CEO Belinda S. Sanchez presided over the joint committee meeting that also discussed and addressed some administrative matters and operations concerns in the implementation of the programs and projects of the agency. The approval of the results of the NTA Strategic Plan was held during the Regular Board Meeting on the next day.

Present during the Joint Board Committee Meeting and Regular Board Meeting were Directors Nestor C. Casela, Jessie Pat M. Serna, Wilfredo C. Martinez, Danilo C. Trongco, Luzviminda U. Padayao, and Acting Board Secretary Atty. Jun Fred V. Parado.

The results include the revised mission, vision and core values; newly formulated strategic objectives with identified performance measures; strategic initiatives and programs; and set targets. According to Neyo E. Valdez, chief of the Planning, Programming, and Evaluation Division of CPD, the results are highlighted in the initial



draft of the NTA Strategic Plan 2023-2028 submitted to the Governing Board prior to the meeting.

Overall priority areas will help the agency become resilient in the next five years as it endeavors for progressive and empowered tobacco farmers and other industry stakeholders through meaningful programs that improve productivity and promote global competitiveness.

Also present in the meetings were Special Assistant to the Administrator Benjamin V. Sarmiento, OIC Deputy Administrator for Operations Dr. Giovanni B. Palabay, Deputy Administrator for Support Services Benedicto M. Savellano, Administrative Department Manager Zenaida T. Arrojo, General Services and Procurement Division OIC Engr. Abraham D. Dela Peña. The online participants were Department Managers Atty. Rohbert A. Ambros (Regulation), Dinah E. Pichay (Internal Audit), Myrna O. Lozano (Industrial Research), Reynaldo R. Aquino (OIC, Finance), Evangeline C. Cabigan (OIC, Farm Technology and Services), and Branch Managers Engr. Noralyn I. Idica (Vigan), Gilbert A. Taguiam (Cagayan), and Joefrey T. Bautista (Isabela). ■



Updates on KALAP. NTA Administrator and CEO Belinda S. Sanchez attended a meeting presided over by President Ferdinand R. Marcos Jr. to discuss updates on the Kapatid Angat Lahat for Agricultural Program (KALAP), held at the State Dining Room in Malacañang on April 25 with the members and officials of the private sector in the agribusiness industry. The meeting enabled the members of the agribusiness industry led by Go Negosyo to share insights on strengthening the agricultural sector in the country. President Marcos Jr. expresses his appreciation of the insightful discussion on the matter and assures the private sector of the government's commitment in developing more holistic approaches in addressing key issues encompassing economic, social and environmental aspects of the agricultural sector. Administrator Sanchez also attended the KALAP launching and Memorandum of Signing in Malacañang on March 6. (Screenshots from RTVM video)

NTA awarded 11 outstanding tobacco growers, for their exemplary performance in the development of the tobacco industry for cropping season 2021-2022, in a ceremony held at the NTA-PhilRice auditorium in Batac City on April 20.

The annual event recognized the winners of the Tobacco Growers of the Year (TGY) Branch Level, from La Union, Ilocos Norte, Ilocos Sur, Pangasinan, Cagayan and Isabela, who each received a plaque of appreciation and a P25,000 cash incentive.

NTA honors outstanding tobacco growers, extension workers

by *Rhonelle P. Sulicipan*
Photos by *FTSD*



TGY Winners. (L-R) Rolly Gulla, Jose Corpuz, Rodolfo del Castillo, Leonila Cabanban, Mervin Maltizo (represented by his wife Grace Maltizo), Susan Caballes, Elmar Pagatpatan, Juanito Gapate, Renato Yosoris, Ronald Parado, and Dionisio Dumalag Jr.



Outstanding Extension Workers. (L-R) Israel C. Ramos, Michael John P. Dahilig, Edna C. Perlaoan, Rosella A. Dosono, Administrator and CEO Belinda S. Sanchez, Jonely Rose Manuel, Dennis Dan M. Sacramento, Cesar M. Cambas Jr., Mae Angela U. Lacamora, Leni M. Arciaga, and Aldouse Ramil C. Ubungen.

This year's winners in the different tobacco types/sub-types were Leonila Cabanban of Guinguinabang, San Juan, La Union for Virginia Neutral; Elmar Pagatpatan of Madupayas, Badoc, Ilocos Norte and Juanito Gapate of Sabanagan Bato, Galimuyod, Ilocos Sur for Virginia Improved Flavor;

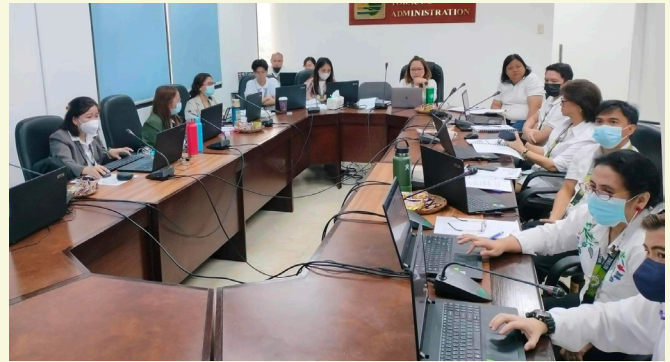
Rolly Gulla of San Felipe, San Manuel, Tarlac for Burley Neutral; Dionisio Dumalag Jr. of Dadaeman, Pasuquin, Ilocos Norte, Rodolfo Del Castillo of Nanbagata, Laoac, Pangasinan, Susan Caballes of Cattaran, Solano, Cagayan, and Ronald Parado of Nampicuan, Aurora, Isabela for Burley Improved Flavor;

Mervin Maltizo of Unag, Amulung, Cagayan and Renato Yosoris of Holy Friday, Mallig, Isabela for Native Cigar Filter; and Jose Corpuz of Payocpoc Norte Weste, Bauang,

La Union for Native Batek Chewing.

The extension workers who assisted the winners in the proper use of science and technology-based knowledge in producing quality tobacco were also recognized during the awarding ceremony. They were Michael John P. Dahilig (TPRO I) and Mae Angela U. Lacamora (Agriculturist II) of Ilocos Norte Branch; Aldouse Ramil C. Ubungen (TPRO I - JO) and Leni M. Arciaga (Agriculturist II) of La Union Branch; Rosella A. Dosono (TPRO I) of Candon Branch; Edna C. Perlaoan (TPRO I) and Israel C. Ramos (Agriculturist I) of Pangasinan Branch; Joe Dexter R. Taguinod (TPRO I) and Dennis Dan M. Sacramento (TPRO I) of Cagayan Branch; and Cesar M. Cambas, Jr. (Agriculturist II) and Jonely Rose B. Manuel (TPRO I) of Isabela Branch.

NEWS BRIEFS



Workshop on Internal Auditing Refresher Course. MEMBERS of the pool of Internal Quality Auditors (IQA) attended a Virtual Workshop on Internal Auditing Refresher Course on ISO 19011:2018 Guidelines on Auditing Management Systems conducted by the Development Academy of the Philippines (DAP) on June 26 and 29 at the NTA Central Office in Quezon City. Bonny R. Bonito, a trainer and consultant on ISO management systems and process excellence, was the resource person. (AMC)



Malaysian Ambassador's visit. NTA Administrator and CEO Belinda S. Sanchez meets Malaysian Ambassador Abdul Malik Melvin Castelino to discuss possible investment opportunities that could help uplift the production and income of the tobacco farmers. Cooperative Development Authority (CDA) Assistant Secretaries Virgilio R. Lazaga and Abdulsalam A. Guinomla assisted the Malaysian ambassador and the other Malaysian officials Counsellor Fareed Zakaria and Minister Amaluzzaman Mohd Asarani in their visit to NTA. OIC Deputy Administrator for Operations Dr. Giovanni B. Palabay and Corporate Planning Manager Fortuna C. Benosa are also present in the brief meeting held at the NTA Central Office in Quezon City on May 4. (FGL)



NTA, MMSU meeting NTA officials headed by Administrator and CEO Belinda S. Sanchez meets with the officials from the Mariano Marcos State University (MMSU) led by its President Shirley C. Agrupis at the Board Room of the NTA Central Office in Quezon City on May 22. Included in the discussions during the meeting was the possible collaboration on the research undertakings about the other uses of tobacco. They are also looking at the potential component of tobacco in the production of medicine. Also present in the meeting are the members of the NTA Governing Board, department managers and other senior officials. (FGL)

“It is fitting to give honor and proper attribution to our farmers, as they are our current heroes because of their contributions for our economic development,” said NTA Administrator and CEO Belinda S. Sanchez.

In his message read by Atty. Augustus Alfonso Jose, Ilocos Norte Governor Manotoc assured the provincial government’s full support to all the needs of the farmers in the province as he recognized their essential contributions to the local economy.

Nestor C. Casela, member of the NTA Governing Board, called on all farmers to continue the production of high quality tobacco to meet the demand of the tobacco manufacturing companies.

The annual search aims to recognize tobacco growers who show innovativeness, efficiency, compliance with good agricultural practices; and protect the environment and demonstrate the application of science and technology-based knowledge during tobacco production.

The winners were evaluated based on the following criteria: crop stand, which includes the uniformity of plants; disease incidence; and insect damage, including the adoption of recommended variety, fertilizer application, and recommended crop protection agents. The criteria also included the yield and quality of cured leaves and income.

Administrator Sanchez, assisted by the two Deputy Administrators Benedicto M. Savellano (Support Services) and Dr. Giovanni B. Palabay (Operations) handed over the plaques and cash incentives to the winners on stage.

Also present were Batac City Mayor Albert D. Chua, NTA Management Consultant Minerva P. Mizal; Special Assistant to the Administrator Benjamin V. Sarmiento, and the branch managers.

Speaking on behalf of the awardees, Dumalag expressed his gratitude to the agency for the recognition they received from planting tobacco.

He added that as the role models in the promotion and application of quality tobacco production technology in their community, they contribute to the improvement of the tobacco industry and to the economic progress of the nation as a whole.

In the TGY contest, the provincial branch offices serve as the implementing arm through its Branch Technical Committee (BTC). The committee is responsible for the recruitment, monitoring, and recommendation of the contestants’ activities. The branch level winners for the last three consecutive years automatically qualified for the TGY national level.

The Farm Technology and Services Department (FTSD), acting as the National Technical Committee (NTC), conducts on-farm evaluation, reviews, and evaluates the contestants’ farm records forwarded by the BTC, and recommends the winners based on contest rules and guidelines to the TGY National Advisory Council, which is tasked to declare the winners. The administrator chaired the NTC. (With reports from Laarni C. Calibuso/OJT NTA Candon Branch)

NTA, LGUs partnership for STEP funding

TO INSTITUTIONALIZE convergence and coordination with the local government units, the NTA has initiated a series of consultations and dialogues with local chief executives in tobacco-growing provinces for collaboration in the implementation of the agency's programs, projects and activities under the Sustainable Tobacco Enhancement Program (STEP), and for the LGUs' support to the agency's effort for the release by the Department of Budget and Management (DBM) of a bigger budget from Tobacco Fund to benefit tobacco growers.

The consultations and dialogues have gathered municipal and city mayors, and top officials of the five tobacco-producing provinces (Ilocos Sur, Ilocos Norte, La Union, Isabela, Cagayan), in separate schedules and venues from April to June 2023.

These have resulted in the issuance of a common resolution approved by the provincial chapters of the League of Municipalities of the Philippines (LMP), endorsing the STEP to the DBM for fund allocation from the proceeds of the Tobacco Fund with simultaneous request for immediate release.

Benjamin V. Sarmiento, a former mayor of San Juan, Ilocos Sur and now Executive Assistant and Special Assistant to the Administrator, said that the consideration of the initiatives with the LMP is in anticipation of the implementation of RA 11346 that allots a ceiling of P17 billion excise tax fund annually to be divided pro-rata, or according to volume of production, by the beneficiary provinces producing Virginia, and a maximum of P4 billion for those producing Burley and Native.



Administrator and CEO Belinda S. Sanchez and other NTA top officials, together with La Union Governor Ruffy Ortega-David and members of the LMP La Union Chapter headed by its President Balaoan Mayor Aleli U. Concepcion. (Photo: FGL)

LA UNION

LMP-La Union Chapter expressed its full support to all the programs and projects of NTA in a meeting with agency officials and Governor Raphaelle "Rafy" Veronica Ortega-David held at the Provincial Capitol in San Fernando City on April 27.

LMP-La Union Chapter President and Balaoan Mayor Aleli U. Concepcion said that tobacco farming is one of the major sources of income of her constituents after the rice production season.

Governor Ortega-David joined the mayors of the tobacco-producing municipalities in giving their assurance to NTA of farm inputs assistance and other support for their farmers out of their shares from the tobacco excise tax.

The province received P1.8 billion of excise tax shares from Virginia production and P295.88 million from Burley

and Native productions. Balaoan is the top producing tobacco municipality in the province with a total of P529.27 million of excise tax shares in the latest DBM release in December.

The other mayors present during the meeting were Agoo Mayor Frank O. Sibuma; Bacnotan Mayor Divina C. Fontanilla; Burgos Mayor Delfin C. Comedis Jr.; Caba Mayor Donna R. Crispino; Luna Mayor Gary N. Pinzon; San Gabriel Mayor Lany B. Carbonell; Sto. Tomas Mayor Severino C. Carbonell represented by Estela L. Olarte; San Juan Mayor Arturo P. Valdriz represented by Reginald M. Nang; Pugo Mayor Kurt Walter M. Martin represented by Maximo V. Dulay; Naguilian Mayor Nieri T. Flores represented by Jeffrey C. Patacsil; Bauang Mayor Eulogio Clarence Martin P. De Guzman III represented by Rovena A. Pimentel; Bangar Mayor Joy P. Merin represented by Rodrigo M. Sarmiento Jr.; Bagulin Mayor Virgilio C. Flor represented by Rucio Culo; and Aringay Mayor Benjamin C. Sibuma represented by Maria Lucile Estacion. ■

ILOCOS NORTE



Dingras, Ilocos Norte Mayor Joefrey P. Saguid, president of LMP-Ilocos Norte Chapter and Marcos Mayor Antonio V. Mariano, personally delivered the signed resolution to Administrator and CEO Belinda S. Sanchez at the NTA Central Office on June 30. (Photo: FGL)

LOCAL officials of the province have assured NTA of more assistance to their farmers using their share from the tobacco excise tax to help increase the volume of the country's tobacco production.

This is in response to a concern raised by Benjamin V. Sarmiento, Special Assistant to the Administrator, regarding the insufficiency of locally produced tobacco to address the continuing demand for quality tobacco leaves by the local tobacco companies.

Speaking before 13 mayors and 11 town/city agriculturists in a special meeting of the LMP-Ilocos Norte Chapter on April 21 at the SP Session Hall of the Provincial Capitol in Laoag

City, Sarmiento said the total volume of locally produced tobacco had only composed of 35% of the requirement by the tobacco manufacturers.

"There's a lot of interested stakeholders who wanted to establish a cigarette factory in our country, but our concern now is that, the country only supplies 35% of the total volume of the tobacco raw materials needed by the local tobacco manufacturers," he said.

To institutionalize the provision of assistance to the farmers, Sarmiento suggested to the local chief executives to organize the farmers into an association or a cooperative, and invest on the creation of water impounding facility as a sustainable source of water supply for tobacco growing.

In response, the LMP-Ilocos Norte Chapter members, who were present during the meeting, welcomed Sarmiento's recommendations.

Other matters discussed during the meeting were the presentation of the current programs and projects of the NTA in the provinces and the LMP-Ilocos Norte chapter resolution regarding the release of the Tobacco Fund for the benefit of the farmers.

Among the local officials and mayors present during the meeting were Atty. Juan Alfonso Agustus I. Jose, representing Ilocos Norte Governor Matthew Marcos Manotoc; Batac City Mayor Albert Chua; Adams Mayor Rosalia Dupagen; Badoc Mayor Maximo Cajigal; Burgos Mayor Crescente Garcia; Carasi Mayor Robella Gaspar; Currimao Mayor Edward Quilala; Pagudpud Mayor Raffy Benemerito; Pinili Mayor Rommel Labasan; Vintar Mayor Richard Degala; Marcos Mayor Tony Mariano; Pasuquin Mayor Robert Aguinaldo; Paoay Mayor Sheilla Galano, and Solsona Vice Mayor Jonathan De Lara. ■

ISABELA

GOVERNOR Rodolfo Albano III expressed his full support to the initiative of NTA seeking the immediate release of the Tobacco Fund for the full implementation of the STEP, and to promote the quality of life of the small tobacco farmers and their families.

The governor expressed his commitment in his meeting with the NTA officials led by Administrator and CEO Belinda S. Sanchez at the provincial capitol in Ilagan City on May 9.

"I'm fully supporting the efforts of NTA in taking the lead of gathering the tobacco-producing local government units to make a unified stand asking the DBM for the release of the Tobacco Fund for the enhancement of the local tobacco industry," he said.

To sustain the local tobacco industry in the province, Governor Albano said that the provincial government is continuously giving support assistance to the tobacco farmers out of their share from the tobacco excise tax collections from Burley and Native tobacco production.

Based on the Local Budget Memorandum No. 86 dated December 14, 2022, Isabela received the highest portion of the tobacco excise tax fund under RA 8240 for the 2020 production, with share amounting to P1.8 billion. This constitutes 47% of the P4 billion total excise tax share of the 18 Burley and Native tobacco-producing provinces nationwide.

"While we are sustaining our biggest production of Burley and Native tobacco types in the province, we are also looking for the possible replication of the tobacco production practices in Cuba in our province," he said. ■



Administrator and CEO Belinda S. Sanchez shakes hands with Gov. Rodolfo Albano III as Directors Nestor C. Casela and Luzviminda U. Padayao look on, during a meeting at the Provincial Capitol in Ilagan City. (Photo: FGL)

ILOCOS SUR

MAYORS of tobacco-producing municipalities in the province have asked the Department of Budget and Management (DBM) for the release of the tobacco fund under RA 4155.

In a resolution approved on June 7 by the LMP-Ilocos Sur Chapter, headed by Cauayan Mayor Germelina S. Goulart, the local chief executives endorsed the Sustainable Tobacco Enhancement Program (STEP), a five-year development roadmap of NTA, to the DBM for fund allocation from the Tobacco Fund.

The resolution also aims to ensure food security and enable farmers to flourish financially, as well as to strengthen and achieve the objectives for a thriving tobacco industry—towards improving the quality of life of the stakeholders, especially the small tobacco farmers; and increase the institutional capability of the NTA to implement and sustain the development efforts towards the continuous improvement of the industry.

Ilocos Sur Gov. Jeremias C. Singson, who joined the meeting at the San Juan Civic Center in San Juan, supported the endorsement of the local executives of the STEP for fund allocation.



(L-R) Ilocos Sur Governor Jeremias C. Singson (2nd from left) takes a pose with NTA officials Director Jessie Pat M. Serna, Director Nestor C. Casela, and NTA Vigan Manager Engr. Noralyn I. Idica, showing a "One Ilocos Sur" after he endorsed the STEP program during the LMP-Ilocos Sur Chapter meeting in San Juan, Ilocos Sur. (Photo: NTA Vigan)

The LGUs agreed that the efficient implementation of STEP relies heavily on the government's funding support, which is indispensable in assisting small tobacco farmers towards achieving an improved quality of life, and in the establishment of the province as a secure, self-sufficient and sustainable province in the region. ■

CAGAYAN

NTA and LMP-Cagayan Chapter conducted the Summit on the Sustainable Development of the Tobacco Industry held at the conference room in the NTA Cagayan Branch Office on June 27.

The mayors of the 11 tobacco-producing LGUs in Cagayan announced their commitment to support the immediate release of the Tobacco Fund for use in the implementation of the NTA's programs and projects.

One of the summit participants, Solana town Vice Mayor Maynard Z. Carag, said that their regular IRA fund is insufficient to finance the needed support to the farmers to uplift their agricultural crop production.

"Our excise tax share from RA 8240 helps us for the construction of farm-to-market roads, provision of scholarship

programs for the children of the tobacco farmers, and the construction of our water system located in Barangay Cattaran," he said.

NTA Administrator and CEO Belinda S. Sanchez was elated by the feedback of the LGUs on the services of the agency, assuring the province of its continuing support to the tobacco growers in the province. She cited the cooperation of the Cagayan LGUs to achieve the 500 to 1,000 hectares target expansion on tobacco plantation by the provincial government in the next five to 10 years.

Also present during the summit were the representatives from the Universal Leaf Philippines Incorporated (ULPI).

Before the LMP meeting, NTA officials led by Benjamin V. Sarmiento, Special Assistant to the Administrator, discussed

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Solana, Cagayan Vice Mayor Maynard Z. Carag; (Left) Participants in the Summit: NTA top officials, LGU officials and representatives from the private sector.

A TEAM of NTA officials joined Administrator Sanchez and Executive Assistant Sarmiento in the series of dialogues, namely, Nestor C. Casela, Wilfredo C. Martinez, Danilo C. Trongco, Luzviminda U. Padayao, and Jessie Pat M. Serna, all members of the NTA Governing Board; OIC Deputy Administrator for Operations Dr. Giovanni B. Palabay; Department Managers Atty. Rohbert A. Ambros (Regulation) and Fortuna C. Benosa (Corporate Planning); Acting Board Secretary Atty. Jun Fred V. Parado. Branch Managers Engr. Noralyn I. Idica (Vigan), Gilbert A. Taguiam (Cagayan), and Joefrey T. Bautista; Officer-in-charge Randy I. Abella (Ilocos Norte); and Chief Agriculturist Emma Beth B. Fantastico (La Union) also joined the top officials in their respective provinces. Administrative Department Manager Zenaida T. Arrojo, Management Consultant Minerva P. Mizal, and Public Relations Officer V Freddie G. Lazaro also joined in some of the dialogues.

Farmers join call for fund allocations for STEP projects

by Rhonelle P. Sulicipan

THE National Federation of Tobacco Farmers Associations and Cooperatives (NAFTAC) joined the local government units (LGUs) in their call for the release of allocations for the various projects under the Sustainable Tobacco Enhancement Program (STEP).

The NAFTAC officers, in Resolution No. 01 s. 2023, appealed to the Department of Budget and Management (DBM) to release the budget from the Tobacco Fund.

The resolution was signed by 14 officers headed by NAFTAC president Bernard R. Vicente during their quarterly consultative meeting held at the NTA Farmers Training Center in San Juan, Ilocos Sur on June 20.

Chapter members of the League of Municipalities of the Philippines (LMP), in Ilocos provinces, La Union, Isabela and Cagayan, have been calling the DBM for fund allocation from the proceeds of the Tobacco Fund.

The farmer leaders cited the need of additional fund for the provision of additional production, technical and marketing assistance through various programs



NTA Top officials with the NAFTAC officers. (Photo: FTSD)

and projects, and “many other new and continuing development programs” of NTA under the STEP.

The consultative meeting was spearheaded by the Farm Technology and Services Department, through its Farmers Organizational Development project. This was also attended by Special Assistant to the Administrator Benjamin V. Sarmiento, OIC Deputy Administrator for Operations Dr. Giovanni B. Palabay, and members of the Governing Board: Nestor C. Casela, Danilo C. Trongo, Jessie Pat M. Serna, and Luzviminda U. Padayao.■



What is the Tobacco Fund?

THE Tobacco Fund was established through Republic Act (RA) 4155, entitled “An Act to Promote and Strengthen the Virginia Tobacco Industry”:

“Section 5....[A] special fund is hereby established to be known as the Tobacco Fund, which shall be constituted by and collected from the proceeds of fifty per centum of the tariff or taxes of imported leaf tobacco as hereinabove provided and also fifty per centum of the special taxes on locally manufactured Virginia type cigarettes. This fund shall be expended for the support or payment of:

xxxxx

4. Operational, office and field expenses, and the establishment of Tobacco Research and Grading Institute.

The Department of Budget and Management on June 13, 2006, approved the establishment of Special Account in the General Fund (SAGF Fund 151) pursuant to RA 4155 and PD No. 1234, to account the share of the NTA from the Tobacco Fund. In the same year the National Treasury deposited the amount of P575 million to the Special Account in the General Fund of NTA, representing its 40% share from the excise taxes of locally-manufactured Virginia type cigarettes. Since 2006, the Tobacco Fund has been the source of the agency’s annual budgetary allocation under the General Appropriations Act (GAA).

Per latest Reconciliation Statement provided by the Bureau of Treasury, dated September 20, 2022, the Tobacco Fund has a net balance of P92.3 billion.

In the 13-year period (2010-2022), the NTA has received a total of P5.512 billion out of the Tobacco Fund or about 5.7% of the current net balance. For 2023 Budget, NTA proposed to utilize P3.6 billion from the Tobacco Fund to meet the budgetary requirement for the Sustainable Tobacco Enhancement Program (STEP) and only received P550 million.

The Fund provides for a portion of the Personnel Services and Maintenance and Other Operating Expenses (MOOE) for NTA. The projects currently supported by the Fund, benefitting tobacco farmers and other industry stakeholders include Production Assistance to tobacco growers in the form of fertilizers, pesticides and other production inputs, Curing Barn Assistance, Industrial Research and Quality Assurance, and Regulatory Services. From 2010 to 2017, the Fund also supported the Tobacco Dust Production Project, Multi-purpose Curing Barn, Kadiwani Ani at Kita Food Processing Center, Irrigation Support Project, Renewable Energy Farm Project, and Irrigation Support Project for small tobacco farmers.

To meet the five-year budgetary requirement for priority programs and projects and pioneering ventures under the STEP, NTA proposed P26.8 billion from the Tobacco Fund, pursuant to RA 4155, which is considered as automatically appropriated under Presidential Decree (PD) No. 1234 (Management of Fiduciary Funds.) For the 2024 Budget, NTA has proposed P1.063 billion for the funding of the following projects to implement the Block Farming, as key strategy of the STEP:

- Tobacco Farmers Production Assistance-Tobacco Contract Growing System-(TCGS)
- Curing Barn Assistance Project (CBAP)
- Tobacco Farm Mechanization Project (Farm Machineries & Equipment)
- Tobacco Growing Operations Modernization Project
- Improved Tobacco Seedling Nursery/Seedbeds
- Other Crops/Livestock Assistance
- Capability Building for the Tobacco Grading Institute
- Kadiwani Ani at Kita Rehabilitation.

Prepared by NTA Corporate Planning Department

Magsingal gives free farm inputs, machinery to tobacco farmers

MAGSINGAL, Ilocos Sur Mayor Alrico Favis personally turned over fertilizers, certified and hybrid rice seeds, tractors, and kuliglig to more than 3,000 farmers on May 3 at the Municipal Hall.

The distribution of free farm inputs and machines was part of the LGU's full support to the local farmers.

According to Mayor Favis, majority of the Magsingal residents are depending their livelihood on agriculture, particularly in rice and tobacco production.

Beatriz Sabado Malapit, 65, who represented her husband during the distribution of farm inputs, said that the assistance will help them earn more in farm production amidst increasing cost of fertilizers and pesticides.

"I am thankful for this assistance from LGU-Magsingal and I hope Mayor Favis will continue this program," said Malapit. *(Daniela Cervantes, OJT Vigan Branch)*



Magsingal, Ilocos Sur Mayor Alrico Favis (center) with (L-R) Daniela Cervantes, OJT; Municipal Agriculturist Louie Villanueva; Elsa Lipadan, OJT; and Engr. Nasser Jhon F. Ragasa, TPRO 1 of NTA Vigan. *(Photo: NTA Vigan)*

Sinait farmers get P20M curing barn assistance

AT LEAST 240 tobacco farmers received P20 million assistance from the local government of Sinait, Ilocos Sur for the construction of a flue-curing barn for cropping season 2022-2023.

Sinait Mayor Glenn B. Guzman, who led the distribution of the assistance to the farmers, said that the provision of facility assistance for flue-curing of Virginia tobacco was a priority of the municipality.

To avail of the assistance, Mayor Guzman said the recipient should comply with several requirements set by the LGU.

The recipient must be a tobacco farmer showing proof that he/she had a farm lot planted with tobacco like a tax declaration of the land whether he/she owned or leased.

Those tobacco farmers, whose curing barns were damaged by calamities in the past cropping seasons, can also avail the assistance whether for rehabilitation or replacement of the facility depending on the extent of the damages.

Tobacco farmer leader Narcisco Tabuyo of Barangay



Sinait, Ilocos Sur Mayor Glenn B. Guzman (center) with (L-R) Mica Ella G. Pagal, TPRO 1 of NTA Vigan; Daniela Cervantes, OJT; Elsa Lipadan, OJT; and Megan C. Gengania TPRO 1 (JO) of NTA Vigan. *(Photo: NTA Vigan)*

Marnay commended the recent initiative of the LGU to help local tobacco growers.

"We are very grateful that our LGU has given us our request that we have been waiting for long before," said Tabuyo. *(Elsa Lipadan, OJT NTA Vigan Branch)*

CAGAYAN.... from page 10

tobacco expansion target in Cagayan with Gov. Manuel Mamba at the Kammaranan Hall, Alimando Hills, in Peñablanca town on March 27.

The governor asked the NTA to help the local government reach out to local the tobacco growers and convene with the traders to fully implement the agreement that will ensure the ready market for the production from the targeted 1,000 hectares tobacco plantation in the next five years.

Also discussed during the meeting was the potential

collaboration between the NTA and LGUs in ensuring the delivery of services to tobacco growers and meeting the demands of local manufacturers of quality tobacco.

Governor Mamba welcomed the initiative of the NTA as he said that the LGUs in his province are very much willing to support the programs and projects of the agency benefitting the tobacco farmers.

"Through this move, we can attain the sustainability of the tobacco industry in Cagayan," Mamba said. ■

NTA, LGU support inspire tobacco growers

by Christopher D. Queddeng

THE Tobacco Contract Growing System (TCGS) program and the support from the local government inspired the farmers in an Isabela village, boosting tobacco production despite the adverse effect they experienced brought about by climate change.

Tobacco farming is one of the main sources of income of 72 farmers in Turod, one of the Burley tobacco-producing villages of Quezon, Isabela. The farmers planted tobacco in an aggregate area of 54.22 hectares in 2020-2021 cropping season.

Before 2020 cropping season, the Turod farmers were very happy to be a part of the Block Farming Project of the NTA because of the 40% subsidy they received from the agency. As a result, the farmers earned an average net income of P150,000 per hectare.

However, the sudden occurrence of inclement weather in the area in the ensuing year affected the quality of the tobacco leaf produced in the area, which caused the decline in the farmers' income.

According to Barangay Chairman Noel Ibuyat, he was pleased to see the farmers purchasing their own motorcycles after earning a high income in the last cropping season.

"But in the next cropping season, I feel devastated to watch their motorcycles being pulled out one by one by the dealers," he said.

"And they couldn't even invite me to have coffee with them like they usually do when I visit them because they don't even have enough budget to buy instant coffee," he added.

Because of what happened to them, the farmers were even considering to forgo planting tobacco in the upcoming crop season.

Despite their predicament, the farmers still have the persistent desire to grow tobacco because they knew that tobacco production has been the primary source their income.

They said they need assurances that they are provided with full assistance in tobacco farming,

to avoid further losses if another calamity occurs during the season. Because tobacco is crucial to their livelihood, the farmers in Turod will never give up, despite the challenges.

Before the start of the cropping season, NTA Isabela reached out to them and listened to their concerns. Their perseverance paid off, as they are now part of the TCGS program of the NTA in which they are assured production and technology assistance and subsidy in quality tobacco production.

Turod now has 62 TCGS farmers, with an aggregate area of 39.2 hectares. They are also beneficiaries of the Curing Barn Assistance Project (CBAP) and the Tobacco Farm Mechanization Project (TFMP), which provide them with additional support and resources to improve their farming practices and increase their income.

In addition to these initiatives, the Turod tobacco growers received cash assistance from the local government of Quezon, thanks to the share of the municipality in the national collections of tobacco excise tax on Burley and Native, per Republic Act 8240. They were also given seven mushroom house production units through their cooperative, the Quezon Isabela Tobacco Growers Agriculture Cooperative (QITGAC).

With the support of these programs and initiatives, the tobacco farmers in Turod are now better equipped to navigate the challenges of tobacco farming and improve their livelihoods. They remain committed to their craft and are grateful for the assistance they have received from the government and other organizations.

"We are thankful for the support we have received, and we will continue to work hard to produce high-quality tobacco that can support our families and community," said one of the farmers. "We know that there will be challenges ahead, but we are ready to face them with determination and perseverance." ■





Beef cattle project brings additional source of livelihood for tobacco farmers

by Resty C. Cambe

THE Beef Cattle Production Assistance Project (BCPAP), launched in CY 2020 as part of the Integrated Farming and Other Income Generating Activities Program (IFOIGAP), has emerged as a catalyst for economic growth and livelihood improvement in tobacco farming communities.

The project aims to transform tobacco farmers into “total farmers” engaged in diversified farming practices, including livestock production.

Under the BCPAP, selected tobacco farmers are provided with one-ready-to-breed upgraded Brahman Heifer, which will be repaid with two 12-month-old cows, specifically the first and third offspring.

The initiative offers farmers an additional income source alongside their tobacco and rice production activities, thereby reducing dependency on a single crop and mitigating risks associated with fluctuating market conditions.

An operations audit on the BCPAP was conducted to assess the project's effectiveness, efficiency, ethics, and economic viability. The audit findings confirmed that the project has been implemented successfully, delivering numerous positive outcomes for the farming community.

One of the key findings was the project's effectiveness in providing an additional income stream to tobacco

farmers. By diversifying their farming activities, farmers have been able to enhance their economic well-being and raise their overall quality of life. The revenue generated from beef cattle sales contributes to household expenses, education, healthcare, and other income-generating ventures.

Moreover, the BCPAP has played a vital role in jumpstarting the beef cattle industry in tobacco-growing provinces.

Through the provision of upgraded Brahman heifers, the project has facilitated the breeding and expansion of the local beef cattle population. This growth not only benefits farmers but also creates employment opportunities and stimulates economic development.

The audit report acknowledged the NTA's commitment to transparency and adherence to project guidelines and procurement regulations. While the report highlighted some areas for improvement, such as recruitment processes, distribution, recording procedures, and project monitoring, the overall positive impact of the BCPAP remains evident.

The success of the project attributed to the collaboration among the NTA, partner local government units, and farmer-beneficiaries. Their dedication and hard work have transformed tobacco farmers into diversified “total farmers” contributing to the growth of the beef cattle industry while

improving their own livelihoods.

The positive impact of the program was supported by the revelation of some of the tobacco farmer-recipient who claimed that BCPAP would bring additional income for their family.

Jowel Igne, 42, a farmer leader of Cabulalaan, Sinit, Ilocos Sur, said the project assured him of an additional income after the heifer cow he received from BCPAP had already produced one offspring. He was part of the first batch of beneficiaries of BCPAP in May 2021.

Although the first offspring and third offspring go to NTA for distribution to another potential beneficiary, Igne said however that the nine-month pregnancy period of a cow is not too long to wait.

“The project has benefitted a lot of the tobacco farmers because it provides us an opportunity to earn a lucrative income considering the high market value per head of a cow,” Igne said.

Other first batch beneficiaries in Ilocos Sur like Renato Aguilar of Sabneg, San Ildefonso and Geogie Bernavidez of Maradodon, Cabugao, have also expressed their gratitude to the agency for the BCPAP.

Aguilar's heifer gave birth to her first offspring last January. Bernavidez expressed optimism that the cow given to him will also give birth soon. *(With reports from Daniela Marieh Cervantes/Elsa Lipadan, OJTs NTA Vigan)*

NTA scholarship program helps more students pursue college education

by *Rochelle C. De Peralta*

NTA implemented the Tobacco Farmers Dependent Scholarship Program (TFDSP) in 2011 during the administration of then Administrator Edgardo D. Zaragoza.

The program aims to protect the interest of the tobacco farmers and provide scholarship grants to deserving and qualified dependents of tobacco farmers.

The program is available to farmers' dependents residing in major tobacco-growing provinces: Ilocos Norte, Ilocos Sur, La Union, Pangasinan, Cagayan, Isabela, Abra, Occidental Mindoro, and Misamis Oriental.

The grant comprises of stipend and miscellaneous fees for the duration of the chosen four-year and five-degree courses offered by the state colleges and universities (SUCs) in tobacco-producing provinces.

The same grant is also available for technical and vocational courses under the TESDA Job-Directed Training Programs, preferably in agriculture, fisheries, forestry, and home economics technology.

The Internal Audit Department, thru the Management Audit Division, conducted an audit of the TFDSP from May to June this year in NTA branch offices in Regions I and II and CAR to evaluate the degree of compliance with the Implementing Rules and Regulations (IRR), assess the adequacy of internal controls implemented, and identify areas for potential improvement.

As part of the audit program, the management audit team verified and evaluated the scholars' records in the branch offices and schools and conducted interviews with the TFDSP coordinator as well as the tobacco farmers and scholars.

A total of 348 respondents were interviewed and 12 SUCs were visited during the period.

In school years 2011-2016, only 283 graduated out of 879 scholars. Out of 283 graduates, only 155 or 55% were employed; 83 or 29% were unemployed; and 45 or 16% have no information about their employment status. Data for Academic Years (AYs) 2016-2017 and 2017-2018 was not available.

During the audit period on May to June 2023, based on the data given by the branch offices, out of 210 new scholars who qualified to enter the scholarship program for Academic Year 2018-2019, there were 52 graduates (25%) who were already employed as of June 2023; 88 graduates or 42% were unemployed.

A total of 140 graduates or 67% of the new recruits for AY 2018-2019 graduated in the NTA scholarship program. The remaining 70 grantees or 33% did not finish their courses under the NTA scholarship program.

In all, the TFDSP has produced an approximate 423 graduates and 207 employed since 2011. ■

Tobacco farmer Fernando Pullar is grateful that NTA is helping tobacco growers send their children to college through the NTA scholarship program. Pullar's son, Joshua is a 4th-year student of Bachelor of Science in Business Administration in the University of Northern Philippines.

"The program, which helps us with the daily allowances and expenses of my son, inspired me to keep planting tobacco," Pullar said.

For Angelina Cabuag, 23, daughter of tobacco farmer Anisidro Cabuag of Ag-agrao, Sta. Maria, Ilocos Sur, the scholarship program helped her achieve her dream of becoming an agriculturist. Her father's income from tilling a .25 hectare of land as a source of their livelihood is not enough for her expenses in college.

Her scholarship allowance amounting to P5,800 per semester helped her to finish her Bachelor of Science in Agriculture Major in Horticulture at the Ilocos Sur Polytechnic State College in 2022.

"I am encouraging the children of the tobacco farmers to avail of the scholarship program of the NTA because this will help them in pursuing college education especially this time that the cost of daily living is increasing," Cabuag concluded.

Coralyn Nuguid, 22, the eldest of the four children of registered tobacco farmer Corazon Nuguid of Tangaoan, Sta. Maria, Ilocos Sur, attested to the big contribution of the agency's scholarship program in helping for the shaping the better future of the children of the tobacco farmers.

She is now a 4th-year student of Bachelor of Elementary Education in Ilocos Sur Polytechnic State College (ISPSC), Sta. Maria, Ilocos Sur campus.

"The scholarship program is really helping the tobacco farmers' children like me to achieve a better future through obtaining college education," Nuguid said.

For Allen Abarientos, 22, of Casilagan, Narvacan, Ilocos Sur, the amount he received every semester from the program helped him defray his expenses for his projects and daily allowances. He is now a 3rd-year student of Bachelor of Science in Development Communication in Ilocos Sur Polytechnic State College (ISPSC).

He said that the earning of his father, Erlanger, from farming is not enough for his daily allowances and expenses in the school.

He hoped that the scholarship program will continue to give opportunities s tobacco farmers' children to finish their college education. *(Reported by Laarni C. Calibuso/Bianca Cabajar, OJTs NTA Candon Branch/Elsa Lipadan, OJT Vigan Branch)*



Angelina Cabuag

Market assessment of local tobacco industry

by *Renzo Vien C. Reas & Myrna O. Lozano*

Abstract

This is annual market assessment of the previous Crop Year to know the current situation of the local tobacco industry, using the production, importation, and exportation of tobacco and tobacco products data from the NTA Regulation Department, Philippine Statistics Authority (PSA), Bureau of Internal Revenue (BIR), and other private research organizations. Analysis of the tobacco supply and demand were done with the five-year observation of the tobacco industry. The market assessment of local tobacco industry showed that the Virginia and Burley tobacco production, exportation, and importation are decreasing, mainly, because of the shifting of consumer preference on their nicotine intake activities. Native tobacco's production and export has increased while the importation is on a decreasing trend. The situation of Native tobacco is a bright spot for local tobacco industry since, as the bulk of local production is for exportation.

INTRODUCTION

The tobacco industry in the Philippines is on a downtrend for the past few years due to the challenges it faces, both locally and internationally. First, the campaign of the World Health Organization (WHO), through the Framework Convention on Tobacco Control (FCTC), to stop people from using tobacco products because of its bad effect on health. This caused a massive increase on the development and usage of Next Generation Products and other smoke-free tobacco products. Second, the lingering effect of the COVID-19 pandemic which caused the consumers to be more "health conscious" which, in effect, reduces the demand for traditional tobacco products (cigarettes). Amidst the challenges and threats to the tobacco industry, the NTA has to come up with policies, programs, and projects, taking into consideration the industry's competitiveness in terms of tobacco products, market position, and prices of tobacco and other tobacco products.

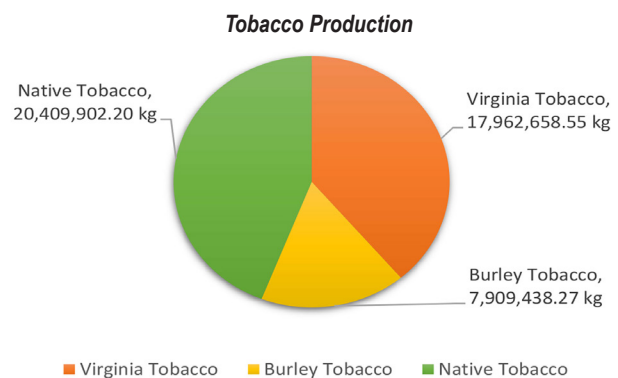
The Market Research and Development Division of the Industrial Research Department gathers and collects data from the Regulation Department, Corporate Planning Department, Branch Offices, and other government agencies to draft the report on the Market Assessment of Local Tobacco Industry. This report provides reliable information on the current situation, the tobacco supply and demand, five-year observations (historical) and five-year projections and other prospects as basis for decisions and policy directions.

2021 Tobacco Gross Supply

The gross tobacco supply is the sum of the volumes of tobacco production and imported tobacco

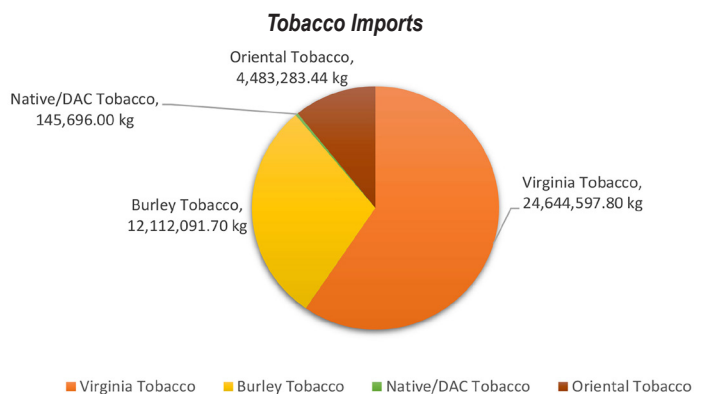
A. Local Tobacco Production

In 2021, the Philippines produced a total of 46.28 million (M) kilograms (kg) of tobacco with volume share of 38.8% Virginia Tobacco, 17.1% Burley Tobacco, and 44.1% Native Tobacco.



B. Imported Tobacco

The country imported a total volume of 41.39 M kg of tobacco with a volume share of Virginia (59.5%), Burley (23.9%), Native (0.4%), and Oriental (10.8%). Most of the imported Virginia came from Brazil, India, and China; Burley came from India and Bangladesh; Native came mostly from Indonesia; and Oriental came from Thailand, Turkey and China.



Gross Supply(kg)			
Type	Total Volume	Local Produced	Imported
Virginia	42,607,256.35	17,962,658.55	24,644,597.80
Burley	20,021,529.97	7,909,438.27	12,112,091.70
Native	20,555,598.20	20,409,902.20	145,696.00
Oriental	4,483,283.44	0	4,483,283.44
Total	87,667,667.96	46,281,999.02	41,385,668.94
% Share		52.8%	47.2%

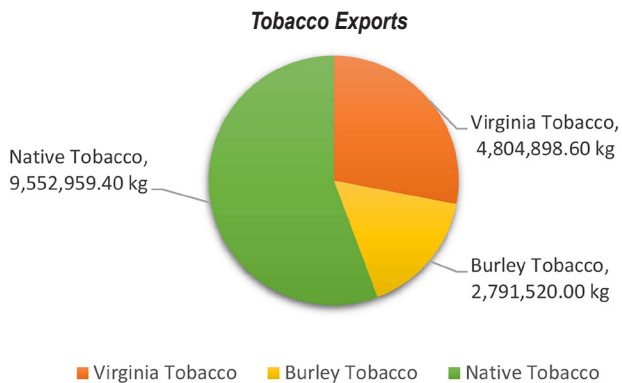
Therefore, in 2021, the gross supply was 87.67 M kg wherein 52.8% came from our local production and 47.2% came from imported tobacco.

2021 Gross Tobacco Demand

The gross demand of tobacco is coming from the local demand and the exported volume.

A. Tobacco Export

The total exported volume of tobacco for 2021 was 17.15 M kg wherein over half came from Native with 55.7% followed by Virginia and Burley with a volume share of 28.02% and 16.28%, respectively.



For Virginia, most of our exports went to Korea (42.2%), Taiwan (21.49%), and Belgium (11.95%); Burley were exported to Indonesia (12.9%), Belgium (17.27%), and USA (12.32%). While Native went to Dominican Republic (44.49%) and Indonesia (12.9%).

B. Local Demand

The estimated local demand of tobacco for 2021 was 60.34 M kg as estimated from the cigarette/cigar removals (average tobacco weight/cigarette at 0.97 grams) and exported leaf of crop year 2021.

Gross Tobacco Demand		
Type	Volume (kg)	%Share
Local Demand	60,339,316.25	77.87
Exported Leaf	17,149,378.00	22.13
Total	77,488,694.25	100

Therefore in 2021, the gross tobacco demand was 77.5 M kg wherein 77.87% came from the local demand and 22.13% came from exported leaf.

2021 Market Surplus / Trade Deficit

The gross supply of tobacco in 2021 is 87.67 M kg greater than the previous year 2020 of 81.13 M kg. Moreover, the gross demand of tobacco in 2021 is 77.49 M kg increased by 41.39% compared to the previous year (2020). The difference between the tobacco supply and demand for 2021 is 10.18 M kg. Despite the decrease, the tobacco industry in the country is not in shortage.

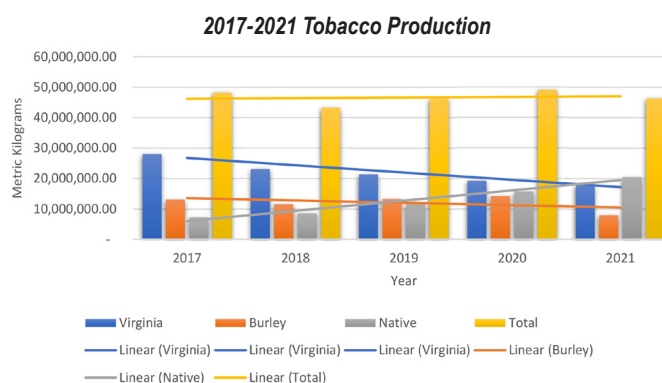
On the other hand, the country is in a trade deficit because of the positive 24.24 M kg difference between imported and exported tobacco. This is 38.20% higher than the trade gap in the previous year. This means that the Philippines is becoming a more importing country than an exporting one in 2021 compared to the previous year.

Supply- Demand and Import-Export (kg)		
	2020	2021
Supply	81,132,605.8	87,667,667.96
Demand	54,805,710.26	77,488,694.25
SUPPLY minus DEMAND	26,326,895.54	10,178,973.71
	2020	2021
Import	31,977,353.48	41,385,668.94
Export	14,441,102.14	17,149,379.00
TRADE DEFICIT	17,536,251.34	24,236,289.94

5-Year Observation of Philippine Tobacco Industry (2017-2021)

A. Tobacco Production

From 2017 to 2021, the total production of Virginia had decreased from 27.96 M kg to 17.96 M kg with an average decline rate of 10.4% per year.

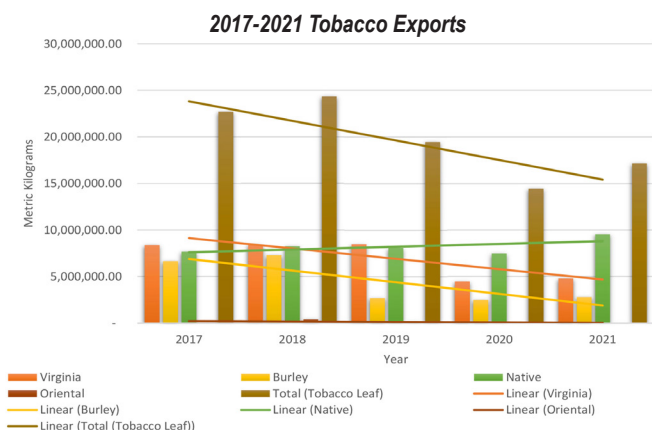


A decline in the production was also observed in Burley wherein the 13.05 M kg production in 2017 decreased to 7.91 M kg in 2021. An average annual decline rate was recorded to be at 8.52%.

Despite the decline observed for Virginia and Burley, an increase on the production of Native has been observed. The production of Native in 2017 was 7.16 M kg while a 20.41 M kg production has been recorded in 2021 which was a 30.1% average annual growth rate.

The recorded total tobacco production in 2021 is 46.28 M kg while in 2017 was 48.18 M kg. Remarkably, in the five-year period (2017-2021), the highest production of tobacco was recorded in 2020 with 49.16 M kg while the lowest was in 2018 with 43.24 M kg. Overall, the trend of tobacco production of the country for the past few years is slightly decreasing with an annual average decline rate of 0.71%.

B. Tobacco Exports

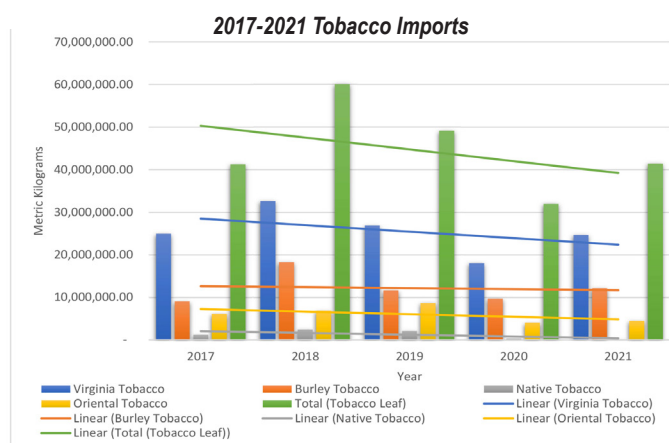


A decreasing trend were observed for the exported volume of Virginia and Burley from 2017 to 2021, with an average volume of 6.91 M kg and 4.38 M kg, respectively. The annual average decline rate for Virginia and Burley were 9.66% and 12.28%, respectively.

On the other hand, an increasing trend for the exportation of Native has been observed with a recorded average annual growth rate of 6.49%. The highest recorded exports was in 2021 with 9.55 M kg while the lowest was in 2020 with 7.47 M kg.

Overall, a decreasing trend has been observed for the exported tobacco volume in 2017-2021 with a lowest recorded volume of 14.44 M kg in 2020 while the highest recorded export volume was recorded in 2018 with 24.37 M kg. The average annual decline rate of tobacco exports was 4.96%.

C. Tobacco Imports



A decreasing trendline has been observed for the volume of imported Virginia despite an average annual growth rate of 4.26%. The highest imported volume was recorded in 2018 with 32.62 M kg while the lowest was in 2020 with 18 M kg.

A slight level trendline for imported Burley has been observed with an average annual growth rate of 18.62% for the past five years. The lowest recorded import volume was in 2017 with 9.01 M kg while the highest volume was in 2018 with 18.23 M kg.

The importation of Native has a decreasing trend with an average annual decline rate of 9.5%. The lowest and highest recorded imported volume were recorded in 2021 with 150,000 kg and in 2018 with 2.41 M kg, respectively.

Similarly, Oriental tobacco for the past five years has been on decreasing trend with an annual average decline rate of 0.94%. The highest recorded imported volume during 2017-2021 for Oriental was 8.64 M kg in 2019 while the lowest was in 2020 with 4.03 M kg.

During the same period, the highest recorded volume of imported tobacco was 60.09 M kg in 2018 and the lowest was in 2020 with 31.98 M kg.

In total, the imported tobacco in the country had a decreasing trend from 2017 to 2021 despite having an average annual growth rate of 5.51%.

5-Year Projections of Philippine Tobacco Industry (2022-2026)

A. Virginia Tobacco

Five-year projections were generated through linear regression which are also used in producing trendlines of the tobacco data from 2017 to 2021. Using the trendlines, the

projected values were extrapolated.

The projected Virginia production for 2022-2026 would have an average of 9.98 M kg with an average annual decline rate of 22.73%.

The import volume of Virginia is projected at an average of 17.79 M kg with an annual decline rate of 8.27%.

The projected average volume per year of Virginia exports is 1.54 M kg with an annual decline rate of 64.31%.

In conclusion, the projected production, importation, and exportation of Virginia are all decreasing for the next five years. Since production and importation are projected to decrease, the supply of Virginia is expected to decrease which can also be said to the international demand for locally-produced Virginia. It is worthy to note that the projected export for 2026 is zero (negative value) which means that the current trend for the international demand for Virginia Tobacco is decreasing very fast.

B. Burley Tobacco

The projected average volume of the production of Burley is 8.14 M kg per year with an annual decline rate of 9.09%.

Imports volume of Burley is projected at an average of 10.96 M kg per year for the next five years with an annual decline rate of 2.13%.

The projected exports volume of Burley is 630,000 kg in 2022 and zero (negative value) from 2023 to 2026.

The negative/zero projection of Burley export volume starting in 2023 to 2025 means that there is a fast decline on the demand of the locally-produced Burley in the foreign market.

C. Native Tobacco

The projected average production volume of Native is 29.55 M kg per year with an annual growth rate of 12.29%.

Imports of Native is projected for the next five years is zero because of the negative values obtained after subjecting the import data to Linear Regression Analysis.

The projected volume for the exports is 9.71 M kg per year with an annual growth rate of 3.14%.

The projection for the Native tobacco industry for the next five years is very promising since the production volume will increase while the projected volume for imports is zero which makes the country a self-sufficient one for the Native Tobacco. The projected exportation is also increasing which is good news because there would be an increasing demand for locally-produced from the international market.

D. Oriental Tobacco

The average import volume of Oriental tobacco for the next five years is 2.87 M kg with an annual decline rate of 2.48%. The decreasing trend in the projections might be a sign for a decreasing demand for cigarettes manufactured in the country for the next five years.

E. Total Tobacco Leaf

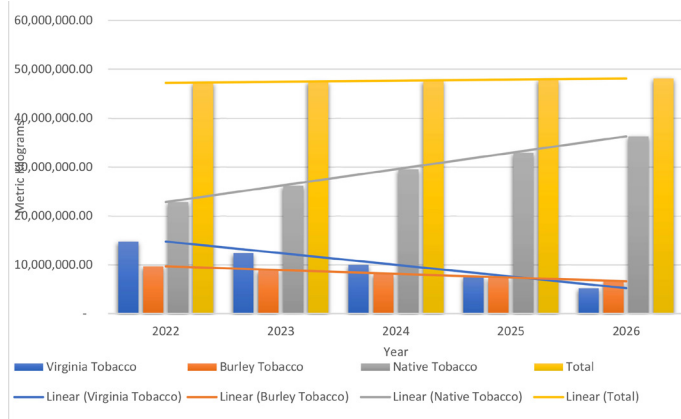
The projected total production of tobacco for the next five years has an average of 47.67 M kg per year with an annual growth rate of 0.43%.

The volume of projected total imports of tobacco, the average volume per year is 30.87 M kg with an annual decline rate of 8.70%.

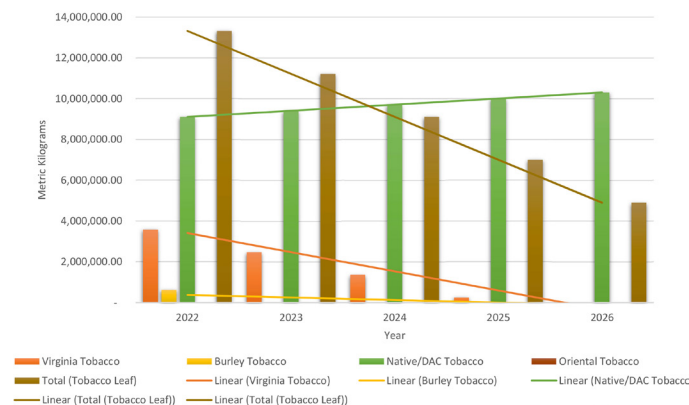
The projected total exports has an average of 9.11 M kg with an annual decline rate of 21.93%.

It is observed from the projections that the total production of tobacco is in increasing trend, which is greatly affected by the increasing production of Native. The import projected volume has a decreasing trend which could imply a decreasing supply of tobacco in the country. Lastly, the projected exportation for the next years has also a decreasing trend which could affect the demand of locally-produced tobacco which could also affect the production for the following years.

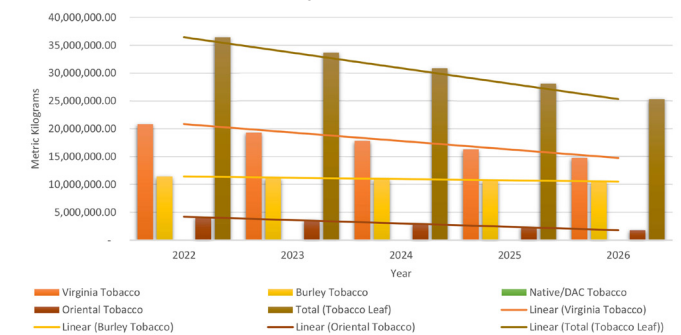
2022-2026 Projected Tobacco Production



2022-2026 Projected Tobacco Exports



2022-2026 Projected Tobacco Imports



Relationship Between Tobacco Production and Volume of Exports, Imports, Cigar Removals and Cigar Exports

The production of tobacco in the Philippines is always described as market-driven. A market-driven industry is an industry that is based on what the market wants. In short, tobacco industry is always based on the consumption and demand of tobacco products, mostly cigarettes.

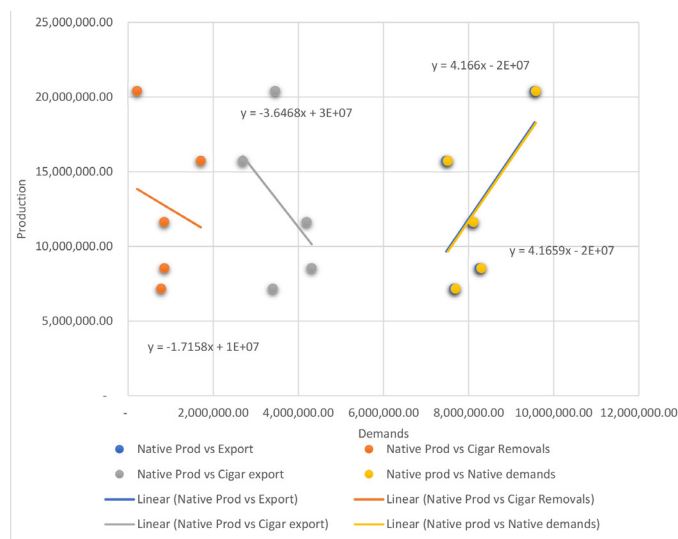
In recent years, the local production of Native in the country is on the rise and even managed to overtake the production share of Virginia and Burley in 2021. This part of the report is dedicated to the assessment of the market of our local Native/dark air cured tobacco.

The Native tobacco productions from 2017 to 2021 were graphed against the Cigar Removals (pieces), Cigar Exports (pieces), Native tobacco demands, and Native tobacco exports. The relationships between these four categories and the Native tobacco production in the country were identified.

When the production is graphed against the cigar removals, a negative trend was identified with a rate of 1.72 kilograms of produced per piece of cigar removals. For the production against cigar exports, a negative trend was also observed that for every increase of exported cigar stick, there is 3.65 kilograms decrease of Native tobacco produced. Lastly, a positive trend was observed for the graph of Native tobacco production against the exports. An increase of 4.17 kilograms of Native tobacco produced has been observed for every kilogram of exported Native tobacco for the past five years (2017-2021).

In conclusion, the exportation of the Native tobacco greatly affects the volume of our production. The local manufacturing of cigars (mostly made of Native/DAC tobacco) that will be released as local and international sales, currently, have no effect on recent increase on the production of Native tobacco in the country.

Native Tobacco: Demands vs. Production



International Demand for Native/DAC Tobacco

Dark air-cured tobacco is mainly used in cigars, dark-cigarettes, pipe mixtures chewing tobacco, and other smokeless tobacco products. As reported by *Tobacco Asia* in 2015, Philippines and Indonesia's DAC tobacco production are the best in Asia that can be compared to the DAC tobacco-producing countries of Americas, like Cuba and Dominican Republic (*Piras, 2015*). According to Brad Christian of Total Leaf Supply (2021), dark-air cured tobacco have a bolder flavor compared to other tobacco leaves which is desirable in making cigars. In Europe, a law was passed requiring that cigarillos/cigars must be wrapped with natural wrapper instead of a sheet. These cigarillos are called "eco-cigarillos," mainly came from Germany and Spain, which became a new market for DAC tobacco from Asia.

In 2021, the Philippines mostly exported locally-produced Native/DAC Tobacco to Dominican Republic with a total of 4.29 M kg out of 9.55 M kg of exported Native tobacco that year. The demand of raw tobacco, especially Dark-air cured, in Dominican Republic is very high in recent years. This is due to the increasing international demand of cigars made from the

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Ilocos Norte

Project implementation and monitoring for 2nd Quarter

Text and photos by *Divina D. Pagdilao*

FOR Crop Year 2022-2023, NTA Ilocos Norte, headed by Officer-in-Charge Engr. Randy I. Abella, implemented the Validation of Farmers and Areas Planted to Tobacco, Tobacco Contract Growing System (TCGS), Improved Tobacco Seedling Production (ITSP), Curing Barn Assistance Project (CBAP), Beef Cattle Production Assistance Project (BCPAP), Farmer's Organizational Development (FOD), Kahuyang Pagkabuhayan at Pangkalikasan (KPP) - Beema Bamboo, the establishment of nurseries for the Synchronized Tree Planting (STP), Tobacco Grower of the Year (TGY), and the Tobacco Trading Operation.

The validation of farmers and area planted to tobacco was conducted through the Global Positioning System (GPS) with a total of 4,128 farmers and total area of 1992.30 hectares. The survey covered eight municipalities of District I and 11 municipalities of District II.

This year's TCGS covered 872 farmer cooperators (FCs) with an area of 512.75 in 13 municipalities in the province. Two tobacco types were planted under the project: Virginia and Burley. Provisions of technical, financial and marketing assistance were provided to the FC. Contracted buyer firms were Universal Leaf Philippines, Inc. (ULPI) in Currimaog, Ilocos Norte and TransManila, Inc. (TMI) in San Juan, Ilocos Sur.

CBAP was implemented and monitored with 388 FCs. The assistance covered were curing barn repair, with 75 FCs; curing shed repair, 149 FCs; curing barn construction, 96 FCs; and curing shed construction, 68 FCs.

Monitoring of the BCPAP was done for both the mother cattle and the offsprings. Through the active response of the designated livestock technician and BCPAP Branch Coordinator, the urgent concerns of the project is being addressed, among which are the administration

of vitamins, dewormer, medicine for sick livestock and visitation of the newly born offspring and administration of vitamins.

The KPP Beema Bamboo project resulted in low survival because of drought.

The TGY National Level is implemented with three contestants: two for Virginia Improved Flavor Category and one for Burley Improved Flavor Category.

FOD continues to serve farmers' organization through the conduct of orientation seminars and meetings to farmer/cluster leaders of the different projects, and giving updates to FCs on the implementing guidelines of the different projects.

There are five seedling growers for the production of tree seedlings for the STP this year. The inventory of the seedlings was already coordinated with the Inventory Committee to be conducted in the first or second week of July. The Branch targetted 120,000 seedlings to be distributed to farmers' associations, private sector and other entities for the conduct of the STP.

The Tobacco Trading Operation continued with the four registered buying stations in the province and 35 registered field canvassers. The calibration of weighing scales was done prior to the official opening of the BS and during the middle of operation. The calibration was coordinated with the Department of Science and Technology (DOST), where their staff provided assistance and affirmation in the conduct of the calibration. In addition, a Tobacco Monitoring Point (TMP) was established at the Ilocos Norte-Ilocos Sur Boundary in Badoc, Ilocos Norte to monitor the documentation of volume of tobacco in the province. The TPROs and Agriculturists acted as tobacco inspectors while the senior staff conducted monitoring to assess the project ■



Jan Jan A. Gudoy (seated) TPRO 1 of NTA Ilocos Norte reviews the documents for the transfer of a 12-month-old female offspring of the BCPAP to a secondary beneficiary, Diovanni Vidad of Estancia, Piddig, Ilocos Norte.



Engr. Randy I. Abella (left) and Atty. Juan Alfonso Augustus Jose (2nd from left), chief of staff of Ilocos Norte Gov. Matthew Marcos Manotoc, observe the buying procedure of one of the buying stations in Ilocos Norte.

NTA, PGIN officials meet tobacco farmer-leaders

THE Farm Technology and Services Department (FTSD), in coordination with NTA Ilocos Norte, conducted a consultative meeting between NTA together with the Provincial Government of Ilocos Norte (PGIN) and the tobacco farmer-leaders at the NTA-PhilRice Auditorium on June 8.

Eighty-four farmer-leaders who are members of the National Federation of Tobacco Farmers Associations and Cooperatives (NAFTAC) and the IFOIGAP-Tobacco Contract Growing System Crop Year 2022-2023 attended the meeting. Each of the tobacco-producing municipalities of the province was well-represented.

FTSD OIC Evangeline C. Cabigan, in her welcome remarks, emphasized the importance of the role of the NAFTAC in the attainment of the objectives of Farmers Organizational Development (FOD).

Ilocos Norte Governor Matthew Marcos Manotoc, in a message read by his Chief of Staff Atty. Juan Alfonso Augustus Jose, highlighted the willingness of the provincial government to provide all-out support to the tobacco farmers.

NTA Ilocos Norte OIC Engr. Randy I. Abella presented the different NTA programs and projects, particularly the Tobacco Contract Growing System, Beef Cattle Production Assistance Program, Improved Tobacco Seedling Production Project, Curing Barn Assistance Project, and establishment of tree seedling nurseries for Synchronized Tree Planting.



NTA Ilocos Norte OIC Engr. Randy I. Abella presents NTA programs and projects for the tobacco farmers (Photo: NTA Ilocos Norte)

Director Nestor C. Casela, member of the NTA Governing Board, presented the industry profile, economic significance, issues and challenges of the industry. He emphasized the importance of NAFTAC having a juridical personality to establish a bridge between the farmers and the government for other possible sources of assistance to uplift the economic conditions of the farmers.

Also in attendance were Luz G. Ortal, Head of the Sustainable Development Center, Benjamin Sarmiento representing NTA Administrator and CEO Belinda S. Sanchez, and Director Jessie Pat M. Serna of the NTA Governing Board.

An open forum was held during the program to address the issues and concerns raised by the farmer leaders. (Rhonelle P. Sulicipan)

Calibration of weighing scales for tobacco trading



Engr. Randy I. Abella, (in black jacket) witnesses the calibration of weighing scale at the ULPI buying station in Billoca, Batac City. (Photo: NTA Ilocos Norte)

ONE of the requirements of buying stations before the start of operations is the calibration of weighing scales to ensure proper weighing or the accuracy of the weighing scales used in buying tobacco.

For Tobacco Trading Year 2023, Saturnino A. Agatep, acting Supervising TPRO of NTA Ilocos Norte, and Jahmai O. Grande, Project Assistant II of the Department of Science and Technology (DOST) Ilocos Norte, conducted the calibration of the weighing scales of buying stations of the Universal Leaf Philippines, Inc. (ULPI) in the presence of NTA Ilocos Norte OIC Engr. Randy I. Abella and Mario E. Lagmay, the production manager of ULPI Currimaao, Ilocos Norte.

The calibration was done to the units to be used by three ULPI buying stations (for Virginia, Native and Burley) located at Currimaao, Ilocos Norte and one ULPI buying station (for Virginia) located at Billoca, Batac City.

The calibration was done on March 3, or three days before the opening of trading at the buying stations. The calibrated weighing scales were marked with NTA stickers.

During the peak of the trading season, a re-calibration was conducted on May 2 by the NTA staff and DOST personnel.

A weighing scale of field canvasser was also calibrated, upon request of Shirley Rivera, Conleaf-affiliated field canvasser with Trading Center located at Ricarte, Batac City.

The presence of the DOST personnel in the calibration were requested by Engr. Abella, in compliance with the 2018 Revised Rules and Regulation Governing the Trading and Redrying of Locally Grown Leaf Tobacco, Regulation V, Rule 4. (Divina D. Pagdilao)

Candon

Quick Response Fund Update

NTA Candon delivered 18 beef heifers to farmers in Narvacan, Ilocos Sur on June 23. The farmers are beneficiaries of Beef Cattle Dispersal Program, funded by the Quick Response Fund (QRF) from the Department of Agriculture, intended for tobacco growers affected by freak rains in during crop year 2021–2022.

The QRF ensures that affected tobacco farmers receive the necessary support to recover quickly and resume their agricultural activities. The selection process was based from gathered data on the severity of damage on their tobacco crop.

The distribution of beef cattle was spearheaded by NTA Candon OIC Adonis D. Lazo, assisted by Acting Chief Agriculturist Amelia Veronica L. Lacaden, Administrative Officer V Orlando O. Galdones, and Coordinator/Supervisors Oliva C. Galdones and Helen Teodora D. Peña.

Narvacan Municipal Administrator Pablo Sanidad II; Vice Mayor Carlos Valera; Sangguniang Bayan Members Joven Ampo Jr., Teofilo Cabreros, and Benjamin Dela Cuadra; and Municipal Agricultural Officer Gary Cardona witnessed the distribution. *(Fayrene Kay P. Millan)*



Two of the beneficiaries of the QRF-Beef Cattle Dispersal Program in Narvacan, Ilocos Sur

Meeting with Alilem Mayor

NTA Candon, headed by Branch OIC Adonis D. Lazo, met with Mayor Velmor P. Sumabat of Alilem, Ilocos Sur on April 25 to discuss project implementation of the agency and concerns on tobacco production. With Lazo during the meeting were Area Supervisors Helen Teodora D. Peña, Marcelia P. Pulgar, and Oliva C. Galdones; Team Leader Susan P. Tingle, and the two extension workers assigned in the municipality, Edgar C. Torres and Jick S. Timbreza. After the meeting the Team conducted a field area validation in Alilem Daya (Poblacion). ■



Mayor Sumabat with NTA Candon officials



Top photo: OIC Manager Adonis D. Lazo conducts orientation on STP with the farmer cooperators. Lower photo: A farmer receives the financial assistance

STP beneficiaries

NTA Candon distributed the financial assistance to 22 farmers cooperators of the Synchronized Tree Planting (STP) Project in the different municipalities of the Second District of Ilocos Sur.

Ten registered farmer-cooperators received their checks on May 18, at the branch office. The recipients were Abelino Antolin, Samuel Benitez, Susana Corpuz, Referendo Lupadit, Arnel Bagbaguen, Penny Maureen Laycanao, Belina Garrino, Simplicio Omaoeng, Immaculado Luis Lozano, and Virginia Gabayan.

Twelve other farmers receive their checks on May 26. They were Edgar Directo, Rowel Raquepo, Pedro William Alisdan, Erlinda Cablan, Eddie Orpilla, Sonny Copez, Florante Sidayen, Joel Haduc, Radelito Menros Sr., Ryan Jomel Dagdagan, Randy Davin, and Alexander Gamay.

Branch OIC Adonis D. Lazo said that the financial support to the tobacco farmers are for the purchase of fertilizer, seeds, plastic bags, garden soil, and sprinklers for the production of tree seedlings for the massive synchronized tree planting activity this coming July.

The STP project is supplementary to the NTA's livelihood assistance under its Kahayang Pangkabuhayan at Pangkalikasan (KPP). The STP project aims to provide an adequate source of fuelwood and other resources needed in tobacco curing.

This year, the branch office is targeting to produce 150,000 seedlings of *madre de cacao*, *kalantas*, and *ipil-ipil*. *(Laarni C. Calibuso/Bianca Cabajar, OJTs NTA Candon Branch)*

28 NTA scholars get cash grants

TWENTY-EIGHT college students who are grantees of the Tobacco Farmers Dependent Scholarship Program (TFDSP) received their cash allowance from NTA Vigan in a simple ceremony held at the Vigan Tobacco Farmers Training Center in San Juan, Ilocos Sur on May 15.

Special Assistant to the Administrator Benjamin V. Sarmiento led the distribution of checks amounting to P5,800 for each to the scholars, in the presence of NTA Vigan Manager Engr. Noralyn I. Idica, Acting Chief Agriculturist Tomasito G. Taloza and Acting Senior TPRO Victor V. Valledor.

The NTA adopted a TFDSP to improve the quality of life of all those who depend upon the industry as a source of livelihood.

The scholarship program covers the Baccalaureate courses of any four-year courses, preferably agriculture, fisheries, forestry, home technology, and economics; and five-year courses related to agriculture; and is open to deserving children of bona fide tobacco farmers who duly registered with the NTA. The scholarship grantees are required to enroll in the state universities and colleges and/or public/private technical schools located within the provinces of their residence. *(Daniela Marieh Cervantes, OJT NTA Vigan Branch)*

NTA Vigan's veteran technician retires

JOSE A. Taclas, Jr., the Supervising Tobacco Production and Regulation Officer (TPRO) and acting Chief Agriculturist of the NTA Vigan Branch Office, retired after 44 years of serving the government.

As a tribute for his valuable service in the government, the NTA provided him with "A Salamat, Mabuhay Program" held on April 25, at the Tobacco Farmers' Training Center in San Juan, Ilocos Sur. This is in time for the celebration of his 65th birthday, a mandatory age of retirement in the government service.

In his message, Taclas emphasized the value of commitment to servicing the government, particularly the people in the community.

"When we are in the government service, first, we must be committed to our work. If we are not committed to our work, why do we enter the government service? Second, we should not enter the government service, if we want to get rich. In the government service, we will not get rich here. The salary we receive is just enough for our family to survive," Taclas said.

He cited the importance of transparency and integrity while serving in the government.

"If we are in the government service, we have to practice always the value of transparency and integrity in dealing with our superiors, our subordinates, and our clients, which are the farmers," he said.

The Pasasalamat program featured Taclas' achievements in his nine-year service in the

Philippine Cotton Corporation and his 35 years in the NTA.

During his stint in the NTA, he rose from Farm Management Technician to his current position Supervising TPRO and Acting Chief Agriculturist.

Taclas is well-known in the NTA for pioneering the Tobacco Contract Growing System (TCGS) in 2006 with the local government unit (LGU) of San Juan, Ilocos Sur, then, headed by Mayor Benjamin V. Sarmiento, now the Special Assistant to the NTA Administrator.

"We realized this strategy during the time that the NTA was in dire need of funds to sustain the salary of the employees," Taclas remembered.

Through Taclas' initiative, the NTA successfully engaged in a partnership with LGU San Juan as a pilot area of the TCGS program through a Memorandum of Agreement (MOA) in which the LGU will provide production assistance for tobacco farmers. Initially, LGU San Juan provided P2 million worth of farm inputs for farmers in tobacco production while the NTA will provide assistance for the market of the produced tobacco. The TCGS in San Juan, Ilocos Sur became successful and greatly contributed to the increase of the tobacco excise tax shares of the municipality from RA 7171. The success of the TCGS replicated in the other areas until it became as one of the flagship programs of the NTA.

In her message, NTA Vigan Manager Engr. Noralyn I. Idica expressed her gratitude to Mr. Taclas, who "truly demonstrated his love and dedication to the agency as a well-rounded tobacco production specialist, a long-time NTA Vigan employees' association president, a mentor, and a friend."

The "Salamat, Mabuhay Program" for Taclas' retirement was graced by former Mayor Sarmiento, Management Consultant Minerva P. Mizal, Director Danilo Trongco, Administrative Department Manager Zenaida T. Arrojo, and Acting Board Secretary Atty. Jun Fred V. Parado. *(FGL/Daniela Marieh Cervantes/Elsa Lipadan, OJTs NTA Vigan)* ■



A tobacco farmer and leader to the fullest

BERNARD R. Vicente, 50, a native of Sallacapo, Sinait, Ilocos Sur and the incumbent president of the National Federation of Tobacco Farmers Association and Cooperatives (NAFTAC), is always accepting challenges as these will bring more learnings in life.

His vast experiences in farming while serving his barangay at his early age and later as a town councilor have propelled him to lead the biggest group of tobacco farmers in the country.

He became an orphan after the death of his father when he was in elementary school. His mother died when he was barely a year old and a half. His grandparents, who took care of him, gave him a .75 hectare of land to grow with tobacco and other crops. He was only 11 years old. The farmland is a portion of the inheritance of his mother from his grandparents.

He needed to do farming at early age to sustain his daily needs while continuing his studies in high school.

“Before I went to school, I gathered grass for my cow and carabao. Then, after my class in the afternoon, I went back to the farm to water my crops,” Vicente said.

“When I entered college for my Bachelor of Science in Agricultural Engineering degree at the Mariano Marcos State University ((MMSU), I was able to build my own house out from my proceeds on tobacco farming,” he said.

His hard work, perseverance and potential leadership didn't go unnoticed by his peers in the community. They elected him as the chairperson of the Sangguniang Kabataan in 1992. Two years after, he was elected as Punong Barangay.

Despite his busy schedules, he took time to finish his course at the MMSU in 1998. After graduation in 1998, he worked as enumerator in the Bureau of Agricultural Statistics (BAS) in Ilocos Sur and then as research assistant in PhilRice-Batac City, Ilocos Norte.

After serving as Punong Barangay of Sallacapo for two terms, he was elected as member of the Sangguniang Bayan of Sinait for one term, 2008 to 2010.

With his more than 40 years of experience in growing tobacco, the Sinait tobacco growers elected him as the local chapter president of NAFTAC. In July 2018, he was elected NAFTAC national president and reelected in 2021. He is also a current member of the Asia's Tobacco Growers Association (ATGA) and International Tobacco Growers Association (ITGA).

“Despite the existence of the campaign against cigarette smoking, tobacco growing remains a lucrative source of livelihood of the farmers in the Ilocos because it is the only cash crop that have assured floor price,” said Vicente, who has almost two hectares of tobacco farm.

Aside from tobacco farming, he is also managing the Malakas Farm in Barangay Muraya in San Juan, Ilocos Sur, an expansion site of Agriculture Training Institute (ATI) and is now on the process for TESDA accreditation as learning center for Organic Farming in Ilocos Sur.

Vicente married the former Eunice Ancheta in 2010. They are blessed with two children: Maria Louise and Sophia Ysabel. His wife is managing her Eunice Furniture Shop located in Barangay Pug-os in Sinait. (FGL/Daniela Marieh Cervantes/OJT NTA Vigan)



NAFTAC President Bernard Vicente



Tobacco assures steady source of livelihood for Ilocos farmer



Danilo Ingan



FOR Danilo Ingan, 50, a farmer leader from Barangay Nagcullooban, Sinait, Ilocos Sur, tobacco farming remains as the steady and lucrative source of his income sustaining his family's daily household needs and for the education of his children.

Danilo, an elementary graduate, started to engage in tobacco farming when he got married at the age of 19.

"In those trying times after I got married, I did not see any crop that would bring a steady source income for us poor farmers other than tobacco crop until now," he said.

He and his wife started to plant neutral types of tobacco on the .25-hectare farmland he inherited from his father, also a tobacco farmer.

A few years later, he shifted to tobacco production through a contract growing system with the TMI in San Juan, Ilocos Sur, and with the assistance of a technician from NTA.

"The big advantage I had in engaging topped-tobacco production is that I have to produce quality flue-cured tobacco leaves with high market demand by the contracting traders with a lesser cost of manpower due to the limited and required number of leaves per plant maintained for harvesting," he said.

Aside from the less cost of labor on topped-tobacco production, he was assured of high buying prices considering the high-quality tobacco leaves produced.

With his sustainable income from his .25-hectare tobacco plantation annually, he was able to purchase

another farm lot. Now, he had already 1.7 hectares of tobacco plantation earning more or less P300,000 per tobacco cropping season.

"Growing tobacco is not easy. You have to spend a lot of money on the wages of the farmers. Likewise, when harvest season, you also need to find people who will be paid for their labor. But, after the tobacco trading, I recover all the expenses and earn a higher income," Ingan said.

For more than ten years of planting topped tobacco, he said that many farmers wanted to replicate his farming system. And now, he said that more than 20 farmers in his barangay are now engaged in a contract growing system on topped-tobacco.

Aside from tobacco farming, Ingan is also a recipient of other NTA programs such as Beef Cattle Production Assistance Project (BCPAP); Curing Barn Assistance Program (CBAP); and Kahuyang, Pangkabuhayan at Pangkalikasan (KPP) program.

With his income from tobacco farming and from NTA support assistance, Danilo was able to send his three children to college. One of them had finished BS Hotel and Restaurant Management (BS HRM) at UNP Vigan City; the other one graduated with a course in Agri-Business at ISCC Bantay, and his youngest child is 2nd-year in college.

Danilo said that he is very grateful because the NTA programs and services help him as a tobacco grower (*Daniela Marieh Cervantes, OJT NTA Vigan Branch*)



The senior high school students from San Juan National High School in Barangay Bacsil, San Juan, Ilocos Sur receive their certificates upon completing their immersion program in the NTA Vigan Branch Office. (Photo: NTA Vigan)

NTA hosts OJTs, work immersion students in Ilocos

TRUE to its continuing partnership with the academe, the NTA accommodated On-the-Job Trainees (OJTs) and work immersion students from different schools in Ilocos Sur and Ilocos Norte from April to June.

Four graduating college students taking up a Bachelor of Science in Development Communication (BS DevCom) from the Ilocos Sur Polytechnic State College (ISPSC) – Sta. Maria Campus finished a 300-hour OJT in NTA Candon and NTA Vigan from April 17 to June 15. They were Bianca Faye Cabajar, Laarnie Calibuso, Daniella Marieh Cervantes, and Elsa Lipadan.

The Public Relations Office, the Administrative Department, and the managers of the NTA Vigan

and NTA Candon jointly supervised the OJTs in performing their tasks which include writing news updates about the programs and projects of the agency.

The OJTs were guided with several insights and writing styles to improve their skills in preparing developmental news stories.

Also in Ilocos Sur, 10 college students taking up Bachelor of Science in Agribusiness at the Ilocos Sur Community College (ISCC) finished their OJT in NTA Vigan. They were Kathrina Atanacio, Princes Nicole Ugo Ceria, Judylyn De la Cruz, Remedios Tejero Orio, Jendrell Isnec Peneyra, Julius Russia, Harrel Tabalina, Aimy Joyreylon Tayaba, Merissa Ugeria, and Hanie Leth Unciano Ugerio.

In Ilocos Norte, the Farm Technology and Services Department (FTSD) accepted work immersion of three students under the Agri-Aqua strand of the General Artemio Ricarte Senior High School in Batac City, from May 4 -31. They were Eloiza A. Obien, Joella Mae Saquiton, and Renz Alvin P. Gambalan.

During their 160-hour work immersion, the students were exposed to various tobacco production activities such as harvesting, sticking, flue curing, and classifying. They also learned other tobacco-related activities like tobacco seed germination tests, grinding of tobacco leaves for chemical analysis, preparation of infected tobacco samples for microbial isolation, and analysis of data gathered, and designing curing structures.

The FTSD project leaders and the research assistants served as the teachers and mentors of the students during their immersion at the NTA.■



NTA Candon OIC Adonis D. Lazo and PRO V Freddie G. Lazaro review the news stories outputs of OJTs from ISPSC Sta. Maria Campus namely, Laarnie Calibuso (2nd from right) and Bianca Faye Cabajar (right).

Market Research.... from page 19

country. Dominican Republic is a tobacco-producing country and usually does not rely on importation of raw tobacco however, the country has been overwhelmed by the demand of cigars and other smokeless products from the European market (*Dominican Today*, 2022).

Therefore, the current growth in the Philippines' Native

tobacco market relies on the exportation to cigar-making and smokeless tobacco products-producing countries. Also, the demand for this type of tobacco is greatly affected by the decision of international cigarette manufacturers to shift, increase production, and marketing of smokeless tobacco products which utilizes Native/DAC tobacco.■

Central Office holds 2023 Administrator's Cup Bowling, Billiards tournaments

MEMBERS of the NTA Employees Association (NTAEA), together with the Top Management and Department Managers, gathered for the 2023 Administrator's Cup Tenpin Bowling and 9-Ball Billiards tournament on May 4, at the Playdium, Bowling and Billiard Center in Quezon City.

NTA Administrator and CEO Belinda S. Sanchez, along with Deputy Administrators Benedicto M. Savellano and Dr. Giovanni B. Palabay, graced the opening program. In her message, the Administrator highlighted the importance of sports activities in promoting camaraderie among the officials and employees.

The Orange Team, composed of Joseph B. Benosa, Aromel A. Ariota, Kriscia Mae M. Vidal, Marjorie Ann P. Tabije, Gina C. Cabotage and Sinfrosa N. Valmonte, topscored nine other teams for the Championship title. The Green Team (Edgardo C. Guia, Carmelita V. Albano, Raymond M. Marzan, Eleanor A. Rapanut, Jeremy Ann E. Feria, and Krisyleen C. Jayme) and the Black Team (Jay C. Darlucio, John James B. Canosa, Patricia Lourdes

F. Cortez, Merilene V. Sansano, Leah C. Fiesta, and Sammy H. Albay) placed second and third, respectively.

The Orange Team also bagged the highest team single category while the Black Team won the highest team triple category.

For the individual categories, the winners were Darlucio, highest pointer single and triple scores (male); Tabije, highest pointer single and triple scores (female); Palabay, highest pinning (male category); and Kathleen Mae A. Tejano, Valmonte, Cabotage and Cortez, highest pinning (female).

Yellow Team's Emmanuel Valera of the Office of the Governing Board emerged as the Champion in the 9-Ball Billiards contest. Janno Belleza (Purple Team) of the Industrial Research Department and Franklin Ross S. Mendoza (Blue Team) of the Regulation Department were 1st and 2nd Runners-up, respectively.

Administrator Sanchez presented the trophy and cash prizes to the winners during the Monday's flag ceremony on May 15 at the Central Office. *(Text and Photos by Andrea Marie C. Contillo)*



Billiards Winners (L-R) Franklin Ross S. Mendoza (3rd), Emmanuel Valera (Champion), and Janno Belleza (2nd) with Administrator Sanchez



Bowling Champs: Orange Team (L-R) Marjorie Ann P. Tabije, Kriscia Mae M. Vidal, Gina C. Cabotage, and Team Captain Joseph B. Benosa with Administrator Sanchez and Deputy Administrators Benedicto M. Savellano and Dr. Giovanni B. Palabay.



(Top photo: Top officials and the players (lower photo)



Atty. Rohbert A. Ambros and Dinah E. Pichay join other top officials in the ceremonial throw during the opening program.

Veterinary Products from Tobacco Leaf Extracts Now Available!

The **Product Development Division** of the **Industrial Research Department** of NTA has produced three veterinary products: ointment, soap, and shampoo, made from the tobacco leaf extracts (TLE). These products are proven effective in controlling canine (dog) ectoparasites and skin diseases and are now available for sale at affordable prices.

For orders and inquiries, you may contact the IRD-PDD via this cellphone numbers: 0947 556 9162 and 0977 855 0824, or via this email address: prodev@yahoo.com.

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SOAP

PHOTO NEWS

Former San Juan, Ilocos Sur Mayor Benjamin V. Sarmiento, the special assistant to NTA Administrator, with NTA Vigan Branch Manager Engr. Noralyn I. Idica (8th from right), and NTA Vigan Branch Cashier Maureen V. Cadaro (rightmost) with the NTA scholars and their parents during the distribution of their stipend in Tobacco Farmers' Training Center in San Juan, Ilocos Sur. (Photo: NTA Vigan)



Echague, Isabela Mayor Francis Faustino A. Dy, president of the League of Municipalities of the Philippines - Isabela Chapter, and the members of the Sangguniang Bayan led by Vice Mayor Allan P. Tupong during a courtesy call on NTA Administrator and CEO Belinda S. Sanchez and MOA signing on June 30, at the NTA Central Office in Quezon City. Also in photo are NTA Director Nestor C. Casela; OIC Deputy Administrator for Operations Dr. Giovanni B. Palabay; and Attorney Jun Fred V. Parado, the acting Board Secretary. (FGL)