

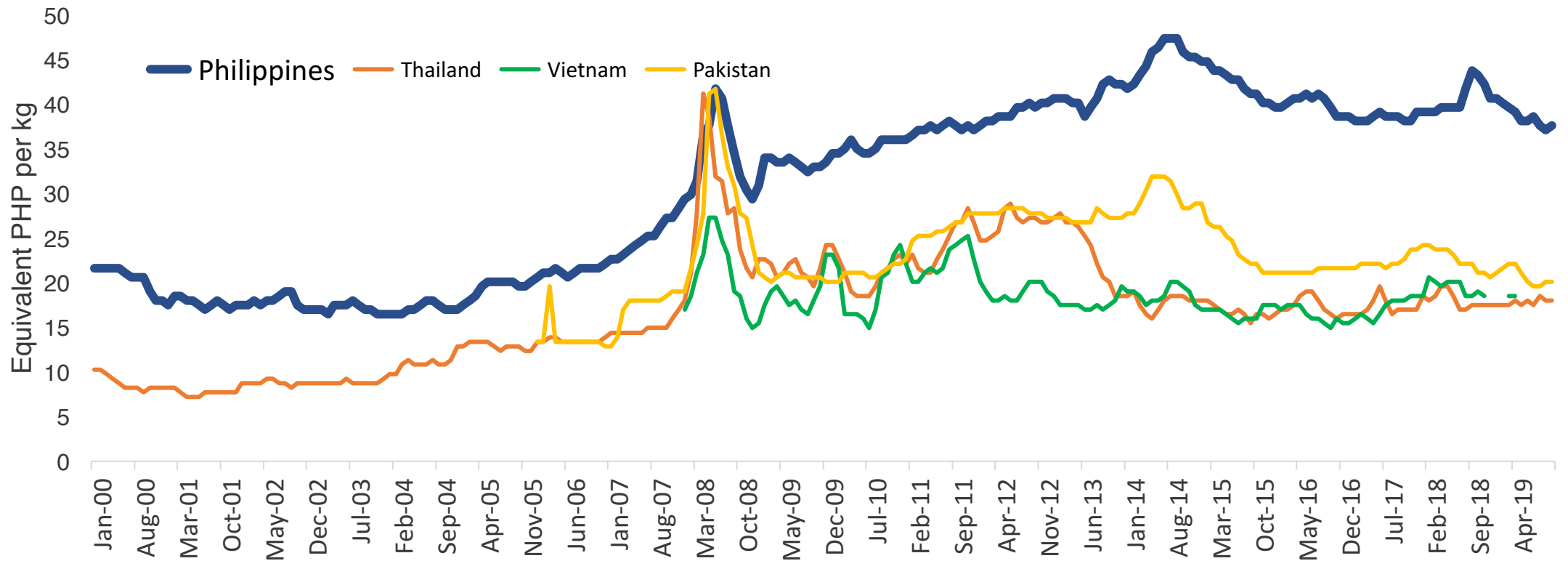
A BOLD STEP FORWARD

FINANCE SECRETARY CARLOS G. DOMINGUEZ
11TH ANNUAL WORLD RICE CONFERENCE
NOVEMBER 13, 2019



FILIPINOS USED TO PAY TWICE AS MUCH FOR RICE COMPARED TO OTHER COUNTRIES

DOMESTIC PRICES OF RICE IN THE PHILIPPINES AND OTHER ASIAN COUNTRIES



Sources: FAO and BSP

Notes: Due to differences in available data, prices for the Philippines use the retail price of regular milled rice, price for Thailand and Vietnam use the wholesale price of 25 percent broken rice, while prices in Pakistan use the retail price of IRR1 rice



RICE TARIFFICATION LAW (R.A. 11203)

Signed into law on February 14, 2019



Promotes **food security** by lowering the price of rice for every Filipino family.



Promotes **competition** by opening up the rice market to both imports and domestic production.



Supports **domestic rice production** as it mandates the National Food Authority (NFA) to source the emergency buffer stock solely from local farmers.



Provides funds for farmer education and mechanization to **improve productivity**.



RICE TARIFFICATION LAW (R.A. 11203)

KEY PROVISIONS



Took effect on March 5, 2019.



Imposes a minimum 35 percent tariff on rice imports.

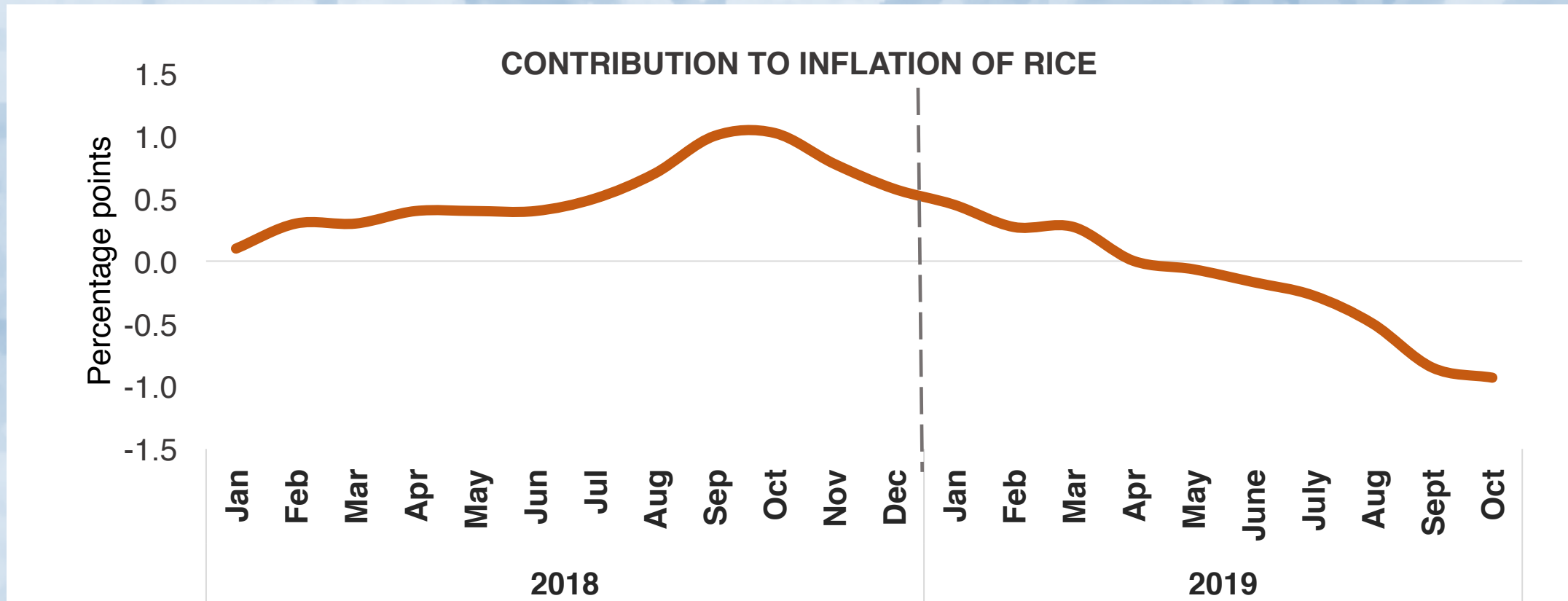


Removes all import and trade licensing.

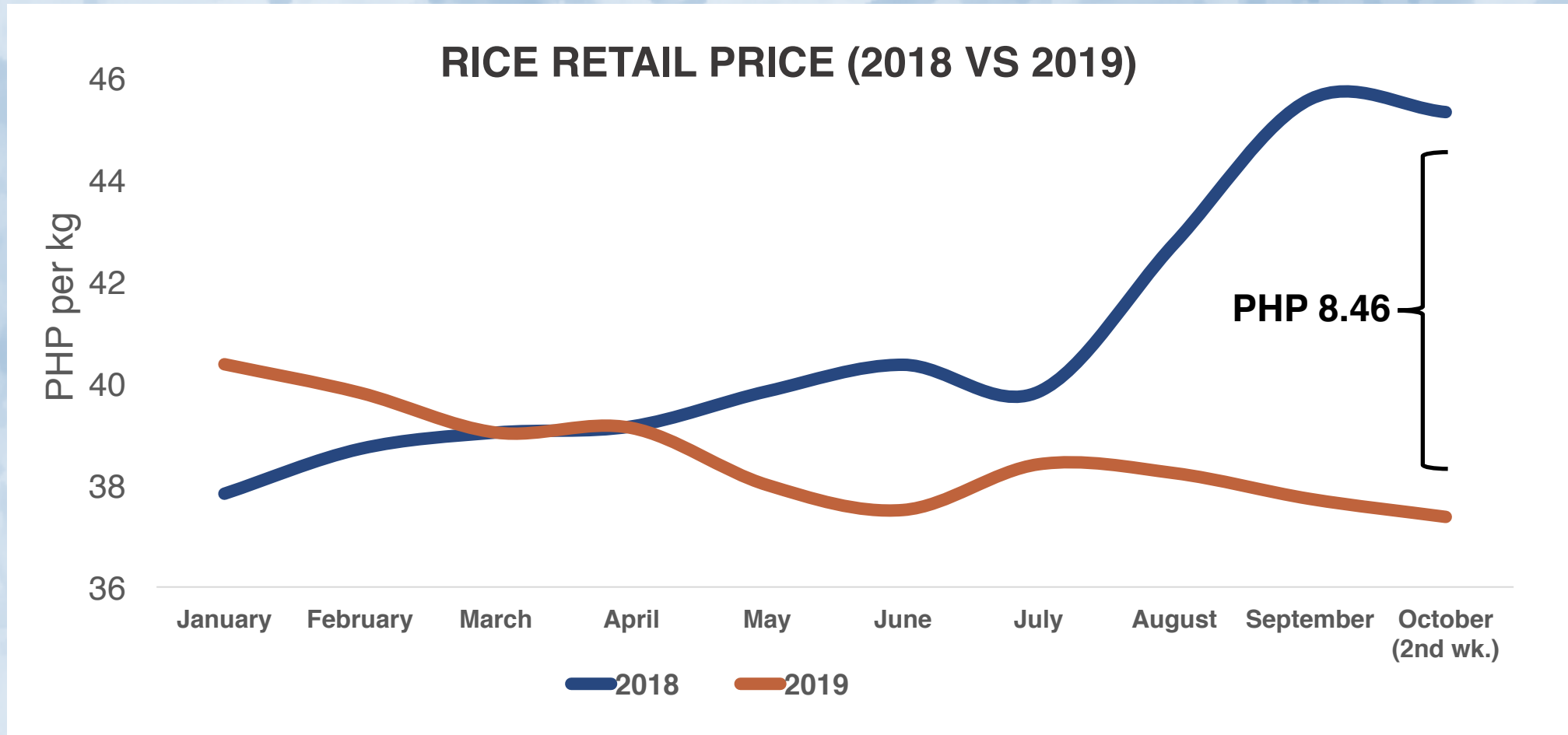


Tariff revenues earmarked for rice productivity improvement.

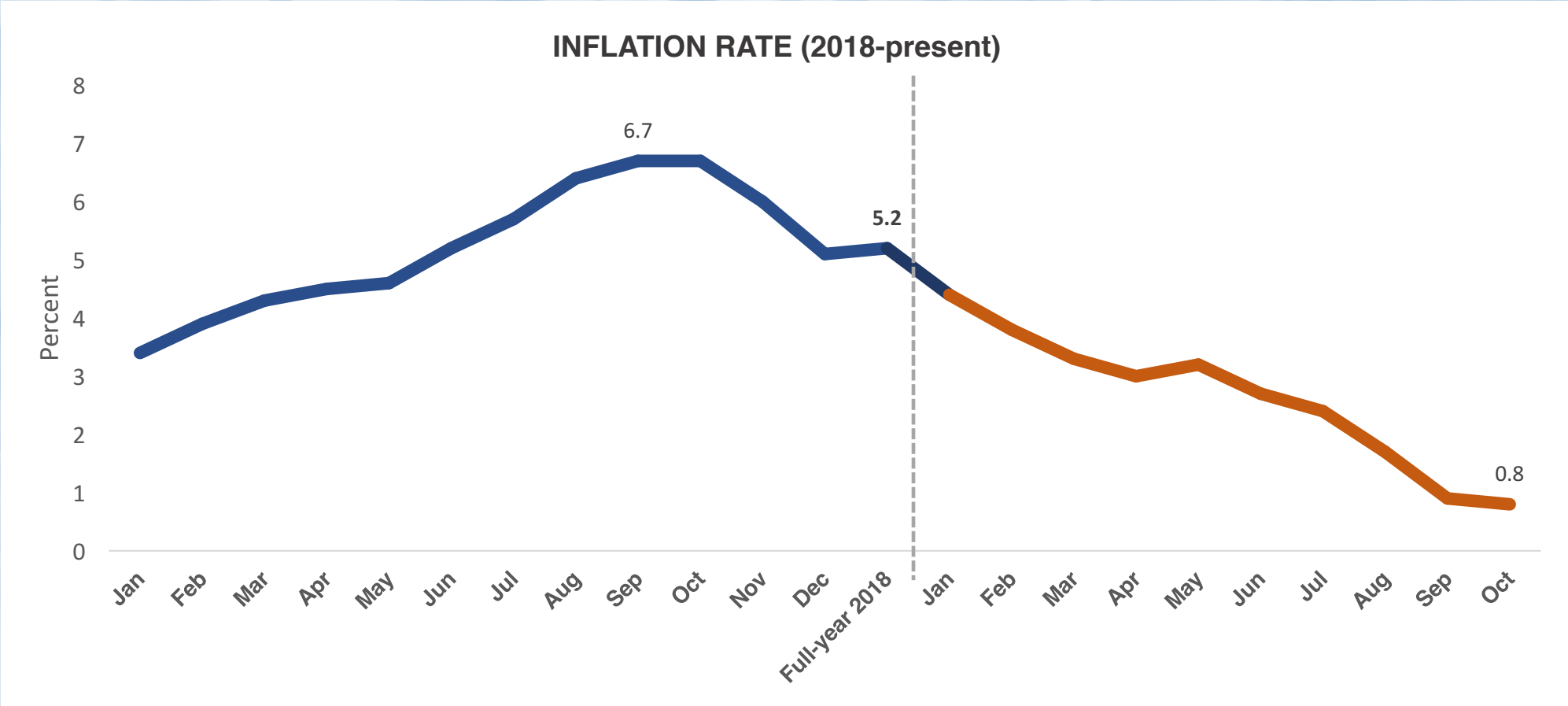
RICE CONTRIBUTION TO INFLATION GREW BY TEN TIMES AT ITS PEAK IN SEPTEMBER 2018



THE RICE TARIFFICATION LAW HAS BROUGHT DOWN THE PRICE OF OUR COUNTRY'S STAPLE FOOD FOR MORE THAN 100 MILLION FILIPINOS



UNDER THE NEW RICE REGIME, THE INFLATION RATE FURTHER RELAXED





RICE COMPETITIVENESS ENHANCEMENT FUND (RCEF)



Farmers will benefit from the RCEF with a **10 billion peso (USD 200 million)** annual appropriation for the next six years.



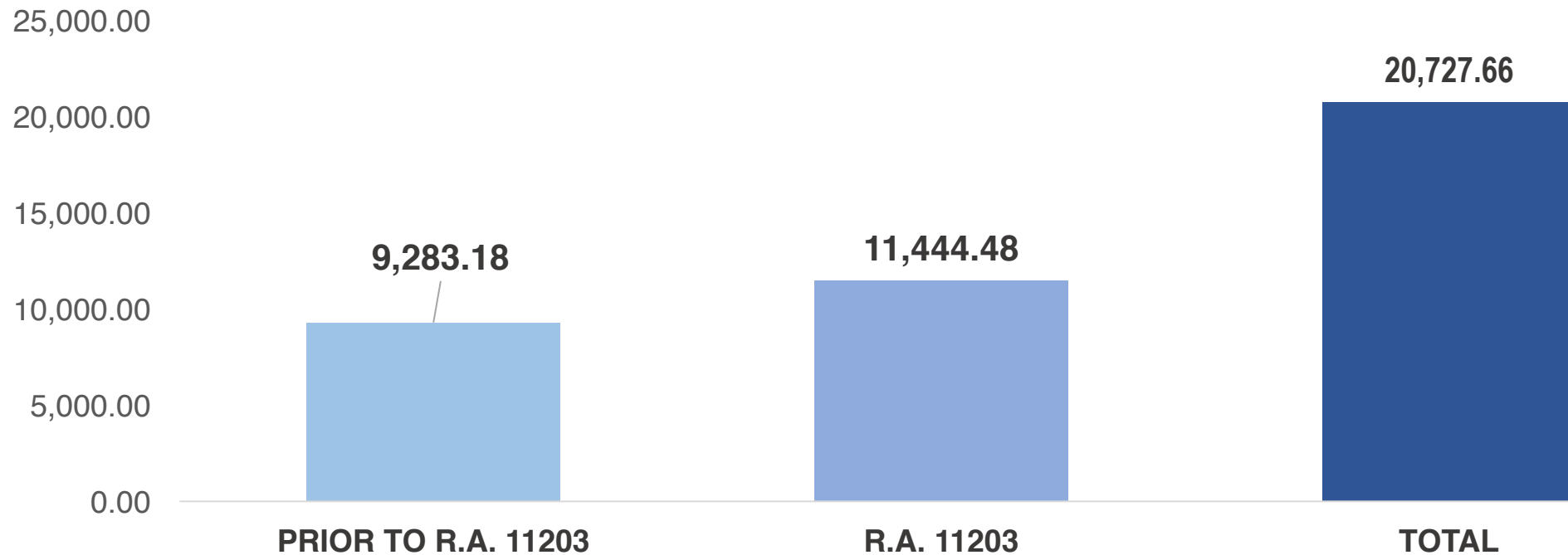
The RCEF, funded by rice tariff revenues, is being used to distribute modern farm equipment and high-quality seeds, expand credit assistance, and increase extension services for our farmers.

AS OF OCTOBER 31, RICE TARIFF REVENUES REACHED 11.4 BILLION PESOS

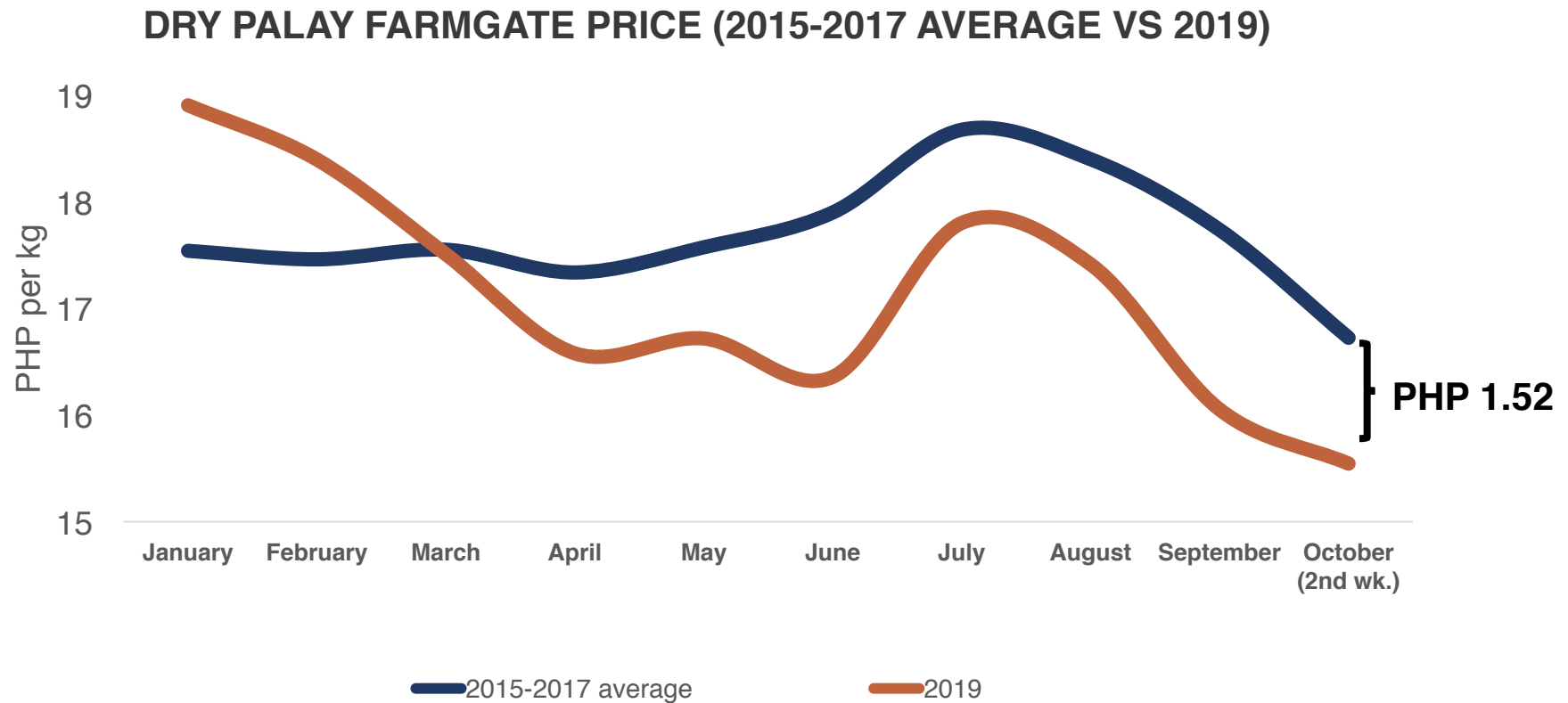
COLLECTION FROM IMPORTED RICE

(In Million PHP)

January to October 31, 2019



AMONG THE SHORT-TERM TRANSITION CHALLENGES IS THE DROP IN PADDY FARMGATE PRICES IN SPECIFIC AREAS



MEASURES TO ADDRESS THE DROP IN PADDY PRICES IN A NUMBER OF SPECIFIC PROVINCES



Provide **unconditional cash transfers** to affected farmers and **distribute rice** as part of a government subsidy program for disadvantaged families.



Implementation of the **Survival and Recovery or SURE-aid** program.



Formation of **strike teams from the Bureaus of Internal Revenue and Customs** to look into possible smuggling and hoarding activities, and non-compliance with tax and business regulations.

INTENSIFIED CAMPAIGN AGAINST SMUGGLING AND HOARDING ACTIVITIES

On October 3, 2019, the Bureau of Internal Revenue uncovered unregistered warehouses in Bulacan and discovered more than **250,000 sacks of imported rice** from Vietnam and Myanmar, among other commodities.



PRESIDENT DUTERTE HAS ISSUED CLEAR INSTRUCTIONS TO UNMASK AND PROSECUTE THOSE INVOLVED IN ECONOMIC SABOTAGE AND BRING THEM TO JUSTICE.

**THERE IS NO INCLINATION TO
REPEAL, REVISE, OR SUSPEND
THE RICE TARIFFICATION LAW.**

The background of the image shows a lush green rice field with rows of rice plants stretching into the distance. The sky is a clear, bright blue. A white rectangular text box is centered in the foreground, containing bold black text.

THE RICE TARIFFICATION LAW IS AN OPPORTUNITY TO REVOLUTIONIZE THE AGRICULTURE SECTOR AND HELP FARMERS BECOME MORE COMPETITIVE IN THE GLOBAL ECONOMY.

**THE DUTERTE ADMINISTRATION IS
DETERMINED TO BRING THE
RICE TARIFFICATION LAW TO ITS
FULL FRUITION.**

A BOLD STEP FORWARD

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