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1 and 3

Rice supply good for 71 days – NFA

By JESS DIAZ and LOUISE MAUREEN SIMEON

There is no rice shortage as the country has rice stocks good for 71 days, according to a report of the National Food Authority (NFA), while the Department of Agriculture (DA) said yesterday it will expand the selling of affordable commercial rice through the deployment of rolling stores within Metro Manila following the low inventory of cheaper rice offered by state-run NFA.

Based on the NFA report submitted to the House of Representatives committee on agriculture also yesterday, supply stood at 2,242,500 tons or 44.85 million 50-kilo bags as of the first week of this month.

Of that inventory, households held 1,325,500 tons (26.51 million bags) good for 42 days' consumption, while traders, wholesalers and retailers had 857,300 tons (17.146 million) that

Turn to Page 3

Rice From Page 1

could be consumed for 27 more days.

On the other hand, the NFA put its stocks at 56,100 tons (1.122 million) that could last for two days.

The agency estimated total national daily consumption at 640,000 bags.

Last week's total supply did not include the rice crop harvested last month and this month.

The NFA report prompted House members to question why agency spokesperson Rebecca Olarte made a statement early this month that gave the public the impression that there was a rice shortage.

Olarte had announced that NFA stocks were good for less than two days.

Isabela Rep. Rodolfo Albano III said it is clear from the inventory report that there is enough supply of rice.

"Our people do not have to panic and traders should not increase their retail prices," he said.

He said Olarte's statement did not include stocks held by households and traders, retailers and wholesalers.

"NFA officials should have given the public the entire picture, not just a small part of it," he added.

Quezon City Rep. Winston Castelo warned retailers against increasing prices. "There is no justification for a price increase in view of sufficient supply," he said.

He cautioned NFA officials against making one-sided statements that tend to cause panic among consumers.

Castelo said supply would soon be boosted by the importation of 250,000 tons (five million bags) authorized by President Duterte and the additional 350,000 tons or seven million bags to be brought in under the minimum access volume program of the DA.

These additional stocks would be on top of the dry season harvest that is coming in, he said.

DA Secretary Manny Piñol has said there was no shortage and that the country in fact has an oversupply of rice.

* INDUSTRY - RICE

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Thursday, February 22, 2018
1 and 3

RICE SUPPLY GOOD FOR 71 DAYS - NFA

As of the end of 2017, he said there was a surplus of 2.7 million tons, which would be boosted by an expected first-quarter harvest of 3.1 million tons, for a total of 5.8 million tons.

"Filipinos will eat 2.8 million tons in the first 90 days. So, after the first quarter, we will still have three million tons of rice. That would be the highest surplus in recent years," he said.

Raps sought vs hoarders

Meanwhile, Manila Rep. Manuel Lopez challenged the government to file charges of economic sabotage against private rice traders if proven guilty of hoarding and price manipulation.

"I have heard in the past from government officials that when the problem of rice shortage occurs, the hoarding that results in the price increases is a form of economic sabotage, but until now no one has been charge of the crime," Lopez said.

At the same time, the vice chair of the House committee on Metro Manila development challenged Piñol and NFA Administrator Jason Aquino to inspect the warehouses of the traders.

Lopez urged everyone to support the President's policy direction not to depend on rice importation.

"Let's work together to put an end to the reported rice shortages which is in fact an artificial one as evidenced by large warehouses of private rice traders which full of rice stocks," he said.

Rolling stores

Piñol said good quality commercial rice will be available in various parts of the metro to ensure availability of Filipinos' main staple.

This was after DA sold directly to consumers in front of its office in Quezon City last week.

"Starting on Monday, two trucks loaded with at least 1,000 bags of rice in five and 10 kilogram packs will be deployed to poor neighborhoods in Metro Manila to sell rice at P38 per kilo," Pinol said.

The DA's program, Bigas ng Masa, aims to directly link farmers to consumers and bring down the prices of basic food commodities, particularly rice.

Piñol said the expanded program will be supported by farmer groups in Nueva Ecija who committed to deliver 500 bags of 25 kgs on a weekly basis.

Other farmers groups from Cagayan Valley and the Ilocos region also committed to sell their produce through the DA.

"Next week, two trucks will undertake 'surgical rice selling operations' targeting thickly populated districts of Metro Manila starting with Tondo in Manila and Payatas in Quezon City. Other agricultural products may also be sold along with rice," Piñol said.

"While freshly harvested commercial rice is being sold in the market for as high as P50 to P60 per kilogram, the DA will maintain a selling price of P38 per kilogram," he added.

About six to eight percent or the poorest sector of the population depends on NFA rice, which serves as the price stabilizer to avoid jacking up of prices of commercial and even premium rice.

But with NFA's low inventory reported earlier, the agency decided to recalibrate its distribution because its primary focus is still to serve as buffer stock for calamities and in the island provinces of the Philippines.

This resulted in the lack of supply in the major markets, prompting ordinary Filipinos to buy commercial rice which is priced higher at around P45 per kg to a high of P60 compared to the P27 to P32 per kg of the NFA.

"The layers and tiers of middlemen and traders who make profits as the supply moves from the farms to the markets have resulted in very high prices of basic food commodities," Piñol said.

Data from the department showed that by the end of 2017, buffer stock was placed at 2.7 million tons and with the expected harvest of 3.1 million tons in the first quarter, available rice stocks should be a little less than six million tons.

The department's program will soon be offered in the regional offices of the DA in outlets to be operated by farmers themselves with the help of agriculture workers.