

Why Does the Philippines Import Rice: A Solution to the Rice Shortage

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1. Introduction

Research has contributed significantly in achieving food security by increasing the yield potential of rice in irrigated systems, reducing the crop maturity period to close the gaps in the rainfed systems; achieving yield stability by developing resistance against major insects and diseases in the modern high yielding varieties to reduce farmer's dependence on harmful agrochemicals; to increase efficiency in the use of water, land, labor, and fertilizers.

2. Rice Production in the Philippines

In the Philippines, rice is grown on small family based farms with an average size varying from less than 0.5 to 4.0 ha, hence the ratio is small. The possibility of increasing planting areas is nearly exhausted. Yield increases have begun to slow as well. Added to that, the Philippines population is perhaps the fastest growing in the world. The Philippines has approximately 4.2 million ha of rice lands and produce about 11.2 million Metric Tons of milled rice, sufficient only for 90% of the population. There are atleast five major provinces which produce rice as its major farm crop.

Rice production in the Philippines has been rapidly growing since 1970's until the early 1980's when the country achieved self-sufficiency, having a surplus enabling the country to export a small amount.

Going further, a study of farmers' planting methods will show that about half of the country's rice lands are still planted with the old rice varieties that produce only about 2.75 MT/hectare. The Philippines has so-called "Certified" and "Hybrid" seeds that yield 4.7 and 6.5 MT/hectare, respectively. The country's supplier of hybrid seeds even claim that the actual average yield of his seeds is actually higher (8~10 MT/hectare) and there are even instances of exceptionally high yields that are reported by some farmers.

According to the latest figures released by the Philippine Bureau of Agricultural Statistics (BAS), the production of unmilled rice (palay) in the country have risen by 5.13 % to reach 3.94 million MT in the first quarter of the year on increased irrigation and seed supplies.

3. Rice Consumption in the Philippines

Rice is the staple food in the Philippines, more important to the economy and to the people at a lower income levels, hence an important intervention point for promotion of agricultural development and alleviation of poverty. Rice is what many farmers grow, but it is also what nearly all consumers eat. In many cases, farmers have more flexibility to switch crops than consumers (especially poor ones) do to switch their staple food. Rice is considered a socially- and politically-sensitive commodity, and securing supply at whatever cost is paramount. Rice is such an integral part of history and culture in the Philippines for many Filipinos.

Noticeably, consumption increased from 2003 which is only 26,000 tonnes comparing now with the national daily consumption of the grain at 33,000 tonnes,

accounting for 20 percent of the daily household budget, on an average, with each Filipino eating 115 kilograms, or more than two sacks a year. Apart from being the main source of carbohydrates, rice creates what anthropologists refer to as "the physiological sensation of satiety". Rice is eaten by millions of poor consumers and grown by millions of poor farmers in the Philippines, and to ignore fairness and equity would strip the analysis of much of its value. For most Filipinos, no meal is complete without rice (David C. Dawe, et al, 2005). At this point, it produces only 90% of the rice demand and imports the remaining quantity from neighboring countries.

Some 68 million Filipinos live on less than \$2 a day, according to the National Statistics Office 2006 survey. Rice purchases make up 12 to 20 percent of their total food expenditures.

4. Prices of Rice in the Philippines

Towards the later part of 1986, rice prices began to increase until the present time. In the 1980's, rice prices in Philippines and Thailand are similar but since then prices have rapidly increased in the Philippines.

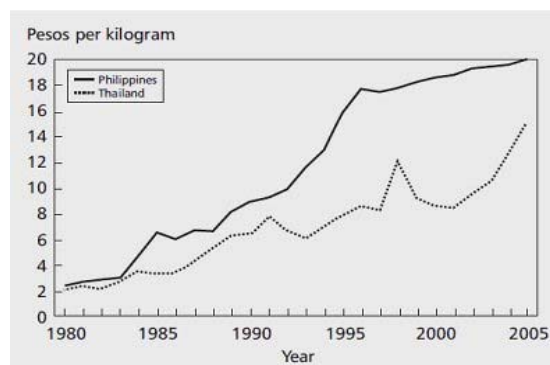
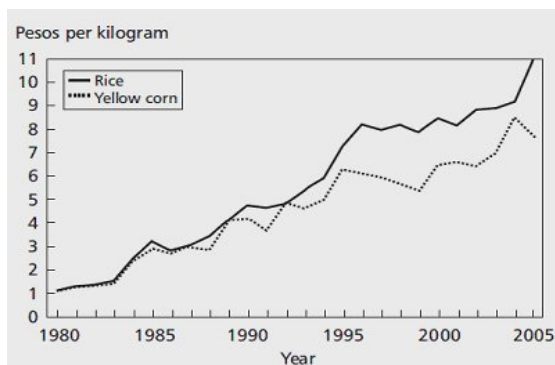


Figure 1 Farm prices for rice, 1980-2005
(Source: IRRI, 2005)

Figure 2 Wholesale rice prices in Philippines and Thailand, 1980-2005
(Source: IRRI, 2005)

5. Imports in the Philippines

Once self-sufficient in rice, the Philippines is listed by the US Department of Agriculture as the world's top importer of milled rice for 2007, ahead of Nigeria, Indonesia and Bangladesh. Over the past 20 years or so, the country lost nearly half of its irrigated land to rapid urban development.

The shortage in the rice production of the Philippines has been augmented by imports from other Southeast Asian countries, particularly Thailand and Vietnam. The Philippines imported no milled rice from the U.S. in 2007, according to a USDA Foreign agricultural Service report in February (BBC Southeast Asia). The Philippines is the world's biggest rice importer, purchasing between 1 million to 2 million MT each year, mainly from Thailand and Vietnam. This volume is equivalent to 10 % of the Philippines' total rice consumption.

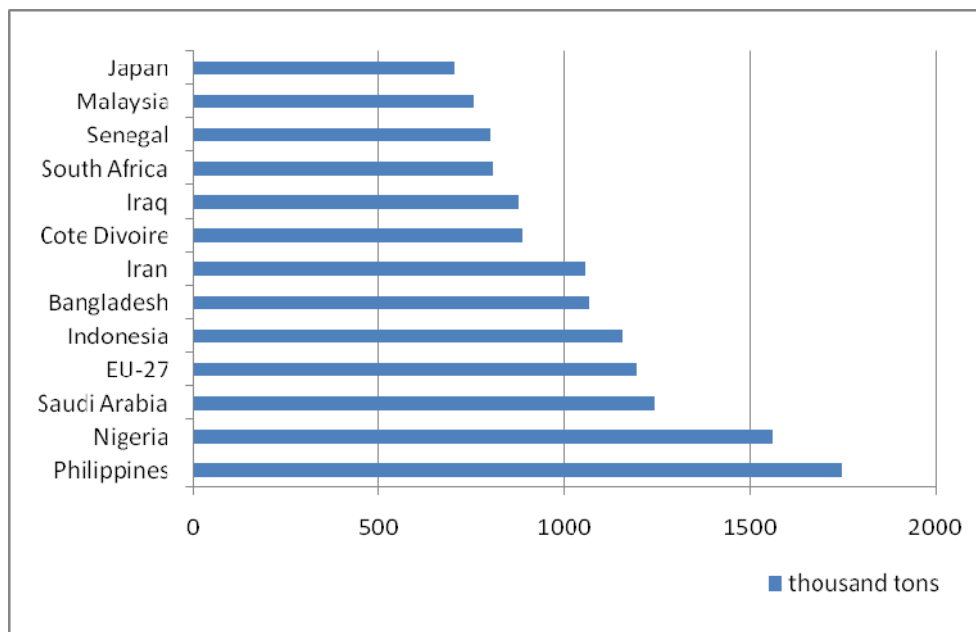


Figure 3 Rice Importing Countries 2003-2008
Source: FAO, Agriculture Database, USDA FAS, 2009

6. Solutions to the Rice Shortage

Many reasons have contributed to the shortage of rice but the country after withdrawing from the market due to ample domestic supplies and a government-imposed import ban during the main harvest period, Indonesia is projected to return as the number one importer in 2005. The Philippines, however, will see a substantial drop in imports—about 70 percent—resulting from bumper production and ample stocks as the government hopes to promote self-sufficiency through hybrid rice production.

Deeper than the reason mentioned above to meet demand, some possible solution is to change diet by shifting from rice as staple food to other food stuffs like noodles, sweet potato, corn or other foodstuffs as substitute to the sole rice as main meal. What is needed is to practice feeding on other alternatives of rice. Kids and youths of today must be trained in such a way not to fully depend on rice, instead to plant some vegetables and other crops which could be beneficial to every member in the family. Produce which could supply sufficient nutrition or vitamins to everyone. At same time, educate consumers on the advantages of consuming less amount of rice to the physical condition or one's health (eat more fruits and vegetables than rice).

7. Conclusion

Based from the above situations and conditions, the challenge today is how will we be of help to the crisis in our own ways? Many answers and opinions may arise from each individual, but one thing made me encouraged that, even we, the younger generation (youth of today) can take part in creating solutions to answer the call on global crisis. Small potatoes as we are, can also play a role in meeting the world's future needs by: **1.** creating in us awareness and consciousness of the crisis experienced in the present time and how to respond for the future; **2.** bringing us into a common vision for

the future of the nation and the world as a whole; 3. emphatic emphasis on the importance of education- “objective information or diffusion of knowledge” that is accessible to holders and to the public; 4. finding the policies and strategies by an intelligent and creative management to the world’s agricultural systems, and; 5. innovation and creative thinking to address serious issues that are taking place. Despite the fact that researchers’ community had been developing and still searching to improve variety yet still not enough. Thus, one solution to the rice shortage is to have an alternative foodstuff other than rice on each meal, and consuming less amount of rice.

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