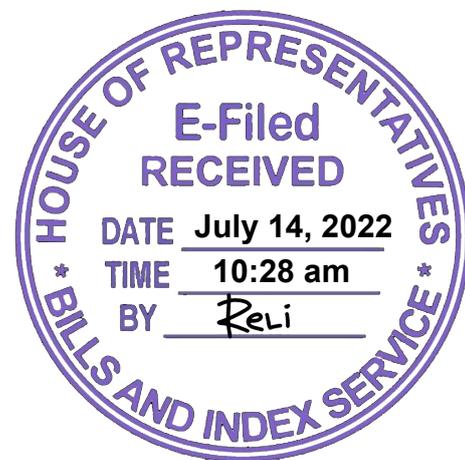


NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )



**HOUSE OF REPRESENTATIVES**

**HOUSE BILL No. 1984**

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**Introduced by REPRESENTATIVE LANI MERCADO-REVILLA**

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**AN ACT  
PROVIDING DIRECT FINANCIAL ASSISTANCE TO FILIPINO RICE FARMERS,  
ESTABLISHING FOR THE PURPOSE THE PANTAWID MAGSASAKANG  
PILIPINO PROGRAM, PROVIDING FUNDS THEREFOR AND FOR OTHER  
PURPOSES**

**EXPLANATORY NOTE**

The passage of Republic Act 11203 or the Rice Tariffication Law (RTL) removed restrictions on rice imports resulting in a significant growth in rice importation and making the Philippines the world's largest importer in 2019, with a record import of 2.9 million MT.

Flooding the local market with inexpensive rice from abroad reduced and stabilized the price of rice.

While RTL has been celebrated for its benefits to consumers, this same law has become a burden for the rice farmers. The price of palay has plummeted which further adversely affected the livelihood of rice farmers.

In a study conducted by Florencia G. Palis, it was found out that "the poverty incidence in the country is highest in the agricultural sector at 34.3%, higher than the general population poverty incidence of 21.6% in 2015 (PSA 2015). The average annual income of rice farmers was Php 20,000 with an estimated monthly income of Php 1,667 (BAS 2012)." It has been projected that the liberalization of rice

importation will further reduce the income of rice farmers pushing the agriculture sector to a higher poverty incidence.

To temper the strong impact of reduced rice farm gate prices, the RTL created the Rice Competitiveness Enhancement Fund (RCEF) which aimed to improve rice farmer's competitiveness and income through mechanization, rice seed development, expanded credit assistance and rice extension service that will teach farmers with modern farming techniques.

Complementary to RA 11203 is the passage of RA 11598 which provided direct cash assistance to farmers tilling less than two (2) hectares of rice land. Pursuant to this law, DA is mandated to distribute unconditional cash assistance amounting to P5,000 to eligible rice farmers from the Rice Farmers Financial Assistance (RFFA) program as compensation for their projected income loss due to the drop of palay price.

To further supplement the existing programs of the government for rice farmers, the "*Pantawid Magsasakang Pilipino Act*" is being proposed to provide conditional cash transfer to poor farming households through a selection process identified by the Department of Social Welfare and Development (DSWD) in consultation with the Department of Agriculture (DA) and the Department of Agrarian Reform (DAR). These households are required to comply with certain conditions set forth under the proposed law to continuously receive the conditional cash transfer that will be sourced from the annual tariff revenue from rice importation in excess of Ten billion pesos.

To help alleviate the plight of our rice farmers, immediate passage of this bill is earnestly sought.

  
**REP. LANI MERCADO-REVILLA**

**HOUSE OF REPRESENTATIVES**

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

1           Section 1. *Short Title.* - This Act shall be known as the "*Pantawid*  
2 *Magsasakang Pilipino Act*".

3           Sec. 2. *Declaration of Policy.* – It is the policy of the State to promote a just  
4 and dynamic social order through policies that provide adequate social services,  
5 promote full employment, a rising standard of living, and an improved quality of life  
6 for all.

7           Towards this end, and in line with the constitutional mandate to Congress to  
8 give highest priority to the enactment of measures that protect and enhance the right  
9 of all the people to human dignity, reduce social, economic, and political inequalities,  
10 and remove cultural inequities by equitably diffusing wealth and political power for  
11 the common good, the State shall formulate and implement programs and projects  
12 guided by a national strategy to reduce poverty in the countryside and ensure the  
13 sufficiency and accessibility of food products for all.

14           Sec. 3. *Pantawid Magsasakang Pilipino Program.* – The Pantawid  
15 Magsasakang Pilipino Program, hereinafter referred to as the Program, is hereby  
16 established as a national strategy for rural poverty reduction and program for  
17 ensuring food security and sufficiency that provides conditional cash transfer to poor

1 rice farming households to mitigate the decline of rice farming incomes that may  
2 have been caused by the enforcement of the liberalization of importation, exportation  
3 and trade of rice.

4 The provision of conditional cash transfer under the Program shall be  
5 complementary and supplementary to other similar undertakings of the government  
6 and shall not be a replacement for any existing programs for rice and rice farmers  
7 already implemented by any government agency.

8 *Sec. 4. Selection of Qualified Household Beneficiaries.* – On a nationwide  
9 basis, the Department of Social Welfare and Development (DSWD) shall, in  
10 consultation with the Department of Agriculture (DA) and the Department of Agrarian  
11 Reform (DAR), select qualified rice farming household-beneficiaries of the Program  
12 using a standardized targeting system. The DSWD shall conduct regular  
13 revalidation of beneficiary targeting at least once every three (3) years.

14 *Sec. 5. Eligible Beneficiaries.* – To be eligible to receive cash grants under  
15 the Program, rice farming households or farmers must meet the following criteria:

- 16 (a) Classified as poor or near-poor based on a standardized targeting  
17 system and the poverty threshold issued by the Philippine Statistics  
18 Authority at the time of selection; and,  
19 (b) Willing to comply with the condition specified in Section 8 of this Act.

20 *Sec. 6. Conditional Cash Transfer to Rice Farming Household-Beneficiaries.*  
21 – The Advisory Council created under Republic Act No. 11310, otherwise known as  
22 the “Pantawid Pamilyang Pilipino Program (4PS) Act”, shall determine the amount of  
23 cash grants to be extended to rice farming household-beneficiaries based on the  
24 following factors:

- 25 (a) The amount of the annual tariff revenues from rice importation in  
26 excess of Ten billion pesos (P10,000,000,000.00), based on the  
27 collection recorded in the second fiscal year preceding the current  
28 fiscal year;  
29 (b) The number of eligible rice farming household-beneficiaries as  
30 identified by the standardized targeting system as provided in Section 7  
31 of this Act;  
32 (c) The administrative and financial cost of providing cash grants to  
33 qualified rice farming household-beneficiaries; and,

1 (d) Other factors that affect the level of available funding or the cost of  
2 implementation of this Act.

3 Sec. 7. *Coverage in the Rice Insurance Program.* – All qualified rice farming  
4 household-beneficiaries of the Program as identified by the standardized targeting  
5 system shall automatically be covered by the Rice Insurance Program of the  
6 Philippine Crop Insurance Corporation (PCIC): *Provided,* That the insurance  
7 premium for rice insurance shall be fully subsidized by the National Government:  
8 *Provided, further,* That the amount of premium payment for rice insurance for  
9 qualified rice farming household-beneficiaries shall not be deducted from the  
10 appropriations provided under Section 17 of this Act: *Provided, finally,* That the  
11 provision of subsidized rice insurance to qualified farming household-beneficiaries  
12 shall be complementary and supplementary to the conditional cash transfer program  
13 as provided in this Act.

14 Sec. 8. *Conditions for Entitlement.* – All qualified rice farming household-  
15 beneficiaries shall comply with the following requirements for continued program  
16 eligibility:

17 (a) The qualified rice farming household-beneficiaries must continue to  
18 engage in palay production;

19 (b) The responsible person/s from qualified farming household-  
20 beneficiaries who actually engage/s in rice production must register  
21 with the DA under the Registry System for Basic Sectors in Agriculture;

22 (c) The qualified rice farming household-beneficiaries must propagate and  
23 use inbred palay seeds to be developed, bred, registered, certified and  
24 distributed by the Philippine Rice Research Institute as provided under  
25 Republic Act No. 11203;

26 (d) The qualified rice farming household-beneficiaries must apply for  
27 subsidized insurance coverage as provided in Section 7 of this Act no  
28 later than thirty (30) days from the date of planting; and,

29 (e) At least one (1) responsible person from qualified rice farming  
30 household-beneficiaries must attend at least one (1) training program  
31 to be conducted by the Philippine Center for Postharvest Development  
32 and Mechanization, Agricultural Training Institute, or Technical  
33 Education and Skills Development Authority in their respective  
34 municipality.

1 The DSWD may suspend any or all of the conditions for entitlement during  
2 calamities, armed conflict, state of war or lawless violence, and other similar  
3 fortuitous events.

4 *Sec. 9. Noncompliance with the Conditions for Entitlement.* – The responsible  
5 person of a reported qualified household-beneficiary who fails to comply with the  
6 conditions set forth in Section 8 of this Act shall be notified in writing. Further  
7 payment of cash grants shall be suspended after four (4) months of noncompliance  
8 and the erring household-beneficiary shall be subject to case management process  
9 of the DSWD.

10 The qualified rice farming household-beneficiary has one (1) year, reckoned  
11 from the date of receipt of the written notification, to satisfy the conditions  
12 enumerated under Section 8 of this Act, after which the erring household-beneficiary  
13 shall be removed from the Program.

14 *Sec. 10. Mode of Cash Transfer.* – The DSWD shall provide beneficiaries  
15 with direct and secured access to cash grants through any number of Authorized  
16 Government Depository Banks (AGDBs). For localities not adequately served by an  
17 AGDB, the DSWD may contract the services of rural banks, thrift banks, cooperative  
18 banks and other duly-accredited financial institutions engaged in money remittance  
19 services.

20 *Sec. 11. Cash-for-Work for Rice Farmers Program.* – To provide additional  
21 income for rice farming household-beneficiaries, the DSWD may, in coordination with  
22 government agencies concerned, facilitate short-term intervention to provide  
23 temporary employment to members of qualified rice farming households. Projects  
24 that may be incorporated under the Cash-for-Work Program shall include, but not be  
25 limited to:

- 26 (a) irrigation programs and projects of the DA and the National Irrigation  
27 Administration;
- 28 (b) public works programs and projects of the Department of Public Works  
29 and Highways;
- 30 (c) water supply and sanitation projects of the Department of Interior and  
31 Local Government and local water districts;
- 32 (d) disaster preparedness, mitigation, relief, rehabilitation, and risk  
33 reduction projects of the Office of the Civil Defense, National Disaster

1 Risk Reduction and Management Council, and other similar agencies  
2 of government; and,

- 3 (e) other similar programs and projects of national government agencies,  
4 government-owned or –controlled corporations, and local government  
5 units.

6 The DSWD shall determine the payment rate of cash-for-work employment:  
7 *Provided*, That such payment shall be in no case lower than seventy percent (70%)  
8 of the prevailing daily wage rate set by the National Wages and Productivity  
9 Commission.

10 The DSWD shall utilize the mode of cash transfer as provided in Section 10 of  
11 this Act to transfer payment for services rendered by members of qualified rice  
12 farming households under the Cash-for-Work for Rice Farmers Program.

13 *Sec. 12. Lead Agency.* – The DSWD shall serve as the central planning,  
14 coordinating, implementing and monitoring body of the Program. In the  
15 implementation of this Act, the DSWD shall perform the following functions:

- 16 (a) Selection and application of appropriate, effective, and cost-efficient  
17 methods in identification and selection of qualified rice farming  
18 household-beneficiaries in coordination with DA and DAR;
- 19 (b) Identification and selection of target rice farming household-  
20 beneficiaries based on a uniform, objective and transparent selection  
21 process;
- 22 (c) Coordination with various national and local government agencies,  
23 including non-government and private sector organizations, to ensure  
24 full implementation of the provisions of this Act;
- 25 (d) Establishment of participatory system and methodologies to monitor  
26 and evaluate the compliance of household-beneficiaries and the  
27 implementation of the Program;
- 28 (e) Provision of recommendation measures, rules and regulations to the  
29 Advisory Council in order to improve the delivery of commitments made  
30 in this Act;
- 31 (f) Determination of program coverage based on a standardized targeting  
32 system;

- 1 (g) Provision of seminar-workshop and training programs to educate  
2 qualified rice farming household-beneficiaries about the conditions and  
3 other actions pertinent to this Act;
- 4 (h) Synchronization and harmonization of the implementation of the  
5 Program with other similar or related programs of the government;
- 6 (i) Submission of an annual report to Congress on matters pertinent to the  
7 operations and financial status of the Program; and,
- 8 (j) Performance of other functions as may be necessary or incidental to  
9 the proper implementation of the provisions of this Act.

10 Sec. 13. *Reporting.* – The DSWD shall publish, on an annual basis, a full  
11 report on the implementation of the Program during the previous fiscal year. The  
12 report shall include, but not limited to, financial disclosures, the number of rice  
13 farming household-beneficiaries included in the Program based on geographic,  
14 socioeconomic and cultural circumstances, and recommendations to improve the  
15 implementation of the Program. This report shall be submitted, either in printed form  
16 or by way of electronic document, to the Congress prior to the submission of the  
17 President’s annual budget. The Secretary of Social Welfare and Development and  
18 the Agency’s web administrator or the web administrator’s equivalent shall be  
19 responsible for ensuring that the said report is posted on the DSWD website.

20 Sec. 14. *Convergence of Programs and Services.* – Within the framework of  
21 a national poverty alleviation strategy and a comprehensive food security program,  
22 the various agencies of government implementing multi-stakeholder programs and  
23 services for rice farmers shall guarantee that these programs and services  
24 complement and converge seamlessly with the aim of ensuring that the targeted rice  
25 farming household-beneficiaries are alleviated from poverty. Such convergence  
26 shall focus on the enhancement of operational efficiency, ensuring the realization of  
27 program outcomes, and strengthening of inter-agency partnerships. The  
28 government shall monitor the performance of these agencies to ensure the  
29 sustainability of their respective programs.

30 Sec. 15. *Monitoring and Evaluation of the Program.* – The DSWD shall  
31 monitor and evaluate the implementation and effectiveness of the Program and  
32 report its status at least once every three (3) years in order to ensure the realization  
33 of the objectives declared in Section 2 of this Act.

1           The Independent Monitoring Committee created under Republic Act No.  
2 11310, otherwise known as the “Pantawid Pamilyang Pilipino Program (4PS) Act”,  
3 shall be used to complement the monitoring activities of the DSWD in the  
4 implementation of the Program. The Independent Monitoring Committee shall  
5 submit a report of its monitoring activities relative to the implementation of the  
6 Program to the Advisory Council.

7           Sec. 16. *Congressional Oversight.* – The Congressional Oversight  
8 Committee on Agricultural and Fisheries Modernization (COCAFAM) shall conduct a  
9 periodic review of the Program, considering, among others, the report of the  
10 monitoring and evaluation activities of the DSWD and the Independent Monitoring  
11 Committee as provided in Section 15 of this Act.

12           Sec. 17. *Appropriations.* – The amount necessary for the implementation of  
13 the provisions of this Act shall be sourced from the annual tariff revenues from rice  
14 importation in excess of Ten billion pesos (P10,000,000,000.00).

15           Sec. 18. *Prohibited Acts and Corresponding Penalties.* – Any person,  
16 whether acting in conspiracy with public officials or not, who by act or omission,  
17 inserts or allows the insertion of data or false information, or diverts or allows the  
18 diversion of information that ought to be contained in the registry, or transfers or aids  
19 in the transfer of cash grant to persons other than the qualified rice farming  
20 household-beneficiaries, shall be penalized with a fine of not less than Thirty  
21 thousand pesos (P30,000.00) nor more than One hundred thousand pesos  
22 (P100,000.00) or imprisonment of not less than three (3) months nor more than three  
23 (3) years, or both, at the discretion of the court: *Provided,* That if the offense is  
24 committed by a corporation, trust, firm, partnership, association or any other entity,  
25 the penalty shall be imposed upon the guilty officer or officers of such corporation,  
26 trust, firm, partnership, association or entity: *Provided, further,* That in addition to the  
27 penalties that may be imposed by the court, the offender punished under this Section  
28 shall be subject to perpetual disqualification to hold public office: *Provided, finally,*  
29 That if the offender punished under this Section is a public official or government  
30 employee, the accumulated leave credits and retirement benefits, if any, shall be  
31 forfeited in favor of the State.

32           Sec. 19. *Implementing Rules and Regulations.* – Within thirty (30) days from  
33 effectivity of this Act, the DSWD, DA, Department of Finance and Department of  
34 Budget and Management shall, in coordination with other government agencies

1 concerned and after consultation with directly affected stakeholders, promulgate the  
2 rules and regulations to effectively implement the provisions of this Act.

3       Sec. 20. *Separability Clause.* – If any provision or part hereof is held invalid  
4 or unconstitutional, the remainder of the law or the provision or part not otherwise  
5 affected shall remain valid and subsisting.

6       Sec. 21. *Repealing Clause.* – Any law, presidential decree or issuance,  
7 executive order, letter of instruction, administrative order, rule, or regulation contrary  
8 to or inconsistent with the provisions of this Act are hereby repealed, modified, or  
9 amended accordingly.

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

12       *Approved,*

