

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 1640



Introduced by Representative Paolo Henry M. Marcoleta

EXPLANATORY NOTE

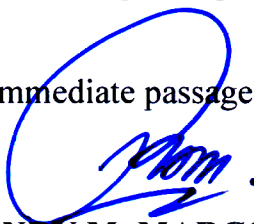
Fertilizers and pesticides costs contribute significantly to food production and end-user costs in the Philippines.

In 2022, fertilizers constituted 20.5% of the average palay production cost per hectare, while pesticides made up around 4.6%.¹ Although palay production cost has since decreased,² our reliance on imported fertilizer makes our food production particularly vulnerable to global shocks.

Compounded with the problem of dwindling farmlands and shrinking number of farmers and farm workers, there is indeed a critical need to implement both long-term and immediate reforms to our agricultural sector.³

In addition to exploring systemic solutions such as shifting to local organic fertilizers and curbing fertilizer importation, there should likewise be a mechanism to ease production costs that would provide immediate relief to farmers such as the institutionalization of a subsidy program for fertilizers and pesticides. Such an intervention will allow our farmers to recuperate from their losses, make farming an attractive option for new workers, and help mitigate any inflationary effect from farming input price movements.

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



PAOLO HENRY M. MARCOLETA
Representative, SAGIP Partylist

¹ Philippine Statistics Authority. "2022 Costs and Returns of Palay Production". (October 2023).

² Arcalas, Jasper Emmanuel. "Palay Production Cost Falls to Three-Year Low". The Philippine Star. (02 December 2024).

³ Hufana, Chloe Mari A. "Hunger Knocks on Door as Philippine Farmers Vanish". Business World. (10 April 2025).

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AN ACT
INSTITUTIONALIZING THE FERTILIZER AND PESTICIDE
SUBSIDY PROGRAM UNDER THE DEPARTMENT OF
AGRICULTURE, AND APPROPRIATING FUNDS THEREFOR

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

1 **SECTION 1. Short Title.** - This Act shall be known as “*National Fertilizer*
2 *and Pesticide Subsidy for Farmers Act.*”

3
4 **SEC. 2. National Fertilizer and Pesticide Subsidy Program (NFPSP).** –
5 The Department of Agriculture (DA) and the Fertilizer and Pesticide Authority
6 (FPA), in coordination with the Local Government Agriculture Office, shall
7 implement a National Fertilizer and Pesticide Subsidy Program for the benefit of
8 the qualified farmers.

9
10 **SEC. 3. Forms of Subsidies.** – The DA shall provide fertilizer and pesticide
11 subsidies to qualified farmer beneficiaries. The DA and the FPA shall determine
12 the amount of the subsidy vouchers depending on the current situation and
13 prevailing market prices.

- 14
15 a. Fertilizer Subsidy - Subsidy voucher of no lower than Six Thousand Pesos
16 (Php 6,000.000) per hectare annually; and
17

- 1 b. Pesticide Subsidy - Subsidy voucher of no lower than Two Thousand Pesos
2 (Php2,000.000) per hectare annually.

3
4 **SEC. 4. *Eligible Beneficiaries.*** – The eligible beneficiaries must meet the
5 following criteria:

- 6
7 a. Must be a Filipino citizen of legal age; and
8
9 b. Must be listed in the Registry System for Basic Sectors in Agriculture
10 (RSBSA) of the DA.

11
12 Qualified farmers registered under the RSBSA shall be automatically
13 included in the list of eligible beneficiaries of the NFPSP.

14
15 **SEC. 5. *Appropriation*** – The amount needed to implement this Act shall
16 be included in the annual general appropriations of the DA.

17
18 **SEC. 6. *Implementing Rules and Regulations.*** – Within thirty (30) days
19 from the effectivity of this act, the DA and FPA shall, in consultation with the
20 relevant stakeholders, promulgate the necessary rules and regulations to
21 effectively implement the provisions of this Act.

22
23 The non-promulgation of the rules and regulations provided under this
24 section shall not prevent the immediate implementation of this Act upon
25 effectivity.

26
27 **SEC. 7. *Mandatory Submission of Report to Congress.*** – The DA shall
28 submit to the Congress of the Philippines, through the respective Chairpersons of
29 the Committee on Agriculture, a program report detailing the implementation
30 every fiscal year. The program report should include the following:

- 31
32 a. Total number of farmer beneficiaries including relevant information, such
33 as but not limited to, age, sex, location, size of arable land;
34
35 b. Overall Production Performance of the Farmer Beneficiaries; and
36
37 c. Assessment of the impact of the program to the National Food Security
38 Plan.

1
2 **SEC. 8. *Separability Clause.*** - If any provision or part of this Act is
3 declared invalid or unconstitutional, the remaining parts not affected shall remain
4 in full force and effect.

5
6 **SEC. 9. *Repealing Clause.*** - All laws, presidential decrees, executive
7 orders, letters of instructions, administrative orders, proclamations or
8 administrative regulations that are inconsistent with the provisions of this Act are
9 hereby repealed, amended, or modified accordingly.

10
11 **SEC. 10. *Effectivity.*** - This Act shall take effect fifteen (15) days after its
12 publication in the Official Gazette or in a newspaper of general circulation.

13
14 *Approved,*