

FIFTEENTH CONGRESS OF)
THE REPUBLIC OF THE PHILIPPINES)
First Regular Session



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S E N A T E

P.S. Resolution No. 394

RECEIVED BY: fr

Introduced by Senator Francis N. Pangilinan

***A RESOLUTION
DIRECTING THE SENATE COMMITTEE ON AGRICULTURE AND FOOD
TO CONDUCT AN INQUIRY IN AID OF LEGISLATION ON
THE GOVERNMENT'S ABILITY TO ADDRESS THE
SUDDEN INCREASE OF THE PRICES OF FOODS AND OTHER
AGRICULTURAL PRODUCTS***

WHEREAS, escalating food prices and shortages may cause volatility in countries around the world as the cost of staple foods and other agricultural products continue to increase. With increased prices of food commodities, agriculture still remains a vital sector of the country's economy;

WHEREAS, the government should recognize that there is an emergent apprehension among farmers and producers regarding the instability and uncertainty in food markets not only in the Philippines but also in other countries, such as Argentina, Brazil and the United States. The small rice farmers and non-rice farmers bear the costs of the high rice prices;

WHEREAS, the country's agricultural sector has the competence and the means for higher growth through crop diversification. The government should consider the possible investments in infrastructure such as rural roads and wholesale markets, market research, information and development and more importantly, food safety and quality;

WHEREAS, the government's policy on rice self-sufficiency is tantamount to sustain food security;

WHEREAS, rice farmers should have generated higher incomes even at lower consumer rice prices. One of the policy recommendations of the World Bank in its review of the Philippine agriculture's public expenditure is an improved allocative efficiency. Based on the study, a significant portion of the agricultural public expenditures are allocated to subsidies which are not beneficial to most farmers and fisher folk and instead, it is detrimental to productivity growth and agricultural diversification.

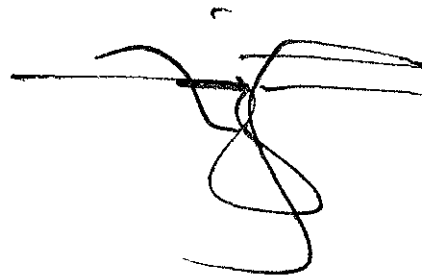
WHEREAS, according to the World Bank, food security encompasses access to foods as well as the means to acquire food. The food security strategy includes measures to reduce food prices by enhancing productivity and trade, increase allocative efficiency of public expenditures, improve food production in food-insecure farm households without ready access to markets, increase the income of the poor, and implement targeted measures to meet the immediate food and nutritional needs of the seriously undernourished;

WHEREAS, food prices may reflect changes in demand and not problems of supply such as harvest failure. Severe as it is, the burden of the surge of food prices falls on the poorest families in the country;

WHEREAS, the government's role is critical in order to advance reforms in the agriculture sector to address the country's poverty situation, and to ensure food security among the poorest rural community;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, directing the Senate Committee on Agriculture and Food to conduct an investigation in aid of legislation on the government's ability to address the sudden increase of the prices of foods and other agricultural products.

ADOPTED.

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