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PhilRice R&D Highlights



otobank 2023 (Photographer: Sarah Joy N. Ruiz)



RICE BUSINESS INNOVATIONS SYSTEM



Philippine Rice Research Institute
Central Experiment Station
Maligaya, Science City of Muñoz, 3119 Nueva Ecija

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Rice Business Innovations System

Diadem B. Gonzales - Esmero

EXECUTIVE SUMMARY

The RiceBIS 2.0 program is a continuing initiative that aims to develop rice and rice-based enterprises to meet farmers' needs sustainably, ensuring rice availability and affordability. It focuses on enhancing production, marketing, and transforming farmer groups into inclusive and sustainable agro-entrepreneurs. Ultimately, the program seeks to revitalize rice-based farming communities by improving value chain efficiency and fostering inclusive agro-enterprise models.

The program operates with 3 interrelated projects - the Process Innovations: Engaging farmer clusters in agroenterprises development (RBS-231); Product Innovations: Integrity assurance for safety and quality (RBS-232); and Marketing Innovations: Linking farming communities with markets (RBS-233). RBS-231 evaluates the business capacity of farmer clusters and selects suitable rice-based enterprises for partnership with support providers, aiming to increase product volume. Simultaneously, RBS-232 focuses on enhancing the quality and safety of rice-based products through assessment, enhancement, and certification processes. RBS-233 facilitates the connection of market-ready products and communities to institutional markets and direct buyers. Ultimately, the program targets a 50% increase in farm cluster income by 2028.

Sixty-two Farm Cluster Associations (FCAs) in 23 RiceBIS communities were assessed for business potential and engagement in appropriate agroenterprises. Twenty-three agroenterprises of FCAs were also identified including processing and marketing of milled rice, brown rice, pigmented rice, and palay trading. Site working group (SWG) meetings were conducted in 22 RiceBIS communities for strengthened partnerships with government agencies and other organizations to rally strong support on agro-enterprise development (AED) of FCAs. Notably, a P5M financial grant was awarded to one of the FCAs in RiceBIS Zaragoza to support its business operations.

In ensuring product quality and safety, a training on Philippine Good Agricultural Practices (PhilGAP) Standards and Certification was conducted among 40 (58% women) project implementers, followed by 17 batches of trainings with 603 RiceBIS farmers (63% men). Applications for PhilGAP certification of 603 farms were filed, 20 of which already passed the audit.

To promote market-ready RiceBIS products, a marketing advocacy campaign, “Bida RiceBIS: Be the Rice’s Best,” was launched across all stations that forged 16 market linkages bannered by major partnerships with CM & Sons Food Products Inc., Kiwanis International (Phil. Luzon District), and a P5.2M marketing support grant from the Bank of the Philippine Islands (BPI) Foundation.

Program implementers were capacitated through a training needs assessment, and one Specialized Training Course on AED participated in by 27 program staff (67% women). A digital dashboard was also developed to monitor the program’s progress and facilitate reports generation. A set of policy recommendations was also composed to expedite program implementation and influence policymakers.

RBS-231: Process Innovations: Engaging Farmer Clusters for Agroenterprise Development

Alice B. Mataia, Dia Marie S. Javier, Shantel Anne Nicole E. Chavez, Sharen T. Rivas, Leah May dC. Tapeç, Melanie Aileen C. De Peralta, Rowena A. Pineda, Ofelia C. Malonzo, Michelle C. Quimbo, Ommal H. Abdulkadil, and Anileen O. Pajarillo

The Project worked to transform farmers from merely being production-oriented to also being market-driven farmer-cluster agripreneurs, engaging in commercially viable enterprises. Specifically, it: (1) assessed the business capacity of farmer clusters for appropriate value chain-oriented rice-based enterprise engagement; (2) engaged farmer clusters in a commercially viable, sustainable value chain-oriented rice-based enterprise; and (3) established and strengthened partnerships with support providers for the development and sustainability of the enterprises.

The project pursued a series of business capacity assessments across 62 FCAs in 23 RiceBIS communities to determine their potentials. Only RiceBIS Banna, Ilocos Norte showed high business capacity level; 41 clusters had medium capacity; 20 at low level. The clusters processed and marketed milled, brown, and pigmented rice and traded palay. They also provided services such as machine rentals, capital lending, agricultural input trading, and collective marketing of palay and vegetables.

To better support these communities, project implementers were trained on business planning, accounting, and bookkeeping, in partnership with Go Negosyo. This resulted in the creation of 22 business plans and model canvases. The project also strengthened partnerships with government agencies, conducting 22 site

working group meetings across 23 communities. These meetings produced 11 cluster development plans, outlining support strategies for the communities' agroenterprises.

To streamline business operations, the project established processes for securing necessary permits and created a consolidated database for easier access to information. A PhP5M grant from the DA-AMAD's KADIWA Financial Grant Assistance Program was awarded to an FCA in Zaragoza, Nueva Ecija, providing a delivery truck, van, and PhP1M in trading capital to support their rice and vegetable agroenterprises.

RBS-232: Product Innovations: Integrity Assurance for Safety and Quality

Ofelia C. Malonzo, Riza A. Ramos, Rosaly Manaois, Richzen G. Magno, Neca Jane O. Malacora, Rowena A. Pineda, Sharen T. Rivas, Leah Mae dC. Tapeç, Melanie Aileen C. De Peralta, Michelle C. Quimbo, Ommal H. Abdulkadil, and Anileen O. Pajarillo

The Project contributes to increasing the income of farmers and the cluster. Specifically, it aims to assess products and capacity of farmers, ensure farmers' product quality, and strengthen competencies of implementers and farmers in product innovations and integrity assurance.

Using a community assessment tool, products such as polished and unpolished rice, and rice crackers were identified. Existing products from the communities are milled rice, brown, red and black rice which follow set quality standards. Butter and chocolate-flavored brown rice cookies and the "Gourmix Rice," a Halal-certified instant porridge developed by the DA- Cagayan Valley Research Center (DA-CVRC) in Ilagan City, Isabela is a potential agroenterprise product. Rice by-products such as rice bran, hull and rice straw are also sold by the farmers. The assessment recommended project improvement, proper packaging and labeling, and following set standards in milling, grading, and consistent use of a rice variety for processing.

Training on PhilGAP Standards and Certification was also proposed to ensure the quality of the communities' milled rice. The project later conducted a PhilGAP training among 40 (58% women) station project implementers; 17 batches of trainings in all PhilRice stations were completed participated in by 603 RiceBIS farmers who also applied for PhilGAP certification. Twenty of the 603 farms with rice area of 719.95ha in San Mateo, Isabela passed the PhilGAP audit in 2023. This accomplishment builds up the reputation of the cooperative and opens potential market opportunities.

RBS-233: Marketing Innovations: Linking farming communities with the market

Hazel V. Antonio, Shereen R. Francia, Christina A. Frediles, Sarah Joy Ruiz, Rocel Dyan Silva, Sharen T. Rivas, Leah Mae dC. Tapeç, Melanie Aileen C. De Peralta, Rowena A. Pineda, Ofelia C. Malonzo, Michelle C. Quimbo, Ommal H. Abdulkadil, and Anileen O. Pajarillo

The Project aims to revitalize rice-based farming communities by helping increase their income through partnerships and enhanced marketing. Specifically, the project aimed to help enrich the income of farmers through collective marketing; design marketing strategies and find opportunities for their products to win more buyers/consumers; and identify marketing partners and help communities establish partnerships with institutional and other direct buyers.

The project conceptualized and launched the “Bida RiceBIS: Be the Rice’s Best” campaign across all PhilRice stations with the rallying message of making rice as a business, buying local rice produce, sharing the RiceBIS advocacy, and supporting Filipino rice farmers. To drumbeat the campaign, 25 types of promotional collaterals and materials were produced and disseminated. The campaign secured the support and commitment of various stakeholders from partner-cooperatives, government offices, private companies, and civic organizations. The project also initiated the “Philippine Rice” branding thrust.

Marketing presentations underscored the narrative of local empowerment, recognizing the support of local farmers in creating prosperity and food sufficiency. The strategy successfully attracted market prospects including NGOs, socio-civic organizations, and private companies. Selected RiceBIS farmer-leaders were involved in negotiations to prepare for future roles. These efforts resulted in 16 market linkages, including significant partnerships with CM & Sons Food Products Inc., Kiwanis International, and the BPI Foundation, that provided a PhP5.2M marketing support grant to RiceBIS farmers in San Carlos City, Negros Occidental.