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## Introduced by Senator Loren Legarda

## **EXPLANATORY NOTE**

This bill seeks to allow farmer organizations to import rice into the country so that the funds for this purpose of the National Food Authority be utilized to purchase locally produced palay or engage only in importation for purposes of maintaining food security.

Rice is the staple food of 85 per cent of Filipinos, thus a stable supply, and acceptable quality, continued availability, and a reasonable price of this commodity constitutes food security for every Filipino.

The National Food Authority is the government agency tasked to ensure food security, and consequently, stabilize rice supply and prices. One of the ways by which NFA fulfills this mandate is by resorting to rice importation. Because of this, farmers become susceptible to lower income for their palay yield as they have to compete with imported rice which is sold at lower prices.

While food security is the primordial concern of the government, and because farmers may not always meet the food requirements of the nation, there is a need to reconcile the need to maintain food security and the need for farmers to earn a living.

This bill aims to remedy that situation by allowing farmer organizations to import rice in the country. This way, farmers shall also gain training and expertise in international trade in anticipation of the lifting of restrictions on importation of agriculture products under the World Trade Organization-General Agreement on Tariffs and trade. This proposed measure likewise requires the National Food Authority to prioritize the purchase locally produced palay, when available, in utilizing its funds.

In view of the foregoing, immediate passage of this bill is earnestly requested.

LOREN LEGARDA Senator

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SENATE S.B. No. 1081

## Introduced by Senator Loren Legarda

## AN ACT

AUTHORIZING FARMER ORGANIZATIONS TO UNDERTAKE RICE IMPORTATION, PROVIDING FUND ASSISTANCE AND FOR OTHER PURPOSE

Be it enacted by Senate and the House of Representative of the Philippines in Congress Assembled:

**Section 1. Declaration of policy** – It is hereby declared the policy of the State:

- 1.1 The State recognizes the need for our country to attain food security. To this end as long we are will quantitative restriction, it shall authorize farmer organization to import rice in the country and at the same time require the National Food Authority to prioritize the purchase locally produced palay, when available, in utilizing its funds.
- 1.2. The State recognizes the need for farmers' organizations to gain training and expertise in international trade in anticipation of the lifting of restrictions on importation of agriculture products under the World Trade Organization-General Agreement on Tariffs and trade.
- 1.3. The State believes that the funds of the National Food Authority (NFA) shall be use for our own farmers especially those that need NFA service the most e.g. upland farmers, areas of less post harvest facilities, etc. provide significant impact to local farmers.
- **SEC. 2. Administration** The National government through the National Food Authority or an agency designated by the President of by the Philippines shall:
  - 2.1. determine the volume to be imported for this purpose, I issue the implementing rules and conditions for the rice importation;
  - 2.2. give authority to import rice and transfer such authority to authorized farmer organizations only.
  - 2.3. fund allocated by NFA for its rice procurement shall be utilized in the purchase of locally produced palay and imported rice for the maintenance of its rice reserve requirements.

- 2.4. determine the rice quality to be imported in consultation with importing farmers organization based on market requirements.
- 2.5. keep an inventory of rice and grain supplies for 90 days.
- **SEC. 3. Determination of Authorized of Farmer Organization** Farmer Organization shall be accredited and certified by the National Food Authority and the Cooperative Development Authority based on a guideline to be issued for this purpose.

The NFA will play a catalytic and supportive role recognizing the autonomy and independence of the internal affairs of the farmers organization.

For this purpose, farmer organization shall refer to association whose majority owners are palay farmers.

- **SEC. 4. Monitoring** The Department of Agriculture shall oversee the national palay rice situation to determine the amount of rice importation.
- **SEC. 5. Implementing Rules and Regulations** The NFA in consultation with concerned sector shall issue the implementing rules and regulation within thirty (30) days from the effectivity of this Act.
- **SEC. 6. Effectivity Clause** This Act shall take effect after fifteen (15) days after it's complete publication in at least (2) publications of general circulation.

Approved,