Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City

First Regular Session

HOUSE RESOLUTION NO.

RECEIVED

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BY: WDEX SER.

Introduced by Representative MICAELA S. VIOLAGO

RESOLUTION DIRECTING THE COMMITTEE ON AGRICULTURE AND FOOD TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE LIBERALIZATION OF FERTILIZER IMPORTATION AS PART OF THE EFFORTS IN CONTINUING TO CUT THE COST OF PRODUCING RICE IN THE COUNTRY

WHEREAS, the Fertilizer and Pesticides Authority (FPA) noted that the output of local manufacturers could no longer meet the increasing demand of farmers for fertilizer which they use to hike crop yields;

WHEREAS, the Department of Agriculture should push for a policy that will allow the entry of cheaper imported fertilizers to aid rice farmers in the country;

WHEREAS, data showed that fertilizer accounts for around 12 to 17 percent of the Filipino rice farmers' total production cost;

WHEREAS, in total, the cost of producing rice in the Philippines stands at P12.72 per kilo, while it is only P6.22 per kilo in Vietnam and P8.86 per kilo in Thailand, which would explain why locally produced rice is more expensive than imported rice;

WHEREAS, the increased demand for fertilizers can be attributed to the increasing number of dealers or importers which were issued permits and licenses by the FPA as stated in its 2017 annual report;

WHEREAS, fertilizer prices pinched farmers in 2019, finding it harder to produce better yields due to rising fertilizer costs;

WHEREAS, Philippine Statistics Authority data showed that Urea, Ammosul, and Ammophos fertilizer prices have risen over 20 consecutive months;

WHEREAS, Complete fertilizer prices have recently gone down slightly, but registered the highest leap from levels a year ago;

WHEREAS, to produce the greatest possible output in ensuring food security, the Philippine government promulgated landmark legislations that created the

Fertilizer and Pesticide Authority and incentives that would encourage fertilizer traders to increase their imports and made it easier for domestic manufacturers to import raw materials for locally produced fertilizer as stipulated in the Agricultural & Fisheries Modernization Act;

WHEREAS, on the basis of the foregoing concerns and the oversight functions of Congress;

NOW, THEREFORE, 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 liberalization of fertilizer importation as part of the efforts in continuing to cut the cost of producing rice in the country.

ADOPTED.

MICAELA S. VIOLAGO

Representative, 2nd District of Nueva Ecija