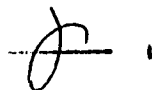


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SENATE

P.S. Res. No. 485

REGISTERED



Introduced by Senator Cynthia A. Villar

RESOLUTION

**DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN
INQUIRY, IN AID OF LEGISLATION, ON THE ISSUES SURROUNDING THE
REPORTED SURGE IN THE IMPORTATION OF CHICKEN MEAT TO THE
DETRIMENT OF THE LOCAL BROILER INDUSTRY**

1 **WHEREAS**,The Philippine broiler industry is composed of 20% backyard
2 (fewer than 1,000 birds) farms and 80% commercial farms. There are reportedly
3 588 registered poultry farms and approximately 175 meat processors in the country.
4 The fresh processed meat sector and the canned meat sector use chicken meat as a
5 raw material particularly mechanically deboned or separated chicken meat. The
6 average Filipinos consume 13kg chicken per capita per annum.¹

7 **WHEREAS**,As of April 2020, according to the PSA, the total inventory of
8 chicken was recorded at 185.58 million birds, higher by 0.4 percent from the 184.86
9 million birds recorded in the same period in 2019. The Native chicken and the
10 improved local variety and the broiler chicken decreased by 0.7 percent and 0.5
11 percent respectively.

12 **WHEREAS**, the same report says that dressed chicken production in the
13 Philippines surged 40% over a decade, growing from 1 Million MT in 2009 to 1.4
14 Million MT in 2018. While the volume of production grew by 8.48% to 465,150 MT
15 during the third quarter of 2019.

16 **WHEREAS**, The major factors for the growth in production include the
17 establishment of new commercial farms and dressing plants, switching of some
18 commercial farms to tunnel-ventilated housing, expansion of farms' stocking
19 capacities, adequate supply of day-old chicks, success of contract farming and an
20 ever-increasing demand for chicken meat due to its affordability, its lower fat
21 content, and the absence of cultural and religious biases. It is also the preferred

¹ See livestock-poultry-lprs. <https://psa.gov.ph>

1 meat in fast food outlets. The PSA also noted that increase production was brought
2 by increase demand as consumer shift from pork to chicken due to the ASF
3 outbreak.

4 **WHEREAS**, according to the chicken industry, the importation of chicken is
5 causing damage to their Sector.²

6 **WHEREAS**, The Poultry imports in the January to May period 2020 rose by
7 50% on a year-on-year period to 178,334.181 MT, due to an increase in orders for
8 chicken cuts, leg quarters and MDM. theBAI data showed that the 5-month figure
9 was almost 60,000 MT higher than last year's 118,616.864 MT.³

10 **WHEREAS**,Data from the National Meat Inspection Service showed that from
11 June 24, 2019 to June 22, 2020, the combined inventory of frozen dressed chicken
12 in Metro Manila, Central Luzon and CALABARZON surged by 60%, while local
13 production soared by 156.44%. Metro Manila is the principal market for broilers,
14 while Central Luzon and CALABARZON are top producers in the country.⁴

15 **WHEREAS**, of the poultry meat imports, 70% comprised of mechanically
16 deboned meat (used as raw material by meat processors and is not locally available
17 and do not compete in the wet market), fats, offal and rinds. In a statement, the DA
18 cited data from the Bureau of Animal Industry (BAI) showing a double digit decline
19 in the country's poultry meat imports, which fell by 23 percent from 43,000 metric
20 tons (MT) in January to 33,000 MT in May. according to the Bureau of Animal
21 Industry's National Veterinary Quarantine Services Division.⁵

22 **WHEREAS**,the Meat Importers and Traders Association (MITA) President
23 Jesus C. Cham attributed the increase in overall imports to the spillover effect. The
24 shipment intended for arrival in December were delayed due to global shipping
25 problems last year and the shipment entered the country in January to March 2020.
26 The MITA official said that there has been a growing demand for chicken cuts and
27 leg quarters from the hospital, restaurant and catering industry since last year. The
28 importation of meat including chicken meat is expected to decline as importers and
29 traders reduced orders due to trade restrictions due to the Covid pandemic.⁶

² See <https://www.poultryworld.net/Meat/Articles/2020/4/Philippines-Chicken-overtakes-pork-as-preferred-protein-576305E/>

³ See <https://businessmirror.com.ph/2020/06/15/phl-poultry-imports-jump-by-50-in-5-months-due-to-demand-surge/>

⁴ See <https://psa.gov.ph/livestock-poultry-ipsr/chicken/inventory>

⁵ See <https://mb.com.ph/2020/06/14/poultry-imports-down-from-january-may/>

⁶ See <https://www.philstar.com/business/2020/06/16/2021116/imported-meat-helped-pinoys-survive-lockdown-mita>

1 **WHEREAS**, there is a request for the local poultry raiser headed by the
2 United Broilers and Raisers' Association in an open letter to Agriculture Secretary
3 William Dar on June 15, 2020, to temporarily suspend the importation of poultry.

4 **WHEREAS**, it likewise, called on the DA to implement reforms in the agency,
5 including the reformatting of systems to simplify tariff collections and addressing
6 undervaluation through methods allowed by the World Trade Organization by
7 publishing regularly the composition and volume of exports and imports.

8 **WHEREAS**, it also asked DA to implement first border cold chain-ready
9 quarantine facilities at the Bureau of Customs, to support the corn sector and
10 enforce the Price Act.⁷

11 **WHEREAS**, the Poultry Industry is supported by the Philippine Association of
12 Feed Millers, the Pork Producers Federation of the Philippines, the Philippine Maize
13 Federation, the Philippine Chamber of Agriculture and Food, the National Federation
14 of Hog Farmers, the Philippine Eggboard Association and the Philippine Veterinary
15 Medical Association.⁸

16 **WHEREAS**, on the other hand the Department of Agriculture claims that the
17 importation was "minimal" to hurt the local producers.

18 **NOW, THEREFORE, BE IT RESOLVED**, as it is hereby resolved by the
19 Senate to direct the appropriate Senate Committee to conduct an inquiry, in aid of
20 legislation on the reported surge of importation and the suggested reforms in the DA
21 to support the poultry sector in particular and the livestock sector in general.

22 **Adopted,**


CYNTHIA A. VILLAR

⁷ See <https://www.philstar.com/business/2020/06/10/2019762/poultry-stakeholders-slam-limit-production>

⁸ See <https://www.manilatimes.net/2020/06/10/business/business-top/suspend-poultry-meat-imports-now-da-told/730790/>