FIFTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

Second Regular Session



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SENATE

S. No. 7 2884

RECEIVED BY:

Introduced by Senator Ferdinand R. Marcos, Jr.

EXPLANATORY NOTE

According to the Bureau of Agricultural Research (BAR), soybean is one of the most versatile among high value crops and its large-scale production locally could help solve chronic problems of hunger and malnutrition. Director Dante S. De Lima of the High Value Crops Development Program (HVCDP) of the BAR said that "with the present challenge of climate change, soybean - a legume that is a short-term, sun-loving - has a great potential to adopt to extreme climate and, at the same time, be a source of healthy and nutritious food for the future."

Statistics also disclosed that the country imports around nineteen billion (Php19,000,000,000.00) pesos of soybean for domestic consumption which considerably contributes to the depletion of the country's foreign reserve.

Thus, with the pressing issues of over-dependence on imported products, unemployment and malnutrition, among others, that besets the country and the alarming threat of climate change in global food production and food security, the long-stalled effort of the government to promote the soybean production in the country should now be given priority.

Indeed, the establishment of the Philippine Soybean Authority as proposed by this measure will kick-off a multi-faceted endeavor that will open for great opportunities, among others, to our farmers. It is in furtherance of the thrusts of the government to attain food security amidst the effects of climate change in global food production.

Earnest approval of this bill is hereby requested.

FERDINAND R. MARCOS JR.

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AN ACT

CREATING THE PHILIPPINE SOYBEAN AUTHORITY TO PROMOTE THE CULTIVATION, PRODUCTION, PROCESSING, MARKETING AND DISTRIBUTION OF SOYBEAN (GLYCINE MAX) AND SOYBEAN PRODUCTS, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

SECTION 1. Title. This Act shall be known as the "Philippine Soybean Authority Act of 2011."

SECTION. 2. **Declaration of Policy**. It is the declared policy of the State to accelerate the growth and development of the rural areas, address the nutritional and health needs of our people, and improve investment climate, competencies and efficiency of agribusiness by promoting soybean farming as a source of livelihood, a means of attaining food security, and as an effective approach to poverty alleviation and a sustainable course toward freedom from hunger. Toward this end, the state shall engage in an all-out promotion of both the small-scale and commercial cultivation of soybean in suitable areas of the country and provide the leadership in harnessing the technology in cultivating soybean, and the efficient processing, marketing, and distribution of soybean products.

SECTION. 3. Philippine Soybean Authority. The Philippine Soybean Authority, hereinafter referred to as PHILSOYA, is hereby created under the Department of Agriculture: PROVIDED that PhilSoyA shall be centrally administered through the Mariano Marcos State University situated in the City of Batac, Province of Ilocos Norte, to take full advantage of the University's existing complementary colleges and its Research and Development and Extension (RDE) services and facilities. The university's RDE services and facilities shall be further expanded nationally as needed to support this Act.

SECTION. 4. Soybean Framework for Development. The Philippine Soybean Authority, in consultation with the Department of Agriculture, Department of Trade and Industry, Department of Environment and Natural Resources, Department of Science and Technology, and farmer's groups and/or cooperatives, local government units, and the private sector, shall formulate a Soybean Framework for Development which shall be validated and updated annually.

This Framework shall serve as guide to the formulation and implementation of plans, programs and projects for the cultivation, research on suitable soybean cultivars and on the control of soybean diseases or pests, soybean product development, marketing, processing and distribution of soybean for food, medicinal uses, health improvement and various other uses. The Framework shall likewise provide for the following:

- 1. The Philippine Soybean Authority, in consultation with the Department of Agriculture and the Department of Trade and Industry, shall link up agribusiness cooperatives directly with consumer cooperatives;
- 2. To ensure health and proper trading, the Philippine Soybean Authority shall establish and enforce standards in grading, sampling and inspection, tests and analysis, specifications, nomenclature, units of measurement, code of practice and packaging, preservation, conservation and distribution of soybean products;
- 3. Technical support on research and extension, infrastructure development, financial and market information, including but not limited to micro-financing arrangements for small-scale soybean farmers, shall be provided by the Philippine Soybean Authority in collaboration with the Department of Agriculture, Department of Trade and Industry, Department of Science and Technology especially its Food and Nutrition programs and projects, Cooperative Development Authority, and other relevant government agencies;
- 4. Access to post-harvest facilities, storage and distribution/transport facilities of existing government agencies shall be facilitated. Assistance shall be given to qualified and viable soybean farmers/growers cooperatives in making soft loans or grants available for the construction of soybean post-harvest processing and storage facilities:
- 5. The Philippine Soybean Authority, in coordination with the Department of Agriculture, the Department of Trade and Industry, and farmers organizations shall make viable soybean seeds and relevant propagation, harvesting, processing, storage, marketing and soybean-use information materials readily available to farmers/farmers' cooperatives; and
- 6. The Philippine Soybean Authority, in coordination with the Department of Agriculture shall establish soybean information/extension centers in areas identified pursuant to Section 3 of this Act.

SECTION. 5. **Site Identification**. The Philippine Soybean Authority, in coordination with the Department of Agriculture, Department of Environment and Natural Resources, and the Local Government Unit concerned, shall identify the broad areas suitable for the planting and propagation of soybeans, within six (6) months after the effectivity of this Act: Provided, That such site identification shall be reviewed at appropriate intervals to ensure consistency with the agrarian reform program and the national land use policy.

SECTION. 6. Soybean Development Fund (SDF). To provide for the funding requirements for the cultivation, production, marketing, and processing of soybean, there is hereby created a Soybean Development Fund (SDF), with an initial amount of five hundred million pesos (P500,000,000.00) to be taken from the existing budget of the Department of Agriculture as funding for the Philippine Soybean Authority. Thereafter, the SDF shall be sourced from the amounts to be appropriated in the General Appropriations Act in the year following its enactment into law. Other sources of funds, including but not limited to borrowings, donations, or grants from local and international institutions, shall also be considered to further support the Fund.

SECTION. 7. PHILSOYA Inter-Agency Committee. The PhilSoya Inter-Agency Committee which shall be under the Secretary of Agriculture shall be composed of a representative each from the Department of Agriculture, the Department of Agrarian Reform, the Department of Finance, the Bangko Sentral ng Pilipinas, the Land Bank of the Philippines, the Development Bank of the Philippines, the Cooperative Development Authority, the Department of Science and Technology, the Department of Trade and Industry, the Department of Environment and Natural Resources, and the Department of the Interior and Local Government and one (1) representative each from the small farmers and commercial producers sectors to be designated by the Secretary of Agriculture. The PhilSoya Inter-Agency Committee shall formulate and prescribe, in accordance with established laws and procedures, the implementing rules and regulations in order to carry out the provisions of this Act.

The President of the Mariano Marcos State University and the representative from the Department of Agriculture shall be the chairman and the vice-chairman, respectively, of the Committee. The representatives from the government agencies must have a rank of at least Assistant Secretary.

SECTION. 8. **Report to Congress**. The Secretary of the Department of Agriculture, in consultation with the President of the Mariano Marcos State University, shall report to both Houses of Congress on the status of the implementation of this Act bi-annually.

SECTION. 9. **Repealing Clause**. All laws or parts thereof, decrees, orders, rules and regulations inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION. 10. **Separability Clause**. If any of the provisions of this Act is declared invalid, the other provisions not affected thereby shall remain in full force and effect.

SECTION. 11. **Effectivity Clause**. This Act shall take effect 15 days following its publication in a newspaper of general circulation or in the Official Gazette, whichever comes first.

Approved,