

Republic of the Philippines
Congress of the Philippines

Senate

Manila City

Eighteenth Congress

First Regular Session

RESOLUTION No. 22

RESOLUTION URGING THE EXECUTIVE DEPARTMENT NOT TO PURSUE THE PLANNED LIBERALIZATION OF THE SUGAR INDUSTRY WITH THE END IN VIEW OF SAFEGUARDING THE WELFARE OF SUGAR FARMERS AND INDUSTRY WORKERS IN MORE THAN TWENTY (20) PROVINCES IN THE COUNTRY

WHEREAS, statements recently made by economic managers on the proposed liberalization of the sugar industry through deregulation of imports and allowing users of sugar to directly import created a stir and fear among the stakeholders in the sugar industry;

WHEREAS, economic managers blame the proposed liberalization of sugar imports on the costly prices of local sugar against those in the world market and that the same affects the competitiveness of sugar-containing food products for export;

WHEREAS, liberalization or deregulation of the sugar industry will not affect the competitiveness of sugar-containing food products for export because it is already a policy of the Sugar Regulatory Administration (SRA) to allow food exporters to openly import sugar without value-added tax or customs duties provided that the end-product is exported and not sold locally;

WHEREAS, the deregulated entry of subsidized sugar into the Philippine market will be disastrous to our sugar industry, which contributes an estimated P96 billion to the Gross Domestic Product, particularly to 84,000 farmers—mostly small farmers and agrarian reform beneficiaries, with each farmer tills less than a hectare of sugar farmland—and 720,000 industry workers directly affecting almost a million families or 5 million individuals;

WHEREAS, these sugar farmers and farm workers are scattered across more than twenty (20) provinces in the country such as Cagayan Valley, Isabela, Tarlac, Pampanga, Batangas, Cavite, Camarines Sur, Cebu, Leyte, Iloilo, Capiz, Antique, Negros Occidental, Negros Oriental, North Cotabato, Davao del Sur, Bukidnon, Sultan Kudarat, Lanao del Sur, part of Pangasinan, Kalinga and Abra, and if the sugar industry will collapse as a result of the liberalization, poverty incidence in these provinces will increase and they will become the hotbed of insurgency and criminality;

WHEREAS, the Sugar Industry Development Act (SIDA) was enacted into law only in 2015 and the law adopts as the policy of the State “to promote the competitiveness of the sugarcane industry and maximize the utilization of sugarcane resources” and this policy

declaration shall be done through “(a) establish productivity improvement programs; (b) provide the needed infrastructure support; (c) enhance research and development of other products derived from sugar, sugarcane, and their by-products; (d) provide human resource development and extension services; and (e) provide financial assistance to farmers.”;

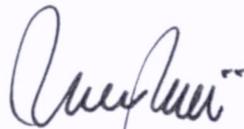
WHEREAS, the SIDA of 2015 is barely four years into effect, and much of the programs and projects it envisions to implement for the development of the sugar industry are not yet fully realized, thus any plan of liberalizing the sugar industry becomes irrelevant and very untimely;

WHEREAS, the proposed liberalization of the sugar industry will contradict the President’s thrust towards food security and will severely affect the entire agriculture sector;

WHEREAS, the SRA shall continue to regulate the supply of sugar pursuant to its mandate under Executive Order No. 18, series of 1986 and in compliance with the President’s Administrative Order No. 13, series of 2018, as the liberalization of the sugar industry will tragically affect a lot of farmers and workers all over the country: Now, therefore, be it

Resolved, as it is hereby resolved by the Senate, To urge the Executive Department not to pursue the planned liberalization of the sugar industry with the end in view of safeguarding the welfare of sugar farmers and industry workers in more than twenty (20) provinces in the country.

Adopted,



VICENTE C. SOTTO III
President of the Senate

This Resolution was adopted by the Senate on
November 11, 2019.



MYRA MARIE D. VILLARICA
Secretary of the Senate

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