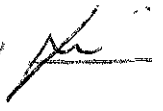


FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

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SENATE
S.B. No. 2065

Introduced by Senator EDGARDO J. ANGARA

EXPLANATORY NOTE

It is estimated that as much as five million Filipinos in the rural sector are either unemployed or underemployed. Although the employment in the rural sector is largely seasonal, much of the unemployment and underemployment can be attributed to underutilization of agricultural lands throughout the country.

With the Rural Employment Generation Act of 2010, one million hectares of idle and underutilized lands will be converted into modern productive agricultural resources. In the process, it is expected that one million rural jobs will be created, with annual farm incomes of at least Twenty Five Thousand Pesos per hectare being generated.

Corn, cassava and high value commercial crops shall be planted throughout the country under this Act, with the Department of Agriculture serving as lead agency. Tie-ups between the private sector and government will be necessary, including collaborations between agribusiness companies and farmer-beneficiaries.

As catalyst, the Program will generate rural employment valued at 10.354 Billion Pesos and private sector investments of 10.605 Billion Pesos. More importantly, with an improvement in our country's rural employment level, it is anticipated that rural poverty will drastically be reduced.

For the above-mentioned reasons, approval of this bill is earnestly urged.


EDGARDO J. ANGARA

FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
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OFFICE OF THE CLERK

10 JUL 26 7 6 32

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SENATE

S.B. No. 2065

Introduced by Senator EDGARDO J. ANGARA

AN ACT
TO ACCELERATE THE DEVELOPMENT OF IDLE AND
UNDERUTILIZED AGRICULTURAL LANDS AS A MEANS TO
GENERATE EMPLOYMENT

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

1 **SECTION 1. *Title of Act.*** This Act shall be known as the “Rural Employment
2 Generation Act of 2010.”
3

4 **SEC. 2. *Purpose of the Act.*** There is a need to accelerate the development of idle
5 and underutilized agricultural land throughout the country as a means of generating rural
6 economic activity, especially since the majority of our country’s poor population belongs
7 to the rural sector. In generating rural employment, it is anticipated that at least one person
8 will find employment for every hectare developed, with an increase in income of Twenty
9 Five Thousand Pesos (P25,000.00) per farmer.
10

11 **SEC. 3. *Lead Agency.*** The Department of Agriculture (“DA”) shall undertake the
12 implementation of the Rural Employment Generation Program (the “Program”) and shall
13 ensure implementation of this Act and its purposes, including the determination of areas to
14 be planted.
15

16 **SEC. 4. *Activities to be Undertaken.*** The DA shall undertake the development of a
17 total of eight hundred forty five thousand (845,000) hectares of idle or underutilized
18 agricultural land, to be planted hybrid corn, cassava and high value commercial crops
19 (“HVCC”) over a period of two years, as follows:

20 Yr 1 Hectares Planted

 Yr 2 Hectares Planted

1	Corn	404,000	613,000
2	Cassava	20,000	88,000
3	HVCC	185,000	194,000

4

5 **SEC. 5. *Features of the Program.*** The Program shall have the following features:

6 (a) Modern Technology Systems. The Program will consolidate existing crop areas
7 as well as idle prime lands into farm cluster modules for mechanized and/or
8 irrigated production of hybrid corn, cassava and HVCC;

9 (b) Production Credit Support. To ensure the adoption of modern crop production
10 technologies, the Program will enhance farmers' access to credit for the
11 purchase of production inputs through innovative credit schemes through the
12 establishment of a seed/guarantee fund for production loans to be extended by
13 input suppliers, end-users, traders, service providers and the formal banking
14 sector;

15 (c) Human Resource Development. The Program shall train farmers on hybrid
16 technologies, farm mechanization, post harvest and processing technologies and
17 promote local capacity-building in areas of participatory program management
18 and implementation, research and extension and agribusiness marketing and
19 management.

20

21 **SEC. 6. *Farmer-Agribusiness Tie-ups.*** The DA shall facilitate arrangements
22 between farmers and agribusiness groups in the development of agricultural lands.
23 Different business partnership modalities shall be established between farmer cooperatives
24 and the private sector to provide ready markets, management and technical support, in
25 whichever form most suitable for rural development, including but not limited to purchase
26 orders, service or management contracts, contract growing or processing arrangements,
27 lease agreements and joint venture agreements.

28

29 **SEC. 7. *Quality Standards and Classification Systems.*** Quality standards and
30 classification systems shall be developed by the DA and implemented for feedgrains,
31 vegetables, fibers, fruits and industrial crops in order to ensure better prices and
32 competitiveness of domestic produce.

33

34 **SEC. 8. *Joint Government-Private Sector Committee.*** A committee is hereby
35 created, consisting of the Secretary of Agriculture as Chairman, a representative of the

1 private sector involved in agriculture as Vice Chairman, two representatives of the farmer-
2 beneficiaries, two representatives of agribusiness companies involved in the Program, and
3 two officials of the DA as members, all of which shall be appointed by the President of the
4 Republic of the Philippines upon recommendation of the Secretary of Agriculture. The
5 committee shall facilitate the assistance of the private sector in the identification of farmer
6 beneficiaries, credit channels and market and service providers and shall oversee the
7 administration, management and implementation of the Program.

8
9 **SEC. 9. Establishment of the Agriculture Development Fund.** The Agricultural
10 Development Fund (the "Fund) is hereby established, in the amount of Five Billion Five
11 Hundred Fifty One Million Pesos (PhP5,551,000,000.00) for the first year and Four Billion
12 Seventy Eight Million Pesos (P4,078,000,000.00) in the second year of the Program. The
13 Fund shall be taken from the budget allocation of the DA, and will be utilized for the
14 provision of a seed/loan guarantee fund for the production loans and direct government
15 intervention in the provision of, among others, farm machinery, post harvest facilities,
16 farm-to-market roads and human resource development activities.

17
18 **SEC. 10. Injunctions, Restraining Orders and Other Interlocutory Orders.-** The
19 development of the Camarines Sur Special Economic Zone and Free port is a national
20 government priority and therefore, no injunctions, restraining orders and other
21 interlocutory orders which seek to stop or interrupt any contract entered into or project
22 undertaken by the CSSEZA may be issued by any court of law or quasi-judicial body
23 except by the Supreme Court of the Philippines

24
25 **SEC. 11. Separability Clause.** - If any provision of this Act shall be declared
26 unconstitutional or invalid, the other provisions not otherwise affected, shall remain in full
27 force and effect.

28
29 **SEC. 12. Repealing Clause.** - All laws, executive orders or issuances, or any parts,
30 thereof which are inconsistent herewith are hereby repealed or amended accordingly.

31
32 **SEC. 13. Effectivity Clause.** - This Act shall take effect upon its publication in at
33 least two (2) newspapers of general circulation.

34
35 **Approved,**