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SENATE
P.S. Res. No. 497

RECEIVED BY: _____



Introduced by SENATOR RISA HONTIVEROS

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON PUBLIC ACCOUNTABILITY AND INVESTIGATIONS TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO REPORTS ON THE ENTRIES OF SUGAR SHIPMENTS IN PHILIPPINE PORTS AHEAD OF SUGAR ORDER (S.O.) NUMBER 6 AND ON POSSIBLE PROVISIONS IN S.O. 6 THAT MAY BE OPEN TO ABUSE, PATRONAGE AND CARTELIZATION

WHEREAS, according to independent sources and reported in the media, a sugar shipment in 260 20-foot containers arrived in the port of Batangas on February 9, 2023 with the consignee bearing the name of ALL ASIAN COUNTER TRADE Inc., aboard 3 vessels and using 3 shippers;

WHEREAS, on February 15, 2023, the Sugar Regulatory Administration issued Sugar Order Number 6, which allows the importation of 440,000 Metric Tons of sugar, and which states that the SRA shall only begin accepting applications for five calendar dates from the date of effectivity of the Sugar Order which is February 18, and shall only be awarding allocations for five calendar days after the last day of receiving applications;

WHEREAS, going by the timelines in the issuance, the earliest date to bring in imported sugar under S.O. 6 is March 1, 2023;

WHEREAS, many players in the sugar industry also raised equity and fairness issues in S.O. 6, including how the Department of Agriculture (DA) can approve seemingly any amount allocation without any restriction -- with no criteria, no ceiling, no formula with which to determine how allocation is given to each importer;

WHEREAS, according to the same insiders, there in fact are already three (3) identified importers -- All Asian Countertrade, Sudden Philippines Inc. at Edison Lee Marketing Corporation -- and at least two of importers have purportedly received, as early as January 13, 2023, letters from the DA granting them authority to import sugar at specified quantities, even when the mandate to authorize sugar importation is with the SRA;

WHEREAS, even more concerningly, SO 6 even grants unprecedented discretion to the DA to waive the payment of performance bond on grounds that are broad and subject to generous interpretation¹;

¹ Performance Bond – Every allocation of importer raw and refined sugar shall be subjected to a bond of Eight Hundred Fifty Pesos per 50-kg bag, unless otherwise waived or reduced by the Department of Agriculture in cases of emergency, or where there is a need to address high consumer retail prices, or upon justified circumstances.

WHEREAS, there is a need to investigate exactly how sugar shipments were allowed entry into our ports absent a Sugar Order and to identify gaps in policy that need to be addressed in order to effectively curtail agricultural smuggling, and smuggling of regulated commodities like sugar;

WHEREAS, at a time of high prices and sugar shortages it is imperative to review policies that allow the favoring of powerful players and importers and create virtual monopolies on basic commodities;

WHEREAS, if there are identified individuals involved in this fiasco then the Senate should recommend charges of violation of Republic Act No. 10845 or the Anti Agricultural Smuggling Act and/or Republic Act No. 3019 or the Anti Graft and Corrupt Practices Act;

NOW BE IT RESOLVED, AS IT IS HEREBY RESOLVED, TO DIRECT SENATE COMMITTEE ON PUBLIC ACCOUNTABILITY AND INVESTIGATIONS TO CONDUCT AN INQUIRY IN AID OF LEGISLATION INTO THE REPORTED REPORTS ON THE ENTRIES OF SUGAR SHIPMENTS IN PHILIPPINE PORTS AHEAD OF SUGAR ORDER (S.O.) NUMBER 6 AND ON POSSIBLE PROVISIONS IN S.O. 6 THAT MAY BE OPEN TO ABUSE, PATRONAGE AND CARTELIZATION

Adopted,


RISA HONTIVEROS