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Philippines pledges to revitalize its financial and logistical capabilities

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Philippines Department of Agriculture (DA) will urge the new Congress, which convenes in late July, to restore key powers to the National Food Authority (NFA) in a bid to revitalize its financial and logistical capabilities and help improve rice farmersâ?? profitability.

Agriculture Secretary Francisco P. Tiu Laurel Jr., in a recent dialogue with rice farmers in Mindoro, said that allowing the NFA to sell even its non-aging rice inventory would give the agency greater financial flexibility and free up warehouse spaceâ??enabling it to procure more palay from farmers at better prices. A stronger NFA, he added, aligns with President Ferdinand Marcos Jr.â??s vision of a food-secure Philippines.

The NFA is seeking to double its palay procurement budget to P18 billion for 2026, which would allow it to purchase up to 10 percent of the countryâ??s harvest and build up buffer stocks for disaster response and price stabilization.

â??If the NFA is allowed to sell rice stocks promptlyâ??especially through initiatives like President Marcosâ?? P20 per kilo rice programâ??we can reinvest the funds to buy more palay at fairer prices,â? Tiu Laurel said.

As chairman of the NFA Council, the DA chief noted that with enhanced legislative authority, higher operational efficiency, and sustained increase in budget, the NFA could eventually buy up to 30 percent of the national harvestâ??enough to meaningfully influence farmgate prices and stabilize the market.

Unscrupulous rice traders have taken advantage of the NFAâ??s weakened mandate to shortchange farmers, sometimes offering to buy palay at below production cost.

The DA will also push for the restoration of the regulatory powers of the NFA to strengthen the its role in the rice sector by enabling it to help rein in excessive retail prices and protect consumers from market abuse.