

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 5583**



---

Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

---

**EXPLANATORY NOTE**

Republic Act 11203 or the Philippine Rice Tariffication Law aims to ensure food security and stabilize food prices in the country. With the liberalization of rice importation, however, there is now an influx of cheap imported rice, which retailers prefer than buying from local producers. This led to the drop in farm gate price of dry palay.

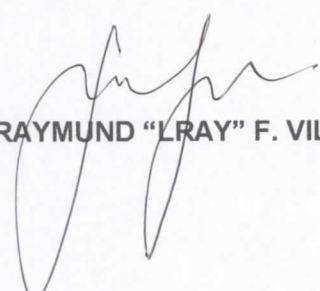
Based on data by the Philippine Statistics Authority, from an average of P17.23 per kilo of dry palay from 2015 to 2017, when prices were normal, prices declined to an average of P15.71 per kilo from the third week of September to the second week of October of 2019. This translates to an average loss for farmers of about P1.52 per kilo. Meanwhile, farmers' groups have lamented that farm gate prices of palay can go as low as P7 per kilo, much lower than the cost to produce it at over P12.

While support programs for farmers are in place, such as provision of loan assistance and productivity enhancement, the government must ensure that local farmers would have a market for their rice produce. To address this, this bill seeks to mandate the Department of Social Welfare and Development (DSWD), in coordination with the Department of Agriculture and the National Food Authority, to buy palay from farmers, and distribute rice subsidy in actual kilos of rice instead of cash grant to qualified beneficiaries of the Pantawid Pamilyang Pilipino Program or 4Ps.

At present, the 4Ps grants rice subsidy to its beneficiaries in the form of cash grant in the amount of P600 per month, or equivalent to 20 kilos of rice. Under the 2019 General Appropriations Act, the budget for rice subsidy is P28.5 billion. The same amount is being proposed for the year 2020.

In order to promote the welfare of farmers, this allocation should be used to buy rice from local farmers, which will be then distributed to poor families covered by the 4Ps. The government must do its best to help local farmers cope with the liberalization of rice importation.

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

  
**LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 5583**  
\_\_\_\_\_

---

Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

---

**AN ACT**

**AUTHORIZING THE USE OF THE RICE SUBSIDY AS PROVIDED FOR UNDER THE PANTAWID PAMILYANG PILIPINO PROGRAM (4Ps) IN THE GENERAL APPROPRIATIONS ACT OF 2019 FOR THE PURCHASE OF PALAY FROM FARMERS, MANDATING FOR THE PURPOSE THE DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT (DSWD), IN COORDINATION WITH THE DEPARTMENT OF AGRICULTURE (DA) AND THE NATIONAL FOOD AUTHORITY (NFA), TO BUY PALAY FROM LOCAL FARMERS, AND DISTRIBUTE RICE SUBSIDY IN THE FORM OF ACTUAL RICE, INSTEAD OF CASH ASSISTANCE, TO QUALIFIED BENEFICIARIES**

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

**SECTION 1.** Under the 2019 General Appropriations Act, the allocation for rice subsidy amounts to P28.51 billion, and the same amount is proposed for the fiscal year 2020. The rice subsidy in the form of cash is given to beneficiaries through their existing Land Bank accounts, through scheduled or coordinated payout by the Department of Social Welfare and Development (DSWD). This rice subsidy is part of the Pantawid Pamilyang Pilipino Program (4Ps), a human development measure of the national government that provides conditional cash grants to the poorest of the poor, to improve the health, nutrition, and the education of children aged 0-18.



**SECTION 2.** The beneficiaries of 4Ps include: (i) those registered in Pantawid Pamilya Information System; (ii) victims of natural and man-made disasters rendered homeless and with no means of livelihood; (iii) indigenous peoples in geographically isolated and disadvantaged areas; (iv) homeless street families; and (v) transitioning households whose level of well-being have improved but still at high risk of subsequently falling back into survival level as they precariously live with little or no buffer against economic shocks.

**SECTION 3.** The above-mentioned beneficiaries shall be entitled to rice subsidy, which amount is included in the total cash grant for 4Ps or Six Hundred Pesos (PhP600) rice subsidy per month, on a per household basis, and shall be given in actual kilos of rice instead of cash.

**SECTION 4.** The DSWD, together with the Department of Agriculture and the National Food Authority, shall set the procedures and guidelines in the buying of palay from farmers, and distribution of rice to the 4Ps beneficiaries, who shall receive their rice subsidy from DSWD-designated outlets. The Department of Finance and the National Economic Development Authority shall likewise provide support in the crafting of the implementing rules.

**SECTION 5.** The targeted areas shall be the rice producing provinces of Pangasinan, Ilocos Norte, Cagayan, Isabela, Nueva Vizcaya, Mindoro Oriental, Mindoro Occidental, Tarlac, Nueva Ecija, Zamboanga del Sur, and Iloilo.

**SECTION 6.** A year-end report of the program implementation shall be submitted by the DSWD to both Houses of Congress to determine its performance and effectiveness.

**SECTION 7. *Separability Clause.*** – Should any provision herein be declared unconstitutional, the same shall not affect the validity of the other provisions of this Act.

**SECTION 8. *Repealing Clause.*** – All laws, decrees, orders, rules, and regulations or other issuances or parts inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

**SECTION 9. *Effectivity Clause.*** – This Act shall take effect in fifteen (15) days after publication in the Official Gazette or in one (1) newspaper of general circulation in the Philippines.

*Approved,*