



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH (18th) CONGRESS
First Regular Session

HOUSE BILL NO. 4593

Introduced by **Hon. ARGEL JOSEPH T. CABATBAT**

AN ACT
CREATING THE PHILIPPINE AGRICULTURAL GROWTH AND STIMULI
ACCELERATION (PAGASA) ACT DEFINING ITS MANDATES, POWERS AND
FUNCTIONS, PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Our Farmers and agricultural workers have long been suffering from a systemic lack of government support and source of funding to enable them to carry on their agricultural work.

MAGSASAKA Party-list believes that national food security and self-sufficiency is an integral and indispensable part in nation-building, especially in an agricultural country like the Philippines. Laws enacted by Congress must reflect this basic principle and gear its efforts and funds towards reviving our agricultural sector. Infrastructure and development must also be harmonized with the main goal of food security and self-sufficiency. That is why the issues of mass housing, salaries and wages, especially for the poor agricultural workers, must be tackled by the government, especially Congress.

It is our stand that the government must step in to break the chain of cyclical oppression and exploitation by introducing financial stimulus to the agricultural sector.

To spearhead this important shift in national government policy, MAGSASAKA Partylist proposes to introduce this law to enable the country to reach the goal of food security and self-sufficiency.

In a report of the Philippine Statistics Authority, 25% of the total number of employed Filipinos belong to the Agricultural Sector. This industry contributed seven percent (7%) or 447.2 billion to our country's GDP in the first quarter of 2018. (NSCB, 1st Quarter, 2018).

However, as rice prices, especially in Luzon, continues to decline due to the death pains brought by the implementation of Rice Tariffication Law and despite being part of the most significant sectors in the Philippines, many farmers and fisherfolk remain to be one of the poorest groups in the country. Hence, it is critical to recognize their plight and consequently address it as it is alarming and ironic to see that the major producers of food in the country are faced with pressing issues such as shortage in food and basic commodities.

Thus, it is vital for the Philippine economy to provide relief to the country's pillar of food production and economic advancement. Apart from social relief and services there is also a need to advance the knowledge and facilities of Agriculture of our poor farmers and fishers.

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



Hon. ANGEL JOSEPH T. CABATBAT
Representative
MAGSASAKA Party-List



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1 **AN ACT**
2 **CREATING PHILIPPINE AGRICULTURAL GROWTH AND STIMULI**
3 **ACCELERATION (PAGASA) ACT, DEFINING ITS MANDATES, POWERS AND**
4 **FUNCTIONS, PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES**
5

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

9 **CHAPTER I**
10 **TITLE AND DECLARATION OF POLICY**
11

12 **SECTION 1. Short Title.** - This Act shall be known as the "Philippine
13 Agricultural Growth and Stimuli Acceleration or PAGASA Act".
14

1 **SEC 2. Declaration of Policy.** – The State recognizes that our country is
2 primarily an agricultural country despite the plan to make it an industrialized
3 economy.

4 To this end, the State recognizes its role in building and prioritizing the agricultural
5 sector and promoting it as a viable and sustainable means of vocation for its
6 citizenry.

7 The state shall promote a just and dynamic social order uplifting its citizens
8 and marginalized sectors from poverty through policies that provide adequate social
9 services, promote full employment, a rising standard of living and an improved
10 quality of life for all.

11 The State shall also recognize the right of farmers, farmworkers and
12 landowners. Farmers and workers in the agricultural sector's main problem is access
13 to funds, farm machinery, fertilizers and seedlings. As a result, they resort to
14 acquiring loans which are disadvantageous to them and are trapped in a cyclical
15 oppression and exploitation by loan sharks and agricultural monopoly-cartels.

16 The State shall likewise provide incentives to landowners to invest the
17 proceeds of the agrarian reform program to promote rapid industrialization and
18 employment creation in agriculture.

19 The State further recognizes its obligation to provide protection and support
20 through various assistance and other services; thus, the State hereby declares it a
21 policy to:

22 (a) Give due recognition to the contribution of the farmers and fisherfolks
23 to the Philippines economy;

24 (b) Affirm that they are entitled to the needed assistance and social
25 benefits to alleviate their immediate needs.

26 (c) Improve the lives and status of our local farmers.

27

28 The State shall encourage non-governmental, community-based, or sectoral
29 organizations that promote the welfare of the nation. Towards this end, the State
30 shall establish programs that invest and harness our country's human capital and
31 improvement of delivery of basic services to the poor, particularly education, health
32 and nutrition, which is an intervention anticipated to break the intergenerational

1 cycle of poverty. It may be through investment in human capital and improved
2 delivery of basic services to the poor, particularly education, health, nutrition and
3 early childhood care and development.

4 5 **CHAPTER II** 6 **DEFINITION OF TERMS**

7
8 **SEC. 3. *Definition of Terms.*** – For the purpose of this Act, the following shall be
9 understood as follows:

- 10 a) PAGASA – Philippine Agricultural Growth and Stimuli Acceleration Act.
- 11 b) Unconditional Cash Grant - refers to the amount being received by the qualified
12 household-beneficiaries who are in dire need for financial assistance;
- 13 c) Poor farmers and fisherfolks – refers to farmers and fisherfolks whose income
14 falls below the poverty threshold as defined by the National Economic and
15 Development Authority (NEDA) and cannot afford in a sustained manner to
16 provide their minimum basic needs of food, health, education, housing and
17 other essential amenities of life;
- 18 d) Collective farms – refers to aggregate of lands by agrarian reform beneficiaries
19 and/or government lands and/or government sequestered lands for the purpose
20 of agriculture, fishing and livestock raising which are controlled and managed by
21 the government;
- 22 e) Farmers - refers to a natural person whose primary livelihood is cultivation of
23 land or the production of agricultural crops, either by himself, or primarily with
24 the assistance of his immediate farm household, whether the land is owned by
25 him, or by another person under a leasehold or share tenancy agreement or
26 arrangement with the owner thereof.
- 27 f) Farmworkers - is a natural person who renders service for value as an employee
28 or laborer in an agricultural enterprise or farm regardless of whether his/her
29 compensation is paid on a daily, weekly, monthly or "pakyaw" basis. The term
30 includes an individual whose work has ceased as a consequence of, or in
31 connection with, a pending agrarian dispute and who has not obtained a
32 substantially equivalent and regular farm employment.

- 1 g) Fisherfolk - refers to a natural person whose primary livelihood is fishing.
- 2 h) Fish workers - is a natural person who renders service for value as an employee
- 3 or laborer in a fishing enterprise or fish farms regardless of whether his/her
- 4 compensation is paid on a daily, weekly, monthly or "pakyaw" basis.
- 5 i) Grantee refers to the most qualified household-beneficiary authorized to receive
- 6 the conditional cash transfer.

8 CHAPTER III

9 CASH ASSISTANCE and BENEFICIARIES

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11 **SEC. 4. *Eligible Beneficiaries*** – Farmers, fisherfolks, homeless families, indigenous

12 peoples, those in the informal settler sector and those in geographically isolated and

13 disadvantaged area including those in areas without electricity shall be automatically

14 included in the standardized targeting system to be conducted by the designated

15 congress.

16

17 All farmworkers, fish workers, agricultural workers and other qualified beneficiaries

18 will be given a just and uniform rate across the country, to be determined by

19 PAGASA Inc.

20

21 **SEC. 5. *Unconditional Cash Transfer*** - Subject to the qualifications, poor farmers

22 and fisherfolks shall receive a conditional cash transfer equivalent to 1,200 pesos per

23 month to alleviate their immediate needs.

24

25 This allocation per year from the National Budget and receipt of sovereign and

26 foreign grants shall be distributed as a form of government grants to qualified

27 farmer-beneficiaries and organizations duly accredited by the Department of

28 Agrarian Reform;

29

30 The maximum grant shall be decided by the PAGASA Management.

31

1 **Sec. 6. *Qualifications.*** – The main beneficiaries will be the farmers, fisherfolk, farm
2 and fisher workers. Other criteria for eligibility should be regulated by the Local
3 Government Units (LGU) in consultation with the Department of Agriculture (DA),
4 Department of Social Welfare and Development (DSWD) and recognized
5 organization of the sector.

6
7 Priority will be given to people’s organizations, associations and/or agricultural
8 cooperatives to encourage collective ownership of agricultural lands and industries.

9
10 **Sec. 7. *Mentoring and Training Program.*** – A mentoring, training and evaluation
11 program shall be established by the DA in partnership with the DSWD and the LGU
12 to provide appropriate knowledge transfer in relation to farming and fishing and
13 other appropriate capacity development interventions.

14
15 **Sec. 8. *Three (3)- Year Maximum Limit.*** – Each qualified farmer or fisherfolk shall
16 receive the unconditional cash grant for a maximum period of three (3) years.

17
18 **Sec. 9. *Loan Assistance.*** – A farmer or fisherfolk who successfully completed the
19 government mentoring, training and evaluation programs under Section 7 of this Act
20 may be given loan assistance as part of their capital in their farming and fishing
21 livelihood by the appropriate government agency that will implement relevant
22 programs.

23
24 **Sec. 10. *Congressional Oversight Committee*** - Upon the effectivity of this Act, a
25 congressional oversight committee, hereafter to be referred to as the Committee, is
26 hereby constituted. The Committee shall be composed of fourteen (8) members with
27 the chairpersons of the Committee on Agriculture and Food of the House of
28 Representatives, and the Committee on Social Justice, Welfare and Rural
29 Development of the Senate and six (3) additional members from each House, to be
30 designated by the Speaker of the House of Representatives and the Senate
31 President, respectively. This Committee is principally tasked to set the overall
32 framework to monitor and ensure the proper implementation of this Act. It shall

likewise determine inherent weaknesses in the law and recommend necessary remedial legislation or executive measures

CHAPTER IV

PHILIPPINE AGRICULTURAL GROWTH AND SUPPORT ACCESS, INC. (PAGASA INC.)

SEC. 11. *Philippine Agricultural Growth and Support Access, Inc.* – There is hereby created a government owned and controlled corporation to be known as Philippine Agricultural Growth and Support Access, Inc. herein after referred to as PAGASA Inc., which shall operate as an independent entity within the Department. PAGASA Inc. shall be run as the State corporation tasked to venture into agri-business enterprises by bridging people, communities and organizations along the value/supply chains, employing farmworkers, fish workers and agricultural workers all over the country.

The PAGASA Inc. shall exclusively manage, implement and control collective farming and fishing communities as mandated by this Act and shall formulate other agri-business ventures as the need and capacity may arise.

SEC. 13. *PAGASA Inc., Management and Procedures* - An active and vigilant support system of professionals, scientists and business managers to ensure that the beneficiaries of PAGASA shall properly manage the agricultural industries that they applied for a grant.

The management shall mandatorily conduct a periodic assessment annually to the its beneficiaries and evaluate the effectiveness of the cash assistance to their status, harvests, trading and other related implementation.

SEC 14. *PAGASA Inc., as Authorized Government Depository* – it shall be the accredited and authorized GOCC to distribute and manage the funds for the beneficiary. It may also be delegated to the LGU, through a formal agreement and including the schedule to followed in the distribution and verification of beneficiaries or grantees.

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CHAPTER V
TRANSITORY PROVISIONS

SEC. 15. *Transition Period.* - All transfer of functions, assets, funds, personnel, equipment, properties, and transactions in the affected national government agencies, and the formulation and implementation of the internal organic structures, staffing patterns, operating systems, and revised budgets of the Department, shall be completed within six (6) months from the effectivity of this Act, during which existing personnel shall continue to assume their posts in holdover capacities until new appointments are issued.

SEC. 16. *Implementing Authority.* - The Secretary is hereby authorized to undertake the implementation of the provisions of this Act and implement the necessary organizational changes within the specified six (6)-month transition period.

SEC. 17. *Implementing Rules and Regulations.* - Within six (6) months from the effectivity of this Act, the Secretary of the Department of Agriculture, coordination with appropriate government departments and agencies, with the participation of the local government units shall promulgate the necessary rules and regulations to carry out the provisions of this Act.

CHAPTER VI
FUNDING

SEC. 18. *Funding.* - The amount necessary for the initial implementation of the provisions of this Act shall be charged against the current year's appropriations of the DA and DAR. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act, including the Rice Competitiveness Enhancement Fund (RCEF) from the Rice Tariffication Law.

CHAPTER VII
FINAL PROVISIONS

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2 **SEC. 23. *Mandatory Review on the Implementation of this Act.*** - The
3 Department shall conduct a review on the implementation of this Act and shall
4 submit to Congress a report on its findings at the end of the second year from the
5 date of the effectivity of this Act.

6 **SEC. 24. *Separability Clause.*** - If, for any reason or reasons, any portion or
7 provision of this Act shall be held unconstitutional or invalid, the remaining
8 provisions not affected thereby shall continue to be in full force and effect.

9 **SEC. 25. *Repealing Clause.*** - All laws, executive orders, proclamations, rules,
10 regulations and other issuances or parts thereof which are inconsistent with the
11 provisions of this Act are hereby repealed, amended or modified accordingly.

12 **SEC. 26. *Effectivity.*** - This Act shall take effect fifteen (15) days after its
13 publication in the Official Gazette or in a newspaper of general circulation.

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15 *Approved,*