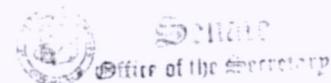


EIGHTEENTH CONGRESS OF THE)
SENATE OF THE PHILIPPINES)
First Regular Session)



SENATE

'19 JUL -2 A11:02

S. No. 139

RECEIVED BY: JF

Introduced by Senator Cynthia A. Villar

AN ACT

TO RESTRUCTURE AND RATIONALIZE THE LIVESTOCK INDUSTRY IN ORDER TO STRENGTHEN ITS DEVELOPMENT, PROTECTION AND REGULATORY FUNCTIONS, INCLUDING THE PROMOTION OF DAIRY AND NATIVE ANIMALS, AND TO PROVIDE FOR A LIVESTOCK DEVELOPMENT FUND, AND FOR OTHER PURPOSES.

EXPLANATORY NOTE

The country has not been self-sufficient in many agricultural commodities, especially in the livestock sector. Data from the Philippine Statistical Authority indicate that from 2010-2015, the country imported a yearly average of 164,000 m.t. of pork, some 55,000 m.t. of beef, 37,000 m.t. of carabeef, and 128,000 m.t. of dressed chicken. Roughly 22% of our beef/carabeef, 9% of pork and 11% of the poultry are supplied by other countries. Over 95% of milk and dairy products in the Philippines are sourced from abroad. The country imports between US\$3-4 billion dollars of livestock commodities annually.

The Philippine livestock subsector urgently needs a boost and a reboot. For decades now, it has received limited attention and developmental assistance from the government because the major focus of Department of Agriculture has been mostly on rice and corn. The occasional and limited livestock dispersal programs

have not been sustained. Budget support for livestock has been averaging at only 2% of the yearly appropriations for agriculture. DA has not created a broad-based, organized, competitive livestock industry in the country, except for those of a few large corporate livestock ventures.

The Bureau of Animal Industry (BAI) has not been focused on its developmental support functions. It was created in 1930 with the primary goal to "investigate, study and report the cause of dangerous communicable diseases and the means of prevention, and in general, promote the development of the livestock industries... by improvement of breeds... and collection and compilation of statistics on domestic animals;...dissemination of useful information on all essential matters regarding domestic animals."

Subsequent legislation and administrative orders gave the agency additional roles such as: Republic Act No. 1556 – to "regulate and control the manufacture, importation, labeling, advertising and sale of livestock and poultry feeds"; Presidential Decree No. 34 – to "regulate the granting of tax free importation for breeder animals". The Bureau claims some of its mandates from – but without any direct mention of the agency in – the following laws: Republic Act No. 9279 or the Climate Change Act of 2009; Republic Act No. 10631 or the Animal Welfare Act of 1998.

Even the Agriculture and Fisheries Modernization Act (AFMA) of 1997 mentions the Bureau of Animal Industry only in the context of privatization of its assets. This was corrected only under Executive Order No. 338 series of 2001, which enumerated, under the spirit of the AFMA, a more detailed set of roles and functions for the BAI. Still, EO 338 remained primarily focused on research and development and on regulation.

In short, all these decades, there has been no primary agency mandated to support the development of our livestock industry.

The regulatory functions under the Bureau of Animal Industry and the National Meat Inspection Commission are already well defined and need not be disturbed but the other roles of the BAI should be enhanced and supported in order for it to be an

effective developmental support agency for the livestock sector, especially among the small hold farmers and backyard livestock growers.

The BAI shall henceforth provide stronger focus on industry development, on helping upgrade the industry's forward and backward linkages, and on boosting conditions of players in the value chain in terms of farm technologies, logistics, financing, processing and overall capability building.

This Senate bill will spur the rise of the livestock sector as a key production growth driver in the economy, a significantly important segment of the agriculture, and a major provider of employment in the countryside.

The approval of this bill is urgently requested.



CYNTHIA A. VILLAR

EIGHTEENTH CONGRESS OF THE)
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S. No. 139

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AN ACT

**TO RESTRUCTURE AND RATIONALIZE THE LIVESTOCK INDUSTRY IN
ORDER TO STRENGTHEN ITS DEVELOPMENT, PROTECTION AND
REGULATORY FUNCTIONS, INCLUDING THE PROMOTION OF DAIRY AND
NATIVE ANIMALS AND TO PROVIDE FOR A LIVESTOCK DEVELOPMENT
FUND, AND FOR OTHER PURPOSES**

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

1 Section 1. *Title.* – This Act shall be known as the "Philippine Livestock Industry
2 Development Act of 2019".

3 Sec. 2. *Declaration of Policies.* – It is hereby the declared policy of the State to
4 promote the development and competitiveness of the livestock industry, particularly
5 the small-hold farmers and backyard raisers, in order to increase the supply of meat,
6 poultry, dairy, eggs and other livestock products, improve the domestic supply of
7 breeders as well as feeds and forage, promote food safety and quality standards of
8 livestock products, and attain greater self-sufficiency in food and livestock
9 commodities. It is likewise the policy of the State to increase the income of farmers
10 and farm workers and to alleviate rural poverty through improved productivity and

1 competitiveness, product diversification, job generation, enhanced production
2 efficiency and protection of the livestock industry from pests and diseases.

3 Towards this end, the State shall nurture an enabling environment, establish
4 more responsive government policies and support programs, tighten the regulatory
5 functions on food safety and quality standards on livestock produce and processed
6 products, and give prime focus to the development of the livestock industry in the
7 country.

8 The State recognizes the vital role of the private sector as partners in the
9 various facets of the livestock industry and shall provide incentives and the needed
10 support to encourage these activities and promote livestock farmers organizations.

11 Sec. 3. *Definition of Terms.* – As used in this Act, the following terms and
12 phrases shall mean as follows:

- 13 a) *Department* – shall refer to the Department of Agriculture (DA);
- 14 b) *Livestock* – refers to any domestic or domesticated animal that is grown,
15 kept or raised in captivity for food or in the production of food or other
16 by-products, regardless of age, location or purpose of breeding. This
17 includes all domestic animals that are slaughtered for human
18 consumption, maintained for draft animal power, and for recreational
19 purposes, such as, but not limited to cattle, carabaos, buffaloes, horses,
20 sheep, goats, hogs, deer, rabbits, ostrich and poultry, among
21 others. Products of hunting or fishing of wild animals shall not be
22 considered part of this definition;
- 23 c) *Native Animals* – Native animals refer to domesticated animals which
24 contribute to food production found in one geographical location that
25 have developed unique physical characteristics, behavior, product
26 attributes, adapted to the local environment and are products of selection
27 with no infusion of exotic breeds for at least five (5) generations,

1 including, but not limited to, native chicken, goats, pigs ducks, cattle and
2 horses;

3 d) *Stock Farms* – refers to the network of stock and breeding farms and
4 facilities owned and operated by the Bureau of Animal Industry (BAI) and
5 the other government livestock agencies for the purpose of demonstration
6 of livestock farming technologies and other programs.

7 e) *Philippine Native Animal Development Centers* – refers to a network of
8 stock and breeding farms and laboratories dedicated to the nurturing,
9 maintenance, and development of the country's native animals for food
10 production purposes.

11 f) *Smallholder Farmer* – refers to a farmer owning or cultivating five (5)
12 hectares or less of farmland.

13 Sec. 4. *Philippine Livestock Development Framework.* – The Philippine
14 Livestock Authority (PLA), established under Section 6 of this Act, shall, in
15 coordination with the Department of Agriculture (DA), Department of Science and
16 Technology (DOST), livestock growers' cooperatives and backyard raisers'
17 organizations, animal health care practitioners, local government units (LGUs), and
18 the Land Bank of the Philippines (LBP) – which shall henceforth comprise the
19 Livestock Development Advisory Board – formulate a ten-year Framework for
20 Livestock Development to be validated and updated every two years. Such
21 Framework shall serve as guide to the formulation and implementation of plans,
22 programs and projects for the propagation, utilization and development of the
23 livestock industry, in each administrative region, including Philippine native animals,
24 as envisioned in this Act.

25 The Framework shall provide for the following:

- 1 a) Breeder Availability and Upgrading Programs. - The PLA shall endeavor to
2 increase the total population of livestock in the country in terms of
3 quantity and quality through support programs for genetic improvement
4 and upgrading, establishment of more semen banks, and natural and
5 artificial breeding stations, and animal dispersal programs, as well as
6 accreditation of breeding farms;
- 7
- 8 b) Pasture crops, animal feeds programs. - The PLA shall establish enhanced
9 support for the development of pasture and forage crops, animal feeds
10 resources and inputs, and feeds processing facilities;
- 11
- 12 c) Animal Health Welfare and Protection. - The PLA shall take the lead in the
13 implementation of prevention, control, containment and eradication of
14 animal pests and diseases by providing veterinary health services, and
15 general livestock health support programs. It shall implement continuing
16 programs on surveillance, quarantine and laboratory service, vaccination,
17 animal movement control, monitoring and management of potential
18 epidemic threats, and public awareness campaigns on livestock safety;
- 19
- 20 d) Enterprise Development. - The PLA shall promote the establishment of
21 livestock credit facilities for small hold farmers and livestock cooperatives
22 together with financial literacy programs and "farming as business"
23 training programs with technical support from the Agriculture Training
24 Institute (ATI), Technical Education and Skills Development Authority
 (TESDA) and relevant local training institutes;
- 25
- 26 e) Training and Extension. - In consultation with the ATI, TESDA-Accredited
27 Farm Schools, state universities and colleges (SUCs), LGUs and other
28 relevant institutions, the PLA shall provide support to training extension
29 services to small farmers and cooperatives on technologies and good
30 practice in the propagation, utilization, marketing, processing and
 distribution of livestock, dairy and native animals;

- 1 f) Market Promotion Programs. - The PLA shall support livestock auction
2 markets, trade fairs, export initiatives, and encourage contract growing
3 arrangements between farmers cooperatives and institutional buyers of
4 livestock produce. It shall coordinate with the DA-Agribusiness and
5 Marketing Assistance Service (AMAS) on price and quantity monitoring on
6 farm-gate livestock produce, eggs, meat, milk and livestock feeds and
7 other inputs;
- 8 g) Research and Development. - The PLA shall strengthen research
9 collaborations through the Bureau of Agricultural Research (BAR),
10 Philippine Council for Agriculture, Aquatic and Natural Resources Research
11 and Development (DOST-PCAARRD), SUC-based research institutions for
12 technical support in the areas of genetic resource improvement programs,
13 pasture seeds and crops for animal food and product processing that
14 promote the development and competitiveness of the livestock industry;
- 15 h) Food Safety and Quality Assurance. – Consistent with the RA No. 10611
16 (Food Safety Act), the PLA shall support the FDA in the enforcement and
17 regulation of food safety and quality standards on livestock produce and
18 livestock by-products. The PLA shall also implement food safety and
19 quality enhancement programs to improve the compliance levels of the
20 livestock sub-sectors to ensure higher levels of competitiveness, and
21 faster growth of the livestock industry. Subject to the relevant provisions
22 of RA No. 11032 (Ease of Doing Business Act of 2018), the PLA shall
23 assist the FDA in hastening the registration and approval of livestock
24 processing establishments that serve as markets for primary livestock
25 produce. It shall provide advisory assistance on technical matters to help
26 registrants of livestock-related processing facilities, packaging plants,
27 dairy pasteurization facilities and processed cheese production comply
28 with food safety regulations and standards. When such applications for
29 registration or renewal of licenses of said livestock processing

1 establishments exceed, without compelling grounds, the processing time
2 limits set forth in RA No. 11032 – reckoning from the date of receipt of
3 said applications – the PLA is hereby authorized to receive the
4 applications and approve the same, in support of the Food and Drug
5 Administration (FDA), and subject to the standards, protocols and criteria
6 prescribed by it.

- 7 i) Livestock Production Networks Program. - The PLA shall formulate and
8 implement livestock cluster development programs for small hold farmers'
9 cooperatives, associations and/or federations in order to encourage
10 economies of scale, production efficiencies and mutual support.

11 Sec. 5. *Rationalization of Livestock Support Agencies.* – The Bureau of Animal
12 Industry (created under RA No. 3639), the Philippine Carabao Center (created under
13 RA No. 7307), the National Dairy Corporation (created under RA No. 7884), and the
14 National Meat Inspection Service (created under Presidential Decree No. 7, s. 1972
15 as amended by RA No. 9296), are hereby merged, subject to further rationalization,
16 to form the Philippine Livestock Authority (PLA), which shall be headed by an
17 Undersecretary.

18 The PLA shall have the following principal goals and functions:

- 19 1. To promote the competitive development of the livestock industry in
20 general and the various subgroups within the livestock sector as means of
21 attaining food sufficiency and combating rural poverty.
- 22 2. To undertake regulatory and monitoring services in order to ensure the
23 quality standards of production and processing, and food safety of
24 livestock produce in the country.
- 25 3. To harness the support of various sectors and networks in protecting the
26 livestock sectors and in responding to threats that may be brought about
27 by pests, diseases and animal epidemics.

1 The PLA shall have two main Offices under it:

2 1. Livestock Regulation Office (LRO) – to be headed by an Assistant
3 Secretary, which shall oversee the following Service groups:

4 a) Import and Export Regulation Service (IERS) – shall provide
5 regulatory services as mandated under prior livestock import
6 regulatory laws, including Act 3101 (1923), RA No. 1071, RA No.
7 1556, P.D. No. 34 section 105(r), and coordinate with relevant
8 units/agencies/institutions, including the Bureau of Customs and the
9 Department of Transportation, in developing strategies and
10 measures to deal with the country's livestock-related imports and
11 exports and to prevent and minimize health and environmental risks.
12 The following divisions of the Bureau of animal Industry shall be part
13 of this Service group:

- 14 • Animal Feeds, Veterinary Drugs and Biologics Control Division
15 (AFVDBD)
- 16 • National Veterinary Quarantine Services Division (NVQSD)

17 b) Meat Inspection Service (MIS) – shall inherit the powers and
18 functions, assets and the organization of the National Meat
19 Inspection Service created under RA No. 9296, as amended by RA
20 No. 10536. It shall continue to be the controlling authority on all
21 policies, regulations, guidelines and standards pertaining to meat
22 produce, meat handling, safety, quality, hygiene, and sanitation,
23 including the establishment of safety and quality standards for meat
24 produce (except for the roles related to import and export of meat,
25 which shall be assumed by the Import and Export Regulation
26 Service). Through its Regional Operation Centers, it shall continue
27 to conduct inspection and monitoring – in coordination with local
28 government units – of meat establishments engaged in slaughter,
29 processing, and domestic meat trade; registration of meat produce

1 inspectors, meat handlers meat brokers, meat products processing
2 establishments; and accreditation of facilities, conveyances and
3 service providers for Hazard Analysis Critical Control Point Program
4 (HACCP) audit as well as compliance to hygiene and sanitation
5 standards.

6 c) Livestock Protection and Disease Control Service (LPDCS) – shall, in
7 addition to the roles of the BAI mandated under Sections 2, 3, 4 and
8 5 of Act 3639 of 1930, be responsible for programs, policies,
9 surveillance and emergency action to protect the livestock industry
10 from the risk of outbreak of diseases or pests and shall have the
11 following powers and functions:

- 12 • Livestock protection surveillance, including regular surveillance
13 inspections in partnership with industry players and the LGUs,
14 coordination with counterpart offices in other countries as well
15 as the UN food agencies, and implementing capability building
16 programs in partnership with the ATI to establish livestock
17 protection surveillance and emergency communications
18 networks, that will include farmers groups, LGU, the police and
19 military, and other stakeholders;
- 20 • Pest and disease emergency response, by way of developing
21 protocols and responses upon declaration of any livestock pest
22 and epidemic disease incident, including regulation of
23 movement of persons, conveyances and plant material in
24 affected areas, powers to deputize police and military to control
25 pest outbreaks, and disposal of affected livestock resources
26 and assets.
- 27 • Conducting scientific research and technology advancement
28 programs on livestock protection by partnering with SUCs,
29 DOST, private sector laboratories and international centers for
30 livestock disease control.

1 The following units of the BAI are hereby merged and consolidated
2 into the Livestock Protection and Disease Control Service, subject to
3 further rationalization, to wit:

- 4 • Animal Health and Welfare Division (AHWD)
- 5 • Veterinary Laboratory Division (VLD)
- 6 2. Livestock Industry Development Office (LIDO), which shall be headed by
7 an Assistant Secretary. The LIDO shall coordinate the formulation and
8 implementation of policies, programs, and roadmaps to hasten and sustain
9 the development of the various livestock and native animal sub-sectors,
10 consistent with the pertinent industry development mandates under
11 Sections 3-1, , 6 and 7 of Act 3639 of 1930 (BAI), as well as in Sections 5
12 and 6 of RA No. 7307 (Philippine Carabao Center- PCC) and Sections 3, 6,
13 11, 12 and 13 of RA No. 7884 (National Dairy Authority- NDA) and the RA
14 No. 8435 (Agriculture and Fisheries Modernization Act of 1997 - AFMA).
15 These shall include programs that enhance the value chain of the livestock
16 sector, such as improving industry utilization of livestock research and
17 development (R&D), supporting market development and marketing
18 services, enhancing the quality of inputs for livestock, improving
19 processing and diversification of by-products, as well as development of
20 sources of feeds and forage. There shall be particular focus on developing
21 strategic livestock production zones, clusters and networks in every
22 province and/or rural district, and linking small hold farms, cooperatives
23 and community-based ventures, sources of credit and financing and LGU
24 support into sustainable enterprise ecosystems.

25 With these goals, LIDO shall supervise the following Services, which
26 are hereby also created, namely:

- 27
- 28 a) Ruminants Service (RS) – to provide developmental support,
29 extension services, research and technical assistance programs to
30 small hold farmers of cattle, carabaos, buffaloes, goats, and sheep
31 for meat production and processing as well as for draft animal

1 purposes. The Ruminants Service shall absorb the following units of
2 the BAI, subject to further rationalization:

- 3 • National Beef Cattle Research and Development Center, and
4 • National Small Ruminants Research and Development Center

5
6 b) Non-ruminants Service (NRS) – to provide developmental support,
7 extension services, research and technical assistance programs to
8 small hold producers of hogs, poultry and egg, ducks, geese, turkey,
9 quails and other birds, and all other livestock production including,
10 but not limited to horses, rabbits, and beehive farming. The Non-
11 ruminants Service shall absorb the following units of the BAI, subject
12 to further rationalization:

- 13 • National Swine and Poultry Research and Development Center
14 • National Stud Farms and horse development centers, created by
15 virtue of R.A. 4618.

16 NRS shall continue the stud and racehorse development
17 programs under R.A. 4618, R.A. 7952 (Philippine Racing Club), R.A.
18 7978 (Metro Manila Turf Club, Inc.), and RA 8007 (Manila Jockey
19 Club).

20
21 c) Dairy Development Service (DDS) – shall, in addition to the current focus
22 on cows, include carabaos and small ruminants as priorities, with the end
23 in view of increasing milk production in the Philippines towards a minimum
24 of 10% per year. Subject to further rationalization, the DDS shall assume
25 the development mandates, programs, assets and personnel of the
26 following agencies:

- 27 • Philippine Carabao Center(PCC) created under R.A. 7307, and
28 • National Dairy Authority (NDA), created under R.A. 7884.
29 • National Feed Resources Research and Development Center

1 The DDS shall continue and improve upon the dairy production
2 and livelihood programs of the PCC and NDA and their partnerships
3 with stakeholders, including state colleges and universities,
4 especially in dairy cow and buffalo breeding, propagation of dairy
5 animals and milk production technologies and the pasteurization and
6 initial processing of raw milk. It shall expand the coverage of
7 services in providing artificial insemination, bull loan program, frozen
8 semen dissemination, dairy animal modules, forage and feeds
9 development, training of technicians and farmers, R&D, technical
10 assistance and extension, analysis of milk samples, and nutrition
11 laboratory services, and marketing of dairy products and promotion
12 of dairy farmers cooperatives/associations. It shall facilitate industry
13 networks and investment in milk production, collection, and
14 handling, processing, trading and marketing of Philippine milk
15 produce, including promotion through specialty dairy kiosks and in
16 international markets. The DDS shall also coordinate the
17 implementation of a national milk feeding program in partnership
18 with the Department of Education (DepEd) and/or the Department
19 of Social Welfare and Development (DSWD) and local government
20 units.

21

22 d) Native Animal Development Service (NADS) – The Philippine Native Animal
23 Development Center is hereby upgraded to become the Native Animal
24 Development Service (NADS), which shall be responsible for the
25 identification, conservation, propagation, and promotion of Philippine
26 native animals, including native pigs, poultry, ducks, deer, and horses
27 through the use of appropriate technology as sources of meat, eggs, and
28 other by-products, and help increase incomes of farmers. It shall also be
29 responsible for the establishment of a gene pool of Philippine animals as
30 well as their registration as native animal species of the Philippines in the
31 Food and Agriculture Organization (FAO) and/or other international
32 intellectual property registry bodies. To promote the propagation,
33 processing, utilization and development of Philippine native animals, there

1 shall be created in each of the three major island groups at least one
2 native animal development center, to be known as the Philippine Native
3 Animal Development Center for Luzon, for Visayas and for Mindanao,
4 respectively, to ensure the distributed implementation of native animal
5 policies and development programs and make them accessible to farmers
6 in their respective island groups. PNADS is authorized to acquire
7 properties, receive donations or grants for the establishment of said
8 centers. It shall have a yearly native animals dispersal program for rural
9 communities that receive and are able to demonstrate adequate social
10 preparation and technical trainings.

11 In addition to the above, the Research and Marketing Service (RMS) and the
12 Training and Extension Service (TES) are hereby also created, which shall report
13 directly to the head of the PLA, with the following functions and objectives:

- 14 • The Research and Marketing Service shall be responsible for studies and
15 proposals for livestock and meat consumer protection, consumer
16 attitudes, buyer behavior, product satisfaction, and consumer experience
17 apart from generating information on product quality standards and new
18 livestock products. RMS shall absorb the Livestock Research and
19 Development Division of the BAI.
- 20
- 21 • The Training and Extension Service shall be responsible for organizing and
22 coordinating livestock training and educational programs in partnership
23 with LGUs, cooperatives federations, and regional offices of DA and ATI in
24 order to promote and upgrade the farmers' skills and practices in livestock
25 production, processing, storage, handling, marketing, transport and the
26 overall management of livestock farms.

27 Sec. 6. *Authority in Livestock Pest-related Emergencies.* – With the LPDCS as
28 its implementing arm, the PLA is hereby designated as the overall coordinating
29 government body in the event of any livestock pest or epidemic incident that may be
30 deemed to have the potential to reduce the livestock population in any region by at

1 least two percent (2%). The PLA head shall have the authority to call for the
2 creation or activation of the *Animal and Livestock Emergency Response Task Force*
3 (*ALERT-TF*) to be composed of key officials at the regional level from the following
4 agencies:

- 5 1. Department of Agriculture – Regional Office
- 6 2. Department of Interior and Local Government (DILG) – Regional
7 Office
- 8 3. Philippine National Police (PNP) and/or Philippine Army (PA) --
9 Regional Command
- 10 4. Provincial governor and/or Provincial Agriculturist
- 11 5. Congressional Representative of the affected district
- 12 6. Mayors of the affected municipalities/cities
- 13 7. Science experts on the case

14 Sec. 7. *Transfer of Supervision and Functions.* - All on-going programs and
15 functions of the merged and re-grouped divisions and centers, including the NDA
16 and PCC are hereby transferred to the PLA service offices created in this bill, but
17 shall continue to be operational until such time as the head of the new Agency is
18 able to implement a rationalization and reengineering program to align their
19 functions, programs and activities to the objectives of this Act. The affected
20 personnel who may opt for early separation shall be entitled to receive separation
21 benefits equivalent to two months of salaries for every year of service in
22 government.

23 The BAI stock farms and research centers found in, among others: Gen. Tinio,
24 Nueva Ecija; Tiaong, Quezon; Lipa, Batangas; Busuanga, and Coron in Palawan;
25 Dumarao, Capiz; Milagros in Masbate; Malaybalay, Bukidnon; Ubay, Bohol and the
26 two separate forage centers/stations in Labangan, Zamboanga del Sur; the
27 Philippine Carabao Center, including its headquarters in Munoz, Nueva Ecija; and its
28 regional centers in La Carlota, Negros Occidental; Ubay, Bohol and Calauit,
29 Zamboanga del Norte; and the various physical and financial assets (including all

1 receivables) of the National Dairy Authority shall be transferred under the title, care
2 and administrative supervision of the Livestock Industry Development Office to
3 primarily serve the needs of small-hold farmers as the base locations for purposes of
4 human resource development and livestock training, gene pool support facilities,
5 livestock breeding, extension work, demonstration activities, and trade promotion
6 activities.

7 *Sec. 8. Exemption from Taxes and Duties.* – The PLA shall be the focal office
8 on the upgrading of breeders and may, in behalf of livestock, poultry and dairy
9 producer enterprises and cooperatives, import and shall be exempt from the
10 payment of customs duties and taxes on the importation of livestock and dairy
11 animals, veterinary and other supplies, other farm inputs, dairy equipment and
12 machineries, research equipment (including their spare parts), provided that these
13 are certified, monitored, and accounted for in terms of augmenting and upgrading
14 local stocks and breeders of small farmers, subject to the following conditions:

- 15 a) That the breeders are certified to upgrade and improve existing stocks of
16 small hold farms;
- 17 b) That the breeders shall be actually, directly and exclusively used by the
18 small and micro producer enterprises and/or cooperatives in the
19 production of livestock and/or manufacture of livestock by-products; and
- 20 c) That a quarterly monitoring report shall be made over a two-year period
21 on the status of the imported livestock and materials.

22 *Sec. 9. Mandated Appropriations.* – On top of the existing budgets of the
23 relevant agencies and units of the former BAI,NMIS, PCC and NDA, the amount of
24 P500 million shall be appropriated as funds for the reorganization and restructuring,
25 initial programs and operations of the PLA, to be set aside from the current
26 agriculture development funds under the Office of the Secretary. The current year's
27 remaining appropriations of the agencies, divisions or units that have been merged,
28 abolished or transferred pursuant to this Act shall be turned over to the PLA.
29 Thereafter, such sums as may be necessary for its continued operation and

1 maintenance shall be included in the annual General Appropriations Act (GAA),
2 provided that, henceforth, the budget share of the livestock sector shall not be lower
3 than fifteen percent (15%) of the total appropriations for the Department.

4 In addition, the Department of Budget and Management (DBM) is hereby
5 mandated to include annually, starting the year 2019, an initial aggregate amount of
6 Five billion pesos (P5,000,000,000.00) in the President's program of expenditures for
7 submission to Congress and to be allocated, as follows:

- 8 a) Thirty percent (30%) for grants to shared service facilities, including but
9 not limited to cold chain facilities and blast freezers, pasteurizing
10 equipment, feed mills, forage pelletizing equipment, dairy and meat
11 processing equipment, packaging facilities and others to serve the needs
12 of livestock growers' cooperatives and organized small hold farms within
13 each province;
- 14 b) Fifteen percent (15%) for socialized credit with minimal interest rates to
15 be managed by the Land Bank of the Philippines (LBP) for the purchase of
16 breeders, growers, multipliers, feeds, livestock housing and farm
17 equipment, under the Small-hold Livestock Farm Modernization Program;
- 18 c) Five percent (5%) for research and development, capability building and
19 technology transfer activities under the Livestock Farm Technology
20 Support Programs;
- 21 d) Five percent (5%) for marketing and local and international trade fair
22 support as assistance to organized groups of small farmers;
- 23 e) Five percent (5%) for scholarship and human resource development
24 grants for college courses in veterinary, animal husbandry and
25 livestock/dairy processing specializations, and TESDA courses related to
26 livestock production as well as dairy and meat processing.
- 27 f) Twenty percent (20%) for infrastructure support programs, including
28 gene pool facilities, refrigerated transport of processed meat products,
29 and for technical and financial assistance to help small-scale producers

1 and processors comply with regulations on food safety and quality
2 standards.

- 3 g) Ten percent (10%) for the development of local feed inputs and forage
4 resources as well as small-scale feeds and forage processing facilities; and
5 h) Ten percent (10%) for the upgrading of Regulatory Services, and for
6 livestock protection surveillance, testing, and emergency response
7 facilities.

8 Sec. 10. *Implementing Rules and Regulations.* - Within thirty days (30) from
9 the date of approval of this Act, the Secretary of the Department of Agriculture shall
10 convene the members of the Livestock Development Advisory Board to formulate the
11 rules and regulations for the proper implementation of this Act. Such implementing
12 rules shall, among others, provide for the following:

13 a) Plans, programs, policy recommendations and proposed measures necessary
14 to carry out the objectives and functions of the PLA and its Offices and Service units;

15 b) Submit, an annual budget and proposed supplemental budget as may be
16 needed in its initial operations, and a consultative process for stakeholders in the
17 formulation of PLA's annual budgets in line with the national budget cycle; and

18 c) A proposed rationalization program to update the organizational structure,
19 and plantilla of personnel of the PLA, in accordance with existing laws, rules and
20 regulations, including the early separation benefits for the occupants of positions
21 abolished.

22 Sec. 11. *Separability Clause.* – If any portion or provision of this Act is
23 declared unconstitutional or invalid, the remainder of this Act or any provisions
24 hereof not affected thereby shall continue to be in force and effect.

25 Sec. 12. *Repealing Clause.* – Any law, presidential decree or issuance,
26 executive order, letter of instruction, rule or regulation inconsistent or contrary to
27 the provisions of this Act is hereby repealed or modified accordingly.

1 Sec. 13. *Effectivity.* –This Act shall take effect after fifteen (15) days following
2 its complete publication in the Official Gazette or a newspaper of general circulation.

3 Approved,