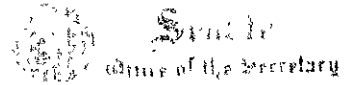


SIXTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )



13 SEP 11 P5:14

SENATE  
P. S. R. No. 242

RECEIVED BY *ja*

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Introduced by Senator Miriam Defensor Santiago

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RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED INVOLVEMENT OF RICE CARTELS IN THE RECENT INCREASE OF THE MARKET PRICE OF RICE

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 *Philippine Star*, in an article entitled, "Militant Farmers Hit Rice Cartel" dated 4 July 2013 reported that militant farmers accused of rice cartels of price manipulation that led to the increase in rice prices;

WHEREAS, according to the news report, militant group Kilusang Magbubukid ng Pilipinas (KMP) challenged the government to dismantle rice cartels;

WHEREAS, KMP officials claimed that farmers see no justifiable reason to increase rice prices by P1.00 to P2.00 because there is abundant harvest for the first half of the year;

WHEREAS, according to the report, KMP officials said even palay rice remains very low despite the high cost of production shouldered by the farmers;

WHEREAS, the news report mentioned that National Rice Program coordinator and Department of Agriculture Assistant Secretary Dante de Lima made a statement that palay harvest may increase by two percent in January to June 2013, from 7.892 million metric tons a year ago;

WHEREAS, according to the report, KMP said there's no reason for the increase in rice prices except for the manipulation of rice cartel since the price of unhusked rice did not go up and harvest is good;

WHEREAS, the news report cited a report from the Bureau of Agricultural Statistics stating the price of regular milled rice ranged from P32 to P34 per kilo as of July 9, up from the P30 per kilo recorded since last year;

WHEREAS, KMP alleged that rice cartels were also the rice importers and rice smugglers, or at the minimum have connections with rice smugglers, who benefit from the

government's rice importation policy or legalized rice smuggling; and added that the local rice industry is being killed by the policy of massive rice importation and smuggled rice;

WHEREAS, the KMP reportedly called on President Aquino to stop rice importation and order a rollback on rice prices, and institute price control measures;

WHEREAS, the KMP also warned the release in the local market of the tens of thousands of metric tons of smuggled rice seized in Cebu and Legazpi City, which are being auctioned by the Bureau of Customs as of press time, could worsen the situation;

WHEREAS, KMP officials were quoted by the report saying "Putting the smuggled rice into auction will only fuel impunity. The rice smugglers will only laugh at government because the so-called auction will legitimize the illegal entry of the contraband rice. At the same time, releasing hundreds of thousands of sacks of smuggled rice in the local market will definitely have a tremendous impact on the prices of our locally-produced rice";

WHEREAS, KMP officials demanded that the government distribute the confiscated rice to Typhoon Pablo survivors and to the poor for free instead of bidding out the smuggled rice;

WHEREAS, Congress should formulate national policy to ensure food sufficiency for the people both in terms of supply and affordability, particularly in addressing the issues of alleged rice cartels adversely influencing the rice market;

WHEREAS, Congress should also consider legislating a mechanism where seized food items, after inspection from pertinent agencies such as the Department of Health and the Bureau of Food and Drug, can be distributed as relief goods for the government's disaster management efforts;

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 alleged involvement of rice cartels in the recent increase of the market price of rice.

Adopted,

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MIRIAM DEFENSOR SANTIAGO

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