Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City

EIGHTEENTH CONGRESS

First Regular Session

HOUSE RESOLUTION NO.



Introduced by

REP. FRANCISCO "KIKO" B. BENITEZ, REP. JOSEPH STEPHEN PADUANO, REP. NOEL VILLANUEVA, REP. ARNULFO "ARNIE" TEVES JR., REP. JOCELYN LIMKAICHONG, REP. MA. LOURDES ARROYO, REP. LEO RAFAEL CUEVA, REP. GERARDO VALMAYOR JR., REP. GENARO ALVAREZ, REP. JULIET MARIE FERRER, REP. MANUEL T. SAGARBARRIA, REP. JULIENNE "JAM" L. BARONDA, REP. VINCENT FRASCO, REP. LUCY TORRES GOMEZ, REP. LORENZ R. DEFENSOR, REP. EMMANUEL A. BILLONES, REP. MANUEL F. ZUBIRI, REP. EDUARDO R. GULLAS, REP. EMMARIE "LOLYPOP" OUANO-DIZON, REP. WILFREDO S. CAMINERO, REP. MA. THERESA V. COLLANTES

A RESOLUTION

EXPRESSING THE STRONG OPPOSITION OF THE HOUSE OF REPRESENTATIVES CONGRESS TO THE PLANNED LIBERALIZATION OR DEREGULATION OF THE IMPORTATION OF SUGAR FOR THE PURPOSE OF SAFEGUARDING THE WELFARE OF SUGAR FARMERS, FARM AND MILL WORKERS ACROSS THE COUNTRY

WHEREAS, on 27 September 2019, the Department of Finance issued an Economic Bulletin wherein it called for the removal of quantitative restrictions on sugar imports;

WHEREAS, the liberalization of sugar importation is being proposed because local sugar prices are higher than those in the world market which allegedly renders sugar containing food products for the domestic market and for export uncompetitive;

WHEREAS, it is not correct to compare local sugar prices with world market prices because the world sugar market is where major sugar exporting countries such as Thailand and India sell their excess sugar at below cost of production;

WHEREAS, major sugar exporting countries can afford to dump their excess sugar production in the world market because they provide massive subsidies and other forms of protection such as domestic and export support prices to their sugar farmers and sugar industries, while Filipino sugar farmers – most of whom are small farmers and agrarian reform beneficiaries – get minimal support and cannot afford to sell their sugar below costs;

WHEREAS, even the United States of America which is the champion of globalization and liberalization has a long standing policy to strictly regulate sugar importation to shield its farmers from the distortions in the world market sugar and prices;

WHEREAS, the liberalization or deregulation of sugar importation will not affect the competitiveness of sugar containing food products for export because they can already import sugar without value-added tax (VAT) or customs duties provided that the end-product is exported and not sold locally;

WHEREAS, based on the Nutrition Labels/Facts of most locally manufactured sugarcontaining food products in the market, sugar is not the major ingredient and cost component of the product to render such sugar-containing product uncompetitive based solely or entirely on sugar;

WHEREAS, as pointed out by sugar farmers that notwithstanding the drop in mill site prices of sugar, retail prices remained high, and in some supermarkets well-above the suggested retail price, which means that consumers will not benefit from liberalization or deregulation of sugar importation but only traders and/or importers;

WHEREAS, the unregulated entry of subsidized imported sugar will be disastrous to our sugar industry, which contributes an estimated P96 billion to the Gross Domestic Product, specifically to 84,000 sugar farmers and 720,000 industry workers, across twenty-eight (28) provinces of the Philippines;

WHEREAS, as it will be detrimental to farmers and farm workers and their families and to the rural communities that produce sugar, the liberalization or deregulation of sugar importation undermines President Rodrigo Duterte's inclusive growth vision for the country;

WHEREAS, the Sugar Regulatory Administration (SRA) shall continue to regulate the supply of sugar in the country pursuant to its mandate under Executive Order No. 18, series of 1986 and pursuant to the President's Administrative Order No. 13, series of 2018, as the liberalization or deregulation of sugar importation will tragically affect sugar farmers and workers in the country;

NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved that, the House of Representatives to express its strong opposition to the planned liberalization or deregulation of sugar importation for the purpose of safeguarding the welfare of farmers and farm and mill workers across the country.

REP. FRANCISCO "KIKO" B. BENITEZ

REP. JOSEPH STEPHEN PADUANO

REP. NOEL VILLANUEVA

REP. ARNULFO "ARNIE" TEVES JR.

RROYO

REP. JOCELYN LIMEAICHONG

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REP. MA. LOURDE

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