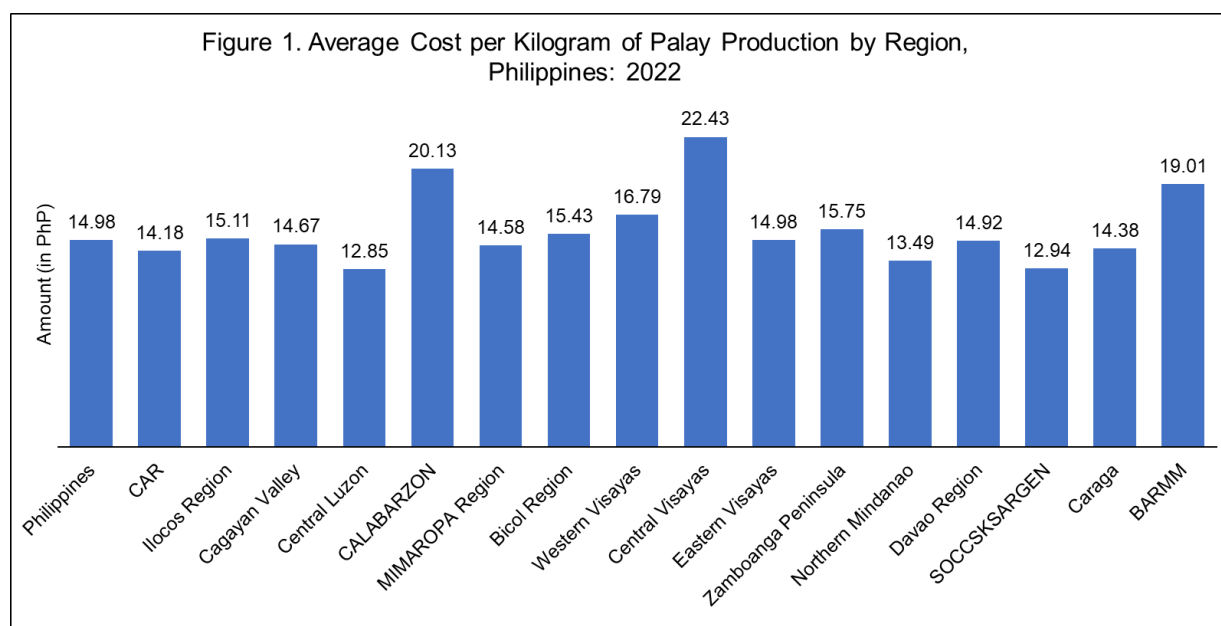


# PRESS RELEASE

## Average Cost of Producing Palay in the Philippines was PhP 14.98 per Kilogram in 2022

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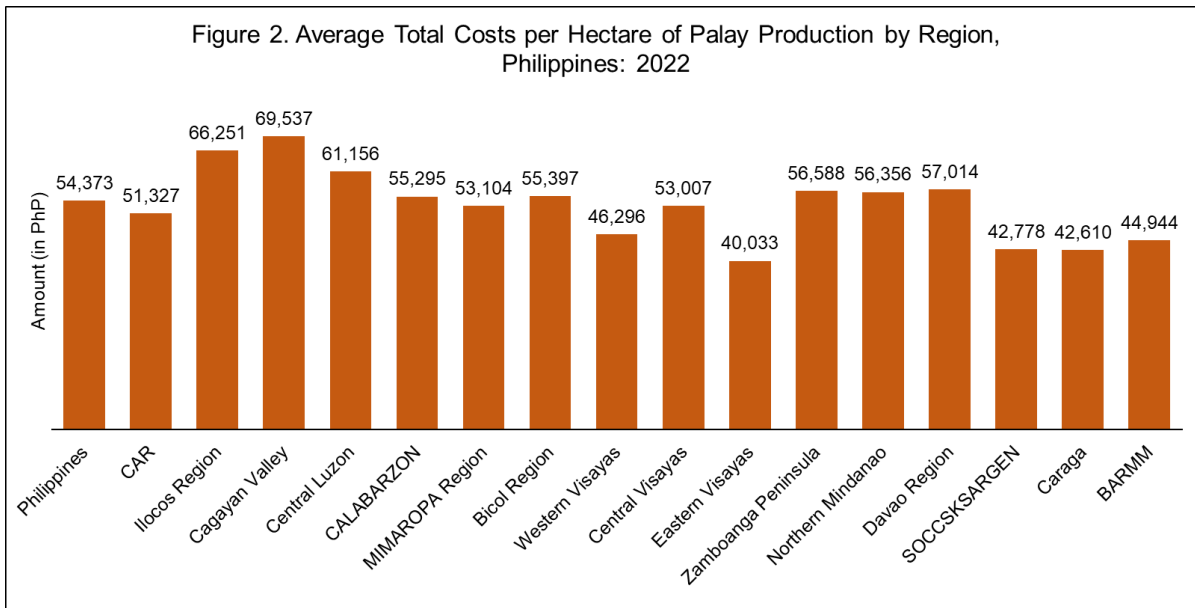
Reference No. 2023-296



Source: Philippine Statistics Authority

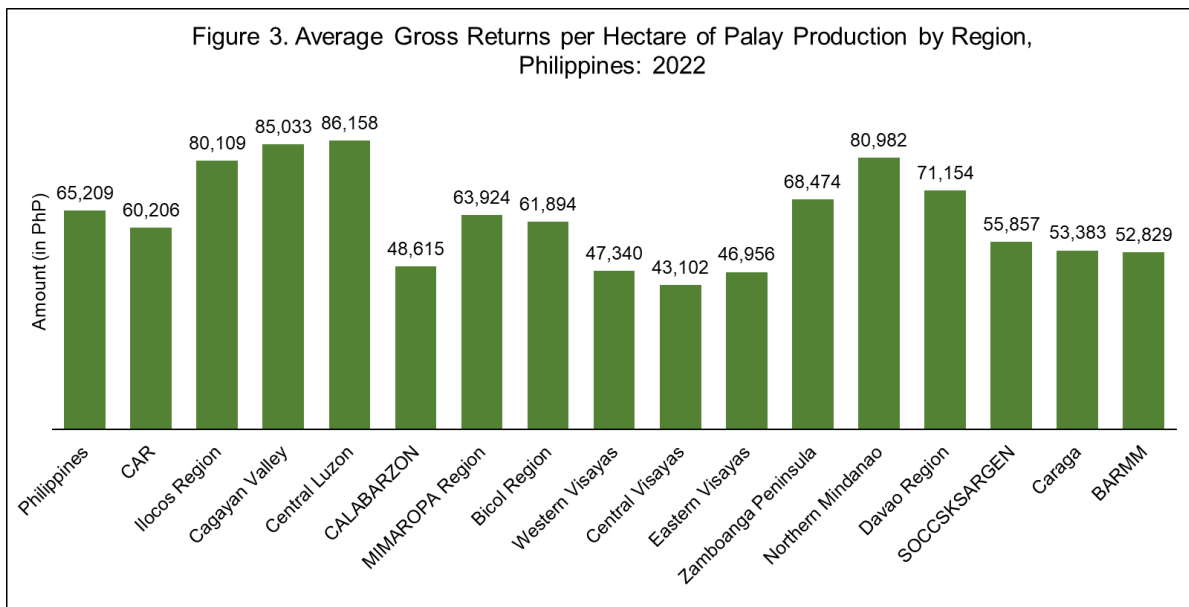
In 2022, the average cost of producing palay in the country was PhP 14.98 per kilogram. By region, the highest production cost was recorded in Central Visayas at PhP 22.43 per kilogram, while the least production cost was noted in Central Luzon at PhP 12.85 per kilogram. (Figure 1 and Table 1)

Net profit-cost ratio averaged 0.20. This means that farmers earned an average of PhP 0.20 for every peso invested in palay farming. Among the regions, the highest net profit-cost ratio was recorded in Northern Mindanao at 0.44, followed by Central Luzon at 0.41, and SOCCSKSARGEN at 0.31. (Table 1)



Source: Philippine Statistics Authority

On a per hectare basis, the average cost of palay production in 2022 at the national level was PhP 54,373. The highest average cost was recorded in Cagayan Valley at PhP 69,537, while the lowest was observed in Eastern Visayas at PhP 40,033. (Figure 2 and Table 1)



Source: Philippine Statistics Authority

Average gross returns in palay production amounted to PhP 65,209 per hectare. Central Luzon had the biggest gross returns at PhP 86,158 per hectare, followed by Cagayan Valley at

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PhP 85,033 per hectare. The lowest gross returns amounting to PhP 43,102 per hectare was registered in Central Visayas. (Figure 3 and Table 1)

Returns after deducting all production costs amounted to PhP 10,836 per hectare. Central Luzon recorded the highest average net returns at PhP 25,002 per hectare. This was followed by Northern Mindanao with an average net returns of PhP 24,627 per hectare and Cagayan Valley with PhP 15,496 per hectare. (Table 1)

The 2022 Survey on Costs and Returns of Palay Production was conducted by the Philippine Statistics Authority, with funding support from the Department of Agriculture - Bureau of Agricultural Research.



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National Statistician and Civil Registrar General

*DGLDP/VRI/MSN*

*Attachments:*

- 1. Table 1. Summary of Average Costs of Palay Production by Region, Philippines: 2022*
- 2. Technical Notes*