Fading Fields: The Silent Collapse of Philippine Agriculture

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Once hailed as a thriving agricultural nation, the Philippines now stands as a shadow of its former self. We were once among the world's major exporters of rice, coconut, sugar, and abaca. Today we import even the very staple that fed generations of our people—rice. From a country that once flourished through the strength of its farmlands, we now witness the slow death of the sector that built our nation.

The systematic decline did not occur overnight. It is the cumulative result of decades of inadequate support, flawed land reform, disjointed policy direction, and legislative decisions that prioritized liberalization over sustainability. The implementation of Republic Act No. 11203, known as the Rice Tariffication Law, marks a fundamental transformation in Philippine agricultural policy. It abolished quantitative restrictions (QRs) on rice imports, substituting them with tariffs, and substantially diminished the National Food Authority's (NFA) regulatory powers. The legislation seeks to liberalize the rice market under the Philippines' commitments under the World Trade Organization (WTO), specifically the Agreement on Agriculture (AoA).[1] It also established the Rice Competitiveness Enhancement Fund (RCEF), a ₱10 billion annual fund designed to assist farmers in adjusting to a liberalized framework.[2] However, in addition to these aims, the law has precipitated extensive repercussions, especially for smallholder rice farmers, eliciting legal, socioeconomic, and constitutional issues.

Since its enactment, R.A. No. 11203 has led to a dramatic influx of cheap imported rice, especially from ASEAN member states, which enjoy tariff privileges under the ASEAN Trade in Goods Agreement (ATIGA).[3] This has depressed the farmgate price of palay (unmilled rice) to levels below production cost in many regions.[4] As a result, local farmers have suffered severe income losses, with many forced to abandon cultivation. Although mechanization, credit, training, and seed distribution[5] are all part of the RCEF's plan to increase farmers' productivity, many eligible recipients are left out due to the Registry System for Basic Sectors in Agriculture's (RSBSA) ineffective implementation, and administrative bottlenecks have caused delays and unfair distribution of aid.

[1] WTO Agreement on Agriculture, Art. 4 April 15, 1994
[2] Rep. Act No. 11203 Sec. 13 (2019)
[3] Exec. Order NO. 23 (2020)
[4] PSA Farmgate prices of Palay (2020-2025) available at psa.gov.ph/taxonomy/term/20 (last visited 06/3/2025)
[5] Rep. Act No. 11203 Sec. 14 (2019)

The constitutionality of R.A. No. 11203 is up for debate. The state is required by the 1987 Constitution to "protect the rights of subsistence farmers" and advance social justice in the agricultural sector. However, this mandate may compromise the law's exposure of domestic producers to unregulated competition with heavily subsidized foreign rice.[6] This law goes against jurisprudence that upholds the state's police authority over economic activity and compromises the state's capacity to regulate and safeguard vulnerable sectors.[7]

The law also drastically diminished the powers of the NFA, confining it to maintaining buffer stocks for emergencies. Previously, the NFA was authorized to import rice, regulate trading activities, and stabilize prices through market intervention.[8] With its reduced role, the government now lacks a credible mechanism to mitigate the volatility of rice prices or protect farmers from speculative practices by private traders. This void is particularly troubling given the Constitution's recognition of the role of government in regulating trade in pursuit of distributive justice and economic equity.[9]

Additional issues concern the authority to set tariffs under Section 10 of the R.A. No. 11203 permits the President to alter tariff rates on the advice of the Department of Agriculture (DA) and the National Economic and Development Authority (NEDA). Although this type of delegation is allowed by the Tariff and Customs Code and related laws, it must adhere to the non-delegation doctrine, which calls for adequate guidelines to direct discretion. If not, the measure risks violating Congress's sole taxing authority under Article VI, Section 28(2) of the Constitution.

Economically speaking, liberalization has enabled a few powerful private traders to regulate rice import, leading to oligopolistic practices that undermine the goal of competitive pricing. Retail rice prices have stayed high despite record-high import volumes, suggesting consumers have not reaped the benefits. In the meantime, producers are disproportionately affected by low farmgate prices, which exacerbates income inequality in rural areas.

Another recurring problem is the lack of transparency in the RCEF's administration. There is little oversight and unclear reporting procedures, even though the law lists the allocation channels: machinery (50%), seed development (30%), credit (10%), and extension services (10%). Without strict oversight, there is a chance that funds will be misallocated or that political influence will be swayed. In this regard, strict enforcement of public accountability procedures mandated by laws such as the Government Auditing Code (P.D. No. 1445) is necessary.

[7] Ynot v. Intermediate Appellate Court,G.R No. 74457, March 20, 1987 available at https://lawphil.net/judjuris/juri1987/mar1987/gr_74457_1987.html (last visited Jun 3, 2025)

[8] Rep. Act No. 8178 (1996), as amended; see also NFA Charter (Pres. Decree No. 4)

[9] Const. (1987), Art.XII, Sec.1

In conclusion, the Rice Tariffication Law demonstrates a technocratic approach that puts distributive justice last and market efficiency first. How the law is drafted and applied reveals serious institutional flaws in maintaining the nation's agricultural economy. Its provisions need to be reviewed by policymakers with the aim of:

1. Ensuring proper farmer participation, the RSBSA should be expanded and improved.

2. Restoring, at least partially, the price stabilization functions of the NFA;

3. Demanding greater authority and openness in the management of RCEF.

4. Putting in place WTO-compliant safeguards in the event of a pricing emergency;

5. Adding statutory restrictions on the authority to revise tariffs by amending Section 10.

The demise of Philippine agriculture is neither accidental nor inevitable. It is the byproduct of legal, policy, and administrative choices that can and must be corrected. What is needed is not another temporary fix but a reassertion of the nation’s commitment to its farmers, food supply, and constitutional duty to uphold social justice. The survival of agriculture is not a nostalgic ideal; it is a matter of national survival.