



Republic of the Philippines
House of Representatives
Batasan Hills, Quezon City

Eighteenth Congress
First Regular Session

HOUSE BILL NO. 5196



Introduced by Representatives Florencio Gabriel "Bem" G. Noel

EXPLANATORY NOTE

Rice Farmers of today are currently facing the devastating consequences resulting from the rescission of quantitative import restrictions on rice. The inability to improve agricultural competitiveness has led to a steep decline in the income derived by rice farmers. Although the Rice Tarrification Act laid out policies that optimistically sought to improve the state of agriculture in the Philippines.

Article 2, Section 9 of the 1987 Constitution provides that:

"The State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all."

Therefore it is necessary to move swiftly in enacting this bill which seeks to provide direct financial assistance to rice farming households by instituting a Pantawid Magsasakang Piliprio Program. The purpose of this bill is first, to mend the damage suffered by the rice farmers by allocating tariff revenues collected in excess of P10 billion in the form of a conditional cash transfer program. Second it aims to protect rice crop through a provision of rice insurance. Lastly, this measure will provide farmers with avenues to earn additional income by providing them employment in government projects.

In view of the foregoing, the enactment of this bill is earnestly sought.

FLORENCIO GABRIEL "BEM" NOEL
An Waray Partylist Representative



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HOUSE BILL NO. **5196**

Introduced by Representatives Florencio Gabriel "Bem" G. Noel

AN ACT PROVIDING DIRECT FINANCIAL ASSISTANCE TO FILIPINO RICE FARMERS, ESTABLISHING FOR THE PURPOSE THE PANTAWID MAGSASAKANG PILIPINO PROGRAM, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

Section 1. *Short Title.* — This Act shall be known as the "Pantawid Magsasakang Pilipino Act."

Sec. 2. *Declaration of Policy.* — It is hereby declared the policy of the State to promote a just and dynamic social order through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all.

Towards this end, and in line with the constitutional mandate to Congress to give highest priority to the enactment of measures that protect and enhance the right of all the people to human dignity, reduce social, economic, and political inequalities, and remove cultural inequities by equitably diffusing wealth and political power for the common good, the State shall formulate and implement programs and projects guided by a national strategy to reduce poverty in the countryside and ensure the sufficiency and accessibility of food products for all.

Sec. 3. *Pantawid Magsasakang Pilipino Program.* — The *Pantawid Magsasakang Pilipino Program*, hereinafter referred to as the Program, is hereby established as a national strategy for rural poverty reduction and program for ensuring food security and sufficiency that provides conditional cash transfer to poor rice farming households to mitigate the decline of rice farming incomes that may have been caused by the enforcement of the liberalization of importation, exportation and trade of rice.

The provision of conditional cash transfer under the Program shall be complementary and supplementary to other similar undertaking of the government and shall not be a replacement for any existing programs for rice and rice farmers already implemented by any government agency.

Sec. 4. *Selection of Qualified Household Beneficiaries.* — On a nationwide basis, the Department of Social Welfare and Development (DSWD) shall, in consultation with the Department of Agriculture (DA) and the Department of Agrarian Reform (DAR), select qualified rice farming household-beneficiaries of the program using a standardized targeting system. The DSWD shall conduct regular revalidation of beneficiary targeting at least once every three (3) years.

Sec. 5. *Eligible Beneficiaries.* — To be eligible to receive cash grants under the Program, rice farming households or farmers must meet the following criteria:

- (a) Classified as poor or near-poor based on a standardized targeting system and the poverty threshold issued by the Philippine Statistics Authority at the time of selection; and
- (b) Willing to comply with the conditions specified in Section 8 of this Act.

Sec. 6. *Conditional Cash Transfer to Rice Farming Household-Beneficiaries.* — The Advisory Council created under Republic Act No. 11310, otherwise known as the "Pantawid Pamilyang Pilipino Program (4PS) Act," shall determine the amount of cash grants to be extended to rice farming household-beneficiaries based on the following factors:

- (a) The amount of the annual tariff revenues from rice importation in excess of Ten billion pesos (P10,000,000,000.00), based on the collection recorded in the second fiscal year preceding the current fiscal year;
- (b) The number of eligible rice farming household-beneficiaries as identified by the standardized targeting system as provided in Section 7 of this Act;
- (c) The administrative and financial cost of providing cash grants to qualified rice farming household-beneficiaries; and
- (d) Other factors that affect the level of available funding or the cost of implementation of this Act.

Sec. 7. *Coverage in the Rice Insurance Program.* — All qualified rice farming household-beneficiaries of the Program as identified by the standardized targeting system shall automatically be covered by the Rice Insurance Program of the Philippine Crop Insurance Corporation (PCIC): Provided, That the insurance premium for rice insurance shall be fully subsidized by the National Government: Provided, further, That the amount of premium payment for rice insurance for qualified rice farming household-beneficiaries shall not be deducted from the appropriations provided under Section 17 of this Act: Provided, finally, That the provision of subsidized rice insurance to qualified rice farming household-beneficiaries shall

be complementary and supplementary to the conditional cash transfer program as provided in this Act.

Sec. 8. *Conditions for Entitlement.* — All qualified rice farming household-beneficiaries shall comply with the following requirement for continued program eligibility:

- (a) The qualified rice farming household-beneficiaries must continue to engage in palay production;
- (b) The responsible person/s from qualified rice farming household-beneficiaries who actually engage/s in rice production must register with the DA under the Registry System for Basic Sectors in Agriculture;
- (c) The qualified rice farming household-beneficiaries must propagate and use inbred palay seeds to be developed, bred, registered, certified and distributed by the Philippine Rice Research Institute as provided under Republic Act No. 11203;
- (d) The qualified rice farming household-beneficiaries must apply for subsidized insurance coverage as provided in Section 7 of this Act no later than thirty (30) days from the date of planting; and
- (e) At least one (1) responsible person from qualified rice farming household-beneficiaries must attend at least one (1) training program to be conducted by Philippine Center for Postharvest Development and Mechanization, Agricultural Training Institute, or Technical Education and Skills Development Authority in their respective municipality.

The DSWD may suspend any or all of the conditions for entitlement during calamities, armed conflict, state of war or lawless violence, and other similar fortuitous events.

Sec. 9. *Noncompliance with the Conditions for Entitlement.* — The responsible person of a reported qualified household-beneficiary who fails to comply with the conditions set forth in Section 8 of this Act shall be notified in writing. Further payment of cash grants shall be suspended after four (4) months of noncompliance and the erring household-beneficiary shall be subject to case management process of the DSWD.

The qualified rice farming household-beneficiary has one (1) year, reckoned from the date of receipt of the written notification, to satisfy the conditions enumerated under Section 8 of this Act, after which the erring household-beneficiary shall be removed from the Program.

Sec. 10. *Mode of Cash Transfer.* — The DSWD shall provide beneficiaries with direct and secured access to cash grants through any number of Authorized Government Depository Banks (AGDBs). For localities not adequately served by an AGDB, the DSWD may contract the services of rural banks, thrift banks, cooperative banks and other duly-accredited financial institutions engaged in money remittance services.

Sec. 11. *Cash-for-Work for Rice Farmers Program.* — To provide additional income for rice farming household-beneficiaries, the DSWD may, in coordination with government agencies

concerned, facilitate short-term intervention to provide temporary employment to members of qualified rice farming households. Projects that may be incorporated under the Cash-for-Work Program shall include, but not be limited to:

- (a) irrigation programs and projects of the DA and the National Irrigation Administration;
- (b) public works programs and projects of the Department of Public Works and Highways;
- (c) water supply and sanitation projects of the Department of the Interior and Local Government and local water districts;
- (d) disaster preparedness, mitigation, relief, rehabilitation, and risk reduction projects of the Office of the Civil Defense, National Disaster Risk Reduction and Management Council, and other similar agencies of government; and
- (e) other similar programs and projects of national government agencies, government-owned or -controlled corporations, and local government units.

The DSWD shall determine the payment rate of cash-for-work employment: Provided, That such payment shall be in no case lower than seventy percent (70%) of the prevailing daily wage rate set by the National Wages and Productivity Commission.

The DSWD shall utilize the mode of cash transfer as provided in Section 10 of this Act to transfer payment for services rendered by members of qualified rice farming households under the Cash-for-Work for Rice Farmers Program.

Sec. 12. *Lead Agency.* — The DSWD shall serve as the central planning, coordinating, implementing and monitoring body of the Program. In the implementation of this Act, the DSWD shall perform the following functions:

- (a) Selection and application of appropriate, effective, and cost-efficient methods in identification and selection of qualified rice farming household-beneficiaries in coordination with DA and DAR;
- (b) Identification and selection of target rice farming household-beneficiaries based on a uniform, objective and transparent selection process;
- (c) Coordination with various national and local government agencies, including non-government and private sector organizations, to ensure full implementation of the provisions of this Act;
- (d) Establishment of participatory system and methodologies to monitor and evaluate the compliance of household-beneficiaries and the implementation of the Program;
- (e) Provision of recommendation measures, rules and regulations to the Advisory Council in order to improve the delivery of commitments made in this Act;
- (f) Determination of program coverage based on a standardized targeting system;
- (g) Provision of seminar-workshop and training programs to educate qualified rice farming household-beneficiaries about the conditions and other actions pertinent to this Act;
- (h) Synchronization and harmonization of the implementation of the Program with other similar or related programs of the government;

- (i) Submission of an annual report to Congress on matters pertinent to the operations and financial status of the Program; and
- (j) Performance of other functions as may be necessary or incidental to the proper implementation of the provisions of this Act.

Sec. 13. *Reporting.* — The DSWD shall publish, on an annual basis, a full report on the implementation of the Program during the previous fiscal year. The report shall include, but not be limited to, financial disclosures, the number of rice farming household-beneficiaries included in the Program based on geographic, socioeconomic and cultural circumstances, and recommendations to improve the implementation of the Program. This report shall be submitted, either in printed form or by way of electronic document, to the Congress prior to the submission of the President's annual budget. The Secretary of Social Welfare and Development and the Agency's web administrator or the web administrator's equivalent shall be responsible for ensuring that the said report is posted on the DSWD website.

Sec. 14. *Convergence of Programs and Services.* — Within the framework of a national poverty alleviation strategy and a comprehensive food security program, the various agencies of government implementing multi-stakeholder programs and services for rice farmers shall guarantee that these programs and services complement and converge seamlessly with the aim of ensuring that the targeted rice farming household-beneficiaries are alleviated from poverty. Such convergence shall focus on the enhancement of operational efficiency, ensuring the realization of program outcomes, and strengthening of inter-agency partnerships. The government shall monitor the performance of these agencies to ensure the sustainability of their respective programs.

Sec. 15. *Monitoring and Evaluation of the Program.* — The DSWD shall monitor and evaluate the implementation and effectiveness of the Program and report its status at least once every three (3) years in order to ensure the realization of the objectives declared in Section 2 of this Act.

The Independent Monitoring Committee created under Republic Act No. 11310, otherwise known as the "Pantawid Pamilyang Pilipino Program (4P5) Act," shall be used to complement the monitoring activities of the DSWD in the implementation of the Program. The Independent Monitoring Committee shall submit a report of its monitoring activities relative to the implementation of the Program to the Advisory Council.

Sec. 16. *Congressional Oversight.* — The Congressional Oversight Committee on Agricultural and Fisheries Modernization (COCAFAM) shall conduct a periodic review of the Program, considering, among others, the report of the monitoring and evaluation activities of the DSWD and the Independent Monitoring Committee as provided in Section 15 of this Act.

Sec. 17. Appropriations. — The amount necessary for the implementation of the provisions of this Act shall be sourced from the annual tariff revenues from rice importation in excess of Ten billion pesos (P10,000,000,000.00).

Sec. 18. Prohibited Acts and Corresponding Penalties. — Any person, whether acting in conspiracy with public officials or not, who by act or omission, inserts or allows the insertion of data or false information, or diverts or allows the diversion of information that ought to be contained in the registry, or transfers or aids in the transfer of cash grant to persons other than the qualified rice farming household-beneficiaries, shall be penalized with a fine of not less than thirty thousand pesos (P30,000.00) nor more than one hundred thousand pesos (P100,000.00) or imprisonment of not less than three (3) months nor more than three (3) years, or both, at the discretion of the court: Provided, That if the offense is committed by a corporation, trust, firm, partnership, association or any other entity, the penalty shall be imposed upon the guilty officer or officers of such corporation, trust, firm, partnership, association or entity: Provided, further, That in addition to the penalties that may be imposed by the court, the offender punished under this section shall be subject to perpetual disqualification to hold public office: Provided, finally, That if the offender punished under this section is a public official or government employee, the accumulated leave credits and retirement benefits, if any, shall be forfeited in favor of the State.

Sec. 19. Implementing Rules and Regulations. — Within thirty (30) days from effectivity of this Act, the DSWD, DA, Department of Finance and Department of Budget and Management shall, in coordination with other government agencies concerned and after consultation with directly affected stakeholders, promulgate the rules and regulations to effectively implement the provisions of this Act.

Sec. 20. Separability Clause. — If any portion of this Act is declared invalid or unconstitutional, the portions or provisions which are not affected shall continue to be in full force and effect.

Sec. 21. Repealing Clause. — All laws, acts, decrees, executive orders, issuances, and rules and regulations or parts thereof which are contrary to and inconsistent with this Act are hereby repealed, amended or modified accordingly.

Sec. 22. Effectivity. — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,