

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

OFFICE OF THE SECRETARY

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SENATE

Senate Bill No. 876

RECEIVED BY: ks

INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

EXPLANATORY NOTE

Rice is the staple food of every Filipino and is at the core of the country's Agricultural development thrust. In view of the central role that this staple food plays in the life of every Filipino, it underscores the need to provide for contingency measures to ensure the adequate supply of rice for all.

This legislative measure thus provides for a mechanism whereby national rice reserves will be maintained in order to cushion the impact of a rice shortage during periods of national emergency.

Immediate passage of this bill is thus earnestly recommended.


JINGGOY EJERCITO ESTRADA
Senator

10 JUL -8 AM 2:10

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AN ACT
ESTABLISHING EMERGENCY RICE RESERVES AND FOR OTHER
PURPOSES

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

SECTION 1. Title. This Act shall be known as the "**Emergency Rice Reserves Act of 2010**".

SEC. 2. Declaration of Policy. It is hereby declared the policy of the State to ensure an adequate supply of rice at reasonable and affordable process for the people in times of calamities.

SEC. 3. Definition of term. As used in this Act, the following terms shall mean:

- (a) **Calamities** are fortuitous event which include act of God such as but not limited to typhoon, floods, droughts, earthquakes, fires, volcanic eruption, lahar flows, and acts of man such as political and/or civil disturbances, and wide-spread civil unrest;
- (b) **Emergency Rice Reserve** is the inventory or stock rice and/or palay by the National Food Authority (NFA), equivalent to the 15-day average national daily rice consumption to be maintained as a matter of national policy.

SEC. 4. Management. In order for the National Food Authority (NFA) to effectively perform the functions and responsibilities provided for in this Act, it shall:

- (1) Maintain and manage a government rice reserve equivalent to fifteen (15) days of the national rice consumption for the current year and determine the location and distribution of such stocks into depots nationwide.
- (2) Procure stock from small farmers and farmer' cooperative and import only under abnormal conditions determined through consultation with all affected sectors unless directed otherwise by the President: *Provided, That*, the quality of the imported rice shall be regular milled rice, thirty-five percent

(35%) broken, or better; NFA will have the option to release the equivalent volume in palay form to maintain the fifteen (15) day rice reserve.

- (3) Release to the market said government rice reserve upon the declaration of a state of calamity by the President of the Republic of the Philippines; *Provided* That such declaration shall specifically state that NFA rice reserve is to be released to the market upon the recommendation of the Secretary of the Department of Agriculture; *Provided further*, That the release price of said rice shall be based on the prevailing market price immediately prior to the occurrence of the calamity.

SEC. 5. Refill of Emergency Rice Reserve. The NFA shall ensure that rice stocks are refilled in accordance with the provisions of this Act.

SEC. 6. Appropriations. There shall be appropriated from the funds of the National Treasury a seed money of P4 Billion for its initial operations and constituted into a revolving fund held in trust by NFA used for funding replenishment and as a depository for funds obtained from the sale/monetization of food security stocks. Thereafter, all such amounts as may be necessary for the continued operation of said Fund which shall include the maintenance and/or increase of the Food Security Rice Reserve shall be automatically appropriated in the General Appropriations Act as approved by Congress.

SEC. 7. Monitoring and Review. The NFA shall regularly review and assess the national palay and rice situation and, on the bases of the data and information collected, prepare a report to be submitted on Agriculture of Congress.

SEC. 8. Implementing Rules and Regulation. The NFA shall, Within sixty (60) days from the effectivity of this Act, issue the implementing rules and regulation if this Act.

SEC. 9. Separability Clause. If any provisions of this Act be deemed unconstitutional or invalid, the other provisions not affected thereby shall remain in force and effect.

SEC. 10. Repealing Clause. If acts, presidential decrees, executive orders and administrative orders, rules and regulations, and other such issuance or parts of thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 11. Effectivity Clause. This Act shall take effect after fifteen (15) days after complete publication in at least two (2) newspapers of general circulation.

Approved,