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SENATE  
P.S. Res 626

RECEIVED BY: *ji*

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Introduced by Senator Poe

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**RESOLUTION**  
**URGING THE COMMITTEE ON AGRICULTURE AND FOOD TO ASSESS AND CONDUCT A CRITICAL REVIEW, IN AID OF LEGISLATION, OF THE RICE SUFFICIENCY POLICY OF THE COUNTRY, THE FEASIBILITY OF ABOLISHING THE NATIONAL FOOD AUTHORITY'S MONOPOLY OF RICE IMPORTATION AND/OR THE RESTRUCTURE OR OVERHAUL OF THE SAID AGENCY**

**WHEREAS**, it is a declared policy that, "the State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all"<sup>1</sup>;

**WHEREAS**, regarding the country's national economy and patrimony, Section 1, Article XII of the 1987 Constitution states:

The goals of the national economy are a more equitable distribution of opportunities, income and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged.

The State shall promote industrialization and full employment based on sound agricultural development and agrarian reform, through industries that make full of efficient use of human and natural resources, and which are competitive in both domestic and foreign markets. However, the State shall protect Filipino enterprises against unfair foreign competition and trade practices.

In the pursuit of these goals, all sectors of the economy and all regions of the country shall be given optimum opportunity to develop. Private enterprises, including corporations, cooperatives, and similar collective organizations, shall be encouraged to broaden the base of their ownership.

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<sup>1</sup> Section 9, Article II, 1987 Philippine Constitution.

**WHEREAS**, it is likewise a policy of the State that it affirms labor as a primary social economic force and that it shall protect the rights of workers and promote their welfare<sup>2</sup>;

**WHEREAS**, the Philippines is the 5<sup>th</sup> highest rice producer in Southeast Asia (among ASEAN countries), however, the agriculture sector posted the lowest productivity rate in 2012 and that nearly one-third of our labor force is in the agriculture, forestry and fishery sector; but farmers and fishermen are among the least paid workers in the Philippine economy;

**WHEREAS**, it is the National Food Authority (NFA) that is tasked by the government to stabilize the price of rice and ensure food security<sup>3</sup> and that in doing so, the NFA procures rice from rice farmers, subsidize retailing of rice to low-income consumers, maintain a rice buffer stock, and import rice during periods of rice shortages.<sup>4</sup> It can be said that the NFA that has the monopoly of importing rice in the country;

**WHEREAS**, the NFA's duty of purchasing rice from local farmers at high prices and selling the same to the public at a loss no longer seems a viable measure in stabilizing the price of rice and ensuring food security as widespread smuggling of rice, which should have been prevented by the said agency, still exists and even worsens.

**WHEREAS**, this widespread smuggling of cheaper rice prevents the consummation of sale by our local farmers and in turn degrades our local produce.

**WHEREAS**, the government must exist for the people it wishes to govern, and in line with the constitutional pronouncements above, the government's agencies must be a meaningful tool for the citizens' advancement.

**NOW, THEREFORE BE IT RESOLVED**, as it is hereby resolved, that the Committee on Agriculture and Food is urged to conduct a critical review, in aid of legislation, of the rice sufficiency policy of the country, the feasibility of abolishing the NFA's monopoly of rice importation and/or the restructure or overhaul of the said agency.

Adopted,

  
GRACE POE

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<sup>2</sup> Section 18, Article II, 1987 Philippine Constitution.

<sup>3</sup> Subsidizing the National Food Authority: Is It a Good Policy?

<http://www.senate.gov.ph/publications/PB%202010-12%20-%20Subsidizing%20the%20NFA.pdf>  
December 2010

<sup>4</sup> *Ibid.*