

CONGRESS OF THE PHILIPPINES  
NINETEENTH CONGRESS  
Third Regular Session

}

S E N A T E

S. No. 2779

PREPARED BY THE COMMITTEES ON AGRICULTURE, FOOD AND  
AGRARIAN REFORM; FINANCE; PUBLIC INFORMATION AND MASS  
MEDIA; AND WAYS AND MEANS WITH SENATORS MARCOS,  
PADILLA, VILLAR (C), LEGARDA, HONTIVEROS, DELA ROSA, AND  
VILLANUEVA AS AUTHORS THEREOF

AN ACT AMENDING REPUBLIC ACT NO. 8178 OR THE  
“AGRICULTURAL TARIFFICATION ACT”, AS  
AMENDED BY REPUBLIC ACT NO. 11203

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

1           SECTION 1. Section 3(e) of Republic Act No. 8178 or  
2   the “Agricultural Tariffication Act”, as amended by  
3   Republic Act No. 11203, is hereby further amended to read  
4   as follows:

5                   “SEC. 3. *Definition of Terms.* – The following  
6   definitions apply to the terms used in this Act:

7                   xxx

(e) 'Buffer Stock' refers to the optimal level of rice inventory FOR THIRTY (30) DAYS AT ANY GIVEN TIME that shall be maintained [~~at any given time to be used for emergency situations and~~] to sustain the disaster relief programs of the government during natural or man-made calamities AND TO ADDRESS FOOD SECURITY EMERGENCY SITUATIONS ON RICE.

xxx.”

SEC. 2. New Sections 5 and 6 are hereby inserted after Section 4 of Republic Act No. 8178, as amended by Republic Act No. 11203, to read as follows:

“SEC. 5. *STRENGTHENING THE REGULATORY FUNCTION OF THE DEPARTMENT OF AGRICULTURE (DA).* – THE DA, THROUGH THE BUREAU OF PLANT INDUSTRY (BPI), IS HEREBY AUTHORIZED TO:

(1) REQUIRE THE REGISTRATION AND  
MAINTAIN A NATIONAL DATABASE OF ALL  
GRAINS WAREHOUSES;

(2) CONDUCT REGULAR INSPECTION  
OF GRAINS WAREHOUSES AND  
AGRICULTURAL FACILITIES TO ENSURE  
COMPLIANCE WITH RICE QUALITY AND  
SUPPLY STANDARDS AND REGULATIONS;  
AND

(3) COLLECT AND ANALYZE DATA ON  
RICE TRADE ACTIVITIES IN COOPERATION  
WITH THE PHILIPPINE STATISTICS  
AUTHORITY (PSA), THE BUREAU OF  
CUSTOMS (BOC), THE NATIONAL FOOD  
AUTHORITY (NFA), AND OTHER  
GOVERNMENT AGENCIES FOR INFORMED  
POLICY AND OPERATIONAL DECISIONS.

THE DA-BPI SHALL EXERCISE THE  
AFOREMENTIONED POWERS IN ADDITION  
TO ITS EXISTING POWERS RELATED TO

1 SANITARY AND PHYTOSANITARY AND  
2 FOOD SAFETY STANDARDS.

3 UPON THE REQUEST OF THE DA-BPI,  
4 THE LOCAL GOVERNMENT UNITS (LGUs),  
5 THE PHILIPPINE NATIONAL POLICE, THE  
6 NATIONAL BUREAU OF INVESTIGATION,  
7 OR OTHER LAW ENFORCEMENT AGENCIES  
8 SHALL PROVIDE PROMPT RESPONSE AND  
9 ASSISTANCE IN THE IMPLEMENTATION  
10 OF THIS SECTION.

11 SEC. 6. *POWERS OF DA ON PRICE*  
12 *STABILIZATION AND SUPPLY*  
13 *REGULATION ON RICE.* – THE DA  
14 SECRETARY, UPON THE  
15 RECOMMENDATION OF THE NATIONAL  
16 PRICE COORDINATING COUNCIL (NPCC),  
17 SHALL DECLARE A FOOD SECURITY  
18 EMERGENCY ON RICE DUE TO SUPPLY  
19 SHORTAGE OR EXTRAORDINARY  
20 INCREASE IN RICE PRICES.

1           THE NPCC SHALL DEVISE A FORMULA  
2           IN DETERMINING THE EXISTENCE OF  
3           RICE SUPPLY SHORTAGE, AND  
4           EXTRAORDINARY INCREASE IN RICE  
5           PRICES. IT SHALL MAKE SUCH FORMULA  
6           KNOWN TO THE PUBLIC.

7           WHEN SUCH CONDITIONS OCCUR, THE  
8           DA MAY:

9           (1) SELL EXISTING NFA RICE BUFFER  
10          STOCK IN AREAS WHERE THERE IS AN  
11          OCCURRENCE OF RICE SUPPLY  
12          SHORTAGE OR AN EXTRAORDINARY  
13          INCREASE IN RICE PRICES;

14          (2) REPLENISH THE USED NFA RICE  
15          BUFFER STOCK WITH LOCALLY  
16          PRODUCED RICE FROM FARMERS OR  
17          FARMERS COOPERATIVES AND  
18          ASSOCIATIONS; OR

19          (3) IMPORT RICE SHOULD THERE BE  
20          NO AVAILABLE LOCALLY PRODUCED RICE.

1 THE DA SECRETARY IS AUTHORIZED TO  
2 DESIGNATE THE IMPORTING ENTITY  
3 WITHIN THE DA, WITH THE EXCEPTION OF  
4 THE NFA:

5 *PROVIDED*, THAT THIS DESIGNATED  
6 IMPORTING ENTITY WITHIN THE DA  
7 SHALL IMPORT RICE AT LEAST COST  
8 AMONG GOVERNMENT-TO-GOVERNMENT  
9 OPTIONS:

10 *PROVIDED, FURTHER*, THAT THE DA  
11 SHALL MAINTAIN A BUFFER FUND FOR  
12 FOOD SECURITY EMERGENCIES ON RICE:

13 *PROVIDED, FURTHERMORE*, THAT  
14 NOTWITHSTANDING EXISTING LAWS,  
15 RULES, AND REGULATIONS, THE SALE  
16 UNDER PARAGRAPH (1) OF THIS SECTION  
17 SHALL BE MADE ONLY TO THE  
18 FOLLOWING AGENCIES OR ENTITIES:

19 (a) DEPARTMENT OF SOCIAL  
20 WELFARE AND DEVELOPMENT;

(b) OFFICE OF CIVIL DEFENSE-  
NATIONAL DISASTER RISK  
REDUCTION AND MANAGEMENT  
COUNCIL;

(c) LOCAL GOVERNMENT UNITS;

(d) GOVERNMENT HOSPITALS;

(e) BUREAU OF JAIL MANAGEMENT  
AND PENOLOGY;

(f) MILITARY CAMPS COMMISSARY;

AND

(g) TO THE PUBLIC THROUGH KADIWA  
OUTLETS:

*PROVIDED, FINALLY, THAT THE  
PROCEEDS OF THE SALE SHALL REVERT  
TO THE DA BUFFER FUND.”*

SEC. 3. Section 7 of Republic Act No. 8178, as  
amended by Republic Act No. 11203, is hereby further  
amended as follows:

SEC. [7] 9. *Powers of the President.* – xxx

xxx

(b) In the event of any imminent or  
forecasted shortage, or such other situation  
requiring government intervention, the  
President is empowered for a limited period  
and/or a specified volume, to allow the  
importation at a lower applied tariff rate to  
address the situation. Such order shall take  
effect immediately and can only be issued when  
Congress is not in session[~~;~~and].

WHEN THERE IS AN EXCESSIVE  
SUPPLY OF IMPORTED OR LOCALLY  
PRODUCED RICE RESULTING IN AN  
EXTRAORDINARY DECREASE IN LOCAL  
RICE PRICES, THE PRESIDENT MAY  
DISCONTINUE OR PROHIBIT FURTHER  
IMPORTATION FOR A LIMITED PERIOD  
AND A SPECIFIED VOLUME UNTIL BOTH  
RICE SUPPLY AND PRICES STABILIZE; AND

xxx



1           The power herein delegated to the President  
2           may be withdrawn or terminated by Congress  
3           through a [~~Joint~~] CONCURRENT Resolution.”

4           SEC. 4. Section 8 of Republic Act No. 8178, as  
5           amended by Republic Act No. 11203, is hereby further  
6           amended as follows:

7           “SEC. [8] 11. *Maintenance AND DISPOSAL*  
8           *of Rice Buffer Stock.* – The NFA shall, in  
9           accordance with the rules, regulations, and  
10          procedures, [~~to be promulgated,~~] maintain  
11          [~~sufficient~~] AN OPTIMAL rice buffer stock to be  
12          sourced solely from local farmers.

13          IF THE NFA DISPOSES OF ITS AGING  
14          BUFFER STOCK, IT SHALL DO SO ONE (1)  
15          MONTH BEFORE THE AGING PERIOD  
16          STARTS.

17          THE RICE AGING PROCESS BEGINS  
18          THREE (3) MONTHS FROM STORAGE,  
19          WHILE PALAY AGING PROCESS BEGINS  
20          SIX (6) MONTHS FROM STORAGE,

1 FOLLOWING THE FIRST IN, FIRST OUT  
2 METHOD.

3 IN BOTH CASES, DISPOSAL THROUGH  
4 SALE SHALL BE THROUGH PUBLIC  
5 AUCTION.”

6 SEC. 5. Section 13 of Republic Act No. 8178, as  
7 amended by Republic Act No. 11203, is hereby further  
8 amended as follows:

9 “SEC. [13]16. *Rice Competitiveness*  
10 *Enhancement Fund (RCEF)*. – There is hereby  
11 created a Rice Competitiveness Enhancement  
12 Fund, [~~herein referred to as the ‘Rice Fund’~~]  
13 WHICH SHALL BE SOURCED FROM ALL  
14 TARIFFS COLLECTED FROM THE  
15 IMPORTATION OF RICE. The [~~Rice Fund~~]  
16 RCEF shall consist of an annual appropriation  
17 of [~~Ten billion pesos (P10,000,000,000.00) for the~~  
18 ~~next six (6) years~~] THIRTY BILLION PESOS  
19 (P30,000,000,000.00) UNTIL THE YEAR 2031  
20 following the approval of this Act and shall be

1 automatically credited to a Special Account in  
2 the General Fund of the National Treasury  
3 which shall be in place within ninety (90) days  
4 upon the effectivity of this Act.

5 xxx

6 The amount allocated shall be released  
7 directly to the implementing agencies as  
8 provided in this Act based on the objectives and  
9 plans of the rice industry roadmap: *Provided,*

10 That the unutilized portion of the ~~[Rice Fund]~~  
11 RCEF allocated to the implementing agencies

12 AND COLLECTIONS FROM REPAYMENTS  
13 FROM LOAN BENEFICIARIES INCLUDING  
14 INTERESTS, IF ANY, shall not revert to the  
15 General Fund but shall continue to be used for  
16 the purpose for which it was set aside[-]:

17 *PROVIDED, FURTHER,* THAT ANY EXCESS  
18 IN THE ANNUAL TARIFF COLLECTION OF  
19 THIRTY BILLION PESOS (P30,000,000,000.00)  
20 SHALL BE ADDED TO THE RCEF AND

1       ALLOCATED AND DISBURSED TO THE  
2       IMPLEMENTING AGENCIES FOLLOWING  
3       THE PROPORTION OF THE ALLOCATION  
4       PROVIDED IN THIS SECTION: *PROVIDED*,  
5       *FURTHERMORE*, THAT IF THE ANNUAL  
6       TARIFF COLLECTION FALLS BELOW  
7       THIRTY BILLION PESOS  
8       (P30,000,000,000.00), THE DEFICIENCY  
9       SHALL BE SOURCED FROM A NEW  
10      PROVISION OR ITEM IN THE DA BUDGET  
11      IN THE GENERAL APPROPRIATIONS ACT,  
12      STARTING IN THE YEAR 2025, WHICH  
13      SHALL BE CAPTIONED AS ‘RICE  
14      COMPETITIVENESS ENHANCEMENT FUND  
15      TO ANSWER FOR THE DEFICIT IN THE  
16      PROJECTED THIRTY BILLION PESOS  
17      (P30,000,000,000.00) TARIFF COLLECTION  
18      FROM IMPORTED RICE’. Fund releases  
19      charged against the ~~[Rice Fund]~~ RCEF shall not

1 be subject to any ceiling by the Department of  
2 Budget and Management (DBM).

3 xxx

4 Subject to the usual accounting and  
5 auditing rules and regulations, the ~~[Rice Fund]~~  
6 RCEF shall be allocated and disbursed to rice  
7 producing areas, as follows:

8 (a) Rice Farm Machineries and  
9 Equipment – ~~[fifty percent (50%)]~~ NINE  
10 BILLION PESOS (P9,000,000,000.00) of the  
11 ~~[Rice Fund]~~ RCEF shall be released to and  
12 implemented by the Philippine Center for  
13 Postharvest Development and Mechanization  
14 (PhilMech) as grant in kind to eligible farmers  
15 associations, registered rice cooperatives and  
16 ~~[local government units (LGUs)]~~ LGUs,  
17 ACCORDING TO THEIR CHOICE, in the form  
18 of rice farm equipment, such as tillers, tractors,  
19 seeders, threshers, rice planters, harvesters,  
20 irrigation pumps, small solar irrigation,

1        reapers, [~~driers~~] DRYERS, millers, and [~~the~~  
2        ~~like, for purposes of improving farm~~  
3        ~~mechanization~~] POSTHARVEST, AND  
4        PROCESSING FACILITIES SUCH AS  
5        WAREHOUSES, GRAIN STORAGE  
6        FACILITIES, AND DRYING FACILITIES:  
7        *Provided*, That the PhilMech shall[~~, whenever~~  
8        ~~feasible,~~] procure from accredited local  
9        manufacturers AND MACHINE  
10       FABRICATORS TO SPUR THE  
11       ESTABLISHMENT OF FARM-LEVEL  
12       FABRICATION, REPAIR, AND  
13       MAINTENANCE OF FARM IMPLEMENTS  
14       AND EQUIPMENT AND to assist in the  
15       promotion of locally manufactured farm  
16       machineries and equipment AND ENSURE  
17       THEIR MAXIMUM UTILIZATION:

18        *PROVIDED, FURTHER*, THAT ONE  
19        HUNDRED EIGHTY MILLION PESOS  
20        (P180,000,000.00) OF THE ALLOCATION FOR

1 RICE FARM MACHINERIES AND  
2 EQUIPMENT UNDER THIS SUBPARAGRAPH  
3 SHALL BE ALLOTTED FOR THE  
4 PROMOTION, ESTABLISHMENT, SUPPORT,  
5 AND DEVELOPMENT OF FABRICATION,  
6 REPAIR AND MAINTENANCE CENTERS  
7 (FARM-C) OF FARM MACHINERY,  
8 EQUIPMENT, AND TOOLS, INCLUDING  
9 GRANTS TO BE GIVEN PER YEAR TO AT  
10 LEAST TWO (2) FARM-C IN EACH RCEF  
11 RICE-PRODUCING PROVINCE. THE  
12 PHILMECH SHALL CONTINUOUSLY  
13 COLLABORATE WITH EXISTING AND  
14 EMERGING FARM-C NATIONWIDE IN THIS  
15 REGARD. FOR THIS PURPOSE, FARM-C  
16 SHALL REFER TO SETTING UP OF  
17 MACHINE SHOPS AND FABRICATION HUBS  
18 IN RURAL AREAS WHICH WILL REPAIR  
19 THE EXISTING AGRICULTURAL  
20 EQUIPMENT OF FARMERS COOPERATIVES,

1 ASSOCIATIONS, AND LGUs GIVEN UNDER  
2 THE RCEF;

3 (b) Rice Seed Development, Propagation,  
4 DISTRIBUTION, and Promotion – [~~Thirty~~  
5 ~~percent—(30%)~~] SIX BILLION PESOS  
6 (P6,000,000,000.00) of the [~~Rice Fund~~] RCEF  
7 shall be released to and implemented by the  
8 Philippine Rice Research Institute (PhilRice)  
9 and shall be used for the development,  
10 propagation, and promotion of HIGH QUALITY  
11 inbred rice seeds to rice farmers and the  
12 organization of rice farmers into seed growers  
13 associations and/or cooperatives engaged in seed  
14 production and trade;

15 (C) FINANCIAL ASSISTANCE TO RICE  
16 FARMERS TILLING TWO (2) HECTARES  
17 AND BELOW OF RICE LAND – EIGHT  
18 BILLION PESOS (P8,000,000,000.00) OF THE  
19 RCEF SHALL BE RELEASED TO THE DA-  
20 OFFICE OF THE SECRETARY (DA-OSEC)



1       FOR DIRECT CASH DISTRIBUTION TO  
2       FARMERS WHO ARE TILLING TWO (2)  
3       HECTARES AND BELOW OF RICE LAND.

4       THE DA-OSEC SHALL DEVISE A  
5       MECHANISM FOR THE DISTRIBUTION OF  
6       CASH ASSISTANCE IN A MANNER WHERE  
7       ALL THE FARMERS TILLING TWO (2)  
8       HECTARES AND BELOW OF RICE LAND  
9       LISTED IN THE REGISTRY SYSTEM FOR  
10      BASIC SECTORS IN AGRICULTURE (RSBSA)  
11      SHALL DIRECTLY RECEIVE THE CASH  
12      ASSISTANCE GIVEN THE YEARLY  
13      ALLOCATION OF EIGHT BILLION PESOS  
14      (P8,000,000,000.00).

15      THE BOC IS HEREBY MANDATED TO  
16      DIRECTLY REMIT THE SAID FUNDS TO  
17      THE DA.

18      THE BOC AND THE DA SHALL, AT THE  
19      END OF EACH YEAR, SUBMIT SEPARATE  
20      REPORTS TO CONGRESS, ON THE ANNUAL

1 REMITTANCE AND DISBURSEMENT OF  
2 FUNDS THROUGH THE SENATE  
3 COMMITTEE ON AGRICULTURE, FOOD  
4 AND AGRARIAN REFORM AND THE HOUSE  
5 COMMITTEE ON AGRICULTURE AND  
6 FOOD;

7 [~~(e)~~] (D) Expanded Rice Credit Assistance –  
8 [~~Ten percent (10%)~~] TWO BILLION PESOS  
9 (P2,000,000,000.00) of the [~~Rice Fund~~] RCEF  
10 shall be made available in the form of credit  
11 facility with minimal interest rates and with  
12 minimum collateral requirements to rice  
13 farmers and cooperatives, to be managed  
14 equally by the Landbank of the Philippines  
15 (LBP) and the Development Bank of the  
16 Philippines (DBP)[~~; and~~].

17 THE CREDIT ASSISTANCE  
18 COMPONENT OF THE RCEF SHALL  
19 OPERATE AS A REVOLVING FUND, WITH  
20 THE PRINCIPAL AND INTEREST

1 PAYMENTS ON LOANS MADE FROM THE  
2 FUND TO BE RE-DEPOSITED INTO THE  
3 FUND AND MADE AVAILABLE FOR NEW  
4 LOANS TO ELIGIBLE BENEFICIARIES IN  
5 ACCORDANCE WITH BUDGETING,  
6 ACCOUNTING AND AUDITING AND OTHER  
7 PERTINENT LAWS, RULES, AND  
8 REGULATIONS;

9 ~~[(d)]~~ (E) Rice TRAINING AND Extension  
10 Services – ~~[Ten percent (10%)]~~ TWO BILLION  
11 TWO HUNDRED MILLION PESOS  
12 (P2,200,000,000.00) of the ~~[Rice Fund]~~ RCEF  
13 shall be made available for the TRAINING AND  
14 extension services IN THE FOLLOWING  
15 MANNER:

16 (1) TECHNICAL EDUCATION AND  
17 SKILLS DEVELOPMENT AUTHORITY  
18 (TESDA) FOR FARM SCHOOLS – ONE  
19 BILLION PESOS (P1,000,000,000.00);

(2) AGRICULTURAL TRAINING  
INSTITUTE (ATI) FOR EFFECTIVE AND  
EFFICIENT RICE PRODUCTION – FIVE  
HUNDRED MILLION PESOS  
(P500,000,000.00);

(3) PHILMECH – THREE HUNDRED  
MILLION PESOS (P300,000,000.00), WHICH  
SHALL INCLUDE THE TRAINING FOR THE  
ESTABLISHMENT OF THE FARM-C  
NATIONWIDE;

(4) PHILRICE – TWO HUNDRED  
MILLION PESOS (P200,000,000.00); AND

(5) BUREAU OF SOILS AND WATER  
MANAGEMENT (BSWM) – TWO HUNDRED  
MILLION PESOS (P200,000,000.00), WHICH  
SHALL INCLUDE THE TRAINING AND  
CAPACITY-BUILDING OF IRRIGATORS  
ASSOCIATIONS AND SMALL WATER  
IRRIGATION SYSTEM ASSOCIATIONS  
(SWISA) OR FARMERS COOPERATIVES AND

1 ASSOCIATIONS; [~~provided by PhilMeeh,~~  
2 ~~PhilRice, Agricultural Training Institute (ATI)~~  
3 ~~and Technical Education and Skills~~  
4 ~~Development Authority (TESDA) for teaching~~  
5 ~~skills on rice crop production, modern rice~~  
6 ~~farming techniques, seed production, farm~~  
7 ~~mechanization, and knowledge/technology~~  
8 ~~transfer through farm schools nationwide as~~  
9 ~~follows: seventy percent (70%) to TESDA, ten~~  
10 ~~percent (10%) each to ATI, PhilRice and~~  
11 ~~PhilMeeh.]~~

12 (F) SOLAR-POWERED WATER  
13 IRRIGATION OR WATER IMPOUNDING  
14 IRRIGATION PROJECT – ONE BILLION  
15 FOUR HUNDRED MILLION PESOS  
16 (P1,400,000,000.00) OF THE RCEF SHALL BE  
17 ALLOCATED TO THE BSWM FOR THE  
18 GRANT TO AND CONSTRUCTION OF  
19 SOLAR-POWERED WATER IRRIGATION OR  
20 WATER IMPOUNDING IRRIGATION

1       PROJECTS           FOR           IRRIGATORS  
2       ASSOCIATIONS   OR   THE   SWISA   OR  
3       FARMERS        COOPERATIVES       AND  
4       ASSOCIATIONS   THAT   WILL   MANAGE  
5       THESE IRRIGATION SYSTEMS, TOTALING  
6       AT LEAST ONE HUNDRED FORTY-FIVE  
7       (145) UNITS/LOCATIONS IN A YEAR, FOR A  
8       TOTAL OF AT LEAST EIGHT HUNDRED  
9       SEVENTY (870) UNITS FOR THE NEXT SIX  
10      (6) YEARS:

11           *PROVIDED*, THAT THE UNITS SHALL  
12      BE CONSTRUCTED ON IRRIGABLE AND  
13      POTENTIALLY HIGHLY PRODUCTIVE LOW-  
14      LYING AREAS OF RCEF RICE-PRODUCING  
15      MUNICIPALITIES IN THE REGIONS AS  
16      IDENTIFIED BY PHILRICE.

17           THE   BSWM   SHALL   DEVICE   A  
18      MECHANISM FOR THE DISTRIBUTION OF  
19      THE FUNDS IN RCEF RICE-PRODUCING  
20      PROVINCES.    THE   BSWM   SHALL

1       STRENGTHEN THE SWISA OR FARMERS  
2       COOPERATIVES AND ASSOCIATIONS TO  
3       ENSURE       THE       SUCCESSFUL  
4       IMPLEMENTATION OF THESE SOLAR-  
5       POWERED WATER IRRIGATION OR WATER  
6       IMPOUNDING IRRIGATION PROJECTS; AND  
7       (G) COMPOSTING FACILITIES FOR  
8       BIODEGRADABLE WASTES – ONE BILLION  
9       FOUR HUNDRED MILLION PESOS  
10      (P1,400,000,000.00) OF THE RCEF SHALL BE  
11      ALLOCATED TO THE BSWM FOR THE  
12      GRANT AND CONSTRUCTION OF  
13      COMPOSTING FACILITIES FOR  
14      BIODEGRADABLE WASTES WHICH SHALL  
15      BE USED TO ADDRESS THE  
16      MICRONUTRIENT DEFICIENCIES IN THE  
17      SOIL:

18           *Provided,* That the percentage allocation  
19      will be reviewed on the third year of the

1       effectivity of this Act for possible revisions  
2       should intervention priorities change.

3           *Provided, further,* That preferential  
4       attention should be given to rice farmers,  
5       cooperatives, and associations adversely affected  
6       by the tariffication of the quantitative import  
7       restriction on rice in accordance with the thrust  
8       and priorities of ~~[R. A.]~~ REPUBLIC ACT No.  
9       8435, as amended, otherwise known as the  
10      “Agriculture and Fisheries Modernization Act  
11      OF 1997” and the Philippine Development Plan  
12      (PDP). The increase or decrease of farmers’  
13      incomes shall be the primary benchmark in  
14      granting these interventions.

15      ~~[Provided, furthermore, That if the annual~~  
16      ~~tariff revenues from rice importation exceeds~~  
17      ~~Ten Billion Pesos (P10,000,000,000.00) in any~~  
18      ~~given year within the six (6) year period~~  
19      ~~following the effectivity of this Act, the excess~~  
20      ~~tariff revenues shall be earmarked by Congress~~



1 and included in the General Appropriations Act  
2 (GAA) of the following year:

3 (a) ~~Rice Farmer Financial Assistance~~—A  
4 ~~portion of the excess rice tariff revenues shall be~~  
5 ~~released to the DA and shall be used for~~  
6 ~~providing direct financial assistance to rice~~  
7 ~~farmers who are farming two (2) hectares and~~  
8 ~~below regardless of whether they continue~~  
9 ~~farming rice or not as compensation for the~~  
10 ~~projected reduction or loss of farm income~~  
11 ~~arising from the tariffication of the quantitative~~  
12 ~~import restrictions on rice;~~

13 (b) ~~Titling of Agricultural Rice Lands~~—A  
14 ~~portion of the excess rice tariff revenues shall be~~  
15 ~~released to the Department of Agrarian Reform~~  
16 ~~(DAR), Department of Environment and~~  
17 ~~Natural Resources (DENR) and Land~~  
18 ~~Registration Authority (LRA), and shall be used~~  
19 ~~for the subdivision and titling of agricultural~~  
20 ~~rice lands or parts thereof awarded to farmer-~~

1 beneficiaries under the Comprehensive Agrarian  
2 Reform Program (CARP) and other similar  
3 programs of the government;

4 ~~(e) Expanded Crop Insurance Program on~~  
5 ~~Rice—A portion of the excess tariff revenues~~  
6 ~~shall be released to the Philippine Crop~~  
7 ~~Insurance Corporation (PCIC) and shall be used~~  
8 ~~for the provision of crop insurance to qualified~~  
9 ~~rice farmer beneficiaries under its existing~~  
10 ~~agricultural insurance programs; and~~

11 ~~(d) Crop Diversification Program—A portion~~  
12 ~~of the excess tariff revenues shall be released to~~  
13 ~~the DA and shall be used for productivity-~~  
14 ~~enhancement programs for rice farmers seeking~~  
15 ~~to diversify production towards other crops.]~~

16 The Congressional Oversight Committee on  
17 Agricultural and Fisheries Modernization  
18 (COCAFAM) shall conduct a periodic review of  
19 the use of the ~~Rice Fund~~ RCEF.

1           THE PHILIPPINE INSTITUTE FOR  
2           DEVELOPMENT STUDIES (PIDS) SHALL  
3           CONDUCT AN INDEPENDENT MID-TERM  
4           AND END-TERM EVALUATION OF THIS ACT  
5           TO ASSESS ITS EFFECTIVENESS, THE  
6           RESULT OF WHICH SHALL BE SUBMITTED  
7           TO THE COCAF.M.”

8           SEC. 6. Section 14 of Republic Act No. 8178, as  
9           amended by Republic Act No. 11203, is hereby further  
10          amended as follows:

11           “SEC. ~~[14]~~17. Beneficiaries of the [~~Rice~~  
12           ~~Fund~~] RCEF. – The beneficiaries of the [~~Rice~~  
13           ~~Fund~~] RCEF shall be those farmers and  
14           farmworkers [~~and their dependents~~] listed in  
15           the RSBSA and rice cooperatives and  
16           associations accredited by the DA. Within one  
17           hundred eighty (180) days from the effectivity of  
18           this Act, the DA, in consultation with farmers’  
19           cooperatives and organizations and LGUs, shall  
20           validate and update the masterlist of eligible

1 beneficiaries, AND THEREAFTER DO THE  
2 SAME ANNUALLY, to ensure that those listed  
3 are legitimate farmers, farmworkers, and rice  
4 cooperatives and associations.

5 xxx.”

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

9 SEC. 8. *Repealing Clause.* – All laws, presidential  
10 decrees, executive orders, letters of instruction,  
11 proclamations, or administrative regulations that are  
12 inconsistent with the provisions of this Act are hereby  
13 repealed, amended, or modified accordingly.

14 SEC. 9. *Effectivity.* – This Act shall take effect after  
15 fifteen (15) days following its publication in the *Official*  
16 *Gazette*, or in a newspaper of general circulation.

Approved,