DTI WEBINAR ON BASIC NECESSITIES AND PRIME COMMODITIES (BNPC)

Tuesday, 13 July 2021

PAGASA attended the DTI Webinar In the morning of 15 July 2021 regarding basic necessities & prime commodities (BNPCs) and the list of Suggested Retail Prices (SRPs) used by the DTI to control/tame prices of grocery items. The SRP of selected BNPCs is a good tool for the DTI during episodes of calamity and/or emergency but during relatively normal (i.e., business as usual) times, it is wreaking havoc on operations of supermarkets. Some manufacturers take advantage of this DTI practice (since the former provides their "preferred" SRPs to the latter) by providing retailers unacceptable margins (some as low as 2.9%) in order to make the prices of their products become attractive/competitive! During the Webinar, retailers (especially those regional) have been complaining that some distributors sell to them at the price on DTI's SRP List for consumers! PAGASA President STC raised his hand and aired the appeal to the DTI to send their List of SRPs to the Association some two-three days before publishing these so supermarket operators can get a chance to comment on these prices and check if they are "relatively fair" for retailers. This was already the practice of the DTI before Typhoon Yolanda (Storm Haiyan) devastated the country in 2013. Compounding the problem for retailers is the dive in demand during this pandemic. In fact, at least 20 manufacturers increased their prices in June even as government declared a price freeze. They do not want to defy government directives but simply had to stay afloat for the benefit of the livelihood of their long-term employees and service to the buying public who ask for their products. Some ten more manufacturers increased prices soon as the Freeze was lifted on 10 July.