

HOUSE OF REPRESENTATIVES

House Bill no. 2580

Introduced by Representative Peter M. Unabia

EXPLANATORY NOTE

It is a fact that native products are mostly hand made by our lowly and underprivileged constituents; mostly women in rural communities and Indigenous People's (IP's) areas. Ideally, native products are made and prepared for the purpose of deriving additional income but for them, native products are tediously and skillfully crafted as a primary source of family income.

Native product marketing entails going through five to six trading layers-middlemen, consolidators and barangay agents wherein margins are also made. If cut down, the selling price at retail level at the end of the spectrum, where end-users are, will be more affordable; patronage and demand for supply will likewise escalate and profit increases.

Government Programs should support, aid and sell native products not only at a local level, but preferably at the wholesale or retail level in province, region and nation-wide."

Free Display Centers must therefore be established for the sole purpose of giving livelihood cooperatives, access to sell directly to end-users wherein margins of profits are better compared to the traditional practice of depending on the viajeros, consolidators or barangay agents who decide and look for the markets that livelihood products belong to.

To address the issues in terms of rising transportation costs, time constraints, profit shrinkage, and logistics, the State must develop new ideas that will satisfy the objective of bringing more income for Livelihood Cooperatives; the passage of this Bill is earnestly sought.


PETER M. UNABIA
Representative
1st District
Province of Misamis Oriental

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AN ACT ESTABLISHING A DISPLAY CENTER FOR ALL NATIVE HANDICRAFT PRODUCTS IN ALL PROVINCES AND CITIES, PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES.

Section 1. Short Title. – This act shall also be known as the “HANDICRAFT DISPLAY CENTER ACT OF 2010”.

Section 2. Declaration of Policy. – It is the declared policy of the State to promote, support, strengthen and encourage the growth and development of Livelihood Cooperatives, Women, the Indigenous People’s (IP’s) and all productive sectors of the economy particularly rural/agri-based enterprises. To this end, the State shall recognize the specific needs of these sectors and shall undertake to promote entrepreneurship, encourage the establishment of cooperatives and ensure their continuing viability and growth.

Section 3. Objectives and Purposes.

1. To provide a venue where livelihood-cooperatives can directly display and make available their handicrafts to the public;
2. To provide a center which will serve as an intermediate point for livelihood-coop and other nearby municipalities where they could consolidate their products and bring them to large markets like in Highly Urbanized cities or even in Metro Manila market centers at a higher price;
3. To reduce the trading costs such as the rising transportation costs, time, shrinkage, and logistics, thereby increasing profitability;
4. To instill among recipient cooperatives and handicraft makers the practice of micro-enterprise.

SEC. 4. Definition of terms. - As used in this Act, the following terms are hereby defined:

- a. Native handicrafts or products created by hand; - All **arts** and **craft** products totally created by hand;
- b. Display Center - a venue or site where all native handicrafts produced by residents of municipalities within the same province or barangay's within the same city for Highly-urbanized, Independent Component and Component Cities, are exhibited for sale to the general public;
- c. Handicraft maker - an individual or group of individuals who creates an item or items out of natural/native materials, with the use of hands and for commercial purposes.

Section 5. Role of the Department of Tourism, Department of Trade and Industry and Local Government Units.

1. The Department of Tourism in coordination with the above-mentioned government agencies/instrumentalities are hereby tasked to:
 - 1.1. Identify, establish and pay for the cost of the building construction including maintenance thereto of a HANDICRAFT DISPLAY CENTER in all provinces and cities, and;
 - 1.2. Permanently assign such reasonable number of government paid employees, serving as "Display Center Attendant's";
2. The DTI is hereby mandated to ensure and monitor price competitiveness of the native product and provide the necessary marketing assistance.
3. Local Government Units thru the Local Cooperative Office or in its absence, the Office of the Local Chief Executive are hereby tasked to inform and organize all handicraft makers in their respective municipality and assist in their registration to the Cooperative Development Authority (CDA).
4. LGU's including barangays in case of cities, are likewise mandated to receive and acknowledge in writing the native products available in their locality and transport the same to the nearest provincial/city display center for public exhibition and sale.

The government agencies mentioned above represented by its appropriate officers and the respective Livelihood Cooperative shall enter into a MEMORANDUM

Section 6. Eligibility for Government Assistance

To qualify for assistance, incentives and promotion under this Act, Makers of handicrafts belonging to the lowly and underprivileged sector as determined by the respective Local Government Units are hereby required to:

- a. Organize and form a livelihood cooperative in their respective areas, and;
- b. To register as cooperative in the Cooperative Development Authority
- c. Request the Local Sangguniang for Coop Accreditation.

Section 7. Identification and Accreditation Requirement.

LGU's including barangays in the case of cities, shall properly identify handicraft makers belonging to the lowly and underprivileged sector of the society.

Accreditation for purposes of this program by the appropriate Local SANGGUNIANG of livelihood cooperatives is a condition *sine qua non* for the availment of this Act.

Existing cooperatives accredited by the respective LGU prior to the effectivity of this Act for purposes other than Livelihood, must enroll and be accredited anew for the said program.

Section 8. Implementing agency. -

The DoT as lead agency shall ensure the effective and efficient implementation and is hereby mandated to formulate the necessary Rules and Regulations of this Act.

Section 9. Appropriation Clause.

The amount necessary for the implementation of this ACT shall be taken from the General Fund of the Department of Tourism and the Department of Trade and Industry.

SECTION 10. Separability Clause.

If any part of this Act is held invalid or unconstitutional, the other parts or provision thereof shall remain valid and effective.

SECTION 11. Repealing Clause.

All laws, decrees, executive orders, rules and regulations, or part thereof, inconsistent with the provisions of this Act are hereby repealed.

SECTION 12. Effectivity Clause.

This Act shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

APPROVED.