


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

24 MAY 14 P5:56

**SENATE**  
S. No. 2672

RECEIVED BY: 

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Introduced by Senator Robinhood Padilla

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**AN ACT**  
**AMENDING REPUBLIC ACT NO. 11203 OR 'AN ACT LIBERALIZING THE**  
**IMPORTATION, EXPORTATION AND TRADING OF RICE, LIFTING FOR THE**  
**PURPOSE THE QUANTITATIVE IMPORT RESTRICTION ON RICE**

**EXPLANATORY NOTE**

It is the policy of the State to maintain food security and ensure viability and efficiency of the agricultural sector. To this end, the State continues to develop policies and legislate laws to achieve stability and accessibility of food, particularly, rice.

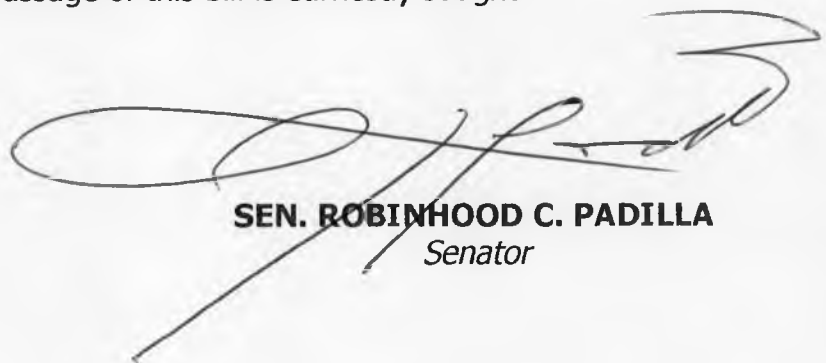
The Rice Tariffication Law (RTL), or Republic Act 11203, signed into law by President Rodrigo Duterte on February 14, 2019, allowed for the removal of import quotas, taking off the cap on rice imports and allowing foreign rice to enter the market. Also dubbed the Rice Liberalization Law, it places a 35 percent tariff on imported rice coming from ASEAN countries and a 40 percent tariff on non-ASEAN countries. The rice tariffication law was expected to hasten agricultural growth and facilitate the transformation of the economy with gross domestic product increasing by at least 0.13 percent in 2025.

Before the RTL, the National Food Authority's (NFA) role was to regulate the rice sector and was the only agency allowed to import rice shipments into the country. With the passage of the RTL, the NFA's power to intervene in the market was removed, thus prohibiting the agency from directly selling rice and restricting its role to stockpiling rice, which can only be sold during emergencies. It also removed the NFA's authority to regulate the rice sector, license market players, inspect warehouses, and track stock movements, while liberalizing rice importation.

Having said this, the present amendatory bill therefore seeks to restore the NFA's role in managing the country's supply chain. With the renewed and strengthened mandate of NFA in the amendatory bill, the stabilization of the price of rice will be guaranteed and supply functions will be regulated. Ultimately, access to cheaper rice will be more feasible for poor Filipinos.

In addition, to further improve our farmer's competitiveness and income, this proposed measure seeks to increase the Rice Competitiveness Enhancement Fund and extend its validity for another six years after the approval of this act. This bill also recommends the creation of the Rice Industry Development-Program Management Office to ensure a holistic approach and improve collaboration and convergence of rice-concerned agencies and industry players.

For these reasons, the passage of this bill is earnestly sought.



**SEN. ROBINHOOD C. PADILLA**  
*Senator*

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

- 1 Section 1. Section 3 of R.A. No. 11203 is hereby amended to read as follows:  
2 SEC. 3. Section 4 of RA No. 8178, as amended is hereby further amended to read  
3 as follows:  
4 "SEC. 4. Repeal – The following laws and all other laws or provisions of law  
5 prescribing quantitative import restrictions or granting government agencies the  
6 power to impose such restrictions on agricultural products or hindering the  
7 liberalization of the importation, exportation and trading of rice are hereby  
8 repealed, **EXCEPT AS PROVIDED UNDER REPUBLIC ACT 8800 OR THE**  
9 **SAFEGUARD MEASURES ACT.**

1 Sec. 2. The new Section 4 and Section 5 are hereby inserted after the Section 3 of R.A.  
2 No. 11203, to read as follows:

3  
4 **SEC. 4. WAREHOUSE REGISTRATION AND MONITORING FUNCTIONS**  
5 **TO THE NATIONAL FOOD AUTHORITY (NFA)**

6  
7 **THE NFA SHALL EXERCISE ITS AUTHORITY TO OVERSEE AND ENSURE**  
8 **COMPLIANCE WITH ALL PERTINENT STANDARDS AND REGULATIONS,**  
9 **LEVERAGING ITS ESTABLISHED EXPERTISE AND NATIONWIDE**  
10 **NETWORK TO UPHOLD THE NATIONAL INTEREST IN RICE BUFFER**  
11 **STOCKING AND FOOD SECURITY.**

12  
13 **FURTHER, THE NFA IS HEREBY EMPOWERED TO:**

- 14  
15 **1. REQUIRE THE REGISTRATION OF ALL GRAINS WAREHOUSES**  
16 **AND MAINTAIN A NATIONAL DATABASE OF SUCH**  
17 **REGISTRATIONS.**  
18 **2. INSPECT WAREHOUSES AS NECESSARY TO ENSURE**  
19 **COMPLIANCE WITH STANDARDS RELATED TO RICE QUALITY**  
20 **AND SUPPLY.**  
21 **3. COLLECT AND ANALYZE DATA ON RICE TRADE ACTIVITIES FOR**  
22 **INFORMED POLICY AND OPERATIONAL DECISIONS.**

23  
24 **SEC. 5. POWERS OF NFA ON PRICE STABILIZATION AND SUPPLY**  
25 **REGULATION.**

26  
27 **THE SECRETARY OF THE DEPARTMENT OF AGRICULTURE, UPON THE**  
28 **RECOMMENDATION OF THE NATIONAL PRICE COORDINATING**  
29 **COUNCIL (NPCC) OR LOCAL PRICE COORDINATING COUNCIL (LPCC)**

1           **MAY DECLARE AN EMERGENCY DUE TO ANY OF THE FOLLOWING**  
2           **CONDITIONS:**

- 3
- 4           **I)     A SHORTAGE IN THE SUPPLY OF RICE;**  
5           **II)    A SUSTAINED INCREASE IN THE PRICE OF RICE; OR**  
6           **III)   AN EXTRAORDINARY INCREASE IN THE PRICE OF RICE.**

7

8           **WHEN SUCH CASES OCCUR THE NFA MAY:**

9

10          **1. USE EXISTING INVENTORY, PRIMARILY INTENDED FOR BUFFER**  
11            **STOCKING, TO SUPPLY AREAS WHERE THE EXTRAORDINARY**  
12            **INCREASE IN PRICES OR ACUTE SHORTAGES IN SUPPLY OCCUR;**  
13            **AND**

14          **2. REPLENISH THE INVENTORY UTILIZED FROM AVAILABLE SOURCES;**  
15            **PROVIDED, THAT THE DISTRIBUTION OR SALE OF RICE IN**  
16            **ACCORDANCE WITH THIS SECTION SHALL BE LIMITED TO THE**  
17            **FOLLOWING:**

- 18
- 19          **1. GOVERNMENT AGENCIES/ENTITIES AUTHORIZED TO HANDLE SALE**  
20            **OF RICE;**
- 21          **2. RETAIL OUTLETS, ORGANIZED WOMEN'S GROUPS AND**  
22            **COOPERATIVES DULY REGISTERED WITH THE COOPERATIVES**  
23            **DEVELOPMENT AUTHORITY (CDA) AND ACCREDITED BY THE DA;**
- 24          **3. OUTLETS RUN BY CONSUMER GROUPS AND SIMILAR**  
25            **ASSOCIATIONS DULY REGISTERED WITH THE SECURITIES AND**  
26            **EXCHANGE COMMISSION (SEC) AND ACCREDITED BY THE DA; AND**
- 27          **4. KADIWA STORES, CENTERS AND OUTLETS.**

28

29    Sec. 3. Section 4 of R.A. 11203 is hereby amended to read as follows:

1 SEC.~~[4]~~ 6. A new Section [5] 6 is hereby inserted after **THE NEW SECTION 5**  
2 [~~Section 4~~] of R. A. No. 8178, as amended, to read as follows:

3 "SEC. 5. Issuance of Sanitary and Phytosanitary Import Clearance for Rice  
4 for the Sole Purpose of Ensuring Food. Safety. - All importers of rice are  
5 required to secure a Sanitary and Phytosanitary Import Clearance (SPSIC)  
6 from the Bureau of Plant Industry (BPI) prior to importation in accordance  
7 with existing laws, rules and regulations: Provided, That the clearance  
8 shall not provide for import volume [~~and timing~~] restrictions: Provided,  
9 further, That failure on the part of the BPI to release the SPSIC without  
10 informing the rice importer of any error, deficiency, omission, or additional  
11 documentary requirement shall mean automatic approval of the SPSIC  
12 applied for within seven (7) days after submission of the complete  
13 requirements.

14  
15 "The imported rice should arrive before the [~~expiration of the SPSIC from~~  
16 ~~the BPI~~] **DATE INDICATED IN THE SPSIC ISSUED BY THE BPI,**  
17 **AFTER WHICH THE SPSIC SHALL BE CONSIDERED EXPIRED.**

18  
19 **THE BPI SHALL IMPOSE APPROPRIATE FEES AND MEASURES IN**  
20 **CASES OF LOW AND NON-UTILIZATION OF ISSUED SPSIC TO**  
21 **ENSURE TIMELY ARRIVAL OF IMPORTED RICE."**

22  
23 "The food safety regulatory function of the NFA under Item (i), Section 16  
24 of R. A. No. 10611, otherwise known as the 'Food Safety Act of 2013', is  
25 hereby transferred to the BPI."

26  
27 **"SEC. 6. STRENGTHENING THE REGULATORY FUNCTION OF THE**  
28 **DEPARTMENT OF AGRICULTURE.**

- 1           **A. THE BPI SHALL HAVE THE AUTHORITY TO INSPECT IN**  
2           **RELATION TO SANITARY AND PHYTOSANITARY**  
3           **STANDARDS AND FOOD SAFETY OF THE WAREHOUSES**  
4           **WHERE THE LOCAL MARKET PLAYERS (I.E. PADDY**  
5           **TRADERS, MILLERS, WHOLESALERS, AND RETAILERS) AND**  
6           **IMPORTERS STORE OR KEEP THEIR MILLED RICE;**
- 7           **B. THE DA INSPECTORATE AND ENFORCEMENT SHALL HAVE**  
8           **THE AUTHORITY TO ASSIST BPI IN CONDUCTING**  
9           **REGULAR AND UNSCHEDULED INSPECTIONS OF**  
10           **AGRICULTURAL FACILITIES, FARMS, AND RELATED**  
11           **ENTITIES TO ENSURE COMPLIANCE WITH HEALTH, SAFETY**  
12           **AND ENVIRONMENTAL STANDARDS."**

13    Sec. 4. Section 8 of R.A. 11203 is hereby amended to read as follows:

14           SEC. [8] **10.** A new Section 8 is hereby inserted after the new Section 7-A of  
15           R.A. No. 8178. as amended, to read as follows:

16           "SEC. 8. *Maintenance of Rice Buffer Stock.* – The NFA shall, in accordance  
17           with the rules, regulations, and procedures to be promulgated, maintain  
18           sufficient rice buffer stock to be [~~solely~~]sourced from [~~local~~] farmers  
19           **AND/OR FARMERS ORGANIZATIONS / ASSOCIATIONS /**  
20           **COOPERATIVES.**

21           **FURTHERMORE, THE NFA SHALL BE AUTHORIZED TO PURCHASE**  
22           **LOCAL MILLED RICE AS NECESSARY TO FULFILL ITS MANDATE,**  
23           **SUBJECT TO EXISTING LAWS, GOVERNMENT RULES, AND**  
24           **REGULATIONS.**

25           **IN CASE THESE ALTERNATIVE SUPPLY ARRANGEMENTS ARE NOT**  
26           **SUFFICIENT TO ADDRESS THE MINIMUM BUFFER STOCK**  
27           **REQUIREMENTS OR IN CASE OF EXTRAORDINARY**  
28           **CIRCUMSTANCES, THE NFA SHALL BE GIVEN THE OPTION TO**

1 PURCHASE XX PERCENT OF THE RICE BROUGHT IN BY  
2 ACCREDITED IMPORTERS AT THE CIF LANDED PRICE DECLARED  
3 BY THE IMPORTER BASED ON CUSTOMS DOCUMENTS.

4 AS A FINAL RECOURSE, THE NFA SHALL BE GRANTED THE  
5 AUTHORITY TO DIRECTLY IMPORT RICE, SUBJECT TO EXPLICIT  
6 AUTHORIZATION FROM THE PRESIDENT OF THE REPUBLIC. THIS  
7 AUTHORITY IS TO BE EXERCISED SOLELY IN CIRCUMSTANCES  
8 WHERE DOMESTIC SUPPLY DEFICITS NECESSITATE SUCH  
9 IMPORTS TO STABILIZE THE NATIONAL RICE SUPPLY AND  
10 MAINTAIN THE OPTIMAL BUFFER STOCK.

11 NOTWITHSTANDING THE FOREGOING, PRIORITY SHALL BE  
12 GIVEN TO LOCAL PRODUCTION.

13 Sec. 5. Section 9 of R.A. 11203 is hereby amended to read as follows:

14 SEC. [9] 11. A new Section 9 is hereby inserted after the new Section 8 of R.A.  
15 No. 8178. as amended, to read as follows:

16  
17 "SEC. 9. Lifting of Quantitative Export Restrictions on Rice — Any and all laws,  
18 rules, regulations, guidelines, and other issuances imposing quantitative export  
19 restrictions on rice are hereby repealed **EXCEPT IN CASES OF FOOD**  
20 **SECURITY EMERGENCIES AS DETERMINED BY THE SECRETARY OF**  
21 **AGRICULTURE.** The exportation of rice shall be allowed in accordance with the  
22 established rules, regulations and guidelines."  
23

24 Sec. 6. Section 13 of R.A. 11203 is hereby amended to read as follows:

25 SEC. [~~13~~] 15. A new Section 13 is hereby inserted after the renumbered Section  
26 12 of R. A. No. 8178, as amended, to read as follows:  
27



1 "SEC. 13. *Rice Competitiveness Enhancement Fund*. - There is hereby  
2 created a Rice Competitiveness Enhancement Fund, herein referred to as  
3 the 'Rice Fund'. **THAT THE RICE FUND SHALL BE EXTENDED FOR**  
4 **ANOTHER SIX (6) YEARS UPON APPROVAL OF THIS ACT.** The Rice  
5 Fund shall consist of an annual appropriation of [~~Ten billion pesos~~  
6 (~~P10,000,000,000.00~~)] **FIFTEEN BILLION PESOS (15,**  
7 **000,000,000.00)** for the next six (6) years following the approval of this  
8 Act and shall be automatically credited to a Special Account in the General  
9 Fund of the National Treasury shall be in place within ninety (90) days  
10 upon the effectivity of this Act.

11  
12 **THE PRESIDENT, THROUGH THE RECOMMENDATION OF THE**  
13 **SECRETARY OF AGRICULTURE, AFTER THE RECOMMENDATION**  
14 **OF THE PROGRAM STEERING COMMITTEE, IN REFERENCE TO**  
15 **PARAGRAPH 5 OF THIS SECTION, MAY REALLOCATE THE**  
16 **FIFTEEN BILLION RICE FUND WITHIN THE CORE COMPONENTS**  
17 **SHOULD THE NEED ARISES.**

18  
19 **LIKEWISE, THE EXCESS TARIFF REVENUES MAY BE**  
20 **REALLOCATED TO THE CORE COMPONENTS AND THE OTHER**  
21 **PROGRAMS TO BE FUNDED.**

22  
23 "At the end of the sixth (6th) year, a mandatory review shall be  
24 conducted by the Congressional Oversight Committee on Agricultural and  
25 Fisheries Modernization (COCAFAM) to determine whether the Rice Fund  
26 and its use as provided for under this Act shall be continued, amended, or  
27 terminated. The COCAFAM shall utilize the increase or decrease in farmers'  
28 incomes as a primary benchmark in determining the effectiveness of the  
29 interventions under the program and its possible extension.

1 "The Secretary of Agriculture shall be accountable and responsible for the  
2 Rice Fund in coordination with other government agencies concerned.

3 "The amount allocated shall be released directly to the implementing  
4 agencies as provided for in this Act based on the objectives and plans of  
5 the rice industry roadmap: *Provided*, That the unutilized portion of the  
6 Rice Fund allocated to the implementing agencies **AND COLLECTIONS**  
7 **FROM REPAYMENTS FROM LOAN BENEFICIARIES INCLUDING**  
8 **INTERESTS, IF ANY**, shall not revert to the General Fund but shall  
9 continue to be used for the purpose for which it was set aside. Fund  
10 releases charged against the Rice Fund shall not be subject to any ceiling  
11 by the Department of Budget and Management (DBM).

12  
13 "Any program undertaken in accordance with this Act shall only be  
14 deemed complementary and supplementary to and shall not be a  
15 replacement of any existing programs for rice and rice farmers already  
16 implemented by the DA and other agencies concerned.

17  
18 "Subject to the usual accounting and auditing rules and regulations, the  
19 Rice Fund shall be allocated and disbursed to rice producing areas, as  
20 follows:

21  
22 "(a) Rice Farm Machineries and Equipment – **53.5%** of the Rice  
23 Fund shall be released to and implemented by the Philippine Center for  
24 Postharvest Development and Mechanization (PHilMech) as grant in kind  
25 to eligible farmers associations, registered rice cooperatives, and local  
26 government units (LGUs), in the form of rice farm equipment, such as  
27 tillers, tractors, seeders, threshers, rice planters, harvesters, irrigation  
28 pumps, small solar irrigation, reapers, driers, millers, and the like, for  
29 purposes of improving farm mechanization: *Provided*, That the PHilMech

1 shall, whenever feasible, procure from accredited local manufacturers to  
2 assist in the promotion of locally manufactured farm machineries and  
3 equipment.

4 **PROVIDED FURTHER, THAT THE SCOPE OF THE RCEF**  
5 **MECHANIZATION COMPONENT IS EXPANDED TO INCLUDE THE**  
6 **CONSTRUCTION AND ENHANCEMENT OF POSTHARVEST AND**  
7 **PROCESSING FACILITIES. THIS INCLUDES WAREHOUSES, GRAIN**  
8 **STORAGE FACILITIES, AND DRYING FACILITIES;**

9  
10 "(b) Rice Seed Development, Propagation and Promotion – **28%**  
11 of the Rice Fund shall be released to and be implemented by the  
12 Philippine Rice Research Institute (PhilRice) and which shall be used for  
13 the development, propagation, promotion **AND DISTRIBUTION** of  
14 [~~inbred~~] **PREFERRED** rice seeds to **CLUSTERED** rice  
15 farmers. **FURTHERMORE, THE RICE FUND SHALL ALSO BE USED**  
16 **BY PHILRICE FOR THE CONTINUED** [~~and the~~] organization of rice  
17 seed growers associations and/or cooperatives engaged in seed  
18 production and trade.

19  
20 **"THE PREFERRED RICE SEEDS TO BE DISTRIBUTED SHALL**  
21 **DEPEND ON FARMER'S CHOICE OF EITHER INBRED SEEDS**  
22 **AND/OR LOCALLY PRODUCED PUBLIC HYBRID RICE SEEDS.**

23  
24 **FURTHER, A SPECIFIED PORTION OF THE RCEF SEED IS HEREBY**  
25 **ALLOCATED TO THE BPI FOR THE PURPOSE OF ENHANCING THE**  
26 **SEED CERTIFICATION SYSTEM CRITICAL TO PROVIDING**  
27 **FARMERS WITH HIGH-QUALITY SEEDS;**

1                   "(c) Expanded Rice Credit Assistance ~~–[Ten percent (10%)]~~ **6%** of  
2 the Rice Fund shall be made available in the form of credit facility with  
3 minimal interest rates and with minimum collateral requirements to rice  
4 farmers and cooperatives, to be managed equally by the Land Bank of the  
5 Philippines (LBP) and the Development Bank of the Philippines (DBP)

6                   **FURTHER, THE CREDIT ASSISTANCE COMPONENT OF RCEF**  
7                   **SHALL OPERATE AS A REVOLVING FUND, WITH THE PRINCIPAL**  
8                   **AND INTEREST PAYMENTS ON LOANS MADE FROM THE FUND TO**  
9                   **BE RE-DEPOSITED INTO THE FUND AND MADE AVAILABLE FOR**  
10                   **NEW LOANS TO ELIGIBLE BENEFICIARIES;**

11  
12                   "(d) Rice Extension Services ~~–[Ten percent (10%)]~~ **5%** of the Rice  
13 Fund shall be made available for the extension services provided by  
14 PhilMech, PhilRice **AND** Agricultural Training Institute (ATI) ~~[and~~  
15 ~~Technical Education and Skills Development Authority (TESDA)]~~ for  
16 teaching skills on rice crop production, modern rice farming techniques,  
17 seed production, farm mechanization, and knowledge/technology transfer  
18 through farm schools nationwide as follows: ~~[seventy percent (70%) to~~  
19 ~~TESDA, ten percent (10%) each to ATI, PhilRice and PhilMech]~~ **FIFTY**  
20 **PERCENT (50%) TO ATI, TWENTY FIVE PERCENT (25%) TO**  
21 **PHILMECH, AND TWENTY FIVE PERCENT (25%) TO PHILRICE.**

22  
23                   **"PROVIDED, THAT THE KNOWLEDGE AND TECHNOLOGY**  
24 **TRANSFER THROUGH FARM SCHOOLS SHALL GIVE PREFERENCE**  
25 **TO FARMERS WHO HAVE NOT ATTENDED TRAININGS IN THE**  
26 **PAST TWO YEARS;**

27  
28                   **"(E) SOIL HEALTH IMPROVEMENT – FOUR PERCENT (4%)**  
29 **OF THE RICE FUND SHALL BE RELEASED TO AND IMPLEMENTED**  
30 **BY THE BUREAU OF SOILS AND WATER MANAGEMENT (BSWM)**

1 AND SHALL BE USED TO ADDRESS THE MICRONUTRIENT  
2 DEFICIENCIES THAT LIMITS THE EFFECTIVENESS OF OTHER  
3 PRODUCTION SUPPORT SERVICES;

4 "(F) PEST AND DISEASE MANAGEMENT - TWO PERCENT  
5 (2%) THE RCEF THROUGH BPI AND DA-RFO REGIONAL CROP  
6 PROTECTION CENTER SHALL INTEGRATE COMPREHENSIVE PEST  
7 AND DISEASE MANAGEMENT STRATEGIES TO PROTECT AND  
8 ENHANCE RICE PRODUCTION; AND

9  
10 "(G) RID-PMO – 1.5% - ALLOCATED TO THE RID-PMO,  
11 THIS FUNDING SHALL SUPPORT A RANGE OF ACTIVITIES  
12 INCLUDING, BUT NOT LIMITED TO, OVERALL COORDINATION,  
13 REGULAR MONITORING, AND MANAGEMENT OF A  
14 COMPREHENSIVE DATABASE. IT WILL ALSO FUND THE CONDUCT  
15 OF ANNUAL, MID-TERM, AND END-OF-TERM REVIEWS AND  
16 EVALUATIONS OF THE RICE FUND. ADDITIONALLY, THIS  
17 ALLOCATION WILL FACILITATE THE EMPOWERMENT OF RICE  
18 CLUSTERS, AIMING TO ENHANCE THEIR OPERATIONAL  
19 CAPABILITIES AND STRENGTHEN THEIR ROLE IN THE NATIONAL  
20 RICE STRATEGY."

21  
22 "Provided, That the percentage allocation will be reviewed **BY THE**  
23 **CONGRESSIONAL OVERSIGHT COMMITTEE ON AGRICULTURAL**  
24 **AND FISHERIES MODERNIZATION (COCAFAM)** on the third year of  
25 the effectivity of this Act [~~for possible revisions should intervention~~  
26 ~~priorities change~~] **AND EVERY YEAR THEREAFTER.**

27  
28 "Provided, further, That preferential attention should be given to rice  
29 farmers, cooperatives and associations adversely affected by the

1           tariffication of the quantitative import restriction on rice in accordance  
2           with the thrust and priorities of R. A. No. 8435, as amended, otherwise  
3           known as the 'Agriculture and Fisheries Modernization Act' and the  
4           Philippine Development Plan (PDP). The increase or decrease of farmers'  
5           incomes shall be the primary benchmark in granting these interventions.

6           "Provided, furthermore, That if the annual tariff revenues from rice  
7           importation exceeds [~~Ten billion pesos (P10,000,000,000.00)~~] **FIFTEEN**  
8           **BILLION PESOS (P15,000,000,000.00)** in any given year within [six  
9           (6)] year period following the effectivity of this Act, the excess tariff  
10          revenues shall be [~~earmarked by Congress and included in the General~~  
11          ~~Appropriations Act (GAA) of the following year: ]~~**USED FOR ANY OF THE**  
12          **FOLLOWING UPON DETERMINATION OF THE DEPARTMENT OF**  
13          **AGRICULTURE SECRETARY, TO WIT:**

14  
15           "(a) Rice Farmer Financial Assistance – A portion of the excess rice  
16           tariff revenues shall be released to the DA and shall be used for providing  
17           direct financial assistance to rice farmers who are farming two (2)  
18           hectares and below regardless of whether they continue farming rice or  
19           not as compensation for the projected reduction or loss of farm income  
20           arising from the tariffication of the quantitative import restrictions on rice;

21           [~~"(b) Titling of Agricultural Rice Lands— A portion of the excess rice~~  
22           ~~tariff revenues shall be released to the Department of Agrarian Reform~~  
23           ~~(DAR), Department of Environment and Natural Resources (DENR) and~~  
24           ~~Land Registration Authority (LRA). and shall be used for the subdivision~~  
25           ~~and titling of agricultural rice lands or parts thereof awarded to farmer-~~  
26           ~~beneficiaries under the Comprehensive Agrarian Reform Program (CARP)~~  
27           ~~and other similar programs of the government:]~~

1           "[(e)] **(B)** Expanded Crop Insurance Program on Rice – A portion of  
2 the excess tariff revenues shall be released to the Philippine Crop  
3 Insurance Corporation (PCIC) and shall be used for the provision of crop  
4 insurance to qualified rice farmer-beneficiaries under « its existing  
5 agricultural insurance programs; and

6           "[(d)] **(C)** Crop Diversification Program – A portion of the excess  
7 tariff revenues shall be released to the DA and shall be used for  
8 productivity-enhancement programs for rice farmers seeking to diversify  
9 production towards other crops. **THESE PROGRAMS INCLUDE THE**  
10 **FOLLOWING;**

11                   **"C.1 RICE-BASED CROP DIVERSIFICATION TRAININGS;**

12                   **"C.2 POSTHARVEST MACHINERIES/FACILITIES -SHALL BE**  
13 **USED TO PROCURE OTHER FARM EQUIPMENT AND CATER**  
14 **POSTHARVEST FACILITIES NOT COVERED BY SEC 13 (A) OF**  
15 **THIS ACT; AND**

16                   **"C.3 SEEDS AND FERTILIZERS ASSISTANCE PROGRAM –**  
17 **SHALL BE USED TO PROCURE SEEDS AND FERTILIZERS,**  
18 **WHICH SHALL BE PROVIDED TO RICE FARMERS AS WELL AS**  
19 **OTHER RICE-BASED FARMERS SEEKING TO DIVERSIFY**  
20 **PRODUCTION TOWARDS OTHER CROPS;**

21                   **(D) SOLAR POWER IRRIGATION – A PORTION OF THE**  
22 **EXCESS TARIFF REVENUES SHALL BE USED TO DEVELOP AND**  
23 **CONSTRUCT SOLAR-POWERED WATER PUMPING SYSTEMS; AND**  
24

1                   **(E) SMALL WATER IMPOUNDING SYSTEM – A PORTION OF**  
2 **THE EXCESS TARIFF REVENUES SHALL BE USED TO ENSURE**  
3 **ADEQUATE WATER SUPPLY IN RICE AREAS THROUGH WATER**  
4 **IMPOUNDING AND WATERSHED REHABILITATION AND**  
5 **DEVELOPMENT.”**

6                   **IN THE EVENT THAT THE TARIFF REVENUE FALLS SHORT OF PHP**  
7 **15,000,000,000.00, THE DBM SHALL AUTOMATICALLY AUGMENT**  
8 **THE FUNDING REQUIREMENT OF RCEF.**

9  
10                   **“THE DEPARTMENT OF FINANCE, THE BUREAU OF CUSTOMS AND**  
11 **THE DEPARTMENT OF BUDGET AND MANAGEMENT SHALL**  
12 **SUBMIT TO THE COCAFAM AN ANNUAL REPORT ON THE TARIFFS**  
13 **COLLECTED FROM RICE IMPORTS AND THE AMOUNT**  
14 **APPROPRIATED TO THE RICE FUND.**

15  
16                   **“THE DA, PHILMECH, PHILRICE, LBP, DBP, AND ATI SHALL**  
17 **SUBMIT TO THE COCAFAM THROUGH THE RID-PMO AN ANNUAL**  
18 **REPORT ON THE USE OF THE RICE FUND.**

19  
20                   **“The Congressional Oversight Committee on Agricultural and Fisheries**  
21 **Modernization (COCAFAM) shall conduct [~~a periodic~~] AN ANNUAL review**  
22 **of the use of the Rice Fund. THE COCAFAM SHALL UTILIZE THE**  
23 **INCREASE OR DECREASE IN FARMERS’ INCOMES AS A PRIMARY**  
24 **BENCHMARK IN DETERMINING THE EFFECTIVENESS OF THE**  
25 **INTERVENTIONS UNDER THE RICE FUND.”**

26  
27                   **Sec. 7. Section 14 of R.A. 11203 is hereby amended to read as follows:**



1 SEC. ~~[14]~~ **16**. A new Section 14 is hereby inserted after the new Section  
2 13 of R. A. No. 8178, as amended, to read as follows:

3 "SEC. 14. Beneficiaries of the Rice Fund. - The beneficiaries of the  
4 Rice Fund shall be those farmers and farmworkers [~~and their~~  
5 ~~dependents~~] listed in the Registry System for Basic Sectors in  
6 Agriculture (RSBSA) **AND THEIR DEPENDENTS**, and rice  
7 cooperatives and associations accredited by the DA. [~~Within one~~  
8 ~~hundred eighty (180) days from the effectivity of this Act, ]The DA,~~  
9 in consultation with farmers' cooperatives and organizations and  
10 LGUs, shall **REGULARLY** validate and update the masterlist of  
11 eligible beneficiaries to ensure that those listed are legitimate  
12 farmers, farmworkers and rice cooperatives and associations.

13 **THE COVERAGE OF THE RCEF SHALL BE EXPANDED TO**  
14 **INCLUDE ALL RICE-PRODUCING PROVINCES TO ENSURE**  
15 **COMPREHENSIVE DEVELOPMENT OF THE NATIONAL RICE**  
16 **INDUSTRY.**

17 [~~"In order to focus on the targeted rice farmer beneficiaries,~~  
18 ~~cooperatives and associations for the Rice Fund, the list of rice~~  
19 ~~producing provinces and LGUs, as provided for by PhilRice as of~~  
20 ~~2015-2018, shall, be the basis and shall be added to the roadmap~~  
21 ~~as an appendix."]~~

22 Sec. 8. A new Section is hereby inserted after the renumbered Section 13 of R.A. No.  
23 11203, to read as follows:

24  
25 **SEC. 16. CREATION OF RICE INDUSTRY DEVELOPMENT-PROGRAM**  
26 **MANAGEMENT OFFICE. – TO ENSURE THE HOLISTIC APPROACH,**  
27 **COLLABORATION/CONVERGENCE OF RICE CONCERNED AGENCIES**

1           **AND INDUSTRY PLAYERS; AND EFFECTIVE IMPLEMENTATION AND**  
2           **ENSURE COMPLEMENTATION OF "RICE PROGRAMS", A PROGRAM**  
3           **MANAGEMENT OFFICE SHALL BE ESTABLISHED.**

4  
5           **THE RID-PMO IS HEREBY AUTHORIZED TO HIRE PERSONNEL IN THE**  
6           **DA CENTRAL AND REGIONAL FIELD OFFICES. IT SHALL ALSO SERVE AS**  
7           **THE RCEF PLANNING AND ADMINISTRATIVE SECRETARIAT FOR THE**  
8           **IMPLEMENTATION OF THIS ACT.**

9    Sec. 9. Section 17 of R.A. 11203 is hereby amended to read as follows:

10           SEC. ~~[17]~~ **21.** Implementing Rules and Regulations. – Within [~~forty five (45)~~]  
11           **NINETY (90)** days of this Act, the DA, NEDA, and DBM shall, in coordination  
12           with NIA, PCIC, PHilMech, PhilRice, LBP, DBP, ATI, and other government  
13           agencies concerned and after consultation with directly affected stakeholders,  
14           promulgate the rules and regulations to effectively implement the provisions of  
15           this Act.

16  
17    Sec. 10. Separability Clause. - If any portion of this Act is declared invalid or  
18    unconstitutional, the portions or provisions which are not affected shall continue to be  
19    in full force and effect.

20  
21    Sec. 11. Repealing Clause. - All laws, decrees, executive issuances, rules and  
22    regulations inconsistent with this Act are hereby repealed or modified accordingly.

23  
24    Sec. 12. Effectivity. - This Act shall take effect fifteen (15) days after its publication in  
25    the Official Gazette or in a newspaper of general circulation.

Approved,