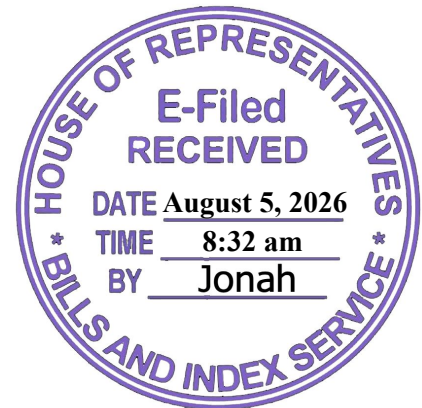




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Twentieth Congress
Second Regular Session

HOUSE BILL NO. 10615



Introduced by Reps. Antonio T. Kho, Elisa “Olga” T. Kho and Wilton T. Kho

AN ACT INSTITUTIONALIZING THE SPECIAL AREA FOR AGRICULTURAL DEVELOPMENT (SAAD) PROGRAM UNDER THE DEPARTMENT OF AGRICULTURE, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The proposed measure, entitled “**An Act Institutionalizing the Special Area for Agricultural Development (SAAD) Program under the Department of Agriculture, Providing Funds Therefor, and for Other Purposes,**” seeks to institutionalize the Special Area for Agricultural Development (SAAD) Program as a continuing area-based poverty-reduction and rural-development program of the Department of Agriculture (DA).

The agriculture and fisheries sectors remain vital to inclusive economic growth, food security, and rural development. However, many farmers and fisherfolk, particularly those in poor, remote, and vulnerable communities, continue to face limited access to productive assets, technology, extension services, financing, infrastructure, and markets.

The Agriculture and Fisheries Modernization Act of 1997 recognizes the need to improve the income of small farmers and fisherfolk through equitable access to assets, resources, and support services, higher-value production, processing, agribusiness, and agro-industrialization. It likewise promotes the organization of cooperatives, farmers' and fisherfolk's associations, and other people's organizations to strengthen their participation and enhance their capacity to benefit from economies of scale. The SAAD Program complements these statutory objectives by directing focused interventions to priority communities and beneficiary sectors.

The measure likewise supports the area-based and integrated development approach embodied in the Strategic Agriculture and Fisheries Development Zones (SAFDZ) framework under Republic Act No. 8435. Under that law, the identification and development of SAFDZs take into account agricultural and fisheries potential, infrastructure and market location, the presence of small farmers and fisherfolk, and the need for integrated planning for production, processing, marketing, human resource development, and environmental protection. The proposed SAAD framework adopts a

complementary targeting approach based on poverty incidence, agricultural and fisheries potential, vulnerability, and access to essential support services.

The SAAD Program is intended to reduce rural poverty and improve food security by providing targeted and sustainable interventions, including social preparation, community organizing, food production and livelihood assistance, enterprise development, capacity-building, technology transfer, market linkage, and institutional strengthening. These interventions are designed to increase productivity and household income while helping farmers and fisherfolk establish viable community-based enterprises and strengthen their cooperatives and organizations.

The measure likewise promotes convergence among the Department of Agriculture, other national government agencies, local government units, state universities and colleges, civil society organizations, development partners, and the private sector. Such coordination is consistent with the policy of strengthening farmers' and fisherfolk's enterprise development through a comprehensive approach that consolidates government support and promotes entrepreneurship in agricultural and fishing communities, consistent with Republic Act No. 11321, otherwise known as the "Sagip Saka Act."

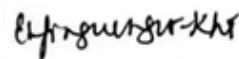
To promote transparency and accountability, the bill requires objective identification of Target Areas, transparent beneficiary selection, community participation, monitoring and evaluation, public reporting, and the establishment of grievance and feedback mechanisms. These safeguards are intended to ensure that Program assistance reaches qualified marginalized farmers and fisherfolk and is utilized solely for its authorized purposes.

The institutionalization of the SAAD Program will provide a stable statutory framework for sustained government assistance to poor and underserved agricultural and fishing communities. It will enable the Department of Agriculture to implement coordinated, measurable, and accountable interventions that contribute to inclusive agricultural growth, rural prosperity, poverty reduction, and national food security.

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



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HOUSE OF REPRESENTATIVES
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HOUSE BILL NO. 10615

Introduced by Rep. Antonio T. Kho, Rep. Elisa T. Kho and Rep. Wilton T. Kho

AN ACT
INSTITUTIONALIZING THE SPECIAL AREA FOR AGRICULTURAL
DEVELOPMENT (SAAD) PROGRAM UNDER THE DEPARTMENT OF
AGRICULTURE, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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 "**Special Area for Agricultural Development (SAAD) Act.**"

SECTION 2. Declaration of Policy. - It is the policy of the State to promote inclusive agricultural growth, food security, rural prosperity, and poverty reduction by empowering marginalized farmers and fisherfolk through sustainable agricultural production, livelihood assistance, enterprise development, market access, and meaningful community participation.

The State recognizes the Special Area for Agricultural Development (SAAD) Program as an area-based poverty reduction and rural development program of the Department of Agriculture that complements existing agricultural and fisheries programs through targeted interventions in priority areas.

To this end, the State shall:

- (a) Prioritize agricultural and fisheries investments in poor and underserved communities;
- (b) Promote community-driven, participatory, and area-based development;
- (c) Support sustainable livelihoods and community-based enterprises;
- (d) Strengthen institutional coordination among national government agencies, local government units, civil society organizations, academic institutions, development partners, and the private sector;

- (e) Promote transparency, accountability, gender responsiveness, social inclusion, and non-discrimination in the implementation of the Program; and
- (f) Ensure that Program interventions are climate-responsive, environmentally sound, and consistent with applicable laws on agriculture, fisheries, agrarian reform, environmental protection, public procurement, budgeting, accounting, and auditing.

SECTION 3. Objectives. - The Program shall pursue the following objectives:

- (a) Reduce rural poverty and improve the income and livelihood security of marginalized farmers and fisherfolk;
- (b) Enhance food security through increased agricultural and fisheries productivity;
- (c) Develop sustainable community-based enterprises and strengthen farmers' and fisherfolk's cooperatives and organizations;
- (d) Promote institutional convergence and the efficient, transparent, and accountable use of government resources;
- (e) Build resilient farming and fishing communities through capacity development, technology adoption, market access, and climate-responsive interventions;
- (f) Increase the participation of beneficiary organizations in the planning, implementation, monitoring, and evaluation of Program interventions; and
- (g) Achieve measurable improvements in beneficiary income, productivity, enterprise viability, food security, and access to markets and support services.

SECTION 4. Definition of Terms. - For purposes of this Act:

- (a) **Program** refers to the Special Area for Agricultural Development (SAAD) Program under the Department of Agriculture;
- (b) **Beneficiaries** refer to qualified marginalized farmers, fisherfolk, agricultural workers, and indigenous peoples directly engaged in agriculture or fisheries who are selected in accordance with this Act and its implementing rules and regulations;
- (c) **Beneficiary Organizations** refer to duly organized farmers' and fisherfolk's cooperatives, associations, people's organizations, and other qualified organizations composed substantially of beneficiaries and selected in accordance with this Act and its implementing rules and regulations;
- (d) **Marginalized Farmers and Fisherfolk** refer to small farmers and fisherfolk, agricultural workers, and other persons directly engaged in agriculture or fisheries who have low or unstable income or limited access to productive assets, capital, technology, infrastructure, markets, or other essential support services, as determined using objective and publicly disclosed criteria;
- (e) **Community-Based Enterprise (CBE)** refers to an enterprise owned, controlled, or managed by qualified beneficiary organizations, including cooperatives, associations, or other duly registered organizations, and engaged in agricultural, fisheries, processing, trading, or value-adding activities;
- (f) **Target Areas** refer to provinces, cities, municipalities, or barangays selected by the Department on the basis of publicly verifiable criteria, including poverty incidence, agricultural or fisheries potential, food-security considerations, climate

and disaster vulnerability, remoteness or lack of access to services, and the availability of counterpart support;

- (g) **Convergence Partners** refer to national government agencies, local government units, state universities and colleges, civil society organizations, development partners, and private entities collaborating in the implementation of the Program; and
- (h) **Program Intervention** refers to any assistance, service, facility, equipment, input, training, financing support, enterprise support, infrastructure, market linkage, or other activity funded or supported under the Program.

SECTION 5. Institutionalization of the SAAD Program. - The Special Area for Agricultural Development (SAAD) Program is hereby institutionalized under the Department of Agriculture as an area-based poverty reduction and rural development program.

The Department shall be the lead implementing agency of the Program. It shall designate or establish, subject to budgeting, civil service, organizational, and appropriations laws, a national program management office and corresponding regional and field implementation units.

The Department shall define the respective functions of the national, regional, provincial, municipal, and barangay-level implementers, without diminishing the powers, functions, and responsibilities of local government units under applicable law.

The Department shall establish a Program Steering Committee or an equivalent coordinating body composed of representatives from relevant government agencies, local government units, and beneficiary farmers and fisherfolk. The composition, powers, duties, and procedures of the Steering Committee shall be prescribed in the implementing rules and regulations.

No office, plantilla position, or permanent financial obligation shall be created under this Act except in accordance with applicable laws and subject to the availability of appropriations.

SECTION 6. Program Components. - The Program shall include, but not be limited to, the following components:

- (a) Social preparation, community organizing, and participatory development planning;
- (b) Food production, livelihood, and income-generating assistance;
- (c) Enterprise development, value-chain development, and market linkage;
- (d) Capacity-building, technology transfer, extension services, and institutional strengthening;
- (e) Monitoring, evaluation, research, impact assessment, and knowledge management;
- (f) Climate-resilient, disaster-risk-informed, and environmentally sustainable agricultural and fisheries interventions;
- (g) Gender-responsive, youth-inclusive, and socially inclusive interventions;

- (h) Post-harvest, processing, storage, transport, and other support facilities;
- (i) Direct market linkage and institutional procurement consistent with Republic Act No. 11321 and other applicable public procurement, budgeting, accounting, and auditing laws; and
- (j) Post-assistance sustainability, asset management, maintenance, and enterprise rehabilitation.

Program interventions shall, whenever applicable, be supported by community needs assessments, technical feasibility studies, market assessments, environmental and social safeguards, and sustainability plans.

SECTION 7. Target Areas. - The Department shall identify and periodically review Target Areas using objective, transparent, and publicly verifiable criteria, including:

- (a) Poverty incidence and the prevalence of food insecurity;
- (b) Agricultural or fisheries potential and the capacity for sustainable production;
- (c) Climate, disaster, and other forms of vulnerability;
- (d) Remoteness or limited access to agricultural and fisheries support services;
- (e) The presence of marginalized farmers, fisherfolk, indigenous peoples, and other priority sectors; and
- (f) The availability of local government, community, or other counterpart support.

In determining the extent of local government counterpart support, the Department shall adopt a graduated and equitable framework that considers the income classification, poverty incidence, fiscal capacity, geographic circumstances, and vulnerability of the concerned local government unit. Lack of local government counterpart support shall not, by itself, disqualify a poor or highly vulnerable community from being designated as a Target Area.

The Department shall publish the list of Target Areas and the basis for their selection. The selection of Target Areas shall be coordinated with the concerned local government units and beneficiary organizations.

The designation of a Target Area shall not, by itself, alter land classification, land-use restrictions, agrarian reform rights, fisheries rights, environmental requirements, or the authority of any government agency under existing law.

SECTION 8. Beneficiaries and Beneficiary Selection. - Priority beneficiaries shall be poor and marginalized farmers and fisherfolk residing in Target Areas. To the extent applicable to the particular Program Intervention, a beneficiary shall:

- (a) Reside or operate in a Target Area;
- (b) Be directly engaged, or possess a demonstrated capacity to engage, in agriculture, fisheries, processing, or a related livelihood activity;
- (c) Belong to a low-income or otherwise vulnerable household, or be a qualified beneficiary organization serving such households, based on objective criteria;

- (d) Demonstrate a need for the proposed assistance and the capacity to utilize the assistance for the purpose for which it is granted; and
- (e) Comply with reasonable documentary, organizational, technical, and accountability requirements prescribed under this Act and its implementing rules and regulations.

Where assistance is organization-based, priority may be given to duly registered farmers' and fisherfolk's cooperatives, associations, people's organizations, and community-based enterprises. Preparatory assistance may be provided to organized groups that are in the process of registration, subject to appropriate safeguards.

The Department shall establish a transparent and participatory beneficiary selection system, including:

- (a) Public disclosure of eligibility criteria and application procedures;
- (b) Community validation and verification of beneficiary lists;
- (c) Written reasons for exclusion or disqualification;
- (d) A grievance, review, and appeal mechanism;
- (e) Periodic updating of beneficiary records; and
- (f) Safeguards against political interference, conflict of interest, fraud, duplication of benefits, and discrimination.

No person shall be excluded from the Program on the basis of political affiliation, gender, ethnicity, religion, disability, or other irrelevant grounds.

SECTION 9. Partnership and Convergence. - The Department shall coordinate with national government agencies, local government units, state universities and colleges, civil society organizations, private-sector partners, and development partners to support:

- (a) Technology transfer and extension services;
- (b) Financing and access to credit;
- (c) Infrastructure, post-harvest facilities, and logistics;
- (d) Market access and enterprise development;
- (e) Training, research, and innovation;
- (f) Climate adaptation and disaster-risk reduction; and
- (g) Other interventions necessary to achieve the objectives of the Program.

Partnerships shall, whenever appropriate, be governed by written agreements specifying the respective functions of the parties, their financial or in-kind commitments, deliverables, reporting obligations, ownership and maintenance of assets, and accountability mechanisms.

No private entity or development partner shall be authorized to exercise powers exclusively vested by law in a government agency. All partnerships shall comply with applicable laws on procurement, auditing, public accountability, conflict of interest, data privacy, and the protection of beneficiary rights.

SECTION 10. Assistance and Program Assets. - Program assistance may be provided in the form of production inputs, equipment, facilities, training, technical services, enterprise support, market-linkage assistance, or other lawful forms of support authorized under the annual General Appropriations Act.

The Department shall prescribe rules governing the ownership, custody, use, operation, maintenance, insurance, transfer, and disposal of equipment, facilities, and other assets acquired or provided through the Program.

Program assets shall be used exclusively for the purposes authorized under this Act. Their sale, lease, transfer, encumbrance, diversion, or unauthorized personal use shall be prohibited except as authorized by law and the implementing rules and regulations.

In cases of fraud, gross misuse, abandonment, unauthorized disposition, or failure to comply with the terms and conditions of the assistance, the Department may require restitution, recovery, replacement, suspension, or disqualification, without prejudice to any civil, administrative, or criminal liability under applicable law.

SECTION 11. Coordination with Existing Programs. - The Department shall ensure that the Program complements and does not unnecessarily duplicate existing agricultural, fisheries, poverty-reduction, enterprise-development, and rural-development programs.

The Department shall coordinate the Program with the Agriculture and Fisheries Modernization Plan and applicable programs under Republic Act No. 8435, Republic Act No. 11321, Republic Act No. 7607, and other relevant laws.

Market-linkage and institutional procurement activities under the Program shall, whenever applicable, support the direct purchase of agricultural and fisheries products from accredited farmers' and fisherfolk's cooperatives and enterprises in accordance with Republic Act No. 11321 and its implementing rules and regulations.

SECTION 12. Program Planning and Implementation. - The Department shall prepare a multi-year SAAD Program Plan consistent with the Agriculture and Fisheries Modernization Plan and other applicable national and local development plans.

The Plan shall identify:

- (a) Target Areas and priority sectors;
- (b) Program outcomes and performance indicators;
- (c) Priority commodities, livelihoods, and enterprises;
- (d) Required inter-agency and local government support;
- (e) Financing requirements and resource-allocation priorities;
- (f) Climate, environmental, and social safeguards; and
- (g) Monitoring, evaluation, and risk-management measures.

Program planning and implementation shall provide meaningful opportunities for participation by beneficiary farmers and fisherfolk, their organizations, concerned local government units, and other relevant stakeholders.

SECTION 13. Beneficiary Graduation and Sustainability Strategy. - The Department shall establish a formal Graduation and Sustainability Framework defining objective indicators of readiness, commercial viability, financial independence, stable market linkages, and institutional capacity for Community-Based Enterprises and beneficiary organizations.

Graduation from intensive assistance under the Program shall mean the transition of a beneficiary organization to regular government enterprise-development, credit, market-linkage, or technical-support programs. Graduation shall not prevent a beneficiary organization from accessing other benefits or programs for which it is otherwise qualified under existing law.

Upon graduation, Program resources within appropriations authorized for the Program may be reallocated to newly identified or underserved Target Areas, subject to the annual General Appropriations Act and applicable budgeting, accounting, and auditing laws.

SECTION 14. Transparency, Reporting, and Accountability. - The Department shall maintain and publish a publicly accessible SAAD Program information system containing, subject to applicable data privacy laws:

- (a) The list of Target Areas;
- (b) The eligibility criteria and beneficiary selection procedures;
- (c) The number and general location of beneficiaries;
- (d) Approved Program Interventions;
- (e) Program appropriations, releases, obligations, and expenditures;
- (f) Procurement and partnership information;
- (g) Implementation status and performance indicators;
- (h) Audit findings and corrective actions; and
- (i) Other information necessary to promote transparency and accountability.

The Department shall submit an annual report to the President, the Senate, and the House of Representatives and shall publish the report on its official website. The report shall contain the information required under this section.

The publication of beneficiary information shall be limited to what is necessary to promote transparency and accountability and shall comply with applicable data privacy laws.

SECTION 15. Monitoring and Evaluation. - The Department shall establish a results-based monitoring and evaluation system for the Program.

The system shall measure, among others:

- (a) Changes in beneficiary income and livelihood security;
- (b) Changes in agricultural and fisheries productivity;
- (c) Food-security outcomes;
- (d) Enterprise establishment, survival, and profitability;
- (e) Beneficiary access to markets, technology, finance, and extension services;
- (f) Project completion, utilization, and sustainability;
- (g) Participation of beneficiary organizations; and
- (h) Environmental, climate-resilience, gender, and social-inclusion outcomes.

An independent performance evaluation of the Program shall be conducted at least once every five (5) years. The results of the evaluation shall be submitted to Congress and made available to the public.

SECTION 16. Grievance and Feedback Mechanism. - The Department shall establish accessible, timely, and impartial mechanisms through which beneficiaries and other affected persons may file complaints, report irregularities, request review of beneficiary-selection decisions, and provide feedback on Program implementation.

The mechanism shall provide for:

- (a) Multiple accessible channels for filing complaints;
- (b) Acknowledgment and recording of complaints;
- (c) Investigation and resolution within prescribed periods;
- (d) Protection against retaliation; and
- (e) Referral to the appropriate government agency when the matter falls outside the authority of the Department.

The filing of a complaint shall not, by itself, result in the suspension or exclusion of a beneficiary, except when necessary to prevent fraud, abuse, or imminent harm and subject to due process.

SECTION 17. Procurement for Localized Interventions. - To facilitate the timely delivery of seasonal agricultural and fisheries inputs, tools, equipment, and other Program requirements, the Department, in coordination with the Government Procurement Policy Board, may adopt procurement procedures appropriate for community-based and localized interventions, strictly in accordance with the applicable government procurement law, its implementing rules and regulations, and auditing requirements.

Nothing in this section shall be construed to exempt any procurement from the requirements of applicable procurement, accounting, auditing, and public accountability laws.

Further, nothing in this section shall be construed to limit or impair the direct procurement authority and other market-linkage mechanisms available under Republic Act No. 11321, otherwise known as the "Sagip Saka Act," and its implementing rules and regulations.

SECTION 18. Implementing Rules and Regulations. - Within ninety (90) days from the effectivity of this Act, the Department, in consultation with relevant government agencies, local government units, beneficiary organizations, civil society organizations, academic institutions, and other stakeholders, shall promulgate the implementing rules and regulations necessary for the effective implementation of this Act.

The implementing rules and regulations shall provide procedures and technical standards concerning:

- (a) Target Area identification and review;
- (b) Beneficiary eligibility, validation, and selection;
- (c) Program planning and project approval;
- (d) Partnerships and convergence arrangements;
- (e) Procurement, fund utilization, and financial accountability;
- (f) Ownership, custody, maintenance, and disposition of Program assets;
- (g) Monitoring, evaluation, reporting, and public disclosure;
- (h) Grievance resolution and beneficiary appeals; and
- (i) Other matters necessary for the effective implementation of this Act.

The implementing rules and regulations shall not enlarge, restrict, or modify the rights, duties, eligibility requirements, powers, or limitations expressly provided in this Act.

SECTION 19. Congressional Oversight. - A Congressional Oversight Committee on the SAAD Program is hereby created, composed of the chairpersons and such members as may be designated by the appropriate committees of the Senate and the House of Representatives.

The Committee shall conduct legislative oversight over the implementation of this Act, review the annual reports submitted by the Department, conduct hearings when appropriate, and recommend legislative measures to improve the Program.

SECTION 20. Separability Clause. - If any provision of this Act is declared unconstitutional or invalid, the remaining provisions not affected thereby shall continue to be in full force and effect.

SECTION 21. Repealing Clause. - All laws, decrees, executive orders, rules and regulations, and other issuances, or parts thereof, inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

Nothing in this Act shall be construed to repeal, diminish, or impair existing programs, rights, benefits, or institutional mandates under Republic Act No. 8435, Republic Act No. 11321, Republic Act No. 7607, and other applicable laws, except to the extent of a direct and irreconcilable inconsistency with this Act.

SECTION 22. Effectivity. - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,