



S E N A T E

S. No. 2558

PREPARED BY THE COMMITTEES ON AGRICULTURE, FOOD
AND AGRARIAN REFORM; FINANCE; AND WAYS AND
MEANS WITH SENATORS VILLAR (C.), ESTRADA, LAPID,
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AN ACT STRENGTHENING LIVESTOCK, POULTRY,
AND DAIRY INDUSTRY DEVELOPMENT AND
COMPETITIVENESS, RATIONALIZING THE
ORGANIZATION AND FUNCTIONS OF RELEVANT
GOVERNMENT AGENCIES, AND CREATING A
COMPETITIVENESS ENHANCEMENT FUND
THEREFOR

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

1 TITLE I

2 PRELIMINARY PROVISIONS

3 SECTION 1. *Short Title.* – This Act shall be known as
4 the “Livestock, Poultry, and Dairy (LPD) Industry
5 Development and Competitiveness Act”.

1 SEC. 2. *Declaration of Policies.* – It is hereby declared
2 the policy of the State to advance the development and
3 competitiveness of the livestock, poultry, and dairy (LPD)
4 industries, particularly the small-holder farmers,
5 consistent with the constitutional mandate to promote the
6 equitable distribution of opportunities, income, and wealth;
7 a sustained increase in the number of goods and services
8 produced by the nation for the benefit of the people;
9 expanding productivity as the key to raising the quality of
10 life for all; industrialization and full employment based on
11 sound agricultural development.

12 Towards this end, the State shall strengthen existing
13 government organizational structures serving these
14 industries and establish responsive government policies
15 and programs that aim to foster the comprehensive
16 development of the LPD industries' value chain, raise the
17 cost-effectiveness of regulations on animal disease
18 prevention and control, and ensure enforcement of food
19 safety and quality standards on produce and processed

1 products with least disruption on trade and their value
2 chains.

3 The State shall provide necessary support and
4 incentives to build stronger partnerships and cooperation
5 with the private sector, in recognition of their vital role in
6 achieving the objectives of this Act.

7 The State shall protect and advance the right of the
8 people to a balanced and healthful ecology in accord with
9 the rhythm and harmony of nature and in so doing,
10 recognize and apply a true value system including social
11 and environmental cost implications relative to the
12 utilization, development, and conservation of our natural
13 heritage.

14 SEC. 3. *Definition of Terms.* – As used in this Act:

15 (a) *Corn* refers to yellow corn, white corn, and other
16 corn varieties which shall be utilized as animal feed in the
17 country;

18 (b) *Feeds* refers to animal food for livestock, poultry
19 and dairy-producing animals which includes, but is not

1 limited to, yellow and other corn varieties, forages, and
2 feed wheats;

3 (c) *First Border Inspection Facility (FBIF)* refers to a
4 facility under the jurisdiction of the Department of
5 Agriculture (DA) wherein examiners and inspectors from
6 the Bureau of Animal Regulation and Inspection (BARI),
7 the Bureau of Customs (BOC), and other essential
8 agencies conduct inspection to check the quality and
9 quantity of all arriving imports of livestock, poultry, and
10 dairy animals, animal products, by-products, and
11 veterinary drugs and products, based on the submitted
12 documents or permits of the importer;

13 (d) *Fresh milk* refers to milk produced by local dairy
14 farms. It is a product of normal mammary secretion
15 obtained by the complete milking of one or more healthy
16 cows, goats, or water buffaloes, free from colostrum,
17 without either addition to it, or extraction from it, has
18 undergone heat processing, intended for consumption as
19 liquid milk or for further processing. The words “fresh

1 milk” shall be attached to a product only if it was
2 produced and obtained in accordance with this definition;

3 (e) *Livestock* refers to any domestic or domesticated
4 animal that is grown, kept, or raised in captivity for food
5 or in the production of food or other by-products, and for
6 other purposes. It includes all domestic animals that are
7 slaughtered for human consumption, maintained for draft
8 animal power, dairy, and for recreational purposes such
9 as, but not limited to, cattle, carabaos or water buffaloes,
10 horses, sheep, goats, hogs, deer, rabbits, and beehive
11 farming, except products of hunting or fishing of wild
12 animals;

13 (f) *Native Animals* refer to domesticated animals
14 that contribute to food production found in one (1)
15 geographical location that have developed unique physical
16 characteristics, behavior, and product attributes, adapted
17 to the local environment and are products of selection
18 with no infusion of exotic breeds including, but not limited

1 to, native chicken, goats, pigs, ducks, cattle, horses,
2 carabaos or water buffaloes;

3 (g) *Poultry* refers to birds raised commercially or
4 domestically for meat, eggs and feathers such as, but not
5 limited to, chickens, ducks, turkey, geese, quails, and
6 ostrich. It is a collective term which refers to all
7 domesticated avian species reared in captivity mainly for
8 agricultural purposes or for the production of food or other
9 by-products;

10 (h) *Small-hold farm* refers to:

11 (1) Tending not more than five (5) cow/water buffalo
12 level (large ruminants: dairy and beef);

13 (2) Tending not more than 35 does (small ruminants:
14 dairy and slaughter);

15 (3) Tending one (1) to 10 sow level or one (1) to 100
16 heads (swine, including native pig);

17 (4) Raising 100 heads and below (rabbit);

18 (5) Raising 500 birds and below (broiler);

1 (6) Raising 250 birds and below (chicken:
2 native/improved/free range);

3 (7) Raising 250 layers and below (layer and duck);
4 and

5 (8) Raising 2,500 birds and below (quail).

6 (i) *Semi-Commercial farm* refers to:

7 (1) Tending six (6) to 50 cow/water buffalo level (large
8 ruminants: dairy and beef);

9 (2) Tending 36 to 100 does (small ruminants: dairy
10 and slaughter);

11 (3) Tending 11 to 50 sow level or 101 to 500 heads
12 (swine, including native pig);

13 (4) Raising 101 to 1,000 heads (rabbit);

14 (5) Raising 501 to 10,000 birds (broiler);

15 (6) Raising 251 to 5,000 birds (chicken:
16 native/improved/free range);

17 (7) Raising 251 to 5,000 layers (layer and duck); and

1 (8) Raising 2,501 to 10,000 birds (quail).

2 (j) *Commercial farm* refers to:

3 (1) Tending 51 cow/water buffalo level and above
4 (large ruminants: dairy and beef);

5 (2) Tending more than 100 heads of does (small
6 ruminants: dairy and slaughter);

7 (3) Tending 51 sow level and above or 501 heads and
8 above (swine, including native pig);

9 (4) Raising 1,001 heads and above (rabbit);

10 (5) Raising 10,001 birds and above (broiler);

11 (6) Raising 5,001 birds and above (chicken:
12 native/improved/free range);

13 (7) Raising 5,001 layers and above (layer and duck);
14 and

15 (8) Raising 10,001 birds and above (quail).

16 (k) *Value Chain* refers to the set of actors, activities,
17 and services that bring a basic agricultural product from

1 production in the field to final consumption, where at each
2 stage, value is added to the product;

3 (l) *Veterinary Drugs and Products* refer to any
4 substance or device, including biological products, applied
5 or administered to animals for food production and
6 processing (such as for livestock and poultry), for
7 companion, aquatic, laboratory, and other exotic animals,
8 whether used for therapeutic, prophylactic, or diagnostic
9 purposes or for modification of physiological functions or
10 behaviors; and

11 (m) *Veterinary Drug and Product Establishment*
12 refers to any organization or company involved in the
13 manufacture, import, export, repacking, labeling,
14 advertising, and/or distribution of veterinary drugs and
15 products.

16 TITLE II

17 ROADMAP

18 SEC. 4. *Philippine LPD Value Chain Development*
19 *Roadmap (Roadmap)*. – A Roadmap shall be formulated to

1 set the strategic direction and key initiatives of concerned
2 LPD agencies. It shall include, but not be limited to, the
3 following:

4 (a) *Breeder Availability and Genetic Improvement*
5 *Program.* – The program shall endeavor to increase the
6 total population of livestock and poultry in the country in
7 terms of quantity and quality through support programs
8 for genetic improvement and upgrading, establishment of
9 more semen processing facilities and semen banks, natural
10 and artificial breeding stations, stock farms with complete
11 facilities for feed, health and safety of animals, animal
12 dispersal programs, as well as accreditation of breeding
13 farms: *Provided*, That the program shall provide for the
14 use of local heritage breeds;

15 (b) *Pasture Crops and Animal Feeds Program.* – It
16 shall endeavor to produce adequate, affordable, and
17 sustainable supply of nutritious feed resources to support
18 the requirements and productivity of livestock, poultry,
19 and dairy. Priority shall be placed on improving support

1 for the use of corn as an animal feed along with production
2 and utilization of pasture, forage crops, fish meals, and
3 other alternative protein-rich crops that can be utilized as
4 animal feeds, including, but not limited to, soybean,
5 sorghum, oil palm, coconut, cottonseed, peanut, chickpea,
6 cowpea, mungbean, cassava, and fodder trees and shrubs:
7 *Provided*, That the program shall provide for the use of
8 local perennial crops, including endemic and native
9 varieties, or those that can thrive in the country's tropical
10 microclimate, which can be produced by the farmers
11 themselves;

12 (c) *Native Animal Program*. – It shall strengthen
13 support for the propagation, processing, utilization, and
14 development of native animals, including their integration
15 into generative agriculture practices;

16 (d) *Animal Health Welfare and Protection Program*. –
17 It shall implement biosecurity protocols, disease
18 monitoring, prevention, control, containment, and
19 eradication of animal pests and diseases by providing

1 veterinary health services and general LPD health support
2 programs;

3 (e) *Enterprise Development Program.* – It shall
4 promote the establishment of enterprises across the value
5 chain in LPD to include credit facilities for small-hold
6 raisers, cooperatives, and organizations together with
7 financial literacy programs and “farming as business”
8 training programs with technical support from the
9 Agricultural Training Institute (ATI) and relevant local
10 training institutes. Enterprise development programs shall
11 be in consonance with the Farmers and Fisherfolk
12 Enterprise Development Program under Republic Act No.
13 11321 or the “Sagip Saka Act”;

14 (f) *Training and Extension Program.* – In
15 consultation with the ATI, International Training Center
16 on Pig Husbandry (ITCPH), Technical Education and
17 Skills Development Authority (TESDA)-accredited farm
18 schools, state universities and colleges (SUCs), local
19 government units (LGUs), national government agencies

1 (NGAs), and other relevant institutions, the Roadmap
2 shall provide support to training extension services for
3 small-hold farmers, cooperatives, and organizations on
4 technologies and good practices in the raising,
5 propagation, utilization, marketing, processing,
6 distribution, and regenerative farming practices of
7 livestock, poultry, dairy, and native animals;

8 (g) *Market Promotion Program.* – It shall support
9 LPD auction markets, trade fairs, and export initiatives,
10 and encourage contract growing arrangements between
11 farmers cooperatives or organizations and institutional
12 buyers of LPD produce;

13 (h) *Research and Development (R&D) Program.* – It
14 shall strengthen the National Livestock, Poultry, Dairy
15 and Other Animals (NLPDA) Program’s own research
16 capabilities in the areas of: (1) breeding and genetic
17 improvement, (2) reproductive biotechniques, (3) nutrition,
18 feeds and feeding system including forage and pasture,
19 (4) conservation and improvement of native animals,

1 (5) vaccines, biologics and diagnostics development, food
2 quality and safety assurance, (6) disease control and anti-
3 microbial resistance management, (7) production and
4 management decision support systems, (8) product
5 development and processing, (9) emerging technologies on
6 breeding techniques, (10) zoonosis, (11) socio-economic
7 and environmental research, (12) energy efficiency and
8 conservation, (13) waste management, (14) climate
9 resilience and adaptation, and (15) other related research
10 to improve LPD production;

11 (i) *Food Safety and Quality Assurance Program.* –
12 The National Meat Inspection Service (NMIS), herein
13 converted into the Bureau of Animal Regulation and
14 Inspection (BARI) in accordance with Section 12 of this
15 Act, and the National Dairy Authority (NDA) shall
16 coordinate with the Food and Drugs Administration
17 (FDA) in the enforcement and regulation of food safety
18 and quality standards on LPD produce and by-products.
19 Consistent with its mandate under Republic Act No. 9296
20 or the “The Meat Inspection Code of the Philippines”, the

1 BARI shall continue to serve as the sole national
2 controlling authority on all matters pertaining to primary
3 and processed meat and meat product inspection, and
4 hygiene;

5 (j) *Livestock, Poultry, and Dairy Production Network*
6 *Program.* – It shall formulate and implement LPD cluster
7 development programs for small-hold raisers’
8 cooperatives, organizations, and/or federations in order to
9 encourage economies of scale, production efficiencies,
10 bargaining power of farmers, mutual support, and
11 maximize the coordination and dissemination of
12 government interventions;

13 (k) *Livestock, Poultry, and Dairy Processing Program.* –
14 It shall include programs that will enhance the value-
15 addition and value-adding opportunities in the processing
16 of livestock, poultry meat, and dairy milk;

17 (l) *Dairy Development Program.* – The NDA and the
18 Philippine Carabao Center (PCC) shall institute
19 additional projects and strengthen existing ones towards

1 rapidly increasing herd population and strengthening
2 enterprise development for dairy production and the
3 supply of fresh milk in support of laws instituting milk
4 feeding programs and for the country's need for fresh milk
5 and fresh milk-based products.

6 The implementation of the Roadmap shall be funded
7 through the Livestock, Poultry, and Dairy
8 Competitiveness Enhancement Fund created under
9 Section 23 of this Act; and

10 (m) *Biodiversity, Natural Resources, and Climate*
11 *Action Program.* – It will propose and implement the
12 necessary safeguards to ensure that the Philippines meets
13 its obligations under international conventions and
14 agreements and that the country adopts a nature-first
15 approach in any industry development initiatives, where
16 every effort must be made to avoid causing harm to the
17 existing biodiversity, and align the LPD industry with
18 wider, sustainable development outcomes.

1 In addition, the Roadmap shall take into
2 consideration the corn development program in
3 partnership with the DA-National Corn Program and the
4 Bureau of Plant Industry (BPI).

5 SEC. 5. *Steering Committee.* – A Steering
6 Committee shall be created to formulate a ten (10)-year
7 Roadmap to serve as the blueprint for developing LPD
8 industries. It shall be headed by the Secretary of the DA
9 with the following as members:

10 (a) Undersecretary for National Livestock, Poultry,
11 Dairy and Other Animals (NLPDA) Program;

12 (b) Bureau of Animal Industry (BAI);

13 (c) Bureau of Plant Industry (BPI);

14 (d) National Dairy Authority (NDA);

15 (e) Philippine Carabao Center (PCC);

16 (f) Bureau of Animal Regulation and Inspection (BARI);

17 (g) DA-National Corn Program;

- 1 (h) DA-Agribusiness and Marketing Assistance
2 Service (DA-AMAS);
- 3 (i) Bureau of Customs (BOC);
- 4 (j) Department of Social Welfare and Development (DSWD);
- 5 (k) Department of Education (DepEd);
- 6 (l) Food and Drug Administration (FDA);
- 7 (m) Land Bank of the Philippines (LBP);
- 8 (n) Development Bank of the Philippines (DBP);
- 9 (o) Philippine Center for Postharvest Development
10 and Mechanization (PhilMech);
- 11 (p) Agricultural Training Institute (ATI);
- 12 (q) International Training Center on Pig Husbandry (ITCPH);
- 13 (r) Bureau of Agriculture and Fisheries Standards (BAFS);
- 14 (s) Cooperative Development Authority (CDA);
- 15 (t) Philippine Statistics Authority (PSA); and
- 16 (u) Other concerned government agencies, and
17 industry stakeholders.

1 The Roadmap shall be finalized within one hundred
2 twenty (120) days from the effectivity of this Act and
3 updated every five (5) years thereafter.

4 SEC. 6. *Reorganization and Renaming of the*
5 *National Livestock Program into the Program Management*
6 *Office (PMO).* – The current National Livestock Program is
7 hereby reorganized and renamed the Program
8 Management Office (PMO), which shall be headed by a
9 Director and adopt its current staffing pattern through
10 plantilla positions.

11 The PMO shall act as the secretariat and support
12 staff to the Steering Committee. It may continue with the
13 implementation of the livestock programs and projects
14 under the former National Livestock Program, subject to
15 the supervision and direction of the Undersecretary for the
16 NLPDA Program.

1 TITLE III

2 OFFICE OF THE UNDERSECRETARY FOR NATIONAL
3 LIVESTOCK, POULTRY, DAIRY AND OTHER ANIMALS
4 PROGRAM

5 SEC. 7. *Creation of the Office of the Undersecretary for*
6 *National Livestock, Poultry, Dairy and Other Animals*
7 *(NLPDA) Program.* – The DA Office of the Undersecretary
8 for NLPDA Program is hereby created. The
9 Undersecretary for NLPDA must be a career officer or a
10 Career Executive Service Officer who has at least ten (10)
11 years of work experience with the DA and considerable
12 exposure to LPD projects and programs. The office shall
13 have its own budget and plantilla of personnel.

14 SEC. 8. *Duties and Functions of the Undersecretary*
15 *for NLPDA Program.* – The Undersecretary for the NLPDA
16 Program shall have the following duties and functions:

17 (a) Establish policies for the development of the LPD
18 industries, particularly those in small-hold farms;

1 (b) Oversee, supervise, direct and provide policy
2 guidance in the implementation of the Roadmap and all
3 programs and agencies under it;

4 (c) Exercise direct supervision over all programs,
5 activities, and projects undertaken by different LPD
6 agencies;

7 (d) Regularly report to the Secretary of the DA;

8 (e) Furnish the Congressional Oversight Committee
9 on Agricultural and Fisheries Modernization (COCAFAM)
10 with annual reports on the LPD Fund accrual and
11 utilization under this Act; and

12 (f) Perform such other functions as may be necessary
13 to attain the objectives of this Act.

14 TITLE IV

15 RATIONALIZATION OF LIVESTOCK, POULTRY, AND DAIRY
16 SUPPORT AGENCIES

17 CHAPTER I

18 SUPPORT AGENCIES FOR THE LIVESTOCK AND POULTRY
19 INDUSTRIES

1 SEC. 9. *Rationalization of Developmental Functions*
2 *of the Bureau of Animal Industry (BAI).* – The BAI shall be
3 the implementing arm concerning development programs
4 and projects of the livestock and poultry industries under
5 the supervision and direction of the Undersecretary for the
6 NLPDA Program.

7 The following shall be its primary goals and
8 functions:

9 (a) Promote the competitive development of the LPD
10 industries and its various subgroups as means of attaining
11 food security and combating rural poverty;

12 (b) Formulate and execute the developmental
13 programs in the Roadmap to ensure competitiveness and
14 development of the LPD industries;

15 (c) Develop, maintain, and access data or
16 technologies to provide timely, accurate, and responsive
17 information to the DA, LPD farmers, cooperatives and
18 organizations, and other players in the value chain of the
19 LPD sector;

1 (d) Ensure a steady and accessible supply of animal
2 and poultry stocks and breeds to local farms, particularly
3 the small-hold and semi-commercial farms; and

4 (e) Supervise the following services, namely:

5 (1) *Ruminants Service (RS)* – It shall provide
6 developmental and production support, extension services,
7 research, and technical assistance programs to small-hold
8 farmers of cattle, carabaos or water buffaloes, goats, and
9 sheep for meat and for draft animal purposes. Subject to
10 further rationalization, the RS shall absorb the mandates,
11 functions, and personnel of the National Beef Cattle
12 Research and Development Center and the National Small
13 Ruminants Research and Development Center of BAI.

14 (2) *Non-Ruminants Service (NRS)* – It shall provide
15 developmental and production support, extension services,
16 research, and technical assistance programs to small-hold
17 raisers of hogs, poultry and egg, ducks, geese, turkey,
18 quails and other birds, and all other livestock production
19 including, but not limited to, horses, rabbits, and beehive

1 farming. The NRS shall absorb the National Swine and
2 Poultry Research and Development Center, subject to
3 further rationalization.

4 (3) *Native Animal Development Service (NADS)* – The
5 Philippine Native Animal Development Center is hereby
6 upgraded to become the NADS, which shall be responsible
7 for the identification, conservation, propagation, and
8 promotion of Philippine native animals, including native
9 pigs, poultry, ducks, deer, horses and carabaos or water
10 buffaloes through the use of appropriate technology as
11 sources of meat, eggs, and other by-products, and help
12 increase incomes of farmers.

13 (4) *Feeds Development Service (FDS)* – The Feeds
14 Development Service is hereby created to strengthen, in
15 coordination with the DA-National Corn Program and the
16 corn industry players, the availability of affordable and
17 quality animal feeds. It shall engage the private sector,
18 seed producers, feed millers, and commercial
19 manufacturers, in joint ventures or direct marketing

1 linkages with corn farmers' cooperatives and
2 organizations. It shall absorb the mandates, functions and
3 personnel of the BAI-National Feeds Resources Research
4 and Development Center, subject to further
5 rationalization.

6 (5) *Research and Marketing Service (RMS)* – It shall
7 be responsible for studies and proposals for livestock,
8 poultry, and meat consumer protection, consumer attitudes
9 and behavior, product satisfaction, and consumer
10 experience, and generate information on product quality
11 standards and new LPD products. The RMS shall absorb
12 the Livestock Research and Development Division of BAI.

13 (6) *Training, Extension, and Information Advocacy*
14 *Service (TEIAS)* – It shall organize and coordinate
15 livestock and poultry training and educational programs in
16 partnership with LGUs, cooperative federations, farmer
17 organizations, regional offices of the DA and ATI in order
18 to promote and upgrade the farmers' skills and practices in
19 livestock, poultry, and animal care, production, processing,

1 storage, handling, marketing, transport, and the overall
2 management of LPD farms.

3 (7) *Livestock, Poultry, Dairy, and Other Animals*
4 *Protection and Emergency Response Service (LPDOAPERS)* –

5 It shall be responsible for programs, policies, surveillance,
6 and emergency action to protect the LPD industries,
7 including native animals, from the risk of outbreak of
8 diseases or pests. The National Veterinary Quarantine
9 Services Division, the Animal Health and Welfare Division,
10 except the regulatory aspect, and the Veterinary
11 Laboratory Division of BAI shall be part of this service
12 group and shall create programs in accordance with the
13 following powers and mandates:

14 (i) Regular protection surveillance inspections, in
15 partnership with industry players and LGUs, and
16 establishment of protection surveillance and emergency
17 communications networks that will include farmers
18 groups, LGUs, the police and military, and other
19 stakeholders;

1 (ii) Pest and disease emergency response by way of
2 developing protocols and responses upon declaration of any
3 LPD pest and epidemic disease incident, including
4 regulation of movement of persons, conveyances, and plant
5 material in affected areas, powers to deputize police,
6 military, and local government to control pest outbreaks,
7 and disposal of affected LPD resources and assets; and

8 (iii) Conduct of scientific research and technology
9 advancement programs on livestock protection by
10 partnering with SUCs, the Department of Science and
11 Technology-Philippine Council for Agriculture, Aquatic and
12 Natural Resources Research and Development (DOST-
13 PCAARRD), private sector laboratories, and international
14 centers for disease control.

15 SEC. 10. *Inventory of Animals.* – Upon the effectivity
16 of this Act, the BAI shall conduct an inventory and audit of
17 all animals and stocks in its farms and centers. It shall
18 thereafter annually monitor animal production, purchase,
19 sale, replacement of stocks, dispersal, and all other forms

1 of disposition of animals, including its genetics and semen,
2 in accordance with government auditing rules. Income
3 derived from such sale or disposition shall also be treated
4 in accordance with government auditing rules.

5 The BAI shall prepare and submit an annual report
6 on the status of implementation of this section to
7 COCAFAM.

8 SEC. 11. *Authority in Livestock, Poultry, and Dairy*
9 *Pest and Diseases-related Emergencies.* – Through
10 LPDOAPERS, the BAI is hereby designated as the overall
11 coordinating government body in the event of any LPD
12 pest or epidemic incident that may be deemed to have the
13 potential to reduce the livestock, poultry, or dairy
14 population at the municipal level by at least two percent
15 (2%). The BAI head shall have the authority to call for the
16 creation or activation of the Animal and Livestock
17 Emergency Response Task Force (ALERTF) to be
18 composed of key officials at the regional level from the
19 following agencies:

- 1 (a) Department of Agriculture – Regional Office;
- 2 (b) Department of the Interior and Local
3 Government – Regional Office;
- 4 (c) Philippine National Police and/or Philippine
5 Army – Regional Command;
- 6 (d) Provincial Governor, Provincial Agriculturist,
7 and Provincial Veterinarian;
- 8 (e) Mayors of the affected municipalities/cities;
- 9 (f) Other science experts on the case; and
- 10 (g) Two (2) industry representatives from the
11 affected LPD sub-sector.

12 The provincial, municipal or city veterinarian, as the
13 case may be, shall be duty-bound to immediately report
14 any event of livestock, poultry, or dairy pest or epidemic
15 incident to BAI. He or she shall likewise alert BAI should
16 the event or incident be deemed to have the potential to
17 reduce the livestock, poultry, or dairy population at the
18 municipal level by at least two percent (2%).

1 In the event of a multi-regional pest or epidemic
2 incident, there shall immediately be formed a national
3 body, under the direction and command of the Office of the
4 President, that shall address such pest or epidemic
5 incident.

6 SEC. 12. *Rationalization of the Regulatory*
7 *Functions of the National Meat Inspection Service (NMIS);*
8 *Conversion into a Line Bureau.* – The NMIS is hereby
9 converted into a bureau of the DA and is herein named the
10 Bureau of Animal Regulation and Inspection (BARI). It
11 shall be the regulatory arm of the livestock and poultry
12 industries under the supervision and direction of the
13 Undersecretary for the NLPDA Program. It shall be
14 provided the annual regular budget and plantilla of
15 personnel appropriate to a bureau.

16 Without prejudice to the original mandate of NMIS,
17 and in coordination with the concerned government
18 agencies and bureaus, it shall have the following primary
19 goals and functions:

1 (1) To undertake regulatory and monitoring
2 services in order to ensure the quality standards of
3 imported live animals and poultry, production and
4 handling, and food safety of primary and post-harvest
5 stages;

6 (2) To formulate and execute inspection,
7 exportation and importation-related regulatory programs
8 in the Roadmap; and

9 (3) To pursue a risk-based and evidence-supported
10 regulatory approach in enforcing food safety and protecting
11 animal health in a manner that is least disruptive to the
12 development of the LPD sectors.

13 Consistent with the powers and functions of the
14 BARI, the role of the BAI over animals, particularly cats
15 and dogs, under Republic Act No. 8485 or “The Animal
16 Welfare Act of 1998”, and other related laws, rules and
17 regulations, is hereby transferred to the BARI.

18 The BARI shall harmonize its efforts with the BOC,
19 towards the implementation of the National Single

1 Window as a reliable institutional platform for interagency
2 collaboration.

3 The BARI, being the successor-in-interest of NMIS'
4 established regulatory powers, shall retain and strengthen,
5 based on its new mandate, its regional offices and handle
6 the regulatory processes for the following service groups:

7 (a) *Livestock, Poultry, Dairy, and Veterinary Drugs*
8 *and Products Importation Regulation Service*
9 *(LPDVDPIRS)* – The LPDVDPIRS, together with the
10 BOC, shall develop strategies and measures to deal with
11 livestock-, poultry-, and dairy-related imports to prevent
12 and minimize health and environmental risks. It shall
13 regulate the importation of animals, animal by-products
14 and produce, poultry, feeds, veterinary drugs and
15 products, and other related animal health products and
16 devices, to ensure efficient supply, food safety, and
17 minimize environmental risk. In view of this,
18 LPDVDPIRS shall have the sole authority to issue
19 Sanitary and Phyto-Sanitary Import Clearance (SPSIC)

1 for the aforementioned products and commodities, and to
2 conduct inspection and monitoring at the FBIF. In this
3 regard, the LPDVPPIRS is hereby designated in charge of
4 the establishment, management, and control of the FBIFs
5 of the DA: *Provided*, That the BAI, through its
6 appropriate service, shall take charge in inspecting
7 imported live animals and poultry for disease and other
8 harmful threats to the local LPD industries and take
9 appropriate defensive measures.

10 (b) *Livestock and Poultry Inspection Service (LPIS)* –

11 The LPIS shall be the controlling authority in the
12 enforcement of all policies, regulations, guidelines, and
13 standards, including exportation process, pertaining to
14 primary and post-harvest stages, handling, safety,
15 quality, hygiene, and sanitation, including assisting the
16 BAFS in the formulation of safety and quality standards
17 for meat produce. Through its Regional Operation
18 Centers, in coordination with LGUs, it shall also have the
19 power to: inspect meat establishments in the primary
20 production and post-harvest stages engaged in slaughter,

1 processing, and domestic meat trade; register and train
2 meat inspectors, meat handlers and meat brokers; issue
3 license to operate to meat establishments; accredit
4 facilities, register transport conveyances, and accredit
5 service providers for Hazard Analysis Critical Control
6 Point Program (HACCP) audit; and oversee compliance to
7 hygiene and sanitation standards.

8 (c) *Animal Feeds, Veterinary Drugs and Biologics*
9 *Control Service (AFVDBCS)* – The AFVDBCS shall be the
10 sole regulatory office over local animal feeds, veterinary
11 drugs and products, and other related animal health
12 products and devices intended solely for animal use,
13 including the licensing and monitoring of veterinary drugs
14 and products establishments.

15 (d) *Animal Health and Welfare Service (AHWS)* – The
16 AHWS shall be responsible for the licensing and
17 registration of animal facility such as, but not limited to,
18 farm, shelter, clinic, pet shop, kennel, pound,
19 slaughterhouse, veterinary clinic, veterinary hospital,

1 stockyard, corral, stud farm, stock farm, and zoo; and
2 deputation of animal welfare officers and enforcement of
3 any applicable animal welfare regulation.

4 In accordance with Republic Act No. 10611 or the
5 “Food Safety Act of 2013”, the DA shall continue to
6 regulate the primary production and post-harvest stages of
7 the food supply chain.

8 CHAPTER II

9 SUPPORT AGENCIES FOR THE DAIRY INDUSTRY

10 SEC. 13. *Rationalization of the National Dairy*
11 *Authority and the Philippine Carabao Center.* – The PCC
12 and the NDA shall be under the supervision and direction
13 of the Undersecretary for the NLPDA Program. These
14 agencies shall be further rationalized through amendments
15 to their own Charters.

16 SEC. 14. *Common Provisions for NDA and PCC.* –
17 The mandates and functions of the PCC and the NDA are
18 hereby rationalized to include the following:

19 (a) Improvement of livestock productivity;

1 (b) Increase of dairy herd size through natural
2 breeding, reproductive biotechnologies, and introduction of
3 improved germplasm;

4 (c) Establishment of dairy infrastructure and the
5 provision of machinery and equipment for raw milk
6 collection and processing and milk storage facilities;

7 (d) Development of pasture lands;

8 (e) Utilization of mechanized technology for
9 production and harvesting of feeds and fodder;

10 (f) Advancement of veterinary support;

11 (g) Contingency planning for animal care and feeds
12 availability during natural calamities and drought
13 conditions;

14 (h) Imparting technological research to the dairy
15 industry stakeholders;

16 (i) Development of projects to increase the country's
17 dairy production; and

1 (j) Ensuring sustainable supply of water for dairy
2 animal consumption.

3 The Undersecretary of the NLPDA Program shall
4 direct the PCC and the NDA to increase and improve dairy
5 production and livelihood programs in partnership with
6 stakeholders, including cooperatives and SUCs, especially
7 in dairy, cow, and water buffalo breeding, propagation of
8 dairy animals and fresh milk production technologies,
9 pasteurization, and initial processing of raw milk.

10 The Undersecretary shall also direct the proper
11 coordination among these agencies in the implementation
12 of a national fresh milk feeding program in partnership
13 with the DepEd and/or the DSWD and LGUs.

14 In addition to their existing priorities, the PCC and
15 the NDA shall develop holistic programs that address the
16 needs of farmers, their cooperatives and organizations in
17 different aspects of dairy farm management, like breeding,
18 raising dairy livestock, raw milk production, milk
19 processing, business development and marketing, among

1 others. They shall empower farmers, cooperatives and
2 organizations to increase production.

3 The PCC and the NDA are likewise mandated to
4 institute a program on distribution of dairy animals to
5 qualified farmers for breeding with close monitoring on the
6 increase in population of reproduced animals. The program
7 shall put in place a system of accountability of
8 beneficiaries that will ensure the success of the program.
9 Funding for these additional mandates shall be as specified
10 in Title VI, Sec. 25(1) of this Act.

11 The PCC and the NDA shall establish incremental
12 annual targets in the number of dairy animals and the
13 volume of fresh milk production, an annual report of which
14 shall be submitted to the COCAFAM.

15 SEC. 15. *The National Dairy Authority.* – The NDA
16 shall, for the purpose of policy and program coordination, be
17 attached to the DA as a government-owned and -controlled
18 corporation.

1 The NDA shall be the central policy-determining,
2 developmental, and regulatory body tasked to ensure the
3 accelerated development of the Philippine dairy industry,
4 in accordance with the policies and objectives set forth in
5 this Act.

6 The NDA shall be the sole regulatory agency over all
7 local dairy activities and products from primary production
8 up to post market product distribution. It shall be
9 strengthened as a food safety regulatory agency with
10 amplified regulatory jurisdiction over the whole dairy
11 industry chain including, but not limited to, micro, small,
12 medium and all other commercial dairy processing plants
13 and other entities engaged in dairy activities, whether in
14 whole or in part.

15 For this purpose, micro processing plants pertain to
16 facilities owned by sole proprietors or cooperatives
17 conducting home-based processing operations while small
18 and medium commercial plants are those owned by local
19 dairy farmers and cooperatives, as defined by Republic Act

1 No. 9501 or the “Magna Carta for Micro, Small and
2 Medium Enterprises (MSMEs)”, and other related laws.
3 These entities shall be registered with the Farmers and
4 Fisherfolk Enterprise Development Information System
5 (FFEDIS) of the DA.

6 The NDA, in the exercise of its regulatory function on
7 production, post-harvest, processing, marketing, storage,
8 distribution, and trading, shall require the submission of
9 data and reports relative to the activities along the dairy
10 industry supply/value chain from all licensed dairy
11 business entities, among other measures it may deem
12 proper to regulate the dairy industry.

13 Within one hundred fifty (150) days from the
14 effectivity of this Act, the FDA and BAFS shall harmonize
15 the standards and guidelines for the regulation of local
16 milk and milk products.

17 Within one hundred twenty (120) days from the
18 effectivity of the standards and guidelines, the FDA shall
19 complete the capacitation of the NDA in the

1 implementation of the food safety standards and guidelines
2 for the regulation of local milk and milk products.

3 Upon determination by the FDA on the capability of
4 the NDA to fully implement the standards and guidelines
5 set by the FDA and BAFS, the FDA may deputize the NDA
6 in the inspection, licensing and monitoring of
7 establishments, and the registration and monitoring of
8 local milk and milk products.

9 The FDA shall exercise supervision over the NDA's
10 compliance with the standards and guidelines set by the
11 FDA and BAFS.

12 In view thereof, all regulatory powers and functions
13 with respect to locally-produced milk and milk products
14 lodged in the FDA are hereby transferred to the NDA
15 within ninety (90) days from the effectivity of this Act:
16 *Provided*, That in accordance with Executive Order No. 51
17 (s. 1986), or the "National Code of Marketing of Breastmilk
18 Substitutes, Breastmilk Supplements and Other Related
19 Products", the FDA shall have jurisdiction over the proper

1 use of breastmilk substitutes and supplements to protect
2 the importance of breastfeeding in ensuring the adequate
3 nutrition of infants.

4 SEC. 16. *The Dairy Industry Board.* – The NDA shall
5 be governed by a Dairy Industry Board to be composed of
6 the following:

7 a) The Secretary of Agriculture, as chairperson,
8 through the Undersecretary for the NLPDA program;

9 (b) The NDA Administrator, as an *ex officio* member;

10 (c) The Secretary of Trade and Industry, as member;

11 (d) The Secretary of Health, as member;

12 (e) The Secretary of Education, as member;

13 (f) The Secretary of Social Welfare and Development,
14 as member;

15 (g) The Secretary of Agrarian Reform, as member;

16 (h) The PCC Executive Director, as member;

17 (i) The Director of the Dairy Training and Research
18 Institute, as member; and

1 (j) Four (4) other members who shall be appointed by
2 the President of the Philippines upon the recommendation
3 of the chairperson: *Provided*, That one (1) shall come from
4 the commercial milk processors' group and the other three
5 (3) from the dairy cooperatives and/or national dairy
6 federation, with one representative each from Luzon,
7 Visayas, and Mindanao: *Provided, further*, That they will
8 hold office for a period of three (3) years from the date of their
9 respective appointments without reappointment: *Provided*,
10 *finally*, That any member appointed to a vacancy shall serve
11 only for the unexpired term of the member whom he/she
12 succeeds.

13 SEC. 17. *Powers and Functions.* – The NDA shall
14 have the following powers and functions:

15 (a) Formulate and execute dairy programs that will
16 generate a national, urban, and rural impact on nutrition
17 levels and incomes;

18 (b) Conduct the purchase, construction, importation,
19 propagation, storage, distribution, and sale of dairy

1 livestock, materials, equipment and facilities, and all other
2 inputs required by the dairy industry;

3 (c) Integrate dairy production and dairy-related
4 businesses into various livelihood and nutrition programs;

5 (d) Spearhead and coordinate with concerned
6 agencies all publicly funded milk feeding programs and
7 coordinate all private sector milk feeding initiatives;

8 (e) Absorb, assume control of, and supervise all dairy-
9 related national government projects, programs and assets
10 in the country;

11 (f) Receive grants, subsidies, donations or
12 contributions from corporations, trusts, foundations,
13 associations and other sources from any private or
14 government office, agency or corporation in the Philippines
15 or abroad;

16 (g) Establish, maintain or operate field units or
17 offices in various parts of the country in order to realize the
18 objectives of this Act;

1 (h) Design and implement a credit system that will be
2 responsive to the needs of dairy farmers and dairy
3 cooperatives or associations;

4 (i) Engage in dairy related business, milk-buying and
5 other marketing activities, to sustain the financial viability
6 of the corporation to include, but not limited to, sales,
7 exchange, packaging, exportation of milk and milk
8 products, and importation of dairy animals and to engage
9 in business ventures and other commercial arrangements
10 on its own or with third parties related to dairy activities
11 including, but not limited to, the establishment of milk
12 processing plants, feed processing, trading, hauling,
13 shipping, and other value chain business or activities on
14 dairying;

15 (j) Borrow, raise, or obtain funds; issue bonds and
16 other instruments of indebtedness; or enter into any
17 financial or credit arrangement in order to support or carry
18 out its objectives and purposes, subject to pertinent laws
19 governing public debts and expenditures;

1 (k) Establish and operate its own dairy stock farms,
2 nucleus farms, and artificial insemination facilities for the
3 purpose of breeding, upgrading, dispersal and sale of dairy
4 animals;

5 (l) Charge reasonable fees for services rendered for
6 the attainment of the objectives of this Act;

7 (m) Maintain corporate capital structure for its
8 continued operations and maintenance in addition to the
9 funding provided under the annual General Appropriations
10 Act upon the effectivity of this Act;

11 (n) Adopt, alter and use a corporate seal; sue and be
12 sued; and otherwise do and perform all acts or exercise all
13 powers as may be necessary or incidental to carry out the
14 objectives of this Act;

15 (o) Recommend tariff rates for dairy products in
16 accordance with existing and applicable laws and treaties,
17 in coordination with the Tariff Commission;

18 (p) Issue licenses to operate, certificates of product
19 registration, dairy product standards, approval of labelling

1 and packaging, and collect incidental fees in connection
2 therewith from local dairy related businesses;

3 (q) Perform dairy safety and other regulatory
4 functions over local dairy production and processing,
5 including those businesses, industries, and activities found
6 on the dairy value chain;

7 (r) Monitor supply and demand, distribution,
8 importation, processing and manufacture of milk and other
9 dairy products;

10 (s) Fix, regulate, coordinate, and facilitate the
11 absorption of local milk supply by the commercial sector,
12 and strengthen the Dairy Development Fund under
13 Republic Act No. 7884 or the “National Dairy Development
14 Act of 1995” from the proceeds of the incidental regulatory
15 fees arising therefrom, the fund of which shall be used to
16 capacitate the small-scale producers and processors, and
17 meet the NDA’s corporate social responsibility activities;

18 (t) Establish and maintain facilities related to its
19 regulatory functions that shall include, but not be limited

1 to, regulatory offices, reference laboratories, satellite
2 laboratories;

3 (u) Strengthen its own staff complement as the need
4 arises and as approved by the Dairy Industry Board,
5 subject to civil service guidelines and other pertinent laws;

6 (v) Assist and deputize the PCC in the latter's milk
7 production and regulation; and

8 (w) Promulgate rules and regulations to carry out the
9 provisions and policy objectives of this Act.

10 SEC. 18. *Appointment of Directors or Project Leaders*
11 *of Other Carabao Centers of the PCC.* – The Directors or
12 Project Leaders of the carabao centers nationwide shall be
13 appointed by the Executive Director, following a selection
14 and promotion process to be established by the PCC.

15 SEC. 19. *Implementation and Coordination of PCC*
16 *Programs.* – The PCC Advisory Board, through the
17 Executive Director, shall coordinate, monitor, and evaluate
18 the implementation of the Carabao Program. It shall
19 identify, through the Directors of carabao centers and

1 Project Leaders from the various implementing stations,
2 the programs and projects in the areas of reproduction,
3 breeding, distribution, nutrition, animal health, and
4 processing of carabao meat and milk. It shall formulate
5 strategies relative to the reproduction and distribution of
6 the Philippine carabao. Luzon, Visayas, and Mindanao
7 shall have fourteen (14) carabao centers. The centers in
8 Luzon shall be located at the University of the Philippines
9 Los Baños (UPLB) in Laguna; Central Luzon State
10 University (CLSU) in Nueva Ecija; Cagayan State
11 University (CSU) in Cagayan; Mariano Marcos State
12 University (MMSU) in Ilocos Norte; Don Mariano Marcos
13 Memorial State University (DMMMSU) in La Union; and
14 Central Bicol State University of Agriculture (CBSUA) in
15 Pili, Camarines Sur. The centers in Visayas shall be at La
16 Carlota Stock Farm (LCSF) in Negros Occidental; Ubay
17 Stock Farm (USF) in Bohol; Visayas State University
18 (VSU) in Leyte; and West Visayas State University
19 (WVSU) in Iloilo. The centers in Mindanao shall be at
20 Caraga State University (CSU) in Butuan City; Central

1 Mindanao University (CMU) in Bukidnon; University of
2 Southern Mindanao (USM) in North Cotabato; and
3 Mindanao Livestock Production Center (MLPC) in
4 Zamboanga del Norte. These centers shall specialize in the
5 development of technology on reproduction, breeding,
6 nutrition, animal health, and processing of meat and milk.

7 SEC. 20. *Nutrition Program; Milk Feeding Program.* –

8 The nutrition program of government requiring milk and
9 dairy products shall be sourced from local dairy farmers
10 and dairy cooperatives in coordination with the NDA until
11 supply has been exhausted.

12 The NDA, in coordination with the PCC, shall
13 ensure that all participants of the Milk Feeding Program
14 utilize milk produced by local dairy farmers and
15 cooperatives.

16 SEC. 21. *Dairy Programs, Projects, and Assets.* – All
17 remaining government dairy programs, projects, and
18 assets operating outside of the NDA, except the PCC, shall
19 be absorbed by the NDA. Towards this end, the NDA shall

1 conduct an inventory of all assets, lots, funds held, grants,
2 subsidies, and records of all national line government
3 agencies related to dairying, including the lot it presently
4 occupies in the BAI compound which shall measure to at
5 least five hundred (500) square meters.

6 The Land Registration Authority, in coordination
7 with the NDA, Department of Environment and Natural
8 Resources (DENR) and affected agencies, is hereby tasked
9 to transfer the ownership of the approved inventory of
10 dairy-related properties to the NDA, including the five
11 hundred (500) square meter lot in the BAI Compound.

12 SEC. 22. *Condonation and Writing-off of Farmers'*
13 *Debts.* – To achieve the objectives of this Act, the debts,
14 including interests and penalties, of farmers to the NDA
15 and the PCC under the Animal Dispersal Program or *paiwi*
16 of both agencies are hereby condoned and written off the
17 records of the NDA and the PCC.

1 TITLE V

2 MANAGEMENT INFORMATION SYSTEM

3 SEC. 23. *Livestock, Poultry, and Dairy Management*

4 *Information System (LPDMIS)*. – The LPDMIS shall be the
5 repository of all information relevant to LPD industries. It
6 shall endeavor to provide timely, accurate, and responsive
7 information related to LPD industries which shall include,
8 but not be limited to, the following data down to the
9 municipal level:

10 (a) LPD supply (LPD inventory, production data,
11 exports, and imports, among others), and demand data;

12 (b) Crop and non-crop animal feed inputs data
13 (production, prices, imports, and exports);

14 (c) Animal feed data (inventory and prices);

15 (d) Price and price trends (farm-gate, wholesale, and
16 retail prices of LPD and corn);

17 (e) Research information and technology generated
18 from research institutions involved in LPD;

1 (f) Information on pest, diseases, and epidemics to
2 ensure food safety and animal health protection;

3 (g) International, national, regional, and provincial
4 market forecast;

5 (h) Support extension providers' relevant information;
6 and

7 (i) Data relating to programs of the BAI, PCC, NDA
8 and BARI (importation of breeds, artificial insemination,
9 natural breeding, buy-back programs, sources of stocks and
10 breeds for need of local farms, among other information).

11 The LPDMIS shall be placed directly under the
12 Office of the Undersecretary for NLPDA Program and shall
13 be linked to the BAI, PCC, NDA and PSA database and
14 website for easy access of stakeholders and users to data
15 and information on livestock, poultry, and dairy. It shall be
16 implemented within one hundred twenty (120) days from
17 effectivity of this Act.

1 TITLE VI

2 FUND

3 LIVESTOCK, POULTRY, AND DAIRY COMPETITIVENESS

4 ENHANCEMENT FUND

5 SEC. 24. *Creation of the Livestock, Poultry, and Dairy*

6 *Competitiveness Enhancement Fund.* – In addition to the
7 regular budget of the LPD agencies from the annual
8 General Appropriations Act, there is hereby created a
9 Livestock, Poultry, and Dairy Competitiveness
10 Enhancement Fund (LPD Fund) which shall be utilized by
11 these agencies.

12 The LPD Fund shall consist of an annual
13 appropriation not exceeding Seven billion and eight
14 hundred million pesos (P7,800,000,000.00) sourced from all
15 tariff collections on imported livestock, poultry, and dairy
16 products for the fraction of the year following the
17 effectivity of this Act and ten (10) years thereafter.

18 Livestock Imports include imported products under
19 the following HS headings or AHTN Codes, and
20 Descriptions:

- 1 (a) 01.01 - Live horses, asses, mules and hinnies;
- 2 (b) 01.02 - Live bovine animals;
- 3 (c) 01.03 - Live swine;
- 4 (d) 01.04 - Live sheep and goats;
- 5 (e) 01.06 - Other live animals, except 0106.12;
- 6 (f) 02.01 - Meat of bovine animals, fresh or chilled;
- 7 (g) 02.02 - Meat of bovine animals, frozen;
- 8 (h) 02.03 - Meat of swine, fresh, chilled or frozen;
- 9 (i) 02.04 - Meat of sheep or goat, fresh, chilled or
10 frozen;
- 11 (j) 02.05 - Meat of horses, asses, mules or hinnies,
12 fresh, chilled or frozen;
- 13 (k) 02.06 - Edible offal of bovine animals, swine,
14 sheep, goats, horses, asses, mules or hinnies, fresh, chilled
15 or frozen;
- 16 (l) 02.08 - Other meat and edible meat offal, fresh,
17 chilled or frozen;

- 1 (m)0209.10.00 - Pig fat, free of lean meat, and poultry
2 fat, not rendered or otherwise extracted, fresh, chilled,
3 frozen, salted, in brine, dried or smoked - - Of Pigs;
- 4 (n) 02.10 - Meat and edible meat offal, salted, in
5 brine, dried or smoked; edible flours and meals of meat or
6 meat offal;
- 7 (o) 04.09 - Natural Honey;
- 8 (p) 0410.90.90 - Edible products of animal origin, not
9 elsewhere specified or included - - Other;
- 10 (q) 05.02 - Pigs', hogs', boars' bristles and hair; badger
11 hair and other brush making hair; waste of such bristle or
12 hair;
- 13 (r) 05.04 - Guts, bladders and stomachs of animals
14 (other than fish), whole and pieces thereof, fresh, chilled,
15 frozen, salted, in brine, dried or smoked;
- 16 (s) 05.06 - Bones and horn-cores, unworked, defatted,
17 simply prepared (but not cut to shape), treated with acid or
18 degelatinised; powder and waste of these products;

1 (t) 05.07 - Ivory, tortoise-shell, whalebone and
2 whalebone hair, horns, antlers, hooves, nails, claws and
3 beaks, unworked or simply prepared but not cut to shape;
4 powder and waste of these products.

5 Poultry Imports include imported products under the
6 following HS headings or AHTN Codes, and Descriptions:

7 (a) 01.05 - Live poultry, that is to say, fowls of the
8 species *Gallus domesticus*, ducks, geese, turkeys and
9 guinea fowls;

10 (b) 02.07 - Meat and edible offal, of the poultry of
11 heading 01.05, fresh, chilled or frozen;

12 (c) 0209.90.00 - Pig fat, free of lean meat, and poultry
13 fat, not rendered or otherwise extracted, fresh, chilled,
14 frozen, salted, in brine, dried or smoked - - Other;

15 (d) 0210.99.10 - Meat and edible meat offal, salted, in
16 brine, dried or smoked; edible flours and meals of meat or
17 meat offal - - Freeze dried chicken dice;

18 (e) 04.07 - Birds' eggs, in shell, fresh, preserved or
19 cooked;

1 (f) 04.08 - Birds' eggs, not in shell, and egg yolks,
2 fresh, dried, cooked by steaming or by boiling in water,
3 moulded, frozen or otherwise preserved, whether or not
4 containing added sugar or other sweetening matter;

5 (g) 0410.00.10 - Edible products of animal origin, not
6 elsewhere specified or included - - Birds' nest.

7 Dairy Imports include imported products under the
8 following HS headings or AHTN Codes, and Descriptions:

9 (a) 04.01 - Milk and cream, not concentrated nor
10 containing added sugar or other sweetening matter;

11 (b) 04.02 - Milk and cream, concentrated or
12 containing added sugar or other sweetening matter;

13 (c) 04.03 - Buttermilk, curdled milk and cream,
14 yogurt, kephir and other fermented or acidified milk and
15 cream, whether or not concentrated or containing added
16 sugar or other sweetening matter or flavoured or
17 containing added fruit, nuts or cocoa;

18 (d) 04.04 - Whey, whether or not concentrated or
19 containing added sugar or other sweetening matter;

1 products consisting of natural milk constituents, whether
2 or not containing added sugar or other sweetening matter,
3 not elsewhere specified or included;

4 (e) 04.05 - Butter and other fats and oils derived from
5 milk; dairy spreads;

6 (f) 04.06 - Cheese and curd.

7 All tariff collections from livestock, poultry, and dairy
8 shall be automatically credited to a special account for the
9 NLPDA Program in the General Fund of the National
10 Treasury which shall be in place within forty-five (45) days
11 from the effectivity of this Act: *Provided*, That if the tariff
12 collection exceeds Seven billion and eight hundred million
13 pesos (₱7,800,000,000.00) in any given year within the next
14 ten (10) years following the effectivity of this Act, the
15 excess tariff revenue shall automatically be added to the
16 LPD Fund of the following year and the total amount shall
17 be allocated and utilized in accordance with this Act:
18 *Provided, further*, That allocation and utilization of the
19 LPD Fund shall be subject to the following guidelines:

1 (a) The recipient agency shall be accountable and
2 responsible for the management and utilization of the said
3 fund in coordination with other government agencies
4 concerned. It shall provide the Secretary of the DA,
5 through the Undersecretary for the NLPDA Program, a
6 regular report on its fund management and utilization;

7 (b) The amount allocated shall be released directly to
8 the implementing agencies as provided for in this Act
9 based on the objectives and plans of the Roadmap created
10 under Section 4 of this Act: *Provided*, That the unutilized
11 portion of the LPD Fund allocated to the implementing
12 agencies shall not revert to the General Fund but shall
13 continue to be used for the purpose for which it was set
14 aside. Fund releases charged against the said funds shall
15 not be subject to any ceiling by the Department of Budget
16 and Management (DBM); and

17 (c) Any program undertaken in accordance with this
18 Act shall only be deemed complementary and
19 supplementary to, and shall not be a replacement of, any

1 existing programs for the LPD sector already implemented
2 by the DA and other agencies concerned.

3 SEC. 25. *Allocation and Disbursement of the LPD*
4 *Fund.* – Subject to the usual accounting and auditing rules
5 and regulations, the LPD Fund shall be annually allocated,
6 disbursed and used as follows:

7 (1) Twenty-nine percent (29%) for repopulation and
8 herd build-up, improvement, and accreditation of
9 established breeding centers or stock farms nationwide.
10 The fund shall be distributed as follows: fifteen percent
11 (15%) to BAI and fourteen percent (14%) to be divided
12 equally between the PCC and the NDA for dairy
13 development in accordance with their additional mandates
14 set forth in Section 15 of this Act, and in addition to their
15 existing budget allocations: *Provided*, That the allocation
16 herein shall be disbursed according to the following
17 schedule:

18 For the BAI (15%):

1 (a) Sixty percent (60%) for the hogs subsector
2 repopulation or herd build-up;

3 (b) Ten percent (10%) for poultry;

4 (c) Ten percent (10%) for native animals; and

5 (d) Twenty percent (20%) for other animals:

6 *Provided*, That the breeder or stock farm for
7 paragraphs (a) and (b) shall refer only to cooperatives or
8 associations of at least 15 hog/chicken farms, which have
9 been in existence for at least five (5) years. They
10 should have a counterpart contribution of at least a
11 two (2)-hectare lot for said breeder or stock farm: *Provided*,
12 *further*, That paragraphs (c) and (d) shall be coursed
13 through the nucleus farms of the BAI all over the country,
14 equally divided, which in turn shall be responsible for
15 producing and distributing animals such as, but not
16 limited to, pigs, chicken, sheep, goats, or cattle to farmers
17 cooperatives, associations, or organizations: *Provided*,
18 *finally*, That the first two (2) years of the fund allocation
19 for paragraphs (c) and (d) shall be utilized for

1 strengthening the physical make-up of the nucleus farms
2 and in the procurement of breeder or stock animals.

3 For the NDA (7%) and the PCC (7%):

4 (a) Seventy percent (70%) for genetically improved
5 dairy cattle and carabao repopulation or herd build-up; and

6 (b) Thirty percent (30%) for the other concerns
7 enumerated in this Act:

8 *Provided*, That the breeder or stock farm shall refer only to
9 cooperatives or associations of at least 15 dairy farms,
10 which have been in existence for at least two (2) years.
11 They should have a counterpart contribution of at least a
12 two (2)-hectare lot for said breeder or stock farm;

13 (2) Fifteen percent (15%) to BAI and BARI for animal
14 health and welfare, and native animal development
15 programs, disease control, prevention and response,
16 including protective surveillance, pest and disease
17 emergency response, and conduct of research and
18 technology advancement programs to be distributed as
19 follows: seven percent (7%) for BAI-LPDOAPERS, five

1 percent (5%) for BAI-NADS, and three percent (3%) for
2 BARI-AHWS.

3 A Capacity Recovery Fund (CRF) in the amount of
4 One hundred million pesos (Php100,000,000.00) from the
5 budget appropriated in this paragraph shall be set aside
6 every year by BAI as the lead agency in ALERTF. It shall
7 be utilized as a supplementary fund to the Quick Response
8 Fund of the DA, the Calamity Fund under Republic Act
9 No. 10121 or the “Philippine Disaster Risk Reduction and
10 Management Act of 2010”, or other government sources.
11 The LGUs may also augment the CRF using their local
12 funds. Unexpended CRF shall remain on standby and
13 shall not be reverted to the General Fund.

14 The CRF shall be managed by the Undersecretary for
15 the NLPDA Program. It shall be the source of actual cash
16 assistance to LPD farmers who have become victims of any
17 crisis contemplated under this Act. The qualification of
18 recipients and mechanism by which cash assistance shall
19 be handed out shall be drawn by the Undersecretary for

1 the NLPDA Program in consultation with the LPD
2 associations or organizations: *Provided*, That the actual
3 channel by which cash is to be given out shall be through
4 the Landbank of the Philippines or the Development Bank
5 of the Philippines;

6 (3) Fifteen percent (15%) to PhilMech for building or
7 improving shared service facilities such as primary
8 processing facilities like slaughterhouses, poultry dressing
9 plants, collection of dairy milk, processing and storage,
10 distribution of equipment for developing pasture lands in
11 strategic areas or provinces, and building of bio-secure
12 facilities with appropriate equipment for LPD production
13 to serve the needs of small-hold raisers, cooperatives or
14 organizations: *Provided*, That the allocation and
15 disbursement of funds shall be in accordance with the
16 following schedule:

17 Hogs sub-sector - thirty percent (30%)

18 Dairy sub-sector - thirty percent (30%)

19 Poultry sub-sector - ten percent (10%)

1 Other animals - thirty percent (30%);

2 (4) Fifteen percent (15%) for developing and
3 augmenting food safety and animal support extension and
4 training to be distributed as follows: five percent (5%) to
5 BARI; five percent (5%) to be equally divided between the
6 NDA and the PCC, in cooperation with ATI; one percent
7 (1%) to BAI, in cooperation with ATI; three percent (3%) to
8 ATI, of which 0.5% goes to ITCPH; and one percent (1%) to
9 PhilMech;

10 (5) Twelve percent (12%), to be equally divided at
11 four percent (4%) each to BAI-FDS, NDA and PCC for the
12 development and propagation of animal and poultry feeds,
13 forage and fodder, particularly by providing seeds and
14 planting materials, and ensuring easy and affordable
15 access to small-hold farms. They shall establish model
16 forage farms in their existing R&D centers nationwide and
17 develop forage and feed consolidation models in
18 partnership with cooperatives;

1 (6) Five percent (5%) to LBP and DBP, to be managed
2 equally and made available in the form of credit facility for
3 the improvement of breeders and stocks through the
4 purchase of breeders, growers, multipliers, feeds, and
5 genetically improved stocks, establishment of animal
6 housing, and purchase of LPD farm equipment, with the
7 lowest interest rates and minimal documentary
8 requirements;

9 (7) Three percent (3%) to the Office of the
10 Undersecretary for the NLPDA Program, to be divided at
11 two percent (2%) for planning, formulating, and updating
12 the Roadmap, monitoring activities, and impact
13 assessment studies; and one percent (1%) for use in the
14 establishment and operation of the LPDMIS;

15 (8) Three percent (3%) to the DA-AMAS for
16 marketing and trade promotion activities to benefit LPD
17 raisers;

18 (9) Two percent (2%) to be divided between the BAI-
19 RMS (1%) for farm school-based and/or industry-driven

1 R&D programs, as well as for support to technology
2 transfer and commercialization programs and projects, in
3 support of the areas identified in Sec. 4(i), and one percent
4 (1%) for PCC; and

5 (10) One percent (1%) to the CDA for the
6 accreditation of small-hold LPD raisers, into formal
7 groups, cooperatives, or organizations:

8 *Provided*, That each agency in the above allocation of funds
9 shall annually report on their accomplishment to the
10 COCAFAM.

11 SEC. 26. *Beneficiaries of LPD Fund.* – Within one
12 hundred eighty (180) days from the effectivity of this Act,
13 the DA, in consultation with farmers' cooperatives and
14 organizations, and LGUs, shall establish the LPD Registry
15 System (LPDRS), the master list of eligible beneficiaries of
16 the LPD Fund.

17 The beneficiaries of the LPD Fund are small-hold
18 LPD raisers, LPD cooperatives, associations, or
19 organizations accredited by the DA: *Provided*, That

1 preferential attention shall be given to LPD raisers who
2 are members of cooperatives, associations or organizations.

3 SEC. 27. *Review of the LPD Fund.* – The following
4 mandatory review of the LPD Fund shall be performed:

5 (a) The Philippine Institute for Development Studies
6 (PIDS) shall conduct impact evaluation of the LPD Fund
7 programs to LPD productivity on the second (2nd), third
8 (3rd), sixth (6th), and ninth (9th) year of the effectivity of this
9 Act, as provided for in Section 25(7) of this Act;

10 (b) The percentage allocation of the LPD Fund shall
11 be reviewed on the third (3rd) year from the effectivity of
12 this Act for possible revisions should intervention priorities
13 change; and

14 (c) Before the end of the tenth (10th) year from the
15 effectivity of this Act, a mandatory review shall be
16 conducted by the COCAFMM to determine whether the LPD
17 Fund and its utilization as provided for under this Act
18 shall be continued, amended, or terminated. The increase
19 or decrease in farmers' incomes shall be a primary

1 benchmark in determining the effectiveness of the
2 interventions under the program and its possible
3 extension.

4 In view of its oversight function, the COCAF, at
5 any time, may conduct an assessment of the
6 implementation of programs and utilization of LPD Fund
7 as directed under this Act.

8 *SEC. 28. Budget for the Procurement of Local Fresh*
9 *Milk and Fresh Milk-based Products under the Milk*
10 *Feeding Program of Republic Act No. 11037.* – The DSWD,
11 the DepEd, and other government entities shall hereby
12 allocate their respective budgets for the procurement of
13 milk in the implementation of the National Feeding
14 Program to be sourced first, until supply is exhausted,
15 from locally produced fresh milk and fresh milk-based food
16 products which are incorporated in the fortified meals and
17 cycle menu.

1 TITLE VII

2 FINAL PROVISIONS

3 SEC. 29. *Powers of the President.* – The President is
4 hereby empowered to:

5 (a) Revise or adjust existing rates of customs duties
6 on LPD imports up to their respective bound rates
7 committed by the Philippines under the World Trade
8 Organization (WTO) Agreement on Agriculture and the
9 Association of Southeast Asian Nations (ASEAN) Trade in
10 Goods Agreement, including any necessary change in
11 classification applicable to their importation, subject to the
12 provisions of Republic Act No. 10863 or the “Customs
13 Modernization and Tariff Act (CMTA)”: *Provided*, That the
14 adjustment is time-bound and the power herein delegated
15 to the President shall only be exercised when Congress is
16 not in session: *Provided, further*, That any order issued by
17 the President adjusting the applied tariff rates shall take
18 effect fifteen (15) days after publication; and

19 (b) Allow the importation of LPD products at a lower
20 applied tariff rate to address the situation in the event of

1 any imminent or forecasted shortage, animal disease
2 epidemic, or such other situation requiring government
3 intervention for a limited period and/or a specified volume.
4 Such order shall take effect immediately and can be issued
5 even when Congress is in session.

6 SEC. 30. *Separability Clause.* – If any provision of
7 this Act is declared unconstitutional, the remainder thereof
8 not otherwise affected shall remain in full force and effect.

9 SEC. 31. *Amendatory Clause.* – Sections 15(a), 16,
10 16(b), and 18(a) of Republic Act No. 10611 are hereby
11 amended accordingly.

12 SEC. 32. *Repealing Clause.* – Sections 4, 5, 6 and 16 of
13 Republic Act No. 7884 and Sections 10 and 12 of Republic
14 Act No. 7307 are hereby repealed. The provisions of
15 Republic Act No. 7884 and Republic Act No. 7307 not
16 affected shall have supplementary application.

17 Such other laws, presidential decrees, executive
18 orders, letters of instruction, proclamations or
19 administrative regulations that are inconsistent with the

1 provisions of this Act are hereby repealed, amended, or
2 modified accordingly.

3 SEC. 33. *Effectivity.* – This Act shall take effect after
4 fifteen (15) days following the completion of its publication
5 in the *Official Gazette*, or in a newspaper of general
6 circulation.

Approved,