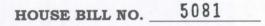
Republic of the Philippines HOUSE OF REPRESENTATIVES Ouezon City, Metro Manila

EIGHTEENTH CONGRESS First Regular Session





Introduced by **ANG PROBINSYANO**Party-List Representative Alfred Delos Santos

EXPLANATORY NOTE

4 5

During the State of the Nation Address, the President criticized and shared that the Landbank of the Philippines (Landbank), a bank created to cater to the agriculture and farming sector, has been acting just like any other commercial banks. It has gone astray from the purpose it was created and has allegedly focused on earning profits rather than helping the public.

At the same time, according to Finance Secretary Carlos Dominguez, Landbank has been doing its best to comply with its mandate to help the Filipino farmers and fishermen. Also, based on the data held by the Bangko Sentral ng Pilipinas, Landbank is the only bank compliant with Republic Act No. 10000 otherwise known as the Agri-Agra Law. With this, there is a need to amend the law to further strengthen Landbank in its mandate to provide financial support to the agriculture and fisheries sector. Also, more banks should be able to comply with the loan percentages provided in the Agri-Agra Law.

The State recognizes the need to an equal access to opportunities under and environment of sustained growth and expanding productivity of our citizens as keys to raising the quality of life for all in the country. As such, the State shall promote rural development by further enhancing access of the rural agricultural sector to financial services and programs that increase market efficiency and promote modernization in the rural agricultural sector.

It is for these foregoing premises that approval of this bill is earnestly sought.

ALFRED C. DELOS SANTOS
Representative, Ang Probinsyano Party List

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

EIGHTEENTH CONGRESS First Regular Session

HOUSE	BILL	NO.	5081
4400000		410.	

Introduced by **ANG PROBINSYANO**Party-List Representative Alfred Delos Santos

AN ACT

AMENDING REPUBLIC ACT NO. 10000 OTHERWISE KNOWN AS THE AGRIAGRA REFORM CREDIT ACT OF 2009

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section 6 of Republic Act No. 10000, otherwise known as the Agria-Agra Reform Credit Act of 2009 is hereby amended to read as follows:

2 3 4

"Section 6. Credit Quota. – All banking institutions, whether government or private, shall set aside at least twenty-five percent (25%) of their total loanable funds for agriculture and fisheries credit in general where fifteen percent (15%) of the loanable funds shall be made available to projects directly and indirectly related to the agriculture and fisheries sector. Provided, however, That before approval of such projects, these shall be reviewed by the Department of Agriculture (DA), the Department of Agrarian Reform (DAR) to determine if such project is beneficial to the agriculture and fisheries sector.

Ten percent (10%) of the loanable funds shall be made available for agrarian reform beneficiaries mentioned in Section 5 hereof; *Provided*, *however*, That total loanable funds as used in this section shall refer to funds generated from the date of effectivity of this Act; *Provided*, *further*, That the twenty-five percent (25%) credit quota is subject to a joint review by the DA, the DAR and the BSP after three (3) years of implementation to determine whether the law has been effective in accomplishing its goals. The findings shall be submitted to Congress.

SECTION 2. Repealing Clause. – All laws, decrees, executive orders, and proclamations, rules and regulations or parts thereof inconsistent with this Act, are hereby amended or modified accordingly.

SECTION 3. Separability Clause. – If any provision of this Act is held invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

SECTION 4. *Effectivity*. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,