



**JOINT MEMORANDUM CIRCULAR NO. 2020-01**

**PRICE FREEZE UNDER A STATE OF CALAMITY  
THROUGHOUT THE PHILIPPINES DUE TO  
CORONA VIRUS DISEASE 2019 (COVID-19)**

**WHEREAS**, President Rodrigo Roa Duterte issued Proclamation No. 922 on 08 March 2020 declaring a “State of Public Health Emergency” throughout the Philippines.

**WHEREAS**, by virtue of the said Proclamation, and pursuant to Section 6(1) of Republic Act No. 7581 as amended by RA 10623 (otherwise known as the Price Act), prices of basic necessities in the entire country “shall automatically be frozen at their prevailing prices or placed under automatic price control.”

**WHEREAS**, Republic Act No. 10623, amending the Price Act, entitled “An Act Providing Protection to Consumers by Stabilizing the Prices of Basic Necessities and Prime Commodities and by Prescribing Measures Against Undue Price Increases During Emergency Situations and Like Occasions” provides in Section 6 thereof that price control of the basic necessities under this section shall remain effective for the duration of the condition that brought it about, but not for more than sixty (60) days x x x.”

**WHEREAS**, on 16 March 2020, the Office of the Executive Secretary issued a Memorandum on “Community Quarantine over the Entire Luzon and Further Guidelines for the Management of the Corona Virus Disease 19 (COVID-19) Situation”, declaring an enhanced community quarantine in Luzon.

**WHEREAS**, upon the recommendation of the National Disaster Risk Reduction and Management Council, Proclamation No. 929 was issued on 16 March 2020 “Declaring A State of Calamity Throughout the Philippines Due to Corona Virus Disease 2019” for a period of six (6) months.

**WHEREAS**, Section 17 of Republic Act No. 10121 (otherwise known as the Philippine Disaster Risk Reduction and Management Act of 2010), “The declaration of a state of calamity shall make mandatory the immediate undertaking of the following remedial measures by the member-agencies concerned as defined in this Act: (a) Imposition of

price ceiling on basic necessities and prime commodities by the President upon the recommendation of the implementing agency as provided for under x x x the "Price Act" , or the National Price Coordinating Council; (b) Monitoring, prevention and control by the Local Price Coordinating Council of overpricing/profitteering and hoarding of prime commodities, medicines and petroleum products x x x ."

**WHEREAS**, Section 2 of the Price Act as amended declares as a Basic Policy that, "It is also a declared policy of the State to provide effective and sufficient protection to consumers against hoarding, profiteering and cartels with respect to the supply, distribution, marketing and pricing of said goods, especially during periods of calamity, emergency, widespread illegal price manipulation and other similar situations." To these ends, the State shall, among others, "develop, adopt and promulgate measures to stabilize prices at reasonable levels" and "establish a mechanism that will readily protect consumers from inadequate supply and unreasonable price increases on occasions of calamities, emergencies and like occurrence.

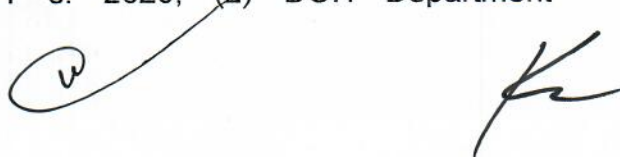
**WHEREAS**, it is the mandate of the implementing agencies of the Price Act, as amended: Department of Trade and Industry, Department of Agriculture, Department of Health, Department of Energy, and Department of Environment and Natural Resources, to ensure that prices of basic necessities shall be automatically frozen at their prevailing prices whenever an area is declared under a State of Calamity.

**WHEREAS**, Memorandum Circular No. 77 s. 2020 dated 17 March 2020 issued by Executive Secretary by authority of the President of the Republic of the Philippines directed the Department of Health (DOH), Department of Agriculture (DA), Department of Trade and Industry (DTI) to undertake continuous monitoring and review of the prices of basic commodities within their respective jurisdiction, and enact such price control measures pursuant to Section 6 of Republic Act No. 7581, as amended.

**WHEREFORE**, foregoing considered this Joint Memorandum Circular (JMC) is hereby issued for the information and guidance of all concerned.

**Section 1. Objective.** –The JMC aims to further enhance measures that shall continue a price freeze on all basic necessities under the jurisdiction of the herein implementing agencies, including those products considered essential by such agencies.

The list of products per implementing agency refer to: (1) DA Administrative Circular No. 01 s. 2020; (2) DOH Department

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Memorandum Circular No. 2020-0058, 2020-0058-A, 2020-0058-B, and DOH Circular No. 2020-0142; and (3) DTI published Suggested Retail Price Bulletin dated 30 September 2019.

**Section 2. Scope.** – The provisions hereof shall apply to all persons, natural or juridical, including those using the internet platform or other medium, who sell or offer for sale all basic necessities.

**Section 3. Monitoring and Enforcement.** – To ensure the adequacy of supply of basic necessities and prime commodities, and the compliance of the mandated price ceiling for the products covered by this issuance, the implementing agencies herein shall create a composite team that will intensify monitoring and enforcement to prevent and control overpricing/profitteering, hoarding and cartel.

The implementing agencies, in coordination with the Department of Justice, shall take appropriate actions against illegal acts committed as enumerated under Section 5 of the Price Act.

**Section 4. Local Price Coordinating Councils.** - The implementing agencies, in coordination with the Department of Interior and Local Government, shall ensure that the Local Price Coordinating Councils (LPCCs) are fully mobilized and operational.

**Section 5. Automatic Price Control.** – Upon the declaration of a State of Public Health Emergency on 08 March 2020, prices of basic necessities were automatically frozen. Following the declaration of a State of Calamity on 16 March 2020, prices thereof shall not increase in the retail market for any reason or for any purpose, for the next sixty (60) days upon its declaration or until 15 May 2020, unless sooner lifted by the President. During this period, the implementing agencies shall ensure that the price freeze is strictly implemented and enforced.

Likewise, during the same period, the implementing agencies may recommend the imposition of price ceiling on basic necessities at a level other than the prevailing price.

**Section 6. - Mandatory Price Ceiling.** – The implementing agencies concerned may recommend to the President the imposition of a price ceiling on any basic necessity or prime commodity should the existence or effects of COVID 19 continue to persist beyond the sixty (60) day period, as set forth in Section 7 of the Price Act.

**Section 7. - Charges and Penalties Under the Price Act.** – Without prejudice to the penalties prescribed under relevant ordinances issued by local government units and other applicable laws, any person or entity



found violating the Price Act shall be charged accordingly and shall be meted the prescribed fine ranging between P5,000.00 and P2,000,000.00 and imprisonment of not less than 5 years, but not more than 15 years.

**Section 8. Effectivity.** – This Joint Memorandum Circular shall be effective immediately and applicable during the entire period of the State of Calamity.

Issued this 18<sup>th</sup> day of March 2020 in Makati City, Philippines.



**WILLIAM D. DAR, Ph.D.**  
Secretary of Agriculture



**RAMON M. LOPEZ**  
Secretary of Trade and Industry

**FRANCISCO T. DUQUE III MD, MSc**  
Secretary of Health

Witnessed by:



**KARLO B. NOGRALES**  
Cabinet Secretary