



INTRODUCED BY SENATOR RISA HONTIVEROS

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A RESOLUTION

**URGING THE SENATE COMMITTEE ON AGRICULTURE AND FOOD TO
CONDUCT AN INQUIRY ON THE STATUS AND PROGRESS OF THE
IMPLEMENTATION OF RA 11203 OR THE RICE TARIFFICATION LAW,
PARTICULARLY WITH RESPECT TO ITS IMPACT ON RICE FARMERS AND THE
AGRICULTURAL SECTOR, WITH THE END IN VIEW OF CRAFTING
LEGISLATION TO ENSURE THE PROTECTION OF OUR DOMESTIC PRODUCERS
AND AGRICULTURAL SECTOR.**

WHEREAS, in compliance with the Philippines' commitments to the World Trade Organization and due to spiraling rice prices, Republic Act No. 11203, otherwise known as the Rice Tariffication Law, was passed to liberalize the entry of imported rice in the Philippine market by replacing quantitative restrictions with tariffs;

WHEREAS, a grave consequence of R.A. No. 11203 is the decline in the farmgate price of palay, translating to instant and significant income losses for our rice farmers. According to industry players, the prevailing farmgate price of rice dropped to as low as ₱12 pesos per kilo in some areas¹. In addition, the overall farmgate price of palay in 2019 is down by 17.3% from last year's average, leading Department of Agriculture Secretary Manny Piñol to warn that if the decline continues, a potential loss of ₱114 billion for the entire 2019 is expected to adversely affect the domestic rice industry²;

WHEREAS, juxtaposed against the drastic drop in the average farmgate price of palay is the relatively anemic decrease in the market price of rice, with consumers benefiting from only a 1 to 2 peso price drop;

WHEREAS, Article XIII Section 13 of R.A. No. 11203 provides for a Rice Competitiveness Enhancement Fund, which mandates that a portion of the tariff collections in excess of ₱10 billion shall be used in the form of financial assistance to help farmers cover at least some of their income losses caused by falling palay prices and to roll out programs for the domestic industry;

WHEREAS, despite indicators pointing to the high likelihood of imports far exceeding previous import levels and rice import tariff revenues exceeding ₱10 billion in 2019, no programs have been rolled out as yet to support the rice industry and to provide safety nets for our rice farmers;

¹ <https://www.msn.com/en-ph/money/topstories/farmgate-price-of-palay-up-in-2nd-week-of-july/ar-AAF1Rdc>

² <https://www.bloomberg.com/news/articles/2019-07-17/philippine-farmers-see-review-of-rice-import-liberalization>

WHEREAS, given the historic neglect of the agricultural sector, the widespread poverty among the country's peasant class, and the continued incursions on their right to land, it is imperative that protection mechanisms be in place and implemented properly;

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, to urge the Senate Committee on Agriculture and Food to conduct an inquiry on the status and progress of the implementation of RA 11203 or the Rice Tariffication Law, particularly with respect to its impact on rice farmers and the agricultural sector, with the end in view of crafting legislation to ensure the protection of our domestic producers and agricultural sector.

Adopted,


RISA HONTIVEROS

Senator