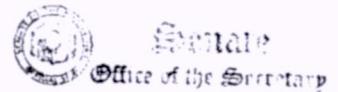


EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



'19 NOV 26 P 3:11

SENATE

S.B. NO. 1195

RECEIVED BY

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Introduced by Senator Cynthia A. Villar

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**AN ACT AUTHORIZING THE USE OF THE RICE SUBSIDY AS PROVIDED FOR UNDER THE PANTAWID PAMILYANG PILIPINO PROGRAM (4Ps) IN THE GENERAL APPROPRIATION ACT OF 2019 FOR THE PURCHASE OF PALAY FROM FARMERS, MANDATING FOR THE PURPOSE THE DSWD IN COORDINATION WITH THE DEPARTMENT OF AGRICULTURE AND NFA TO BUY PALAY FROM THE LOCAL FARMERS FROM THE PROVINCES OF PANGASINAN, ILOCOS NORTE, CAGAYAN, ISABELA, NUEVA VISCAYA, MINDORO ORIENTAL, MINDORO OCCIDENTAL TARLAC, NUEVA ECIJA, ZAMBOANGA DEL SUR AND ILOILO AND DISTRIBUTE RICE SUBSIDY IN THE FORM OF ACTUAL RICE, INSTEAD OF CASH ASSISTANCE, TO QUALIFIED BENEFICIARIES**

Republic Act No. 11203 or an Act Replacing the Quantitative Import Restrictions on Rice with Tariffs, Lifting the Quantitative Export Restrictions on Rice, and for Other Purposes was enacted to help support the local rice industry specifically by creating a "Rice Competitiveness Enhancement Fund". The law aims to raise the income of palay farmers by making them competitive and provide affordable rice prices for consumers. It was signed in February 2019. The RCEF is a special fund to protect the rice industry from sudden or extreme price fluctuations. The Fund, shall consist of initial appropriation of P10 billion a year for the next six (6) years. The fund will be utilized to provide different

forms of assistance to the country's rice farmers such as the development of inbred rice seeds for our farmers, the development of rice farm equipment, and skills enhancement.

Under the measure, the Rice Competitiveness Enhancement Fund shall be allocated and disbursed to rice-producing areas, as follows:

1. Fifty percent (50%) shall be utilized as grant in aid to eligible farmers associations, and registered rice cooperatives and LGUs, in the form of rice farm equipment for purposes of improving farm mechanization. The machines are tillers, tractors, seeders, millers, dryers and the like. It will be implemented by Philippine Center for PostHarvest Mechanization and Development (Philmech);
2. Thirty percent (30%) shall be used for the development, propagation and promotion of inbred rice seeds to rice farmers.
3. Ten percent (10%) shall be made available in the form of credit with minimal interest to rice farmers and cooperatives to be managed equally by Land Bank and the Development Bank of the Philippines;
4. Another ten percent (10%) of the fund shall be for the extension services divided between Philmech, Philippine Rice Research Institute (PhilRice), Agricultural Training Institute (ATI) and TESDA to teach skills on rice crop production, modern rice farming techniques, seed production, farm mechanization, and knowledge/technology transfer thru farm schools nationwide.

But despite RCEF's on-going implementation of the identified interventions, the sudden impact of the influx of imported rice resulted in lower rice prices for consumers but also lower palay prices for the rice farmers.

Based on the foregoing, this bill proposes to use the rice subsidy as provided for under the Pantawid Pamilya Pilipino Program (4Ps) in the General Appropriations Act of 2019 for the purchase of palay from farmers, mandating for the purpose the Department of Social Welfare and Development in coordination with the Department of Agriculture and the National Food Authority to buy palay from the local farmers from the provinces of Pangasinan, Ilocos Norte, Cagayan, Isabela, Nueva Viscaya, Mindoro Occidental, Mindoro

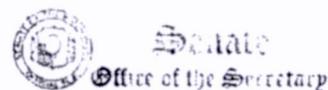
Oriental, Tarlac, Nueva Ecija, Zamboanga del Sur and Iloilo and distribute the rice subsidy in the form of actual rice, instead of cash to the qualified beneficiaries.

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

A handwritten signature in black ink, appearing to read 'Cynthia Villar', with a long horizontal flourish extending to the right.

**SEN. CYNTHIA A. VILLAR**

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

- 1 **SECTION 1.** Under the 2019 budget, the allocation for rice subsidies amounts to P28.51
- 2 billion and the same amount is proposed for the fiscal year 2020 Government
- 3 Appropriations Act. The rice subsidy in the form of cash is given to beneficiaries through
- 4 their existing Land Bank of the Philippines (Land Bank) through scheduled or coordinated
- 5 payout through the Department of Social Welfare and Development (DSWD). This is part

1 of the Unconditional Cash Transfer or UCT which is a social welfare benefit provided under  
2 the Tax Reform for Acceleration and Inclusion (TRAIN) Law, which seeks to provide 10  
3 million indigent beneficiaries.

4 **SECTION 2.** The beneficiaries of Pantawid Pamilya include: " (i) those registered in  
5 Pantawid Pamilya Information System; (ii) victims of natural and man-made disasters  
6 rendered homeless and with no means of livelihood; (iii) indigenous peoples in  
7 geographically isolated and disadvantaged areas; (iv) homeless street families; and (v)  
8 transitioning households whose level of well-being have improved but still at high risk  
9 of subsequently falling back into survival level as they precariously live with little or no  
10 buffer against economic shocks."

11 **Section 3.** The above mentioned beneficiaries shall be entitled to Rice  
12 Assistance/Subsidy which amount is included in the total cash grant for Pantawid Pamilya  
13 or Six Hundred Pesos (PhP600) rice subsidy per month, on a per household basis and  
14 shall be given in actual kilos of rice instead of cash.

15 **SECTION 4.** The DSWD together with the Department of Agriculture (DA) and the  
16 National Food Authority (NFA) shall set the procedure, guidelines, and distribution system  
17 in the buying of palay from farmers, and distributing rice to the 4Ps beneficiaries who  
18 shall receive their rice subsidy from DSWD-designated outlets. The Department of  
19 Finance and the National Economic Development Authority shall likewise provide support  
20 in the crafting of the implementing rules.

21 **SECTION 5.** The targeted areas shall be the rice producing PROVINCES OF  
22 PANGASINAN, ILOCOS NORTE, CAGAYAN, ISABELA, NUEVA VISCAYA, MINDORO  
23 ORIENTAL, MINDORO OCCIDENTAL, TARLAC, NUEVA ECIJA, and ZAMBOANGA DEL SUR  
24 AND ILOILO.

25 **SECTION 6.** A year-end report the program implementation shall be submitted by the  
26 DSWD to both Houses of Congress to determine its performance and effectiveness.

1 **SECTION 7. Separability Clause.** If any portion or provision of this Act or the  
2 application thereof shall be declared invalid or unconstitutional, the validity of other parts  
3 or provisions not affected thereby shall continue to be in full force and effect.

4 **SECTION 8. Repealing Clause.** All laws, decrees, executive issuances, rules  
5 and regulations inconsistent with this Act are hereby repealed or modified accordingly.

6 **SECTION 9. Effectivity Clause.** This Act shall take effect fifteen (15) days after  
7 its publication in at least two (2) newspaper of general circulation.

8 *Approved*

9