



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

Sixteenth Congress
First Regular Session

HOUSE BILL NO. **3745**



Introduced by Representative Sharon S. Garin

EXPLANATORY NOTE

The agricultural landscape is rapidly evolving in the country and around the globe as farmers are aggressively applying their resourcefulness and determination in generating additional income through non-traditional farm activities. Of these activities, diversification into tourism has been one of the most prevalent, which led to the emergence of "farm tourism" as an important economic activity in the country.

Farm tourism is now a thriving industry in many parts of the world, including Australia, Canada and the United States. Other terms associated with farm tourism are "agritainment" or agricultural entertainment, "value added products," "farm direct marketing," and "sustainable agriculture." Farm tourism has been proven to provide additional opportunities for farmers, farm owners, and farm producers, in generating additional income. Moreover, it has also helped increase employment opportunities in the community as well as the revenue of their government. As people have become more interested about what goes into food production, farm tourism has also provided an opportunity for the people to meet farmers and processors, and talk with them about how their food is produced.

Agriculture is a key sector in the Philippine economy and farming is an integral part of this sector and of the Filipino culture. However, productivity of the sector rarely increases. For instance, the first half of 2013 recorded a production value of P697 billion, a significant reduction from the previous year's P956 billion.

According to some experts, the government's reliance on agricultural imports, particularly on rice and corn, has considerably weakened the agricultural sector in the country.

Tourism, on the other hand, now plays a substantial role in the economy as it generates investment, foreign exchange and employment, and continues to enhance the

sense of national pride for all Filipinos. Tourism in the country sustains its strong performance as foreign visitor arrivals for the first four months of 2013 showed a 10.12 percent increase from the same period in 2012, as reported by the Department of Tourism.

Agriculture and tourism, when combined, will benefit from each other, according to the "First International Agriculture and Tourism Expo" held in July 2012, supported by the Department of Agriculture (DA), Department of Tourism (DOT) and the Technical Education and Skills Development Authority (TESDA). The collaboration of agriculture and tourism can help boost the country's economy by improving the income and potential economic viability of small farms and rural communities.

The tandem of agriculture and tourism, herein referred to as "Farm Tourism" gives emphasis on the greater importance of farming, which reflects a more individual practice with its own unique philosophies, methods, practices and operations.

The Agricultural Training Institute (ATI), which is under the DA, is the instrument of the Philippine government in enhancing agricultural technology and knowledge management for a more proactive and responsive extension service in agriculture and fishery to help alleviate poverty among farmers. One of its programs is the promotion of organic agriculture, which was enacted into law on 6 April 2010 as the Republic Act No. 10068 or the Organic Agriculture Act.

Through organic farming, agriculture and fisheries, stakeholders utilize technology to further develop their land. Organic agriculture is a viable solution to address hunger and at the same time preserve the environment.

In the records of the DA-ATI, many farm owners nowadays, whether big or small, practice organic agriculture and support government's initiatives and projects in promoting agriculture. This became the starting point to Farm Tourism as an agri-business enterprise. In October 2011, the Japan International Cooperation Agency (JICA) and DA-ATI collaboratively conducted a workshop on agri-tourism which was held in Palawan, where the first model site on agri-tourism was located. Consultative workshops, trainings and exhibitions sponsored by DA-ATI and co-sponsored by private stakeholders continue to prosper.

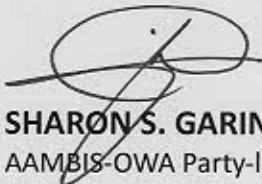
The recently concluded training on farm tourism development and marketing held last December 7 and 8, 2013 was sponsored by the ACES Polytechnic College. It was attended by several successful farmer-land owners and farmers, academic researchers, local government units and government agencies, with a common goal of promoting sustainable organic agriculture in a farm tourism environment.

Although there were programs being implemented by the DA-ATI in collaboration with DOT and other government agencies, there is a need to institutionalize Farm Tourism to

harmonize all efforts of various government agencies and identify DA-ATI as the specific agency that will implement the policies and strengthen its programs on farm tourism.

This legislative measure aims to enact policies that would promote and develop farm tourism in the country; strengthen sustainable organic agriculture in a farm tourism environment; uplift the quality of life of farmers, farmer-land owners, and rural people; provide an avenue for the public to learn more about food production; generate employment in the farming communities; engage small farmers and farm workers in trainings and knowledge transfers; and encourage the Filipino youth to appreciate and support farming.

In view of the foregoing, the passage of this bill is earnestly sought.



SHARON S. GARIN
AAMBIS-OWA Party-list



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AN ACT
PROVIDING FOR THE DEVELOPMENT AND PROMOTION OF FARM TOURISM IN THE
PHILIPPINES AND FOR OTHER PURPOSES

SECTION 1. *Short Title.* This Act shall be known as "The Farm Tourism Act of 2014."

SECTION 2. *Declaration of Policy.* It is a declared policy of the State to provide support to agriculture through appropriate technology and research, and adequate financial, production, marketing and other support services. Moreover, the legislature finds that agriculture plays a substantial role in the economy, culture and history of the Philippines. As an increasing number of Filipinos are removed from day-to-day agricultural experiences, farm tourism provides a valuable opportunity for the general public to interact with, experience and understand agriculture. Towards this end, a comprehensive program for the development and promotion of farm tourism is hereby established.

SECTION 3. *Definition of Terms.* As used in this Act, the following terms shall mean as follows:

- a) ***Farm Tourism*** refers to the practice of attracting visitors and travelers to farm areas for both educational and recreational purposes. It involves any agricultural-based operation or activity that brings farmers, visitors or tourists to a farm who want to be educated and trained on farming and its related activities, and provides a venue for outdoor recreation and accessible family outings.
- b) ***Farm tourism activity*** refers to any activity carried out on a farm that allows members of the general public, for educational, recreational, or entertainment purposes, to view or enjoy rural activities including, but not limited to, planting, picking fruits, harvesting vegetables, tasting wine or juices, tending bees, milking cows, watching butterflies, fishing, horseback riding, and other farm activities or pursuits. An activity is a farm tourism activity whether or not the participant paid to participate in the activity.

- c) **Farm tourism professional** refers to a farmer or farm owner or any person who is engaged in the business of providing one or more farm tourism activities, whether or not for compensation.
- d) **Farm tourism operator** refers to the owner or recognized occupant of the farm or any person who is the overall in charge to a farm tourism location.
- e) **Inherent risks of farm tourism activity** means those dangers or conditions that are an integral part of a farm tourism activity including certain hazards, including surface and subsurface conditions, natural conditions of land, vegetation, waters, the behavior of wild or domestic animals and ordinary dangers of structures or equipment ordinarily used in farming operations. Inherent risks of farm tourism activity also include the potential of a participant to act in a negligent manner that may contribute to injury to the participant or others, including failing to follow instructions given by the farm tourism professional or operator, or failing to exercise reasonable caution while engaging in the farm tourism activity.
- f) **Participant** means any person including but not limited to other farmers, visitors, travelers and tourists, who engages in a farm tourism activity.

Section 4. Philippine Farm Tourism Framework for Development. The Department of Tourism (DOT), in consultation with the Department of Agriculture (DA), Department of Environment and Natural Resources (DENR), Department of Science and Technology (DOST), farm tourism owners and organizations, local government units (LGUs), and the private sector, shall formulate a five-year Framework for Development, to be validated and updated annually. Such Framework shall serve as a guide in the formulation and implementation of plans, programs and projects for the development, and promotion of farm tourism, as envisioned in this Act. The Framework shall likewise provide for the following:

- a. **Site Identification** - The DOT, in coordination with the DA, DENR, DAR and DOST, and the municipal, city and provincial governments concerned, shall identify viable farm tourism sites in the country, within six (6) months after the effectivity of this Act: *Provided*, that such site identification shall be reviewed at appropriate intervals to ensure consistency with the agrarian reform program and the national land use policy.
- b. **Educational and Promotional Support** - The DOT shall provide marketing advice and promotional support of accredited farm tourism sites in the country. The Department of Education (DepEd), Commission on Higher Education (CHED); and the Philippine Information Agency (PIA) shall launch and pursue a nationwide campaign to help realize the policies and provisions

of this Act, to promote farm tourism and inform the people of new farm tourism sites, and to promote the principle of sustainable development.

c. *Investment Promotion and Facilitation* - The DOT and DTI shall develop programs establishing links between stakeholders in the farm tourism industry and Government Financial Institutions (GFIs) and other financial cooperatives. The DOT and DTI shall likewise develop and implement programs that would establish reasonable and innovative investment incentives to attract more players in the farm tourism industry;

d. *Support and Extension* – The Agricultural Training Institute (ATI) of the DA, together with the Cooperative Development Authority (CDA), state universities and colleges, and other relevant government agencies shall establish programs which promote and provide adequate training on adapting technologies to farm tourism professionals and operators, strengthen farm tourism cooperatives and organizations, and afford opportunities for participation in international conventions, workshops and fora.

e. *Research and Development* – The DOT and DA, together with the Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development (PCAARRD), shall establish and maintain a comprehensive farm tourism information system, which shall serve as a repository of all educational research and information related to farm tourism. The DOT and DA, in coordination with concerned agencies, shall likewise establish pilot farms in identified areas and prescribe the highest standards for the operation and maintenance of such tourism farms;

f. *Market Promotion and Development* – The DOT, together with the DTI, shall link-up agribusiness cooperatives and organizations directly with consumers' cooperatives and organizations. This also includes exploring national and international markets and facilitating the participation of local farm tourism professionals and operators in local and international conferences, trade fairs, and exhibits;

g. *Infrastructure Development* – The Department of Public Works and Highways (DPWH) in cooperation with the concerned agencies shall prepare and implement a nationwide plan for the development of farm tourism markets; prioritize the construction of farm-to-market roads linking the farm tourism sites to markets, bus terminals, airports, train stations, ports and highways; and

- h. *Establishment of Farm Tourism Sites* – Within the scope of the five-year development framework, the DA shall encourage the establishment of at least one (1) farm tourism site in every province in the country.

SECTION 5. *Implementing Agency.* There is hereby created a Philippine Farm Tourism Industry Development Coordinating Council (PFTIDCC), herein referred to as the Council, administratively attached to the DOT, charged with the main function of coordinating the activities of various agencies and instrumentalities to ensure the development and promotion of farm tourism in the country. If ever practicable and required, the Chairman of the Council shall submit an annual report to both Houses of Congress on the status of the implementation of this Act.

The Council shall have the following specific functions:

- a. Prepare and implement a Comprehensive National Farm Tourism Industry Development Plan;
- b. Recommend to the DA and DOT the areas that are prime for farm tourism but require infrastructure projects such as farm-to-market roads;
- c. Encourage the establishment of at least one (1) farm tourism site in every province in the country;
- d. Launch and pursue a nationwide educational campaign to help realize the policies and provisions of this Act;
- e. Establish and maintain a comprehensive farm tourism information system;
- f. Formulate and implement farm tourism research and development projects, such as, but not limited to, organic farming, aqua culture, duckweed culture, livestock and poultry raising, aimed at increasing resource productivity, improving resource use efficiency, and ensuring the long-term sustainability of the country's farm tourism program;
- g. Provide for the registration, accreditation and the issuance of identification cards to farm tourism professionals and operators;
- h. Assist the LGUs in developing their technical capability in the development, management, regulation, conservation, and protection of farm tourism sites;
- i. Provide avenues for quality trainings, seminars, conventions, workshops among others;

- j. Monitor and review farm tourism agreements between Filipino citizens and foreigners who seek to invest in the farm tourism sector;
- k. Establish cooperation among farm tourism stakeholders, financial institutions, government agencies, non-government organizations, people's organizations and other like-minded institutions and individuals in terms of partnerships and linkages;
- l. Enforce all laws, formulate and enforce all rules and regulations governing the conservation and management of farm tourism sites; and
- m. Perform such other related functions which shall promote the development, promotion, conservation, management, protection and utilization of farm tourism sites.

SECTION 6. *Council Composition.* The Philippine Farm Tourism Industry Development Coordinating Council (PFTIDCC) shall be composed of the following:

- a. Secretary of the Department of Tourism as Chairman;
- b. Secretary of the Department of Agriculture as vice-chairman;
- c. Undersecretary for Tourism Planning and Promotions of the DOT as head of the Council Secretariat;
- d. Director of the DA-Agricultural Technical Institute as head of the Technical Working Group;
- e. Secretary of the Department of Environment and Natural Resources (DENR);
- f. Secretary of the Department of Public Works and Highways (DPWH);
- g. Secretary of the Department of Trade and Industry (DTI);
- h. Secretary of the Department of Agrarian Reform (DAR);
- i. Secretary of the Commission on Higher Education (CHED);
- j. Secretary of the Department of Education (DepEd);
- k. Director General of the Philippine Information Agency (PIA);
- l. Executive Director of the DOST-PCAARRD;
- m. Representative from the League of Municipalities of the Philippines;
- n. Representative from the League of Cities of the Philippines; and

- o. Two (2) representatives from farm tourism associations/organizations recognized by the DA or DOT.

The Council shall regularly meet every three months and may hold special meetings, whenever the need arises, to consider urgent matters upon the call of the Chairman or any eight (8) Council members.

Section 7. Council Secretariat. The Council Secretariat shall be headed by the Undersecretary for Tourism Planning and Promotions of the DOT. Technical support shall be provided by the Technical Working Group as headed by the Director of the Agricultural Training Institute of the DA.

The Secretariat and technical staff shall be detailed from the existing personnel of the Department of Tourism without prejudice to the designation by the Council of such additional staff members as it may deem necessary for the proper discharge of its functions and responsibilities.

SECTION 8. Strict Adherence with Environmental Laws. The utilization of and development of all farm tourism sites under this Act shall be regulated by the DENR pursuant to all laws and statutes on the utilization and protection of natural resources and the environment, and must strictly comply with the land use plan approved by the local government unit concerned and the requirements imposed by existing DENR rules, regulations and other issuances, taking into consideration the sustainable use and development of the farm tourism sites.

Section 9. Incentives and Tax Exemptions. Duly accredited farm tourism professionals and operators are entitled to incentives and tax exemptions pursuant to the following provisions of the law:

- a) Section 24 of Republic Act 10068 or the Organic Agriculture Act of 2010;
- b) Section 62 of Republic Act 6938 or the Cooperative Code of the Philippines;
- c) Section 133 (m) and (n) of Republic Act 7160 or the Local Government Code of 1991;
- d) Section 109 of RA 8435 or the Agriculture and Fisheries Modernization Act of 1997, as amended by Republic Act 9281;
- e) Chapter 3 (Credit) of Republic Act 8435 or the Agriculture and Fisheries Modernization Act of 1997;
- f) Article 2 of the Agri-Agra Reform Credit Act of 2009; and

g) Sections 7, 8, 9 and 10 of Republic Act 9178 or the Barangay Micro Business Enterprises (BMBE's) Act of 2002.

SECTION 10. *Registration and Accreditation of Farm Tourism Operations.* The Council shall provide guidelines and criteria in the registration of farm tourism operations. The DOT shall assess the application and endorse the result to the Council for approval. The registration shall be on a voluntary basis. There is no fee for registration and the list will be made available to the public by the Council. All registered operations will be promoted by the DA and DOT in conjunction with all other tourism and rural development promotions. Registration is valid for five (5) years.

SECTION 11. *Warning Signage at Farm Tourism Locations.*

- 1) Every farm tourism professional must post and maintain signs that contain the warning notice specified in subsection (3) of this section. The sign must be placed in a clearly visible location at the entrance to the farm tourism location and at the site of the farm tourism activity. The warning notice must consist of a sign in black letters with each letter to be a minimum of one inch in height. Every written contract entered into by a farm tourism professional for the providing of professional services, instruction, or the rental of equipment to a participant, whether or not the contract involves farm tourism activities on or off the location or at the site of the farm tourism activity, must contain in clearly readable print the warning notice specified in subsection (2) of this section.

- 2) The signs and contract described in subsection (1) of this section must contain the following notice of warning:

“Warning: Under Philippine law, there is no liability for an injury to or death of a participant in a farm tourism activity conducted at this farm tourism location if such injury or death results from the inherent risks of the farm tourism activity. Inherent risks of farm tourism activities include, among others, risks of injury inherent to land, equipment, and animals, as well as the potential for you to act in a negligent manner that may contribute to your injury or death. You are assuming the risk of participating in this farm tourism activity.”

- 3) All registered operations shall provide to participants a written description of the registered farm tourism activities upon request. This signage provides that participants are assuming responsibility of any inherent risk. This act does not limit the liability of willful or wanton conduct by any farm tourism operators.

Failure to comply with the requirement concerning warning signs and notices provided in this subsection will prevent a farm tourism professional from invoking the privileges of immunity provided in Section 12 of this Act.

SECTION 12. *Liability of Farm Tourism Professional.*

- 1) A farm tourism professional is not liable for injury to or death of a participant resulting from the inherent risks of farm tourism activities, so long as the warning contained in Section 11 is posted as required and except as provided in subsection (2) of this section.
- 2) A farm tourism professional can be held liable for any of the following acts:
 - a. Commits an act or omission that constitutes negligence of willful or wanton disregard for the safety of the participant, which consequently causes injury, damage, or death to the participant.
 - b. Has actual knowledge or reasonably should have known of a dangerous condition on the land, facilities, or equipment used in the activity or the dangerous propensity of a particular animal used in such activity and does not make the danger known to the participant, which causes injury, damage, or death to the participant.

Any limitation on legal liability afforded by this section to a farm tourism professional is in addition to any other limitations of legal liability otherwise provided by law.

SECTION 13. *Injury to Trespassers on Agricultural Lands.* A farm tourism operator shall not be held liable for negligence that results in the death of, injury to, or damage to a person who has engaged or is engaging in conduct on the property of the farm tourism operator that is unlawful under either Section 14 or Section 15 of this Act or under Section 2 of the Republic Act 3815 or the Revised Penal Code of the Philippines.

SECTION 14. *Posting of Signs on Farm Tourism Sites.* Signs prominently placed not more than one hundred fifty (150) meters apart along, and at each corner of the boundaries of the farm, in letters of not less than three (3) inches in height, the words "NO TRESPASSING" and in addition thereto the name/s of the farm tourism professional and/or operator.

SECTION 15. *Removing of Notices on Farm Tourism Sites.* It is unlawful for any person to willfully remove, destroy, mutilate, or commit any act designed to remove, mutilate, or reduce the legibility or effectiveness of any posted notice placed by the farm tourism professional and/or operator pursuant to the provisions in this Act or as provided by law.

SECTION 16. *Implementing Rules and Regulations.* The Philippine Farm Tourism Industry Development Coordinating Council (PFTIDCC) is hereby given full power and authority to promulgate such rules and regulations it may deem proper and necessary for the effective implementation of this Act.

SECTION 17. *Separability Clause.* If any part or provision of this Act is declared unconstitutional or invalid, other parts or provisions thereof which are not affected thereby shall continue to be in full force and effect.

SECTION 18. *Repealing Clause.* All laws, decrees, executive orders, rules and regulations and other issuances or parts thereof, inconsistent with the provisions of this Act, are hereby repealed or modified accordingly.

SECTION 19. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) national newspapers of general circulation.

Approved,