



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 8/2/2002

GAIN Report #RP2055

Philippines

Grain and Feed

Revised Milled Rice PSD

2002

Approved by:

Michael D. Woolsey

US Embassy

Prepared by:

Perfecto G. Corpuz

Report Highlights:

Early and heavy monsoon rains coupled with the predicted occurrence of an El Nino dry spell late this year will raise milled rice imports to nearly 1,000,000 tons in MY01/02.

Includes PSD changes: Yes

Includes Trade Matrix: No

Unscheduled Report

Manila [RP1], RP

PSD Table						
Country	Philippines					
Commodity	Rice, Milled				(1000 HA)(1000 MT)	
	Revised	2000	Prelim.	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Area Harvested	4030	4030	4087	4080	4150	4095
Beginning Stocks	2002	2002	2797	2797	3069	3247
Milled Production	8135	8135	8622	8450	8500	8305
Rough Production	12515	12515	13265	13000	13077	12777
MILLING RATE (.9999)	6500	6500	6500	6500	6500	6500
TOTAL Imports	1410	1410	550	955	575	750
Jan-Dec Imports	1175	1175	650	1100	650	500
Jan-Dec Import U.S.	101	104	0	35	0	60
TOTAL SUPPLY	11547	11547	11969	12202	12144	12302
TOTAL Exports	0	0	0	0	0	0
Jan-Dec Exports	0	0	0	0	0	0
TOTAL Dom. Consum.	8750	8750	8900	8955	9105	9402
Ending Stocks	2797	2797	3069	3247	3039	2900
TOTAL DISTRIBUTION	11547	11547	11969	12202	12144	12302

Despite very good rice production in CY2001, the Inter-Agency Committee on Rice and Corn, the body that determines rice import volumes had determined that a 390 TMT import level was all that was required by the country for calendar year 2002. This requirement took into account the possible occurrence of another El Nino dry spell late this year.

Early and excessive monsoon rains middle of this year, however, will reduce and delay rice planting and consequently push back harvests. As a result, rice production in MY01/02 and MY02/03 were pared down although production during the former is still expected to reach an all-time record level. Consumption figures for both years were also raised in view of an expected increase in losses due to spoilage.

The lower-than-expected production coupled with the predicted El Nino episode have forced the GOP to import rice to raise stock levels. On top of the initial 390 TMT, the GOP subsequently approved an additional 500 TMT rice importation for 2002. Mainly due to this, imports in MY01/02 and MY02/03 were adjusted upwards.

The import figure for MY01/02 is inclusive of the approved initial 390 TMT requirement, an estimated 30 TMT rice component under the FY01 P.L. 480 Title 1 Agreement, roughly 235 TMT imported during the second half of 2001 and an estimated 300 TMT of smuggled rice imported during the period.

The additional 500 TMT is expected to arrive during the later part of this year or in the first half of MY02/03. Rice imports under the recently signed FY02 P.L. 480 Title and Section 416 (B) Agreements, estimated at 35,500 TMT and 22,050 TMT, respectively, are also projected to arrive in MY02/03. A total of 200 TMT, down from 300 TMT the year before, of smuggled or illegally imported rice is still expected to come in during the year. Rice imports are predicted to decline in MY02/03 from the previous year's level due to ample stocks.