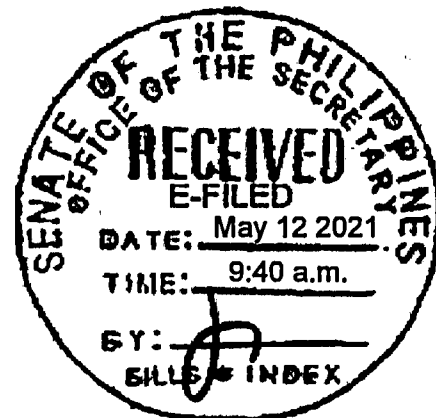


EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )



SENATE

Senate Bill No. 2176

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Introduced by Senator FRANCIS N. PANGILINAN

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AN ACT

TO SUPPORT THE STRENGTHENING OF THE LOCAL SWINE INDUSTRY,  
CREATING FOR THE PURPOSE THE SWINE COMPETITIVENESS  
ENHANCEMENT FUND, FURTHER AMENDING REPUBLIC ACT NO. 8178, AS  
AMENDED, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Since October 2020, the country and ordinary consumers have been reeling from the effects of high meat prices. Retail prices of pork *kasim/pigue* and *liempo* remain as high as P380.00 to P400.00 per kilogram. Previously, pork prices were relatively stable at P224.00 per kilogram. The spike in retail prices pushed meat inflation from 3.5 percent to 4.4 percent in 2019 and 2020, respectively, to 19.6 percent in Q1 2021. In March 2021, the elevated meat inflation was the top contributor to overall inflation.

Such high prices of pork reflect the dwindling local supply of hogs in the Luzon area. This is attributed to the fact that the African Swine Fever (ASF) has not been abated since it was first reported in 2019. The situation, moreover, was exacerbated by the destructive effects of typhoons in the last quarter of 2020.

The ASF outbreak has affected the livelihood of over 68,000 hog raisers and has already cost the local hog industry and allied sectors more than P100 billion. Hog raisers estimate that around 36 percent of the total hog population or about five (5) million heads are affected by the ASF. In May 2021, a State of Calamity throughout the country was declared due to the outbreak.

The Department of Agriculture (DA) could have probably lessened the impact of the ASF had it been given the sufficient resources to combat such a highly contagious and deadly disease. Unfortunately, it was not. Of the more than P8.5 billion it proposed as 2020 budget for the livestock sector, the DA was given P2.7 billion, or about a third of its proposal. For 2021, it sought P12.83 billion but was granted P3.08 billion, again measly when compared to what it sought. Out of this P3 billion, P768.5 million has been allocated

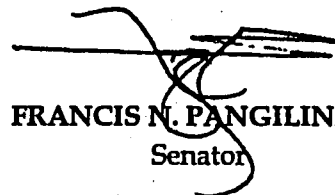
for the swine sector, so miniscule when compared to the total worth and contribution of the industry to the economy.

Thus, to help curtail the further spread of the ASF and contribute to the recovery of the industry, this bill seeks to create the Swine Competitiveness Enhancement Fund (SCEF) to be funded out of all the duties collected from the importation of swine meat. The duties shall be collected for the next six (6) years and shall be placed as a Special Account in the General Fund. Collection for the SCEF may be extended upon the recommendation of the Congressional Oversight Committee on Agricultural and Fisheries Modernization and subsequent approval of Congress.

The SCEF, as an additional fund aside from the regular appropriations for the swine sector, shall be utilized for the eradication of the ASF, subsidies for the transport of hogs and pork from producing areas to pork-consuming markets, swine sector development and repopulation, credit assistance to hog raisers, and insurance fund for hog raisers affected by the culling of infected hogs. Essentially, all these programs to be funded by the SCEF aim to strengthen the local hog industry, repopulate farms, protect them from being affected again by the ASF, and make them more efficient and productive, thereby producing pork at affordable costs.

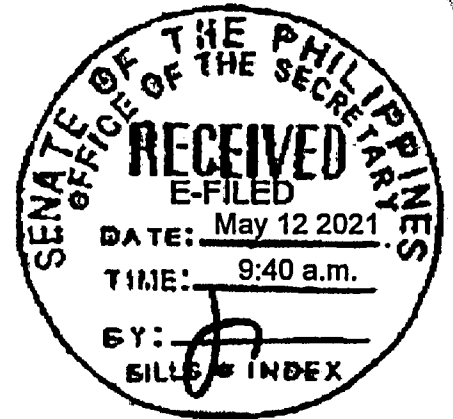
This measure also aims to institutionalize timely and accurate data generation and validation in order for policymakers and implementors to protect our agricultural producers and our consumers. Timely and accurate data will provide the DA and regulatory agencies the bases to act accordingly.

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



**FRANCIS N. PANGILINAN**  
Senator

EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
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*Be it enacted by the Senate and the House of Representatives of the Philippines in Congress  
assembled:*

1        **SECTION. 1. Short Title.** - This Act shall be known as the "Affordable Pork Act of  
2        2021."

3        **SEC. 2.** Section 12 of Republic Act (R.A.) No. 8178, otherwise known as the  
4        "Agricultural Tariffication Act", as amended, is hereby further amended to read as  
5        follows:

6                "**SEC. 12. Agricultural Competitiveness Enhancement Fund.** - To  
7        implement the policy enunciated in this Act, there is hereby created the  
8        Agricultural Competitiveness Enhancement Fund, herein referred to as the  
9        Fund. The Fund shall consist of all duties collected from the importation of  
10       agricultural products, except rice AND SWINE MEAT, under the MAV  
11       mechanism, including unused balances and collections from repayments  
12       from loan beneficiaries including interests, if any. The Fund shall be  
13       automatically credited to Special Account 183 in the General Fund of the  
14       National Treasury: *Provided*, That fund releases shall not be subject to any  
15       ceiling by the Department of Budget and Management (DBM).

16                "X X X

17        **SEC. 3.** A new section 16 is hereby inserted after Section 15 of the same Act, as  
18        amended, to read as follows:

19                "**SEC. 16. SWINE COMPETITIVENESS ENHANCEMENT FUND.** -  
20        THERE IS HEREBY CREATED A SWINE COMPETITIVENESS  
21        ENHANCEMENT FUND, HEREIN REFERRED TO AS THE SCEF. THE

1 SCEF SHALL CONSIST OF ALL DUTIES COLLECTED FROM THE  
2 IMPORTATION OF SWINE MEAT FOR THE NEXT SIX (6) YEARS AND  
3 SHALL BE AUTOMATICALLY CREDITED TO A SPECIAL ACCOUNT  
4 IN THE GENERAL FUND OF THE NATIONAL TREASURY, WHICH  
5 SHALL BE IN PLACE WITHIN NINETY (90) DAYS UPON THE  
6 EFFECTIVITY OF THIS ACT.

7 THE SECRETARY OF AGRICULTURE SHALL BE ACCOUNTABLE  
8 AND RESPONSIBLE FOR THE SCEF IN COORDINATION WITH  
9 OTHER GOVERNMENT AGENCIES CONCERNED. THE  
10 DEPARTMENT OF AGRICULTURE (DA) AND OTHER PERTINENT  
11 AGENCIES SHALL SUBMIT AN ANNUAL REPORT CONTAINING,  
12 INTER ALIA, THE STATUS OF THE SCEF AND AN IMPACT  
13 ASSESSMENT OF THE PROGRAMS IMPLEMENTED UNDER THIS  
14 ACT TO THE COCAFAM. THE COCAFAM SHALL CONDUCT A  
15 PERIODIC REVIEW OF THE USE OF THE SCEF AS NECESSARY.

16 AT THE END OF THE FIFTH (5<sup>TH</sup>) YEAR, A MANDATORY REVIEW  
17 SHALL BE CONDUCTED BY THE COCAFAM TO DETERMINE  
18 WHETHER THE SCEF AND ITS USE AS PROVIDED FOR UNDER THIS  
19 ACT SHALL BE AMENDED, TERMINATED, OR EXTENDED. ANY  
20 REMAINING BALANCE AT THE DATE OF EXPIRATION OF  
21 COLLECTION OF DUTIES FOR THE SCEF SHALL REMAIN IN THE  
22 SPECIAL ACCOUNT AND SHALL CONTINUE TO BE USED FOR THE  
23 PURPOSE FOR WHICH IT WAS COLLECTED AND SET ASIDE. THE  
24 COCAFAM SHALL UTILIZE THE INCREASE OR DECREASE IN HOG  
25 RAISERS' INCOMES AS A PRIMARY BENCHMARK IN  
26 DETERMINING THE EFFECTIVENESS OF THE INTERVENTIONS  
27 UNDER THE PROGRAM AND ITS POSSIBLE EXTENSION.

28 SUBJECT TO THE USUAL ACCOUNTING AND AUDITING  
29 RULES AND REGULATIONS, THE SCEF SHALL BE ALLOCATED AND  
30 DISBURSED TO PORK PRODUCING AREAS, AS FOLLOWS:

- 31 (A) AFRICAN SWINE FEVER (ASF) PREVENTION PROGRAMS,  
32 INCLUDING VACCINATION AND THE BANTAY ASF SA  
33 BARANGAY PROGRAM;
- 34 (B) SUBSIDIES FOR TRANSPORTATION AND FREIGHT COST  
35 OF HOGS AND PORK;
- 36 (C) SWINE SECTOR DEVELOPMENT, PROPAGATION AND  
37 PROMOTION, INCLUDING THE INTEGRATED NATIONAL  
38 SWINE PRODUCTION INITIATIVES FOR RECOVERY AND  
39 EXPANSION (INSPIRE);
- 40 (D) CREDIT ASSISTANCE, WHICH SHALL BE MADE  
41 AVAILABLE IN THE FORM OF CREDIT FACILITY WITH  
42 MINIMAL INTEREST RATES AND WITH MINIMUM  
43 COLLATERAL REQUIREMENTS TO HOG RAISERS AND  
44 COOPERATIVES, TO BE MANAGED EQUALLY BY THE

1                   AGRICULTURAL CREDIT POLICY COUNCIL (ACPC), THE  
2                   LAND BANK OF THE PHILIPPINES (LBP) AND THE  
3                   DEVELOPMENT BANK OF THE PHILIPPINES (DBP); AND  
4           (E) INSURANCE PROGRAM FOR CULLED HOGS TO BE  
5                   ADMINISTERED BY THE PHILIPPINE CROP INSURANCE  
6                   CORPORATION (PCIC)."

7           SEC. 4. A new Section 17 is hereby inserted in the same Act, to read as follows:

8                   "SEC. 17. DATA COLLECTION AND SHARING REGIME ON  
9                   AGRICULTURAL PRODUCTS. - TO ENSURE THE TIMELY AND  
10                  ACCURATE COLLECTION AND DISSEMINATION OF STATISTICS  
11                  AND INFORMATION ON AGRICULTURAL PRODUCTS, THE DA,  
12                  PHILIPPINE STATISTICS AUTHORITY (PSA), BUREAU OF CUSTOMS  
13                  (BOC), AND AGRICULTURAL PRODUCERS SHALL COORDINATE ON  
14                  THE GENERATION AND VALIDATION, AND CONTINUOUSLY  
15                  SHARE DATA ON THE PRODUCTION, IMPORTATION,  
16                  EXPORTATION AND CONSUMPTION OF AGRICULTURAL  
17                  PRODUCTS, THE IMPORTATION AND EXPORTATION OF WHICH  
18                  WERE LIBERALIZED.

19                  IN ORDER TO FACILITATE THE INVESTIGATION AND  
20                  PROSECUTION OF CASES OF ANTI-COMPETITIVE BEHAVIOR ON,  
21                  INCLUDING PRICE MANIPULATION OF, AGRICULTURAL  
22                  PRODUCTS, THE DA AND THE BOC ARE HEREBY MANDATED TO  
23                  PROVIDE THE PHILIPPINE COMPETITION COMMISSION (PCC) AND  
24                  THE PRICE COORDINATING COUNCIL OPEN AND TIMELY ACCESS  
25                  TO RELEVANT DATA ON PRICES, MARKET SHARES, SUPPLY  
26                  CHAIN, AND OTHER INFORMATION NECESSARY FOR THE  
27                  PERFORMANCE OF THEIR FUNCTIONS.

28  
29                  FAILURE BY ANY STAFF OR OFFICER OF THE DA OR THE BOC  
30                  TO PROVIDE SUCH PERTINENT INFORMATION TO THE PCC SHALL  
31                  BE DEEMED A NEGLECT OF LAWFUL DUTIES AND SHALL BE  
32                  SUBJECT TO APPROPRIATE DISCIPLINARY ACTIONS AS PROVIDED  
33                  UNDER R. A. NO. 2260, OTHERWISE KNOWN AS THE "CIVIL SERVICE  
34                  ACT OF 1959."

35           SEC. 5. Sections 16, 17, 18 and 19 of the same Act are hereby renumbered as Sections  
36           18, 19, 20 and 21, respectively.

37           SEC. 6. *Repealing Clause.* - All laws, decrees, executive issuances, and rules and  
38           regulations inconsistent with the provisions of this Act are hereby repealed or modified  
39           accordingly.

40           SEC. 7. *Separability Clause.* - If any provision or part of this Act is held invalid or  
41           unconstitutional, the other provisions hereof which are not affected shall continue to be  
42           in full force and effect.

- 1        **SEC. 8. Effectivity Clause.** - This Act shall take effect fifteen (15) days after its
- 2 publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

*Approved,*