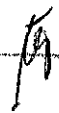


FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

APR 21 2007

SENATE

P.S. RES. NO. 354

RECEIVED BY: 

INTRODUCED BY SENATOR PIA S. CAYETANO

A RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE IMPENDING RICE SHORTAGE IN THE COUNTRY AND THE REPORTED RICE CARTELS

WHEREAS, rice is a staple food of Filipinos of which 32,000 metric tons is consumed daily;

WHEREAS, reports show that there is a shortage of rice supply in the Philippine market leading to an increase in prices and a reported hoarding of government rice;

WHEREAS, media reports show that the country is experiencing rice crisis;

WHEREAS, the government denies these reports and claims that there is no rice shortage;

WHEREAS, President Gloria Macapagal-Arroyo announced that the country will not suffer rice shortage but warned the people to expect the prices of grain to go up;

WHEREAS, the UN Food and Agriculture Organization stated that international rice prices have increased by about 20 percent in the past three months and at least doubled since 2004 because of a surge in global food price;

WHEREAS, the National Rice Farmer's Council warns of a worsening rice crisis as it reveals that based on its own estimates, production output would only be 1.9 million metric tons expected to last only for the next two months;

WHEREAS, the National Food Authority, which sells subsidized rice in some 22,000 selected outlets nationwide, downplayed a food shortage but initiated a clampdown on outlets suspected to be colluding with private traders to hoard rice and create an artificial shortage;

WHEREAS, various schemes have been proposed and initiated to address the decreasing supply of rice such as issuing rice coupons to poor families by the social welfare and development department, selling of half-cup rice in fast-food outlets, limiting the sale of rice to each family by putting indelible inks, lifting quotas on rice importation and tapping the Church and local governments in the distribution of NFA rice;

WHEREAS, the Philippines has become the world's biggest rice importer with 1.7 million metric tons imported in 2006 and 2.2 million metric tons to be imported this year;

WHEREAS, the global demand for rice, the staple commodity of more than 2.5 billion people in Asia, has been increasing in volume, especially in India and China;

WHEREAS, due to the burgeoning population in the Philippines, the demand for rice has also significantly increased;

WHEREAS, supplies from rice-exporting nations like Thailand, Vietnam, Cambodia and Egypt have been reduced to prioritize their local needs;

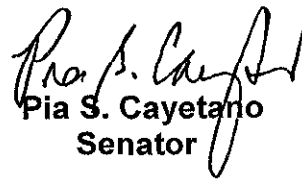
WHEREAS, mounting food prices are hurting the Filipinos, leading to rising inflation and a significant decline in the purchasing power of the poor;

WHEREAS, according to the National Statistics Office, rice is not the only key commodity the price of which is going up sharply as they disclosed that rising food prices pushed the March inflation rate to a 20-month high of 6.4 percent;

WHEREAS, because of these alarming facts and reports, there is extreme urgency to inquire on the supply and quality of rice in the Philippines given its detrimental effect on the lives of the Filipino families.

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the Senate of the Philippines direct the appropriate committees to conduct an inquiry, in aid of legislation, on the impending rice shortage in the country and the reported rice cartels.

Adopted,


Pia S. Cayetano
Senator