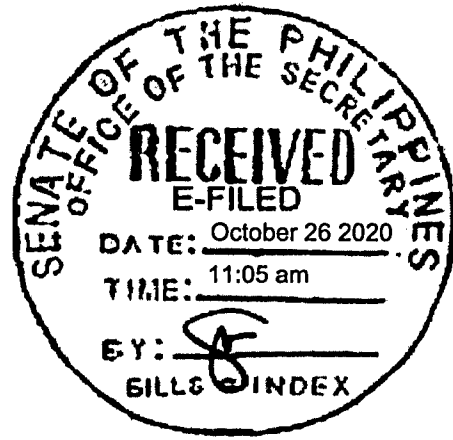


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



SENATE

P. S. Res. No. 554

INTRODUCED BY: SENATOR EMMANUEL D. PACQUIAO

**A RESOLUTION
DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN
INQUIRY, IN AID OF LEGISLATION, ON THE IMPLEMENTATION OF THE
RICE TARRIFICATION LAW, PARTICULARLY THE UTILIZATION OF
THE RICE COMPETITIVENESS ENHANCEMENT FUND**

WHEREAS, on February 14, 2019, the President signed into law Republic Act No. 11203, otherwise known as the "Rice Tariffication Law" purposely to ensure food security and to make the country's agriculture sector viable, efficient and globally competitive.

WHEREAS, RA 11203 has provided the framework for the establishment of the Rice Competitiveness Enhancement Fund (RCEF) which was set up to improve rice farmers' and farm workers' competitiveness and incomes amidst liberalization of the Philippine rice trade policy that lifted quantitative restrictions on rice imports and replaced them with tariffs, among others.

WHEREAS, the RCEF or the Rice Fund has a PHP 10 billion annual appropriation for the first six years following the approval of R. A. No. 11203, which will be drawn from taxes generated from rice import tariffs.

WHEREAS, the Department of Finance (DoF) and the Bureau of Customs (BoC), which are the lead agencies responsible for the collection of the import tariffs, must account for the volume of rice imports since the lifting of the quantitative import restrictions on rice imports, the amount of rice import tariffs therewith collected, and the amount constituted into the RCEF.

WHEREAS, the Department of Agriculture (DA), which is primarily tasked to manage the RCEF, must provide a complete and detailed report on the disbursement and the utilization of the RCEF, which was supposed to cushion the impact of rice import liberalization to the Filipino farmers, farmworkers, and their accredited cooperatives and associations.

WHEREAS, R. A. No. 11203 provides that the P10-Billion per year appropriation for the Rice Fund will be allocated and disbursed as follows: Rice farm machinery and equipment (50%) - The Mechanization Program; Rice seed development, propagation, and promotion (30%) - The Seed Program; Expanded rice credit assistance (10%) - The Credit Program, and Rice extension services (10%) - The Extension Services Program, with the said percentages of allocation subject to a review after the third (3rd) year of the effectivity of the Act.

WHEREAS, R. A. No. 11203 further provides for a review of the effectiveness of the RCEF after the first six (6) years of the effectivity of the Act.

WHEREAS, after more than a year of its implementation, the disbursement and utilization of the RCEF have yet to be fully accounted for.

WHEREAS, before the implementation of R. A. No. 11203, the farm gate price of *palay* was averaged at Php 21.39 per kilo but after imported rice started flooding the market, it instantly dropped to Php 17.88 per kilo, and recent accounts from farmers disclose that in Pampanga, Nueva Ecija, Sorsogon, Tarlac and Laguna, the farm gate price even dropped further to Php 7 per kilo up to Php 10 per kilo.

WHEREAS, R. A. No. 11203 was, moreover, enacted prior to the unforeseen occurrence of the Covid-19 pandemic that added a previously unaccounted negative impact upon the agricultural sector, including the incomes and/or situations of rice farmers, farmworkers, their dependents, and the farmers' cooperatives and associations, and that revealed their immediate needs and vulnerabilities.

WHEREAS, the present situation of the rice farmers, farmworkers, their dependents, and their cooperatives and associations, call for some urgent focused assistance if the interventions of R. A. No. 11203 are to be seen through to the law's intendments.

WHEREAS, the aforesaid sudden and drastic drop in farm gate price of *palay*, as well as the unfortunate and unforeseen happening of the Covid-19 pandemic, both justify and necessitate a review of the premises and estimates upon which the RCEF was originally conceived in relation to the purposes of R. A. No. 11203 earlier than the end of the sixth (6th) year of the law's implementation, and there may be a need to repurpose and refocus the RCEF, including a review of the percentage allocations therefrom likewise earlier than the third (3rd) year of the implementation of the law, all in order to more urgently, directly, and effectively aid the rice farmers, farmworkers, their dependents, and their cooperatives and associations.

WHEREAS, the Senate is vested with the power to exercise oversight, amend or repeal R. A. No. 11203 in view of the overriding public interest and the welfare of the Filipino farmers.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE, to direct the appropriate Senate Committee to conduct an inquiry, in aid of legislation, on the implementation of the Rice Tariffication Law, and particularly the disbursement and utilization of the Rice Competitiveness Enhancement Fund in relation to the purposes of the law and the revealed needs and vulnerabilities of the law's intended beneficiaries.

Adopted,

A handwritten signature in black ink, appearing to be 'EMMANUEL D. PACQUIAO', written over a circular stamp or seal.

EMMANUEL D. PACQUIAO