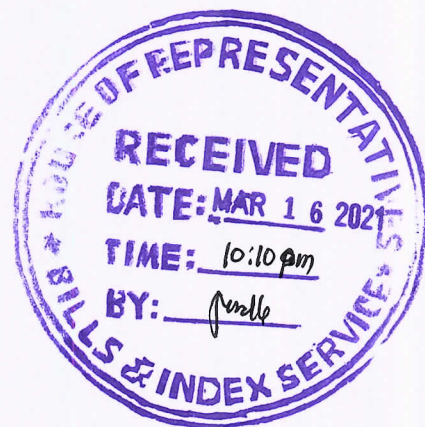




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Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 9029

Introduced by Representative Shirlyn L. Bañas-Nogales

EXPLANATORY NOTE

This bill seeks to set a ceiling on the prices of different varieties of rice to ensure the affordability of rice and protect the consumers from rice cartels.

The Philippines is an agricultural country filled with a variety of food resources. It is even known once as the rice capital of Asia. The International Rice Research Institute was even established here in the Philippines. Foreign rice researchers had studied the kind of rice we produced because of the bountiful harvest of our rice fields.

Nowadays, as the Philippines, along with the rest of the world, is currently experiencing a national health emergency or pandemic, we are again reminded of the importance of the basic commodity that is rice. It feels as if something is missing on our table without this staple. However, because of the massive development projects that have swept our land, local rice production has dwindled. We are now dependent on rice importation to maintain our buffer stock of rice.

For a long time, concerns have been raised on some practices of big rice importers and traders of manipulating the prices of rice in the market by controlling the rice supply. Thus, it is imperative to institute measures that will protect consumers from these unfair practices. At the very least, we need to

establish a ceiling or cap on the prices of rice to protect the people from unreasonable price increases.

The core principle of this bill is the protection of consumers. It aims to protect them from corrupt individuals who manipulate the prices of rice in the land. This measure will also guarantee the affordability of rice in our country.

In view of the foregoing, approval of this bill is highly recommended.


SHIRLYN L. BANAS-NOGRALES

1 affordability and to protect the consumers from unreasonable price increase and
2 cartels.

3 SEC. 3. ***Mandatory Rice Price Ceiling.*** – The Department of
4 Agriculture, in coordination with the Price Coordinating Council, shall
5 determine and set a ceiling on the price of different varieties of rice at the
6 regional or national level every three (3) months.

7 The Price Coordinating Council shall cause the immediate dissemination
8 of the mandated price ceiling and its effective duration through broadcast by
9 radio, television, social media, and other effective information dissemination
10 system. The information on the rice price ceiling shall also be disseminated and
11 posted in public markets, supermarkets, or other public places. If necessary, the
12 Price Coordinating Council shall cause its publication in a newspaper of general
13 circulation.

14 SEC. 4. ***Determination of Price Ceiling.*** – In determining the
15 reasonable price ceiling, the following factors shall be taken into consideration:

16 (a) The average price of rice in the last three (3) months immediately
17 preceding the proclamation of the new price ceiling;

18 (b) The price ceiling in the preceding month;

19 (c) The supply available in the markets;

1 (d) The cost to the producer, manufacturer, importer, distributor, or
2 seller including:

3 (1) The exchange rate of the peso to the foreign currency with
4 which rice commodity or any component, ingredient or raw material
5 thereof was paid for;

6 (2) Any change in the amortization cost of machinery brought
7 about by any change in the exchange rate of the peso to the foreign
8 currency with which the machinery was bought through credit facilities;

9 (3) Any change in the cost of labor brought about by a change in
10 the minimum wage; and

11 (4) Any increase in the cost of transporting or distributing the rice
12 to the area of destination.

13 (e) Such other factors or conditions which will aid in arriving at a just
14 and reasonable price ceiling.

15 SEC. 5. ***Penalties.*** – Any person who sells rice in violation of the
16 price ceiling prescribed by the Price Coordinating Council shall be punished
17 with the penalty of imprisonment of not less than one (1) year but not more than
18 ten (10) years, or a fine of not less than Fifty thousand pesos (P50,000.00) but
19 not more than Five hundred thousand pesos (P500,000.00), or both, at the
20 discretion of the court.

1 If the offender is a juridical person, the president, manager or officer who
2 is responsible for the violation shall be held liable.

3 SEC. 6. ***Implementing Rules and Regulations.*** – The Department of
4 Agriculture shall, in coordination with the Price Coordinating Council, issue the
5 necessary rules and regulations for the effective implementation of this Act.

6 SEC. 7. ***Repealing Clause.*** – All laws, decrees, orders, or rules and
7 regulations which are inconsistent or contrary to the provisions of this Act are
8 hereby amended or repealed accordingly.

9 SEC. 8. ***Effectivity.*** – This Act shall take effect fifteen (15) days after
10 its publication in the *Official Gazette* or in a newspaper of general circulation.

11 Approved,