

GARLIC SUPPLY CHAIN COST STRUCTURE & TRAVEL TIME

Region 2

Source

Batanes

Destination

Metro Manila

Average Yield (kgs)/Ha.

3,700

Farmgate Price (P/kilo)

75

As of July 12, 2007

DARFU 02 AMAD

COST ELEMENTS	UNIT	QUANTITY	UNIT PRICE	VALUE	COST/KILO (P/K)	% vs Customer Level price	ASSUMPTIONS
PRODUCTION							
Labor							Garlic in Batanes are organically
Land Preparation							grown
Clearing	md	5	150.00	750.00	0.20		* Storage fee is P10-15/sack
Plowing/Harrowing	mad	8	300.00	2,250.00	0.61		at 40 kilos per sack
Harrowing	md	1	300.00	300.00	0.08		* Transport cost from warehouse
Cleaning	md	5	120.00	600.00	0.16		to buyer P500.00/21-30 sacks
Levelling/bedding	md	10	150.00	1,500.00	0.41		at 40 kilos per sack
Cogon cutting & hauling	md	52	150.00	7,800.00	2.11		
Manure application	md	4	150.00	600.00	0.16		Postharvest losses
Seed piece preparation				7,050.00	1.91		Production loss - 5%
Planting	md	20	150.00	3,000.00	0.81		Post-production loss - 2.5%
Mulching	md	10	150.00	1,500.00	0.41		Distribution loss- 2.5%
Weeding (3 x)	md	30	150.00	4,500.00	1.22		Source: DA C.O-HVCC f
Harvesting	md	20	150.00	3,000.00	0.81		
Material Inputs							
Seeds/Cloves (500kgs @ P50/kg)	kgs	500	50.00	25,000.00	6.76		
Animal Manure	kgs	5000	1.00	5,000.00	1.35		
Seeds	pcs	100	10.00	1,000.00	0.27		
Cogon (20 baras) @ P400/baras	kgs	400-500	50.00	22,500.00	6.08		
Interest Expense (2% for 4 months)				6,908.00	1.87		
Production loss (5%)				13,875.00			
PRODUCTION LEVEL				93,258.00	25.20	20.16%	
POST-PRODUCTION							
Hauling	md	5	150.00	750.00	0.20		
Transport (price per kilo boat)	kgs	3700	2.50	9,250.00	2.50		
Drying	md	10	150.00	1,500.00	0.41		
Cleaning	md	12	150.00	1,800.00	0.49		
Sorting/packing	md	8	150.00	1,200.00	0.32		
Sack	pcs	93	5.00	462.50	0.13		
Postharvest losses	kgs			6,590.63	1.78		
POST-PRODUCTION LEVEL				21,553.13	5.83	4.66%	
TOTAL PRODUCTION COST				114,811.13	31.03	24.82%	
FARMGATE PRICE					75.00		
MARGIN					43.97		
DISTRIBUTION							
arrival of products in Metro manila							
- Storage fee		3700	0.25	925.00	0.25		
- Transport cost bodega to buyer		3700	0.42	1,554.00	0.42		
Postharvest losses				6,425.86	1.74		
DISTRIBUTION LEVEL				8,904.86	2.41	1.93%	
PRICE PAID BY BUYER in MANILA					100.00		
RETAILER'S MARGIN					25.00	20.00%	
CUSTOMER LEVEL					125.00	100%	

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	3,700
5%	185
	3,515
	3,515
2.50%	88
	3,427
	3,427
2.50%	86
	3,341

