



**Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City**

**Twentieth Congress
1st Regular Session
HOUSE BILL NO. 9166**



Introduced by Rep. Elisa “Olga” T. Kho and Rep. Antonio T. Kho

EXPLANATORY NOTE

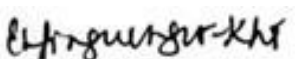
Filipino farmers are struggling with skyrocketing fertilizer costs, a crisis exacerbated by volatile global markets, currency depreciation, and rising domestic logistics overheads. Because fertilizer is a cornerstone expense for cultivating vital staples like rice and corn, these inflated prices trap smallholder farmers who represent the backbone of the industry in a cycle of hardship. To survive, many are forced to reduce soil nutrients, incur heavy debt, or suffer complete financial collapse.

The impact of these high production costs extends well beyond the farm, triggering a damaging socio-economic chain reaction. Lower fertilizer use leads to stunted productivity, resulting in meager harvests and inferior crop quality. This scarcity destabilizes the market, as the shrinking supply of rice and corn drives up retail prices

Current legislation is unfortunately insufficient to protect the sector from these vulnerabilities. While the Rice Tariffication Law (RA 11203) and RA 11598 offers some financial relief, their scope is too limited and they lack a permanent, nationwide framework to manage price fluctuations across all crop types. Additionally, while RA 11321 regulates fertilizer quality, it does nothing to address the core problem of affordability.

To solve these systemic failures, this bill proposes a transparent, targeted, and institutionalized Fertilizer Subsidy Program. By providing structured support to smallholder farmers during price surges, the measure aims to stabilize agricultural output, protect rural incomes, and mitigate inflationary pressure on food. Ultimately, this program fulfils the State’s mandate to foster sustainable agriculture and ensure national food security.

Given these urgent circumstances, the immediate passage of this Bill is earnestly sought.


REP. ELISA T. KHO, M.D., FPCCP


REP. ANTONIO T. KHO



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**AN ACT INSTITUTING A FERTILIZER SUBSIDY PROGRAM AND
APPROPRIATING FUNDS THEREFOR**

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

Section 1. Short Title. This law shall be cited as the “National Fertilizer and Pesticide Subsidy Act.”

Section 2. Declaration of Policy. The State recognizes the agricultural sector as a vital pillar of national growth. It is therefore committed to creating a supportive environment for farmers by providing the necessary aid to ensure they achieve fair profits and increase domestic food production.

Section 3. The National Fertilizer and Pesticide Subsidy Program (NFPSP). The Department of Agriculture (DA) is mandated to implement this program for the benefit of eligible farmers.

The subsidy distribution for fertilizers shall be structured as follows:

- a. Inbred Seed Users: Six (6) bags of fertilizer or subsidy vouchers worth at least Php 6,000.00 per hectare.
- b. Hybrid Seed Users: Seven (7) bags of fertilizer or subsidy vouchers worth at least Php 7,000.00 per hectare.

Additionally, the DA will provide annual pesticide subsidy vouchers of at least Php 2,000.00 per hectare, with the exact amount to be adjusted based on current market conditions and agricultural needs.

Section 4. Eligibility. To qualify for the program, applicants must be:

- a. Filipino citizens and active members of the agricultural sector;
- b. At least 18 years of age at the time of registration;

- c. Classified as a farmer, farm worker, or "agriyouth" under the Registry System for Basic Sectors in Agriculture (RSBSA).

All farmers currently registered in the RSBSA are automatically eligible for the program.

Section 5. Program Oversight. Every year by March, the DA must submit an evaluative report to the Agricultural Committees of the Senate and the House of Representatives. This report must include:

- a. Participation rates and demographic data of beneficiaries;
- b. Specific actions taken by the DA to assist farmers;
- c. The overall production output of the beneficiaries;
- d. An analysis of the program's impact on the National Food Security Plan.

Section 6. Funding. Initial costs will be covered by the current year's budget of the involved agencies. Future funding will be integrated into the annual General Appropriations Act (GAA).

Section 7. Implementing Rules and Regulations (IRR). Within sixty (60) days of the Act's approval, the DA—along with relevant agencies—shall draft the necessary rules for implementation. These rules will take effect thirty (30) days after being published in the Official Gazette or a major newspaper.

Section 8. Repealing Clause. Any existing laws, orders, or regulations that conflict with this Act are hereby modified or repealed.

Section 9. Separability Clause. Should any part of this Act be declared unconstitutional or invalid, the remaining sections shall continue to be in full force.

Section 10. Effectivity. This Act shall take effect fifteen (15) days after its official publication.

Approved,