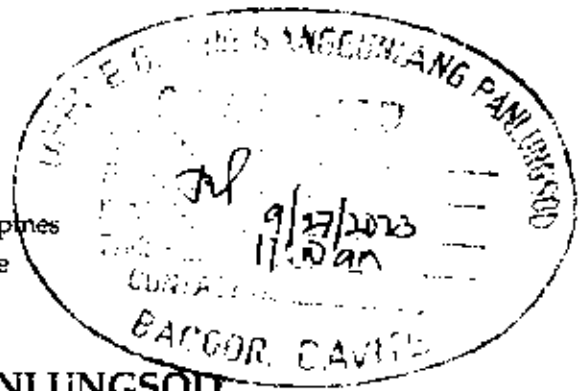




Republic of the Philippines
Province of Cavite
City of Bacoor



5th SANGGUNIANG PANLUNGSOD

Committee on Labor, Trade Commerce and Industry

COMMITTEE HEARING REPORT

NO. LCTI-012-S-2023

Subject: **A RESOLUTION ADOPTING EXECUTIVE ORDER NO.39 ISSUED ON 31 AUGUST 2023 BY THE OFFICE OF THE PRESIDENT ON THE IMPOSITION OF MANDATED PRICE CEILINGS ON RICE. (PCR No. 389-2023 dated September 4, 2023).**

The 59th Regular Session of the 5th Sangguniang Panlungsod was presided over by Pra Tempore, Coun. Reynaldo Palabrica held on September 4, 2023 at the Sangguniang Panlungsod (SP) Session Hall, 6th Flr. City of Bacoor Legislative and Disaster Resilience Building, Bacoor Government Center.

FINDINGS:

The imposition of rice price ceiling seeks to immediately lower the price of rice while also penalizing illegal practices and hoarders to discourage price manipulation.

Different factors have caused an alarming increase in the retail price of rice. In accordance with the EO 39, "The Department of Agriculture (DA) and Department of Trade and Industry (DTI) have reported alleged illegal price manipulation, such as hoarding and collusion among industry cartels. Also, global events such as the Russia-Ukraine conflict, India's ban on rice exportation, and the unpredictability of oil prices in the world market, have caused an alarming increase in the retail prices of this basic necessity:"

Despite the steady supply of rice, the surge in retail prices of rice in the country has resulted in a considerable economic strain on Filipinos, particularly those who are underprivileged and marginalized.

According to EO 39, Sec. 2, "The mandated price ceilings shall remain in full force and effect unless earlier lifted by the President upon the recommendation of the Price Coordinating Council or DA and DTI."

Additionally, to address the rising food prices, the DA and DTI have recommended the imposition of mandated price ceilings on rice in the whole country pursuant to Section 7 of RA No. 7581, known as the Price Act.

Based on the recommendation of the DA and DTI, the mandated price will be as follows:



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- Regular Milled Rice – ₱ 41.00 per kilogram
- Well-Milled Rice – ₱ 45.00 per kilogram

These monitoring and enforcement measures will involve conducting regular inspections to verify compliance with the mandated prices.

RECOMMENDATION:

After a thorough review of all the matters brought before its attention, the Committee recommends "A RESOLUTION ADOPTING EXECUTIVE ORDER NO.39 ISSUED ON 31 AUGUST 2023 BY THE OFFICE OF THE PRESIDENT ON THE IMPOSITION OF MANDATED PRICE CEILINGS ON RICE." be APPROVED.

WE HEREBY CERTIFY that the contents of the foregoing report are true and correct.

Signed this 11th day of September 2023 at the City of Bacoor, Cavite.

Committee on Labor, Trade Commerce and Industry

COUN. REYNALDO M. FABIAN
Chairman

COUN. ALEJANDRO GUTIERREZ
Vice Chairman

COUN. ROBERTO ADVINCULA
Member

COUN. MICHAEL SOLIS
Member



Republic of the Philippines
Province of Cavite
City of Bacoor

5th SANGGUNIANG PANLUNGSOD

Committee on Labor, Trade Commerce and Industry

COMMITTEE HEARING MINUTES

NO. LCTI-012-S-2023

Subject: : **A RESOLUTION ADOPTING EXECUTIVE ORDER NO.39 ISSUED ON 31 AUGUST 2023 BY THE OFFICE OF THE PRESIDENT ON THE IMPOSITION OF MANDATED PRICE CEILINGS ON RICE. (PCR No. 389-2023 dated September 4, 2023).**

The 59th Regular Session of the 5th Sangguniang Panlungsod held on September 4, 2023 at the 6th Floor Session Hall, Bacoor Legislative and Disaster Resilience Building, Bacoor Government Center. Hon. Rowena Boutista-Mendiola was the Acting City Mayor. The session was formally opened at 10:00 am by the Acting Presiding Officer, Hon. Reynaldo Palabrica and declared a quorum.

The above-mentioned subject was issued on August 31, 2023, by President Ferdinand Marcos Jr. through Executive Secretary Lucas P. Bersamin.

This Executive Order aims to alleviate the burden on consumers by making rice more affordable and accessible while protecting them against hoarding, illegal price manipulation, and other similar situations.

As the Chairman of the Committee on Labor, Trade Commerce and Industry, Hon. Reynaldo Fabian spoke about the executive order, emphasizing its significance. Additionally, he recommended adopting a resolution designating a taskforce to oversee and strongly enforce this order.

Hon. Alde Pagulayan moved for the suspension of Internal Rules. Hon. Fabian moved for the approval in passing a resolution for the above-mentioned subject. This was unanimously seconded by the council.

Prepared By:

ARMILEEN C. LEGASPI-RED
Local Legislative Staff Assistant I

Attested By:

COUN. REYNALDO M. FABIAN
Chairman



MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 39

IMPOSITION OF MANDATED PRICE CEILINGS ON RICE

WHEREAS, Section 2 of Republic Act (RA) No. 7581 or the "Price Act." as amended by RA No. 10623, declares it a policy of the State to provide effective and sufficient protection to consumers against hoarding, profiteering and cartels with respect to the supply, distribution, marketing and pricing of goods during periods of calamity, emergency and widespread illegal price manipulation, and other similar situations;

WHEREAS, Section 2 of RA No. 10845 or the "Anti-Agricultural Smuggling Act of 2016," mandates the State to promote the productivity of the agriculture sector and to protect farmers from unscrupulous traders and importers, who by their illegal importation of agricultural products, especially rice, significantly affect the production, availability of supply and stability of prices, and the food security of the State;

WHEREAS, Section 7 of RA No. 7581 provides that the President, upon the recommendation of the implementing agency or the Price Coordinating Council, may impose a price ceiling on any basic necessity or prime commodity in any of the following conditions: (i) threat, existence, or effect of an emergency; (ii) prevalence or widespread acts of illegal price manipulation; (iii) impendency, existence, or effect of any event that causes artificial and unreasonable increase in the price of the basic necessity or prime commodity; and (iv) whenever the prevailing price of any basic necessity or prime commodity has risen to unreasonable levels;

WHEREAS, the Department of Agriculture (DA) and the Department of Trade, and Industry (DTI) have reported that the country's rice supplies have reached a stable level and are sufficient owing to the arrival of rice imports and expected surplus on local rice production;

WHEREAS, despite the steady supply of rice, the DA and DTI have also reported that the widespread practice of alleged illegal price manipulation, such as hoarding by opportunistic traders and collusion among industry cartels in light of the lean season, as well as global events taking place beyond the Philippines' control, such as the Russia-Ukraine conflict, India's ban on rice exportation, and the

THE PRESIDENT OF THE PHILIPPINES

unpredictability of oil prices in the world market, among other factors, have caused an alarming increase in the retail prices of this basic necessity;

WHEREAS, the current surge in retail prices of rice in the country has resulted in a considerable economic strain on Filipinos, particularly those who are underprivileged and marginalized:

WHEREAS, to address the rising food prices, the DA and DTI have recommended the imposition of mandated price ceilings on rice in the whole country pursuant to Section 7 of RA No. 7581;

WHEREAS, in light of the current situation, it is crucial and urgent for the State to guarantee that basic necessities are not only sufficient but also reasonably priced and conveniently accessible to every Filipino; and

WHEREAS, Section 17, Article VII of the Constitution vests in the President the power of control of all executive departments, bureaus and offices, and the mandate to ensure the faithful execution of laws;

NOW, THEREFORE, I, FERDINAND R. MARCOS, JR., President of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

Section 1. Mandated Price Ceilings. Upon the joint recommendation of the DA and DTI, the mandated price ceilings on rice shall be implemented in the whole country, as follows:

Rice Variety	Mandated Price Ceiling
Regular Milled Rice	P41.00 per kilogram
Well-Milled Rice	P45.00 per kilogram

Section 2. Period. The mandated price ceilings shall remain in full force and effect unless earlier lifted by the President upon the recommendation of the Price Coordinating Council or the DA and DTI.

Section 3. Agency Directives. To ensure the immediate and effective implementation of this Order, the following national government agencies are directed to perform the following:

- a. Pursuant to Section 10(9) and (15) of RA No. 7581, the DTI and DA shall ensure the strict implementation of the mandated price ceilings on rice in the market, including monitoring and investigation of abnormal price movements thereof, and provision of assistance to affected retailers. The Department of the Interior and Local Government shall provide the necessary support to the DA and DTI for this purpose;
- b. To the fullest extent permitted by existing laws, including without limitation, Sections 3, 4 and 5 of RA No. 10845 and Section 5(1) of RA No. 7581, in relation

to Section 224 and other relevant provisions of RA No. 10863 or the "Customs Modernization and Tariff Act," the Bureau of Customs (BOC) shall intensify ongoing inspections and raids of rice warehouses to combat hoarding and illegal importation of rice in the country, and to facilitate the confiscation, seizure, or forfeiture of smuggled rice as may be warranted by law. To this end, the DA shall provide the necessary assistance to the BOC, which shall include the sharing of relevant information such as inventory of rice stocks, list of accredited rice importers, and location of rice warehouses;

- c. Consistent with Section 12(a) and (l) of RA No. 10667 or the "Philippine Competition Act," the Philippine Competition Commission, in coordination with the DA and DTI, shall take measures against cartels or those abusing their dominant position in the market to ensure fair market competition and uphold consumer welfare and protection; and
- d. The Philippine National Police and other law enforcement agencies shall render the necessary support and assistance to the DTI and DA to ensure the immediate and effective enforcement of this Order.

Section 4. Separability. If any part or provision of this Order shall be held invalid or unconstitutional, the provisions not affected thereby shall remain in full force and effect.


Section 5. Repeal. All orders, rules and regulations, and other issuances or parts thereof which are inconsistent with the provisions of this Order are hereby repealed or modified accordingly.

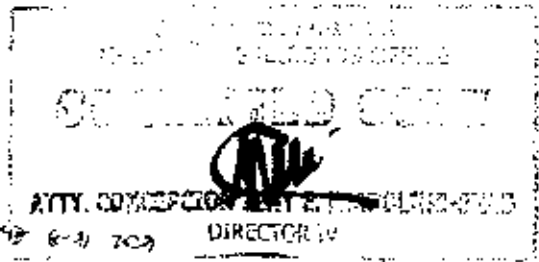
Section 6. Effectivity. This Order shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation.



DONE, in the City of Manila, this 31st day of August, in the year of our Lord, Two Thousand and Twenty-Three.

By the President:


LUCAS P. BERSAMIN
Executive Secretary




OFFICE OF THE EXECUTIVE SECRETARY
DEPARTMENT OF AGRICULTURE
6-3 2023 DIRECTOR IV


REPUBLIC OF THE PHILIPPINES

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