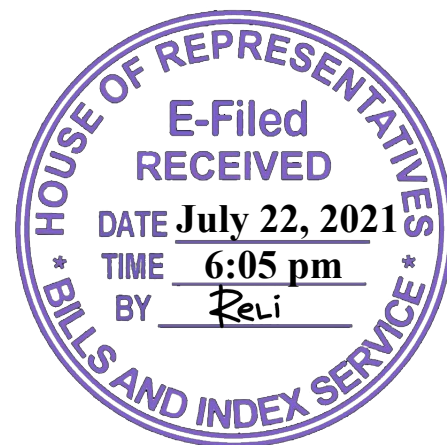


Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
Second Regular Session

**HOUSE BILL NO. 9843**



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Introduced by **Representative Wilfrido Mark Enverga**

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**“AN ACT  
STRENGTHENING THE LOCAL SWINE AND POULTRY INDUSTRIES, CREATING  
FOR THE PURPOSE THE SWINE AND POULTRY COMPETITIVENESS  
ENHANCEMENT FUND, THEREBY AMENDING REPUBLIC ACT NO. 8178  
OTHERWISE KNOWN AS “AN ACT REPLACING QUANTITATIVE IMPORT  
RESTRICTIONS ON AGRICULTURAL PRODUCTS, EXCEPT RICE, WITH  
TARIFFS, CREATING THE AGRICULTURAL COMPETITIVENESS  
ENHANCEMENT FUND, AS AMENDED”**

#### **EXPLANATORY NOTE**

Republic Act No. 8178 or the Agricultural Tariffication Act was enacted on 28 March 1996 to help the agriculture sector compete globally. It adopted the use of tariffs, in lieu of non-tariff import restrictions to protect local producers of agricultural products affected by the lifting of the quantitative import restrictions. The Agricultural Competitiveness Enhancement Fund (ACEF) was created where tariff revenues of imported agricultural products under the minimum access volume shall accrue, and to be used for various programs and projects, and other forms of assistance and support to the agricultural sector. However, the funds were only used to extend credit assistance to enhance competitiveness.

The ACEF Funds had a life of nine (9) years. Republic Act No. 9496, enacted in 2008, extended the life of ACEF up to 2015 and corrected the use of the funds by earmarking it for credit -70%; research and development -20%; and scholarship programs – 10%.

Republic Act No. 10848 again extended ACEF up to 2022 and earmarked the funds for 80% credit; 10% as grant for research and development; and 10% for grant-in-aid program for agri-related courses.

On 14 February 2019, Republic Act No. 11203, further amending RA 8178, as amended, which lifted the quantitative import restriction on rice, and created for the purpose the Rice Competitiveness Enhancement Fund to help cushion the impact of the liberalization of the rice industry.

Further amendments are now being sought with the emergence of diseases and outbreaks in the livestock and poultry sectors, e.g. African Swine Fever and Bird Flu, which necessitated the importation of pork and chicken meat in order to cope with rising prices and supply gap. The sectors most affected are calling for the creation of the Swine and Poultry Competitiveness Enhancement Fund where tariff revenues for imported pork and chicken shall accrue, and to be used for programs, projects, and activities to strengthen the local swine and poultry industries. Our ailing hog and poultry industries need all the support to survive in

this importation regime. Let us help ease their burden and come up with a dedicated fund to put up the needed programs, projects, and activities that will cushion the impact and will eventually make them competitive and flourish again, after all, food security is our main goal.

In view of the situation in the pork and poultry industries, the approval of this bill is earnestly sought.



**WILFRIDO MARK M. ENVERGA**  
*Representative, 1<sup>st</sup> District of Quezon*

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

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TARIFFS, CREATING THE AGRICULTURAL COMPETITIVENESS  
ENHANCEMENT FUND, AS AMENDED”**

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

***SECTION 1. Swine and Poultry Competitiveness Enhancement Fund.*** A new Section 17 is hereby inserted in Republic Act No. 8178, as amended, to read as follows:

**“Sec. 17. THERE IS HEREBY CREATED A SWINE AND POULTRY COMPETITIVENESS ENHANCEMENT FUND, HEREIN REFERRED TO AS THE SPCEF. THE SPCEF SHALL CONSIST OF ALL TARIFF REVENUES COLLECTED FROM THE IMPORTATION OF MEAT AND POULTRY PRODUCTS BY THE BUREAU OF CUSTOMS TO BE AUTOMATICALLY CREDITED TO A SPECIAL ACCOUNT IN THE GENERAL FUND OF THE NATIONAL TREASURY WHICH SHALL BE IN PLACE WITHIN NINETY (90) DAYS UPON THE EFFECTIVITY OF THIS ACT.**

**THE SECRETARY OF AGRICULTURE SHALL BE ACCOUNTABLE AND RESPONSIBLE FOR THE SPCEF IN COORDINATION WITH OTHER GOVERNMENT AGENCIES CONCERNED. THE DEPARTMENT OF AGRICULTURE (DA) AND OTHER PERTINENT AGENCIES SHALL SUBMIT AN ANNUAL REPORT CONTAINING THE STATUS OF THE SPCEF AND AN IMPACT ASSESSMENT OF THE PROGRAMS IMPLEMENTED UNDER THIS ACT, TO THE CONGRESSIONAL OVERSIGHT COMMITTEE ON AGRICULTURAL AND FISHERIES MODERNIZATION (COCAFMM). THE COCAFMM SHALL CONDUCT A PERIODIC REVIEW OF THE USE OF THE SPCEF AS NECESSARY.**

**AT THE END OF THE SIXTH (6TH) YEAR, A MANDATORY REVIEW**

**SHALL BE CONDUCTED BY THE COCAFMM TO DETERMINE WHETHER THE SPCEF AND ITS USE AS PROVIDED FOR UNDER THIS ACT SHALL BE AMENDED, TERMINATED, OR EXTENDED FOR AT MOST FIVE (5) YEARS. ONCE THE SPCEF IS TERMINATED, THE SETTING ASIDE OF COLLECTED DUTIES FOR THE PURPOSE SHALL TERMINATE. HOWEVER, ANY REMAINING BALANCE(S) AT THE DATE OF EXPIRATION OF COLLECTION OF DUTIES FOR THE SPCEF SHALL REMAIN IN THE SPECIAL ACCOUNT AND SHALL CONTINUE TO BE USED FOR THE PURPOSE FOR WHICH IT WAS COLLECTED AND SET ASIDE. THE COCAFMM SHALL UTILIZE THE INCREASE OR DECREASE IN HOG AND POULTRY RAISERS' INCOMES AS A PRIMARY BENCHMARK IN DETERMINING THE EFFECTIVENESS OF THE INTERVENTIONS UNDER THE PROGRAM AND ITS POSSIBLE EXTENSION.**

**SUBJECT TO THE USUAL ACCOUNTING AND AUDITING RULES AND REGULATIONS, THE SPCEF SHALL BE ALLOCATED AND DISBURSED, AS FOLLOWS:**

- (A) DISEASE PREVENTION AND OUTBREAK, INCLUDING VACCINATION;**
- (B) COMPETENT AND MODERN DIAGNOSTIC LABORATORIES;**
- (C) RESEARCH AND DEVELOPMENT FACILITIES;**
- (D) SUBSIDIES FOR TRANSPORTATION AND FREIGHT COST;**
- (E) SWINE AND POULTRY DEVELOPMENT, PROPAGATION AND PROMOTION;**
- (F) CREDIT ASSISTANCE WHICH SHALL BE MADE AVAILABLE IN THE FORM OF CREDIT FACILITY WITH MINIMAL INTEREST RATES AND WITH MINIMUM COLLATERAL REQUIREMENTS TO HOG AND POULTRY RAISERS AND COOPERATIVES, TO BE MANAGED EQUALLY BY AGRICULTURAL CREDIT POLICY COUNCIL, THE LAND BANK OF THE PHILIPPINES (LBP) AND THE DEVELOPMENT BANK OF THE PHILIPPINES (DBP); AND**
- (G) INSURANCE PROGRAM TO BE ADMINISTERED BY THE PHILIPPINE CROP INSURANCE CORPORATION.**

**PRIORITY SHALL BE GIVEN TO PORK AND POULTRY PRODUCING AREAS.”**

***SEC. 2. DA-PCC-BOC Data Sharing Regime.*** In order to facilitate the investigation and prosecution of cases of anti-competitive conduct within the supply chain of pork and poultry, the DA and the BOC are hereby directed to provide the Philippine Competition Commission (PCC) open and timely access to relevant data on prices, market shares, supply chain, and other information necessary to evaluate the pork and poultry industries. Failure by any staff or officer of the DA to provide such pertinent information to the PCC shall be deemed a neglect of his lawful duties and shall be subject to appropriate disciplinary actions as provided under R.A. No. 2260.

**SEC. 3. *Grant of Necessary Permits.*** Pursuant to the policy under Republic Act. No. 11032, otherwise known as the Ease of Doing Business Act of 2018, and its Implementing Rules and Regulations, failure to issue the necessary permits and licenses to facilitate the trade as well as the importation of pork and poultry products pursuant to the prescribed reglementary periods shall deem such applications for licenses or permits as automatically approved without need of further action from the agency or other government office. Furthermore, failure to issue such permits and licenses within the reglementary period shall subject the concerned government officer in charge of issuing such permits and licenses to the administrative penalties provided under R.A. No. 11032.

**SEC. 4. *Separability Clause.*** If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected by such declaration shall remain in full force and effect.

**SEC. 5. *Repealing Clause.*** All laws, presidential decrees, executive orders, rules and regulations, or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SEC. 6. *Effectivity.*** This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation in the country.

Approved,