

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS
FIRST REGULAR SESSION

HOUSE BILL NO. 2298



Introduced by **Honorable ALFREDO D. MARAÑON III**

EXPLANATORY NOTE

Republic Act 8178 was signed into law on March 28, 1996. Section 8 of RA 8178 created the Agricultural Competitiveness Enhancement Fund (ACEF) which was granted a life span of 9 years. However, ACEF was not disbursed according to the intended original purpose. Instead, money collected for the ACEF from 1996 to 1998 was utilized for budgetary support.

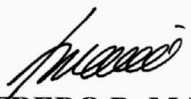
There is a need to extend the utilization period of the ACEF to enable the government to provide the farming sector the opportunity to use the funds to strengthen their development activities and enhance their competitiveness. The availability of the ACEF will relieve farmers of the need of having to secure out other funds for their competitive enhancement activities.

Government needs to continue to provide the farming sector the opportunity to prepare for liberalized trade through the judicious use of the ACEF.

This proposed measure finds support in Section 21, Article II Declaration of Principles and State Policies of the 1987 Constitution which reads:

Section 21. The State shall promote comprehensive rural development and agrarian reform.

To correct this fatal flaw, the proposed measure was filed and the proponent seeks his colleagues' assent. It is therefore earnestly requested that this measure be approved.


ALFREDO D. MARAÑON III

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AN ACT
TO EXTEND THE UTILIZATION PERIOD OF THE AGRICULTURAL
COMPETITIVENESS ENHANCEMENT FUND, AMENDING SECTION 8 OF
REPUBLIC ACT NO. 8178, ENTITLED “AN ACT REPLACING
QUANTITATIVE IMPORT RESTRICTION ON AGRICULTURAL PRODUCTS,
EXCEPT RICE, WITH TARIFFS, CREATING THE AGRICULTURAL
COMPETITIVENESS ENHANCEMENT FUND, AND FOR OTHER PURPOSES”

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

SECTION 1. Section 8 of Republic Act No. 8178, entitled “AN ACT REPLACING QUANTITATIVE IMPORT RESTRICTION ON AGRICULTURAL PRODUCTS, EXCEPT RICE, WITH TARIFFS, CREATING THE AGRICULTURAL COMPETITIVENESS ENHANCEMENT FUND, AND FOR OTHER PURPOSES” is hereby amended, to read as follows:

*Section 8. Agricultural Competitiveness Enhancement Fund. To implement the policy enunciated in this Act, there is hereby created the Agricultural Competitiveness Enhancement Fund, hereinafter referred to as the ACEF. **THE ACEF SHALL CONSIST OF ALL DUTIES COLLECTED FROM THE IMPORTATION OF AGRICULTURAL PRODUCTS UNDER THE MINIMUM ACCESS VOLUME MECHANISM. SAID PROCEEDS SHALL ACCRUE TO SPECIAL ACCOUNT 183** and shall be deposited with the National Treasury.*

The entire proceeds shall be set aside and earmarked by Congress for irrigation, farm-to-market roads, post-harvest equipment and facilities, credit, research and development, other marketing infrastructure, provision of market information, retraining, extension services, and other forms of assistance and support to the agricultural sector.

*The Committees on Agriculture and Food, Appropriations and Finance of both Senate and the House of Representatives shall conduct a periodic review of the use of the Fund. The Fund shall have a life of nine (9) years. **HOWEVER, UTILIZATION PERIOD OF THE ACEF/SPECIAL ACCOUNT 183 SHALL BE EXTENDED BY 10 YEARS, FROM 2006 TO 2015, TO FURTHER ENHANCE THE DEVELOPMENT AND COMPETITIVENESS OF THE AGRICULTURAL AND FISHERY SECTORS,** after which all remaining balances shall revert to the General Fund. **THE REMAINING BALANCE SHALL BE APPROPRIATED TO SUPPORT THE RESEARCH AND DEVELOPMENT ACTIVITIES OF BUREAU OF***

**AGRICULTURAL RESEARCH (BAR), NATIONAL FISHERIES
RESEARCH AND DEVELOPMENT INSTITUTE (NFRDI), PHILRICE
AND OTHER BODIES CONDUCTING RESEARCH RELEVANT TO
AGRICULTURE.**

SECTION 2. *Repealing Clause* - All laws, decrees, executive issuances, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 3. *Separability Clause* - The provision of this Act are hereby declared to be separable, and in the event one or more of such provision are held unconstitutional, the validity of the other provision shall not be affected hereby.

SECTION 4. *Effectivity* - This Act shall take effect thirty (30) days from the date of its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,