



REPUBLIC OF THE PHILIPPINES
PHILIPPINE STATISTICS AUTHORITY BOARD

PSA Board Resolution No. 17
Series of 2024

**APPROVING THE UPDATED MILLING RECOVERY RATE OF
63.0 PERCENT (63.0%) FROM PALAY TO RICE**

WHEREAS, one of the statistical activities of the Philippine Statistics Authority (PSA) is to compile, generate, and disseminate the Supply Utilization Accounts (SUA) for Selected Agriculture and Fishery Commodities. It is a statistical framework for the physical accounting of agricultural commodities produced in the country that presents a comprehensive picture of the pattern of the country's supply and utilization for food and non-food commodities;

WHEREAS, the definition of terms, technical conversion factors, and parameters being used in the SUA are based on the 1995 SUA Handbook, which was prepared by the Interagency Technical Working Group (TWG) on SUA. These conversion ratios and parameters are the results of statistical research studies done by the agencies involved in the generation of statistics on production and usage of agricultural products. It is noted that the conversion ratios and parameters adopted for most, if not all the commodities, have been held constant over a relatively long period of time;

WHEREAS, the milling recovery rate (MRR) is the ratio of the weight of milled rice to the total weight of palay, expressed in percent (%), and is used as a conversion factor from palay to rice equivalent utilized for the generation of Rice Stocks Inventory, and compilation of SUA for rice;

WHEREAS, the current MRR from palay to rice terms is 65.4 percent;

WHEREAS, a joint project between the PSA and the Food and Agriculture Organization (FAO) of the United Nations was conducted in 2023 on Strengthening Agricultural Statistics through the Review and Assessment of the Agricultural Indicators System and SUA, which recommended the need to conduct an in-depth review of the SUA, focusing on its framework, the parameters, and the technical conversion ratios used in its compilation;

WHEREAS, the PSA conducted a study to validate the current parameter on palay MRR and to review whether this is still reflective of the current situation of the rice industry;

WHEREAS, the PSA conducted key informant interviews and actual observations of milling operations through field visits to collect information from various sources on the parameters from March to April 2024. Consultation meetings

on the MRR from private organizations. Further, a focus group discussion (FGD) with concerned government agencies was held on 4 July 2024 to solicit inputs on the said parameter. These activities were also supplemented by desk research to benchmark the parameters;

WHEREAS, after the conduct of field visits, consultation meetings, FGD, and desk research, the PSA presented the results of the study to the TWG on Crops Statistics (TWGCS) during its meeting on 11 October 2024;

WHEREAS, the TWGCS reviewed and recommended for the approval of the Interagency Committee on Agriculture and Fishery Statistics (IACAFS) the updated MRR from 65.4 percent to 63.0 percent. This recommendation is based on the most recent results of the field visits to selected rice milling establishments. Additionally, the value of 63.0 percent represents the modal value across various studies conducted;

WHEREAS, the TWGCS also recommended to present the results of the study to the concerned units of the Department of Agriculture (DA) (i.e., Philippine Rice Research Institute [PhilRice], Philippine Center for Postharvest Development and Mechanization [PhilMech], National Food Authority [NFA], and Department of Agriculture - National Rice Program [DA-NRP]), for information and comments;

WHEREAS, the PSA presented the results of the study to the concerned units of the DA (i.e., PhilRice, PhilMech, NFA, and DA-NRP) to solicit comments and solidify the proposal of the TWGCS on the updated milling recovery rate of 63.0 percent;

WHEREAS, the IACAFS, during its meeting on 6 November 2024, reviewed and approved the updated MRR from palay to rice at 63.0 percent, subject to the concurrence of the DA;

WHEREAS, the DA interposed no objection to the updated milling recovery rate of 63.0 percent as the result of PSA's validation process which reflects the current situation of the rice industry, and acknowledged that the MRR should be more precise to support better data collection, analysis, and policymaking in the sector;

WHEREAS, the IACAFS endorses to the PSA Board for approval the use of the updated MRR from palay to rice at 63.0 percent starting January 2025;

NOW, THEREFORE, BE IT RESOLVED, that the PSA Board hereby approves the use of the updated MRR from palay to rice at 63.0 percent.

Approved this 15th day of November 2024, in Metro Manila.


ARSENIO M. BALISACAN, PhD

Secretary
National Economic and Development Authority
Chairperson, PSA Board



Attested by:



CLAIRE DENNIS S. MAPA, PhD

Undersecretary

National Statistician and Civil Registrar General

Philippine Statistics Authority

Chairperson, PSA Board Secretariat