

**DEPARTMENT OF TRADE AND INDUSTRY  
SUPPLY CHAIN AND LOGISTICS GROUP  
REPORT ON THE 3-YEAR FOOD LOGISTICS ACTION AGENDA**

**MAJOR WINS IN IMPLEMENTING THE 3-YEAR FOOD LOGISTICS ACTION AGENDA**

- **Moratorium on Pass-Through Fees (EO 41)** – Successfully halted the collection of pass-through fees by LGUs on vehicles transporting goods, reducing logistics costs. DTI led the drafting of EO 41, signed by President Ferdinand R. Marcos, Jr. on September 25, 2023. Compliance efforts resulted in 22 out of 28 LGUs suspending pass-through fee ordinances.
- **Establishment of Truck Routes (FREIGHTMAP +)** – Launched an online map providing real-time updates on designated truck routes from the Manila ports, covering northern, southern, eastern, and western road networks. This initiative includes detailed road coordinates and ordinances, ensuring streamlined freight movement. Close coordination with DILG, MMDA, and DOTr aims to keep these routes clear of truck bans and pass-through fees, optimizing logistics and reducing operational.
- **Investment Prospectus for the Logistics Sector** – Developed a comprehensive investment prospectus to attract investors in logistics infrastructure, cold storage, shipping, and PPP projects, strengthening the sector's competitiveness. Identified a 500,000-pallet cold storage gap, translating to a ₱30-50 billion investment opportunity.
- **Expansion of Food Terminal Digitalization** – Launched NVAT Fresh, a pioneering B2B e-commerce platform, with digitalization efforts being scaled across other food terminals nationwide.
- **Capacity-Building for Nueva Vizcaya Farmers** – Trained 100+ farmers in proper handling and packaging, market expansion, business ethics, pricing strategies, cost management, and fruit and vegetable quality benchmarks for both local and international markets. Farmers were also introduced to digital tools such as cashless payments.
- **Digital Payment Adoption at NVAT** – Integrated QR code payments into NVAT's parking ticketing.
- **Strengthen Market Access for Food Terminals with Institutional Buyers** – Facilitated direct linkages between farmers and institutional buyers, ensuring stable demand for local produce and improving farmgate prices. This initiative resulted in the delivery of 627 tons of produce, with two partnerships secured and nine more in progress. An MOA signing is scheduled for April, further expanding market access and partnerships in the food sector.
- **Market Linkage for Rice Cooperative in Nueva Vizcaya** – Secured market access for a rice cooperative through direct linkages with supermarket, resulting in two major orders: Order 1 (13.6 tons) and Order 2 (13.6 tons), totaling 27.2 tons of rice delivered.
- **National Warehouse Study Key Findings** – Successfully evaluated and surveyed 188 cities and municipalities across 25 provinces, including Metro Manila, hosting 1,160 warehouses with a total floor area of 4,569,098 square meters. The study identified key regions with the largest available warehouse floor area, and revealed key cities with the most warehouses, providing insights for logistics infrastructure development and optimization.
- **Signed Tripartite MOU for Clark National Food Hub** – Formalized DTI-DA-CIAC collaboration for the National Food Hub. Conducted a Market Sensing and Observation Mission in Spain, France, and the Netherlands (May 1-11, 2024), studying best practices from Rungis International Market (France), Mercabarna (Spain), and the Port of Rotterdam (Netherlands) to apply in developing the Clark National Food Hub under the Three-Year Food Logistics Action Agenda.
- **Signed Tripartite MOU for Integrated Rice Supply Chain Development Program** – Formalized collaboration between DTI, DA, and NIA to improve the rice supply chain, focusing on enhancing farm productivity, modernizing infrastructure, and promoting sustainable agricultural practices. This program aims to boost local rice production, reduce supply chain inefficiencies, and improve food security.

## **BACKGROUND**

During the 8th Cabinet meeting in 2022, the Department of Trade and Industry (DTI), Department of Agriculture (DA), Department of Transportation (DOTr), Department of Public Works and Highways (DPWH), and Department of the Interior and Local Government (DILG) were tasked with formulating a three-year plan to develop the food logistics chain, the cold chain industry, port infrastructure, and farm-to-market roads.

While drafting the Three-Year Food Logistics Action Agenda, DA and the Asian Development Bank (ADB) were also preparing the long-term Philippine Food Logistics Chain Master Plan 2023-2033. This plan serves to complement our approach to ensuring food security by addressing issues in logistics and transport. Some of DA's short-term interventions have been integrated into the action agendas for alignment.

The agenda is fully aligned with the key objectives outlined in the Philippine Development Plan 2023-2028, which includes ensuring food security, maintaining affordable and stable food prices, modernizing agriculture and agribusiness sectors, fostering innovation, promoting digital transformation, and enhancing connectivity across the country.

## **SCOPE OF THE 3-YEAR FOOD LOGISTICS ACTION AGENDA**

The primary focus of this agenda is to ensure that food is not only available but also easily accessible and affordable for every Filipino. Taking a customer-centric approach, the aim is to guarantee that consumers receive the right product at the right time and price, all delivered in a consistent and reliable manner.

Drawing inspiration from the Agrologistics concept, pioneered by the Holland International Distribution Council (HDIC) in the Netherlands, the action agenda places particular emphasis on post-harvest activities. These are critical in ensuring that products reach the market in the best quality and safety conditions, at the right time, and at the lowest possible cost.

## **FRAMEWORK OF THE 3-YEAR FOOD LOGISTICS ACTION AGENDA**

The Three-Year Food Logistics Action Agenda aims to provide effective and efficient food distribution strategies to ensure that consumers get the right product at the right time, the right price in a reliable manner—food that is available, accessible, and affordable to every Filipino.

In order to achieve the key outcomes, the DTI has developed six key strategies:

1. Revolutionizing the food distribution system.
2. Reducing transport and logistics costs.
3. Increasing investments in logistics infrastructure.
4. Addressing other supply chain gaps.
5. Heightening enforcement measures.
6. Utilizing ICT to improve logistics performance.

These strategies form the backbone of the action agenda, providing a clear direction toward modernizing the food logistics system and ensuring that the country's food distribution network can meet the needs of consumers in the most efficient and cost-effective manner possible.

## **ACTION AGENDA #1 – REVOLUTIONIZE THE PHILIPPINES' FOOD DISTRIBUTION SYSTEM FROM FARM TO FORK**

This agenda, supported by insights from the ADB study, is focused on upgrading existing food terminals based on the Rungis and Mercabarna concepts, which offer promising strategies to improve the efficiency and effectiveness of the Philippines' food distribution network.

The Philippines has several major food terminals that have been identified to follow the Rungis and Mercabarna concepts:

### **Upgrade of Existing Food Terminals:**

- **Nueva Vizcaya Agricultural Terminal, Inc. (NVAT), Bambang, Nueva Vizcaya**

Since the successful launch of NVAT Fresh in August 2023, the DTI has been instrumental in helping NVAT improve market access and equip farmers with the tools they need to reach larger buyers. In response to rising demand, NVAT established a dedicated fulfillment center valued at PHP 2 million in January 2024. However, funding from USAID-SPEED for additional support services was halted in October 2024. Despite this, NVAT absorbed some staff positions to maintain operations.

Since the successful launch of NVAT Fresh on 31 August 2023, DTI has continuously supported NVAT, Inc. by improving market access and equipping farmers with the tools, knowledge, and resources needed to deliver quality and affordable agricultural produce to larger buyers.

In response to the increasing demand for its products, NVAT, Inc. established in 2025, a digital maturity assessment was conducted for NVAT Fresh to evaluate digitalization efforts. The assessment revealed that farmers, transporters, and institutional buyers have varying levels of digital readiness, with farmers showing moderate digital readiness, transporters struggling with system integration, and buyers exhibiting resistance to adopting digital tools. The study recommended focused efforts on improving digital adoption, streamlining data gathering, and enhancing training for stakeholders.

- **Carbon Market, Cebu city**

The Carbon Market, Cebu's largest food terminal, is undergoing a significant transformation. Under a partnership with Cebu2World Development, Inc., the redevelopment of the market is aligned with global best practices, including enhanced logistics and cold chain infrastructure, improved sanitation, and more efficient layouts. This upgrade aims to professionalize the agri-trade landscape, benefiting both small vendors and large-scale buyers.

When the wholesale market has been established, the collaboration needed is to expand access to institutional buyers. The potential introduction of a cloud-based e-commerce platform will further streamline transactions and improve transparency. The goal is to position Carbon Market as a model wholesale food terminal in the Philippines.

### **Proposed Solutions:**

- Strengthen market linkages with institutional buyers.
- Digitize operations through a cloud-based e-commerce platform.
- Build vendor capacity through training on standards, packaging, and logistics.
- Adopt global best practices to enhance cold chain systems.

- **Benguet Agri-Pinoy Trading Center (BAPTC)**, La Trinidad, Benguet

In December 2023, a high-level meeting was held to accelerate BAPTC's digitalization and operational enhancement. DTI introduced the DeliverE platform, which connects farmers with institutional buyers, streamlining B2B transactions. Despite challenges like underutilized cold storage capacity and staff readiness for digital transition, collaborative efforts can make BAPTC a model for digitalized agri-trade centers.

**Proposed Solutions:**

- Train farmers on digital tools and payment systems.
- Upskill BAPTC staff and facilitate the transition to digital processes.
- Validate digital frameworks and proceed with drafting a Memorandum of Agreement (MOA) for multi-sectoral implementation.

As part of our commitment to revolutionize the food distribution system, dialogues on digitalization continue with the following food terminals:

- Sentrong Pamilihan ng Produktong Agrikultura ng Quezon Foundation Inc. – Located in Sariaya Quezon
- Magsaysay Market Complex – Located in Nueva Ecija
- Bulua Public Market – Located in Cagayan de Oro

Additionally, this agenda aims to revolutionize the Philippines' food distribution system by exploring the establishment of additional food hubs both within and outside Metro Manila. This initiative aims to alleviate congestion in Metro Manila by decentralizing food distribution centers to other regions, thus enhancing efficiency in transportation and ensuring timely delivery to consumers across the country.

**Establishment of Additional Food Hubs:**

- **Clark National Food Hub**

Located at the Clark Civil Aviation Complex, this hub is set to be the largest wholesale market in the country. The hub will support agricultural consolidation, cold storage, food processing, international shipping, and more. A Memorandum of Understanding (MOU) between the DA, DTI, and Clark International Airport Corporation (CIAC) formalized support for this initiative. In May 2024, a delegation visited Rungis International Market (France), Mercabarna (Spain), and the Port of Rotterdam (Netherlands) to learn best practices for application at Clark.

As a result, House Representatives who were part of the delegation have filed the following bill:

- House Bill No. 10678 – "An Act establishing the Clark National Food Hub, appropriating funds therefor, and for other purposes."

Other bills, focusing on infrastructure and maritime trade improvements, aim to enhance connectivity and competitiveness, including:

- House Bill No. 10506 – "An Act mandating the Philippine National Government to plan and implement the construction of two long-span physical interconnectivity projects between Sorsogon and Samar, and Leyte and Surigao to enhance connectivity."

- House Bill No. 10507 – "An Act enhancing the competitiveness of Philippine maritime trade by strengthening the oversight functions of relevant government agencies over the imposition of shipping charges by international shipping lines."
- House Bill No. 10508 – "An Act establishing the Local Economic Road Development (LERD) Program under the Department of Public Works and Highways."
- House Bill No. 10509 – "An Act separating the regulatory and commercial functions of the Philippine Ports Authority (PPA)."

### **Development of Agro-Industrial Business Corridor (AIBC)**

The AIBC initiative supports the government's strategy to enhance food logistics and reduce distribution costs. The focus is on developing agro-industrial hubs within PEZA zones, which will serve as key nodes for agricultural consolidation, cold storage, and export staging. Public-private partnerships are encouraged to develop agro-logistics infrastructure such as cold storage facilities, container depots, and food consolidation centers.

Moving forward, efforts should focus on finalizing the mapping of potential AIBC sites, conducting feasibility studies for land conversion, and expanding collaboration with academic institutions.

## **ACTION AGENDA #2 – REDUCE TRANSPORT AND LOGISTICS COSTS**

### **Reduction of Pass-through Fees**

- **Executive Order (EO) No. 41**

Pass-through fees, a long-standing issue raised by trucker associations, were addressed through EO No. 41, signed on 25 September 2023. This executive order prohibits the collection of pass-through fees on national roads and urges local government units (LGUs) to suspend any fees on vehicles transporting goods. To support the implementation of EO No. 41, the Department of Trade and Industry (DTI), in coordination with other government agencies, drafted the Implementing Rules and Regulations (IRR), which were approved on 3 January 2024 and published on 20 January 2024. The goal of EO No. 41 is to reduce logistics costs, lower commodity prices, streamline business operations, and eliminate LGU-imposed fees that create barriers for businesses.

- **Truck Routes (FREIGHTMAP+)**

In response to feedback from logistics service providers (LSPs), DTI, in collaboration with USAID-SPEED, has worked to map truck routes and address issues such as pass-through fees and truck bans. This initiative supports EO No. 41, which encourages LGUs to suspend fees on vehicles transporting goods, as outlined in Sections 153 and 155 of RA 7160 (the Local Government Code of 1991).

DTI, the Department of Transportation (DOTr), and the Department of the Interior and Local Government (DILG), together with trucker associations, have identified key truck routes, including those to ports, economic zones, warehouses, and other critical facilities. The development of the FreightMap+ platform provides detailed data on both local and national roads, highlighting vital logistics infrastructure such as seaports, airports, ecozones, and expressways. Additionally, the platform includes information on LGU regulations, including truck bans and pass-through fees.

## **Policy Recommendations:**

### **1. Maximum Mobility:**

- a. No truck bans on identified truck routes.
- b. Ensure full flow of trucks at all times on designated routes.

### **2. Controlled Flow:**

- a. Maintain the status quo with MMDA regulation of a 24/7 no truck ban on alternative routes.
- b. Strict implementation of the Truck Authorization and Ban System (TABS).
- c. Only vehicles with TABS authorization can access designated truck routes.

### **3. Open Access:**

- a. Cities with ports, airports, or warehouses should be designated as Gateway Cities.
- b. These cities will be exempt from pass-through fees and truck bans.
- c. Examples include: Manila, Parañaque, Valenzuela, Meycauayan, Caloocan, Malabon, Pasig, Taytay, Balagtas, and others.

### **4. Unified Truck Ban:**

- a. Standardize truck ban hours across all cities in Metro Manila.
- b. It is strongly recommended that all cities impose truck bans from 6:00 AM to 10:00 AM and 5:00 PM to 10:00 PM, Monday to Saturday, as per MMDA Resolution No. 3, S. 2015.

## **Elimination of excessive charges by international shipping lines on PH businesses**

### **• International Maritime Trade Competitiveness Act**

The International Maritime Trade Competitiveness Act is designed to address the high and unregulated charges imposed by international shipping lines on Philippine businesses. These fees have significantly raised logistics costs and hindered the competitiveness of local exporters and importers.

#### **Key issues identified include:**

- **Lack of Regulatory Oversight:** Currently, no government agency regulates international shipping charges, which allows for arbitrary fees to be imposed.
- **Need for Government Intervention:** There is a need for the government to engage with international shipping lines to advocate for fair pricing and greater transparency.

In response to these challenges, DTI has initiated several actions:

- Formulated a Joint Administrative Order (JAO) with the Department of Finance (DOF) and the DOTr.
- Drafted the Philippine Shippers' Bill.
- Elevated the issue to the Philippine Competition Commission (PCC).

Initially introduced as House Bills 4316 and 4462, the issue has evolved into House Bill No. 10575, which passed the third reading in the House of Representatives before being sent to the Senate. However, due to a change in administration, the bill was referred back to the Committee on Transport for further review. Several related bills have since been refiled in the 19th Congress.

## **House Bills:**

- House Bill No. 4933 (Rep. Bernadette Herrera-Dy) – Strengthens government oversight on shipping charges and institutionalizes mechanisms for efficient goods movement. The bill is under review by the Technical Working Group (TWG) and has a draft substitute.
- House Bill No. 10507 (Rep. Rufus Rodriguez) – Filed on 6 June 2024, this bill mirrors the objectives of HB 4933 and was endorsed to the Committee on Transportation on 29 July 2024.
- House Bill No. 7999 (Rep. Midy Cua) – Aligns with HB 4933 and has been pending with the Committee on Transportation since 15 May 2023.
- Senate Bill No. 2147 (Sen. Jinggoy E. Estrada) – This bill shares the same objectives as the House bills and has been referred to the Committees on Public Services and Trade, Commerce, and Entrepreneurship after its first reading.

These initiatives are critical steps toward improving the competitiveness of Philippine businesses by reducing excessive charges and promoting fairer practices in the international shipping industry.

## **ACTION AGENDA #3 – INCREASE INVESTMENTS IN LOGISTICS INFRASTRUCTURE**

As we work toward establishing the Philippines as Asia's leading logistics hub, we face a unique challenge due to the country's archipelagic nature. The key to overcoming this challenge lies in improving connectivity, particularly between rural and remote areas and urban economic centers. This enhanced connectivity is not just about reducing transportation costs—it's also about facilitating smoother trade of essential commodities, including food.

### **Development of Road Infrastructure:**

- **Roads Leveraging Linkages of Industry and Trade (ROLL IT) Program**

From 2018 to 2023, the Road Leveraging Linkages of Industry and Trade (ROLL IT) Program focused on road projects that connected manufacturing plants and economic zones, with a budget of PHP 60 billion. In 2024, the program evolved into ROLL IT 2.0—Logistics Efficiency and Transport Seamlessness to Enhance Agribusiness Trade (LETS EAT Program)—with a PHP 9.3 billion budget aimed at supporting agribusiness-related road infrastructure. As of 2025, the E-Commerce Bureau now oversees both ROLL IT and ROLL IT 2.0, with the Department of Trade and Industry's (DTI) Supply Chain and Logistics Group (SCLG) and Regional Operations Group (ROG) providing full technical support for the program's implementation.

- **National Farm-to-Market Roads Network Plan 2023-2028**

The FMRNP aims to improve the road infrastructure connecting agricultural areas to major roads for more efficient transportation. As of August 2023, the Philippines faced a backlog of 64,151.22 km of roads, requiring an investment of PHP 962.26 billion. Updates from the 4th National Committee on the Modernization of the Country's Infrastructure (NCMC) included workshops on localizing the plan, along with progress reports on the Presidential Directive No. PBBM No. 2023-667-668. DTI has already submitted 1,277 agro-logistics infrastructure mapping coordinates to the Department of Agriculture-Bureau of Agricultural and Fisheries Engineering (DA-BAFE) to help identify road projects that will support the FMRNP.

## **Promoting Cold Storage Warehouse (CSW) Investments**

On 29 August 2023, a sectoral meeting highlighted the need for increased investments in cold storage warehouses (CSW) as part of the Three-Year Food Logistics Action Agenda. Following this discussion, the Board of Investments (BOI) reported an 84.09% increase in CSW capacity, reaching 126,140 pallets out of the short-term goal of 150,000 pallets for 2021-2023. The BOI's database identifies strategic locations for future cold storage investments, with Region 4B being singled out as a potential next tuna capital.

The DTI has also collaborated with the Department of the Interior and Local Government (DILG) to map existing and proposed CSW locations, ensuring that critical areas for new investments are identified. Working alongside the Cold Chain Association of the Philippines (CCAP), DTI has pinpointed key regions for investment in CSW. These areas will be the focus of joint efforts between DTI, DA, and DILG to develop cold storage facilities, improving food security in these regions. The priority locations for CSW investments are:

- |                       |                     |
|-----------------------|---------------------|
| 1. Ilocos Norte       | 8. Bacolod          |
| 2. Isabela            | 9. Ormoc            |
| 3. Cagayan            | 10. Surigao, Butuan |
| 4. Batangas           | 11. Zamboanga       |
| 5. Occidental Mindoro | 12. Sulu            |
| 6. Puerto Princesa    | 13. Tawi-Tawi       |
| 7. New Lucena, Iloilo |                     |

In addition, the recent amendments to the Public Service Act, which allow 100% foreign ownership of public services like airports, railways, expressways, and telecommunications, open up exciting opportunities for both domestic and international investments in logistics. DTI will be developing an Investment Prospectus to guide potential investors and promote job creation in the logistics sector.

## **Creation of an Investment Prospectus for the Philippine Logistics Sector**

The DTI-Supply Chain and Logistics has recognized logistics services as a crucial sector for attracting foreign investments aimed at enhancing infrastructure, technology, and operational capacity. A key part of this effort will be the development of a comprehensive Investment Prospectus that will focus on logistics infrastructure, including ports, airports, seaports, railways, roads, trucking, and warehousing. The goal is to make the Philippines a more attractive destination for investment and improve the overall logistics environment, benefiting industries and communities across the country.

## **ACTION AGENDA #4 – ADDRESS OTHER SUPPLY CHAIN GAPS**

### **Assistance in Proper Post-Harvest Management:**

In 2024, DTI Region 2 took proactive steps to enhance the efficiency and safety of food transportation and storage at NVAT, Inc. by supplying 1,700 food-grade plastic crates. These crates help preserve the quality of agricultural produce during transport and storage. Another 850 crates are scheduled for delivery in 2025, supporting NVAT's growth as its market reach expands.

DTI has also initiated discussions with additional institutional buyers to broaden NVAT's market access, ensuring that retailers can source affordable, high-quality agricultural products. NVAT is nearing accreditation with major buyers, including S&R Membership Shopping and Jollibee Foods Corporation, which will further expand its market opportunities.



### **Conduct of Capacity-Building Training Initiatives:**

DTI has been instrumental in delivering a series of capacity-building initiatives to empower farmers and traders, helping them improve operations and access new markets. These trainings cover crucial aspects such as handling, packaging, pricing strategies, and digital tools:

- **Proper Handling and Packaging:** In April 2024, UPLB Postharvest Horticulture and Research Center led a training session for 80 farmers on proper handling, storage, and packaging to meet market standards.
- **Expanding Market Reach:** In November 2024, 106 farmers participated in a training on market expansion strategies, customer relationship building, and leveraging both traditional and digital tools, taught by Mr. Henry James Sison of Agro-Digital PH.
- **Business Ethics in Contract Management:** Also in November 2024, Atty. Elioneia Faye De Guzman provided training on business ethics, contract drafting, and compliance for 106 farmers.
- **Effective Pricing Strategies and Cost Management:** Ms. Analissa Jardin of Optimize One led a session on setting competitive prices and managing costs, helping farmers ensure profitability.
- **Fruit and Vegetable Quality Standards:** Mr. Jan Vincent Tecson, Quality Specialist II at DA-BAFS, educated 106 farmers on quality standards for local and international markets to enhance export potential.
- **Use of Digital Tools:** In December 2024, representatives from BSP, Maya, GCash, and USSC introduced digital tools, including cashless payment systems, to improve financial transactions. The training was attended by farmers, traders, and other stakeholders, resulting in the onboarding of 65 merchants onto GCash, 14 onto Maya, and 24 onto USSC.

### **Expansion of Market Linkage:**

DTI has played a pivotal role in linking NVAT, Inc. with institutional buyers through the NVAT Fresh platform, which was launched in August 2023. Since its launch, the platform has facilitated the ordering of 627 tons of produce, providing farmers with a stable demand base and offering consumers more competitive pricing. For instance, the price of broccoli for institutional buyers dropped significantly from ₱620/kg to ₱300/kg in July 2023, highlighting the platform's success in addressing supply chain inefficiencies.

NVAT's growing network of institutional buyers includes major players like Jollibee Foods Corporation, where it is now regularly invited to participate in bidding opportunities. Additionally, an agreement with S&R Membership Shopping is set to formalize sourcing arrangements in April 2025. On March 10, 2025, DTI-Nueva Vizcaya facilitated a meeting between NVAT, Inc. and Robinsons Retail Holdings, Inc., resulting in a deal for Robinsons Supermarkets in Metro Manila to source sayote, carrots, potatoes, and cucumbers directly from NVAT.

Further strengthening market linkages, DTI visited the Carbon Market in Cebu, the largest food terminal in the city, which is undergoing a major redevelopment to modernize its facilities while preserving its cultural heritage. The redevelopment, led by Cebu2World Development Inc., includes a new main building with dedicated retail spaces, aiming to link Carbon Market vendors with institutional buyers such as hotels, supermarkets, and food service businesses. DTI plans to replicate this initiative at food terminals nationwide to improve market access, streamline transactions, and support food distribution networks.

### **Increase in Access to Finance:**

DTI has supported initiatives that promote financial inclusion and economic growth for farmers. Notably, DTI Quezon has secured a ₱1 million loan from the Small Business Corporation's Rise Up program for the Sentrong Pamilihan ng Produktong Agrikultura ng Quezon Foundation Incorporated (SPPQF). This loan will help improve market infrastructure, ensuring the market's sustainability as a center for trade. Furthermore, DTI Quezon has earmarked ₱20 million for SPPQF in 2025 through the Shared Service Facility (SSF) program, which is expected to greatly benefit both the market and the local community.

### **Development of a National Warehouse Registry:**

In collaboration with the USAID-DELIVER Project, DTI conducted a warehouse study in May 2022 to better understand the Philippines' warehousing ecosystem. The study revealed that the warehousing sector is fragmented across various regulatory agencies, leading to the recommendation for the creation of a national warehouse registry. This registry aims to standardize warehouse data and provide a comprehensive database for the sector, enhancing food security and supporting government development plans.

The registry's goals include:

1. Conducting a comprehensive warehouse study and market-based recommendations for identifying and classifying warehouses nationwide.
2. Seeking technical assistance for the creation of the registry, identifying key fields and functionalities.
3. Monitoring warehouse supply to encourage sector investment, enforce regulatory compliance, and develop contingency plans for food security during calamities.
4. Increasing visibility for warehouse users and clients.
5. Mapping the warehousing ecosystem and providing recommendations for food security and e-commerce.

The DTI commissioned PRIME Philippines for the data collection phase, which will begin in regions such as NCR, CAR, Region 1, and several others. The study covers 1,148 warehouses across the country, with the largest warehouse floor areas found in Bulacan, Cebu, Davao del Sur, Metro Manila, and Laguna.

### **Implementation of the Integrated Rice Supply Chain Development Program:**

To address food security concerns and stabilize rice prices, DTI, DA, and NIA launched the Integrated Rice Supply Chain Development Program in February 2024. The program's objectives include:

1. Streamlining the rice supply chain to reduce costs and improve distribution efficiency.
2. Developing an online platform, RicetoRisePH, to connect rice buyers and sellers and provide alternative market access.
3. Increasing farmers' income through efficient market arrangements.
4. Promoting proper classification and branding to improve rice quality and competitiveness.
5. Facilitating collaboration in production, marketing, and distribution.

RicetoRisePH connects farmers with institutional buyers, including rice clusters from RiceBis of the Philippine Rice Research Institute. The program also promotes the Lakambini Rice brand, directly sourced from farmers' cooperatives, offering affordable, high-quality rice to consumers while supporting local farmers.

## **ACTION AGENDA #5 – HEIGHTEN ENFORCEMENT MEASURES AGAINST HOARDING, SMUGGLING, OVERSTAYING FOOD IMPORTS, AND MONITORING WAREHOUSES/COLD STORAGE FACILITIES**

### **Adjustments and Implementations of Executive Orders for Rice Market Conditions**

In response to escalating rice retail prices, **Executive Order No. 39** was signed by the President to impose price ceilings on regular and well-milled rice in the Philippines. A Special Task Force was established by the Department of Trade and Industry (DTI) to oversee the implementation. During its monitoring of 44 rice retailers across 13 cities and 1 municipality, DTI found that **29.55%** of retailers lacked regular and well-milled rice, while **90.32%** of the remaining retailers complied with the mandated price ceiling (MPC) requirements.

Following this, **Executive Order No. 42**, signed a month later, lifted the price ceilings. This decision was based on recommendations from DTI and DA, citing decreasing domestic rice prices, rising rice stock, and declining global rice prices.

### **Directive of the President for BOC and DA to Operate 24/7 Customs Clearance Processes**

To address growing shipment volumes at Philippine ports, President Ferdinand R. Marcos Jr. directed the Bureau of Customs (BOC) and the DA to operate a 24/7 customs clearance process. This decision was made to ensure uninterrupted operations and faster clearance times. During a meeting with the Private Sector Advisory Council (PSAC), the President emphasized the importance of ensuring no delays in shipment processing and maintaining continuous, round-the-clock operations with three eight-hour shifts.

This change will improve key inspection and clearance functions, such as BOC's x-ray scanning and DA's reefer van inspections. The PSAC recommended this adjustment to optimize supply chain efficiency and reduce operational costs. The BOC has since issued a formal order, with OCOM Memo No. 29-2024, instructing the immediate implementation of the 24/7 customs clearance process to ensure smooth and timely handling of shipments and air cargo nationwide.

## **ACTION AGENDA #6 – USE ICT TO IMPROVE LOGISTICS PERFORMANCE**

### **Development of Online Platforms for Food Terminals**

The digital transformation of food terminals has been a major focus to enhance the efficiency of the supply chain. This will play a pivotal role in connecting farmers with institutional buyers, simplifying the flow of goods and information in the agricultural sector.

- **NVAT Fresh**

In December 2024, a Design Sprints Workshop was held to refine the NVAT Fresh digital platform. This workshop focused on improving user experience, enhancing system integration, and addressing scalability challenges. Stakeholders, designers, and technical experts collaborated to streamline the platform's interface, integrate dynamic pricing and negotiation features, and establish a roadmap for sustainable growth. The goal is to provide farmers and traders with a more accessible and functional platform while supporting institutional buyers through enhanced user-friendly features.

### **Harmonizing the Freight Forwarding Accreditation Processes**

The Harmonized Online Freight Forwarding Accreditation (HOFFA) system is being finalized to simplify the accreditation process for both sea and air freight forwarders. By reducing redundant requirements and facilitating faster processing, the HOFFA system aims to streamline operations and improve the overall efficiency of logistics services in the Philippines. This is part of the broader effort to enhance the logistics ecosystem, contributing to more seamless and cost-effective movement of goods.