

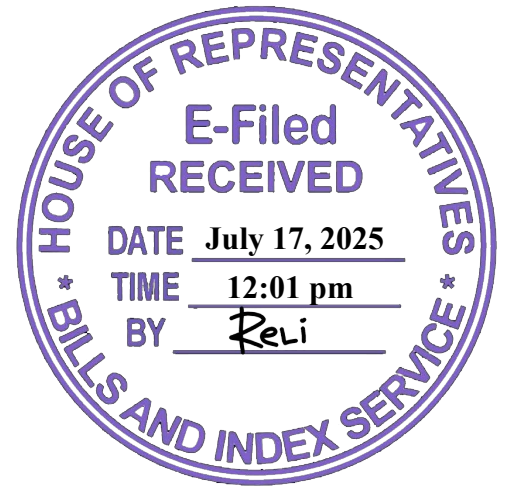
HOUSE OF REPRESENTATIVES

Quezon City

TWENTIETH CONGRESS

First Regular Session

House Bill No. 2075



Introduced by Representative

BRIAN DANIEL POE LLAMANZARES, PhD, MNSA

**AN ACT ESTABLISHING THE RICE COMPETITION INDEX, PROVIDING FOR A
NATIONAL RICE PRICE MONITORING PLATFORM, AND APPROPRIATING
FUNDS THEREFOR**

EXPLANATORY NOTE

This bill, to be known as the "RICE COMPETITION AND PRICE MONITORING ACT," addresses the critical need for transparency and fair competition within the Philippine rice industry. As rice is the staple food for Filipinos, its price and accessibility directly impact national food security, economic stability, and poverty levels.

Current market practices often lack sufficient oversight, leading to potential price manipulation, hoarding, and anti-competitive behaviors that disproportionately affect both rice farmers and consumers. Existing data collection methods for rice prices are fragmented and not always readily accessible to the public, hindering informed decision-making and effective policy intervention.

This proposed legislation seeks to rectify these issues by establishing two crucial mechanisms:

1. The Rice Competition Index (RCI): This will be a comprehensive metric developed and regularly published by the Philippine Competition Commission (PCC), in collaboration with the Department of Agriculture (DA) and other relevant agencies. The RCI will provide a detailed analysis of competition levels across the entire rice value chain – from farmgate to retail. It will pinpoint areas of market concentration, barriers to entry for new players, and potential anti-competitive arrangements, serving as a vital tool for the PCC's enforcement actions and policy recommendations.

2. The National Rice Price Monitoring Platform (NRPMP): To be led by the DA, this publicly accessible digital platform (which will also serve as the RCI Platform) will provide real-time or near real-time data on rice prices nationwide. It will consolidate information on farmgate, wholesale, and retail prices for various rice varieties, along with critical market data like supply volumes and stock levels. The platform will feature user-friendly interfaces, analytical tools, and an automated alert system to flag suspicious pricing patterns, helping to identify and disrupt potential collusion or price manipulation.

The bill mandates the participation of Local Government Units (LGUs) in collecting and submitting verified retail price data, empowering them with performance-based grants. It also requires all registered rice retailers to submit accurate pricing information and display prices visibly, with incentives for compliance. Penalties are stipulated for non-compliance, falsification of data, and anti-competitive practices.

By establishing the RCI and the NRPMP, this Act aims to:

- Empower consumers with transparent and accessible price information, enabling them to make informed purchasing decisions.
- Support farmers by providing them with market insights to negotiate fairer prices for their produce.
- Strengthen government oversight by providing real-time data and analytical tools to identify and address market inefficiencies and anti-competitive behaviors promptly.
- Promote fair competition throughout the rice industry, ensuring stable and affordable rice prices for all Filipinos.

The estimated initial appropriation of Five Hundred Million Pesos (P500,000,000.00) will cover the development of the platform, capacity-building for LGUs, and public awareness campaigns. This investment is crucial for the successful implementation of a system that will safeguard the interests of millions of Filipino rice consumers and producers.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



HON. BRIAN DANIEL POE LLAMANZARES, PhD, MNSA
Representative
FPJ Panday Bayanihan Party-List

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BE IT ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE
PHILIPPINES IN CONGRESS ASSEMBLED:

SECTION 1. SHORT TITLE. This Act shall be known as the “Rice Competition Index Act.”

SECTION 2. DECLARATION OF POLICY. The State recognizes the paramount importance of rice as a staple food for Filipinos and its significant impact on national food security, economic stability, and poverty alleviation. It is hereby declared the policy of the State to ensure a stable, affordable, and competitive rice market by promoting fair competition, preventing anti-competitive practices, and providing transparent and accessible information on rice prices and market dynamics to all stakeholders, including farmers, consumers, and policymakers. This Act aims to promote consumer empowerment, strengthen oversight of the rice supply chain, and disrupt anti-competitive practices through a publicly accessible digital price monitoring platform.

SECTION 3. DEFINITION OF TERMS. For purposes of this Act, the following terms shall mean:

(A) **RICE** refers to milled rice, whether regular, well-milled, or premium, and includes palay (unhusked rice) when relevant to market analysis.

(B) **RICE COMPETITION INDEX (RCI)** refers to a comprehensive metric or set of metrics designed to assess the level of competition within the Philippine rice industry, from production to retail. It also refers to a digital system that consolidates, analyzes, and publicly displays retail rice prices.

(C) **NATIONAL RICE PRICE MONITORING PLATFORM (NRPMP)** refers to a centralized, publicly accessible, and real-time online platform for the collection, analysis, and dissemination of rice price data across the entire supply chain.

(D) **RICE VALUE CHAIN** refers to the entire process of rice production, including farming, harvesting, milling, trading, distribution, and retail.

(E) **ANTI-COMPETITIVE PRACTICES** refer to any conduct that prevents, restricts, or distorts competition in the rice market, as defined by existing competition laws.

(F) **PARTICIPATING LGU** refers to a local government unit that collects and submits retail rice prices for inclusion in the RCI and NRMP.

(G) **RETAILER** refers to any individual or business entity engaged in the sale of rice to end consumers.

(H) **RCI PLATFORM** refers to the official website and mobile application developed and maintained under this Act.

SECTION 4. ESTABLISHMENT OF THE RICE COMPETITION INDEX (RCI) AND NATIONAL RICE PRICE MONITORING PLATFORM (NRPMP).

(A) The Philippine Competition Commission (PCC), in coordination with the Department of Agriculture (DA), the Department of Trade and Industry (DTI), the Philippine Statistics Authority (PSA), and the Department of Information and Communications Technology (DICT), shall establish and regularly publish the Rice Competition Index (RCI). The DA shall be the lead implementing agency for the NRMP.

(B) The RCI shall measure, analyze, and benchmark the level of competition at various stages of the rice value chain, including but not limited to:

- (1) Concentration levels of key players (e.g., millers, traders, retailers);
- (2) Barriers to entry for new market participants;
- (3) Effectiveness of market regulations;
- (4) Pricing practices and disparities;

(5) Efficiency of distribution channels; and

(6) Presence of cartels, monopolies, or other anti-competitive arrangements.

(C) The RCI shall utilize a robust methodology, incorporating both quantitative and qualitative data, and shall be updated and published at least annually. The methodology shall be transparent and subject to public consultation. The PCC shall use the RCI as a primary tool for identifying potential anti-competitive issues in the rice industry and for guiding its enforcement actions and policy recommendations.

(D) The DA, through its relevant bureaus and agencies, in coordination with the DTI and the PSA, shall establish, operate, and maintain the NRPMP.

(E) The NRPMP, serving as the RCI Platform, shall be a centralized and publicly accessible online database and mobile application that provides real-time or near real-time information on rice prices across the country, encompassing:

(1) Farmgate prices of palay;

(2) Wholesale prices of milled rice at various trading centers;

(3) Retail prices of different rice varieties in wet markets and supermarkets, displayed by location, rice type, and vendor;

(4) Import and export prices of rice; and

(5) Relevant market data such as supply volumes, stock levels, and demand indicators.

(F) The NRPMP shall also include historical pricing trends, regional comparisons, and rice source origin (local or imported). It shall ensure data accuracy, reliability, and timeliness by mandating data submission from relevant government agencies, private sector entities involved in the rice value chain, and local government units. The DA shall establish clear guidelines for data collection, validation, and submission.

(G) The NRPMP shall feature user-friendly interfaces, analytical tools, and visualization options to facilitate informed decision-making by farmers, traders, consumers, policymakers, and researchers. It shall be publicly accessible and free of charge, enabling consumers to view and compare current rice prices in their area and allowing users to report price discrepancies or suspicious activity. It shall also display official price reports submitted by LGUs and verified retailers.

SECTION 5. LGU-BASED PRICE MONITORING.

(A) Each Participating LGU shall:

- (1) Designate a Rice Price Monitoring Team composed of local market officers and barangay representatives;
- (2) Collect weekly retail rice prices from public markets and submit verified data to the DA; and
- (3) Ensure accuracy and completeness of submitted price reports.

(B) Participating LGUs shall be eligible for performance-based grants to support their price monitoring efforts.

SECTION 6. RETAILER PARTICIPATION AND TRANSPARENCY REQUIREMENTS.

(A) All registered Rice Retailers shall:

- (1) Submit retail prices weekly or more frequently as determined by the DA;
- (2) Display current rice prices visibly at their point of sale; and
- (3) Cooperate with LGU and DA monitoring activities.

(B) Retailers may receive digital incentives (e.g., “Verified Rice Retailer” badge, procurement privileges) for compliance.

SECTION 7. ENFORCEMENT AND CARTEL DISRUPTION MECHANISM.

(A) The RCI Platform shall include an automated price anomaly alert system, which shall:

- (1) Flag suspicious pricing patterns, coordinated price hikes, or sudden uniformity; and
- (2) Send alerts to the DA, DTI, and the Philippine Competition Commission (PCC) for further investigation.

(B) This system shall assist enforcement agencies in identifying hoarding, price-fixing, or collusive behavior.

(C) The PCC shall periodically conduct market studies and investigations based on RCI findings to address competition issues in the rice industry.

SECTION 8. UTILIZATION OF DATA AND FINDINGS.

(A) The data and findings from the RCI and NRPMP shall be actively used by government agencies, particularly the DA, DTI, and PCC, to:

- (1) Formulate evidence-based policies to ensure stable rice supply and prices;

- (2) Identify and address market inefficiencies and anti-competitive practices;
- (3) Guide interventions in the rice market, such as buffer stocking and importation;
- (4) Empower farmers with information to negotiate better prices for their produce;
- (5) Inform consumers about prevailing market prices to make wise purchasing decisions;
and
- (6) Promote transparency and accountability across the rice value chain.

SECTION 9. RESEARCH AND DEVELOPMENT.

- (A) The DA, in collaboration with academic institutions and research organizations, shall utilize the data from the NRPMP to conduct research on rice market dynamics, supply chain efficiency, and the impact of various policies on rice prices and competition.
- (B) Funds shall be allocated for the continuous improvement and innovation of the RCI methodology and the NRPMP technology and functionalities.

SECTION 10. PENALTIES.

- (A) LGUs that fail to submit required data for two consecutive reporting cycles without valid reason shall face administrative sanctions, including budget withholding for agricultural support programs.
- (B) Retailers that deliberately falsify pricing data shall be penalized with a fine of not more than Five Hundred Thousand Pesos (P500,000.00) and may be suspended from participating in DA subsidy programs or government procurement schemes.
- (C) Without prejudice to existing competition laws, any person or entity found to be engaged in anti-competitive practices identified through the RCI or NRPMP shall be subject to penalties prescribed under Republic Act No. 10667, otherwise known as the “Philippine Competition Act,” and other relevant laws.
- (D) If the violation is committed by a corporation, partnership, or any other juridical entity, the penalty shall be imposed upon the responsible officers who participated in, or by their gross negligence, allowed the commission of the violation.

SECTION 11. APPROPRIATIONS. The amount of Five Hundred Million Pesos (P500,000,000.00) is hereby appropriated for the initial implementation of this Act, including:

- (A) Development of the platform and mobile application;

(B) Capacity-building for LGUs; and

(C) Public awareness campaigns and incentives for compliance.

Thereafter, such sums as may be necessary for the continued operation and maintenance of the RCI and NRPMP shall be included in the annual General Appropriations Act.

SECTION 12. IMPLEMENTING RULES AND REGULATIONS (IRR). Within ninety (90) days from the effectivity of this Act, the DA, in coordination with the PCC, DTI, PSA, DICT, and other relevant government agencies and stakeholders, shall formulate the necessary rules and regulations for the effective implementation of this Act.

SECTION 13. SEPARABILITY CLAUSE. If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

SECTION 14. REPEALING CLAUSE. All laws, decrees, orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 15. EFFECTIVITY. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,

A handwritten signature in black ink, reading "Brian Poe", written in a cursive style.

HON. BRIAN DANIEL POE LLAMANZARES, PhD, MNSA

Representative

FPJ Panday Bayanihan Party-List