


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

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SENATE
P. S. R. No. 1513

RECEIVED BY 

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY,
IN AID OF LEGISLATION, ON THE NEED TO INCREASE INVESTMENTS ON
THE SEAWEED INDUSTRY IN ORDER TO MAINTAIN THE COUNTRY'S
COMPETITIVE EDGE AS THE TOP SEAWEED PRODUCER IN THE WORLD

WHEREAS, the Constitution, Article 2, Section 9 provides, "The State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all";

WHEREAS, the Constitution Article 2, Section 20 further provides, "The State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments";

WHEREAS, based on a 1 December 2009 article of the *Philippine Star*, the United Nations (UN) considers the Philippines as the number one processed seaweed producer in the world;

WHEREAS, according to a recent UN study, the Philippines has a strong capacity to produce processed seaweed or carrageenan than any other country worldwide;

WHEREAS, according to their analysis, the country has now become a net seaweed importer as indicated by increase capacity in seaweed processing in the country in the last nine years;

WHEREAS, according to Seaweed Industry Association of the Philippine President Benson Dakay, the country used to dominate the market as a major raw seaweed exporter but because of the advance technology adopted by industry players, the Philippines has now become a net importer of seaweed;

WHEREAS, Dakay cited a study made by the UN Food and Agriculture Organization that sought to review world production and trade in tropical red seaweeds, focusing on the Philippines' and Indonesia's seaweed industries and the report indicated that while the Philippines used to export raw seaweeds, the industry is now inclined to export carrageenan since the year 2000;

WHEREAS, carrageenan, a gelatin-like extracts from seaweed is a thickener, emulsifier, stabilizer and gelling agent in food, beverages, cosmetics and pharmaceuticals, and it is extracted from the *Eucheima* seaweed or native guso;

WHEREAS, it is used in the manufacture of toothpaste, ice cream, some dairy products, shampoo and cosmetic creams, among others, and the Philippines is considered the largest producer of carrageenan;

WHEREAS, volatile weather conditions due to the effects of the global warming triggered the reduction of raw seaweed exports;

WHEREAS, while the Philippines used to produce 120,000 tons of seaweed in 2006, the figure has now dropped to 80,000;

WHEREAS, sixty percent of the seaweed supply is sourced from seaweed farms in Southern Mindanao, particularly Zamboanga, Jolo, and Tawi-Tawi;

WHEREAS, low production supply has prompted industry players to import raw seaweeds from Indonesia, Cambodia, India and Vietnam;

WHEREAS, amid stiff competition, the Philippine carrageenan remained competitive in terms of costs since the prices are still about 50 percent less compared with other producers;

WHEREAS, at the end of 2008, carrageenan was priced at \$10 per kilo, while semi-refined variants were sold at US\$7 per kilo; the present rate for carrageenan is US\$14 per kilo and US\$9 per kilo for the semi-refined ones.

WHEREAS, despite the fact that there were a lot of seaweed processors, and exporters which folded up in the last few years because of foreign exchange problems, declining supply and weakening global demand, the Philippines still has the largest number of seaweed processing plants;

WHEREAS, the State should further maximize the seaweed industry's potential in order to address the unemployment problem in the country and to jumpstart the economy;

WHEREFORE, be it hereby resolved by the Philippine Senate, to direct the proper Senate committee to conduct an inquiry in aid of legislation, on the need to increase investments on the seaweed industry in order to maintain the country's competitive edge as the top seaweed producer in the world.

Adopted,


MIRIAM DEFENSOR SANTIAGO

/dpm