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SENATE

P. S. Res. No. 55

RECEIVED BY: 

Introduced by Senator FRANCIS G. ESCUDERO

RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE COMPETITIVENESS OF LOCALLY-PRODUCED CROPS AND OTHER AGRICULTURAL AND FISHERY PRODUCTS, WITH THE END IN VIEW OF ENSURING THE EFFICACY OF GOVERNMENT EFFORTS IN IMPROVING THE COUNTRY'S AGRICULTURAL COMPETITIVENESS, MAINTAINING PRUDENCE IN THE ALLOCATION OF PUBLIC FUNDS FOR AGRICULTURAL INTERVENTIONS, AND REALIZING THE VISION OF A FOOD-SECURE AND RESILIENT PHILIPPINES WITH EMPOWERED AND PROSPEROUS FARMERS AND FISHERS

1 WHEREAS, the overarching government objective to stabilize and improve
2 incomes of farmers and fisherfolk, and to make food affordable and accessible to the
3 poor and marginalized sectors has led to diverging, if not competing, public policy
4 directions;

5 WHEREAS, the government responded to these differing priorities by adopting
6 a policy of targeted financial infusion in agriculture to improve productivity alongside
7 the rescission of quantitative import restrictions on agricultural commodities to
8 reduce food costs;

9 WHEREAS, Republic Act No. 8178, as amended by Republic Act No. 10848,
10 liberalized the trade of all agricultural commodities except rice, and created the
11 Agricultural Competitiveness Enhancement Fund that seeks to increase productivity
12 of farmers and fisherfolk, their cooperatives and associations, as well as micro and
13 small enterprises by financing agricultural loans, research and development
14 undertakings, and agricultural scholarships;

15 WHEREAS, Republic Act No. 11203 rescinded the quantitative import
16 restrictions on rice and mandated the creation of the Rice Competitiveness

1 Enhancement Fund (RCEF) to finance government interventions on rice, which
2 include farm machineries and equipment distribution, inbred seed development and
3 promotion, credit program, and extension services;

4 WHEREAS, Republic Act No. 11598 mandated the provision of direct cash
5 assistance benefits to qualified farmer-beneficiaries which shall be sourced from
6 annual tariff revenues from rice importation in excess of P10 billion allocated for
7 RCEF;

8 WHEREAS, the Philippine government has already appropriated some P953.96
9 billion for the agriculture and agrarian reform sector from FY 2016 to 2022;

10 WHEREAS, despite financial infusion afforded by agriculture-related
11 interventions, the exposure to global competition has contributed to a significant
12 dependence of the agricultural sector on the international market, not only for
13 foodstuff, but also for agricultural inputs;

14 WHEREAS, the Philippines has imported about US\$15.71 billion worth of agro-
15 based products in 2021, but only exported US\$6.79 billion of the same;

16 WHEREAS, higher agricultural imports relative to exports netted an agricultural
17 trade deficit of US\$8.92 billion pesos for 2021, which is about 40% higher than the
18 US\$6.37 billion deficit incurred in 2020;

19 WHEREAS, a chronic deficit in trade, more so in agricultural commodities, could
20 adversely affect job creation, wage levels, and long-term competitiveness not only of
21 the agricultural sector, but also of its allied industries;

22 WHEREAS, this adverse effect of import dependence is further aggravated by
23 deep-seated challenges that hinder efforts to realize an inclusive, resilient,
24 sustainable and competitive agricultural sector;

25 WHEREAS, significant strides in agricultural diversification remain elusive given
26 the predominance of traditional crops both in terms of government support and
27 agricultural output;

28 WHEREAS, the fragmented and household operations of significant portions of
29 the country's agricultural enterprises do not benefit from economies of scale and
30 vertical integration enjoyed by entities running organized and large-scale operations;

31 WHEREAS, statutory restrictions on land ownership hinder small farmers from
32 expanding operations by leasing lands or securing credit;

1 WHEREAS, the difficulty of transporting agricultural products from farms to
2 tables place small farmers and fisherfolk, as well as poor consumers, at the mercy of
3 traders who dictate buying and selling prices of agricultural commodities;

4 WHEREAS, these factors, among others, have created a condition where
5 Filipinos experience both food shortage and food surplus and suffer both low farm-
6 based incomes and high food prices, all at the same time;

7 WHEREAS, these conditions likewise affect the competitiveness of the local
8 agriculture sector, jeopardizing the ability of Filipino farmers and fisherfolk to
9 compete with the influx of imported agricultural commodities and to continue
10 engaging in agricultural activities in the future;

11 WHEREAS, ensuring agricultural competitiveness would require a measured
12 deliberation geared towards determining the most effective government intervention
13 and the most efficient allocation of public funds to achieve the objectives of
14 government: Now, therefore, be it

15 RESOLVED BY THE SENATE, as it is hereby resolved, To direct the
16 appropriate Senate committee to conduct an inquiry, in aid of legislation, on the
17 competitiveness of locally-produced crops and other agricultural and fishery
18 products, with the end in view of ensuring the efficacy of government efforts in
19 improving the country's agricultural competitiveness, maintaining prudence in the
20 allocation of public funds for agricultural interventions, and realizing the vision of a
21 food-secure and resilient Philippines with empowered and prosperous farmers and
22 fishers.

Adopted,



FRANCIS G. ESCUDERO