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OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

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SENATE
P. S. R. No. 115

DATE: _____ BY: fi

Introduced by Senator Miriam Defensor Santiago

RESOLUTION
DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID
OF LEGISLATION, ON THE NEED TO PREPARE FOR THE CONTINUOUS RISE OF
GLOBAL FOOD PRICES BY INCREASING NATIONAL BUDGET ALLOCATIONS TO
THE AGRICULTURE SECTOR IN ORDER TO INCREASE AGRICULTURAL
PRODUCTION

WHEREAS, the Constitution, Article 2, Section 9 mandates: "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, according to the 17 February 2011 article in the ABS-CBNNews.com, the rising of food prices into dangerous levels could increase the ranks of the poor in lower-income and middle-income countries including the Philippines;

WHEREAS, the report was based on the that year's edition of Food Price Watch released by the World Bank (WB);

WHEREAS, in that report, the WB noted that rising food prices have driven an estimated 44 million people into poverty in developing countries since last June as food costs continue to rise near the 2008 crisis levels;

WHEREAS, according to WB officials, the current price hike is already pushing millions of people into poverty, and putting stress on the most vulnerable, who spend more than half of their income on food;

WHEREAS, global wheat prices have risen the most, doubling between June 2010 and January 2011 while corn prices increased by 73% and rice prices increased at a slower rate than other grains;

WHEREAS, the relatively stable price of rice is due to the decision of the Philippines to limit imports and the release of large stocks onto the market by Thailand;

WHEREAS, the Philippines, categorized by the bank as a lower-middle income economy, is considered the largest importer of rice in the world;

WHEREAS, the WB further discussed that the commitments of large exporters not to impose export restriction would help maintain the stability of international rice prices;

WHEREAS, last 3 February 2011, the United Nations Food and Agriculture Office (FAO) disclosed that world food prices surged to a new historic peak in January for the seventh consecutive month;

WHEREAS, according to FAO economist and grains experts, the food index showed an upward pressure on world food prices and these high prices are likely to persist in the months to come;

WHEREAS, high food prices are of major concern, especially for low-income food-deficit countries that may face problems in financing food imports and for poor households which spend a large share of their income on food;

WHEREAS, there is therefore a need for the government to adequately prepare for the impending food crisis by instituting viable solutions to the problem of hunger and food insecurity in the world;

WHEREAS, in an uncertain climatic context marked by floods and droughts, it is imperative for the country to be in a position to finance small water-control works, local storage facilities and rural roads, as well as fishing ports and slaughterhouses;

WHEREAS, addressing this crisis would require an effective coordination of decisions on investment, international agricultural trade and financial markets;

WHEREAS, the conditions needed for an adequate supply of food for a population that is constantly growing will require a 70% increase in agricultural production worldwide and a 100% increase in the developing countries;

WHEREAS, there is a pressing need for enactment of new measures of transparency and regulation to deal with speculation on agricultural commodity futures markets;

WHEREAS, it is also imperative for the state to increase its national budget allocations to agriculture and to ensure that private foreign direct investments will be made in conditions that will ensure an equitable sharing of benefits among the different stakeholders;

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 prepare for the continuous rise of global food prices by increasing national budget allocations to the agriculture sector in order to increase agricultural production.

Adopted,

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO
MS

/dpm