

# Germany funds PHL abaca development as global need surges

Business Agri-Commodities

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*In Photo: Dr. Andreas Kalk (second from left), resident director of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) Regional Office for Philippines and the Pacific, exchanges signed documents with Agriculture Secretary Proceso J. Alcalá (center) during the signing of the memorandum of agreement (MOA) for the Abaca Sustainability Initiative and the Better Rice Initiative Asia-Fostering Agriculture and Rice Marketing by Improved Education and Rural Advisory Services Project. Max Johannes Baumann (from left), program director of GIZ's Environment and Rural Development Program; Eduardo Holoyohoy, officer in charge (OIC) executive director of the Philippine Fiber Industry Development Authority; and Renato de la Cruz, OIC deputy director of the Agricultural Training Institute witness the MOA signing.*

THE German Development Cooperation (GIZ) has inked on Wednesday an agreement with the Department of Agriculture (DA) to step up the production of quality abaca in two provinces in the country as global demand for “certified” tea bags increases.

Under the “Abaca Sustainability Initiative,” the GIZ, together with other German-based public and private groups, has awarded the Philippines some P19 million, a two-year program to be implemented by the Philippine Fiber Industry Development Authority (PhilFIDA).

The project will cover Libacao and Madalag in Aklan, and Januiay and Maasin in Iloilo. The two provinces allocated a combined 500 hectares of certified abaca production area, with some 300 farmers benefiting directly from the project, Agriculture Secretary Proceso J. Alcala told reporters in a news conference following the formal signing of the memorandum of agreement with the GIZ.

The abaca farms under the project will undergo certification from the Rainforest Alliance, a certifying body recognized by the Sustainable Agriculture Network (SAN). The project beneficiary-farmers are assured of market access in the coming years, the DA said.

Asked why abaca, instead of other agricultural products, GIZ Country Director Dr. Andreas Kalk said starting next year, all tea bags in Germany and the rest of Europe will be required to be certified as coming from a sustainable agricultural practice.

A GIZ officer who declined to be named told the BusinessMirror that Lipton Tea, a global brand, is under pressure to use certified abaca for their bags, “although the tea leaves, or the content of the pouch itself, are already certified for several years now,” she said.

Eduardo Holoyohoy, PhilFIDA executive director, said the agency hopes to increase abaca production to 8 percent this year, adding that the national government has allocated P17 million for abaca production in six provinces of the country.

Holoyohoy also said that two years ago, a similar project was established in Catanduanes, “but that initiative was mainly private-led initiative” and the initial success of the area in producing more certified abaca is one of the reasons the public sector has also ventured into the initiative.

The project will train 10 agricultural extension workers and farmer-leaders on good agricultural practices, sustainability certification process, marketing and postharvest handling. They will, in turn, serve as trainers for the 300 targeted farmer-beneficiaries.

Planting materials and the nurseries for abaca-seedlings will also be provided under the project, particularly areas that are affected by abaca diseases to ensure healthy planting materials.

Decorticating machines and ultra-violet plastics for a more efficient fiber extraction and drying shall be provided under the project.

The German development fund organization also inked an agreement with the Philippines for a P90-million rice project, which aims to improve the marketing side of rice production.

To be implemented by the Philippine Rice Research Institute for three years, the project aims to increase the incomes of 8,000 farmers in eight municipalities in the three provinces of Aurora, Iloilo and Southern Leyte.

The project will train 400 trainers based in local government units to ensure the adoption of technology and farm-based enterprises beyond the project duration.

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