

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. 3249



Introduced by Abang Lingkod Party-list Representative
Manuel "Manman" O. Ko

EXPLANATORY NOTE

The Bureau of Agricultural Cooperatives (BAC) has long been recognized as a vital government agency tasked with the development, promotion, and support of agricultural cooperatives in the Philippines. Historically attached to the Department of Agriculture, BAC provided critical services such as credit facilitation, technical assistance, training, and capacity-building programs to empower agricultural cooperatives and improve the welfare of smallholder farmers.

Under Republic Act No. 6939, also known as the Cooperative Development Authority Law, the BAC was absorbed into the Cooperative Development Authority (CDA), which aimed to consolidate cooperative governance under one umbrella. However, this structural change has limited the CDA's ability to effectively address the specific needs of agricultural cooperatives, whose operations are closely linked with the broader agricultural policies and programs of the Department of Agriculture.

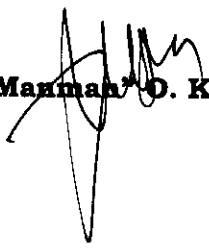
This bill proposes to establish the Bureau of Agricultural Cooperatives as a new attached agency under the Department of Agriculture. This establishment will allow BAC to:

- Specialize in providing services and support specifically tailored to agricultural cooperatives, including credit programs, capacity building, and technical assistance;
- Facilitate stronger coordination with other bureaus and agencies within the Department of Agriculture for more integrated and effective rural and agricultural development initiatives;
- Enhance governance, program implementation, and service delivery to agricultural cooperatives, ensuring they remain competitive and sustainable;

- Contribute significantly to rural development, poverty alleviation, and national food security by empowering agricultural cooperatives.

This establishment recognizes the important historical role of BAC and the necessity to restore its mandate within the Department of Agriculture framework to better serve the unique challenges faced by agricultural cooperatives.

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


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**AN ACT ESTABLISHING BUREAU OF AGRICULTURAL COOPERATIVE
DEVELOPMENT (BACD), AS AN ATTACHED AGENCY UNDER THE
DEPARTMENT OF AGRICULTURE, DEFINING ITS POWERS AND
FUNCTIONS, INCLUDING THE DEVELOPMENT AND SUPPORT OF
AGRICULTURAL COOPERATIVES AND AGRARIAN REFORM
COOPERATIVES, AND FOR OTHER PURPOSES**

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

SECTION 1. Title - This Act shall be known as the “Bureau of
Agricultural Cooperative Development (BACD) Act of 2025”.

SECTION 2. Declaration of Policy - It is hereby declared the policy of
the State to promote the development, empowerment, and sustainability
of agricultural cooperatives as vital instruments for rural development,
poverty alleviation, food security, and inclusive economic growth. The
State recognizes that agricultural cooperatives play a key role in
empowering farmers, fisherfolk, and agrarian reform beneficiaries by
enabling them to access markets, financing, technologies, and support
services.

In pursuit of this policy, the State shall establish a dedicated and
specialized body under the Department of Agriculture to formulate,
implement, and coordinate policies and programs for the growth and
professionalization of agricultural and agrarian reform cooperatives,
without prejudice to the mandate of the Cooperative Development
Authority in the registration, regulation, and supervision of all types of
cooperatives. This Act seeks to institutionalize the **Bureau of
Agricultural Cooperative Development (BACD)** to ensure that the
development needs of agricultural cooperatives are efficiently addressed
and supported through an integrated approach across all levels of
government.

SECTION 3. Establishment of the Bureau of Agricultural Cooperative Development (BACD)- There is hereby created a new agency to be known as the *Bureau of Agricultural Cooperative Development (BACD)*, which shall be attached to the Department of Agriculture for policy coordination and program supervision.

SECTION 4. Jurisdiction over Agricultural Cooperatives and Agrarian Reform Cooperatives. — All agricultural cooperatives and agrarian reform cooperatives (ARCs) shall remain under the registration and regulatory jurisdiction of the Cooperative Development Authority (CDA). The BACD shall assume responsibility for the development, promotion, capacity-building, and support services of these cooperatives.

SECTION 5. Powers and Functions. — The BACD shall have the following powers and functions:

- a) Provide technical assistance, capacity-building, and development support services to agricultural cooperatives and agrarian reform cooperatives nationwide;
- b) Facilitate access to credit, financial services, training, and other resources tailored to the needs of agricultural cooperatives;
- c) Coordinate with the Department of Agriculture, Department of Agrarian Reform, CDA, local government units, and other agencies to promote integrated rural and agricultural development programs;
- d) Formulate and implement programs and projects aimed at strengthening the governance, productivity, and competitiveness of agricultural cooperatives;
- e) Monitor and evaluate the progress and impact of development programs for agricultural cooperatives;
- f) Collaborate with the Cooperative Development Authority on policies and initiatives to support the growth of agricultural cooperatives;
- g) Perform other functions necessary for the promotion and sustainable development of agricultural cooperatives.

SECTION 6. Organizational Structure. — The BACD shall be headed by a Director, who shall be appointed by the Secretary of Agriculture.

The Department of Agriculture, in coordination with the Department of Budget and Management, shall define the organizational structure, staffing pattern, and budgetary requirements of the BACD.

SECTION 7. Transitory Provisions. — All personnel, records, assets, liabilities, and appropriations related to agriculture and agricultural cooperative under the Cooperative Development Authority shall be transferred to the newly created BACD under the Department of

Agriculture. However, registration and regulatory functions shall remain with the CDA.

SECTION 8. Appropriation. — The initial funding for the establishment of the BACD shall be charged against the current appropriations of the Department of Agriculture. Thereafter, the BACD shall have its budget incorporated in the Department of Agriculture's appropriations in the General Appropriation Act (GAA).

SECTION 9. Implementing Rules and Regulations. — The Secretary of Agriculture, in coordination with the Cooperative Development Authority, Department of Agrarian Reform, and other relevant agencies, shall promulgate the necessary rules and regulations for the effective implementation of this Act within ninety (90) days from its effectivity.

SECTION 10. Separability Clause. — If any provision of this Act is declared unconstitutional or invalid, the remaining provisions not affected shall remain in full force and effect.

Section 11. Repealing Clause. — All laws, decrees, executive orders, rules, and regulations inconsistent with this Act are hereby repealed or modified accordingly.

Section 12. Effectivity. — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,