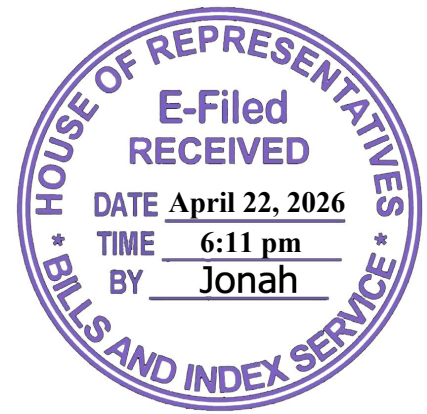


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. 8953



Introduced by **Representative ERIC G. YAP**

EXPLANATORY NOTE

This bill seeks to ensure the affordable and accessible distribution of imported rice to Filipino consumers by mandating its sale through Kadiwa stores, centers, and outlets at actual importation cost, while amending Republic Act (RA) No. 8178, otherwise known as the "*Agricultural Tariffication Act*", as amended by RA No. 11203. It aims to stabilize rice prices, protect vulnerable sectors, and strengthen government intervention in the rice market through transparent and targeted distribution mechanisms.

Despite the liberalization of rice importation under existing laws, many Filipino households, particularly those belonging to low-income and vulnerable sectors, continue to experience high and unstable rice prices. Market-driven importation, while increasing supply, does not always translate to affordable retail prices due to layers of distribution costs, mark-ups, and market inefficiencies. As a result, access to affordable rice remains a pressing concern, especially during periods of inflation and supply disruptions.

This measure addresses these challenges by authorizing the Department of Agriculture (DA), through the National Food Authority (NFA) and other appropriate agencies, to undertake government-to-government rice importation and ensure its direct distribution through licensed Kadiwa outlets. Selling rice at actual import cost will eliminate excessive intermediaries and profit margins, thereby making rice more affordable and accessible to the public.

The bill further directs that priority be given to low-income households and vulnerable sectors in the distribution of imported rice. It also mandates the use of available government resources to support procurement and distribution, while ensuring transparency, accountability, and efficiency in program implementation. At the same time, it provides safeguards to protect local farmers by ensuring that domestic production remains supported and prioritized in national and local markets.

This proposed measure balances the need for immediate consumer relief with the long-term goal of sustaining local agricultural development. It reinforces the State's commitment to food security, price stability, and inclusive economic growth.

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



HON. ERIC G. YAP

Republic of the Philippines
HOUSE OF REPRESENTATIVES
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House Bill No. **8953**

Introduced by **Representative ERIC G. YAP**

AN ACT
PROVIDING FOR THE DISTRIBUTION OF IMPORTED RICE AT KADIWA STORES, CENTERS, AND OUTLETS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8178, OTHERWISE KNOWN AS THE "AGRICULTURAL TARIFFICATION ACT", AS AMENDED

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

Section 1. Section 2 of Republic Act (RA) No. 8178, otherwise known as the "*Agricultural Tariffication Act*", as amended by RA No. 11203, otherwise known as the "*Rice Tariffication Law*", is hereby further amended to read as follows:

"SEC. 2. *Declaration of Policy.* – It is the policy of the State to ensure food security and to make the country's agricultural sector viable, efficient, and globally competitive. The State adopts the use of tariffs in lieu of non-tariff import restrictions to protect local producers of agricultural products.

"x x x

"IT IS LIKEWISE THE POLICY OF THE STATE TO ENSURE FOOD SECURITY, ESPECIALLY FOR LOW-INCOME AND VULNERABLE SECTORS, BY FACILITATING THE AFFORDABLE DISTRIBUTION OF RICE. TOWARDS THIS END, THE STATE SHALL UTILIZE GOVERNMENT-TO-GOVERNMENT RICE IMPORTATION TO MAINTAIN A STABLE AND SUFFICIENT SUPPLY OF AFFORDABLE RICE. RICE PROCURED THROUGH SUCH SHALL BE DISTRIBUTED THROUGH LICENSED KADIWA STORES, CENTERS, AND OUTLETS AT THE ACTUAL IMPORTATION PRICE, THEREBY ENSURING EQUITABLE ACCESS TO RICE FOR ALL FILIPINOS."

"To FURTHER ENHANCE [help] the COMPETITIVENESS OF THE agricultural sector [compete globally], the State shall seek to raise

farm productivity levels by providing the necessary support services such as, but not limited to, irrigation, farm-to-market roads, post-harvest equipment and facilities, credit, research and development, extension services, other market infrastructure, and market information.”

SEC. 2. A new Section 17 is hereby inserted after the new Section 16 of the same Act, to read as follows:

“SECTION 17. GOVERNMENT-TO-GOVERNMENT RICE IMPORTATION AND KADIWA DISTRIBUTION. - THE DEPARTMENT OF AGRICULTURE (DA), THROUGH THE NATIONAL FOOD AUTHORITY (NFA) OR OTHER APPROPRIATE AGENCIES, IS HEREBY MANDATED TO FACILITATE GOVERNMENT-TO-GOVERNMENT RICE IMPORTATION TO ENSURE FOOD SECURITY AND RICE PRICE STABILITY.

“RICE IMPORTED THROUGH GOVERNMENT-TO-GOVERNMENT AGREEMENTS SHALL BE DISTRIBUTED DIRECTLY TO AUTHORIZED AND LICENSED KADIWA STORES, CENTERS, AND OUTLETS AT THE ACTUAL PRICE OF THE RICE UNDER SAID AGREEMENTS.

“THE DA SHALL UTILIZE THE FUNDS OF THE DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT (DSWD), THE NFA, AND OTHER AGENCIES MANDATED BY LAW TO PROCURE RICE FROM FOREIGN GOVERNMENTS. THE FUNDS SHALL BE ALLOCATED FOR THE DIRECT PURCHASE OF IMPORTED RICE AND ITS DISTRIBUTION THROUGH KADIWA OUTLETS, WHICH SHALL PRIORITIZE LOW-INCOME HOUSEHOLDS AND OTHER VULNERABLE SECTORS.

“THE DISTRIBUTION OF RICE AT KADIWA OUTLETS SHALL BE SUBJECT TO GUIDELINES SET BY THE DA, ENSURING TRANSPARENCY, ACCOUNTABILITY, AND ACCESSIBILITY, AND SHALL AIM TO MAKE RICE AVAILABLE AT PRICES REFLECTIVE OF THE ACTUAL IMPORT COST, EXCLUDING ANY ADDITIONAL MARK-UP OR PROFIT MARGINS: PROVIDED, THAT THE DISTRIBUTION AND SALE OF IMPORTED RICE IN KADIWA OUTLETS SHALL NOT UNDERMINE, REDUCE, OR NEGLECT THE SUPPORT FOR LOCAL FARMERS AND DOMESTIC RICE PRODUCTION; PROVIDED, FURTHER, THAT THE GOVERNMENT SHALL TAKE ALL NECESSARY MEASURES TO ENSURE THAT LOCAL FARMERS ARE NOT ADVERSELY AFFECTED BY THE AVAILABILITY OF IMPORTED RICE IN KADIWA STORES;

PROVIDED, FINALLY, THAT LOCAL FARMERS SHALL HAVE FAIR ACCESS TO DOMESTIC RICE MARKETS INCLUDING KADIWA STORES AND THEIR PRODUCE SHALL BE PRIORITIZED IN NATIONAL AND LOCAL DISTRIBUTION CHANNELS."

SEC. 3. *Implementing Rules and Regulations.* - The Department of Agriculture (DA), in consultation with the Department of Social Welfare and Development (DSWD), the National Food Authority (NFA), and other relevant government agencies, shall promulgate the necessary rules and regulations within ninety (90) days from the effectivity of this Act for its effective implementation.

SEC. 4. *Appropriations.* - The amounts necessary to carry out the provisions of this Act shall be sourced from the current appropriations of the DA, DSWD, National Food Authority, and other relevant government agencies, or from such other sources as may be identified by the Department of Budget and Management (DBM).

SEC. 5. *Repealing Clause.* - All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with or contrary to the provisions of this Act are hereby repealed or modified accordingly.

SEC. 6. *Separability Clause.* - If any part or provision of this Act is held unconstitutional or invalid, other parts or provisions thereof which are not affected shall continue to remain in full force and effect.

SEC. 7. *Effectivity.* - This Act shall take effect after fifteen (15) days following completion of its publication in at least two (2) newspapers of general circulation.

Approved,