

FIFTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session

SENATE
OFFICE OF THE SECRETARY

10 JUL 28 P4:16

SENATE
P.S. Res. No. 55

RECEIVED BY: 

Introduced By Senator Loren Legarda

RESOLUTION

DIRECTING THE COMMITTEE ON AGRICULTURE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, TO LOOK INTO THE OVER IMPORTATION OF RICE AND TO DETERMINE APPROPRIATE MEASURES TO PREVENT RECURRENCE OF PAST ANOMALOUS SITUATION

WHEREAS, the President, in his SONA said that there has been over importation of rice for several years under the past administration;

WHEREAS, as a result of this over importation, excess supply in the domestic market drove rice prices down to the detriment of local farmers;

WHEREAS, large amounts of rice have been stored and left to rot in warehouses in the face of widespread hunger among the poor;

WHEREAS, the excessive rice importation has caused the National Food Authority (NFA) to accumulate debt reaching 177 billion pesos which is estimated to be 2.5% of the Philippine Gross Domestic Product;

WHEREAS, increasing public debt reduces our ability to finance basic social services and crowds out investments essential to economic development;

WHEREAS, numerous studies have indicated that the NFA mandate involves the pursuit of contradictory objectives that leads to its policy of buying high and selling low, causing it to incur significant losses that constitute a heavy drain on the government budget;

WHEREAS, studies also indicate that the NFA performs both regulatory and proprietary functions enabling it to participate in a market that it regulates which constitutes a serious conflict of interest that makes the agency highly vulnerable to graft and corruption;

NOW THEREFORE, BE IT RESOLVED, as it is hereby resolved, that the Senate conduct an inquiry in aid of legislation to determine the soundness and the rigor of the decision-making process on rice importation, to determine appropriate measures to prevent a recurrence of past anomalies, to correct possible conflict of interest in the organizational structure of the NFA, and to enhance transparency and accountability in policy making.

Adopted,



LOREN LEGARDA
Senator