

SENATE

P. S. RES. No. 827

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RECEIVED BY: 

Introduced by Senator Ralph G. Recto

**RESOLUTION**

**DIRECTING THE SENATE COMMITTEE ON AGRICULTURE AND FOOD TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE DECREASING FISHERIES OUTPUT AND RISING GAS PRICES AND THEIR EFFECTS ON FISH PRICES, EVALUATING THE POTENTIAL PROVISION OF GAS SUBSIDY TO SUBSISTENCE FILIPINO FISHER FOLK, WITH THE END IN VIEW OF MAXIMIZING FISHING OPPORTUNITIES WHILE ENSURING THE SUSTAINABILITY OF FISHERIES AND FISHING COMMUNITIES**

**WHEREAS**, Article XIII, Section 7 of the 1987 Constitution states that the State shall provide support to subsistence fisher folk through appropriate technology and research, adequate financial, production, and marketing assistance, and other services;

**WHEREAS**, Republic Act (R.A.) No. 8550 otherwise known as The Philippine Fisheries Code of 1998 provides that it is a declared policy of the State to achieve food security as the overriding consideration in the utilization, management, development, conservation and protection of fishery resources in order to provide the food needs of the population;

**WHEREAS**, R.A. No. 8550 likewise provides that the State shall ensure the attainment of (a) conservation, protection and sustained management of the country's fishery and aquatic resources; *and*, (b) poverty alleviation and the provision of supplementary livelihood among municipal fisher folk;

**WHEREAS**, as the year-to-date inflation averaged 4.3% which is higher than the upper end of the Government's announced target range of 3.0%  $\pm$  1.0 percentage point for 2018, inflation rate on fish and seafood also registered an uptick at 11.7% in Q2 2018 compared to 7.7% in Q2 2017<sup>1</sup>;

**WHEREAS**, in an economic bulletin posted by the Department of Finance (DOF), fish consumer price index (CPI) rose by 7.5% in 2017 and 12.1% in Q1 2018. In June 2018, fish CPI further rose to 11.2% and contributed to 0.6 percentage points to the total inflation<sup>2</sup>;

<sup>1</sup> Bangko Sentral ng Pilipinas. (2018). *Inflation Report Q2 2018*. Retrieved from [http://www.bsp.gov.ph/downloads/Publications/2018/IR2qtr\\_2018.pdf](http://www.bsp.gov.ph/downloads/Publications/2018/IR2qtr_2018.pdf)

<sup>2</sup> Department of Finance. (July 26, 2018). *DOF Economic Bulletin on Fisheries Production*. Retrieved from [https://www.dof.gov.ph/index.php/economic\\_bulletin/dof-economic-bulletin-on-fisheries-production/](https://www.dof.gov.ph/index.php/economic_bulletin/dof-economic-bulletin-on-fisheries-production/)

**WHEREAS**, prices of bangus spiked by 12.5% in one month, retailing at Php140 per kilo in June 28, 2018<sup>3</sup> and Php160 per kilo in July 31, 2018<sup>4</sup>;

**WHEREAS**, on the contrary, fisheries production continues to contract. The gross value added (GVA) of fishing to gross domestic product (GDP) continued to decline, with 4% and 0.9% drops in 2016 and 2017, respectively. And while it accounted for 14.4% of the gross value added in Agriculture, Hunting, Forestry and Fishing (AHFF) in Q1 2018, it declined by 3.7% from a 1.2% growth in the same period of the previous year;<sup>5</sup>

**WHEREAS**, data from the CountrySTAT Philippines registered continuous negative growth of fisheries production in the past years. From a 3.6% decline in 2010-2011, production further dwindled and recorded 6.31% and 1.04% downturns in 2016 and 2017, respectively. In 2017, among the three subsectors of fisheries, only aquaculture registered positive growth (1.7%);

**WHEREAS**, in 2016, the contribution of fisheries to total GDP is 1.3% while its gross value added to the agricultural sector is 17.3%<sup>6</sup>;

**WHEREAS**, the DOF called on the Government to ensure stable fish supplies, noting that fish products have played an important role in the elevated inflation levels of the recent months<sup>7</sup>;

**WHEREAS**, the fishing industry is consuming more barrels of petroleum products in the past years, recording 12% and 15% increases in 2015 and 2016, respectively<sup>8</sup>;

**WHEREAS**, the fishing industry utilizes 76% of the total gas consumption of the agriculture sector;

**WHEREAS**, a Bureau of Fisheries and Aquatic Resources study reported that the share of gas and oil in the total fishing expense of a coastal or municipal fisherman ranges “from 31 percent for those who use shrimp gillnets, to a high 80 percent of a 'drift hook and line' fisherman”<sup>9</sup>;

**WHEREAS**, fishermen who use the traditional beach seine, in which a net is pulled to the shore, spend 40% of their income to buy gas<sup>10</sup>;

<sup>3</sup> Philippine Statistics Authority (June 28, 2018). *PSA Media Service*. Retrieved from <http://psa.gov.ph/sites/default/files/PSA%20Media%20Service06302018.pdf>

<sup>4</sup> Philippine Statistics Authority (July 31, 2018). *PSA Media Service*. Retrieved from <http://psa.gov.ph/sites/default/files/PSA%20Media%20Service07312018.pdf>

<sup>5</sup> Philippine Statistics Authority (Q1, 2018). *Gross Value Added in Agriculture, Hunting, Forestry and Fishing (Agriculture slows down)*. Retrieved from <http://psa.gov.ph/nap-press-release/sector/Agriculture%2C%20Hunting%2C%20Forestry%20and%20Fishing>

<sup>6</sup> Bureau of Fisheries and Aquatic Resources. *Fish Contribution to the Economy, 2016*. Retrieved from <https://www.bfar.da.gov.ph/profile?id=18#post>

<sup>7</sup> BusinessWorld. (July 26, 2018). *Fish prices driving inflation, Finance dep't warns*. Retrieved from <http://www.bworldonline.com/fish-prices-driving-inflation-finance-dept-warns/>

<sup>8</sup> Philippine Statistics Authority (2017). *2017 Philippine Statistical Yearbook*. Retrieved from <http://web0.psa.gov.ph/content/2017-philippine-statistical-yearbook-psy>

<sup>9</sup> Ramos-Araneta, Macon. (August 27, 2016). *Recto: Easy on the taxes*. Retrieved from <http://manilastandard.net/news/top-stories/214488/recto-easy-on-the-taxes.html>

<sup>10</sup> *ibid.*



**WHEREAS**, tensions in the West Philippine Sea (WPS) deny the Filipino fisher folk navigation and free fishing in the area which cause reduction in their catch, thus aggravating the decline in fisheries production;

**WHEREAS**, the rising gas prices in the past months which broke a record-high common price of Php56.35 per liter of gasoline in July 2018<sup>11</sup>, and the WPS issue, contribute to the increasing fish prices in the markets;

**WHEREAS**, there is a need to arrest the situation and evaluate the possibility of providing gas subsidy to subsistence Filipino fisher folk who are one of the poorest in the country;

**WHEREAS**, there is an immediate need to look into this compelling issue of rising fish prices as it bodes ill for the ordinary Filipinos;

**WHEREAS**, it is imperative upon Congress to create policies which ensure that our fisher folk are able to maximize fishing opportunities while ensuring the sustainability of fisheries and fishing communities;

**NOW, THEREFORE, BE IT RESOLVED**, as it is hereby resolved by the Philippine Senate, to direct its Committee on Agriculture and Food, to conduct an inquiry, in aid of legislation, on the decreasing fisheries output and rising gas prices and their effects on fish prices, evaluating the potential provision of gas subsidy to subsistence Filipino fisher folk, with the end in view of maximizing fishing opportunities while ensuring the sustainability of fisheries and fishing communities.

**ADOPTED,**

  
**RALPH G. RECTO**

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<sup>11</sup> Department of Energy. *Oil Monitor as of August 1, 2018*. Retrieved from <https://www.doe.gov.ph/oil-monitor>