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## Introduced by Senator Grace Poe

## **RESOLUTION**

URGING THE SENATE COMMITTEE ON AGRICULTURE AND FOOD TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE INEQUITABLE ANTI-SMALL FARMERS PROVISIONS OF MEMORANDUM CIRCULAR NO. AO-2018-05-001 ISSUED BY THE NATIONAL FOOD AUTHORITY (NFA) COUNCIL REGARDING IMPORT ALLOCATIONS FOR WHITE RICE, WITH THE END GOAL OF ENSURING THAT PREFERENCES AND ADVANTAGES SHALL BE ACCORDED BY STATE POLICIES, MEASURES AND LAWS TO OUR FARMERS AND THEIR GROUPS AND ORGANIZATIONS

WHEREAS, Section 21 of Article 2 of the 1987 Constitution of the Philippines provides that "the State shall promote comprehensive rural development and agrarian reform";

WHEREAS, Section 2 of R.A. No. 8435, otherwise known as the "Agriculture and Fisheries Modernization Act of 1997", provides, among others, that:

- a. The state shall empower the agricultural and fisheries sector to develop and sustain themselves;
- b. The State shall ensure that the poorer sectors of society have equitable access to resources, income opportunities, basic and support services and infrastructure especially in areas where productivity is low as a means of improving their quality of life compared with other sectors of society;
- c. The State shall enhance the competitiveness of the agriculture and fisheries sectors in both domestic and foreign markets; and

| 1 | d. | The State shall protect small farmers and fisher folk from unfair |
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| 2 |    | competition such as monopolistic and oligopolistic practices by   |
| 3 |    | promoting a policy environment that provides them priority        |
| 4 |    | access to credit and strengthened cooperative-based marketing     |
| 5 |    | system;   |

WHEREAS, Section 3 of R.A. No 8435 further provides that some of the objectives of said law are as follows:

- a. To enhance profits and incomes in the agriculture and fisheries sectors, particularly the small farmers and fisherfolk; and
- b. To pursue a market-driven approach to enhance the comparative advantage of our agriculture and fisheries sectors in the world market;

WHEREAS, on 24 May 2018, the National Food Authority (NFA) Council issued Memorandum Circular No. AO-2018-05-001 regarding the "GENERAL GUIDELINES IN THE IMPORTATION OF 805,200 METRIC TONS WHITE RICE UNDER THE MINIMUM ACCESS VOLUM COUNTRY SPECIFIC QUOTA (MAV-CSQ) AND THE MINIMUM ACCESS VOLUME OMNIBUS ORIGINS (MAV-OMB) FOR THE CY 2017-2018 BY THE PRIVATE SECTOR" ("2018 MAV Guidelines");

WHEREAS, the Federation of Central Luzon Farmers' Cooperative ("Federation"), however, had posed several points of opposition regarding the 2018 MAV Guidelines;

WHEREAS, the Federation contends that the 2018 MAV Guidelines is anti-poor and/or anti-farmer for the following reasons:

- In the "Import Volume Allocation", 80% had been allocated to Non-Farmer Organizations ("NFOs") while only 20% had been allocated to Farmers' Organizations ("FOs");
- b. NFOs are allowed to import 1,000 to 50,000 metric tons each while only 500 to 5,000 metric tons are allowed for FOs;
- c. The period for submission for "eligibility requirements" is too short (15 days after publication) thereby favoring NFOs who, allegedly, have prior knowledge regarding the 2018 MAV Guidelines; and

d. On top of the NFA license fee and the Php5,000.00 fee per import permit per bill of lading, the 2018 MAV Guidelines added a minimum of Php250.00 service fee per metric ton;

WHEREAS, given the above-cited provisions in the 2018 MAV Guidelines that seem to be disadvantageous and even prejudicial to the interests of our small farmers and FOs, there is a need to closely look into the 2018 MAV Guidelines and try to elicit from the NFA Council why it adopted said guidelines that are seemingly contrary to the mandates of the Constitution and the Agriculture and Fisheries Modernization Act of 1997;

WHEREAS, given the inherently disadvantaged position of our small farmers, farmers' groups and FOs, pursuant to the saying that "those who have less in life should have more in law", it is the duty of the State to ensure that its policies, measures and laws should create preferences, advantages and helpful measures and policies to uplift and improve their productivity and quality of living;

NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved by the Senate of the Philippines, to urge the Senate Committee on Agriculture and Food to conduct an inquiry, in aid of legislation, into the inequitable anti-small farmers provisions of Memorandum Circular No. AO-2018-05-001 issued by the National Food Authority (NFA) Council regarding import allocations for white rice, with the end goal of ensuring that preferences and advantages shall be accorded by State policies, measures and laws to our farmers and their groups and organizations;

Adopted.

GRACE POE