

Republic of the Philippines OFFICE OF THE SECRETARY

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DEPARTMENT CIRCULAR

No. <u>03</u> Series of 2025

SUBJECT

: DECLARATION OF FOOD SECURITY EMERGENCY ON RICE DUE TO EXTRAORDINARY INCREASE IN PRICES

WHEREAS, Republic Act (RA) No. 8178, otherwise known as the Agricultural Tariffication Act, as amended by RA No. 11203 and RA No. 12078, states that it is the policy of the State to ensure food security and to make the country's agricultural sector viable, efficient and globally competitive;

WHEREAS, Section 6 of RA No. 8178, as amended by RA No. 11203 and RA No. 12078, authorizes the Secretary of the Department of Agriculture (DA), upon the recommendation of the National Price Coordinating Council (NPCC) which compose of the Secretaries from the Department of Trade and Industry (DTI), Department of Agriculture (DA), Department of Health (DOH), Department of Interior and Local Government (DILG), Department of Environment and Natural Resources (DENR), National Economic and Development Authority (NEDA) Department of Justice (DOJ) Department of Energy (DOE), and Department of Transportation (DoTR), to declare a food security emergency on rice due to supply shortage or extraordinary increase in prices;

WHEREAS, pursuant to Section 6 of RA No. 8178, as amended, the NPCC, as the competent authority, shall devise a formula for determining the existence of a rice supply shortage or an extraordinary increase in rice prices;

WHEREAS, according to NPCC Resolution No. 01, series 2025, the Philippine Statistics Authority (PSA) reported that rice inflation in July 2023 reached 4.2 percent exceeding the upper limit of the 4 percent food inflation target of the Philippine Development Plan 2024-2028. Rice inflation further increased reaching 17.9 percent in September 2023;

WHEREAS, the above Resolution determined that rice prices remain elevated emphasizing that on December 2024, the price levels of regular milled rice (RMR) and well milled rice (WMR) were respectively 19 percent and 20 percent higher compared to the period before the price spikes in July 2023;

WHEREAS, the NPCC, based on their assessment and pursuant to Section 6 of RA No. 8178, resolved to adopt a formula for determining extraordinary price increase, to wit, "there is an extraordinary increase in price of rice when the rice inflation has exceeded the upper bound target for food inflation and reached double digits";

WHEREAS, as provided in the aforementioned Resolution, the formula for the determination of the existence of an extraordinary increase in rice prices shall be subject to review every four (4) months;

WHEREAS, based on their findings and expertise on the matter, the NPCC, through Resolution No. 01, series 2025 recommended the declaration of a food security emergency on rice by the DA Secretary due to extraordinary increase in prices;

NOW, THEREFORE, on the basis of the above recommendations, the Secretary hereby resolves to declare a food security emergency on rice due to extraordinary increase in prices, and do hereby proclaim as follows:

 $\textbf{Section 1.} \ There is hereby declared a Food Security Emergency on Rice due to Extraordinary Increase in Prices.$

Section 2. The state of food security emergency shall remain in force and effect until lifted or withdrawn by the Secretary.

This Circular shall take effect immediately. Three copies of this DC shall be sent to the National Administrative Register at the University of the Philippines Law Center.

Done this 3th day of PEBRUARY 2025.

REANCISCO P. TIU LAUREL JR. Secretary

