



**Republic of the Philippines
CITY COUNCIL
City of Manila**

REGULAR SESSION NO. 73

12TH CITY COUNCIL

**RESOLUTION NO. 364
Series of 2023**

RESOLUTION REQUESTING THE DEPARTMENT OF FINANCE TO RECONSIDER THE POSSIBLE DETRIMENTAL EFFECTS OF ITS PROPOSAL AND THE DEPARTMENT OF HEALTH TO IMPOSE A PHP. 10.00 PER 100 GRAMS OR PHP. 10.00 PER 100 MILLILITERS TAX ON PRE-PACKAGED FOODS LACKING NUTRITIONAL VALUE, INCLUDING CONFECTIONERIES, SNACKS, DESSERTS, AND FROZEN CONFECTIONERIES THAT EXCEED THE DEPARTMENT OF HEALTH'S SPECIFIED THRESHOLDS FOR FAT, SALT AND SUGAR CONTENT (JUNK FOOD), WITH THE END IN VIEW OF FINDING AN ALTERNATIVE SOLUTION

PRINCIPAL AUTHOR:

HON. NUMERO G. LIM

and

**HON. JOEL "JTV" VILLANUEVA
Acting Majority Floor Leader**



WHEREAS, the Department of Finance (DOF) and the Department of Health (DOH) are jointly pursuing to impose a PhP. 10.00 per 100 grams or PhP. 10.00 per 100 milliliters tax on pre-packaged foods lacking nutritional value, including confectioneries, snacks, desserts, and frozen confectioneries, that exceed the DOH's specified thresholds for fat, salt, and sugar content (junk food);

WHEREAS, the proposal is expected to increase government revenues by Seventy-Six Billion Pesos (PhP. 76,000,000,000.00) and reduce junk food consumption by twenty-one percent (21%);

WHEREAS, the proposed tax measure may result in unintended adverse effects to low to middle-income consumers and small businesses;

WHEREAS, many ordinary Filipinos who rely on affordable junk food as a form of sustenance and momentary relief from hunger will most likely suffer the burden of the proposed tax measure;

WHEREAS, the Joint Foreign Chambers of the Philippines (JFC) is urging the government to reconsider its proposal as it would not only be burdensome to consumers but also discriminatory to businesses;

WHEREAS, the JFC further commented that the proposal could potentially reduce competition in the market to the detriment of Filipino consumers as well as of the overall economy driven by consumption;

WHEREAS, micro-entrepreneurs, particularly sari-sari store owners in the City of Manila, especially in the province and poorer barangays, are most likely going to be adversely affected by the proposed tax measure;

WHEREAS, adding burden to micro-entrepreneurs through the proposal may be detrimental to the economy since most are still recuperating from the losses incurred during the Covid-19 pandemic and a prolonged period of high inflation;

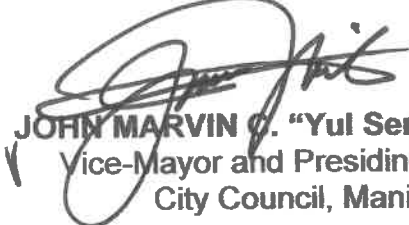
WHEREAS, there may be other ways to increase government revenue and promote consumption of healthy food without adding burden to the people as implied by the consumer group Bantay Palengke, to wit:

- That a committee be formed to conduct a thorough review of the proposed "junk food" tax, including an examination of its potential detrimental effects.
- That the City Council committee engage with stakeholders including, but not limited to, consumer groups, manufacturers, retailers, health experts, and community leaders to gather input and feedback.
- That the City Council committee shall explore and propose alternative solutions that promote healthy eating without unfairly impacting certain groups or industries.
- That a report of the committee's findings and recommendations be submitted to the City Council within sixty (60) days.

NOW, THEREFORE, be it


RESOLVED, by the City Council of Manila to request, as it hereby requests the Department of Finance to reconsider the possible detrimental effects of its proposal and the Department of Health to impose a PhP. 10.00 per 100 grams or PhP. 10.00 per 100 milliliters tax on pre-packaged foods lacking nutritional value, including confectioneries, snacks, desserts, and frozen confectioneries that exceed the Department of Health's specified thresholds for fat, salt and sugar content (junk food), with the end in view of finding an alternative solution.

PRESIDED BY:


JOHN MARVIN C. "Yul Servo" NIETO
Vice-Mayor and Presiding Officer
City Council, Manila

This Resolution was adopted by the City Council of Manila at its regular session on August 10, 2023.

ATTESTED:


LUCH R. GEMPIS, JR.
City Government Department Head III
(Secretary to the City Council)