



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

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3373



Introduced by Representative Sharon S. Garin

EXPLANATORY NOTE

Bamboo's prominence in the country is evidenced in its prevalence and our geographical landscape and significance to our culture. Whether in urban or in countryside, bamboo trees dot the landscape, taking root not only in our environment but also in our heritage through the "Alamat ng Kawayan" and the most popular and well-known Philippine traditional *tinikling* dance. Truly, bamboo is germane to our national character as a country.

But apart from its cultural significance, bamboo presents essential economic opportunities and environmental protection for the country. The grass of life, as it is often tagged, can breathe life into the economic engines of the countryside if developed into a booming industry. Its versatility enables it to be transformed as wood substitute for furniture or construction materials, industrial and paper products, or as food, paving the way for a wide variety of markets. Thus, bamboo products, both raw and processed, have an untapped market that could propel the bamboo industry into one of the biggest agro-forest industries in the country.

Taking an even more literal meaning, the grass of life helps people live in a cleaner and safer environment by mitigating deforestation, preventing soil degradation, and Acting as carbon sink. And in a changing climactic condition and its adverse impacts on life and property, bamboo's propagation could spell the difference between life and death.

However, bamboo remains to be one of the underdeveloped industries in the country despite its versatility, economic potentials, and environmental contributions. At present, we have yet to fully support bamboo farmers, producers, processors, and exporters with concrete policy Actions and fiscal incentives to sustain the bamboo enterprises that they have started or to entice investors to go into the bamboo industry.

It is, thus, the aim of the bill to promote the rapid, steady and continuous integrated development and growth of the Philippine bamboo industry, recognizing the bamboo's salient role as a strategic, indigenous, replenishable, and renewable source of

livelihood and tool for agricultural productivity and environmental protection and management.

Through this measure, the scientific propagation, processing, utilization, and business development of Philippine bamboo will be made a priority program through the Philippine Bamboo Framework for Development. The components of the development plan include:

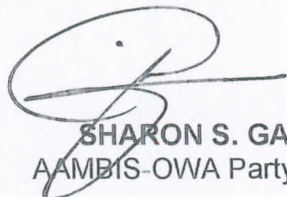
- Site identification
- Scientific Propagation and Development
- Production Support and Extension
- Market Promotion and Business Development
- Infrastructure Development
- Quality Assurance for Health and Proper Trading

The bill also mandates the Department of Environment and Natural Resources (DENR) to use bamboo as planting material for at least twenty percent (20%) of its annual reforestation and rehabilitation programs.

Furthermore, the bill mandates the Department of Education (DepEd) to procure at least twenty five percent (25%) of its annual school desk and/or armchair requirements for public elementary and secondary schools nationwide with the use of Philippine Bamboo.

The Department of Labor and Employment (DOLE) is likewise mandated to implement bamboo livelihood programs for preference employment of special groups and organizations of persons with disabilities (PWD), marginalized sectors, the unemployed, and retrenched Overseas Filipino Workers (OFWs).

Should this measure be enacted, it would provide the policy underpinning for the development and growth of the bamboo industry; hence the passage of this measure is earnestly sought.


SHARON S. GARIN
AAMBIS-OWA Party-list



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House Bill No. **3373**

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1 **AN ACT TO PROMOTE AND STRENGTHEN THE PHILIPPINE BAMBOO INDUSTRY,**
2 **PRESCRIBING ITS SCIENTIFIC PROPAGATION, PROCESSING, UTILIZATION, AND**
3 **BUSINESS DEVELOPMENT AS A PRIORITY PROGRAM, AND ALLOCATING**
4 **FUNDS THEREFOR AND FOR OTHER PURPOSES.**
5

6 *Be it enacted by the senate and the House of Representatives of the Philippines in*
7 *Congress assembled:*
8

9 Section 1. **Title.** This Act shall be known as the "*Philippine Bamboo Industry*
10 *Development Act of 2019.*"
11

12 Section 2. **Declaration of Policy.** It is hereby declared the policy of the State to promote
13 industrialization and full employment based on sound agricultural development and
14 agrarian reform, through industries that make full and efficient use of human and natural
15 resources, and which are competitive in both domestic and foreign markets. To this end,
16 the State shall promote the rapid, steady and continuous integrated development and
17 growth of the Philippine bamboo industry, recognizing the bamboo's salient role as a
18 strategic, indigenous, replenishable and renewable source of livelihood and tool for
19 agricultural productivity. It is also here by declared a policy of the state to acknowledge
20 the great contribution of bamboo in environmental protection and management, more
21 importantly in light of the perils of climate change.
22

23 Section 3. **Priority Program.** It is here by authorized and prescribed, as a priority
24 program, the scientific propagation, processing, utilization and business development of
25 Philippine bamboo under the Philippine Bamboo Framework for Development.
26

27 Section 4. **Implementing Agency.** there is here by created a Philippine Bamboo
28 Industry Development Coordinating Council (BIDCC), hereinafter referred to as the
29 Council, administratively attached to the Department of Trade and Industry, charged with
30 the main function of coordinating the Activities of various agencies and instrumentalities
31 to ensure the accomplishment of the Philippine Bamboo Framework for Development.
32

1 If ever practicable and required, the Chairman of the Council shall submit an annual
2 report to both houses of Congress on the status of the implementation of this Act.

3
4 **Section 5. Composition.** The Philippine Bamboo Industry Development Coordinating
5 Council shall be composed of the following:

- 6 a. Secretary of the Department of Trade and Industry as Chairman (DTI);
- 7 b. Undersecretary of the Department of Trade and Industry-Regional Operations
8 and Development Group (DTI-RODG) as Head of the Council Secretariat;
- 9 c. Executive Director of the Cottage Industry Development Center (CICT) as Head
10 of the Bamboo Technical Working Group;
- 11 d. Secretary of The Department of Environment and Natural Resources (DENR);
- 12 e. Secretary of the Department of Agriculture (DA);
- 13 f. Secretary of the Department of Education (DepEd);
- 14 g. Secretary of the Department of Agrarian Reform (DAR);
- 15 h. Secretary of the Department of Science and Technology (DOST);
- 16 i. Secretary of the Department of Labor and Employment (DOLE);
- 17 j. Representative from the League of Municipalities of the Philippines;
- 18 k. Representative from the League of Cities of the Philippines;
- 19 l. Representative from reputable Private Industry Association;
- 20 m. Two (2) representatives from Bamboo Farmers'/Producers'/Processors'
21 Associations;
- 22 n. One (1) representative from Non-Governmental Organizations (NGOs);

23
24 The Council shall regularly meet every two (2) months and may hold special meetings,
25 whenever the need arises, to consider urgent matters upon the call off the chairman or
26 any eight (8) Council members.

27
28 **Section 6. Council Secretariat.** The Council Secretariat shall be headed by the
29 Undersecretary of the Department of Trade and Industry-Regional Operations and
30 Development Group (DTI-RODG). Technical support shall be provided by the Bamboo
31 Technical Working Group as headed by the executive director of the Cottage Industry
32 Development Center (CICT).

33
34 The secretariat and technical staff shall be detailed from the existing personnel of the
35 Department of Trade and Industry without prejudice to the designation of the Council of
36 such additional staff members as it may deem necessary for the proper discharge of its
37 function and responsibilities.

38
39 **Section 7. Philippine Bamboo Framework for Development.** The Philippine Bamboo
40 Industry Development Coordinating Council shall formulate a ten- year Framework for
41 Development, to be validated and updated annually. Such framework shall serve as
42 guide to the formulation and implementation of plans, projects, programs, and policies
43 for the scientific propagation, processing, utilization, and business development of
44 Philippine Bamboo. The Framework shall likewise provide the following:
45

- 1 a. *Site Identification* - the Department of Environment and Natural Resources in
2 coordination with the Department of Agriculture, Department of Agrarian Reform,
3 and the Local Government Units, shall identify the broad areas suitable for the
4 planting and propagation off Philippine bamboo, within six (6) months after the
5 effectivity of this Act. The Department of Environment and Natural Resources
6 shall also establish nurseries focusing on species suitable for shoot production.
- 7 b. *Scientific Propagation and Development* – The Department of Environment and
8 Natural Resources and the Department of Science and Technology shall
9 establish sites and/or pilot farms for the cultivation and propagation of Philippine
10 bamboo. The same also covers the transfer and improvement of appropriate
11 technology and techniques, which will be utilized in ever phase of bamboo
12 production, processing, marketing and distribution. Particular emphasis shall be
13 made on adoption and upgrading of post-harvest technology;
- 14 c. *Production and Extension* - The Department of Environment and Natural
15 Resources, Department of Agriculture, Department of Trade and Industry, and
16 the Department of Science and Technology in coordination with the Local
17 Government Units, non-governmental organizations, Technical Education and
18 Skills Development Authority (TESDA), Cooperative Development Authority
19 (CDA), state universities and colleges (SUCs), and other relevant government
20 agencies, shall establish programs which promote and provide adequate training
21 on adapting technologies to individuals engaged in propagation, production,
22 processing, marketing and distribution of Philippine bamboo strengthen
23 farmers'/producers'/processors' cooperative's and organizations involved in the
24 sustainable and viable development of Philippine bamboo, and afford
25 opportunities for participation in international conventions, workshops and fora.
- 26 d. *Market Promotion and Business Development* - The Department of Trade and
27 Industry, in coordination with private industry associations, shall link-up
28 agribusiness cooperatives and organizations directly with consumers'
29 cooperatives and organizations, agro-processing companies, or exporters to
30 provide marketing outlets and assure relatively higher and stable prices of
31 bamboo. This also includes exploring national and international markets and
32 facilitating the participation of local farmers, growers, and exporters in local and
33 international conferences, trade fairs, expositions, and exhibits;
- 34 e. *Infrastructure Development* - Access to post harvest facilities, storage and
35 distribution/transport facilities of existing government agencies shall be facilitated
36 by the Department of Environment and Natural Resources, Local Government
37 Units, and Department of Agriculture. Assistance shall be given to qualified and
38 viable farmers'/producers'/processors' cooperatives and organizations and the
39 availment of soft loans or grants for the construction of post-harvest, processing
40 and storage facilities;
- 41 f. *Quality Assurance* - To ensure health and proper trading, the Department of
42 Trade and Industry and Department of Science and Technology, respectively,
43 shall establish and enforce standards in grading, sampling and inspection, tests

- 1 b. Exemption from the value-added tax in accordance with Section 103 of the
2 National Internal Revenue Code, as amended;
3 c. Exemption from taxes, fees and charges under Title One of Book Two of the
4 Local Government Code of 1991 in accordance with Section 133(n) of the said
5 Code;
6 d. Exemption from the payment of duties on the importation of agricultural
7 equipment, machinery and implements as provided under Republic Act 8435,
8 otherwise known as the *Agriculture and Fisheries Modernization Act* as amended
9 by Republic Act 9281;
10 e. Zero-rated value-added tax (VAT) on transactions involving the sale/purchase of
11 organic farm inputs;
12 f. Provision of preferential rates and special window to bamboo farmers producers,
13 processors, and exporters by the Land Bank of the Philippines;
14 g. Credit, insurance, and financing services under Republic Act 8435 otherwise
15 known as the *Agriculture and Fisheries Modernization Act* and Republic Act
16 10000 otherwise known as the *Agri-Agra Reform Credit Act of 2009*
17 h. Incentives and benefits under Republic Act 9178 otherwise known as the
18 *Barangay Micro Business Enterprises (BMBE) Act of 2002* for bamboo business
19 entity or enterprise whose total assets including those arising from loans but
20 exclusive of the land on which that particular business entity's office, plant and
21 equipment are situated, are not more than Three Million Pesos (P3,000,000.00);
22 and
23 i. Bamboo business entity or enterprise to be registered under the Board of
24 Investments (BOI) shall be entitled to the existing pertinent fiscal incentives as
25 provided by the Board of Investments or those provided under Executive Order
26 No. 226, as amended, otherwise known as the Omnibus Investment Code of
27 1987.

28
29 **Section 13. Implementing Rules and Regulations.** The Philippine Bamboo Industry
30 Development Coordinating Council shall formulate and prescribe the necessary
31 implementing rules and regulations to carry out the provisions of this Act.
32

33 **Section 14. Repealing Clause.** All laws or parts thereof, decrees, orders, rules and
34 regulations inconsistent with the provisions of this Act are here by repealed or modified
35 accordingly.
36

37 **Section 15. Separability Clause.** If any of the provisions of this Act is declared invalid,
38 the other provisions not affected thereby shall remain in full force and effect.
39

40 **Section 16. Effectivity Clause.** This Act shall take effect immediately following its
41 publication in 2 newspapers of general circulation or in the Official Gazette whichever
42 comes first.
43

44 *Approved,*

1 and analysis, specifications, nomenclature, units of measurement, packaging,
2 preservation, conservation or transportation of Philippine bamboo products and
3 by-products; and

- 4 g. *Philippine Bamboo Information Center* - the Department of Trade and Industry
5 and coordination with Local Government Units shall establish a Philippine
6 Bamboo Information Center and areas identified pursuant to section 7(a) of this
7 Act.

8 **Section 8. Bamboo as Planting Material for Annual Reforestation and**
9 **Rehabilitation.** The Department of Environment and Natural Resources shall use
10 Philippine bamboo as planting material for at least twenty percent (20%) of its annual
11 reforestation and rehabilitation program.
12

13 **Section 9. Bamboo Furniture Procurement Project.** The Department of Education
14 shall procure at least twenty-five (25%) of the annual school desk and/or armchair
15 requirements of public elementary and secondary schools nationwide with the use of
16 Philippine bamboo pursuant to schedules and arrangements to be agreed upon with the
17 Department of Trade and Industry.
18

19 **Section 10. Bamboo Livelihood Programs.** The Department of Labor and
20 Employment, in cooperation with the Council and Local Government Units, shall
21 formulate and implement Bamboo Livelihood Programs for preference employment of
22 special groups and organizations of Persons with Disabilities (PWDs), marginalized
23 sectors, the unemployed, and retrenched Overseas Filipino Workers (OFWs). The
24 program shall have an appropriate training and/or skills-retooling component to be
25 provided by the Commission on Information and Communications Technology (CICT) in
26 coordination with the Technical Education and Skills Development Authority (TESDA) or
27 allied government institution.
28

29 **Section 11. Philippine Bamboo Development Fund.** To provide for the funding
30 requirements for the propagation, production, processing, marketing and distribution of
31 Philippine bamboo, there is hereby created a Philippine Bamboo Development Fund
32 (PBDF) with an initial amount of 15 Million Pesos (P50,000,000.00) to be provided by the
33 Department of Budget and Management to the Department of Trade and Industry-
34 Regional Operations and Development Group (DTI-RODG) while the budgetary
35 requirements of cooperating agencies shall be incorporated in their respective locally-
36 funded projects. Other sources of funds including, but not limited to borrowings from
37 local and international funding institutions, shall also be authorized to further support the
38 Fund.
39

40 **Section 12. Incentives and Tax Exemptions.** The Department of Agriculture may give
41 cash reward in recognition of the best bamboo farm or Plantation in the country. Bamboo
42 farmers, producers, processors, and exporters shall also avail of the following incentives
43 and tax exemptions:
44

- 45 a. Exception from taxes and duties subject to the provisions of Article 62 of
46 Republic Act 6938 or the Cooperative Code of the Philippines;

- b. Exemption from the value-added tax in accordance with Section 103 of the National Internal Revenue Code, as amended;
- c. Exemption from taxes, fees and charges under Title One of Book Two of the Local Government Code of 1991 in accordance with Section 133(n) of the said Code;
- d. Exemption from the payment of duties on the importation of agricultural equipment, machinery and implements as provided under Republic Act 8435, otherwise known as the *Agriculture and Fisheries Modernization Act* as amended by Republic Act 9281;
- e. Zero-rated value-added tax (VAT) on transactions involving the sale/purchase of organic farm inputs;
- f. Provision of preferential rates and special window to bamboo farmers producers, processors, and exporters by the Land Bank of the Philippines;
- g. Credit, insurance, and financing services under Republic Act 8435 otherwise known as the *Agriculture and Fisheries Modernization Act* and Republic Act 10000 otherwise known as the *Agri-Agra Reform Credit Act of 2009*
- h. Incentives and benefits under Republic Act 9178 otherwise known as the *Barangay Micro Business Enterprises (BMBE) Act of 2002* for bamboo business entity or enterprise whose total assets including those arising from loans but exclusive of the land on which that particular business entity's office, plant and equipment are situated, are not more than Three Million Pesos (P3,000,000.00); and
- i. Bamboo business entity or enterprise to be registered under the Board of Investments (BOI) shall be entitled to the existing pertinent fiscal incentives as provided by the Board of Investments or those provided under Executive Order No. 226, as amended, otherwise known as the Omnibus Investment Code of 1987.

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