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SENATE

P.S. Res. No. 1014

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Introduced by Senators Sonny M. Angara, Maria Lourdes Nancy Binay, Joseph Victor G. Ejercito, Sherwin Gatchalian, Richard J. Gordon, Loren B. Legarda, Aquilino "Koko" Pimentel III, Joel Villanueva, Cynthia A. Villar and Juan Miguel F. Zubiri

RESOLUTION

URGING THE EXECUTIVE DEPARTMENT NOT TO PURSUE THE PLANNED LIBERALIZATION OF THE SUGAR INDUSTRY WITH THE END IN VIEW OF SAFEGUARDING THE ECONOMY AND WELFARE OF SUGAR FARMERS AND INDUSTRY WORKERS IN TWENTY-EIGHT (28) PROVINCES IN THE COUNTRY

WHEREAS, recent statements made by economic managers¹ on the proposed liberalization of the sugar industry through deregulation of imports and allowing users of sugar to directly import created a stir and fear among the stakeholders in the sugar industry;

WHEREAS, the economic managers reportedly proposed the liberalization of sugar imports due to the high prices of local sugar against those in the world market and that the same affects the competitiveness of sugar-containing food products for export²;

WHEREAS, the liberalization or deregulation of the sugar industry will not affect the competitiveness of sugar-containing food products for export because it is already a policy of the Sugar Regulatory Administration (SRA) to allow food exporters to openly import sugar without value-added tax or customs duties provided that the end-product is exported and not sold locally;

WHEREAS, the deregulated entry of subsidized sugar into the Philippine market will be disastrous to our sugar industry, which contributes an estimated P96 billion to the Gross Domestic Product³, particularly to 84,000 farmers—mostly small farmers and agrarian reform beneficiaries, with each farmer tilling less than a hectare of sugar farmland—and 720,000 industry workers directly affecting almost a million families or 5 million individuals;

WHEREAS, these sugar farmers and farm workers are scattered across twenty-eight (28) provinces in the country such as Cagayan Valley, Isabela, Kalinga, Tarlac, Pampanga, Batangas, Camarines Sur, Negros Occidental, Negros Oriental, Iloilo, Capiz, Antique, Leyte, Cebu, Bukidnon, Davao del Sur, Sarangani Province, North and South Cotabato, Maguindanao, Sultan Kudarat, and parts of Pangasinan, Nueva Ecija, Bataan, Laguna, Cavite, Quezon Province and Lanao del Sur, and if the sugar industry will collapse as a result of the liberalization, poverty incidence in these provinces will increase and they will become the hotbed of insurgency and criminality;

¹ "Gov't to liberalize sugar imports", Philippine Daily Inquirer, January 17, 2019. p.B1; "Sugar next on government's deregulation list after rice", Business World, January 17, 2019, p. S1/1; "NEDA: Liberalization of Sugar Next", Philippine Daily Inquirer, January 29, 2019, p.B4.

² Ibid.

³ As of Crop Year 2017-18, from sale of raw sugar, refined sugar, molasses and ethanol.

WHEREAS, the Sugar Industry Development Act (SIDA) was enacted into law only in 2015 and the law adopts as the policy of the State "to promote the competitiveness of the sugarcane industry and maximize the utilization of sugarcane resources" and under this policy declaration the State shall "(a) establish productivity improvement programs; (b) provide the needed infrastructure support; (c) enhance research and development of other products derived from sugar, sugarcane, and their by-products; (d) provide human resource development and extension services; and (e) provide financial assistance to farmers.";

WHEREAS, the SIDA of 2015 is barely four years into effect, and much of the programs and projects it envisions to implement for the development of the sugar industry are not yet fully realized, thus any plan of liberalizing the sugar industry becomes irrelevant and very untimely;

WHEREAS, the proposed liberalization of the sugar industry will contradict the President's thrust towards food security and will severely affect the entire agriculture sector;

WHEREAS, the Sugar Regulatory Administration shall continue to regulate the supply of sugar pursuant to its mandate under Executive Order No. 18, S. 1986 and in compliance with the President's Administrative Order No. 13, S. 2018, as the liberalization of the sugar industry will tragically affect a lot of farmers and workers all over the country;

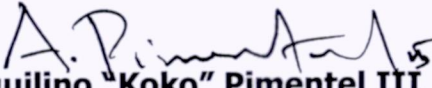
NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved by the Senate to urge the Executive Department not to pursue the planned liberalization of the sugar industry with the end in view of safeguarding the economy and welfare of sugar farmers and industry workers in twenty-eight (28) provinces in the country.


Adopted,

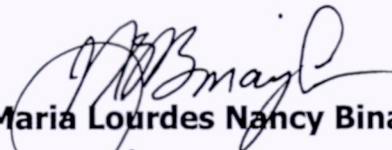

Sonny M. Angara


Joseph Victor G. Ejercito

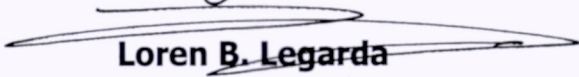

Richard J. Gordon


Aquilino "Koko" Pimentel III

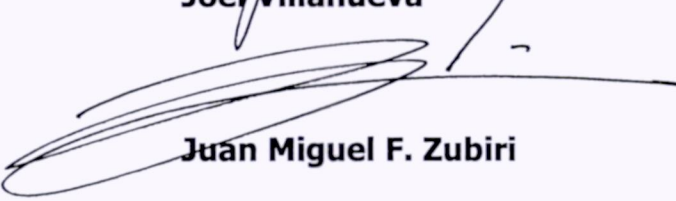

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