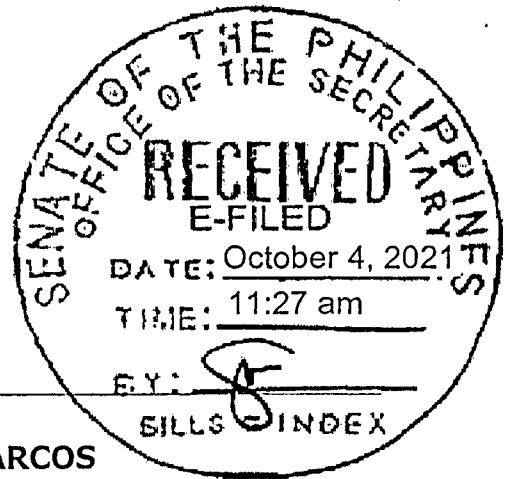


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

SENATE
P.S. Resolution No. 923



Introduced by **SENATOR IMEE R. MARCOS**

RESOLUTION
DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN
INQUIRY, IN AID OF LEGISLATION, INTO THE CONTINUING ESCALATION
OF SMUGGLED VEGETABLES IN THE COUNTRY

WHEREAS, the 1987 Constitution provides that the State shall promote industrialization based on sound agricultural development and agrarian reform. Further, the State shall protect Filipino enterprises against unfair foreign competition and trade practices;

WHEREAS, in 2015, Republic Act (R.A.) No. 10845 otherwise known as the "*Anti-Agricultural Smuggling Act of 2016*" was enacted to promote the productivity of the agriculture sector and to protect farmers from unscrupulous traders and importers, who by their illegal importation of agricultural products, especially rice, significantly affect the production, availability of supply and stability of prices, and the food security of the State. For this purpose, R.A. No. 10845 imposes higher sanctions for large-scale smuggling of agricultural products, as a self-preservation measure to shield itself from the manipulative scheme of economic saboteurs, and to protect the livelihood of Filipino farmers and to ensure their economic well-being;

WHEREAS, pursuant to Republic Act (R.A.) No. 10667 otherwise known as the "*Philippine Competition Act*," the State shall enhance economic efficiency and promote free and fair competition in trade, industry and all commercial economic activities. Further, R.A. No. 10667 prohibits agreements or arrangements that have the object or effect of substantially preventing, restricting or lessening competition in the relevant market;

WHEREAS, in August 2021, the Hi-Land Farmers' Multi-Purpose Cooperative based in La Trinidad, Benguet warned consumers of smuggled cabbages from China which were put to sale in Metro Manila. The cooperative manager further stated that the locally grown cabbages priced at PhP 115-125 per kilo could not compete with the smuggled cabbages which were sold at a much cheaper price;

WHEREAS, in September 2021, a group of Benguet farmers flagged that smuggled carrots from China were being sold in Manila and Cebu markets. The Department of Agriculture (DA) earlier said the Bureau of Plant Industry did not issue any import permits for the importation of carrots, making such importation illegal;

WHEREAS, in a virtual briefing last September 28, 2021, DA Secretary William Dar advised consumers to temporarily refrain from buying vegetables (*i.e.* carrots, ginger, cabbage) due to possible pesticide residue as smuggled agricultural products continue to flood public markets in Metro Manila;

WHEREAS, DA Assistant Secretary Noel Reyes also said during the same virtual briefing that the government will create a joint task force composed of the DA, the Department of Trade and Industry (DTI), the Bureau of Customs (BOC), and the Bureau of Internal Revenue (BIR) to investigate the matter. Asec. Reyes further stated, "*Walang fresh vegetables na binibigyan ng permit mula sa ibang bansa, kasama ang China*";

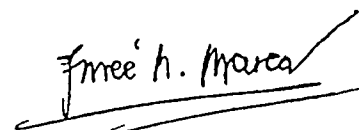
WHEREAS, it is vital that local consumers understand the dangers that these fresh agricultural products, which were imported from other countries, pose to their health and well-being considering that these products did not undergo the proper quarantine inspection procedures or regulation by the DA - Bureau of Plant Industry and there is no way for the DA to determine the pesticide residue and disease status of the smuggled vegetables that escaped the hands of the BOC;

WHEREAS, the entry and proliferation of smuggled vegetables in the Philippine marketplace would substantially prevent, restrict or lessen competition for the relevant products and deprive Filipino farmers of their livelihood in violation of R.A. No. 10667;

WHEREAS, farmer groups such as *the Samahang Industriya ng Agrikultura* and the *Federation of Free Farmers* have lobbied for the construction of first border inspection facilities at the country's major ports. However, this project, although approved in 2020, was being hampered by bureaucratic and technical issues;

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, directing the appropriate Senate committee to conduct an inquiry, in aid of legislation, into the continuing escalation of smuggled vegetables in the country.

Adopted,


IMEE R. MARCOS