

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

EIGHTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 5081



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

**EXPLANATORY NOTE**

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

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

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

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

**ALFRED C. DELOS SANTOS**  
*Representative, Ang Probinsyano Party List*

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**AN ACT**  
**AMENDING REPUBLIC ACT NO. 10000 OTHERWISE KNOWN AS THE AGRI-  
AGRA 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  
Agraria-Agra Reform Credit Act of 2009 is hereby amended to read as follows:

“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.

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Approved,