

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

THIRTEENTH CONGRESS

First Regular Session

House Bill No. 3445



Introduced by Rep. Edmundo O. Reyes, Jr.

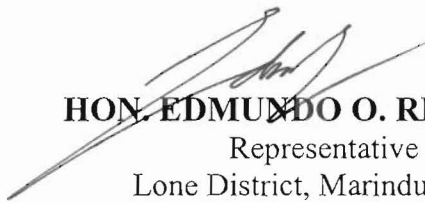
EXPLANATORY NOTE

Republic Act 8178, otherwise known as the Agricultural Tariffication Act, was signed into law on March 28, 1996. To cushion the effect of the lifting of quantitative restrictions on affected sub-sectors of agriculture, Section 8 of RA 8178 created the *Agricultural Competitiveness Enhancement Fund (ACEF)*, with a lifespan of nine years, from the proceeds of the importation of the minimum access volumes. The nine years period will soon expire in March 2005 without the ACEF being utilized for the intended purpose as collections from 1996 to 1998 were used instead for budgetary support.

There is a need to extend the utilization period of the ACEF to enable the government to provide the farming, fisheries and the agriculture sector the opportunity to strengthen their developmental activities and enhance their competitiveness, through the use of the ACEF. The availability of the ACEF will relieve farmers, fisherfolks and the entire agricultural workers of the need of having to secure other sources of 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.

It is therefore earnestly requested that this measure be approved.


HON. EDMUNDO O. REYES, JR.

Representative
Lone District, Marinduque

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AN ACT
EXTENDING THE UTILIZATION PERIOD OF THE AGRICULTURAL
COMPETITIVENESS ENHANCEMENT FUND, AMENDING FOR THIS PURPOSE
PERTINENT PROVISION OF REPUBLIC ACT NO. 8178, ENTITLED “AN ACT
REPLACING QUANTITATIVE IMPORT RESTRICTIONS 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 Number 8178, entitled “An Act
Replacing Quantitative Import Restrictions on Agricultural Products, Except Rice, with
Tariffs, Creating the Agricultural Competitiveness Enhancement Fund, and for other
Purposes” is hereby amended to read as follows:

“SEC. 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 Fund. The proceeds of the importation
of minimum access volume shall accrue to the General Fund 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 the 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)] **FIFTEEN** years, after which the remaining balance shall revert to the General Fund.

FOR PURPOSE OF THE EXTENSION OF THE UTILIZATION PERIOD OF THE FUND, THE PRIORITY FOR ASSISTANCE SHALL BE ACCORDED TO SMALL, FILIPINO FARMERS AND FISHERFOLKS; COOPERATIVES; YOUNG FARMERS, AGRICULTURAL AND FISHERIES WORKERS AND YOUNG ENTREPRENEURS AND SMALL AND MEDIUM-SCALE ENTERPRISES WHICH ARE ENGAGED IN AGRICULTURAL PRODUCTION, FARMING, FISHERIES, AGROBUSINESS AND SIMILAR ACTIVITIES.

SECTION 2. *Implementing Rules and Regulations.* The Department of Agriculture (DA), in consultation with all the concerned stakeholder groups in the agricultural and fisheries sectors shall promulgate within a period of thirty (30) days from the effectivity of this Act, the implementing rules and regulations on the **DA-ACEF** Revolving Fund. Taking into consideration the principle of transparency, simplified approval of projects submitted for assistance and the adoption of the policy of less discretion taking into consideration the analytical review of the projects and proponents, the implementing rules and regulations shall be assessed and reviewed by the Committee on Agriculture and Food of both Houses of Congress before its effectivity.

SECTION 3. *Repealing Clause* – All laws, decrees, executive issuances, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 4. *Separability Clause* – The provision of this Act are hereby declared to be separable, and in event one or more of such provision are held unconstitutional, the validity of the other provision shall not be affected thereby.

SECTION 5. *Effectivity* – This Act shall take effect fifteen (15) days from the date of its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation, whichever comes earlier.

Adopted,