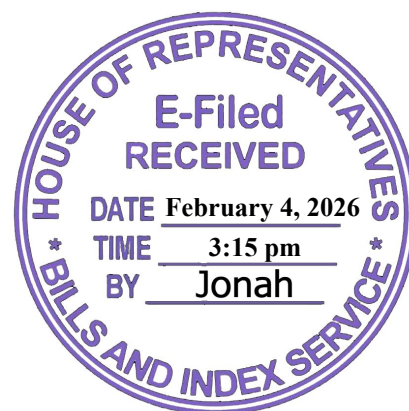


Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO: 7623



Introduced By: **HON. CLAUDE P. BAUTISTA**

EXPLANATORY NOTE

Agriculture and fisheries remain among the most vulnerable sectors of our economy. Despite the passage of Republic Act No. 11321, or the *Sagip Saka Act of 2019*, many of our farmers and fisherfolk continue to face unstable markets, fluctuating prices, post-harvest losses, and difficulty accessing institutional buyers. These challenges become even more pronounced during natural disasters and calamities, when livelihoods are disrupted and incomes are pushed further to the margins.

At the same time, government institutions collectively constitute one of the country's largest and most consistent purchasers of food and agricultural products. Through feeding programs, relief operations, hospitals, schools, correctional facilities, and other institutional food requirements, the government has the capacity to provide a stable and reliable market. Yet, in the absence of a mandatory procurement framework, this purchasing power has not been fully harnessed to directly benefit local farmers and fisherfolk.

This bill seeks to strengthen and institutionalize government procurement from registered Farmer and Fisherfolk Cooperatives and Associations (FFCAs) by setting clear minimum procurement requirements and reinforcing the mechanisms already provided under the Sagip Saka Act. In doing so, it aims to give producers a more predictable market, ensure fair and reasonable prices, reduce post-harvest losses, and strengthen local food systems—particularly in areas affected by disasters.

Ultimately, this measure gives practical effect to the intent of the Sagip Saka Act by transforming government procurement into a concrete development tool: one that helps stabilize farmer incomes, supports disaster recovery, strengthens food security, and ensures that public funds circulate within local agricultural communities.

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


CLAUDE P. BAUTISTA

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 7623

Introduced By: **HON. CLAUDE P. BAUTISTA**

AN ACT
STRENGTHENING AND INSTITUTIONALIZING MANDATORY GOVERNMENT
PROCUREMENT OF AGRICULTURAL AND FISHERIES PRODUCTS FROM
REGISTERED FARMER AND FISHERFOLK COOPERATIVES AND
ASSOCIATIONS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 11321,
OTHERWISE KNOWN AS THE “SAGIP SAKA ACT OF 2019”

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

SECTION 1. Declaration of Policy.-It is the policy of the State to promote the welfare of farmers and fisherfolk by guaranteeing a stable market for their produce, ensuring fair and remunerative prices, and strengthening local food systems. The State recognizes the need to support disaster-affected agricultural communities through assured procurement mechanisms, while enhancing government food programs and institutional supply chains

SECTION 2. Mandatory Procurement Requirement.-All national government agencies (NGAs), government-owned and controlled corporations (GOCCs), state universities and colleges (SUCs), and local government units (LGUs) **shall procure a minimum of twenty percent (20%) of their annual food and agricultural product requirements directly from accredited Farmer and Fisherfolk Cooperatives and Associations (FFCAs).**

During periods when a **State of Calamity** is declared in a province or region, the minimum procurement requirement shall increase to **thirty percent (30%)**, prioritizing FFCAs within affected localities.

The procurement requirements under this Act shall apply to, but shall not be limited to, food and agricultural product requirements for the following government programs and operations:

- (a) school-based feeding programs and other nutrition interventions;
- (b) hospital, correctional, military, and police food services;
- (c) relief, emergency, and social protection food assistance programs;
- (d) food services, canteens, and dormitories of state universities and colleges; and
- (e) other government-funded institutional feeding or food distribution programs.

SECTION 3. Priority for Disaster-Affected Producers.- Within seven (7) days from the declaration of a State of Calamity, concerned LGUs, together with the Department of Agriculture (DA) and the Department of Social Welfare and Development (DSWD), shall identify disaster-affected FFCAs. These shall be given **first priority in procurement**, especially for relief operations, feeding programs, and institutional food needs.

SECTION 4. Direct and Negotiated Procurement.-Procurement under this Act shall be conducted through **negotiated procurement**, consistent with Section 4 of the Sagip Saka Act, exempting purchases from competitive bidding to prevent delays and spoilage. The DA, in coordination with DILG and DBM, shall issue uniform price guidelines, logistics standards, and delivery protocols.

Procurement under this Act shall be made directly from accredited Farmer and Fisherfolk Cooperatives and Associations (FFCAs). The use of traders, brokers, or other intermediaries who are not members of the supplying FFCA shall be prohibited.

All participating FFCAs shall submit a sworn certification attesting that the agricultural or fisheries products supplied are sourced directly from their registered members, subject to verification by the Department of Agriculture.

All agricultural and fisheries products procured under this Act shall comply with applicable food safety, quality, and sanitary standards prescribed by the Department of Agriculture, the Bureau of Fisheries and Aquatic Resources, and other concerned regulatory agencies.

In disaster-affected areas, simplified and expedited compliance procedures may be adopted, provided that minimum food safety and quality standards are maintained.

SECTION 5. Creation of a Local Food Supply Registry.-Each province shall establish a **Local Food Supply Registry**, containing updated inventories of local agricultural and fisheries products available for procurement. LGUs and NGAs shall use this registry to match supply with institutional demand.

SECTION 6. Recovery Procurement Window.-In disaster-affected areas, a **Recovery Procurement Window** shall be activated for a period of sixty (60) days, allowing FFCAs to sell recovered or partially affected produce to NGAs and LGUs. Prices shall consider production costs and fair valuation for disaster losses.

During the period of a declared State of Calamity, the Quick Response Funds (QRFs) of the Department of Agriculture, the Department of Social Welfare and Development, and concerned local government units may be utilized for the procurement of agricultural and fisheries products from disaster-affected Farmer and Fisherfolk Cooperatives and Associations, consistent with this Act and existing budgeting and auditing rules.

SECTION 7. Budgetary Allocation.-All NGAs and LGUs shall include in their annual budgets a **Local Food Procurement Allocation (LFPA)** dedicated to purchases under this Act. Realignment of the LFPA shall require the concurrence of DA and DBM.

SECTION 8. Monitoring and Transparency.-The DA shall maintain an **Open Agriculture Procurement Portal** accessible to the public, containing all transactions made under this Act. Agencies and LGUs shall submit quarterly reports on compliance.

Failure of any national government agency, government-owned and controlled corporation, state university or college, or local government unit to comply with the minimum procurement requirements prescribed under this Act, without justifiable cause as determined by the Department of Agriculture, shall constitute a ground for administrative accountability of the responsible officials under existing civil service, budgeting, and auditing laws, rules, and regulations.

SECTION 9. Incentives for Compliance.- Agencies and local government units that consistently comply with or exceed the procurement requirements under this Act shall be given priority access to applicable programs, grants, technical assistance, and post-harvest, logistics, and market support facilities of the Department of Agriculture and other concerned agencies, subject to existing laws and regulations.

Compliance with this Act may be considered as a performance indicator in the assessment of local government units under relevant performance-based incentive systems.

SECTION 10. Implementing Rules and Regulations.-Within sixty (60) days from the effectivity of this Act, the DA, DILG, DBM, and other concerned agencies shall promulgate the IRR.

SECTION 11. Separability Clause.-If any provision of this Act is declared unconstitutional, the remaining provisions shall remain in force.

SECTION 12. Repealing Clause.-All laws, orders, and regulations inconsistent with this Act are hereby amended or repealed accordingly.

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

Approved,