

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Twentieth Congress
First Regular Session

HOUSE BILL NO. **2379**



Introduced by **Representative RAYMOND ADRIAN SALCEDA**

AN ACT
INSTITUTIONALIZING A NATIONAL FRAMEWORK FOR UPLAND AND
ARTISANAL AGRICULTURE DEVELOPMENT, ESTABLISHING THE UPLAND
AGRICULTURE SUPPORT FUND, PROMOTING INTER-AGENCY AND PUBLIC-
PRIVATE CONVERGENCE FOR INFRASTRUCTURE AND MARKET ACCESS,
PROVIDING FISCAL INCENTIVES, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The Philippines is home to over 5 million hectares of upland agricultural areas, cultivated by millions of smallholder farmers and indigenous communities who rely on these lands for food, income, and cultural identity. Despite their vital role in food security, environmental stewardship, and rural development, upland and artisanal farmers remain among the most marginalized sectors of the agricultural economy.

At present, there is no unified national framework that addresses the unique conditions, potentials, and constraints of upland and artisanal agriculture. Many of these communities are located in geographically isolated and disadvantaged areas (GIDAs), often lacking access to basic infrastructure, farm-to-market roads, irrigation, cold storage, and digital or financial services. Worse, their traditional and indigenous farming knowledge is undervalued, and their produce, often organic, high-value, or heirloom, is unable to reach wider markets due to logistical, institutional, and policy gaps.

This bill seeks to institutionalize a National Framework for Upland and Artisanal Agriculture Development, establish an Upland Agriculture Support Fund, and promote inter-agency and public-private convergence for infrastructure, technology transfer, and market access. It also provides fiscal incentives for entities that invest in upland agricultural zones, artisanal production systems, and sustainable supply chains.

This measure is vital for several reasons:

- Upland areas are key to climate resilience, biodiversity, and food diversity, yet they remain underdeveloped and underserved by mainstream agricultural programs.
- Artisanal agriculture, often characterized by small-scale, ecological, and culturally rooted production, has untapped potential for specialty markets, agrotourism, and

value-added exports, especially amid rising global demand for traceable, ethical, and sustainable food.

- Supporting upland farmers through a dedicated framework and fund aligns with the State's goals of inclusive rural development, poverty alleviation, and environmental sustainability.

The beneficiaries of this measure include:

- Upland and artisanal farmers, many of whom are women, indigenous peoples, or landless tenants;
- Rural cooperatives, associations, and micro-entrepreneurs producing heirloom rice, heritage cacao, traditional root crops, native livestock, or forest-friendly products;
- Local government units, which will receive technical and fiscal support for building enabling infrastructure and local food hubs;
- Private sector partners that invest in inclusive and ethical value chains.

At present, upland farmers face serious hurdles in bringing their products to market:

- Upland coffee and heirloom rice producers struggle with lack of access to roads and drying facilities, forcing them to sell raw products at low prices to middlemen.
- Indigenous communities face limited post-harvest support, preventing them from scaling up or branding their products.
- Traditional farmers lack certification, packaging support, or logistics channels to reach institutional or export buyers, despite the uniqueness of their produce.

By providing a comprehensive support framework (spanning research, capacity building, infrastructure, and market development), this bill enables upland and artisanal farmers to move from subsistence to enterprise, and from isolation to participation in the broader economy.

In view of the foregoing, the immediate approval of this measure is earnestly sought.



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

SECTION 1. *Short Title.* – This Act shall be known as the "Upland and Artisanal Agriculture Support Act."

SEC. 2. *Declaration of Policy.* – The State shall promote sustainable, inclusive, and climate-resilient agriculture by prioritizing upland, rain-fed, and artisanal farming communities. It shall integrate these systems into national food security and rural development plans, enhance market access through public-private partnerships, and uphold indigenous peoples' rights under Republic Act No. 8371, otherwise known as the Indigenous Peoples' Rights Act. The State shall ensure equitable resource allocation, implement anti-corruption safeguards, and align programs with local governance capacities to uplift marginalized farmers and foster rural development.

SEC. 3. *Definition of Terms.* – For the purposes of this Act, the following terms are defined as follows:

(a) Upland Agriculture refers to farming practices in sloped, elevated, or rain-fed areas characterized by limited access to irrigation, high erosion risk, and vulnerability to climate variability, often located within ancestral domains or marginal lands;

(b) Artisanal Agriculture refers to small-scale, labor-intensive farming rooted in traditional knowledge, prioritizing biodiversity conservation, heirloom crop varieties, and cultural heritage preservation;

(c) Community-Based Product Hubs refer to barangay- or municipality-based facilities

designed for aggregating, processing, and marketing upland and artisanal agricultural products, managed by local government units, cooperatives, or indigenous peoples' organizations;

(d) Heirloom Varieties refer to traditional crops, such as rice, root crops, and spices, preserved through community seed-saving practices and valued for their cultural, nutritional, or ecological significance;

(e) Rain-fed Systems refer to agricultural systems reliant on rainfall, lacking formal irrigation infrastructure, and typically situated in upland or marginal areas;

(f) Value Chain Development refers to the strategic enhancement of production, processing, and marketing processes to improve the profitability and sustainability of upland and artisanal agricultural products; and

(g) Indigenous Peoples' Organizations (IPOs) refer to organizations registered with the National Commission on Indigenous Peoples, representing the collective interests of indigenous cultural communities in the governance and development of their ancestral domains.

SEC. 4. *Creation of the Upland Agriculture Support Fund (UASF).* – The Upland Agriculture Support Fund, administered by the Department of Agriculture, is hereby established to finance programs and projects under this Act. The Fund shall operate with the following features:

(a) **Funding Sources.** The Fund shall be sourced from the following:

- (1) An initial appropriation of One Billion Pesos (₱1,000,000,000.00) shall be allocated under the General Appropriations Act;
- (2) Twenty percent (20%) of tariff collections from the following commodities shall be remitted to the Fund: AHTN Code 0714.90.10 for fresh or dried sweet potatoes (camote) and AHTN Code 0714.90.20 for fresh or dried cassava; AHTN Code 0813.50.00 for mixtures of dried forest fruits, such as wild berries, upland bananas, and jackfruit, without added sugar; AHTN Code 0904.12.00 for dried chili peppers, such as *siling labuyo* and other upland varieties, crushed or ground; and AHTN Code 1211.90.13 for plants and plant parts, such as citronella and lemongrass, used in perfumery, pharmacy, or insecticidal purposes; and
- (3) Voluntary contributions from private sector partners through public-private partnerships shall augment the Fund.

(b) **Fund Utilization.** The Fund shall be utilized exclusively to support upland and artisanal agriculture through the following initiatives:

- (1) Grants shall be provided to upland cooperatives and indigenous peoples' organizations to establish seed banks and propagate heirloom crop varieties;

- (2) Subsidies shall be allocated for climate-resilient farm tools and slope-stabilizing equipment to enhance farm productivity;
- (3) Research on drought-tolerant crops for rain-fed systems shall be funded, with studies conducted by the Department of Science and Technology and state universities;
- (4) Barangay-level community-based product hubs shall be established to facilitate product aggregation and marketing;
- (5) Agroforestry and reforestation programs, linked to the Department of Environment and Natural Resources' National Greening Program, shall be supported to promote sustainable land use;
- (6) Training programs shall be conducted for upland farmers to achieve organic certification and comply with export standards; and
- (7) Scholarships shall be awarded to indigenous and upland youth pursuing agriculture-related courses to build local capacity.

(c) **Allocation Criteria.** The allocation of funds shall prioritize local government units that have updated Comprehensive Land Use Plans, validated by the National Economic and Development Authority and the Department of the Interior and Local Government. These units must also demonstrate transparency in fund utilization through geo-tagged project reports.

SEC. 5. *Inter-Agency Convergence Program.* – Within sixty (60) days from the effectivity of this Act, the Department of Agriculture, Department of Public Works and Highways, and National Irrigation Administration, in consultation with private sector partners, shall issue a Joint Circular to address upland infrastructure needs. The circular shall include the following:

- (a) Cost-effective farm-to-market road designs suitable for upland terrains shall be developed;
- (b) Micro-catchment and rainwater harvesting systems for rain-fed farms shall be prioritized; and
- (c) Erosion-control standards for upland infrastructure projects shall be adopted.

Upland farm-to-market roads shall be integrated into the Department of Agriculture and Department of Public Works and Highways' Farm-to-Market Road Network Plan, with funding prioritized under the General Appropriations Act and public-private partnership frameworks. All projects funded under this Act shall be geo-tagged and reported on the Department of Agriculture's Transparency Portal, in compliance with Republic Act No. 11032, otherwise known as the Ease of Doing Business Act.

SEC. 6. *Community-Based Product Hubs.* – The Department of Agriculture’s Agribusiness and Marketing Assistance Service and the Department of Trade and Industry shall jointly undertake the following:

(a) A National Upland Product Hub Framework, tailored to highland vegetables, forest-based products, and indigenous crops, shall be formulated;

(b) Grants for hubs managed by local government units or cooperatives, with oversight from the National Commission on Indigenous Peoples for hubs operated by indigenous peoples’ organizations, shall be provided;

(c) Public institutions, including the Department of Education and Department of Social Welfare and Development, shall source five percent (5%) of their food supplies from registered hubs;

(d) The hubs shall be integrated into the Department of Trade and Industry’s One Town One Product program for branding and traceability; and

(e) Market linkages with exporters for qualified hub products shall be facilitated through the Department of Trade and Industry’s Export Marketing Bureau.

SEC. 7. *Upland Agriculture Convergence Program (UACP).* – The Upland Agriculture Convergence Program, chaired by the Department of Agriculture, is hereby established, with the National Economic and Development Authority, Department of Public Works and Highways, National Irrigation Administration, Department of Trade and Industry, National Commission on Indigenous Peoples, Department of Science and Technology, Department of Environment and Natural Resources, and Department of the Interior and Local Government as members. The Program shall undertake the following:

(a) An annual Upland Agriculture Priority Plan targeting high-poverty upland municipalities shall be published;

(b) The Upland Agriculture Support Fund, infrastructure, and hub initiatives shall be consolidated under a unified budget; and

(c) Local government unit performance shall be monitored using the Department of the Interior and Local Government’s Seal of Good Local Governance metrics.

SEC. 8. *Local Government Unit Eligibility.* – To access the Upland Agriculture Support Fund, local government units shall meet the following requirements:

(a) An Upland Agriculture Plan, aligned with their Provincial Commodity Investment Plan, shall be submitted;

(b) The Registry System for Basic Sectors in Agriculture shall be updated to include upland farmers;

(c) A Municipal Convergence Team, comprising representatives from the Department of Agriculture, Department of Trade and Industry, and farmer groups, shall be formed; and

(d) One percent (1%) of the National Tax Allotment shall be allocated as counterpart funding for infrastructure or hub operations.

SEC. 9. *Fiscal Incentives.* – Enterprises engaged in upland and artisanal agriculture, certified by the Department of Agriculture and registered with the Board of Investments, shall be entitled to the following incentives:

(a) Incentives under Title XIII of the National Internal Revenue Code, as amended, shall be granted to eligible enterprises;

(b) Duty-free importation of farm equipment shall be allowed under Republic Act No. 11598, otherwise known as the Cash Assistance to Farmers Act; and

(c) Export incentives, including tax credits for export performance, shall be provided under Republic Act No. 7844, otherwise known as the Export Development Act of 1994.

SEC. 10. *Agri-Agra Credit Compliance.* – Loans to projects accredited under this Act shall be eligible for compliance with the twenty-five percent (25%) mandatory agricultural and agrarian credit allocation under Republic Act No. 10000. Priority shall be given to cooperatives and community-based product hubs to ensure accessible financing.

SEC. 11. *Anti-Corruption Safeguards.* – Disbursements from the Upland Agriculture Support Fund shall comply with Republic Act No. 9184, otherwise known as the Government Procurement Reform Act, and be subject to audit by the Commission on Audit. Local government units shall publish fund utilization reports on their official websites to ensure transparency and accountability.

SEC. 12. *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, the Department of Agriculture, in coordination with the National Commission on Indigenous Peoples, Department of Trade and Industry, and Department of the Interior and Local Government, shall promulgate the implementing rules and regulations to ensure effective execution of this Act.

SEC. 10. *Appropriations.* – The amount of One Billion Pesos (₱1,000,000,000.00) is hereby appropriated for the initial implementation of this Act. Subsequent funding shall be included in the annual General Appropriations Act.

SEC. 11. *Separability Clause.* – If any provision of this Act is declared unconstitutional, the remaining provisions shall remain in full force and effect.

SEC. 12. *Repealing Clause.* – All laws, decrees, executive orders, rules, and regulations inconsistent with this Act are hereby repealed or modified accordingly.

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

Approved,