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MEMORANDUM CIRCULAR

No. 03
Series of 2025

SUBJECT: GUIDELINES ON THE ESTABLISHMENT, STRENGTHENING, AND MAINTAINING DAILY PRICE INDEX (DPI) IN COMPLIANCE TO REPUBLIC ACT 12022 "ANTI AGRICULTURE ECONOMIC SABOTAGE ACT"

WHEREAS, Section 2 of Republic Act No. 12022 (RA 12022), or the Anti-Agricultural Economic Sabotage Act, states that it is the policy of the State to promote the productivity of the agriculture sector, protect farmers and fisherfolk from unscrupulous traders and importers, and ensure reasonable and affordable prices of agricultural and fishery products for consumers.

WHEREAS, Section 5 of Republic Act No. 12022 mandated the Agribusiness and Marketing Assistance Service (AMAS) and the Bureau of Agricultural Research (BAR) of the Department of Agriculture (DA) to establish, strengthen, and maintain a Daily Price Index.

WHEREAS, in the same section, the AMAS and BAR, when coming up with the prices, shall ensure that the DPI exhibits transparency and accountability and is published on their official websites and social media platforms.

WHEREAS, Section 7 of RA 12022 states that the crime of agricultural smuggling as economic sabotage is committed when the value of each or of the combination of agricultural and fishery products smuggled by a person is at least Ten Million Pesos (P10,000,000.00) computed using the DPI at the time the crime was committed.

WHEREAS, Section 9 of RA 12022 states that agricultural profiteering as economic sabotage is the sale or offer for sale of agricultural and fishery products at a price at least ten percent (10%) in excess of the DPI, at the time of the declaration of an abnormal situation by the Council, or emergency or state of calamity by competent authority.

WHEREAS, in the same section states that there is a *prima facie* evidence of profiteering whenever a product is sold or offered for sale at a price thirty percent (30%) in excess of the DPI at the time of said declaration.

WHEREAS, the DA recognizes the need to institutionalize the establishment, strengthening, and maintenance of DPI to provide accurate price data supporting RA 12022 implementation.

NOW, THEREFORE, this Memorandum Circular is hereby issued for the information, guidance, and compliance of all DA personnel/ authorized officers involved in the DPI.

Definition of Terms

Arithmetic Mean - is the ratio of the sum of all observations to the total number of observations

Daily Price Index (DPI) refers to a system of monitoring and publishing or broadcasting the prevailing retail prices of agricultural and fishery products in all regions of the country on a day-to-day basis. This is computed as the average price using arithmetic mean formula.

Prevailing Price - is the average price at which any basic necessity has been sold in a given area.

Sample Market Outlets are retail stores where price of goods are collected or quoted in public/wet markets and supermarkets/hypermarkets/grocery stores.

Simple Process of Preparation or Preservation of an agricultural and fishery product for the Market refers to the process of handling agricultural and fishery products in its original state through freezing, drying, salting, broiling, roasting, smoking, or stripping

Tobacco - refers to unmanufactured and manufactured tobacco, including finished products such as cigars, cigarettes, or heated tobacco products.

Objectives

This Memorandum Circular will guide the implementers and stakeholders in establishing, strengthening, and maintaining the Daily Price Index (DPI). Specifically, it aims to:

- a) Ensure consistency, accuracy, and efficiency in monitoring daily prices of covered agricultural and fishery commodities at retail markets;
- b) Calculate the prevailing retail price for agricultural and fishery products across all regions of the country;
- c) Ensure that the DPI demonstrates transparency and accountability by publishing regional retail prices on official websites and social media platforms on the same day as the monitoring is conducted; and
- d) Maintain an efficient database system.

Scope and Coverage

The DPI-covered commodities such as rice, corn, beef and other ruminants, pork, poultry, garlic, onion, carrots, other vegetables, fruits, fish, salt, and other aquatic products in their raw state or which have undergone the simple process of preparation or preservation for the market within the primary and post-harvest stages of the food supply chain, palm oil, palm olein, raw and refined sugar, and tobacco. The specifications for these covered commodities will be based on the Philippine Classification of Individual Consumption According to Purpose (PCOICOP).

The prevailing price of commodities shall be collected daily in market outlets regionwide where covered commodities are available for sale in wet markets, supermarkets, hypermarkets, and grocery stores.

Establishment of DPI

The Department of Agriculture (DA) will establish the Daily Price Index (DPI) as a tool to assess the value of commodities that are suspected to be smuggled or hoarded. This initiative will help determine if such illegal activities constitute economic sabotage. The DPI will include daily monitoring and publication of the prevailing retail prices for agricultural and fishery products across all regions of the country. These prices will be accessible on the official websites and social media platforms of the Department of Agriculture (DA).

The regional prevailing price will be determined using the arithmetic mean formula by taking the sum of all prices of the commodity and then dividing it by the total number of prices gathered for the day within the region.

Section 1. Roles and Functions of the Implementing Agencies.

A. Agribusiness and Marketing Assistance Service

1. Monitor the retail price of agri-fishery commodities in NCR markets not covered by other offices
2. Analyze price trends and enhance index accuracy
3. Craft a long-term strategies for the DPI
4. Ensure to update and publish regional daily prices in the Bantay Presyo Monitoring System (BPMS) for DPI
5. Collaborate with Regional Field Offices, LGUs, and other relevant agencies to establish, strengthen, and maintain DPI.

B. Bureau of Agricultural Research

1. Collaborate with other relevant agencies to establish, strengthen, and maintain DPI.
2. BAR in coordination with AMAS will craft a long-term strategy for the DPI, including potential expansions in coverage or enhancements in data quality.
3. Engage with relevant offices to obtain insights and enhance index accuracy.
4. Facilitate/provide funding to engage technical experts.

C. Information and Communication Technology Service

1. Engage with relevant offices to develop a platform for the DPI database through the existing Bantay Presyo Monitoring System (BPMS) digital platform.
2. Provide technical support to assist users with issues related to encoding, verification, and generation of daily regional prices.
3. Collaborate with other relevant agencies to establish, strengthen, and maintain DPI.

D. DA Regional Field Offices and other Relevant Offices

1. Monitor the retail price of agri-fishery commodities in key cities outside NCR not covered by AMAS

2. Provide daily price updates of regional commodity prices in the BPMS and ensure their publication.
3. Collaborate with AMAS, BAR and other relevant agencies to establish, strengthen, and maintain DPI.
4. Assist AMAS and BAR in enhancing index accuracy and crafting strategies for the DPI

The Department of Agriculture (DA) will assign appropriate offices and staff to monitor the prices of covered commodities identified in RA 12022.

Section 2. Identification of Sample Markets and Outlets. DA will identify sample markets ¹ as representative of NCR, highly urbanized cities (HUCs), and provinces. Meanwhile, the sample market outlet will be selected from the list of stores based on the following criteria:

- Popularity of the items to be priced
- Consistency and completeness of stock
- Permanency of outlet
- Accessibility to a greater segment of the population

To achieve comprehensive coverage across various geographical locations and facilitate effective price collection, the distribution of sample areas and outlets is as follows:

Geographical Location	Number of Sample Areas/Outlet
NCR	24 areas (5 outlets each area)
Areas Outside NCR	6 outlets each
Highly Urbanized Cities, Isabela City	6 outlet each
Provinces	Provincial Capital (2 outlets), and 4 sample city/municipalities

Section 3. Price Collection. The monitor will typically collect prices through pen-and-paper personal interviewing method between 6:00 AM and 10:00 AM. For fish commodities the suggested collection time is between 6:00 am to 8:00 AM. However, if the roads to the market are impassable or unsafe for travel, the monitor may conduct price monitoring via phone calls. Noting the complexities of covered commodities, price monitors shall accomplish prescribed forms for each commodity. See Annex A.

Section 4. Dissemination, Publication, and Broadcasting

The publication of daily regional prevailing prices will play a crucial role in achieving the goals of the Anti-Economic Sabotage Act. It will promote transparency, facilitate regulatory oversight, enhance consumer protection, support responsive policymaking, and encourage fair competition. Therefore, the computed prevailing retail prices for each

¹ Sample market are subset of the Philippine Statistics Authority's (PSA) sample markets for retail price surveys

region will be published on the official websites and social media platforms of DA on a daily basis.

Dissemination, publication, and broadcasting of regional prevailing price information can be expanded across various media platforms, including broadcast, print, and other online channels.

Section 5. Process flow



1. Retail prices shall be obtained through inspection of price tags/labels, and interviews with the retailers/sales clerks, and consumers.
2. The Monitor will encode the price data at the BPMS for consolidation of prices on the same day of the monitoring day and not later than 10:00 am.
3. The verifier will check the accuracy and correctness of the data encoded based on the captured sample market form. Inconsistent data will be validated and cleared before the approval of the price encoded.
4. The BPMS will automatically generate the Regional Prevailing Price.
5. After processing of Regional Prevailing Price, the information will be published on the DA's official website and social media platforms.

Strengthening DPI

Improving the DPI requires the implementation of various strategies and tools aimed at enhancing the accuracy, efficiency, and effectiveness of tracking regional prices. Implementers should consider measures that include, but are not limited to:

- a) Sustain communication allowance, internet subscription, ICT gadgets, equipment, and supplies necessary for the transmission and consolidation of daily price reports.
- b) Provide technical support for efficient delivery of service
- c) Implement digital tools to collect real-time price data from various sources;
- d) Utilize advanced analytics tools and software or trend analysis, statistical modeling, and forecasting; and
- e) Collaborate with other organizations e.g. government institutions, NGOs, or industry group to gather and share price data.
- f) Provide capability training to align DPI with DA goals and strategies, and to assess and enhance the skills and knowledge of staff responsible for maintaining the DPI.

Maintaining DPI

To ensure the accuracy, relevance, and reliability of the Daily Price Index (DPI), the following measures should be implemented:

- a) Continuously update the DPI with the latest regional market prices daily.

- b) Maintain pricing data in standardized formats for consistency and ease of integration.
- c) Undergo periodic audits conducted by an independent party selected by the Anti-Agricultural Economic Sabotage Council.
- d) Review the DPI Guidelines at least once a year.

Amendment/ Supplement Clause

The provisions and annexes of this MC may be amended or supplemented as deemed necessary to address peculiarities in the region or clarify further those indicated in the MC. The supplemental guidelines shall be agreed upon by concerned offices and shall be approved and issued by the DA Secretary

Repealing Clause

All existing and/or previously issued Orders, Circulars, Issuances, Rules and Regulations, or parts thereof that are in conflict with, or inconsistent with any provisions of this MC are hereby repealed or modified accordingly.

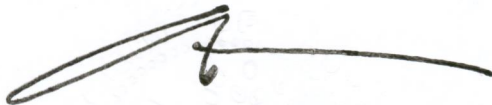
Separability Clause

If any provision of this MC shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision in this MC is invalid or enforceable, by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

Effectivity Clause

This MC shall take effect fifteen (15) days following completion of its publication in a newspaper of general circulation or the Official Gazette, a copy filed with the U.P. Law Center, and its posting on the Department of Agriculture website. It shall be valid upon effectiveness, unless revoked and superseded by other issuances.

Done this 21st January 2025



FRANCISCO P. TIU LAUREL JR.
Secretary

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