



P.S. Res. No. 56

'19 JUL 31 P5:27

Introduced by Senator Juan Miguel "Migz" F. Zubiri

RESOLUTION

**DIRECTING THE SENATE COMMITTEE ON AGRICULTURE AND OTHER APPROPRIATE SENATE COMMITTEES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE STATUS OF THE IMPLEMENTATION OF THE SUGAR INDUSTRY DEVELOPMENT ACT OF 2015, PARTICULARLY ON THE REPORTED FAILURE OF THE DEPARTMENT OF BUDGET AND MANAGEMENT TO INCLUDE THE MANDATORY APPROPRIATION OF TWO BILLION PESOS IN THE GENERAL APPROPRIATIONS ACT AND THE NON-IMPLEMENTATION OF THE SUGAR REGULATORY ADMINISTRATOR OF THE PROGRAMS UNDER SIDA**

**WHEREAS**, Republic Act 10659 otherwise known as the "Sugar Industry Development Act of 2015" was approved on March 27, 2015;

**WHEREAS**, Section 2 of RA 10659 declares that it is the policy of the state to promote the competitiveness of the sugarcane industry and maximize the utilization of sugarcane resources, and improve the incomes of farmers and farm workers, through improved productivity, product diversification, job generation, and increased efficiency of sugar mills;

**WHEREAS**, for this purpose, RA 10659 provides that the State shall: (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 small farmers;

**WHEREAS**, to achieve this declared policy of the state, Section 11 thereof provides for mandated appropriations, to wit: "SEC. 11. *Mandated Appropriations.* – The Department of Budget and Management (DBM) is hereby mandated to include annually, starting the year 2016, an initial aggregate amount of Two billion pesos (P2,000,000,000.00) in the President's program of expenditures for submission to Congress";

**WHEREAS**, in a news report<sup>1</sup> the SIDA fund has been slashed to 67 million for the year 2020 from the original 2 billion pesos mandated appropriation;

**WHEREAS**, in the same news report the DBM was quoted as stating that the budget cut was due to underspending or underutilization by the SRA;

**WHEREAS**, the impact of the reported underutilization will be felt mostly by poor sugar farmers, majority of whom are Agrarian Reform Beneficiaries, with each farmer tills

<sup>1</sup> <https://www.pna.gov.ph/articles/1073172>

less than a hectare of sugar farmland—and 720,000 industry workers directly affecting almost a million families or 5 million individuals, who rely on government to deliver the mandated services provided under SIDA;

**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 implementation of SIDA falls squarely on the shoulders of the SRA Administrator as the head of the agency and as the accountable officer for the implementation of the programs under SIDA, the SRA Administrator must adequately explain the non-implementation of the provisions of SIDA;

**NOW, THEREFORE, BE IT RESOLVED**, as it is hereby resolved, to direct the Senate Committee on Agriculture and other appropriate Senate Committees to conduct an inquiry, in aid of legislation, on the implementation of the Sugar Industry Development Act of 2015, particularly on the reported failure of the Department of Budget and Management to include the mandatory appropriation of two billion pesos in the General Appropriations Act and the non-implementation of the Sugar Regulatory Administrator of the programs under SIDA.

*Adopted,*

A handwritten signature in blue ink, consisting of a large, stylized 'S' followed by a horizontal line and a small vertical stroke.