

Republic of the Philippines HOUSE OF REPRESENTATIVES Ouezon City, Metro Manila

EIGHTEENTH CONGRESSFirst Regular Session

House Resolution No. 522

Introduced by Representative GERALDINE B. ROMAN

RESOLUTION

DIRECTING THE COMMITTEE ON AGRICULTURE AND FOOD TO CONDUCT AN INQUIRY IN AID OF LEGISLATION ON THE COMPLAINTS OF FARMERS AGAINST THE STEEP PRICES OF FERTILIZERS AND PESTICIDES

WHEREAS, based on the latest data of the Philippine Statistics Authority as of August 2019, notable increases in fertilizer prices were especially noted in rice-producing regions such as Central Luzon, Western Visayas, Cagayan Valley and Bangsamoro Region;

WHEREAS, the exorbitant prices of fertilizers (one of the most essential ingredients of modern agriculture) have made it increasingly difficult for farmers to produce crops and earn a reasonable profit, thus, forcing them to scrimp on implements and make do with lower yields;

WHEREAS, many farmers borrow from the Land Bank in order to buy pesticides and fertilizers, but due to the exorbitant prices of pesticides and fertilizers, these farmers are unable to produce rice in significant quantities, earn a reasonable profit, and repay their loans.

WHEREAS, the cost of pesticides and fertilizers has raised the cost of rice production in the Philippines making it impossible for Filipino farmers to compete with cheaper imported rice that is flooding the Philippine market;

WHEREAS, the high cost of fertilizers and pesticides should be regulated by government to restore rice production to its self-sufficient level, increase productivity and enhance long-term competitiveness in the world market;

WHEREAS, the Fertilizer and Pesticide Authority (FPA), created under Presidential Decree No. 1144, is mandated to ensure that the agricultural sector has adequate supplies of fertilizer and pesticide at REASONABLE PRICES, and to rationalize the manufacture and marketing of fertilizers:

WHEREAS, the FPA under Sec. 6 of P. D. 1144, has the power and function, among others, TO DETERMINE AND SET THE VOLUME AND PRICES OF BOTH WHOLESALE AND RETAIL, OF FERTILIZER AND FERTILIZER INPUTS;

WHEREAS, the FPA also has the power and function TO CONTROL AND REGULATE XXX PRICES, TERMS, MARK-UPS, DISTRIBUTION CHANNELS, PROMOTION, STORAGE AND OTHER MARKETING FACTORS IN THE DOMESTIC FERTILIZER MARKET;

WHEREAS, P.D. 1144 states that SHOULD THERE BE EXTRAORDINARY AND UNREASONABLE INCREASES IN PRICES OR A SEVERE SHORTAGE IN SUPPLY OF PESTICIDES, OR IMMINENT DANGERS xxx THE FPA IS EMPOWERED TO IMPOSE SUCH CONTROLS AS MAY BE NECESSARY IN THE PUBLIC INTEREST, INCLUDING BUT NOT LIMITED TO SUCH RESTRICTIONS AND CONTROLS AS THE IMPOSITION OF PRICE CEILINGS, CONTROLS ON INVENTORIES, DISTRIBUTION AND TRANSPORT, AND TAX-FREE IMPORTATIONS OF SUCH PESTICIDES OR RAW MATERIALS THEREOF AS MAY BE IN SHORT SUPPLY;

WHEREAS, the FPA should immediately and regularly check and always monitor the prices of imported inputs and raw materials for these pesticides and fertilizers and compare these prices with the steep prices of fertilizers and pesticides actually sold to farmers to see if the prices of such fertilizers and pesticides are unreasonably high based on the cost of raw materials;

WHEREAS, the FPA, in the interest of the public, should listen to, and heed the voices of the poor farmers clamoring for the lowering of prices of pesticides and fertilizers and exercise its power to regulate the prices of these commodities to make them more affordable to our poor Filipino farmers and to lower the cost of rice production in the country, in general;

WHEREAS, under PD 1144, the FPA should see to it that there is an efficient and speedy way for it to monitor the prices of fertilizers and pesticides and that adequate, concrete and effective measures are implemented to regulate and control the increase in prices of fertilizers and pesticides;

NOW, THEREFORE, IN VIEW THEREOF, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, to direct the Committee on Agriculture and Food to conduct an inquiry in aid of legislation on the complaints of farmers against the steep prices of fertilizers and pesticides.

Adopted,

Lerdena Kolman