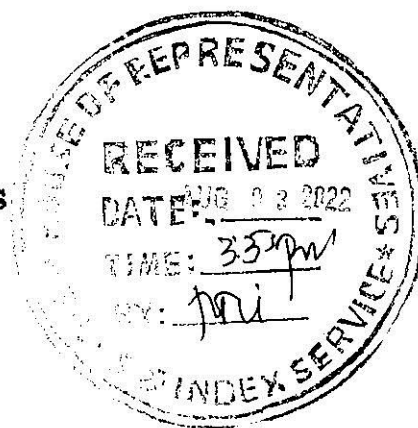


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Philippines

NINETEENTH CONGRESS
First Regular Session

House Bill No. 3138



Introduced by **HON. NICANOR M. BRIONES**
Representative, AGAP Party List

EXPLANATORY NOTE

Over the years, the country's agricultural output has been in a constant uphill and downhill trend. The decline in agricultural output is often attributed to the impact of adverse weather conditions such as typhoons, floods, and droughts, farm infestations, and even volcanic eruptions. Farmers and fisherfolk are left helpless as they assess the extent of the losses they incur. Without any viable produce, these agricultural producers are unable to recover the costs of their production.

The government has implemented various insurance programs for different agricultural sectors. However, in 2017¹, the Philippine Institute for Development Studies identified that there has been a significant lack of awareness among coconut farmers in particular, regarding the availability of insurance products. The study revealed that these farmers did not avail of insurance products due to lack of awareness and fear of paying premiums.

The same still rings true. The tedious process and the bureaucracy in availing insurance, as well as the requirement of premium payments, discourage agricultural producers from obtaining assistance from the government. While the government's agricultural insurance programs are valuable and beneficial, there is a need to create a more accessible and direct form of assistance to agricultural producers for a more expeditious recovery.

The 1987 Constitution, in Article XII Section 1, declares that the goals of the 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 an expanding productivity as the key to raising the quality of life for all, especially the underprivileged. In response to the need to promote equity in economic

¹ Lansingan, et. al. (2017). Evaluation of the Agricultural Insurance Program of the PCIC on Agricultural Producers in Region IV-A. Philippine Institute for Development Studies Discussion Paper Series No. 2017-015. Retrieved from <https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps1715.pdf>

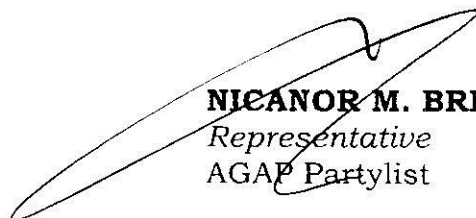
opportunities, ensure supply of goods, and enhance productivity, this bill is therefore filed.

This bill proposes the establishment of an Agricultural Calamity Indemnification Fund as a form of special cash indemnity to agricultural producers who suffer losses from typhoons, floods, droughts, unavoidable crop infestations, and other natural calamities. The fund shall be distributed based on the amount of losses and shall not be less than fifty percent of their production cost.

This program will be headed by the Department of Agriculture. The DA is tasked to ensure that distribution will be speedy and efficient, with penalties in place for those who will take undue advantage of this program.

Through this measure, agricultural producers will immediately regain the capacity to start over, thereby encouraging them to continue and even improve production. This program shall be implemented to ensure resilience of food production and stability of food supply across the country. With adequate support from the government, it is hoped that food security will eventually be attained.

With the foregoing premises considered, the approval of this bill is earnestly sought.



NICANOR M. BRIONES
Representative
AGAP Partylist

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Representative, AGAP Party List

AN ACT
ESTABLISHING THE AGRICULTURAL CALAMITY INDEMNIFICATION
FUND PROGRAM AND APPROPRIATING FUNDS THEREFOR

Be it enacted by the Senate and House of Representatives of the Philippines in congress assembled:

SECTION 1 Short Title of Act. - This Act shall be known as "Agricultural Calamity Indemnification Act of 2022".

SEC. 2. Declaration of Policy. - It is the policy of the State to ensure food security, intensify food production, and increase climate and calamity resiliency of the country's agricultural producers by providing support to agriculture through adequate financial, production, and other support services.

Towards this end, the State shall alleviate the financial burden of farmers and fish farmers/fisherfolk/growers due to uncompensated losses arising from destruction of crops and fisheries farms brought by natural disasters, calamities, and unprecedented infestations, diseases and epidemics through a national agricultural calamity indemnification program.

SEC. 3. Agricultural Calamity Indemnification Fund Program. - The Agricultural Calamity Indemnification Fund Program, hereinafter referred to as the Program, shall be hereby established as a special calamity cash indemnity for farmers and fish farmers/fisherfolk/growers to mitigate the losses suffered from natural disasters, calamities, unprecedented infestations, diseases, or epidemics.

The Program shall be complementary and supplementary to other similar undertakings of the government and shall not be a replacement for any existing programs for agricultural producers already implemented by any

government agency.

The amount of cash indemnity to be given to eligible beneficiaries shall be determined based on the amount or number of crops or fisheries lost or destroyed from the identified calamity. The specific rates shall be fixed by the President upon the recommendation of the Department of Agriculture, based on the current costs of production. The amount of cash indemnity to be received by each beneficiary shall not be less than fifty percent (50%) of the beneficiary's production cost.

SEC. 4. Eligible beneficiaries. - To be eligible to receive the cash indemnity, farmers and fish farmers/fisherfolk/growers must be registered in the Registry System for Basic Sectors in Agriculture (RSBSA) of the Department of Agriculture.

Eligible farmers and fish farmers/fisherfolk/growers shall have suffered losses in relation to a natural disaster, calamity, unprecedented infestation, disease, or epidemic affecting their agricultural produce. They shall submit proof of losses, such as but not limited to the actual production count; amount or number of crops and fisheries unharvested, lost, or destroyed; proof of farm location; and registration with the Department of Agriculture.

SEC. 5. Lead Agency. - The Department of Agriculture (DA) shall serve as the lead agency to carry out the provisions of this Act. In the implementation of this Act, the DA shall perform the following functions:

- (a) Ensure comprehensive registration of agricultural producers in the RSBSA;
- (b) Assess and identify eligible beneficiaries based on requirements submitted;
- (c) Formulate and recommend to the President specific rates for calamity indemnification of different types of agricultural producers based on current prices;
- (d) Determine and declare the existence of unprecedented infestations, diseases, or epidemics affecting agricultural produce in localities;
- (e) Formulate and implement a speedy, efficient, and cost-effective distribution strategy/mechanism of the calamity indemnification;
- (f) Coordinate with various national and local government agencies, including non-government and private sector organizations, to full ensure implementation of the provisions of this Act;
- (g) Submit an annual report to Congress on the full implementation of the Program;
- (h) Perform any other acts as may be necessary or incidental to the proper implementation of this Act.

SEC. 6. Appropriations. - The Program shall be funded from the tariff revenues from importation of crops and fisheries/marine/seafood products of the previous year and shall be included in the appropriations of the

Department of Agriculture under the annual General Appropriations Act as may be determined by the Department of Finance and Department of Budget and Management.

SEC. 7. Prohibited Acts and Corresponding Penalties. – Any person, whether acting in conspiracy with public officials or not, who by act or omission, inserts or allows the insertion of data or false information, or diverts or allows the diversion of information that ought to be contained in the registry, or transfers or aids in the transfer of the cash indemnity to persons other than the eligible beneficiaries, shall be penalized with a fine of not less than thirty thousand pesos (Php 30,000.00) nor more than one hundred thousand pesos (Php 100,000.00) or imprisonment of not less than three months (3) nor more than three (3) years, or both, at the discretion of the court: *Provided*, That if the offense is committed by a corporation, trust, firm, partnership, association or any other entity, the penalty shall be imposed upon the guilty officer or officers of such corporation, trust, firm, partnership, association or entity: *Provided, further*, That in addition to the penalties that may be imposed by the court, the offender punished under this section shall be subject to perpetual disqualification to hold public office: *Provided, finally*, That if the offender punished under this section is a public official or a government employee, the accumulated leave credits and retirement benefits, if any, shall be forfeited in favor of the State.

SEC. 8. Implementing Rules and Regulations. Within sixty (60) days from effectivity of this Act, the Department of Agriculture, Department of Finance, and Department of Budget and Management shall, in coordination with other government agencies concerned and after consultation with directly affected stakeholders, promulgate the rules and regulations to expeditiously implement the provisions of this Act.

SEC. 9. Separability Clause. – If any provision of this Act shall be held unconstitutional or invalid, the remaining provisions which are not affected thereby shall continue to be in full force and effect.

SEC. 10. Repealing Clause. – All laws, decrees, executive orders, rules and regulations, and other issuances, or parts thereof, contrary to or inconsistent with this Act are hereby modified, amended or repealed accordingly.

SEC. 11. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,