

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES

FIFTEENTH CONGRESS
First Regular Session

H.B. No. 4011

Introduced by REP. ANGELO B. PALMONES

AN ACT
PRESCRIBING THE STRENGTHENING OF THE NATIONAL AGRICULTURE &
FISHERIES EXTENSION SYSTEM TO ACCELERATE AGRICULTURE AND
FISHERIES DEVELOPMENT, APPROPRIATING FUNDS THEREFOR AND FOR
OTHER PURPOSES

EXPLANATORY NOTE

Extension activities to transfer technologies are important in developing technology-based industries. This is equally important in the agriculture and fisheries sectors. Agriculture and fisheries extension work is essentially a communication and educational activity designed to capacitate stakeholders, particularly farmers and fishers, to use new knowledge and technologies to improve the productivity and income of their livelihood enterprises. To accomplish this objective, extension work involves improving the ability of stakeholders to access information and knowledge through mass media, training, seminars/workshops, farmers' cross-visits, market and credit encounters, exhibits and fairs. **Extension, along with R&D, has the highest return of investment (ROI) among policy instruments. Therefore it's worth investing on it.**

Technology transfer in agriculture and fisheries was being undertaken by the Department of Bureau of Agricultural Extension (BAEX) prior to its abolition with the enactment of Republic Act No. 7160 otherwise known as the Local Government Code which devolved extension services for agriculture and fisheries to the local government units at the municipal level. The extension personnel were decentralized but not the resources that should go with the operations of these people. In other countries, the national government continues to pay for the salaries of devolved personnel until such time that the recipient agencies are able to pay for the salaries themselves. Because of the inadequate financial resources of the LGUs the salaries of the devolved personnel were reduced. This has been a major cause of a highly demoralized staff at the earlier part of decentralization.

The greatest problems in agricultural development are in the fourth, fifth and sixth class municipalities. And it is in these areas, where the best expertise are needed, this is where the most demoralized extension agents are located because their salary level is lower than that of their counterparts in higher income municipalities. In a survey conducted by the Visayas State University, it was revealed that most of the funds of these classes of municipal governments are spent for personal services. As a consequence, the extension workers stayed mostly in their offices because they have no funds for extension services.

Decentralizing extension at the municipal level has greatly fragmented techno-transfer efforts and made it very difficult to coordinate. Provincial authorities do not have power and

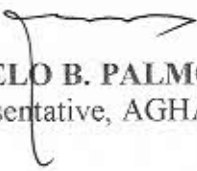
authority over municipal agriculture development and planning officers. Therefore many provinces do not have integrated or coherent agriculture development programs.

To address the current problems of extension is not to re-centralize or re-nationalize it. This would be a step backward. All the agriculturally successful countries in the world (e.g., India, China, Indonesia, USA, Japan, Vietnam, etc.), with the exception of Thailand, have a decentralized extension system. The reason decentralization is not working in Philippines is because it was not done right and needs to be corrected.

The proposed AF Extension bill addresses the current problems and more. The bill seeks to:

1. Strengthen the country's extension system by decentralizing it to the appropriate level of political unit that provides a viable economic unit for agriculture development i.e., the province;
2. Making the national government pay for the salaries and wages of extension personnel under the administrative direction of the provincial government;
3. Professionalizing & standardizing the salaries and wages of the LGU extension personnel to that of equivalent positions in the national government;
4. Creating a national agency, the Philippine Agriculture & Fisheries Extension Agency (PAFEA) to orchestrate, provide national directions, set standards of performance, and provide institutionalized financial and technical support to the LGUs.

With the above premises it is urgently recommended that the bill be approved.


ANGELO B. PALMONES
Representative, AGHAM Party List

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

**ARTICLE I.
GENERAL PROVISIONS**

Section 1. Short Title. - This Act shall be known as the "Agriculture and Fisheries Extension Act of 2010."

Section. 2. Declaration of Policy. - The goals of national economy are a more equitable distribution of opportunities, income and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and expanding productivity as the key to raising the quality of life of all, especially the underprivileged.

The State shall promote economic modernization and full employment based on sound agricultural development and agrarian reform, through industries that make full and efficient use of human and natural resources, and which are competitive in both domestic and foreign markets. In pursuit of these goals, all sectors of the economy and all regions of the country shall be given optimum opportunity to develop.

Thus, it is hereby declared the policy of the State to enable those who belong to the agriculture and fisheries sector to participate and share in the fruits of development and growth in a manner that utilizes the nation's resources in the most efficient and sustainable way possible by establishing a more equitable access to assets, income, basic and support services and infrastructure.

The State shall give priority to promote science, technology and human resource development as essentials for national development and progress. The State shall utilize research results through information, education, extension and communication services. It shall support the development of a national extension system that will help accelerate the transformation of agriculture and fisheries sectors of the Country from a resource-based industry to a knowledge-based and market-oriented industry.

The State shall adopt a the market approach as the in enabling framework for assisting the agriculture and fisheries sector to attain while recognizing the contribution of these sectors to food security, poverty alleviation , sustainable development environmentaland environmental protection,

and balanced urban and rural development while addressing , without neglecting the welfare of the consumers, for more affordable nutritious food especially among the lower income groups. The State shall promote market-oriented policies in its agricultural development program production to enable agriculture producers encourage farmers to transform shift their to more profitable enterprises into technologically advanced profitable ventures.

The State shall empower the agriculture and fisheries sector to develop and sustain itself to meet present and future needs of the country. Towards this end, the State shall ensure the establishment and development of the agriculture and fisheries extension system that increases and sustains its contributions to the achievement of the goals of agriculture modernization as mandated by Republic Act 8435: a) Poverty Alleviation and Social Equity; b) Food Security; c) Rational Use of Resources and Sustainable Development; d) Global Competitiveness; and e) People Empowerment.

Section 3. Definition of Terms. As used in this Act, the term:

1. **“Agriculture development worker”** refers to a person who is a graduate of at least a bachelor’s degree in agriculture, agriculture engineering, agriculture economics, or any related course registered and licensed with the Professional Regulation Commission or Civil Service Commission; who perform communication, curriculum development, agricultural/coastal community organizing, econometrics, water management, veterinary work, statistical work, training and extension work in agriculture production, trade, and processing including crop and animal protection, food safety, agriculture and natural resource economics, and marketing. For the purposes of this Act, “Agriculture Development Worker (ADW) is interchangeably used with “Agriculture Extension Worker (AEW).”

2. **“Agricultural Engineering”** refers to a person registered with the Profession Regulation Commission or Civil Service Commission performing training and extension work in agricultural and fisheries mechanization, irrigation, drainage, soil and water conservation, agricultural buildings and structures, agricultural processing and post harvest facility;

3. **Agroforester** refers to a person who is a graduate of a four-year course in forestry, or agroforestry, or related fields and licensed with the Professional Regulation Commission or Civil Service Commission performing training and extension on forestry/community forestry.

4. **“Barangay Technician”** refers to a successful agriculture/fishery producer who volunteers and is assigned to assists farmers and other agriculture producers in their respective barangays towards the modernization of their respective AF enterprises.

The barangay agricultural technician works closely with the barangay agriculture committee for the planning of projects to be implemented at the barangay level.

5. **“Catalytic Financing”** the provision of financial assistance by a National Government as counterpart grant to the resources provided by the Local Government Units to achieve increased investment by the private sector in the implementation of agriculture and fisheries extension services to accelerate the achievement of national goals;

6. **“Civil Society”** refers to the group of organizations whose voluntary collective action revolves around shared interests, purposes and values. Civil societies are organizations composed of community groups, women’s organizations, faith-based organizations, professional associations, trade unions, self-help groups, social movements, business associations, coalitions and advocacy groups;

7. **“Consumers”** are those that acquire goods or services for direct use or ownership rather than for resale or use in production and manufacturing.

8. **“Empowerment”** is the expansion of assets and capabilities of people to participate in, negotiate with, influence, control and hold accountable institutions that affect their lives; it involves providing authority, responsibility, and information to people directly engaged on agriculture and

fishery production, primarily at the level of the farmers, fisher folk and those engaged in food and non-food production and production, in order to give them enhanced economics rights;

9. **"Agriculture Extension"** is an educational and information service aimed at the transformation of the behavioral traits or characteristics of agriculture and fishery producers, consumers, or traders as a consequence of on "new knowledge" or research results. Agriculture extension These services include those services include all those provided by both national and local governments, non-governmental organizations, and the private sector.

10. **"Extension System for Agriculture and Fisheries"** refers to the extension service delivery system of the country that includes all services provided by national, local, non-governmental organizations and the private sector.

11. **"Farmer-to-Farmer or Fisher-to-Fisher Extension Approach"** refers to the modality of extension where a farmer or fishers systematically learned from their successful peers new knowledge or skills to improve the productivity and income of their enterprises.

12. **"Fisheries"** refers to all interrelated activities which include the production, growing, harvesting, processing, marketing, developing, conserving and managing of all aquatic and fisheries areas;

13. **"Fisheries Technologist"** refers to a person who is a graduate of a four year course in Fisheries and registered and licensed with the Professional Regulation Commission or Civil Service Commission performing training and extension on fisheries, marine resources and aquaculture;

14. **"Food Security"** refers to the national policy objective of meeting the food requirements of the present and the future generations of Filipinos in substantial quantity, ensuring the availability and affordability of safe and nutritious food to all, either through local production or importation, or both, based on the country's existing and potential resource endowment and related production advantages, and consistent with the overall national development objectives and policies;

15. **"Formula grants"** these are national government financial transfers to the local governments to enable them to meet national standards in the provision of Agriculture and Fisheries Extension Services (AFES) especially among the poor. The funding formula takes into consideration, among others, the financial capacity of a municipality or a province;

16. **"Knowledge Management"** is a systematic approach which invents, understands, shares, creates and utilizes knowledge in order to create values such as producers value, customer's value, employee's value, stockholder's value, business partner's value and social value to achieve the vision and goal of the organization;

17. **"Partnership"** a relationship between and among agencies that is characterized by mutual cooperation and responsibility towards the achievement of shared goals

18. **"RBOs"** are rural based organizations or people's organizations composed of various sectors of the rural community such as farmers, fisherfolk, growers, seed producers, women and youth;

19. **"Targeted Financial Transfer"** is a financial support provided by the national government to the LGUs to enable them to plan and implement projects in agriculture extension aimed at helping the poor and economically disadvantaged rural beneficiaries;

20. The **value chain**, also known as **value chain analysis**, is a concept from business management that was first described and popularized by Michael Porter in his 1985. **"Value Chain"**, is a process of increasing value of products. Products pass through all activities of the chain in order, and at each activity the product gains some value. The chain of activities gives the products more added value than the sum of added values of all activities.

21. **"Veterinarians"** refers to a person registered with the Professional Regulation Commission performing professional services related to the practice of veterinary medicine including training and extension on disease prevention control and animal health.

Section 4. Statement of Goals. – Agricultural Extension is a policy instrument for agriculture and fisheries development aimed at empowering individuals and organizations; public agriculture extension shall contribute towards the achievement of the national goals of agriculture development.

Section 5. Statement of Objectives. – Agriculture and Fisheries extension shall contribute to the following objectives:

a) To enhance the economic right of producers, especially the poor, to use the most appropriate technologies they feel will give them the best profit and to choose the most affordable loans in producing the quality and quantity of products and to sell their products freely; traders, to move goods in the expectation of profits unconstrained by serious lack of knowledge and information; and consumers, regardless of their geographic location, to buy safe and nutritious foods at the lowest prices possible.

b) To manage knowledge in strengthening the individual and organizational capabilities of producers, traders and consumers; and

c) To help create an enabling environment that strengthens the linkage between knowledge generation and knowledge use and encourages increased investment in agriculture extension by the private sector, civil society, and local governments.

Section 6. Clients. – The clients of Philippine agricultural and fisheries extension system are the producers (farmers, fisherfolk, and agricultural processors), traders and consumers along the value chain. Public extension shall focus on the delivery of public goods. The priority clients shall be the economically and socially disadvantaged groups in agriculture and fisheries. Local Government Units shall put primary attention to these groups in the provision of extension services.

ARTICLE II. STRUCTURE AND ORGANIZATIONS

Section 7. Creation of the Philippine Agriculture and Fisheries Extension Agency (PAFEA). – The Agricultural Training Institute (ATI) is hereby strengthened and transformed into the Philippine Agriculture and Fisheries Extension Agency (PAFEA). It shall serve as the national apex organization for a unified and efficient agriculture and fisheries extension system of the country. It shall ensure that public extension services meet the national standards of performance and effectively contribute towards the achievement of the national goals of agriculture and fisheries modernization and sustainable development.

Section 8. Powers and Functions:

a) Provide direction in the development of national extension policies in agriculture and fisheries;

b) Orchestrate the development of extension strategic plan including its financing in coordination with the Department of Budget and Management and other stakeholders;

c) Develop and implement national policies and programs aimed at the continuous improvement of the quality of extension methods, products, and services towards a more efficient and client-responsive national agriculture and fisheries knowledge management system;

d) Develop a system towards the management of the country's extension resources for agriculture and fisheries to ensure a sustainable, participatory and efficient system of funding of information, education, and communication materials (IEC);

e) to help achieve optimal efficiency along the value chain;

f) Provide leadership in the development and implementation of the National Agriculture and Fisheries Knowledge Network (NAFKN) in agriculture and fisheries of the Department through a system of partnership that may include, but not be limited to the LGUs (Local Government Units), the regional development council (RDC), the Regional Agriculture and Fisheries Council (RAFCs), the academe especially the state universities and colleges (SUCs) of agriculture and fisheries, the Civil Society Organizations (CSOs), producers, rural-based organizations (RBOs) and the private sector;

g) Provide national leadership in developing extension partnerships towards increased investment and robust private sector participation in consultation with agriculture and fisheries councils (AFCs);

h) Harness centers of research excellence specially state universities and colleges (SUCs) of agriculture and fisheries in the implementation of the national programs especially in the areas of extension innovations, national training, impact assessment, and monitoring and evaluation of extension institutions, programs, and projects;

i) Provide leadership in developing and implementing a national system of strengthening institutional extension capacities at all levels of implementation; and

j) In coordination with the Department of Budget and Management (DBM), the Local Government Units, The Department of Local Governments, and other stakeholders, the PAFEA shall set up a review mechanism for all agriculture and fisheries extension programs and budgets of national agencies to determine cost-effectiveness of operations and impacts to national and local goals.

Section 9. Structure of PAFEA. – The Agency shall be headed by a Director General (DG) with a rank of Assistant Secretary who shall be assisted by two Deputy Directors General (DDG); they shall be appointed by the President upon recommendation of the Secretary of Agriculture. The appointed officials shall come from a list submitted by an Independent Search Committee organized by the Secretary of Agriculture through the Council of Extension Research Development in Agriculture and Fisheries (CERDAF). These officials shall have a fixed tenure of six (6) years and may be re-appointed for an additional term of four (4) years based on very satisfactory performance.

Section 10. The Council of Extension Research Development in Agriculture and Fisheries (CERDAF) – The Council of Extension Research Development in Agriculture and Fisheries (CERDAF) is hereby strengthened. It shall ensure that the agriculture and fisheries research, development and extension policies and programs of the Department are consistent with national policies and priorities.

a) Functions and duties of the Council of Extension Research Development in Agriculture and Fisheries (CERDAF).

(1) Recommend to the DA Secretary policies covering program priorities and resource allocation in agriculture and fisheries research and extension of all agencies of the Department;

(2) Enhance coordination and linkage of government institutions involved in agriculture and fisheries research, development and extension,

(3) Strengthen the participation of various stakeholders, especially the civil society, local government units, and private sector in the development of National Research Development and Extension (NRDE) agenda and programs;

(4) Strengthen the institutional efficiency of the NRDE system, including the setting up of a monitoring and evaluation system on the effectiveness and efficiency of its various components; and

(5) Set guidelines in the use of services and facilities, collection of fees and in the utilization of income.

Section 11. Composition of the Council for Extension Research Development in Agriculture and Fisheries (CERDAF). The Undersecretary for Policy and Planning of the DA shall be the Chair of the Council. There shall be a Vice Chair to be selected from among the other members of the Board. The Executive Director of the Philippine Agriculture and Fisheries Extension Agency (PAFEA) and the Director of the Bureau of Agricultural Research (BAR) shall be officio members, and the Chair shall appoint the Executive Director of PAFEA as Secretary of the Council. The CERDAF shall have the following members:

- (1) Designated Undersecretary for Policy and Planning of the following Departments:
 - i. Department of Science and Technology;
 - ii. Department of Environment and Natural Resources;
 - iii. Department of Interior and Local Government;
- (2) Presidents of the following LGU organizations:
 - i. League of Provinces;
 - ii. Union of Local Authorities of the Philippines (ULAP);
- (3) Four (4) CSO representatives or one each from the rural youth, rural women, and farmer, and fisherfolk sectors as identified and selected by the Department of Agriculture;
- (4) One (1) private sector representative appointed by the DA Secretary;
- (5) One representative each from the following national professional scientific societies/organizations as recommended by the Secretary of the Department of Science & Technology:
 - i) crops;
 - ii) agriculture economics/economics;
 - iii) fisheries & aquatic science,
 - iv) livestock/animal science;
 - v) plant protection;
 - vi) sociology/anthropology/communications

Section 12. Offices under the PAFEA – To carry out the functions of Agency, PAFEA shall have four technical offices as follows: (1) Policy Development; (2) Extension Innovations & National Training; (3) Knowledge Products and Services Development; and (4) Extension Governance and Partnerships.

The PAFEA shall maintain a small regional office to:

- (1) liaise with Department Regional Field Units (RFUs), the principal arm of the Department in the implementation of extension policies and programs in the regions
- (2) provide technical assistance in the efficient implementation of PAFEA policies and programs and
- (3) monitor and evaluate extension offices and programs and projects funded by the DA that are being undertaken in the region by government agencies. The PAFEA is authorized to utilize existing Agricultural Training Institute (ATI) plantilla and to convert them into positions most appropriate to the Agency to provide national technical and managerial leadership.

ARTICLE III

Organization of the Local Government Extension Services

Section 13. Province as the LGU Unit of Operation for Agriculture and Fisheries Extension. – To achieve efficiency and to provide more responsive services, the planning and implementation unit of the extension services at the Level of Local Government Units is the province through a

Provincial Agriculture and Fisheries Extension Services under the office of the Governor. Towards this end, all technical and financial assistance from the national government to local government units on agriculture and fisheries development shall be coursed through and coordinated by the province. The Provincial Agriculture and Extension Services shall be headed by a technically-qualified career Provincial Agriculturist & Fisheries Officer (PAFO). The PAFO shall have two deputies or Assistant PAFOs; one for fisheries and one for agriculture development. These officers shall be appointed by the Director General of PAFEA chosen from three qualified nominees per position submitted by the Governor. Its staff shall be composed of technically qualified career agriculturists, economists, statisticians, agricultural engineers, fishery technologist, agroforester and veterinarians appointed by the Provincial Governor. The position of fishery technologist and agroforester shall be provided only in coastal municipalities and non-chartered cities and in municipalities and non-chartered cities where there are community-based forest management areas.

Section 14. Extension Personnel in the Municipalities & Non-chartered Cities. – Upon the affectivity of this Act, all municipal and non-chartered cities agriculture and fisheries extension personnel shall become provincial employees unless the LGU concerned choose to retain these personnel under their own plantilla and budget. Municipal and city extension employees transferred to the province shall be issued a new appointment by the Governor as organic personnel of the Provincial Agriculturist & Fisheries Office (PAFO). Transferred extension personnel may shall continue to serve their respective municipalities and non-chartered cities as detailed employees of the province based on a rationalized organizational structure submitted by the LGUs and approved by the PAFEA and the DBM. Existing employees of municipalities or cities that opt to retain their personnel do not need to issue new appointments to staff of the same positions. The Municipal/City Agriculture and Extension Services shall be headed by a technically-qualified career Municipal/City Agriculturist & Fisheries Officer (M/CAFO) based on the criteria set by the PAFEA. They shall be appointed by the PAFEA chosen from three qualified nominees submitted by the mayors and endorsed by the governors. Existing MAOs or CAOs who fail to get reappointed for various reasons except for cause shall serve as Supervising Agriculturists with salaries equal to that of their existing positions. M/CAFO whether under the plantilla of the province or the municipalities/cities shall have direct day-to-day supervision of all extension municipal/city personnel whether organic or detailed to the municipalities. On the other hand, the PAFO shall have direct technical supervision of all M/CAFOs in the province regardless of their sources of salaries. As such, M/CAFOs and their personnel are obligated to attend meetings, workshops, seminars, and other activities organized by the province that require their participation. In addition, they shall, on a periodic basis, submit, submit data and reports required by the province or the national government. In cooperation with the PAFEA and the state colleges and universities of agriculture, all provinces are required to design and implement a periodic external or third party evaluation of all municipal and city extension programs and services.

Section 15. Salaries and Wages of Extension Personnel. – The salaries and wages of all agriculture and fisheries technical extension personnel under the payroll of the provincial government shall be paid by the National Government through an annual grant-in-aid to be paid out of the regular appropriation of the PAFEA of the Department of Agriculture; provided, however, that during the first year of the affectivity of this Act, the local government concerned shall reallocate its savings from the personal services for agriculture personnel to its agriculture and fisheries extension; Provided, further, that every year thereafter, the concerned LGU shall appropriate the equivalent funds paid by the national government as the minimum amount for its agriculture and fisheries operation or counterparts to national grant-in-aid in agriculture and fisheries, without prejudice to the provision of additional funds that may be allocated by the LGUs for this purpose.

Section 16. The salaries and wages of technical extension personnel for both agriculture and fisheries shall be standardized so that these are equal or comparable to similar that of positions of national employees. This provision is without prejudice to the provision of additional staff benefits by concerned LGUs where their finances warrant. The provision of grants in aid to pay for the salaries and wages of the technical personnel of the LGU extension services shall be subject to external review and evaluation every five years to determine its impact to the quality of services, its cost-effectiveness, and impact on the goals of AFMA. A copy of the report shall be provided to Congress and serve as the basis for the continuation or modification of the grant-in-aid.

Section 17. Structure of the Provincial Extension Services. – The provincial and municipal agriculture and fisheries extension services shall organize and structure its services based on the agricultural and extension needs of the province and on the standards set by the PAFEA. The technical positions of the PAFEA, and the Provincial & Municipal Extension Services shall be rationalized to provide the appropriate number of positions for agriculturist, mixed crop-livestock/tree specialist, communication and curriculum specialist, community organizers/rural anthropologists, economists/agribusiness economists, agricultural engineers, fishery technologists, agroforester and veterinarians. The position of fishery technologist and agroforester shall be provided only in coastal provinces and where there are community-based forest management areas.

Section 18. LGU Livestock Production Services. In recognition of the need to provide an integrated extension approach to total farm development, the LGU livestock production services shall be part and parcel of the Provincial Agricultural Office (PAO). In cases where these functions were earlier integrated into the Provincial Veterinary Services, they shall be returned and re-integrated to the rest of the PAO services. This is to prevent conflict of interest between regulatory functions and livestock extension functions. with Veterinary Services.

Section 19. Strategic Plan in Agriculture and Fisheries. To provide coherence of all government plans in agriculture and fisheries and to achieve efficiency in the use of resources, all provincial governments are required to develop a five-year strategic plan in agriculture and fisheries based on the framework and principles provided by the Department of Agriculture (DA). The Strategic Plan shall serve as the basis for the Provincial Annual Work Program & Budget and thefor the DA to provide short-term and long-term assistance. The yearly program of work and budget shall be derived from the strategic plan.

ARTICLE IV AGRICULTURAL SERVICE CAREER DEVELOPMENT

Section 20. Professionalization of Extension Services. - The State shall support the development and professionalization of agricultural services by providing the necessary compensation and benefits to various extension workers based on their duties, responsibilities and qualifications. For this purpose, the PAFEA, in coordination with Civil Service Commission, shall develop qualification standards beyond the minimum set by the Civil Service Commission for the various managerial, technical and non-technical positions of the extension services of the country including that of all local government units. The PAFEA shall also develop a career path of all technical extension personnel that will allow them, regardless of assignment or location in government, to move vertically in the promotion system. Managerial positions shall be open to all qualified personnel regardless of geographic or agency assignment. Towards this end, the PAFEA shall issue guidelines for the creation of a merit promotion boards in all extension agencies/office to include representatives of civil societies and the SUCs of agriculture and fisheries. for each extension

agency. In determining the salaries of agriculture and fishery development workers, the provisions of Joint Resolution No. 4, series of 2009, entitled, "Joint Resolution Authorizing the President of the Philippines to Modify the Compensation and Position Classification System of Civilian Personnel and the Base Pay Schedule of Military and Uniformed Personnel in the Government, and for Other Purposes," shall apply.

Section 21. Mandatory Managerial Positions in the Provision of Agriculture Services in the Local Government Units. - The creation of the following positions is hereby made mandatory in addition to the prescribed position under the Local Government Code of 1991:

- a. Provincial Agriculture & Fisheries Officer (PAFO)
 - 1) Asst. PAFO for Fisheries Development
 - 2) Asst. PAFO for Agriculture Development
- b. City Agriculturist & Fisheries Officer (CAFO)
- c. Municipal Agriculture & Fisheries Officer (MAFO)

Section 22. Transfer of Geographical Reassignment of Agricultural Officers and Employees of the LGUs. No transfer or geographical reassignment shall be made or effected without a written notice to personnel concerned stating therein the reason for such. Provided, That said written notice shall be made thirty (30) days prior to the date of transfer or reassignment: Provided, further, that if the employee concerned disagrees with the order of transfer or reassignment, he/she may appeal said order with the Civil Service Commission or the Department of Agriculture Labor and Employment, as the case may be: Provided, further, that pending appeal, such transfer or reassignment shall be held in abeyance: Provided, furthermore, that no transfer or reassignment whatsoever shall be made three (3) months prior to any local or national elections: Provided, Finally, That the necessary expenses of the transfer and/or reassignment of the agricultural worker or employee and his/her immediate family shall be paid by the Government.

Section 23. Security of Tenure. - Any agricultural services personnel holding a permanent position shall not be terminated except for cause: Provided, that in the event the agricultural development worker is found to be unjustly dismissed as verified by the Civil Service Commission, he/she shall be entitled to reinstatement without loss of seniority rights and back wages with twenty per centum (20%) interest to be computed from the time compensation has been withheld up to the reinstatement. In cases, however when the agricultural worker does not desire to be reinstated, he/she shall be entitled to back wages and separation pay with twenty per centum interest.

Section 24. Discrimination Prohibited. - An agricultural services worker shall not be discriminated by reason of creed, sex, political belief, civil status, and ethnic grouping in the exercise of his/her profession.

Section 25. Safeguards in Administrative Proceedings. - In every administrative proceeding, an Agricultural Extension Worker shall have:

- a) the right to be informed of the charges;
- b) the right to full access to evidence against him/her;
- c) the right to defend himself/herself through counsel of his/her choice;
- d) the right to be given adequate time to prepare his/her case, which shall
- e) the right to appeal to designated authorities;
- f) the right to cross-examine witnesses and to processes for the production of witnesses;
- g) the right to reimbursement for reasonable expenses incurred in his/her defense in case of exoneration or dismissal of the charges; and

h) such other rights provided by other national agencies and local government units to their respective officers and employees to ensure fairness and impartially in prosecution.

Section 26. Code of Conduct. - All agricultural extension workers must be guided by a code of ethics not contrary to law, morals, safety, health, public policy and public order. The code of conduct of agricultural development workers shall be prepared by the Secretary of Agriculture in consultation with the recognized national associations of agricultural development workers.

Section 27. Training and Scholarship Program. - The Department of Agriculture through the PAFEA shall undertake trainings and scholarship program for the agricultural development workers, which shall be provided with adequate budgetary support by the Government.

Section 28. Married Agricultural Extension Worker. - Whenever possible, the proper authorities shall take steps to enable married couples both of whom are public agricultural development workers, to be employed or assigned in the same municipality.

ARTICLE V INCENTIVES AND REWARDS SYSTEM

Section 29. Criteria for Incentives and Rewards System. - The PAFEA shall develop a reward and incentive system for agricultural extension workers provided under this Act, which will encourage them to stay in the service, promote their productivity and reward them for extraordinary performance.

Section 30. Other Compensation and Benefits. - All agricultural extension workers shall be entitled to the following additional compensation and benefits:

a) Representation Allowance and Traveling Allowance - All Provincial/City/Municipal AF Officers shall be entitled to Representation Allowance and Traveling Allowance (RATA) equivalent to the Department Head of the equivalent Local Government Units.

b) Hazard Allowance - All agricultural development workers assigned in difficult areas, strife-torn or embattled areas, distressed or isolated stations, animal/plant/fisheries breeding station, plant nurseries, plantations and demonstration farms, laboratories especially those handling x-rays, radioisotopes, chemicals, etc., sea-borne patrols, construction and installation of agricultural infrastructure projects, and other areas declared under a state of calamity or emergency which exposes them to great danger, occupational risks of perils of life shall be compensated with hazard allowance equivalent to at least twenty per centum (20%) of the monthly basic salary.

c) Subsistence Allowance - All agricultural extension worker who are required to render services in the communities, institutions, animal and plant breeding nurseries, plantations and demonstration farms and other barrier programs and projects of the Department of Agriculture in order to make their services available at all times, shall be entitled to full daily subsistence allowance of three (3) meals, which shall be computed in accordance with the prevailing circumstances.

d) Longevity Pay - A longevity pay equivalent to five per centum (5%) of the monthly basic pay shall be paid to an agricultural extension worker for every (3) years of continuous, efficient and meritorious services rendered. Clothing Allowance - All agricultural development workers shall be entitled to a clothing allowance in accordance with the approved laws and regulations or as mandated by law.

e) Housing - All agriculture and fisheries extension workers who are on tour of duty and those who, because of unavoidable circumstances, are forced to stay in the institution or community

shall receive housing allowances unless the government is able to provide free public accommodation. Housing allowance shall be reviewed periodically and adjusted accordingly.

g) Motor and Vehicle Loan - AEI agricultural development workers shall be entitled to avail of the motor and vehicle loan of the Department of Agriculture. The government shall provide adequate budgetary support for this purpose.

ARTICLE VI

The Farmer-to-Farmer Extension Approach

Section 34. The Farmer-to-Farmer Approach. The farmer-to-farmer approach in extension is hereby institutionalized. The PAFEA, in cooperation with centers of research excellence and interested LGUs, shall take leadership in developing a highly flexible and innovative system. It shall pilot the approach until it becomes an integral part of the national system in no more than ten years. For the initial implementation of this provision, an initial budget of twenty million (20,000,000) pesos is hereby allocated for the first year. Every year thereafter the budget shall be adjusted accordingly depending on the needs and response of the LGUs and non-governmental organizations subject to review by the CERDAF.

ARTICLE VII

Funding for Extension Services

Section 36. Initial Appropriation. – For the first year of implementation of this Act, the amount of ten billion pesos (PHP10,000,000,000.00) shall be appropriated out of the total budget of the Department of Agriculture (DA) for personal services, grants-in-aid to the LGUs, operation and capital outlay requirements of the Philippine Agriculture and Fisheries Extension Agency (PAFEA).

The Department of Budget and Management (DBM) is hereby mandated to include annually in the President's program of expenditures for submission to Congress and release an amount not less than ten billion pesos (PHP10,000,000,000.00) or one percent of the gross value added in agriculture and fisheries, whichever is higher, for the implementation of this Act. Five billion pesos (Php5,000,000,000) of this amount shall be allocated to the salary grant to LGUs for the local extension personnel and operation of the PAFE. The Department of Agriculture is hereby tasked accordingly to rationalize its budget to meet the requirements of this Act.

The PAFEA is authorized to utilize part of its yearly appropriation to set up or upgrade necessary facilities to improve the provision of national extension services. All assets, resources both human and financial of Agricultural Training Institute (ATI), shall be transferred to the PAFEA.

All revenues generated out of the use of services, facilities and equipment shall be utilized by the Agency to augment its maintenance and operating expenditures subject to the approval of the Governing Board.

ARTICLE VIII

Final Provisions

Section 37. Phased implementation. The implementation of this Act shall be phased over a period of five (5) years.

Section 38. Oversight Committee. The Congressional Oversight Committee for Agriculture and Fisheries Modernization (COCAFAM) shall oversee the implementation of this Act for a period not exceeding five (5) years from its affectivity.

Section 39. Implementing Rules and Regulations. –The Department of Agriculture in close coordination with the Department of Local Government, the Leagues of Governors and Mayors and relevant members of the civil society shall formulate an implementing rules and regulations (IRR) that includes an implementation plan indicating a phased approach to provide smooth transition from the present to the reformed extension system under this Act. Within ninety (90) days from the effectivity of this Act, the Secretary of the Department of Agriculture (DA) shall furnish a copy of the IRR to the Committee of Agriculture of both Houses of Congress.

Section 40. Repealing Clause. – If any provisions of this Act are declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Section 41. Effectivity Clause. – This Act shall take effect thirty (30) days from the date of its publication in the Official Gazette or in at least in two (2) national newspapers of general

APPROVED.