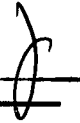


SEVENTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )



'16 JUL 20 P4:36

SENATE  
S.B. No. 703

RECEIVED BY: 

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Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

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**AN ACT**  
**PROVIDING EMERGENCY WAREHOUSES IN AREAS DEVASTATED BY CALAMITIES**  
**TO ENSURE AFFECTED CONSUMERS ACCESS TO BASIC NECESSITIES AND PRIME**  
**COMMODITIES AT DISCOUNTED AND TAX FREE PRICES**

**EXPLANATORY NOTE**

In the past few years, the country has been battered by more than twenty typhoons a year, with an increasing number in the super-typhoon category.

As super-typhoon Yolanda (Haiyan) hit Eastern Visayas, particularly Leyte, last year, Filipinos who were seriously affected needed to contend with an insurmountable shortage of food, clean water, medicine and first aid, and clothing to weather the storm. Supplies weren't able to reach the survivors immediately due to wrecked ports, airports and roads.

Thus, it is important that every community in the country be equipped and prepared for disasters, and make relief and basic goods as accessible as possible. The first few days after storms or earthquakes hit are crucial in mitigating further tragedies to individuals and families.

Hence, the establishment of community disaster warehouses aims to extend assistance to survivors of calamities, natural or man-made, by ensuring access to basic goods and prime commodities.

It intends for goods sold in these warehouses to be tax-exempt, and ensure that goods in the market would be available to avoid hoarding in affected areas. Furthermore, it seeks to protect citizens from price manipulation during times of crisis.

This intervention is important for the days and weeks right after the calamity to enable people and communities to start rebuilding and normalizing their lives.

Equipping communities with proper mechanism to assist its people during adversity is empowering and inclusive towards a nation that works for all.

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

A handwritten signature in black ink that reads "Bam Aquino". The signature is written in a cursive, flowing style.

**Senator Paolo Benigno "Bam" A. Aquino IV**


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COMMODITIES AT DISCOUNTED AND TAX FREE PRICES

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

1           **SECTION 1. Short Title.** – This Act shall be known as the "Community Disaster  
2 Warehouse Bill."

3           **SEC. 2. Declaration of Policy.** – It is hereby declared the policy of the State to extend  
4 assistance to the victims of calamities and ensure their access to basic goods during  
5 calamities or other emergency situations. Towards this end, the government shall establish  
6 emergency warehouses in calamity areas wherein basic necessities and prime commodities  
7 will be made available for sale to the victims at discounted and tax free prices as a priority  
8 initiative to provide immediate support to the affected communities.

9           **SEC. 3. Definition of Terms.** – For purposes of this Act, the following terms shall  
10 mean:

11           a. *Emergency Warehouse* - any structure or vehicle with protected enclosures  
12 for storage of large volume of goods and stocks and at the same time serves  
13 as an outlet for selling such goods and stocks.

14           b. *Basic necessities* - goods vital to the needs of consumers for their sustenance  
15 and existence in times of calamities or other emergency situations, such as  
16 but not limited to, rice, corn, root crops, bread; fresh, dried or canned fish  
17 and other marine products; fresh pork, beef and poultry meat; fresh eggs;  
18 potable water in bottles and containers; fresh and processed milk; fresh  
19 vegetables and fruits; locally manufactures instant noodles; coffee; sugar;  
20 cooking oil; salt; laundry soap and detergents; firewood; charcoal; candles;  
21 household liquefied petroleum gas (LPG) and drugs classified as essential by  
22 the Department of Health (DOH), and such other goods as may be included

1 under Section 4 of Republic Act No. 10623, otherwise known as An Act  
2 Amending Certain Provisions of Republic Act No. 7581 entitled "An Act  
3 Providing Protection to Consumers by Stabilizing the Prices of Basic  
4 Necessities and Prime Commodities and by Prescribing Measures against  
5 Undue Price Increases during Emergency Situations and like occasions and for  
6 other purposes";

7 c. *Prime commodities* - goods not considered as basic necessities but are  
8 essential to consumers in times of calamities or other emergency situations,  
9 such as but not limited to, flour, dried, processed or canned pork, beef and  
10 poultry meat; dairy products not falling under basic commodities; noodles;  
11 onions; garlic; vinegar; fish sauce; soy sauce; toilet soap; fertilizer; pesticides;  
12 herbicides; poultry, livestock and fishery feeds and veterinary products;  
13 paper; school supplies; nipa shingles; sawali; cement; clinker; GI sheets;  
14 hollow blocks; plywood; plyboard; construction nails; batteries; electrical  
15 supplies; light bulbs; steel wire; and all drugs not classified as essential drugs  
16 by the DOH and such other goods as may be included under Section 4 of  
17 Republic Act No. 10623.

18 **SEC. 4. *Emergency Warehouses.*** – In the event of calamities and disasters, the  
19 Department of Trade and Industry (DTI) shall immediately set-up and deploy emergency  
20 warehouses in calamity areas to sell basic necessities and prime commodities to affected  
21 consumers at discounted and tax free prices. Affected consumers may avail of the  
22 discounted and tax free prices subject to the limitations and conditions to be prescribed by  
23 the DTI.

24 **SEC. 4. *Duration.*** – The Department of Trade and Industry shall, in consultation with  
25 the National Disaster Risk Reduction and Management Council (NDRRMC), determine the  
26 period of deployment of the emergency warehouse in a particular calamity area.

27 **SEC. 5. *Tax Exemption.*** – All goods to be sold in emergency warehouses shall be  
28 exempt from the imposition of value-added tax and other sales tax.

29 **SEC. 6. *Implementing Rules and Regulations.*** – Within sixty (60) days from the  
30 effectively of this Act, the Secretary of Trade and Industry shall, in coordination with the  
31 Secretary of Finance, promulgate the necessary rules and regulations for the effective  
32 implementation of this Act.

33 **SEC. 7. *Appropriations.*** – The amount necessary for the effective implementation of  
34 this Act shall be charged against the current appropriations for the Department of Trade  
35 and Industry. Thereafter, such sum as may be necessary for its continued implementation  
36 shall be included in the annual General Appropriations Act.

37 **SEC. 8. *Separability Clause.*** – If any provision of this Act is subsequently declared  
38 invalid or unconstitutional, other provisions hereof which are not affected thereby shall  
39 remain in full force and effect.

1           **SEC. 9. Repealing Clause.** — All laws, decrees, orders, rules and regulation or parts  
2 thereof inconsistent with any provision of this Act are hereby repealed or modified  
3 accordingly.

4           **SEC. 10. Effectivity.** — This Act shall take effect fifteen (15) days after its publication  
5 in the *Official Gazette* or in two (2) newspapers of general circulation.

6           *Approved,*