

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

**EIGHTEENTH CONGRESS**  
First Regular Session

**HOUSE RESOLUTION NO. 536**



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

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**A RESOLUTION**  
**URGING THE COMMITTEE ON AGRICULTURE AND FOOD TO INVESTIGATE,**  
**IN AID OF LEGISLATION, THE WIDE PRICE GAP BETWEEN FARM GATE AND**  
**RETAIL PRICES OF RICE DUE TO THE ALLEGED RICE HOARDING AND PRICE**  
**MANIPULATION OF UNSCRUPULOUS TRADERS IN THE COUNTRY**

WHEREAS, the Department of Finance (DOF) on November 18, 2019 said the price of rice has dropped by a national average of more than P8 per kilo, eight months after the enactment of Republic Act 11203 or the Philippine Rice Tariffication Law, which liberalized rice importation;

WHEREAS, the DOF, however, noted that the drop in prices is still not low enough, and that the government is now closely monitoring potential distortions in the market, particularly the price gap between farm gate and retail prices of rice;

WHEREAS, Finance Undersecretary Karl Kendrick Chua, head of the DOF's Strategy, Economics and Results Group, said that while palay price is still falling, the retail price is not as falling as fast, indicating a problem in the "middle supply chain";

WHEREAS, based on the data by the Philippine Statistics Authority (PSA), the average gap between the per kilo retail price of regular milled rice and farm gate price of dry palay is around P22, as average retail price is P37.51 per kilo compared to dry palay farm gate average price of P15.71 per kilo;

WHEREAS, the price gap is widest in the provinces of Iloilo (P29.75), Zamboanga del Norte (P28.50), Negros Occidental (P28.01), Kalinga (P25.33), and Bulacan (P25.25);

WHEREAS, Usec. Chua said there could be traders who have kept their imported rice stocks in warehouses to drive retail prices up despite abundant supply, causing the wide discrepancy in prices;

WHEREAS, the DOF said both the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC) have formed strike teams to look into possible smuggling and hoarding activities, and non-compliance with tax and business regulations;

WHEREAS, the Philippine Competition Commission (PCC) said it has formed a technical working group with other government agencies to look into possible manipulation of rice prices by unscrupulous groups, possibly working as cartels, keeping the retail prices of rice high despite the abundant supply of imported rice and the declining farm gate prices;

WHEREAS, among the main objectives of the Rice Tariffication Law is to ensure food security and stabilize food prices in the country;

WHEREAS, the government must ensure that the law's objectives are achieved, and put an end to anticompetitive practices that could hinder Filipino families from having access to affordable rice;

NOW, THEREFORE, BE IT RESOLVED by the House of Representatives to urge the Committee on Agriculture and Food to investigate, in aid of legislation, the wide price gap between farm gate and retail prices of rice due to the alleged rice hoarding and price manipulation of unscrupulous traders in the country.

APPROVED,



LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.