

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

NINETEENTH CONGRESS
2nd Regular Session

House Bill No. 9328



Introduced by Representative PAOLO Z. DUTERTE

EXPLANATORY NOTE

One of the integral parts of an economy is the agricultural sector. Food security and sustenance of the Filipino people heavily relies upon the agricultural sector. This role notwithstanding, members of the agricultural sector, particularly our farmers and fisherfolks, continue to be among the poorest with a poverty incidence rate of 30.6% as of data gathered from 2021. In addition, the sector's continued lack of social security coverage further aggravated their situation.

Unlike any other workers, members of the agricultural sector do not have a regular monthly income, as they are primarily dependent upon their produce which varies on a seasonal basis. The lack of a regular monthly income results to the instability of the farmers' ability to pay their monthly contributions as compared to regularly employed individuals whose contribution rates in their monthly salary credit are being shared by both the employer and employee, respectively. In fact, according to the Social Security Service (SSS), 636,000 farmers and fisherfolks are actually registered in the SSS – a number which is only seven percent (7%) of the 9.4 million self-employed skilled agricultural workers in the country. Among those registered in the SSS, only about 35,000 or less than one percent (1%) have paid SSS contributions.

Towards institutionalizing an inclusive pension system for the agricultural workers' in exchange of their invaluable contributions and oftentimes overlooked hard work to ensure the country's food security despite the relentless challenges of inflation and

fuel price hikes, this proposed measure seeks to establish a Pension Fund for Farmers and Fisherfolk to be administered and implemented by the Philippine Crop Insurance Corporation (PCIC), an attached agency of the Department of Agriculture (DA). Considering seasonal and unstable income of farmers and fisherfolks, in contrast with the consistent contribution to pension fund of a regular employee, the proposed bill provides assurance to the farmers and fisherfolk alike of a more secured future especially after years of the backbreaking work of feeding the whole nation.

A handwritten signature in black ink, appearing to be 'PAOLO Z. DUTERTE', written over the printed name.

HON. PAOLO Z. DUTERTE

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AN ACT
PROVIDING PENSION BENEFITS TO FARMERS AND FISHERFOLK
THROUGH THE ESTABLISHMENT OF A PENSION FUND FOR FARMERS
AND FISHERFOLK AND APPROPRIATING FUNDS THEREFOR

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

Section 1. This Act shall be known as the "Pension Fund for Agricultural Workers Act."

Section 2. Declaration of Policy. - It is hereby declared a policy of the State to ensure a robust agricultural sector by providing the necessary benefits for agricultural workers. The State likewise recognize the importance of farmers and fisherfolk in a robust agricultural sector necessary for a country's development.

Section 3. Creation of a Pension Fund for Farmers and Fisherfolk. - The Pension Fund for Farmers and Fisherfolk is hereby established to provide pension benefits to farmers and fisherfolk.

Section 4. Implementing Agency. - The Philippine Crop Insurance Corporation (PCIC), an attached agency of the Department of Agriculture (DA), shall be the implementing agency of the provisions of this Act. In addition to its existing duties and responsibilities, it shall:

- a) Create a pension plan for farmers and fisherfolk;
- b) Manage and invest the Pension Fund for Farmers and Fisherfolk to ensure its sustainability;
- c) Determine the criteria for eligibility, in coordination with relevant government agencies;
- d) Perform other duties and functions towards the efficient and effective implementation of this Act.

Section 5. *Implementing Rules and Regulations (IRR)*. - Within ninety (90) days from the effectivity of this Act, the PCIC Board of Directors, in consultation with the Secretary of Agriculture and representatives of recognized farmers and fisherfolks group, shall promulgate the rules and regulations necessary for the effective implementation of this Act.

Section 6. Appropriations. Such amount necessary to implement the provisions of this Act shall be included in the annual appropriations of the DA.

Section 7. *Separability Clause*. - If any part or provision of this Act is held invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

Section 8. *Repealing Clause*. - All laws, decrees, orders, rules and regulations inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 9. *Effectivity*. - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in any newspaper of general circulation.

Approved,