

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



20 FEB 12 P 2 :15

SENATE

S. No. 1336

RECEIVED BY:

---

Introduced by SENATOR RAMON BONG REVILLA, JR.

---

**AN ACT**  
**MANDATING BANKING INSTITUTIONS TO STRENGTHEN THE FINANCING**  
**SYSTEM FOR AGRICULTURAL, FISHERIES AND RURAL DEVELOPMENT IN**  
**THE PHILIPPINES**

**EXPLANATORY NOTE**

Over the years, the Philippines has proved its exhibition of eminent biodiversity to the world, rich in both flora and fauna. Although agriculture plays a vital role in the economy of the Philippines, its relative contribution to gross domestic product (GDP) has been declining over the years.<sup>1</sup> From 1998 to 2009, the sector accounted for 13% to 14% of the total GDP. This steadily declined to 10% by 2017. This is below the 2.5 to 3.5 percent annual growth rate target for the sector under the 2017-2022 Philippine Development Plan of the National Economic and Development Authority.<sup>2</sup>

Furthermore, according to the Food and Organization of the United Nations, the Philippines, the world's largest archipelagic state with more than 7,100 islands, is a major fishing nation.<sup>3</sup> In 2012, the Philippines ranked among the major fish-producing countries in the world with a total production of 3.1 million tons of fish, crustaceans, mollusks and other aquatic animals. Unquestionably, the fisheries sector is one of the

---

<sup>1</sup> Brown, E.O., Ebor, R.V., Decena, F.C. (2018, November 21) *FFTC Agricultural Platform*.  
[http://ap.ffc.agnet.org/ap\\_db.php?id=941](http://ap.ffc.agnet.org/ap_db.php?id=941)

<sup>2</sup> Ocampo, K.R. (2018, August 9). *Decline of Crop Output Slows Q2 Growth of Agri Sector*.  
<https://business.inquirer.net/255375/decline-crop-output-slows-q2-growth-agri-sector-agriculture-business-psa-crops-farm-output>

<sup>3</sup> Food and Agriculture of the United Nations. (2014, May). *Fishery and Aquaculture Country Profiles: Republic of the Philippines*. <http://www.fao.org/fishery/facp/PHL/en>

main sources of food in the country, but through the years, the output in of the fisheries sector in the Philippines continues to decline as well.

The lack of a policy that should regulate, manage and finance involved parties of both the agricultural and fisheries sectors may decelerate the development and sustainability of our economic resources as well as further delaying rural incomes and social development. This proposed Rural Agricultural and Fisheries Enhancing System Act aims to overhaul Republic Act No. 10000 to strengthen rural development by providing for a holistic approach that addresses the root causes of the challenges faced by the agricultural and fisheries sector and taking into account the broader agricultural financing ecosystem and rural community development requirements.

Foregoing considered, passage of this Bill is earnestly sought.

  
**RAMON BONG REVILLA JR.**

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



20 FEB 12 P2:15

SENATE

S. No. 1336

RECEIVED BY:

---

Introduced by SENATOR RAMON BONG REVILLA, JR.

---

**AN ACT**  
**MANDATING BANKING INSTITUTIONS TO STRENGTHEN THE FINANCING**  
**SYSTEM FOR AGRICULTURAL, FISHERIES AND RURAL DEVELOPMENT IN THE**  
**PHILIPPINES**

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

**ARTICLE I**  
**GENERAL PROVISIONS**

1           **Section 1. Short Title.** – This Act shall be known as the “Rural Agricultural and  
2 Fisheries Financing Enhancement System Act of 2020”.

3  
4           **Sec. 2. Declaration of Policy.** – It is hereby declared the policy of the State to  
5 promote inclusive and broad-based economic growth by ensuring equal access to  
6 opportunities under an environment of sustained growth and expanding productivity as  
7 the key to raising the quality of life for al. Towards this end, the State shall promote rural  
8 development by enhancing access of rural communities and agricultural and fisheries  
9 households to financial services and programs that increase productivity, enhance market  
10 efficiency, promote modernization and improve the welfare and economic prospects of  
11 beneficiaries in rural communities through active participation of banking institutions.

12

1       **Sec. 3. Definition of Terms.** – As used in this Act, the following terms shall  
2 mean:

3       (a) *Agrarian Reform Beneficiary (ARB)* refers to a farmer who was granted land  
4       under Presidential Decree NO. 27, the Comprehensive Agrarian Reform Law  
5       and Republic Act No. 9700 or the “Comprehensive Agrarian Reform Extension  
6       with Reforms” and a regular farm worker who is landless, irrespective of  
7       tenurial arrangement, who benefited from the redistribution of land, regardless  
8       of crops or fruits produced, to include the totality of factors and support  
9       services designed to lift the economic status of the beneficiary and all other  
10      alternative arrangements to the physical distribution of shares of stock which  
11      will allow the beneficiary to receive a just share of the fruits of the lands one  
12      works. The term shall also include registered agrarian reform beneficiaries’  
13      cooperatives/associations/other farm groups, respectively endorsed as  
14      comprising of agrarian reform beneficiaries by the nearest office of the DAR,  
15      as well as ARB households.

16      (b) *Agrarian Reform Community (ARC)* refers to a barangay or a cluster of  
17      barangays primarily composed and managed by agrarian reform beneficiaries  
18      who shall be willing to be organized and undertake the integrated development  
19      of an area and/or their organizations/cooperatives.

20      (c) *Agri-Business* refers to agriculture and fishery-related activities that put  
21      farmers, fisherfolk processors, distributors, and consumers within a system that  
22      produces, processes, transports, markets, and distributes agricultural and  
23      fishery products. It encompasses input production, farm and fishery operations  
24      and management, equipment and supplies, manufacturing, food/non-food  
25      processing, trading, and retailing.

26      (d) *Agri-Tourism* also referred to as “Farm Tourism” under Republic Act No. 10816,  
27      refers to the practice of attracting visitors and tourists to farm areas for  
28      production, educational and recreational purposes. It involves any agricultural  
29      or fishery-based operation or activity that brings to a duly-accredited farm

1 tourism camp, visitors, tourists, farmers and fisherfolk who want to be  
2 educated and trained on farming and its related activities.

3 (e) *Agricultural Lessee* refers to any person who, with or without help from his/her  
4 immediate farm household, cultivates the land owned by another for a certain  
5 price in money, in produce, or in both.

6 (f) *Agricultural or Fisheries Household* refers to a household that is considered to  
7 be an agricultural or fisheries household when at least one member of the  
8 household is a farmer, a fisherman, an agrarian reform beneficiary, a settler,  
9 an agricultural lessee, an amortizing owner, a farmworker, a fish worker, an  
10 owner-cultivator, a compact farmer, or a tenant farmer.

11 (g) *Agricultural Value Chain (AVC)* refers to a set of actors/players, such as  
12 producers (farmers, fisherfolks), traders, suppliers, processors, aggregators,  
13 who conduct linked sequence of value-adding activities involved in converting  
14 an agricultural product from its raw material to final form and bringing it to  
15 consumers.

16 Agricultural Value Chain Financing (AVCF) refers to financing to an AVC  
17 following the identification and analysis of AVC and the design of appropriate  
18 financial products and services for actors/players that form part of the AVC.

19 (h) *Agro-Industry Modernization Credit and Financing Program (AMCF)* refers to  
20 the umbrella credit/financing program of the government for the agriculture  
21 and fisheries sector created under Republic Act No. 8435.

22 (i) *Amortizing Owners* refer to landowners who amortize payment for the land to  
23 a private individual or to the State.

24 (j) *Compact Farmers* refer to those farmers with adjoining farmers operating as a  
25 single unit under one management, farm plan and budget.

26 (k) *Farmer* refers to a natural person whose primary livelihood is cultivation of land  
27 or the poor production of agricultural crops, agro-forest products, or livestock,  
28 either by oneself, or primarily with the assistance of their immediate farm  
29 household, whether the land is owned by them or by another person under a  
30 leasehold or share tenancy agreement or arrangement with the owner thereof.

- 1 (l) *Farmworker* refers to a natural person who renders service for value as an  
2 employee or labourer in an agricultural enterprise or farm regardless of  
3 whether their compensation is paid on a daily, weekly, monthly or "pakyaw"  
4 basis. The term includes an individual whose work has ceased as a  
5 consequence of, or in connection with, a pending agrarian dispute who has not  
6 obtained a substantially equivalent and regular farm employment.
- 7 (m) *Farmers' Cooperatives* refer to organizations composed primarily of small  
8 agricultural producers, farmers, farmworkers, or other agrarian reform  
9 beneficiaries who voluntarily organize themselves for the purpose of pooling  
10 land, manpower, technological, financial or other economic resources, and  
11 operate on the principle of one member, one vote. A juridical person may be a  
12 member of a cooperative, with the same rights and duties as a natural person.
- 13 (n) *Farmer's and Fisherfolk's Organizations or Associations* refer to farmer's and  
14 fisherfolk's cooperatives, associations or corporations duly registered with  
15 appropriate government agencies and which are composed primarily of small  
16 agricultural producers, farmers, farmworkers, agrarian reform beneficiaries,  
17 fisherfolk who voluntarily join together to form business enterprises or non-  
18 business organizations which they themselves own, control and patronize.
- 19 (o) *Farm-to-Market Road* refers to a road linking the agriculture and fisheries  
20 production sites, coastal landing point and post-harvest facility to the market  
21 and arterial road and highway.
- 22 (p) *Financial Services* refer to services extended by banks/financial institutions  
23 such as, but not limited to, credit/lending, deposits, rediscounting, and  
24 insurance.
- 25 (q) *Fisherfolk* refers to people directly or personally and physically engaged in  
26 catching
- 27 (r) *Fisherworker* refers to people whether or not regularly employed in commercial  
28 fishing and related industries, whose income is either from wages, profit  
29 sharing or stratified sharing basis, including those working in fish pens, fish  
30 corral/traps, fishponds, prawn farms, sea farms, salt beds, fish ports, fishing

1 boat or trawlers, or fish processing and/or packing plants, but excluding  
2 administrators, security guards and overseers.

3 (s) *Green Finance* refers to financial services and products designed to promote  
4 the flow of finance towards green economic activities and projects. Aside from  
5 financing to promote climate change adaptation and mitigation, green finance  
6 also covers environmental improvement and efficiency improvement in natural  
7 capital preservation and resource mobilization.

8 (t) *Micro, Small and Medium Enterprise (MSME)* refers to any business activity or  
9 enterprise defined as such under existing laws.

10 (u) *Newly-Established Bank* refers to a domestic or foreign bank without banking  
11 presence in the Philippines prior to the issuance of its certificate of authority to  
12 operate. It shall not include banks that have been formed through the  
13 acquisition, purchase of ownership of the voting stock of an existing domestic  
14 bank or the merger or consolidation of banks.

15 (v) *Owner-Cultivators* refer to natural persons who own lands by purchase,  
16 inheritance or land distribution by the State. Owner-Cultivators can operate the  
17 farm themselves, supervise wage labor or delegate operations to farmers.

18 (w) *Philippine Corp Insurance Corporation (PCIC)* refers to a government-  
19 owned and controlled corporation which provides insurance protection to the  
20 country's agricultural producers, particularly the subsistence farmers against  
21 crop losses arising from natural calamities such as typhoons, rising sea levels,  
22 floods drought, earthquakes, volcanic eruptions, plant diseases and pest  
23 infestation, and non-crop agricultural asset losses due to perils for which the  
24 asset has been insured against.

25 (x) *Post-Harvest Activities* refer to threshing, drying, milling, grading, storing, and  
26 handling of produce and such other activities of a similar nature such as  
27 stripping, winnowing chipping and washing.

28 (y) *Post-Harvest Facilities* refer to threshers, moisture meters, dryers, weighing  
29 scales, milling equipment, fish ports, fish landings, ice plants and cold storage  
30 facilities, processing plants, warehouses, buying stations, market infrastructure

1 and transportation facilities, and such other facilities, supporting post-harvest  
2 activities.

3 (z) *Public Rural Infrastructure* refers to infrastructure in rural communities such as  
4 highways, streets, bridges, tunnels, railways, railroad, transport systems, ports,  
5 airports, hydropower projects, canals, dams, irrigation, government buildings  
6 and housing projects, public schools, public hospitals, public health centers,  
7 public markets, slaughterhouses, warehouses, solid waste management,  
8 sewerage, flood control, drainage, dredging and other similar infrastructure  
9 projects.

10 (aa) *Rural Community* refers to areas that are defined as such by the Philippine  
11 Statistics Authority (PSA).

12 (ab) *Rural Financial Institution (RFI)* refers to any financial institution established  
13 and is operating in a rural community.

14 (ac) *Settlers* refer to persons who range from the forest-clearing pioneers,  
15 including indigenous people, with a subsistence economy to the better equipped  
16 and more experienced farmers.

17 (ad) *Tenant Farmer* refers to one who cultivates another's land under a sharing or  
18 leasehold agreement.

## 20 **ARTICLE II**

### 21 **AGRICULTURAL FISHERIES AND RURAL FINANCING SYSTEM**

22 **Sec. 4. *Agriculture, Fisheries and Rural Financing System.*** – There shall be  
23 an agricultural, fisheries and rural financing system to improve the welfare,  
24 competitiveness, income and productivity of the rural community beneficiaries,  
25 particularly the farmers, fisherfolk, agrarian reform beneficiaries, agrarian reform  
26 communities, settlers, agricultural lessees, amortizing owners, farmworkers,  
27 fisherworkers, owner-cultivators, compact farmers, tenant farmers, and members of their  
28 households and their MSMEs, as well as farmers' and fisherfolk's cooperatives,  
29 organizations and associations, through government and private banking institutions.

30



1           Agricultural, fisheries and rural financing, as used herein, shall consist of loans,  
2 investments and grants to finance activities shall enhance productivity and increase  
3 income of an agricultural and fisheries household, thereby promoting agricultural sector  
4 productivity and competitiveness, as well as sustainable development of rural  
5 communities. These shall include, but not be limited to, activities identified under the  
6 AMCFP as enumerated under Chapter 3 Section 23 of Republic Act No. 8435, off-  
7 farm/fishery activities, agricultural mechanization/modernization, agri-tourism, green  
8 finance projects, acquisition of land authorized under the Agrarian Reform Code of the  
9 Philippines and its amendments, efficient and effective marketing, processing, distribution  
10 and storage of agricultural and fishery commodities, public rural infrastructure, as well as  
11 programs that shall address the development needs of rural communities, such as, but  
12 not limited to, projects that promote the livelihood, skills enhancement, and all other  
13 capacity-building activities of the rural community beneficiaries and all other activities  
14 consistent or analogous to the foregoing, as may be determined by the Agricultural and  
15 Fisheries Finance and Capacity-Building Council (AFFCC).

16

17           **Sec. 5. Rural Community Beneficiaries.** – The financing mentioned in the  
18 preceding section shall be extended to the rural community beneficiaries named therein  
19 or to cooperatives, associations, MSMEs or organizations in good standing of such  
20 beneficiaries, regardless of capitalization based on the feasibility of the project and their  
21 paying capacity, their estimated production, and/or securities they can provide as well as  
22 assets as may be acquired by the from the proceeds of the loan, investments and grants.

23

24           **Sec. 6. Credit Quota.** – All banking institutions, whether government or private,  
25 except newly established banks for a period of five (5) years from date of commencement  
26 of the banks' operations, shall set aside a credit quota, or a minimum mandatory  
27 agricultural and fisheries financing requirement of at least twenty-five percent (25%) of  
28 their total loanable funds.

29

1           The total loanable funds generated by banking institutions shall be defined by the  
2 BSP. During the first year of effectivity of this Act, the total loanable funds generated  
3 shall be computed started from the 20<sup>th</sup> of April 2010, the effectivity of Republic Act No.  
4 10000, after which the bank's total loanable funds shall be determined based on funds  
5 generated starting from the second year of effectivity of this Act.

6  
7           **Sec. 7. Modes of Compliance.** – Banks may comply with the mandatory credit  
8 requirement by lending to rural community beneficiaries, to finance agriculture and  
9 fishery-related activities identified under the AMCFP as enumerated under Chapter 3  
10 Section 23 of Republic Act No. 8435, off-farm/fishery activities, agricultural  
11 mechanization/modernization, agri-tourism, green finance projects, marketing,  
12 processing, distribution and storage of agricultural and fishery commodities, livelihood  
13 projects, skill enhancement or capacity-building projects.

14  
15           Banks may also comply with the mandatory financing requirement through other  
16 means as follows:

- 17  
18           (a) Invest in debt securities, including those issued by the Development Bank of  
19 the Philippines (DBP) and the Landbank of the Philippines (LBP): *Provided*, That  
20 the proceeds from said debt securities shall be used to finance activities under  
21 Section § hereof: *Provided, further*, That the proceeds from debt securities  
22 issued by the DBP and LBP shall be separately accounted for and shall not be  
23 considered for purposes of computing the loanable funds under Section 6  
24 hereof of the said banks;
- 25           (b) Open Deposit accounts with rural financial institutions: *Provided*, That the  
26 deposit accounts shall be separately accounted for by the depository bank and  
27 shall not be considered for purposes of computing the loanable funds under  
28 Section 6 hereof of the said banks;

- 1 (c) Rediscount with banks eligible paper covering agriculture, fisheries and  
2 agrarian reform credits: *Provided*, That rediscounted paper shall no longer be  
3 eligible as compliance on the part of the originating bank;
- 4 (d) Invest directly in the shares of stock of rural financial institutions, subject to  
5 prevailing laws, rules or regulations or lend wholesale to rural institutions:  
6 *Provided*, That the wholesale loans shall be credited as compliance of the bank  
7 acting as wholesale lender alone;
- 8 (e) Lend for the construction and upgrading of infrastructure, including but not  
9 limited to, farm-to-market roads, as well as the provision of post-harvest  
10 facilities and other public rural infrastructure that will benefit the agriculture,  
11 fisheries and agrarian reform sector;
- 12 (f) Lend to agri-business enterprises that maintain agricultural commodity supply  
13 chain arrangements directly with rural community beneficiaries;
- 14 (g) Undertake agricultural value chain financing to actors/players in the AVC that  
15 benefits rural communities; and
- 16 (h) Invest in shares of stock of the PCIC or in companies that primarily engage in  
17 activities under Section 4 hereof that benefit rural community beneficiaries:

18  
19 *Provided That*, the loans and investments that are counted as compliance are not  
20 funded by proceeds from the issuance of debt securities, and/or lending of other banks  
21 that have been counted as compliance with the mandatory credit: *Provided Further*, that  
22 loans to finance activities that shall generally benefit agrarian reform beneficiaries,  
23 agrarian reform communities, or other priority sectors, as may be determined by the  
24 AFFCC, shall be counted at not more than ten times (10x) their outstanding amount, or  
25 as otherwise prescribed by the BSP, for purposes of determining compliance with the  
26 mandatory agricultural and fisheries financing requirement.

27  
28 **Sec. 8.** The modes of compliance enumerated in the preceding section shall be  
29 subject to review by the AFFCC after implementation to determine whether these are

1 adequate to support the financing requirements of rural communities and recommend to  
2 Congress for appropriate action.

3  
4 **Sec. 9. Annual Reports.** – The BSP shall furnish reports on the compliance with  
5 the mandatory agricultural and fisheries financing requirement to the Congress on a  
6 yearly basis. The BSP shall, as part of its regulatory functions, monitor the compliance by  
7 the banks with the requirements of this Act.

8  
9 **Sec. 10. Penalty Clause.** – The BSP shall impose administrative sanctions and  
10 other penalties on the lending institutions for violation of any provisions of this Act.  
11 Penalties on non-compliance or under-compliance with the mandatory agricultural and  
12 fisheries financing requirement shall be computed at one-half of one percent (0.5%) of  
13 non-compliance or under-compliance, or at any rates prescribed by the BSP Monetary  
14 Board. Upon collection of the penalties, the BSP shall remit the same to the AFFCC for  
15 deposit to the special fund created under Article III of this Act. Ten percent (10%) of the  
16 penalties collected shall be retained by the BSP to cover administrative expenses.

17  
18 **ARTICLE III**  
19 **AGRIBUSINESS MANAGEMENT CAPACITY AND INSTITUTION-**  
20 **BUILDING FUND AND PROGRAM**

21  
22 **Sec. 11.** There shall be created an Agribusiness Management Capacity and  
23 Institution-Building Fund (Special Fund) to finance agricultural- and fishery-related  
24 activities as well as organizational-, capacity- and institution-building programs of  
25 cooperatives and other duly-registered organizations of rural agricultural and fisheries  
26 households. The special fund shall be sufficient to ensure effective implementation of the  
27 aforementioned activities and programs. For this purpose, banks may comply with the  
28 mandatory credit requirement by providing contributions to the Special Fund.

29

1           **Sec. 12.** The initial amount of the Special Fund shall at least be P10 billion and  
2 shall include penalties due from banks on their non-compliance or under-compliance with  
3 the mandatory Agri-Agra credit requirement under Republic Act No. 10000, collected after  
4 the effectivity of this Act, net of the ten percent (10%) amount to be retained by BSP. In  
5 case of a shortfall, the banks shall advance a maximum amount of P2 billion, which shall  
6 be chargeable against future penalties under this Act, and shall not be considered as a  
7 mode of compliance under Section 11 hereof.

8

9           **Sec. 13.** Banks, duly-registered training and capacity-building organizations,  
10 cooperatives and other duly-registered organizations of, or that support rural agricultural  
11 and fisheries household may apply with the AFFCC for funding for their capacity and  
12 institution-building programs and activities.

13

14

#### **ARTICLE IV**

15

### **AGRICULTURAL AND FISHERIES FINANCE AND CAPACITY-BUILDING**

16

#### **COUNCIL (AFFCC)**

17

18           **Sec. 14. *Agricultural and Fisheries Finance and Capacity-Building Council***  
19 ***(AFFCC)***. – There shall be created an Agricultural and Fisheries Finance and Capacity-  
20 Building Council (AFFCC) which shall be composed of the Heads, or their designated  
21 representatives, of the following agencies: the Department of Agriculture (DA), as Chair;  
22 the *Bangko Sentral ng Pilipinas* (BSP); the Department of Agrarian Reform (DAR); the  
23 Department of Trade and Industry (DTI); the Cooperative Development Authority (CDA);  
24 the Landbank of the Philippines (LBP); the Development Bank of the Philippines (DBP);  
25 and nine (9) representatives from the private sector as members, one of whom shall be  
26 appointed as Vice-Chair. The private sector representatives shall include the heads, or  
27 their designated representatives, of: the Bankers Association of the Philippines (BAP), as  
28 Vice-Chair; the Rural Bankers Association of the Philippines (RBAP); the Chamber of Thrift  
29 Banks (CTB); the Cooperative Banks Federation of the Philippines (BANGKOOP); the  
30 Microfinance Council of the Philippines, Inc. (MCPI); the Philippine Chamber of Commerce

1 and Industry (PCCI); and a representative each from the cooperative sector, the farmers,  
2 and the fisherfolk sector.

3  
4 **Sec. 15. Powers, Duties and Function of the AFFCC.** – The AFFCC shall have  
5 the following powers, duties, and functions:

6 (a) to set the target amount for the Special Fund to meet the organizational- and  
7 capacity-building requirements of cooperatives and other duly-registered  
8 organizations of rural agricultural and fisheries households over a period of ten  
9 (10) years;

10 (b) to determine the annual requirement of the Special Fund;

11 (c) to identify eligible recipients of the Special Fund;

12 (d) to identify eligible agricultural- and fishery-related activities and capacity  
13 building programs that may be financed by the Special Fund;

14 (e) to ensure the effective implementation and programs financed by the Special  
15 Fund and, for this purpose, to employ outsource resources and expertise from  
16 the banking industry that can provide project coordination and fund  
17 management services;

18 (f) to periodically assess the adequacy of the fund capital in financing the capacity-  
19 building requirements of rural cooperatives and other duly-registered  
20 organizations of rural agricultural and fisheries households; and

21 (g) to ensure compliance with the reporting, monitoring, evaluation and audit  
22 requirements of the Special Fund and activities financed.

23  
24 **ARTICLE V**

25 **MISCELLANEOUS PROVISIONS**

26  
27 **Sec. 16. Audit.** – The Special Fund shall be audited by the Commission on Audit  
28 (COA) in accordance with existing auditing laws, rules, and regulations.

1           **Sec. 17. Oversight Committee.** – There shall be an oversight committee  
2 composed of the following: the Chairperson of the Committee on Banks and Financial  
3 Intermediaries of the House of Representatives, Chairperson of the Committee on Banks,  
4 Financial Institutions and Currencies of the Senate, a representative from the Office of  
5 the President and a representative from the Commission on Audit (COA); to oversee the  
6 implementation of the provisions of this Act.

7  
8           **Sec. 18. Sunset Provisions.** - The provisions related to the mandatory credit  
9 quota under Article III as well as the management and administration of the Special Fund  
10 under Article III shall cease to have effect, ten (10) years from approval of this Act.

11  
12           **Sec. 19. Repealing Clause.** – Any law, presidential decree or issuance, executive  
13 order, letter of instruction, rule or regulation inconsistent or contrary to the provisions of  
14 this Act is hereby repealed or modified accordingly.

15  
16           **Sec. 20. Separability Clause.** – If any part, section or provision of this Act is  
17 held invalid or unconstitutional, other provisions not affected thereby shall remain in force  
18 and effect.

19  
20           **Sec. 21. Transitory Provision.** – The BSP shall promulgate such rules and  
21 regulations as may be necessary to implement Articles I and II of this Act within ninety  
22 (90) days after effectivity of this Act. Prior to the effectivity of the implementing rules  
23 and regulations of Articles I and II of this Act, the provisions of Republic Act No. 10000  
24 shall remain in force.

25  
26           The BSP shall organize a Task Force which shall promulgate such rules and  
27 regulations as may be necessary to implement Articles III and IV within ninety (90) days  
28 after effectivity of this Act.

1           **Sec. 22. Effectivity.** – This Act shall effect fifteen (15) days after its publication  
2 in the Official Gazette or in a newspaper of general circulation.

3

4           *Approved,*