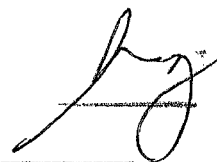


SENATE
S.B. No. 1188



Introduced by Senator Magsaysay, Jr.

EXPLANATORY NOTE

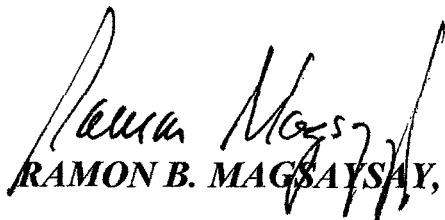
Rice is life. For the Filipinos, rice is not simply the staple food, but is the very lynchpin of the country's agricultural development. Thus, when it was stated by President Gloria Macapagal-Arroyo sometime ago that, "farmer organizations shall be accorded the privilege to import rice to end the monopoly of the National Food Authority", the message cuts across. The farmers are given the assurance of their role as premier active partners of national progress.

The farming sector has always been at the receiving end of any rice importation as this tend to dampen or lower the price of *palay* resulting in no or lower income for our farmers. It is therefore an opportunity to let importation be an advantage or an opportunity for them to earn additional income.

This bill seeks to institutionalize the pronouncement of the present leadership to end the monopoly of the National Food Authority to import rice for the country. This bill seeks to give the privilege to import rice to farmer's organization only as they are the most affected by such bringing in of rice from other countries and that the procurement funds of the National Food Authority be utilized only to purchase locally produced palay or farmer imports for food security requirements of the country.

This bill likewise mandates NFA to use its funds to procure locally- produced palay from our farming community to further motivate farmers to increase their productivity. A ready market for their produce is a critical key factor in increasing productivity in the farms.

Early enactment of this policy measure is earnestly sought.



RAMON B. MAGSAYSAY, JR.

SENATE
S.B. No. 1188

APPROVED BY:



Introduced by Senator Magsaysay, Jr.

AN ACT
AUTHORIZING FARMER ORGANIZATIONS TO UNDERTAKE RICE
IMPORTATIONS, PROVIDING FUND ASSISTANCE AND FOR OTHER
PURPOSES

Be it enacted by Senate and the House of Representative of the Philippines in
Congress Assembled:

SECTION 1. Declaration of Policy - It is hereby declared the policy of the
State:

1.1. The State recognizes the need for our country to attain food security. To this
end as long as we are still under quantitative restrictions, it shall authorize farmer
organizations to be the sole importer of rice in the country and at the same time authorize
the National Food Authority to use its funds to purchase locally produced palay only.

1.2. The State recognizes the need for farmers organizations to gain training and
expertise in international trade in anticipation of the lifting of restrictions on importation
of agricultural products under the World Trade Organization-General Agreement on
Tariffs and Trade.

1.3. The State believes that the funds of the National Food Authority (NFA) shall
be used for our own farmers especially those that need NFA service the most e.g. upland
farmers, areas of less trades, areas with less post harvest facilities, etc. provide significant
impact to local farmers.

SEC. 2. Administration - The National government through the National Food
Authority or an agency designated by the President of the Philippines shall:

- 2.1. determine the volume to be imported and for this purpose, 1 issue the
implementing rules and conditions for the rice importation;
- 2.2. give authority to import rice and transfer such authority to authorized
farmer organizations only.

- 2.3. fund allocated by NFA for its rice procurement shall be utilized in the purchase of locally produced palay and imported rice for the maintenance of its rice reserve requirements.
- 2.4. determine the rice quality to be imported in consultation with importing farmers organization based on market requirements.
- 2.5. keep an inventory of rice and grain supplies for 90 days.

SEC. 3. Determination of Authorized of Farmer Organizations - Farmer Organizations shall be accredited and certified by the National Food Authority and the Cooperative Development Authority based on a guideline to be issued for this purpose.

The NFA will play a catalytic and supportive role recognizing the autonomy and independence of the internal affairs of the farmers organization.

For this purpose, farmer organizations shall refer to associations whose majority owners are palay farmers.

SEC. 4. Monitoring - The Department of Agriculture shall oversee the national palay and rice situation to determine the amount of rice importation.

SEC. 5. Implementing Rules and Regulations - The NFA in consultation with concerned sectors shall issue the implementing rules and regulations within thirty (30) days from the effectivity of this Act.

SEC. 6. Effectivity Clause - This Act shall take effect after fifteen (15) days after its complete publication in at least (2) publications of general circulation.

Approved,