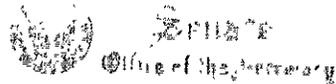


FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



13 JAN 29 11:45

SENATE
P.S. RESOLUTION NO. **933**

RECEIVED BY: 

SENATOR FRANCIS N. PANGILINAN

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON AGRICULTURE AND FOOD TO CONDUCT AN INQUIRY IN AID OF LEGISLATION INTO THE GRANT GIVEN BY THE BOARD OF INVESTMENTS IN FAVOR OF A FOREIGN FIRM OF A SIX YEAR TAX HOLIDAY AND A THIRTY PERCENT INCENTIVE FOR THE IMPORTATION OF CORN AND OTHER RAW FEEDS AS INDUSTRY PIONEER

WHEREAS, the Bureau of Investments (BOI) is an attached agency of the Department of Trade and Industry (DTI) which is the lead agency responsible for the promotion of investments in the Philippines. One of the BOI's mandates is to assist Filipino and foreign investors to venture in desirable areas of economic activities;

WHEREAS, based on news report, Thai-owned Charoen Pokphand (CP) has been granted by the BOI a six year tax holiday on top of the thirty percent incentive for the importation of corn and other raw feed as industry pioneer;

WHEREAS, one of the activities which is considered as a preferred area of investment that may be declared as "Pioneer" as defined by BOI is to wit: engages in agricultural activities/services essential to the achievement of the country's self-sufficiency program;

WHEREAS, the Secretary of the Department of Agriculture (DA) expressed his concerns regarding the BOI grant of the Thai company pioneering status. Moreover, DA Secretary Proceso Alcala was not consulted on the matter by the BOI, which only considered its required minimum capitalization of \$200 million in granting the pioneering status to CP;

WHEREAS, it is a recognized principle of the State that there are appropriate roles for local and foreign capital to play in the development of the Philippine economy and that it is the responsibility of Government to define these roles and provide the climate for their entry and growth.

WHEREAS, the BOI grant to the Thai-owned Charoen Pokphand has a great impact on the Philippine livestock industry considering that a foreign firm is enjoying the benefits from the Philippine government. Such substantial benefits are not being granted to the Philippine livestock industry.

NOW, THEREFORE, BE IT RESOLVED as it is hereby resolved by the Senate of the Philippines, to direct the Senate Committee on Agriculture and Food to look into the grant given by the Board of Investments in favor of a foreign firm of a six year tax holiday and a thirty percent incentive for the importation of corn and other raw feeds as industry pioneer.

ADOPTED,