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SENATE
P.S. Res. 554

RECEIVED BY: 

Introduced by Senator Magsaysay, Jr.

RESOLUTION

URGING THE SENATE COMMITTEE ON AGRICULTURE AND FOOD TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE REPORTED EXCESSIVE ISSUANCE OF IMPORT PERMITS BY THE DEPARTMENT OF AGRICULTURE-BUREAU OF PLANT INDUSTRIES RESULTING TO THE MASSIVE FLOODING OF IMPORTED ONIONS IN THE MARKET TO THE DETRIMENT OF FILIPINO ONION GROWERS AND TRADERS WITH THE END-IN-VIEW OF FORMULATING NEW POLICIES TO IMPROVE THE INDUSTRY

Whereas, agriculture is the lynchpin of the country's national economy and supports the employment of more than 12 million Filipinos, mostly in the rural areas;

Whereas, onion is one of the Philippines' most significant agricultural produce and in fact, commands the strongest potential in terms of demand in both local and foreign markets as indicated by the following relevant information:

1. The production of onions is highly concentrated in two regions, in Central Luzon¹ and the Ilocos Region² with peak months of harvest from March – April;
2. While the country's yield for onions (9 tons/hectare in 2004) lagged behind most of its Asian neighbors, but it is much less than half of China which posted the highest yield (21tons/hectare) and three times more than Vietnam (3 tons/hectare) and that in terms of production price, the Philippines registered the second highest producer price (\$267/ton in 2002) next to Indonesia;
3. Local onions are generally competitive in the export market, particularly Japan.

Whereas, while there are present statutes that govern the importation of onions, e.g., the Safeguard Measures Act (RA 8800), the Anti-Dumping Act (RA 8752), Republic Act 8751 and others, the bulk importations of onions have injured heavily the local market, resulting to the loss in opportunity of people in the countryside, wastage in agricultural resources and the same is anchored on the excessive, unwarranted and unnecessary issuance by the DA-BPI of import permits and absence of clear policies that protect local industries;

¹ Using the 2004 agricultural data of Congressional Oversight Committee on Fisheries and Agriculture Modernization, Central Luzon contributed fifty percent (50 %) of the total production, totaling 42,850 tons

² Ilocos Region posted 48 % contribution in the total onion production, amounting to 41,480 tons

Whereas, about seventy seven (77) import permits of 50,000 kilograms each of onion from China and India allotment were issued just for this year without consultation with the onion growers and traders resulting to about twenty seven (27) million kilograms of onions produced in the countryside remaining dormant in storage and not likely to be sold at all because of the flooding of the market with imported onions;

Whereas, the policy on importations of onions and other agricultural produce must be assessed considering the constraints and sensitive nature of the onion industry; the high costs of inputs such as seeds, fertilizers and pesticides, which are mostly imported; the highly seasonal nature of production; the growing incidence of pests and diseases; lack of irrigation; lack of access to credit, and limited cold storage facilities resulting to high storage cost, among others; Now therefore be it

Resolved, by the Senate of the Philippines, as it hereby resolves that the Senate Committee on Agriculture and Food to conduct an inquiry, in aid of legislation, on the reported excessive issuance of import permits by the Department of Agriculture-Bureau of Plant Industries resulting to the massive flooding of imported onions in the market to the detriment of the Filipino onion growers and traders with the end-in-view of formulating new policies to improve the industry..

Adopted,


RAMON B. MAGSAYSAY, JR.