



Department of Agriculture

NATIONAL TOBACCO ADMINISTRATION

11/F The Upper Class Building, Scout Reyes cor. Quezon Ave., Quezon City

Accomplishment Report January to December 2023

The National Tobacco Administration implemented programs, projects and activities geared toward increasing productivity and income, for all its **40,572** registered tobacco growers for the growth and development of the industry.

In the first quarter, NTA conducted the Strategic Planning Workshop for its senior officials to formulate plan that will guide the agency in the next six years (2023-2028) in view of the current developments in the agriculture sector, along with the latest issuances on tobacco regulations.

These accomplishments were achieved in close coordination with the different Branch Offices, Departments and Units, and with funding support through the 2023 General Appropriations Act by virtue of SAGF-151 charged against R.A. 4155 (Tobacco Fund) as well as its Corporate Funds.

- **NTA-LGU Series of Consultations and Dialogues on STEP**

To institutionalize convergence and coordination with the local government units, 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) that benefit local tobacco growers and help spur the growth and sustainability of the tobacco industry, and for the LGUs' support to the agency's effort for the release by the Department of Budget and Management of additional budget from Tobacco Fund. The consultations and dialogues have gathered a total of 124 municipal and city mayors, and top official of the provinces from 7 provinces (Ilocos Sur, Ilocos Norte, La Union, Isabela, Cagayan Pangasinan and Tarlac), in separate schedules and venues from April to September 2023.

- **Validation of Tobacco Planted Areas**

This project is aimed at enhancing the existing documentation procedures for a more efficient monitoring and recording of tobacco acceptances vis-a-vis verification of

area of production and improving the procedure in the validation and verification of areas with standing tobacco crops, with the adoption of a documentation system of tobacco production with the use of Global Position Systems and other cloud-based analytical applications/solutions. The validation, with P254,800 initial budget, was conducted in major tobacco-growing provinces (Ilocos Sur, Ilocos Norte, Abra, La Union, Pangasinan, Cagayan and Isabela) and other areas in Mindanao.

As of November 30, a total of **25,338 hectares** of tobacco areas, involving **40,347** farmers, had been validated. With the following breakdown per tobacco type: Virginia – 10,098 hectares; Burley – 2,731 hectares; and Native – 12,509 hectares.

Boost local production and raise the farmers’ and fisherfolks’ income

- **Tobacco Farmers’ Production Assistance/Tobacco Contract Growing System**

NTA continuously promotes market-oriented approach in tobacco production through the adoption of a contract growing scheme, to enhance participation of the private sector in production technology transfer, credit assistance, and leaf marketing. Production/credit assistance per hectare averaged **Php50,000 with a 40% subsidy** on farm inputs such as fertilizers/pesticides.

For **CY 2022-2023**, under its Tobacco Contract Growing System (TCGS), the NTA assisted a total of **8,650 tobacco farmers** tilling an aggregate area of **5,443 hectares**, with a total released budget of **PhP200 million**.

As of December 31, partial tobacco leaf acceptances for **CY 2022-2023** for all tobacco types have reached **42.25 million kilos**, valued at **PhP5.8 billion**, or about 98.6% of projected total production/acceptances of about 42.8 million kilos.

Average yield per hectare was **2,272 kg** and average net income per hectare at **P79,946**. The data excludes Native type tobacco. Income for other crops per hectare was **P54,329**.

For the **CY 2023-2024**, the Branch Offices have already completed the validated list of beneficiaries for the **P100-M Tobacco Production Grant (from NG subsidy)**. Each of the **16,666** tobacco growers in major tobacco-growing provinces in Northern Luzon and two provinces in Mindanao, all tilling 0.5 hectares and below will receive **P6,000** for tobacco production starting January next year.

ABRA	417
ILOCOS NORTE	2,834
VIGAN	2,052
CANDON	3,409
LA UNION	2,102
PANGASINAN	1,765
ISABELA	3,558
CAGAYAN	529
TOTAL	16,666

For the Tobacco Contract Growing System (TCGS) under the Integrated Farming and Other Income Generating Activities Project (IFOIGAP), a total of PhP145.48 million production assistance from the Corporate Fund has been released to **8,804 farmer cooperators** planting a total area of **5,276 hectares**.

- **Curing Barn Assistance Project**

Curing Barn Assistance Project (CBAP) aims to increase the income of tobacco farmers through the production of properly cured leaf. It addresses the tobacco farmers' need for new flue curing barns and air-curing sheds, to replace old/damaged ones that have been destroyed by calamities that hit major tobacco areas in the recent years. The budget for crop year 2023-2024, amounting to Php91.62 million has been approved to benefit **4,170 farmer-cooperators (FCs)**, with the following breakdown: Abra, 329 FCs; Ilocos Norte, 587 FCs; Ilocos Sur, 725 FCs; La Union, 246 FCs; Pangasinan, 400 FCs; Isabela, 1,000 FCs; Cagayan, 100 FCs; and Mindanao, 783 FCs.

- **Renewable Fuelwood Project – Synchronized Tree Planting**

The project aims to restore the ecological integrity of the tobacco-growing regions and contribute to the government's climate mitigation effort for global warming. This is achieved by providing seedlings for the synchronized tree planting project of NTA and additional seedlings needed by farmers for backyard planting. Production assistance amounting to **P1.469 million** has been released this year for the Synchronized Tree Planting (STP) activities last July. A total of **105 seedling growers** availed of the program to produce 800,000 tree seedlings. A total of **416,687** of the **761,553** tree seedlings produced have been distributed as of December 31.

For the Beema Bamboo Production, the Branch Offices had distributed to **397** farmer-cooperators a total of **14,418** propagules, all of which have been planted in various areas in the Branch Offices.

- **Farmers Organizational Development**

To develop and nurture entrepreneurial capabilities of the tobacco farmers and promote dynamic rural enterprises, **218** tobacco farmers/dependents have been given trainings on livelihood (dishwashing liquid making, mushroom production and organic fertilizer making) and **317** tobacco farmers on institutional trainings (strategic planning, conflict management and financial management) in Ilocos Sur, La Union, Pangasinan, Isabela and Cagayan during the second quarter. A total of 112 members of the National Federation of Tobacco Farmers Associations and Cooperatives (NAFTAC) were given training on Cooperative Management and Governance.

Ensure accessible, affordable and nutritious food that benefit all Filipinos

- **Beef Cattle Production Assistance Project**

The IFOIGAP Beef Cattle Production Assistance Project (BCPAP), funded from the agency's Corporate Fund, provides selected tobacco farmer-cooperators with one ready-

to-breed upgraded Brahman heifer, as a source of additional income of the tobacco farmers. The cattle were distributed in three batches, with total production assistance of PP29.8 million. As of December, all 825 cattle distributed since 2020 had produced a total of **400 offspring**.

- **Gulayan at Manukan sa Barangay**

The **GMB** aims to help farming households produce their own food and raise additional income for their family. Recently, the project is also part of the immediate assistance/intervention for farmers affected by natural calamities. With a P100-million budget, the project enables the household beneficiaries to produce their own food and have the opportunity to raise additional income for their family.

As of December 31, the Branch Offices have already started the distribution of **33,325** broiler chicks and **P2.53 million** worth of vegetable seeds to a total **1,333** farmer beneficiaries.

Develop strong value chains (non-food) that deliver the needed quality services

- **Quick Response Fund**

The agency has completed the distribution of **925 Beef Cattle** under the Quick Response Fund (QRF) from the Regional Field Office 1 of the Department of Agriculture. Farmer beneficiaries are tobacco growers in Ilocos Sur, Ilocos Norte, Pangasinan and La Union, whose tobacco farms were damaged by the freak rains in 2022.

The distribution of **3,693** bio-stimulants to farmers as part of the intervention was completed in the first quarter.

Put in place the required policy directions to fast-track the modernization of the sector

- **Agricultural Research**

NTA has conducted regular conservation and evaluation of tobacco germplasm which contains the genetic base from which researchers can get materials to supplant or even replace existing commercial varieties as the need arises. It identified disease and pest outbreaks in farmers' farms through the Pest Clinic – Quick Response Project by the Farm Technology and Services Department. As of December 31, it has monitored sources of infected and infested tobacco samples from four municipalities in Ilocos Norte, one municipality each in Pangasinan, Isabel, and Misamis Oriental.

- **Digital Agriculture**

NTA, through the Management Information System of the Corporate Planning Department, has started developing a system on the conversion of Master List of tobacco growers and other information, and collection reports on production assistance provided.

The agency has also purchased eight mapping drones in the Branch Offices to help the Operations to develop a new system of gathering data leading to the digitization and computerization of tobacco farm activities. In Decembers, 19 extension workers and researchers were given training on basic drone operations, management and safety course.

- **Implementation of the KALAP with Go Negosyo and Universal Leaf Philippines Inc.**

A Technical Working Group (TWG) was created for the sharing of information system on tobacco farmers' data on area planted and yield as part of the implementation of **Kapatid Angat Lahat Agri Program (KALAP)**.

- **Training for Extension Workers, Farmers**

Harmonized Leaf Grading System. The NTA Quality Assurance Division (QAD) conducts annual training for NTA staff in trading centers, including farmer leaders, on the harmonized grading system and classification of leaf tobacco based on the internationally accepted standards. QAD conducted capability enhancement trainings for **167 farmer leaders and 129 extension workers** in Region 1 and 2 and Abra.

Annual Seminar-Workshop on Enhancing Extensionists' Capabilities (ASWEEC). The annual seminar-workshop aims to equip and familiarize the participants with digitizing and computing tobacco farm areas using the data generated by drones. A total of **117 agriculturists and Tobacco Production and Regulation Officers** participated in the activity. **Tobacco Farmers' Dependents Scholarship Program**

The Scholarship Program aims to enable the underprivileged but deserving students taking up courses in agriculture and related fields in State Universities and Colleges (SUCs) to avail of scholarship grants; and encourage a career in the field of Agriculture as a career option to optimize the program's contribution for the continuing development/modernization of the sector, for the ultimate benefit of the farmers and their families.

For School Year 2022-2023, a total of **323 college students**, who are children/dependents of tobacco growers in the provinces of Region 1 and 2, Abra and in Misamis Oriental, were given the scholarship grants worth PhP14,000 (stipend/allowance) per grantee for two semesters.

- **Regulatory Services**

On the aspect of monitoring/enforcement, the NTA assures equitable trading with strict directives on accurate weighing, proper grading, proper pricing, prompt payment and proper documentation, pursuant to existing rules and regulations. These activities are implemented through the Tobacco Production and Regulation Officers in the 8 Branch Offices including the Regulation Department in the Central Office.

Various commodity clearances/import/export permits were issued to **148 Importers/Exporters/Manufacturers**. Licenses were likewise issued to **48 Trading Centers/Wholesale Tobacco Dealers/Redrying Plants**, and permits to purchase issued to **164**

field canvassers. All licensed leaf buyers were found to be compliant with all the rules and regulations in trading.

The agency is also on the frontline in government efforts to eliminate tobacco illicit trade and smuggling in the country through cooperation and collaboration among various agencies of the government, in coordination with the private sector. It spearheaded two crucial gatherings of various sectors to discuss on illicit trade and smuggling of tobacco: the International Tobacco Agricultural Summit in August and the Anti-Illicit Trade Interagency Dialogue in December.

Prepared by:

Corporate Planning Department, with reports from the Deputy Administrator for Operations; 8 Branch Offices (Regions I, II and Abra); Farm Technology Services Department, and the Central Office Departments.