



INVESTMENT GUIDE FOR MUNG BEAN



SCAN ME

WHY MUNG BEAN?

- Mung bean (*Vigna radiata L.*) is one of the cheapest sources of plant protein. It is also a good source of minerals such as calcium and sodium and high in vitamins A, B & C. It is a drought-tolerant crop and requires a warm climate during its growing period. The temperature and humidity prevailing in the country is suited for optimum yields.
- It is a raw material in processing products such as sprout production, sotanghon manufacturing, hopia processing, and as ingredients in dishes like soups, porridge, snacks, bread, noodles and ice cream. It can be processed as starch, flour and paste and the crop itself can be used as fodder and cover crop.
- With all the uses mentioned, mung bean is marketable crop and demands a good price which gives farmers sustainable livelihood. Its agronomic characteristics permit to fit in various cropping systems as an intercrop, rotation and relay crop.
- The average farmgate price for mung bean increased by 4.52% in the period 2009-2019. The local mung bean volume and value (at current prices) of production posed an increase of 2.93% and 8.00% respectively in the same time period.
- There was an increasing volume and value of exports reported for mung bean in 2019. The volume is equivalent to 385 metric tons (or 16,450.3% growth rate) while the value amounted to PHP 7.32 million (or 2,621.4% growth rate).
- On the other hand, about 36,646 metric tons of mung bean were imported in 2019, amounting to PHP 1.70 billion. The volume reduced by 4.1%, whereas, value increased by 10.6%.

Department of Agriculture

Agribusiness and Marketing Assistance Service

Agribusiness Promotion Division

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TOP 5 MAJOR MUNG BEAN PRODUCING REGIONS IN 2019

The top major mung bean producing regions are Region I with 13,181.32 MT, Region II with 6,859.87 MT, Region III with 6,596.57 MT, Region VI with 2,952.52 MT and ARMM with 2,809.77 MT. At 36.36%, the Ilocos Region produced more than one-third of the country's total mung bean production in 2019.

MARKET POTENTIAL

- Most of the regions in the Philippines cannot meet their respective demand for mung bean. There are also emerging opportunities in the international market. Japan, for example, is looking for alternative suppliers. The vegetarian segment of the population is also a potential market.
- The country is 50.50% dependent to import sources for its mung bean consumption. Almost half of the domestic demand is still sourced abroad. This gap can be supplied by domestic production, should agribusiness investors venture into mung bean production, processing and marketing.
- According to PSA, the volume of mung beans produced in the Philippines was approximately 36.2 thousand metric tons in 2019. The same year, the production value of mung bean in the country was 2.2 billion pesos. Return on investment is reported to be 119.0% in 2019.





SUMMARY OF ONE HECTARE AVERAGE COST AND RETURNS, 2019

Particulars	
Gross Returns (PhP/ha)	48,689
Total Costs (PhP/ha)	22,247
Net Returns (PhP/ha)	26,442
Net Profit-Cost Ratio	1.19
Cost per Kilogram (PhP)	25.61
Yield per Hectare (kg/ha)	869
Farmgate Price (PhP/kg)	56.05
Return on Investments (ROI, %)	119

Source: Philippine Statistics Authority, 2020

BUYERS/PROCESSORS IN THE PHILIPPINES

BUYER	ADDRESS
Lucky 888 Food International, Inc.	126 D. Aquino St, Grace Park West, Caloocan City
Reyson's Food Processing	77 Scout Santiago cor. Scout Ojeda, Barangay Obrero, Quezon City
Philippine Grocers Food Exports, Inc.	401 F. Legaspi Street, Maybunga, Pasig City
Trans-Ocean Food Products, Inc.	#134 Sanciangco St., Catmon, Malabon City
Conzarrrd, Inc.	Purok Durias, Begong, Tigbao, Zamboanga Del Sur
PearlFoods International, Inc.	187 Sta. Monica, San Pablo City, Laguna
3 Tops Trading	37, Rizal St, Iloilo City Proper, Iloilo City
CMF Group Marketing Corporation#42	Cabatuan St., Balintawak Quezon City
Escan Delicacies	1139 J. Marzan Street, Sampaloc, Manila
Fil-Choice Food Industries, Inc.	No. 4 Mariano Ponce St., Bagong Barrio, Caloocan City
Food Processors Association of Davao, Inc.	SME Center, DOCCII Bldg., J.P. Laurel Ave., Davao City, Davao Del Sur



GOVERNMENT SUPPORT/SERVICES:

Financial Support

- The Department of Agriculture (DA) through the Agricultural Competitiveness Enhancement Fund (ACEF) makes available loans with 2% interest per annum. The loan program is being administered by Land Bank of the Philippines (LBP).
- The Agricultural Credit Policy Council (ACPC) offers loan programs namely Expanded Sure Aid and Recovery Project (SURE COVID-19), Kapital Access for Young Agripreneurs (KAYA), and the Agri-Negosyo (ANYO) Loan Program. The said loan programs target farmers and fisherfolks, the youth, Overseas Filipino Workers (OFWs), and Micro, Small and Medium Enterprises (MSMEs) as beneficiaries.
- Land Bank of the Philippines (LBP) offers loans for agricultural production and processing under its usual credit programs for small farmers.
- The Department of Science and Technology (DOST) provides loans through its Small Enterprise Technology Upgrading (SET-UP) Program.
- The Department of Trade and Industry (DTI) through the Small Business Corporation (SB Corp) offers varied loan packages for MSMEs under the Pondo sa Pagbabago at Pag-asenso (P3) Program.

Technical/Non-Financial Support

- DA conducts trainings on production, marketing and entrepreneurship. The Department also provides processing equipment and/or supplies for feasible projects.



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- DA through the High Value Crops Development Program (HVCDP) provides technical support services in areas covering production, market development, extension support, education and training, and research and development. HVCDP also provides irrigation network services, as well as agricultural and fishery machinery, equipment and facilities support.
- DA through the Agribusiness and Marketing Assistance Service (AMAS) and its regional counterparts, the Agribusiness and Marketing Assistance Division (AMAD), provide webinars on agribusiness investment opportunities and market linking activities.
- DA through the Agricultural Training Institute (ATI) makes available technical trainings and seminars.
- Department of Science and Technology (DOST) facilitates extension of credit and loans to micro, small and medium enterprises (MSMEs) under its Small Enterprise Technology Upgrading Program (SETUP). The agency as well provides postharvest equipment and supplies.
- Department of Trade and Industry (DTI) provides market and trade promotions, as well as the provision of shared service facilities to qualified associations.

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ONE HECTARE AVERAGE COST OF PRODUCTION, 2019

ITEM	AMOUNT (in PhP per hectare)
CASH COSTS	8,370
Seeds/planting materials	970
Fertilizers	58
Pesticides	716
Hired Labor	3,277
Land Tax	150
Rentals	748
Fuel and Oil	203
Irrigation fee	51
Interest on crop loan	618
Transport cost of inputs	61
Food expense	404
Repairs	1,114
NON-CASH COSTS	3,314
Seeds/planting materials	936
Hired labor (paid in kind)	83
Landlord's share	579
Harvesters' share	1,710
Irrigation fee	7
IMPUTED COSTS	10,563
Operator/family labor	4,878
Exchange labor	85
Depreciation	4,315
Interest on operating capital	356
Rental value of owned land	929
TOTAL COSTS	22,247
GROSS RETURNS	48,689
GROSS RETURNS ABOVE CASH COSTS	40,319
GROSS RETURNS ABOVE CASH AND NON-CASH COSTS	37,005
NET RETURNS	26,442
NET PROFIT-COST RATIO	1.19
Cost per kilogram (PhP)	25.61
Yield per hectare (kg/ha)	869
Farmgate price (Php/kg)	56.05

* - Refers to maintenance costs only.
Source: Philippine Statistics Authority, 2020