

Voluntary Report – Voluntary - Public Distribution

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Report Name: Livestock and Poultry Update

Country: Philippines

Post: Manila

Report Category: Livestock and Products, Poultry and Products

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Report Highlights:

FAS Manila maintains 2022 pork production at 1 million metric tons (MT), flat compared to 2021, as repopulation efforts in Luzon are offset by new outbreaks of African Swine Fever in Mindanao and the impact of Typhoon Odette (Rai) in the Visayas. Pork imports in 2022 also remain unchanged, as Most Favored Nation tariff reductions are scheduled to expire after May 17, 2022. The Philippine Tariff Commission is now reviewing an extension of the lower pork tariffs. Meanwhile, Post raises 2022 and 2021 chicken meat imports by 25,000 MT to 425,000 MT and 445,000 MT, respectively, based on year-to-date trade. Chicken meat production for 2022 is kept unchanged, while 2021 production is raised 13,000 MT to 1.343 million MT, in line with Philippine official data. No changes are made to Philippine beef production or imports.

Executive Summary

FAS Manila maintains 2022 pork production at 1 million metric tons (MT), flat with 2021's level, due to the continued spread of African Swine Fever (ASF). New ASF outbreaks in Mindanao are expected to offset the repopulation efforts in Luzon. Moreover, Typhoon Odette (international name Rai) in December 2021 struck hog producers in the Visayas, which were beginning to boost production. Pork imports in 2022 are left unchanged at 375,000 MT, with the scheduled expiration of lower tariff rates after May 17, 2022, and expanded Minimum Access Volume already expired on February 1, 2022. Current efforts to lower prices by again reducing the Most Favored Nation tariff rate would facilitate higher volumes of pork. Post keeps 2022 chicken production at 1.36 million MT, in line with industry estimates that do not see Highly Pathogenic Avian Influenza (HPAI) affecting production. The Philippine Statistics Authority finalized 2021 chicken meat production at 1.343 million MT, 13,000 MT higher than the USDA Official projection. Meanwhile, Post raises 2022 chicken meat imports to 445,000 MT and 2021 imports to 425,000 MT, both 25,000 MT higher than the USDA Official, based on more shipments in 2021. HPAI outbreaks in Europe and North America, however, will constrain exportable supplies. Post keeps 2022 beef production unchanged at 190,000 MT because of limited land availability for expansion while maintaining 2022 imports at 230,000 MT, with lower-priced beef such as Indian carabeef supplying the meat processing sector.

Posts expects overall pork and poultry production to grow 2 percent in 2022, while overall energy is seen growing 4 percent during the same period. With growing cost considerations, feed millers are looking to other feed ingredients such as barley in place of feed wheat.

Table 1. Pork and Poultry Production, 2020 to 2022			
Commodity (in 1000 MT)	2020	2021	2022*
Pork (CWE)	1,115	1,000	1,000
Chicken	1,305	1,343	1,360
Eggs	606	661	694
Total	3,026	3,004	3,054
Growth rate		-1%	2%

* FAS Manila forecast for 2022; PSA data for eggs

Table 2. Total Energy Table (in Corn Equivalent) for Philippine Feed Ingredients			
Energy Sources (in 1000 MT)	2020	2021	2022*
Corn	6,400	6,800	6,700
Wheat	2,945	2,375	2,280
Cassava	734	727	720
Barley	1	110	720
Sorghum	31	32	24
Total Grains	10,111	10,044	10,443
Growth rate		-1%	4%

Note: Feed wheat and sorghum converted to corn energy equivalent at 95%; cassava at 50%; and barley at 100%.

PORK

Production, Supply, and Distribution (PS&D)

Table 3

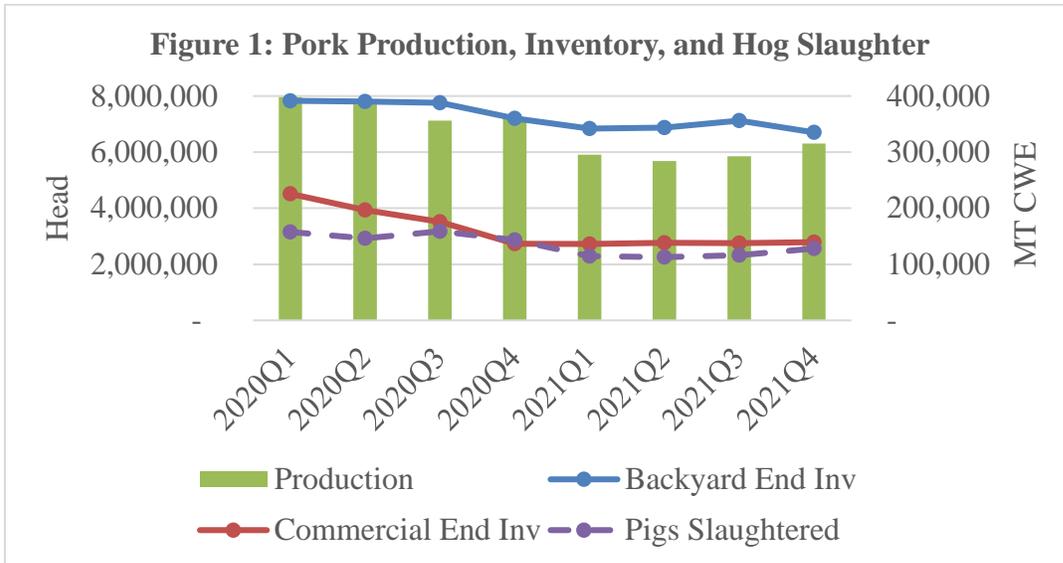
Meat, Swine Market Year Begins Philippines	2020		2021		2022	
	Jan 2020		Jan 2021		Jan 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference) (1000 HEAD)	0	0	0	0	0	0
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	1115	1115	1000	1000	1000	1000
Total Imports (1000 MT CWE)	167	167	460	460	375	375
Total Supply (1000 MT CWE)	1282	1282	1460	1460	1375	1375
Total Exports (1000 MT CWE)	1	1	1	1	1	1
Human Dom. Cons. (1000 MT CWE)	1281	1281	1459	1459	1374	1374
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT CWE)	1281	1281	1459	1459	1374	1374
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	1282	1282	1460	1460	1375	1375

(1000 HEAD), (1000 MT CWE)

Note: PSD numbers do not include pork offal, fat, and rind.

Production

Post maintains 2022 pork production at 1 million MT carcass weight equivalent (CWE), flat with 2021's level. New outbreaks of African Swine Fever (ASF) in Mindanao are expected to offset additional production from the hog repopulation efforts in Luzon. Producers remain hesitant to expand operations absent an ASF vaccine, while rising feed costs also provide headwinds. Moreover, on December 17, 2021, Super Typhoon Rai (local name Odette) swept through the central area of the Philippines, damaging hog facilities in Central and Western Visayas. These regions are free of ASF and were expected to be the drivers of pork production growth in 2022. According to industry contacts, issues ranged from damaged buildings, feed shortages (as feed mills were also damaged), limited fuel availability, and damaged roads.



Source: [Philippine Statistics Authority](#)

Figure 2. African Swine Fever Zoning Status as of February 24, 2022

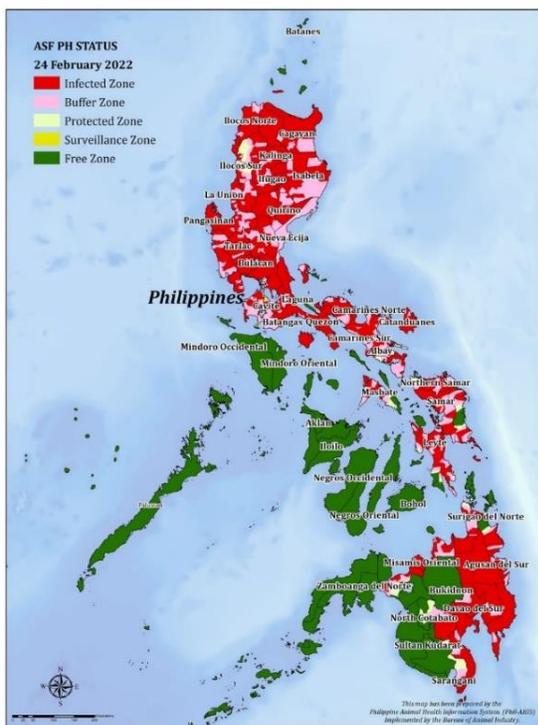


FIGURE 1. Map of the Philippines showing Zoning Status per City / Municipality

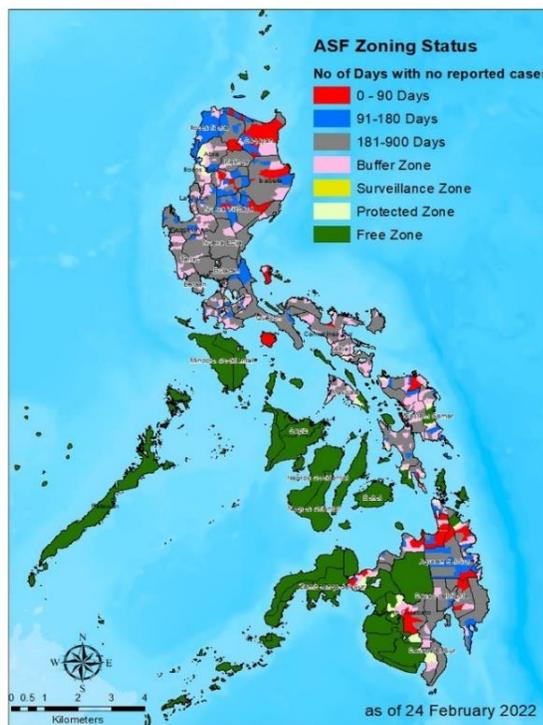


FIGURE 2. Map of the Philippines showing City / Municipality with no reported ASF case for ≤ 90 days (Red), 91 to 180 days (Blue) and ≥ 180 days (Grey).

Source: Department of Agriculture-Bureau of Animal Industry

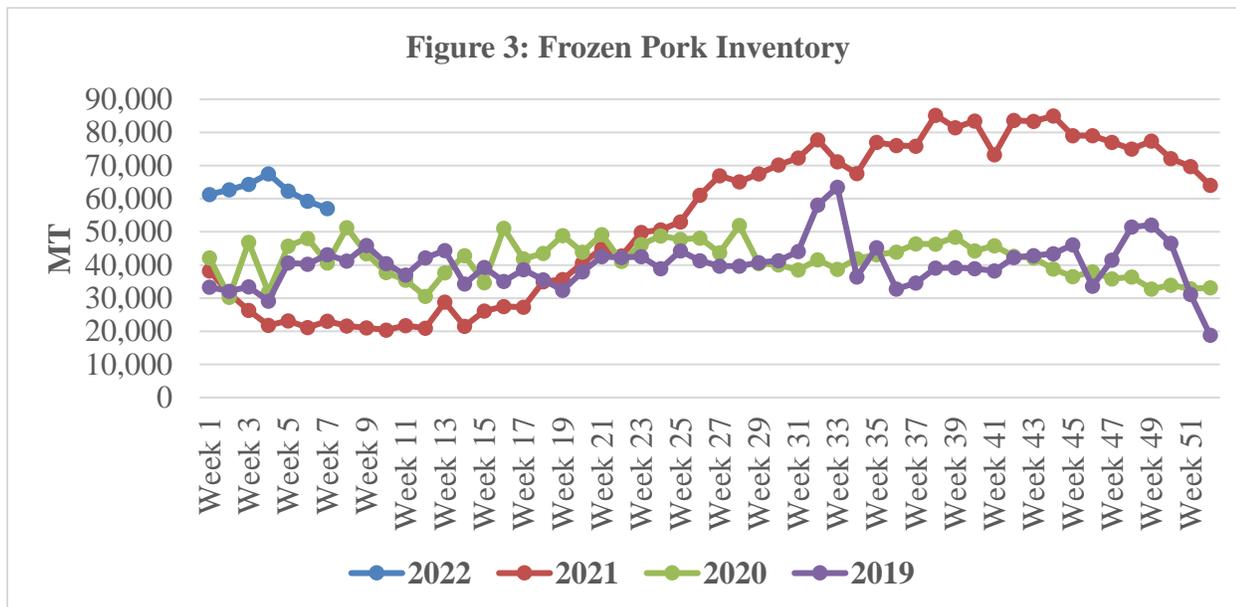
Table 4: Pork Production by Region, Jan – Dec, Live Weight MT			
Region	2020	2021	%Δ 2021/20
Philippines	2,142,647	1,696,150	-21%
NCR	..	240	0%
CAR	25,782	21,889	-15%
Ilocos Region	92,223	57,660	-37%
Cagayan Valley	68,922	39,671	-42%
Central Luzon	322,410	104,782	-68%
CALABARZON	348,511	187,902	-46%
MIMAROPA	79,794	91,711	15%
Bicol Region	119,881	99,213	-17%
Western Visayas	195,298	200,283	3%
Central Visayas	192,871	208,755	8%
Eastern Visayas	81,955	78,142	-5%
Zamboanga Peninsula	82,950	85,147	3%
Northern Mindanao	210,032	217,466	4%
Davao Region	150,190	136,298	-9%
SOCCSKSARGEN	122,809	124,689	2%
Caraga	38,492	31,286	-19%
ARMM	10,527	11,016	5%

Source: Philippine Statistics Authority, Department of Agriculture-Bureau of Animal Industry

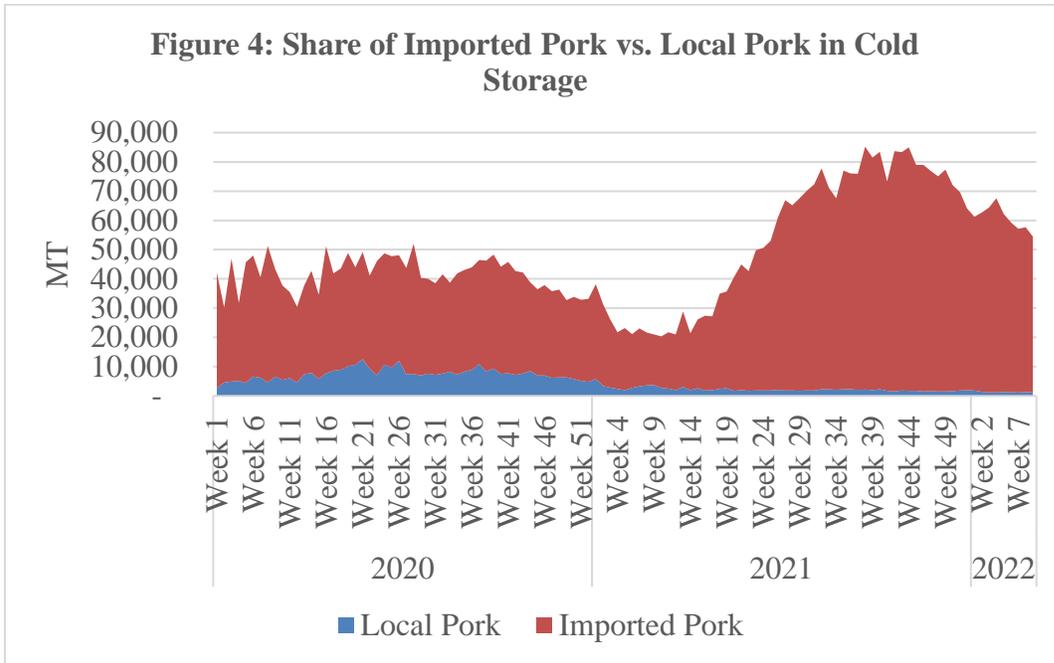
Note: Highlighted regions have at least one prefecture with ASF

Inventory

Frozen pork inventory in accredited cold storage warehouses increased in 2001 and in the early part of 2022, reflecting the growing role of imported pork in meeting demand while domestic production remains limited due to African Swine Fever.



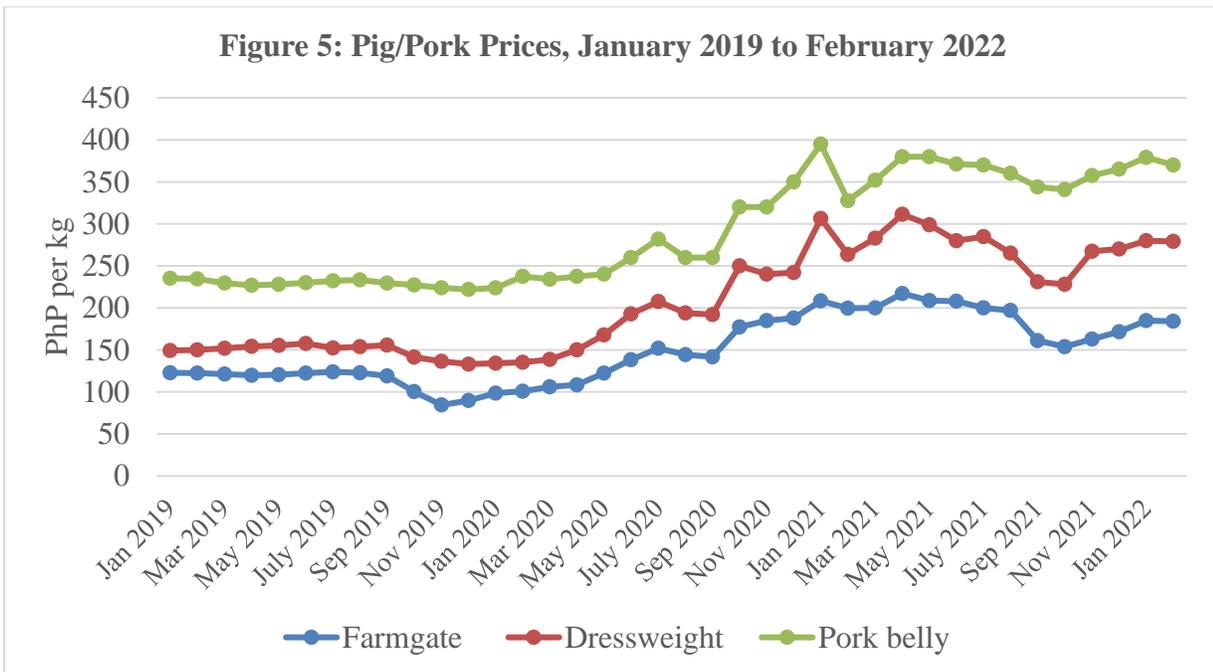
Source: Department of Agriculture-National Meat Inspection Service



Source: Department of Agriculture-National Meat Inspection Service

Prices

After [pork tariffs were lowered in April 2021](#), pig/pork prices declined through October 2021. Prices started to increase in November 2021 in response to growing demand during the holiday season and rising global prices. Meanwhile, the Philippine government has increased Suggested Retail Prices (SRPs) of luncheon meat and meat loaf have from August 29, 2021 to January 27, 2022.



Source: DA-AMAS (Metro Manila wholesale and retail prices); ProPork (farm gate prices)

Table 5: Suggested Retail Prices for Luncheon Meat and Meat Loaf (in Pesos Per Unit)			
	9/30/2019	8/29/2021	1/27/2022
Luncheon Meat Brands			
CDO Chinese Style (165g)	32.50	34.25	34.25
Purefoods Chinese Style (165g)	32.50	32.50	32.50
Meat Loaf Brands			
555 (150g)	17.70	18.25	19.50
Argentina (150g)	18.30	18.75	20.25
CDO (150g)	17.25	18.25	18.25
Gusto (150g)	16.50	16.50	16.50
Winner - Supermarket (150g)	16.50	18.00	18.00
Argentina (170g)	19.80	20.25	21.75

Source: Department of Trade & Industry

Consumption

FAS Manila maintains 2022 pork consumption at 1.374 million MT, following no changes to production and imports. The pork MFN tariff rate is scheduled to expire on May 17, 2022, which will raise prices and constraint imports. However, the Philippine Tariff Commission held a [public hearing](#) on March 17, 2022, on extending the tariff rates until the end of 2022. If advanced by the Tariff Commission, the petition would next be reviewed by the National Economic and Development Authority (NEDA), the Department of Trade and Industry, the Committee on Tariff and Related Matters, and the NEDA Board, before going to the Office of the President.

The COVID-19 situation in the Philippines continues to improve. The National Capital Region is currently at Alert Level 1 (with movement restrictions significantly reduced or eliminated), with hotels, restaurants, and cafes allowed to operate at full capacity. International tourists from visa-free countries have been allowed to enter since February 10, 2022 and further loosening of restrictions is expected.

Trade

Post maintains 2022 pork imports at 375,000 MT, in line with current trade flows and current Philippine trade policies. The increase in [pork Minimum Access Volume](#) (MAV) has already expired and MFN pork tariffs are scheduled to expire after May 17, 2022. Post also maintains 2021 imports at 460,000 MT based on year-to-date data. The pork MAV Plus, created by President Rodrigo R. Duterte's [Executive Order \(EO\) 133](#), expired on January 31, 2022, alongside the end of the MAV calendar year 2021-2022.

On January 25, 2022, the Philippine Department of Agriculture issued [Administrative Order No. 2 \(AO 2\)](#), re-extending the temporary 90-day validity of SPS Import Clearances for imported meat and poultry through December 31, 2022, due to the ongoing supply chain issues and logistical difficulties brought about by the global COVID situation.

Table 6: Global Pork Exports to the Philippines Metric Tons Carcass Weight Equivalent				
Reporter	Calendar Year	January to November		
	2020	2020	2021	%Δ 2021/20
Total	167,814	141,310	425,593	201
European Union	69,011	59,854	180,336	201
Canada	46,356	34,178	112,588	229
United States	42,829	38,820	78,368	102
Brazil	5,021	4,491	32,249	618
United Kingdom	2,869	2,555	15,845	520
Australia	1,115	827	4,011	385
Others	613	585	2,169	275

Source: Trade Data Monitor, LLC

Table 7. Philippines Pork and Related Imports Metric Tons			
Pork	Jan to Nov 2020	Jan to Nov 2021	%Δ 2021/20
Bellies	33,159	52,725	59
Deboned	25	474	1,796
Fats	40,892	59,518	46
Offals	85,806	172,115	101
Pork Cuts	50,096	203,920	307
Rind/Skin	21,162	30,600	45
Whole Pork	-	1,581	-
Total	231,140	520,932	125

Source: Department of Agriculture-Bureau of Animal Industry

Table 8. Tariff Rates for Pork, Fresh, Chilled, or Frozen HS Code 0203, Most Favored Nation			
	May 18 to August 16, 2021	August 17, 2021 to May 17, 2022	After May 17, 2022
In-Quota	10	15	30
Out-Quota	20	25	40

Source: [Philippine Tariff Commission](#)

CHICKEN

Production, Supply, and Distribution (PSD)

Table 9

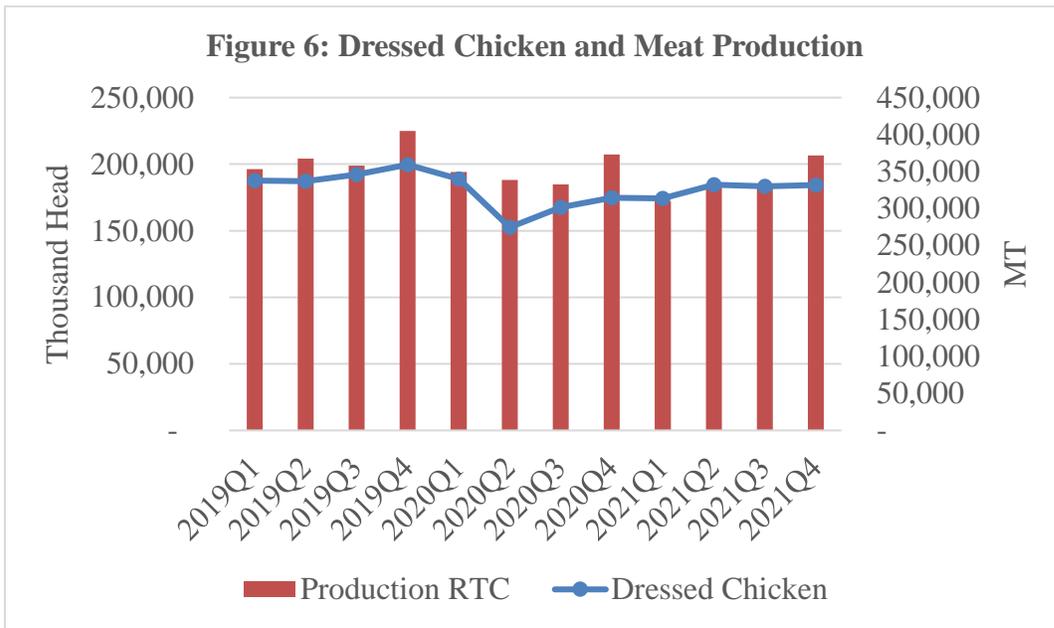
Meat, Chicken Market Year Begins Philippines	2020		2021		2022	
	Jan 2020		Jan 2021		Jan 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	1305	1305	1330	1343	1360	1360
Total Imports (1000 MT)	335	335	420	445	400	425
Total Supply (1000 MT)	1640	1640	1750	1788	1760	1785
Total Exports (1000 MT)	0	0	0	0	0	0
Human Consumption (1000 MT)	1640	1640	1750	1788	1760	1785
Other Use, Losses (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	1640	1640	1750	1788	1760	1785
Total Use (1000 MT)	1640	1640	1750	1788	1760	1785
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	1640	1640	1750	1788	1760	1785
(1000 MT)						

Note: PSD includes skins and mechanically deboned meat (MDM).

Production

Post maintains 2022 chicken meat production at 1.36 million MT, up 1 percent from 2021's level. The Philippine Bureau of Animal Industry reported an outbreak of [HPAI](#) on January 6, 2022, in a duck farm in Baliuag, Bulacan. A second outbreak was reported on January 21, 2022, in two commercial quail farms in Candaba, Pampanga. And lastly, there was a third outbreak on January 27, 2022, also on a quail farm in Candaba, Pampanga. With no reported cases in broiler and layer farms, Post does not expect chicken meat production to be affected. Rising feed costs, however, will constrain additional growth.

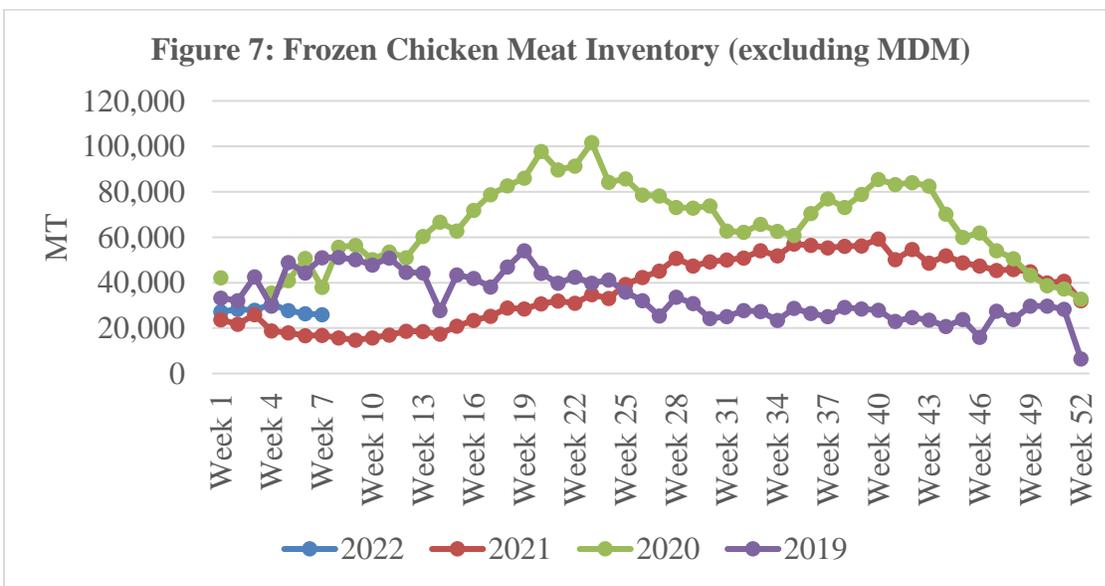
FAS Manila revises 2021 chicken meat production to 1.34 million MT, 13,000 MT higher than USDA Official. This uses Philippine Statistics Authority final data for 2021 and results in 2021 posting 3 percent growth over 2020. Production still remains below pre-pandemic levels, when 2019 production reached 1.45 million MT.



Source: [Philippine Statistics Authority](#)

Inventory

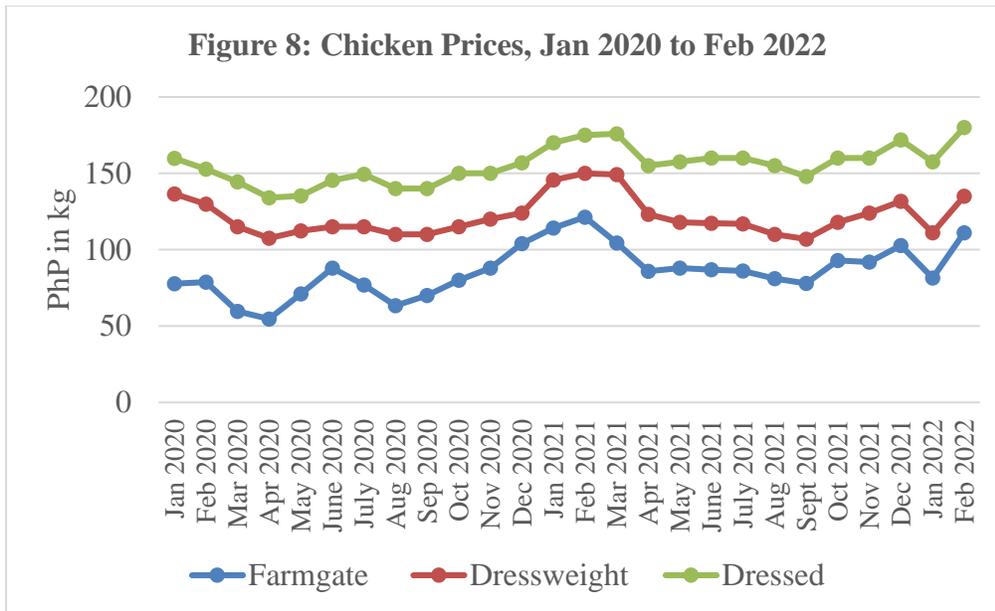
Frozen chicken meat in accredited cold storage, which excludes mechanically deboned meat, has steadily declined since mid-2021 and is now below pre-pandemic levels.



Source: Department of Agriculture-National Meat Inspection Service

Prices

Chicken prices started to increase sharply in February 2022, likely due to rising feed ingredient costs. The economy has also further reopened and this bodes well for hotels, restaurants, and institutions that sell chicken products but will also exert upward pressure on chicken prices.



Source: DA-AMAS (Metro Manila wholesale and retail prices); UBRA (farm gate prices)

Consumption

Post sees 2022 chicken consumption at 1.78 million MT, flat compared to 2021's level. Despite the further re-opening of the economy, supplies will be constrained due to local and international HPAI outbreaks.

Trade

FAS Manila raises 2022 chicken meat imports to 425,000 MT based on higher 2021 imports, which were raised from 420,000 MT to 445,000 MT due to year-to-date data. Exportable supplies to the Philippines remain limited because of the resurgence of HPAI and corresponding trade restrictions. Aside from the Netherlands and Poland, other EU countries that the Philippines issued bans include [Spain](#), Hungary, [Belgium](#), and [Ireland](#). Following HPAI cases in North America, the Department of Agriculture's Bureau of Animal Industry (BAI) banned poultry exports from Nova Scotia, Canada on [March 7, 2022](#). Moreover, DA-BAI stopped issuing Sanitary and Phytosanitary Import Clearances (SPSICs) of poultry from the United States and Canada for several weeks in February-March, 2022.

Table 10: Chicken Meat Exports to the Philippines				
Metric Tons				
Reporter	Calendar Year	January-November		
	2020	2020	2021	%Δ 2021/20
Total	335,916	316,757	409,074	29
European Union	143,689	138,880	57,513	-59
United States	77,767	69,978	146,176	109
Brazil	59,799	59,799	154,700	159
Canada	22,871	19,640	27,197	38
Turkey	13,189	12,604	4,762	-62
United Kingdom	12,936	11,796	649	-94
China	4,087	2,516	9,035	259
Other	1,578	1,544	9,042	486

Source: Trade Data Monitor, LLC

Table 11: Philippines Chicken Meat Imports			
Metric Tons			
Chicken	Jan to Nov 2020	Jan to Nov 2021	%Δ 2021/20
Chicken Cuts	36,515	36,912	1
CLQ	73,567	107,811	32
Deboned	253,691	217,461	-17
Fats	5,408	6,740	20
Offals	3,210	3,380	5
Rind/Skin	1,024	3,433	70
Whole Chicken	624	-	-
Total	374,040	375,736	1

Source: Department of Agriculture-Bureau of Animal Industry

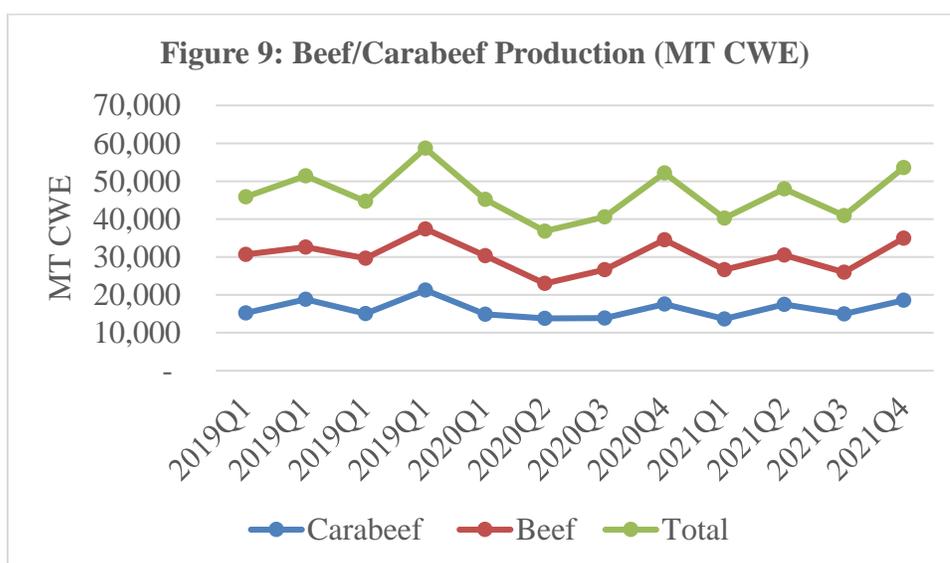
BEEF

Table 12

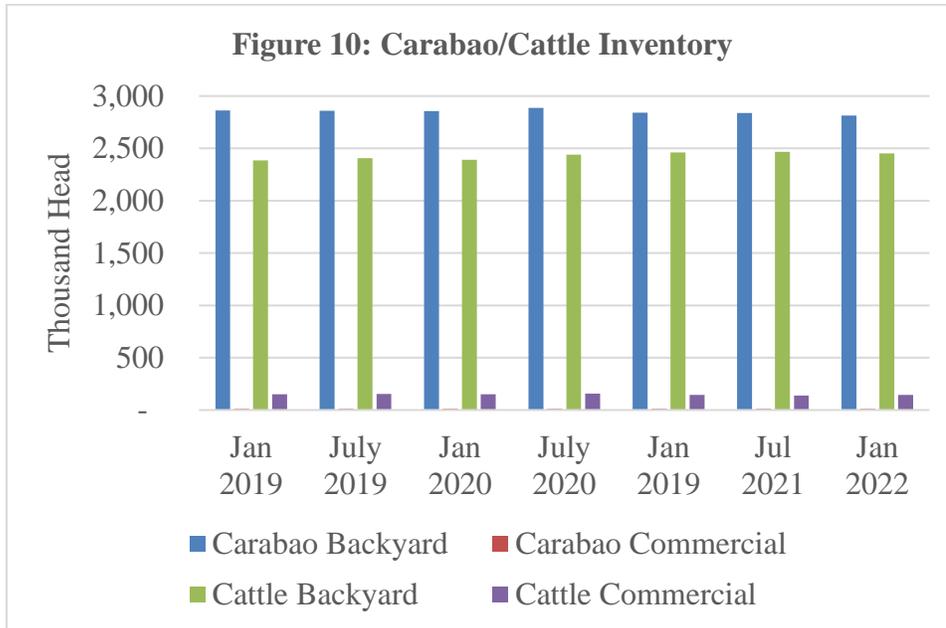
Meat, Beef and Veal Market Year Begins	2020		2021		2022	
	Jan 2020		Jan 2021		Jan 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Philippines						
Slaughter (Reference) (1000 HEAD)	0	0	0	0	0	0
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	180	180	180	180	190	190
Total Imports (1000 MT CWE)	190	190	225	225	230	230
Total Supply (1000 MT CWE)	370	370	405	405	420	420
Total Exports (1000 MT CWE)	1	1	1	1	1	1
Human Dom. Cons. (1000 MT CWE)	369	369	404	404	419	419
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT CWE)	369	369	404	404	419	419
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	370	370	405	405	420	420
(1000 HEAD) ,(1000 MT CWE)						

Production

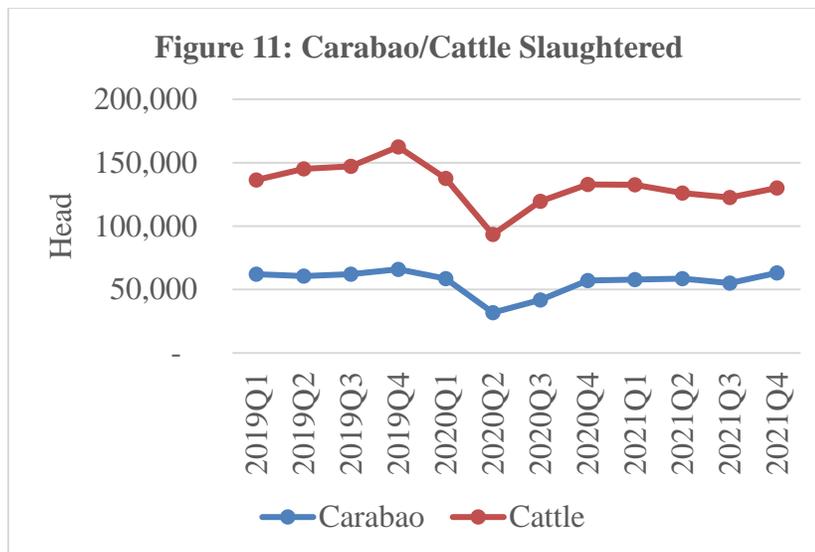
FAS Manila keeps unchanged 2022 and 2021 beef production at 190,000 MT and 180,000 MT, respectively. Cattle and carabao raisers remain constrained in increasing production due to limited land.



Source: Philippine Statistics Authority



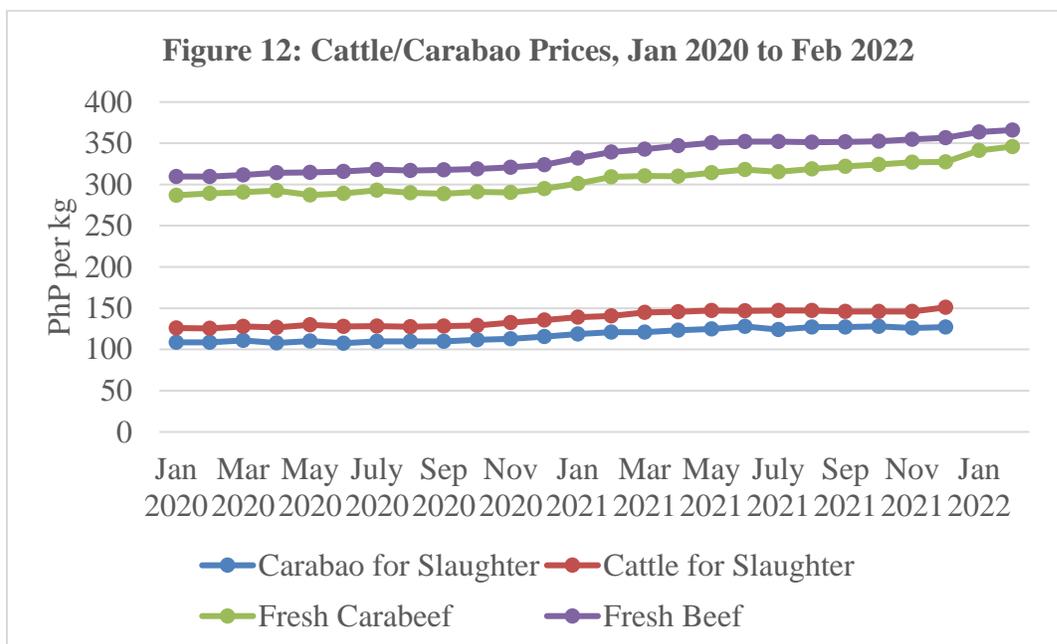
Source: Philippine Statistics Authority



Source: Philippine Statistics Authority

Prices

Farm gate prices for cattle backyard operations and beef retail prices in the National Capital Region (NCR) have been slightly increasing due to tight supply relative to demand. Similarly, the government raised the Suggested Retail Prices of corned beef and beef loaf on January 27, 2022.



Source: Philippine Statistics Authority

Table 13: Suggested Retail Prices of Corned Beef and Beef Loaf in Pesos Per Unit			
Canned Goods	9/30/2019	8/29/21	1/27/22
Corned Beef Brands			
Argentina (150g)	32.00	32.75	34.75
Bingo (150g)	18.50	19.25	19.25
CDO (150g)	26.50	26.50	26.50
El Rancho – Supermarket (150g)	26.00	28.50	28.50
Star Corned Beef (150g)	30.00	31.00	31.00
Winner - Supermarket (150g)	28.00	30.75	30.75
Young’s Town’s Premium (150g)	29.00	30.25	30.25
Argentina (175g)	37.00	37.75	39.75
Ligo Premium – Luzon (175g)	35.80	35.80	35.80
Ligo Premium – Visayas (175g)	36.20	36.20	36.20
Beef Loaf Brands			
555	17.70	18.25	19.50
Argentina (150g)	17.20	17.75	19.00
Bingo (150g)	15.75	16.50	16.50
CDO (150g)	17.25	18.25	18.25
Purefoods (150g)	18.15	18.15	18.15
El Rancho – Supermarket (150g)	16.25	17.75	17.75
Argentina (175g)	19.70	20.25	21.75
Purefoods (200g)	24.90	24.90	24.90

Source: Department of Trade & Industry

Consumption

Post keeps 2022 beef consumption unchanged at 419,000 MT, 4 percent higher than in 2021. As the economy opens further (and with the increasing population), demand for beef is expected to increase. Lower-priced beef and carabao (water buffalo) meat are generally used for meat processing, unlike higher-grade beef that is sold at retailers and food service establishments. The growth in beef consumption is driven by the lower-priced beef, as an affordable source of protein.

Trade

FAS Manila maintains 2022 and 2021 beef imports at 230,000 MT and 225,000 MT, respectively, in line with overall increasing beef demand. The DA had placed import bans on [Canadian](#) and [German](#) beef due to bovine spongiform encephalopathy (BSE) atypical cases, with the DA lifting both restrictions in January 2022. The trade impacts, however, were minimal due to limited Philippine imports from both countries. The majority of beef and veal exports comes from Brazil and India, which are lower priced/grade and are used for meat processing. Due to the [September 2021](#) ban on Brazilian beef following an atypical BSE case, there was a noticeable decline in Brazilian beef exported in October 2021. Shipments have resumed since the Brazilian ban was lifted on [October 18, 2021](#).

Table 14: Beef and Carabeef Exports to the Philippines				
Metric Tons Carcass Weight Equivalent				
Reporter	Calendar Year	January to November		
	2020	2020	2021	%Δ 2021/20
Total	190,233	175,413	204,400	17
Brazil	54,147	50,082	55,332	10
Australia	40,259	38,955	40,732	5
India	47,454	42,314	53,656	27
EU 27 External Trade	24,720	22,615	27,463	21
United States	13,936	12,934	13,379	3
New Zealand	4,119	3,486	4,260	22
United Kingdom	4,559	4,130	6,603	60
Others	528	897	2,975	232

Source: Trade Data Monitor, LLC

Table 15. Philippines Beef/Carabeef Imports January to November, 2020-2021 (MT)				
		Jan to Nov 2020	Jan to Nov 2021	%Δ 2021/20
Beef	Beef Cuts	107,052	93,233	-13
	Choice Cuts	30,055	10,335	-66
	Fats	32,530	26,098	-20
	Offals	14,321	18,549	30
	Total	183,959	148,216	-19
Buffalo				
	Buffalo Meat	4,541	5,399	19
	Forequarter	28,358	32,626	15
	Trimnings	167	6,503	3794
	Total	33,065	44,528	35

Source: Department of Agriculture-Bureau of Animal Industry

Table 16. Monthly Beef/Carabeef Exports to the Philippines Metric Tons Carcass Weight Equivalent						
Reporter	July 2021	Aug 2021	Sept 2021	Oct 2021	Nov 2021	Dec 2021
Total	18,974	16,373	16,934	10,706	9,870	
Brazil	4,560	3,902	4,635	589	1,699	7,846
Australia	2,876	4,519	4,754	3,155	2,940	3,952
India	5,940	3,694	3,427	2,818	1,257	3,656
EU 27	2,562	2,075	2,782	2,735	1,702	
United States	1,274	1,111	829	799	867	742
New Zealand	871	341	77	128	355	237
United Kingdom	642	596	405	447	135	122
Others	249	135	25	35	915	

Source: Trade Data Monitor, LLC

Attachments:

No Attachments.