Republic of the Philippines House of Representatives Quezon City Metro Manila

SEVENTEENTH CONGRESS

First Regular Session

House Bill 2150



Introduced by REP. ENRICO A. PINEDA and REP. MICHAEL ODYLON L. ROMER

EXPLANATORY NOTE

The cost of food production in the Philippines is steadily increasing while the growth in farmers' income is relatively slow.

From 2009 to 2012, the total cost of rice production per hectare increased by 16.13% while the average farmgate prices per kilo of dried palaywent up by only 0.49%¹.

Such asituation can further erode the already vulnerable financial standing of farmers. Moreover, this predicament puts them further at risk from natural hazards like typhoons, droughts, and pestilence.

A way to mitigate such financial vulnerability is to subsidize the irrigation service fee (ISF) collected from landowners and farmers by the National Irrigation Administration (NIA).

Every year, an average farmer has to pay more than a thousand pesos for irrigation service for two planting seasons, although such fees can cost more depending on the existing system's development scheme, planting season and type of crops planted.

ISF rates for the Bonga Pump Irrigation System, for example, can cost as much as 12 cavans per hectare during dry season. At 18 pesos per kilo of palay, rice farmers depending on the Bonga Pump Irrigation System have to shell out an equivalent of P10,800 per hectare when planting rice during dry season.

Such high cost of irrigation service is one of the main reasons why the small, cash-strapped farmers fail to pay the ISF year after year.

This bill seeks to assist small landowners and farmworkers who suffer gross neglect in spite of the increasing demand for the commodity they produce.

This measure seeks to mitigate the impact of rising cost of agricultural inputs by providing for full irrigation subsidy for small landowners who cultivate five hectares of land or less.

By subsidizing the cost of bringing water to farms, small farm owners and farmworkers are afforded with more resources to further increase their productivity. Such assistance is only fitting for people who worked hard to make sure Filipino households have food on their table.

¹Philippine Statistical Authority. (2012). Countrystat Philippines. Quezon City: Philippine Statistical Authority.

The ultimate beneficiaries of this scheme are Filipino households as the provision of water, an indispensable ingredient in farming, will put more, accessible and affordable food on their tables. It will redound to healthier Filipinos and defeat the scourge of food insecurity and malnutrition.

In view of the foregoing, immediate passage of this bill is earnestly sought

ENRICO A. PINEDA
Representative, 1PACMAN Partylist

MICHAEL ODYLON L. ROMERO Representative, 1PACMAN Partylist Republic of the Philippines House of Representatives Quezon City Metro Manila

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AN ACT

PROVIDING FOR FULL IRRIGATION SERVICE SUBSIDY FOR QUALIFIED FARMERS, CONDONATION OF UNPAID IRRIGATION SERVICE FEES, AND APPROPRIATING FUNDS FOR THE CONTINUED OPERATIONS OF THE NATIONAL IRRIGATION ADMINISTRATION

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

- SECTION 1. Short Title. This Act shall be known as the "Free Irrigation Service for Small Farmers Act of 2016."
- SEC. 2. *Declaration of Policy*. It is hereby declared the policy of the State to empower small landowners and farmworkers through the provision of agricultural support services and infrastructure. The State shall, therefore, provide adequate irrigation services at no cost to qualified farmers and small landowners.
- SEC. 3. *Eligibility to Full Irrigation Service Fee Subsidy*. All Filipino farmers whose farms or holdings cover an area not greater than five (5) hectares shall be exempt from paying irrigation service fees.
- SEC. 4. Condonation of Unpaid Irrigation Service Fees. All unpaid irrigation service fees due from a small landowner whose farms or holdings cover an area not greater than five (5) hectare are hereby condoned by the Government, thereby relieving all small landowners or farmworkers from the payment thereof.
- SEC. 5. Appropriations for the Continued Operation of the National Irrigation Administration (NIA). –The funding requirement for the continued operation of NIA shall be initially sourced from existing appropriations of NIA and any funds in the National Treasury not otherwise appropriated. Thereafter, the amount necessary for the continued operation and management of national irrigation services shall be included in the annual General Appropriations Act.
- SEC. 6. *Implementing Rules and Regulations*. Within sixty (60) days from the effectivity of this Act, the DA shall, in coordination with NIA and after consultation with directly affected stakeholders, promulgate the necessary rules and regulations to effectively implement the provisions of this Act.

SEC. 7. Separability Clause. – If for any reason, any provision of this Act is declared unconstitutional or invalid, such parts or portions not affected thereby shall remain in full force and effect.

SEC. 8. Repealing Clause. – All laws, executive orders, presidential decrees, issuances, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 9. *Effectivity.* – This Act shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation or in the *Official Gazette*.

Approved,