

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **4478**

Introduced by REP. Michael L. Romero

EXPLANATORY NOTE

For purposes of this Act, this Program is the consolidation of small farms including farms of agrarian reform beneficiaries, as one larger farm, with a minimum area of thirty **(30)** hectares within a two-kilometer radius, to take advantage of the economies of scale in the production of sugarcane, such that the activities in the small farms are aligned and implemented to ensure the efficient use of farm machineries and equipment, deployment of workers, volume purchase of inputs, financing, and other operational advantages, as well as recognition by sugar mills, government financial institutions, private investors, but the ownership of each small farm remains with the landowners.

The Sugar Regulatory Administration (SRA), the Department of Agriculture (DA), the Department of Agrarian Reform (DAR) and other concerned government agencies shall provide common service facilities, such as farm machineries and implements, grants or start-up funding for the needed production inputs, technology adoption, livelihood and skills training and other development activities for the block farm and its members, and other support activities that may be identified.

Thus, the early passage of this bill is earnestly requested.



MICHAEL L. ROMERO Ph.D

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AN ACT

**STRENGTHENING THE SUGARCANE INDUSTRY, INCREASING ITS ANNUAL
SUPPLEMENTAL BUDGET, AND FOR OTHER PURPOSES**

SECTION 1. Declaration of Policy – The Department of Budget and Management (DBM) is hereby mandated to include annually, starting the year 2017, an initial aggregate amount of Five billion pesos (**₱5,000,000,000.00**) in the President's program of expenditures for submission to Congress and allocated, as follows:

- (a)** Fifteen percent (**15%**) for grants to block farms under the Block Farm Program;
- (b)** Fifteen percent (**15%**) for socialized credit under the Farm Support and Farm Mechanization Programs;
- (c)** Fifteen percent (**15%**) for research and development, capability building and technology transfer activities under Research and Development, Extension Services, Human Resources Development, and Farm Support Programs;

(d) Five percent **(5%)** for scholarship grants to be provided under paragraph (b) of Section 6 of **RA10659** otherwise known as the "**Sugarcane Industry Development Act of 2015**", Human Resources Development; and

(e) Fifty percent **(50%)** for infrastructure support programs.

In the identification and prioritization of specific programs and projects, the Sugar Regulatory Administration (SRA) shall conduct prior consultation with representatives of block farms, sugarcane farmers and workers, sugar millers, refiners, bio-energy producers, and producers of other products derived from sugarcane and its by-products. The Department shall issue the necessary guidelines for this purpose.

For the current year, the DBM shall include in a supplemental budget, that may be formulated, the amount of Five billion pesos **(P5,000,000,000.00)** and following the allocation prescribed in this section.

SECTION 2. Non-Exemption from Comprehensive Agrarian Reform Program (CARP) Coverage – Nothing in this Act shall exempt any landholding from CARP Coverage.

SECTION 3. Implementing Rules and Regulations – The Department of Agriculture (DA), in consultation with concerned government agencies and sugarcane industry stakeholders, shall issue the implementing rules and regulations of this Act within ninety **(90)** days starting from the effectivity of this Act.

SECTION 4. Separability Clause. – If any provision of this Act is declared unconstitutional, the validity of the remaining provisions hereof shall remain in full force and effect.

SECTION 5. Repealing Clause. – All laws, decrees, executive orders and rules and regulations or part or parts thereof inconsistent with any provision of this Act are hereby repealed, modified or amended accordingly.

SECTION 6. Effectivity Clause. – This Act shall take effect after fifteen (15) days from its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,