

Governance and Policy Deliverables in the Liberalized Rice Market: Stakeholder Perspectives on the Rice Tariffication Law in Capiz Province, Philippines

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ABSTRACT

The Rice Tariffication Law (Republic Act 11203) represents one of the most significant agricultural policy reforms in the Philippines, liberalizing rice imports and reshaping the governance of the rice industry. This study investigates stakeholder perspectives in Capiz Province, a major rice-producing area, to identify suggested outputs and policy deliverables under the law. Using qualitative thematic analysis of interviews with farmers, traders, millers, wholesalers, retailers, and consumers, eight major themes emerged: (1) status quo and no action required; (2) stakeholder collaboration and trade; (3) economic support for farmers; (4) infrastructure and market stability; (5) government role in the rice industry; (6) policy adjustments and advocacy; (7) technological and agricultural development; and (8) consumer behavior and market demand. Findings reveal tensions between passive adaptation and proactive reform, highlighting calls for subsidies, credit access, infrastructure investment, and restoration of government regulatory roles. The study situates these perspectives within broader debates on trade liberalization, governance, and agricultural sustainability. Policy deliverables include strengthening institutional collaboration, enhancing farmer support mechanisms, restoring regulatory oversight, and promoting technological innovation. These insights contribute to evidence-based policymaking and underscore the need for balanced frameworks that reconcile consumer benefits with farmer welfare in a liberalized rice market.

Keywords: Rice Tariffication Law, Agricultural Policy, Governance, Stakeholder Perspectives, Market Stability

INTRODUCTION

Rice is the cornerstone of Philippine food security, with over 90% of households consuming it daily (Briones, 2019). The enactment of Republic Act 11203, or the Rice Tariffication Law (RTL), in 2019 marked a watershed moment in agricultural policy. By replacing quantitative restrictions with tariffs and liberalizing rice imports, the law aimed to stabilize consumer prices and ensure adequate supply. However, its implications for farmers, traders, and consumers remain contested.

Capiz Province, located in Western Visayas, is a significant rice-producing area where the effects of RTL are acutely felt. Stakeholders across the rice value chain—farmers, traders, millers, wholesalers, retailers, and consumers—have articulated diverse perspectives on the law's outcomes and suggested deliverables for sustaining the industry.

Diaz (2025) conducted a systematic review of 17 studies and concluded that while the Rice Tariffication Law lowered consumer rice prices, it also reduced farmer incomes and created uneven distribution of Rice Competitiveness Enhancement Fund (RCEF) benefits, highlighting the need for governance mechanisms that balance consumer affordability with farmer sustainability. Balić, Minot, and Valera (2021) used microsimulation analysis to show that urban consumers benefited most from RTL, while rural farmers bore the losses, underscoring the unequal distributional impacts of liberalized rice trade. Malicse (2024) examined the law's economic, political, and social dimensions, noting that compliance with WTO rules came at the cost of farmer displacement and rural poverty, which points to gaps in policy deliverables and governance oversight.

Finally, Yap (2024) empirically evaluated the RCEF and found limited impact on productivity, suggesting that subsidy programs require stronger governance and monitoring to achieve intended outcomes.

This study seeks to document these perspectives, analyze emerging themes, and situate them within broader policy debates. Specifically, it asks: What outputs and deliverables do rice industry stakeholders in Capiz Province suggest under the implementation of the Rice Tariffication Law?

By addressing this question, the study contributes to agricultural policy discourse, offering evidence-based insights for governance reforms and sustainable rice industry development.

METHODOLOGY

Research Design

A qualitative descriptive design was employed, using thematic analysis to capture stakeholder perspectives. This approach allowed for the identification of recurring themes and subthemes from participant statements, providing a nuanced understanding of stakeholder priorities.

Participants

Twenty-five stakeholders were purposively selected, representing farmers, traders, millers, wholesalers, retailers, and consumers. This diverse sample ensured representation across the rice value chain.

The study employed participants based on availability, accessibility, and voluntary consent. An initial screening ensured that individuals met both general and specific inclusion criteria. The participants were distributed across fifteen municipalities and one city in Capiz, totaling twenty-five individuals: four farmers, five traders, four millers, four wholesalers, four retailers, and four consumers. Farmers were selected from top rice-producing municipalities, cultivating at least half a hectare of palay, while traders were chosen in a one-to-one ratio with farmers from PSA master lists. Millers and wholesalers were identified as the largest enterprises or most knowledgeable in their locality, also based on PSA data. Retailers were selected for their influence in their municipalities, and consumers were spread across the province to complete the distribution, with accessibility and willingness as key factors.

The participants had to be of legal age, engaged in the rice industry for at least ten years (since 2014), listed in PSA records, and willing to participate in recorded interviews. This ensured comparable experiences of both pre-RTL and RTL periods. Exclusions applied to foreigners with rice-related businesses in Capiz, close relatives of the researcher, and individuals lacking sufficient or relevant experience with RTL implementation. This careful selection process guaranteed that participants were credible representatives of the rice industry and capable of providing meaningful insights into the law's impact.

Data Collection

Semi-structured interviews were conducted, focusing on stakeholders' perceptions of RTL and their suggested outputs for policy deliverables. Statements were transcribed and coded into subthemes and major themes.

The Interview Guide Questions were designed to elicit insights on policy deliverables. Ethical considerations are addressed in the administered and duly signed Free, Prior, and Informed Consent (FPIC) form by the participants, which emphasizes voluntary participation, confidentiality, and consent for recording.

Letters of coordination and invitation were sent through local government units and directly to participants, emphasizing confidentiality and anonymity. The researcher personally conducted in-depth, one-on-one interviews with industry stakeholders. At the start of each interview, participants were informed that the session would be recorded for transcription purposes, and they were reminded of their right to skip questions or withdraw at any time since participation was voluntary.

The interviews were conducted in February to March 2025, a period chosen because rice harvesting was not yet at its peak, ensuring the availability of key industry players and a relatively uniform experience among participants. The researcher maintained courtesy, professionalism, and trustworthiness to build rapport and gather rich data.

Finally, interviews were audio- or video-recorded with prior consent. These recordings were later transcribed and translated from Hiligaynon to English by a qualified transcriber, ensuring accuracy and reliability in capturing participants' lived experiences.

Data Analysis

Thematic analysis followed Braun and Clarke's (2006) framework: familiarization, coding, theme development, review, and reporting. Frequency counts highlighted the prevalence of themes, as shown in Table 1 of the study, while the Table 1.1 was also presented so readers can see how the analysis moved from raw data to interpretation.

The data analysis began with the transcription and translation of interviews from Hiligaynon to English by a qualified translator. The researcher then manually generated initial codes and themes, which were further verified and refined through inductive thematic analysis conducted by three independent inter-coders with expertise in qualitative research. This ensured the reliability of the interpretations. Thematic analysis was employed to identify recurring patterns and meanings within participants' narratives, following a structured process of familiarization, coding, theme development, refinement, and reporting. Inductive thematic analysis allowed flexibility while maintaining rigor, moving from raw textual data to the identification of coherent themes that addressed the research questions.

The interpretation and derivation of meaning involved refining these themes collaboratively with inter-coders to ensure accuracy and depth of analysis.

Finally, the subjectivity of the researcher was acknowledged, recognizing that prior knowledge in economics, business, and public administration could influence interpretation. To minimize bias, the researcher applied bracketing (epoché), consciously setting aside preconceptions, and engaged in reflective writing, peer consultations, and methodological transparency. This ensured that the analysis remained open, balanced, and faithful to participants' lived experiences.

RESULTS

Table 1. Frequency distribution of themes on governance and policy deliverables.

THEME	FREQUENCY	PERCENTAGE
Status Quo and No Action Required	5	20.00
Stakeholder Collaboration and Trade	4	16.00
Economic Support for Farmers	3	12.00
Infrastructure and Market Stability	3	12.00
Government Role in Rice Industry	3	12.00
Policy Adjustments and Advocacy	3	12.00
Technological and Agricultural Development	2	8.00
Consumer Behavior and Market Demand	2	8.00

Total	25	100.00
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Direct quotes or significant statements illustrated participants' voices, subthemes captured specific recurring issues or strategies, and broader or major themes synthesized these into overarching categories that addressed the research questions.

Table 1.1 Development of themes for the governance and policy deliverables.

Significant Statements	Subthemes	Major Themes
"Just as it is, it's OK." / "Nothing." / "Nothing more."		Status Quo and No Action Required
"On your part, we're willing to assist you in whatever way we can—whatever solutions you may be able to provide."	Stakeholder Collaboration	Stakeholder Collaboration and Trade
"If it were just up to us local traders, we'd really prefer to work with what we already have here—our own palay."	Local Rice Prioritization	
"There should also be programs intended for rice traders."	Trader Support Programs	
"Every municipality should have its own outlet where they directly accept palay... The trader buys the palay, brings it to the NFA, and of course, they buy it from the farmer at a lower price."	Direct Farmer-NFA Trade	
"We don't have capital, so we borrow from lenders if there are any. But if you don't have land titles or any collateral to offer, they won't lend to you."	Credit Access	
"What really needs to be done is to fix it properly... It needs proper attention."	Infrastructure Improvement	Infrastructure and Market Stability
"The issue of price wars is constant... I hope the implementation of measures like price subsidies... can be properly improved."	Price Control Measures	
"The government must control the entry and pricing of imported rice. They shouldn't allow importers to abuse pricing power..."	Tariffication Law Regulation	

Table 1.1 Development of themes for the governance and policy deliverables. - continuation

Significant Statements	Subthemes	Major Themes
"Only the government should be allowed to import rice, not private entities."	Government-Controlled Imports	Government Role in Rice Industry
"They should just return it to the NFA like before—it was better back then." / "If they plan to amend the law, they should bring back the old functions of the NFA—particularly regulation and price stabilization."	NFA Role Restoration	
"Thank you, Ma'am, for coming here so that you can help us... or at least bring our concerns to the proper authorities."	Advocacy and Representation	Policy Adjustments and Advocacy
"Maybe, Ma'am, we'll leave it up to you—since you're the ones who know better about these things."	Policy Decision Deference	
"Now, everything's scattered—there's imported rice everywhere, and we're just trying to keep up."	Market Stability Challenges	
"They just distribute seeds and fertilizers... but when it comes to technology, they don't really engage with the farmers. There's no follow-up, no proper monitoring."	Monitoring and Extension Services	Technological and Agricultural Development
"Even if we just focus on improving our equipment and the tools we use in agriculture—that kind of support would help us."	Equipment and Technical Support	
"Now, it seems like some customers have started to prefer local rice again... Some of them say they're not satisfied with imported rice."	Consumer Preference Consideration	Consumer Behavior and Market Demand
"Rice is being distributed monthly in the barangay... That's why the demand for rice now seems to have cooled down."	Impact on Demand	

Eight major themes emerged:

1. Status Quo and No Action Required

Some stakeholders expressed neutrality, preferring adaptation to existing systems. One participant stated, “*Just as it is, it's OK.*” This reflects resigned acceptance of RTL, with policy implications including sustaining current implementation and compensatory support for adversely affected groups (Briones, 2019).

2. Stakeholder Collaboration and Trade

Four subthemes emerged: stakeholder collaboration, local rice prioritization, trader support programs, and direct farmer-National Food Authority (NFA) trade. Stakeholders emphasized cooperation with policymakers, prioritization of local produce, and structured systems for direct farmer-to-NFA transactions (Cabardo, 2023; San Juan, 2021).

3. Economic Support for Farmers

Three subthemes emerged: subsidized inputs, price incentives, and credit access. Farmers highlighted the need for lower fertilizer costs, higher palay prices to attract youth to farming, and government-backed credit programs (Casinillo, 2022; Diaz, 2025).

4. Infrastructure and Market Stability

Stakeholders called for infrastructure improvement, price control measures, and stricter regulation of rice importation. Investment in irrigation, milling facilities, and post-harvest technologies was deemed essential (Tobias, 2019; Senate of the Philippines, 2020).

5. Government Role in the Rice Industry

Participants advocated for government-controlled imports and restoration of NFA's regulatory functions. Nostalgia for NFA's role in stabilizing rice prices was evident (Ichimura, 2019).

6. Policy Adjustments and Advocacy

Stakeholders emphasized advocacy, representation, and deference to policymakers. They acknowledged the importance of research intermediaries in voicing concerns and expressed trust in experts to navigate agricultural solutions (Balié et al., 2021).

7. Technological and Agricultural Development

Two subthemes emerged: monitoring and extension services, and equipment and technical support. Farmers criticized the lack of follow-up in government programs and stressed the need for mechanization to improve productivity (Vertudes et al., 2020; Tobias, 2019).

8. Consumer Behavior and Market Demand

Consumer preferences showed a gradual shift back to local rice, with dissatisfaction over imported varieties. Subsidized rice distribution programs also influenced demand, cooling retail trade in some areas (Rebualos et al., 2021; Diaz, 2025).

DISCUSSION

The findings highlight the complexity of stakeholder perspectives on RTL.

1. Adaptation vs. Reform

Stakeholders display both passive acceptance of RTL and proactive advocacy for change. For policy, this means interventions must accommodate divergent coping strategies: some actors need immediate relief measures (e.g., safety nets), while others require platforms to push reforms. Policymakers should balance short-term adaptation support with long-term reform dialogues to avoid alienating either group.

2. Collaboration and Local Prioritization

The call for collaboration and prioritizing local rice reflects tensions between liberalized imports and domestic competitiveness. Policies in Capiz should strengthen cooperative structures, encourage local procurement

programs, and incentivize LGUs to integrate local rice into feeding and subsidy schemes. This would mitigate the displacement effects of cheaper imports.

3. Economic Support

Subsidies, price incentives, and credit access remain vital for sustaining farmer livelihoods. Capiz policymakers must ensure that RCEF funds and local credit programs are accessible, timely, and tailored to smallholders. Without these, farmers risk exiting the industry, weakening the province's agricultural base.

4. Infrastructure and Regulation

Stakeholders highlight the need for investment in post-harvest facilities, irrigation, and transport, alongside stricter import regulation. For Capiz, this implies prioritizing provincial infrastructure projects that reduce production costs and lobbying for national-level import monitoring to stabilize local markets.

5. Government Role

Nostalgia for the NFA's past functions signals dissatisfaction with current liberalized systems. While full restoration may not be feasible, Capiz policymakers could advocate for hybrid models—such as localized buffer stocking or partial import oversight—to restore trust and ensure equitable distribution.

6. Technological Development

Mechanization and extension services are seen as crucial for modernization. Capiz should expand access to machinery pools, training programs, and extension services that help farmers adopt new technologies. This aligns with RCEF's goals but requires stronger local implementation and monitoring.

7. Consumer Demand

Shifts in consumer preferences open opportunities for branding local rice varieties and leveraging distribution programs. Capiz can promote "Capiz rice" through marketing campaigns, school feeding programs, and LGU-led procurement. This not only supports farmers but also builds consumer loyalty to local products.

Capiz's policy response must be multi-layered: combining immediate livelihood support, infrastructure investment, and technological modernization with long-term reforms in governance, regulation, and consumer engagement.

CONCLUSION

The study reveals eight major themes reflecting stakeholder perspectives on RTL. While some stakeholders accept current policies, others advocate for reforms in collaboration, subsidies, infrastructure, regulation, and technology. Consumer behavior further complicates dynamics, with shifting preferences and distribution programs influencing demand.

Policy deliverables include:

- Strengthening institutional collaboration among farmers, traders, and government agencies.
- Enhancing farmer access to subsidies, credit, and price incentives.
- Investing in infrastructure and mechanization to improve productivity.
- Restoring regulatory roles of government agencies to stabilize markets.
- Promoting local rice branding to align with consumer preferences.

These deliverables provide evidence-based directions for sustaining the rice industry under liberalized trade regimes.

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