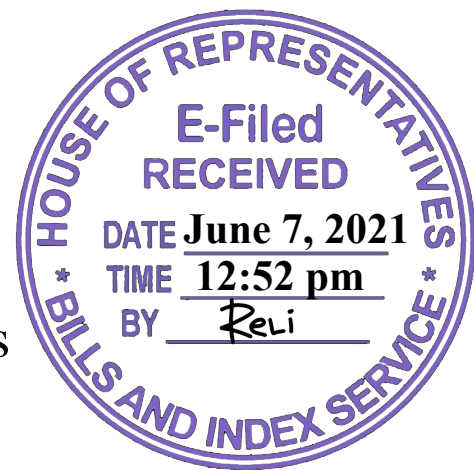




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Eighteenth Congress
Second Regular Session



HOUSE RESOLUTION NO. 1853

Introduced by Representatives RIA CHRISTINA G. FARINAS, RUDYS CAESAR G. FARINAS I, SHARON S. GARIN, ROSANNA “RIA” V. VERGARA, ANTONIO “TONYPET” T. ALBANO, MICHAEL B. GORRICETA, MOHAMAD KHALID Q. DIMAPORO, CONRADO M. ESTRELLA III, EDWARD VERA PEREZ MACEDA, ESTRELLITA B. SUANSING, JULIENNE “JAM” L. BARONDA, RONNIE L. ONG, RANEO “RANIE” E. ABU, LORENZ R. DEFENSOR, JUAN MIGUEL MACAPAGAL-ARROYO, MANUEL F. ZUBIRI, FRANCISCO “KIKO” B. BENITEZ, FAUSTINO “INNO” A. DY, ALYSSA SHEENA P. TAN, JOHN MARVIN “YUL” SERVO C. NIETO, JUMEL ANTHONY I. ESPINO, and ANGELO MARCOS BARBA

RESOLUTION

URGING PRESIDENT RODRIGO ROA DUTERTE TO SUSPEND THE IMPLEMENTATION OF EXECUTIVE ORDER NO. 135, SERIES OF 2021, ENTITLED “TEMPORARILY MODIFYING THE RATES OF IMPORT DUTY ON RICE UNDER SECTION 1611 OF REPUBLIC ACT NO. 10863, OTHERWISE KNOWN AS THE “CUSTOMS MODERNIZATION AND TARIFF ACT” IN ORDER TO ENSURE THE CONTINUOUS SUPPORT OF THE GOVERNMENT TO LOCAL RICE FARMERS

WHEREAS, on May 15, 2021, upon the recommendation of the National Economic and Development Authority, President Rodrigo Roa Duterte issued Executive Order (EO) No. 135, which would be in effect for one (1) year, wherein the Most Favored Nation rates of import duty on rice are lowered, from forty (40%) percent for in-quota imports and fifty (50%) percent for out-quota imports, to thirty-five (35%) percent;

WHEREAS, the factors considered by the President in lowering the import duty on rice under EO 135 were the continuous increase in the price of rice from other countries, and uncertainties relative to the supply of rice, which

call for the urgent need to diversify the country's market sources, augment rice supply, maintain affordable prices and reduce inflationary pressures;

WHEREAS, in its 2020 year-end report, the Department of Agriculture recorded that the wholesale and retail prices of well-milled rice are stable, local supply is steady amid the COVID-19 pandemic, and the projected yield of palay production is 19.44 million metric tons (MMT) in 2020 and a conservative production of 20.48 MMT to a high of 20.66 MMT in 2021;

WHEREAS, on February 14, 2019, Republic Act (RA) No. 11203, commonly known as the "*Rice Tariffication Law*," institutionalized the Rice Competitiveness Enhancement Fund (RCEF) which depends on the annual tariff revenues from rice importation to support programs for rice farmers, particularly financial assistance, titling of agricultural rice lands, expanded crop insurance program on rice and crop diversification;

WHEREAS, as of March 2021, the RCEF were utilized to deliver 9,236 farm machineries to 3,180 farmers' cooperatives and associations (FCAs), distribute 1.65 million bags of certified seeds to 661,567 farmers for rice farm machineries and equipment, rice seed development, lend P2 billion to 5,956 farmers and 97 FCAs, establish 90 new farm schools and enhance 43 farm schools;

WHEREAS, various stakeholders, particularly the FCAs and the Federation of Free Farmers, expressed their concerns that the lowering of import duty on rice will directly lower the collection of tariffs on rice which is the source of funding for the RCEF;

WHEREAS, the Rice Tariffication Law brought about transformative reforms, and the rice farmers are still in a period of transition and are in need of the critical support of the RCEF to lower their production cost, increase their productivity, and improve their income;

WHEREAS, the lowering of the import duty on rice may result to the reduction of the necessary support and assistance to the local rice farmers and delay the government's vision of a rice-secure Philippines by 2030: Now, therefore, be it

RESOLVED BY THE HOUSE OF REPRESENTATIVES, To urge President Rodrigo Roa Duterte to suspend the implementation of Executive Order No. 135, Series of 2021, entitled "Temporarily Modifying the Rates of Import Duty on Rice Under Section 1611 of Republic Act No. 10863, Otherwise Known as the "*Customs Modernization And Tariff Act (CMTA)*", temporarily modifying the rates of import duty on rice, in order to ensure the continuous support of the government to local rice farmers.

Adopted,



RIA CHRISTINA G. FARIÑAS
1st District Ilocos Norte



RUDYS CAESAR G. FARIÑAS I
Party-list, Probinsyano Ako




SHARON S. GARIN
Party-list AAMBIS-OWA



ROSANNA "RIA" V. VERGARA
3rd District, Nueva Ecija



ANTONIO "TONYPET" T. ALBANO
1st District, Isabela




MICHAEL B. GORRICETA
2nd District, Iloilo




**MOHAMAD KHALID Q.
DIMAPORO**
1st District, Lanao Del Norte



CONRADO M. ESTRELLA III
Party-list, ABONO




EDWARD VERA PEREZ MACEDA
4th District, Manila



ESTRELLITA B. SUANSING
1st District, Nueva Ecija



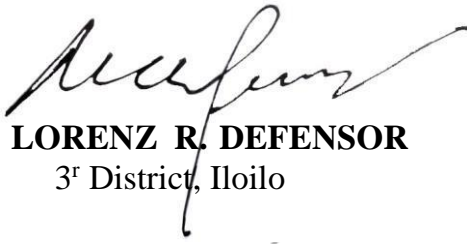
RONNIE L. ONG
Party-list, ANG PROBINSYANO



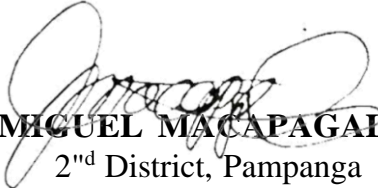
JULIENNE "JAM" L. BARONDA
Lone District, Iloilo City



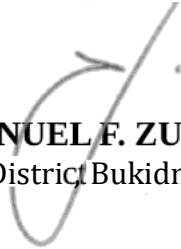
RANEO "RANIE" E. ABU
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LORENZ R. DEFENSOR
3^r District, Iloilo



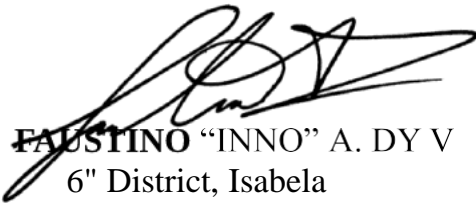
JUAN MIGUEL MACAPAGAL-ARROYO
2nd District, Pampanga



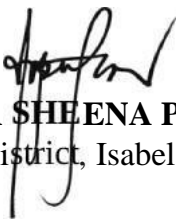
MANUEL F. ZUBIRI
3rd District, Bukidnon



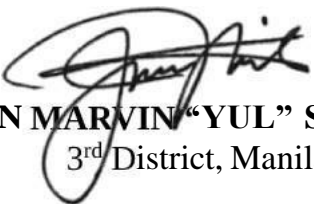
FRANCISCO "KIKO" B. BENITEZ
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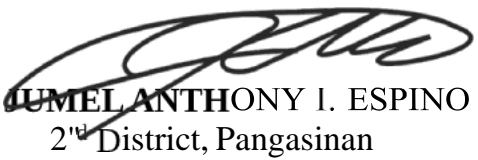
FAUSTINO "INNO" A. DY V
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