

PRESS STATEMENT

Philippine Food Security at a Crossroads: Urgent Action Demanded to Secure Our Rice Future

MANILA, Philippines – June 7, 2025 –

“We were again let down by the National Food Authority (NFA) in Tarlac as it adamantly refused to buy our palay, despite the manager’s promise to purchase it during a dialogue with him last March 13, 2025,” complained Nayong Collado, the Chairman of AMMA-Tarlac, a national federation of farmers and agricultural workers in the Philippines during a consultation organized by the Integrated Rural Development Foundation (IRDF) with farmers from different provinces today. Millions of rice farmers across the country have echoed the same plea, for the government to decisively raise farmgate prices of palay from its current depressed level of P12/kg. “I was able to harvest only 16 cavans of palay, as continuous heavy rains in the first quarter destroyed palay growth and made it susceptible to pests. With the low prices, I do not know if I can plant again this coming season,” Mr. Isidro Gracilla, the Chairman of BIGKIS Irosin, a provincial farmer federation, forlornly shared his plight as a small farmer in Sorsogon facing adverse conditions of climate change, lack of government support and unfair pricing.

The current challenges facing the rice sector in the country are enunciated thoroughly in the paper authored by former UPLB Professor Teodoro Mendoza and his colleagues in the Integrated Rural Development Foundation (IRDF). A groundbreaking and timely analysis, the paper entitled "Philippines is a Rice Deficit Country: The Challenges, Policy Innovations, and Strategic Interventions," is authored by distinguished experts Prof. Teodoro C. Mendoza, Dean Rene E. Ofreneo, Leonardo Montemayor, and Arze Glipo. The paper reveals the alarming extent of our import dependency and the critical need for immediate, transformative action.

Updated on May 24, 2025, this pivotal report exposes a stark truth: the Philippines, in 2024, became the world's largest rice importer, bringing in an unprecedented 4.7 million metric tons (MMT) of rice. This influx, exacerbated by the Rice Tariffication Law (RTL), predatory price manipulation by powerful rice cartels, and chronically weak land-use policies, has unleashed what the authors aptly describe as a "mega typhoon" on our local farmers. The devastating repercussions include plummeting farmgate prices, catastrophic income losses for our farming and milling communities, and an unrelenting surge in land conversion that irreversibly diminishes our precious agricultural lands.

The ramifications of this crisis resonate throughout our society. The paper argues that the country’s rice industry remains the bedrock of rural economy as it contributes approximately P430 billion (1.8% of GDP in 2023) and provides direct employment to over 3 million rice farmers – a staggering six out of every ten Filipino farmers. It generates an estimated 460 million workdays annually, equating to P230 billion in wages. Including indirect employment in food businesses,

transportation, and supporting industries, the rice sector underpins the livelihoods of roughly 8.4 million Filipinos, or about 36% of our entire population. Four out of every ten Filipinos directly benefit from this vital industry, yet it now faces an existential threat.

The Unfolding Crisis: Deepening Challenges to Our Rice Bowl

The report meticulously dissects the complex, interwoven factors propelling our nation deeper into a rice deficit:

- **Massive Land Conversion: The Foremost Threat to Food Security.** Despite having considerably less land dedicated to rice cultivation than our regional counterparts (a mere 2.68 Million hectares compared to Thailand's 11.19 M ha, Vietnam's 7.12 M ha, and Myanmar's 6.46 M ha), the Philippines is losing its prime rice lands at an alarming rate. An estimated 520,000 hectares of prime, irrigated rice lands – capable of yielding 5.2 million tons of palay (3.32 M tons of milled rice) annually – have been sacrificed to urban and commercial development. This unchecked land reclassification, facilitated by Section 20 of the Local Government Code of 1991 and the inexcusable 37-year dormancy of the National Land Use Act, is now unequivocally identified as the primary threat to our food security, eclipsing even the impacts of climate change. Had these lands remained agricultural, the Philippines would be a rice-surplus nation.
- **Persistent Low Farm Productivity.** Our average rice yield of 4.2 tons per hectare (t/ha) significantly lags behind leading regional producers like Vietnam (6.16 t/ha) and China (7.2 t/ha). This shortfall stems from systemic issues: inadequate government support, restricted access to high-quality hybrid seeds (as only inbred seeds are freely distributed under RTL's RCEP), insufficient fertilizer application, and a severe lack of mechanization and modern irrigation infrastructure.
- **Demographic Pressure and Soaring Consumption.** With a high population growth rate of 1.53%, in contrast to the declining or moderate growth seen elsewhere in Asia, the demand for rice continues its relentless ascent. Per capita rice consumption has soared from 90 kg in the 1990s to an alarming 119 kg in the 2020s. This surge is fueled by evolving food preferences, rapid urbanization limiting access to alternative staples, rice's relative affordability, and an overestimation of national rice requirements based on outdated Supply & Utilization Accounts (SUA) parameters.
- **Entrenched Market Distortions and Cartel Exploitation.** Powerful rice cartels exploit both farmers and consumers through insidious practices: predatory lending that traps farmers in debt, artificial price suppression during harvest season, illicit hoarding to create artificial scarcity, and engineered price surges post-harvest. Farmers are forced to sell their palay at an unsustainable P11-12/kg, far below the P17-18/kg cost of production, driving them

into financial ruin, reducing agricultural investment, and compelling land sales. Meanwhile, consumers continue to face exorbitant retail rice prices, despite the depressed farmgate rates, as market control rests firmly with traders and importers.

- **The Devastating Fallout of the Rice Tariffication Law (RTL) and Executive Order No. 62 (EO 62).** While ostensibly aimed at stabilizing supply, the RTL has flooded the domestic market with cheaper imported rice, crushing local farmers' competitiveness. EO 62, issued in June 2024, further slashed the rice tariff from 35% to 15%. This, combined with an inflated per capita consumption estimate of 154 kg used for import calculations, triggered the record 4.7 MMT imports in 2024. The expected reduction in retail prices (P6-7 per kilo) failed to materialize, yet farmgate prices plummeted due to oversupply. This economic displacement led to an estimated P145.27 billion in lost income across the farming and milling sectors in 2024, impacting 1.43 million farm workers and 118,250 mill workers directly. The long-term effect of EO 62, unless immediately terminated, is an irreversible dependence on imports.
- **The Unseen Risks of Golden Rice.** While addressing Vitamin A Deficiency (VAD) is a noble goal, the report highlights significant concerns regarding Golden Rice. Research suggests that beta-carotene biosynthesis in Golden Rice diverts vital glucose from starch production, potentially reducing overall grain productivity (10-15 grams of glucose needed for 1 gram of beta-carotene). Studies also indicate negative agronomic effects like lower chlorophyll content, stunted growth, increased susceptibility to pests, and the critical risk of genetic contamination of traditional and heirloom rice varieties. These factors directly conflict with the Philippines' core food security objective of achieving high-yield, resilient rice production.

Empowerment Through Action: A Resounding Call to the Philippine Government and Its People

Agreeing to the analysis of the authors, the Integrated Rural Development Foundation, together with various farmer federations, called on government to enact profound changes in both policy and practice to reclaim our food sovereignty and secure a prosperous future.

The following are the proposal for strategic interventions and policy reforms:

1. **Institutionalize a Minimum Palay Floor Price of P25/kg, Now!** This is non-negotiable. A guaranteed, profitable price will be the game-changer, providing our farmers with a net income of at least P50,000 per hectare per crop. This will be the powerful incentive needed to halt land sales, inspire continuous rice cultivation, and drive our national yield from the current 4.0 tons/ha to 5.0 tons/ha and beyond, making us self-sufficient in rice. The very low farmgate price of P11-12/kg, far below the P17-18/kg cost of production, is

actively disincentivizing our aging farmers and driving the youth away from farming. Who will feed us if our farmers cannot earn a living?

2. Radically Strengthen Government Rice Procurement and Overhaul the RTL.

- **Increase NFA's Buying Capacity:** The National Food Authority (NFA) must be empowered with increased budget and logistical capacity to purchase significantly more palay at P25/kg, targeting at least 2.4 million metric tons during wet season harvest, and expanding our national buffer stock to a robust 70 days.
- **Decentralize Buying Stations:** Make government procurement truly accessible by vastly increasing and decentralizing NFA buying stations, reducing farmers' transportation costs.
- **Enact the Rice Industry Sustainable Development Act (RISDA) of 2025:** The RTL must be amended or abolished. RISDA must be legislated immediately to promote sustainable, modernized, and climate-resilient agricultural practices, drastically reduce import reliance, enhance local production, provide comprehensive support to farmers, foster R&D, stabilize prices, ensure fair competition, and guarantee environmental sustainability. A draft bill is appended in Appendix 1 of the full report.
- **Reorganize and Renationalize the Department of Agriculture:** Pass a law to reorganize the Department of Agriculture into the **Department of Agriculture and Farmers' Welfare**, signaling an unwavering commitment to the well-being and prosperity of our agricultural producers.

3. Invest Massively in Modernizing Rice-Based Agriculture:

- **Boost R&D Investment:** Our gross expenditure on Research and Development (GERD) in agriculture is unacceptably low at 0.3%. We must invest significantly in R&D for hybrid seeds, organic/bio-fertilizers, sustainable pesticides, and climate-resilient varieties, raising GERD to the UNESCO-prescribed 1.0% of GDP.
- **Expand and Modernize Irrigation:** Make substantial investments in irrigation expansion and efficient systems, while crucially implementing stringent measures to **STOP Rice Land Conversion**.
- **Enhance Mechanization:** Improve rice land mechanization across the entire value chain, from production to post-production.

- **Provide Comprehensive Financial and Technical Support:** Implement robust programs for financial aid, technical assistance, and retraining of agricultural technicians in agroecology-based rice farming systems.
- **Upgrade Philippine Crop Insurance:** Our current system offers only partial coverage. It must be reformed to provide **full compensation for crop losses**, similar to models in the U.S. and EU, ensuring farmers' financial stability. This requires increased government subsidies and streamlined application and payout processes to guarantee timely assistance.

4. **Decisively Regulate Rice Cartels and Strengthen Market Oversight:**

- **Enforce Anti-Cartel Regulations:** Implement and stringently enforce anti-cartel regulations to decisively prevent price manipulation and gouging.
- **Real-Time Price Monitoring:** Establish and operate real-time price monitoring systems to ensure complete transparency and fairness across the market.
- **STOP and Arrest Smugglers:** Implement aggressive measures to combat rice smuggling, which directly undermines the profitability of our local farmers and destabilizes prices.

5. **Enact and Enforce Sustainable Land-Use Policies:**

- **Pass and Enforce the National Land Use Act:** This dormant bill must be legislated immediately and strictly enforced to prevent further unregulated conversion of prime agricultural lands.

About the Authors:

Teodoro C. Mendoza, Retired Professor of Crop Science, UP Los Baños

Rene E. Oreneo, Former Dean, SOLAIR, and Usec. DOLE

Leonardo Montemayor, Chair of the Board, Federation of Free Farmers of the Philippines

Arze Glipo, Executive Director, Integrated Rural Development Foundation

IRDF Advocacy and Campaigns Unit

Dennis Jimenez

National Coordinator

#FoodSecurityPH #SupportFilipinoFarmers #RiceSelfSufficiency #ActNowPhilippines

