



REPUBLIC OF THE PHILIPPINES
PHILIPPINE STATISTICS AUTHORITY BOARD

**PSA Board Resolution No. 06
Series of 2022**

**APPROVING AND ADOPTING THE NEW RICE CLASSIFICATION FOR
INCLUSION IN THE 2020 PHILIPPINE CLASSIFICATION OF INDIVIDUAL
CONSUMPTION ACCORDING TO PURPOSE (PCOICOP)**

WHEREAS, Republic Act 10625 mandates the Philippine Statistics Authority (PSA) to develop and prescribe uniform standards and classification systems in the generation of official statistics in the Philippine Statistical System (PSS) to ensure harmonization and comparability of statistics at the local, national and international levels;

WHEREAS, one of the classification and coding systems being maintained by PSA is the PCOICOP which serves as: (a) framework for the aggregation and integration of the Household Final Consumption Expenditure in the System of National Accounts; (b) inputs in the formulation of basket of goods for the Consumer Price Index; (c) guide in the classification of goods and services for the Family Income and Expenditure Survey (FIES); and (d) tool in the analysis of individual consumption expenditures;

WHEREAS, with the passage of Republic Act No. 11203 or the Rice Tariffication Law, a new rice classification system in monitoring rice prices is needed in order to better measure rice inflation in the country;

WHEREAS, the PSA Board in its meeting on 14 May 2021, requested the Department of Agriculture (DA) to conduct a study on the existing rice classification;

WHEREAS, the DA through Special Order No. 669 dated 15 September 2021, created the Technical Working Group for the Formulation of a New Rice Classification System (TWGFNRCS) to spearhead the development of a new rice classification;

WHEREAS, the TWGFNRCS, upon review of literature on consumer rice preferences and rice classification landscape of other countries, and current methodology in collecting rice price data including rice consumption in the FIES as appropriate, endorsed to the Agriculture Secretary the proposed categories for the rice classification as follows: 1] Ordinary milled rice is classified by: a) Source – local or imported; b) Milling degree; and c) Percent broken grains; and 2] Special rice is classified by: a) Source – local or imported; b) Type; and c) Percent broken grains;

WHEREAS, the PSA in its conduct of Commodity and Outlet Survey, undertook a pretest on the proposed rice classification. The results show that the additional categories such as the type of special rice, percent broken grains and sources are not easily identified especially without the truthful price tags or labels;

WHEREAS, the TWGFNRCS in its meeting on 14 February 2022, agreed to establish a small working group on rice classification and conduct a workshop with PSA to come up with a simplified yet workable and practical version of rice classification that would facilitate generation of timely and reliable price and expenditure statistics;

WHEREAS, the existing rice classification in the 2020 PCOICOP consists of category on milling degree such as well-milled and regular milled rice;

WHEREAS, during the Technical Workshop on Rice Classification on 15 to 16 March 2022, the TWGFNRCS and the PSA reviewed and endorsed the new rice classification to be incorporated in the 2020 PCOICOP with some modifications, as follows:

1. exclusion of the "source" category but this will be captured instead through the survey questionnaire;
2. combination of well milled and over milled rice milling degrees due to their visual similarities and exclusion of under milled rice because of its short storage life; and
3. limiting the percent broken grains only up to 25% to ensure that the available rice in the market are of high quality;

WHEREAS, the Technical Committee on Statistical Standards and Classification, in its meeting on 25 April 2022, endorsed the new rice classification to be incorporated in the 2020 PCOICOP for approval of the PSA Board;

NOW, THEREFORE, BE IT RESOLVED, that the PSA Board approved the new rice classification (Annex BR 06-20220513-01) to be incorporated in the 2020 PCOICOP.

RESOLVED FURTHER, that the PSA Board requires the following:

1. The Department of Agriculture shall (a) conduct advocacy campaigns and capacity building developments for PSA rice price data collectors on the different classifications in terms of source, ordinary or special type, milling degree, and percent broken, among others; (b) set the official standards, and promote and encourage the usage by all market players of the updated rice classification; and (c) enforce official product and labelling standards and regularly monitor compliance with the updated rice classification system;
2. The Department of Interior and Local Government shall issue a Memorandum Circular encouraging and enjoining local government units to pass city/municipal ordinances on the compliance of rice

- retailers/wholesalers to adopt the new rice classification, and provide correct labels/price tags in the market;
3. The Department of Agriculture, in coordination with the Department of Trade and Industry, shall monitor the price of rice based on the new rice classification;
 4. The Department of Agriculture, in coordination with the Department of Trade and Industry and the Department of the Interior and Local Government shall enforce a traceability system that requires key players to declare information to preserve the purity or the identity of the rice in terms of source, ordinary or special type, milling degree, and percent broken as it reaches the market;
 5. The Department of Agriculture shall develop the implementing guidelines for the adoption of the new rice classification in consultation with rice retailers/wholesalers, including the time frame by which the said classification should be adopted by rice retailers/wholesalers; and
 6. A two-year transition period towards the full adoption and implementation of the new rice classification in the 2020 PCOICOP. The Department of Agriculture, the Department of Trade and Industry, the Department of the Interior and Local Government, the Philippine Statistics Authority and other concerned agencies shall formulate a transition action plan to ensure the smooth adoption and implementation of the new rice classification by government agencies and instrumentalities in the PSS.

Approved this 13th day of May 2022.

Yuen Subject to the
comments I raised
in the Board mtg,

KARL KENDRICK T. CHUA
Secretary of Socioeconomic Planning
National Economic and Development Authority
Chairperson, PSA Board



Attested by:

D. Mapa

DENNIS S. MAPA, Ph.D.
Undersecretary
National Statistician and Civil Registrar General
Philippine Statistics Authority
Chairperson, PSA Board Secretariat

Annex BR 06-20220513-01

Proposed Rice Classification to be Incorporated in the 2020 PCOICOP

PCOICOP Code	Description
01.1.1.121	Ordinary, well milled/overmilled, 5% broken
01.1.1.122	Ordinary, well milled/overmilled, 15% broken
01.1.1.123	Ordinary, well milled/overmilled, 25% broken
01.1.1.124	Ordinary, regular milled, 5% broken
01.1.1.125	Ordinary, regular milled, 15% broken
01.1.1.126	Ordinary, regular milled, 25% broken
01.1.1.127	Special, Glutinous rice
01.1.1.128	Other special rice e.g., aromatic, pigmented, micronutrient-dense, japonica, NSIC Rc 160