Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE RESOLUTION No. 992

Introduced by
BAYAN MUNA Representatives EUFEMIA C. CULLAMAT,
CARLOS ISAGANI T. ZARATE and FERDINAND R. GAITE,
GABRIELA Women's Party Representative ARLENE D. BROSAS,
ACT TEACHERS Party-List Representative FRANCE L. CASTRO,
and KABATAAN Party-List Representative SARAH JANE I. ELAGO

RESOLUTION
DIRECTING THE COMMITTEES ON AGRICULTURE AND FOOD AND GOOD
GOVERNMENT AND PUBLIC ACCOUNTABILITY TO CONDUCT A JOINT
INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED OVERPRICED
FERTILIZER PROCURED BY THE DEPARTMENT OF AGRICULTURE

WHEREAS, on June 12, news reports came out questioning the supply contract entered by the
Department of Agriculture for the procurement of fertilizer for its Rice Resiliency Program that
aims to increase the country's rice production from 87 percent to 93 percent by the end of 2020;

WHEREAS, on April 28, the DA posted an invitation to bid for the supply and delivery of 5.69
million bags of urea fertilizer with an approved budget of P5.69 billion. DA also conducted
bidding for the 1,811,090 bags of urea fertilizers for P1.8 billion or a price tag of P1,000 per bag;

WHEREAS, the winning bidders were La Filipina Uy Gongco Corporation for the delivery of
97,615 bags at P990/bag to Region 4A; 694,904 bags at P995/bag to Region 6, and 911,073 bags
at P995/bag to Region 3, on May 8, 2020, and May 14, 2020, respectively; and Atlas Fertilizer for
the delivery of 107,498 bags at P900/bag to Region 7 on May 14, 2020. DA will procure another
P3.8-billion worth of fertilizer;

WHEREAS, the total contract for the P1.8 billion fertilizer could be overpriced by at least
P271.66 million as farmers from Tarlac and Nueva Ecija attest that the prevailing average price
of urea is pegged only at P850 per bag;

WHEREAS, DA and Secretary William Dar initially denied the so-called overpriced fertilizer
scam, saying that the agency will disclose all information regarding the bidding and procurement
of the fertilizer supply. DA said it based the bidding price on the price monitoring of the
Fertilizer and Pesticide Authority for the period of April 27 to May 1 and that transport and
other cost were incorporated in the final cost amounting to P1000 per bag of urea fertilizer;

WHEREAS, farmers said recent purchases of urea fertilizer showed a bag could fetch for P830
in Tarlac, P810 in Pangasinan, and P840 in Nueva Ecija. Based on the recent monitoring of the
Kilusang Magbubukid ng Pilipinas, average prevailing prices per bag of urea fertilizer since last month have not changed and these are as follows:

- Tarlac - P850
- Nueva Ecija - P830 to P870
- Isabela - P880 to P1,100
- Quirino - P1,080
- Camarines Sur - P1,000
- Iloilo - P880
- South Cotabato - P850
- Cagayan de Oro - P850
- Agusan del Sur - P950
- Davao City - P800
- Davao de Oro - P1,000

WHEREAS, this issue on the alleged overpriced fertilizer further raised suspicion because news reports stated that the winning bidder La Filipina, does not also have available stocks of urea fertilizers nor has it shown any bill of lading to prove that it had an incoming supply of urea fertilizers and yet it still bagged the contract;

WHEREAS, DA must have the sense to put on hold and/or suspend the succeeding bidding for the procurement of an additional P3.8-billion worth of fertilizer until the questionable bidding and procurement of the P1.8-billion fertilizer is given clarity;

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, that the Committees on Agriculture and Food and Good Government and Public Accountability conduct a joint inquiry, in aid of legislation, on the alleged overpriced fertilizer procured by the Department of Agriculture.
Approved,

REP. ECHEMIA C. CULLAMAT
Bayan Muna Partylist

REP. CARLOS ISAGANI T. ZARATE
Bayan Muna Partylist

REP. FERNANDO R. GAITE
Bayan Muna Partylist

REP. ARLENE D. BROSAS
Gabriel's Women's Party

REP. FRANCESCA L. CASTRO
ACT Teachers Partylist

REP. SARAH JANE I. ELAGO
Kabataan Partylist