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SENATE
P.S. Resolution No. 440

Introduced by SENATOR CYNTHIA A. VILLAR

RESOLUTION

**DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN
INQUIRY, IN AID OF LEGISLATION, INTO THE STATE OF THE SEED
INDUSTRY DEVELOPMENT PROGRAM AND THE IMPLEMENTATION OF
THE SEED INDUSTRY DEVELOPMENT ACT OF 1992 AND ITS
IMPLEMENTING RULES AND REGULATIONS, AND FOR OTHER PURPOSES**

WHEREAS, to promote and develop the Seed Industry in the Philippines, Republic Act 7308 was signed into law last 27 March 1992 by President Corazon Aquino.

WHEREAS, the National Seed Industry Council was tasked by the Seed Industry Development Act of 1992 to adopt within ninety (90) days after it has been constituted a Seed Industry Development Program that shall be implemented by its constituent agencies, namely:

- a. A network of seed centers to be known as the National Seed Network shall be established at the Bureau of Plant Industry and major agricultural colleges and universities to produce sufficient quantity of

- breeder, foundation and registered seeds of all varieties developed by the government sector;
- b. The Department of Agriculture shall have the overall task of directing and coordinating the activities of its component agencies in accelerating the development of the seed industry;
 - c. The Bureau of Plant Industry shall have the direct responsibility for the production, distribution, regulation of breeder, foundation and registered seeds, and the implementation of the Program, including but not limited to the management of the existing research stations and seed farms, seed testing laboratories, and certification services under a self reliant management scheme;
 - d. The University of the Philippines at Los Baños shall provide leadership in plant biotechnology activities related to plant improvement, genetic resources conservation, and in vitro mass production of planting materials through the Institute of Plant Breeding (IPB);
 - e. The Philippine Rice Research Institute (PHILRICE) shall develop appropriate rice varieties designed under Philippine conditions and propagate them into breeder, foundation, and registered seeds and extend all necessary technical assistance to ensure the proper utilization of such seeds on the farm level;
 - f. The Board of Investment (BOI) shall promulgate necessary rules for the development of the seed industry as preferred area of investment; and
 - g. The private sector of the seed industry shall direct their collective efforts towards an increased and more active cooperation and coordination with the government agencies, farmers organization shall take active part in the conservation of the plant genetic resources of the nation.ⁱ

WHEREAS, the National Seed Industry Council as created by RA 7308 to replace the Philippine Seed Board shall be composed of the following:

- a. Secretary, Department of Agriculture - Chairman
- b. Director, Bureau of Plant Industry – Vice Chairman and Executive Director
- c. Dean, College of Agriculture University of the Philippines at Los Baños, Laguna - Member
- d. Director, Institute of Plant Breeding - Member
- e. Crop Research Director, Philippine Council for Agriculture Forestry and Natural Resources Research and Development - Member
- f. Director, Philippine Rice Research Institute - Member
- g. Two (2) representatives from accredited farmers organizations
- h. One(1) representative from the seed industry - Member ⁱⁱ

WHEREAS, the National Seed Industry Council was granted the following duties, powers and functions:

- a. To formulate policies that will stimulate plant breeding activities for the development of the genetic resources of the country in accordance with the provisions of RA 7308;
- b. To encourage persons, associations, cooperatives and corporations engaged in genetic resources conservation, varietal development, production and processing, quality control, storage, marketing and distribution of seeds to adopt systems and practices which improve the quality of seeds for distribution to farmers;
- c. To promote the establishment of infrastructures and other support services in priority areas geared toward the development of the seed industry;
- d. To formulate a comprehensive medium and long-term national seed industry development program in order to achieve self-sufficiency in the supply of high quality seeds;
- e. To grant awards, subsidies and other forms of assistance to seed or plant breeders who develop or are developing outstanding varieties or cultivars;

- f. To formulate policies that will stimulate plant breeding activities; and
- g. To promulgate rules and regulations to implement the provisions of RA 7308.ⁱⁱⁱ

WHEREAS, the National Seed Industry Council was entrusted to administer a Seed Fund obtained from the following sources:

- a. Five million pesos (P5,000,000.00) to be appropriated out of any funds in the National Treasury not otherwise appropriated;
- b. The existing Seed Fund;
- c. Revenues from the sale of certified seeds and plant materials, including but not limited to the income derived from the products of research stations and seed farms, seed processing and testing fees, field inspection fees, seed export and import fees, licenses fees, fees for the issuance of permits to seed growers/producers. Fines collected for violations of this Act; and
- d. Donations from private or government agencies, either domestic or foreign: Provided, That said fund shall be held in trust by the Bureau of Plant Industry, Provided, further, That the allocation, utilization and disposition of such funds shall be by and under the authority of the Council.^{iv}

WHEREAS, as incorporated in the 2017 General Appropriations Act, Fifty Million Pesos (P50,000,000.00) shall be used for the implementation of the national seed quality programs sourced from the proceeds of the sales of seeds, planting materials, products of research stations and seed farms, seed processing and testing fees, field inspection fees, seed export and import fees, licenses fees, and fees for the issuance of permits to seed growers and producers constituted into the Seed Fund in accordance with Section 16 (c) of R.A. No. 7308.

WHEREAS, gross output in agriculture increased by 0.19 percent in 2015. Production in the crops subsector declined by 1.98 percent. Palay and corn registered output losses of 4.31 percent and 3.24 percent, respectively. Downtrends were also noted for sugarcane, coffee, tobacco, onion, cabbage and rubber. Coconut production inched by 0.26 percent. Garlic posted higher production growth at 15.86 percent.^v

WHEREAS, total gross output of crops declined from P406,061,000 in 2014 to P398,003,000 in 2015, reflecting a -1.98% decrease. While total share of agriculture in the national government expenditures rose from P86,807,000 to P114,460,000 for the same periods. Total area planted/harvested for all crops declined from 13,354,000 ha in 2014 to 13,229,100 ha in 2015, wherein banana, pineapple, mango, cassava, garlic, and rubber registering slight increases.^{vi}

WHEREAS, the country's poverty incidence is at 21.6% as of 2015 wherein the farmer sector registered the highest poverty incidence among basic sectors at 34.3% for the same year.^{vii}

WHEREAS, the Department of Agriculture has stressed the importance of good breeding materials to achieve the country's 100 percent rice self-sufficiency in the next three years. Likewise there is a need to improve rice productivity through the expansion of rice farmlands by at least one million hectares next year by providing more good seeds to farmers.^{viii}

WHEREAS, seed is the single most important input in crop production. It carries the genetic potential of the variety and determines the ultimate productivity of other inputs. The main role of other inputs in crop production is to exploit to a maximum the genetic potential of the seed. Therefore, seed is and should always be the basic prerequisite of any food security scheme.^{ix}

WHEREAS, seed is a prerequisite for most of the world's food production. It provides the basis for crop improvement by allowing farmers and plant breeders to develop new varieties of crops adapted to local conditions. Seed carries genetic material that is vital for genetic conservation to assure the perpetuation of crop species for future generations.^x

WHEREAS, the seed supply system in Philippines has a direct correlation with the research sector indulged in seed variety development phase. The research system in Philippines is of little relevance because seed varieties, which are introduced do not correspond with the farmers' need and on farm improved seed production is not strengthened.^{xi}

WHEREAS, the use of high-quality seeds results in substantial increase in yield and production. Adoption of high-quality seeds is low because farmers are constrained with cost, distribution and access. Problems in governing the seed procurement and distribution system are brought about by seed growers' urgent need for cash, policing and regulation, and prolonged seed analysis.^{xii}

WHEREAS, despite the presence of an enabling law with appropriated funds, the seed production and distribution in our country is far beyond an optimal level, which deters the competitiveness of our agriculture sector. Some of the constraints hampering the development are:

- a. Insufficient availability of disease-free planting materials, basic seeds, commercial seeds and registered/certified seeds;
- b. Inadequate seed production and distribution systems;
- c. Distance to seed suppliers;
- d. Availability and cost of required production inputs;
- e. Low farm gate price;
- f. Poor seed storage facilities; and
- g. Poor seed germinability.^{xiii}

WHEREAS, rice farmers have identified that the government needs to adopt a procurement systems that would give them "freedom of choice" in the use of hybrid seeds suitable to their local climates instead of being limited to the lowest-cost seeds, urging government to prioritize quality over economy.^{xiv}

WHEREFORE, BE IT RESOLVED, as it is hereby resolved, that the Senate of the Philippines direct the appropriate Senate Committee to conduct an inquiry in aid of legislation, into the state of the seed industry development program under the Seed Industry Development Act of 1992 or RA 7308, under the supervision of the National Seed Industry Council chaired by the Department of Agriculture, and for other purposes.

Adopted,



CYNTHIA A. VILLAR

Senator

ⁱ Section 13 of RA 7308 or the Seed Industry Development Act of 1992.

ⁱⁱ Section 4 of RA 7308 or the Seed Industry Development Act of 1992.

ⁱⁱⁱ Section 5 of RA 7308 or the Seed Industry Development Act of 1992.

^{iv} Section 16 of RA 7308 or the Seed Industry Development Act of 1992.

^v Philippine Statistics Authority Agriculture Statistics for 2015, published August 2016,

<http://psa.gov.ph/sites/default/files/Selected%20Statistics%20on%20Agriculture%202016.pdf>, last accessed 22 July 2017.

^{vi} *Ibid.*

^{vii} Philippine Statistics Authority Poverty Incidence Statistics for 2015, issued 30 June 2017, <http://psa.gov.ph/poverty-press-releases>, last accessed 22 July 2017.

^{viii} <http://www.philstar.com:8080/business/2016/12/13/1652833/government-focuses-commercial-rice-seed-production>, last accessed 21 July 2017.

^{ix} <http://www.fao.org/docrep/005/y2722e/y2722e0e.htm>, last accessed 16 July 2017.

^x https://www.jstage.jst.go.jp/article/jdsa/5/1/5_1_121/_pdf, last accessed 16 July 2017.

^{xi} <https://www.kenresearch.com/blog/2017/01/competition-bayer-philippines-seed/>, last accessed 15 July 2017.

^{xii} <http://www.philrice.gov.ph/wp-content/uploads/2016/04/RS4DMv1n3-Capacitating-farmer-partners.pdf>, last accessed 16 July 2017.

^{xiii} <https://www.slideshare.net/resakssasia/mercy-sombilla-seed-sector-ppt-sep12-26949252>, last accessed 15 July 2017.

^{xiv} <http://www.manilatimes.net/rice-farmers-seek-choice-govt-seed-program/303294/>, published 23 December 2016, last accessed 21 July 2017.