

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

19TH CONGRESS
First Regular Session

HOUSE BILL NO. 4699



Introduced by Representative Michael L. Romero

EXPLANATORY NOTE

The National Dairy Authority, (NDA) is mandated to ensure the accelerated development of the Philippine dairy industry through policy direction and program implementation. It is an agency attached to the Department of Agriculture.

A profitable, competitive and sustainable growing dairy industry built on financially viable business performance throughout the value chain, providing a good quality of life for farmers and ensuring consumers safe and quality milk and milk products by 2025.

This House Bill seeks to provide developmental funding to the national Dairy Authority (**NDA**) to ensure that the country fulfills its commitments to establish marketing networks and outlets, especially among and between processors and end-users, which may include the integration of local milk production with existing industrial milk plants geared towards the sufficient production of local milk for the needs of the people.

Thus, the early passage of this bill is earnestly requested.

A handwritten signature in black ink, appearing to be "Michael L. Romero", written over a horizontal dashed line.

MICHAEL L. ROMERO Ph.D.

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AN ACT

PROVIDING FOR ADDITIONAL DEVELOPMENTAL FUNDING TO
THE **NATIONAL DAIRY AUTHORITY (NDA)**, 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 “**National Dairy
Authority Developmental Act of 2022**”.

SECTION 2. DECLARATION OF POLICY – It shall hereby be a declared
the policy of the State to strive for national self-sufficiency in milk and dairy
products as a vital feature in the attainment of a self-reliant and independent
Philippine economy in the provision of proper nutrition and the generation of
more employment opportunities for the people.

It shall also be the policy of the State to recognize the primary role of the private
sector in research, training, production, processing, and marketing, and to

provide incentives to those undertaking these activities, with government limiting itself to policy-making, facilitation and regulation.

Towards this end, the State shall create an agency tasked to help the private sector accelerate the development and growth of the Philippine dairy industry under the spirit of cooperativism in all stages of dairy production, processing, distribution, marketing, and other dairy-related activities, in such a way that market viability of livestock and dairy products shall be ensured, focusing on developing breeds adapted to Philippine conditions.

Likewise, the State shall help establish marketing networks and outlets, especially among and between processors and end-users, which may include the integration of local milk production with existing industrial milk plants geared towards the sufficient production of local milk for the needs of the people.

SECTION 3. PERIOD OF IMPLEMENTATION – The modernization program under this Act shall be implemented for an initial period of two **(2)** years:

Provided, that payments for multi-year contract obligations incurred under this Act may extend beyond this period:

Provided, further, That the **NDA** shall continue to modernize and constantly update its operational capabilities to keep pace with best global practices.

SECTION 4. NDA DEVELOPMENTAL FUND – There is hereby created the *NDA Developmental Fund* to be used exclusively for the *NDA Developmental Program*.

The NDA Developmental funding shall be sourced from the following:

To implement the mandates of this Act, there is hereby created a *Dairy Development Fund* which shall be used exclusively for the programs in the amount of Three hundred million pesos (**P300,000,000**) from the funds in the National Treasury not otherwise appropriated. Annually thereafter, the amount of not less than Two Hundred Forty million pesos (**P240,000,000**) shall be provided to augment the fund in the General Appropriations Act.

The *NDA Developmental Fund* shall be administered by the Administrator of the NDA in accordance with existing government budgeting, accounting and auditing rules and regulations.

SECTION 5. GOVERNMENT AGENCY SUPPORT. – The Authority shall coordinate closely with other government agencies in the establishment of support services for the dairy industry, including, among others, needed infrastructure, and the setting of tariff rates to countervail subsidized imports.

SECTION 6. NUTRITION PROGRAMS. – The government’s nutrition programs requiring milk and dairy products shall be sourced from small farmers and dairy cooperatives in coordination with the Authority.

SECTION 7. PROGRESS REPORT – The Administrator of the **NDA** shall prepare an annual report on the status of the implementation of the *NDA Developmental Program* which shall be submitted, through the Secretary of the **DA**, to the President and to the Chairpersons of the Committees on Science and Technology of the Senate and the House of Representatives.

SECTION 8. APPROPRIATIONS – The amount necessary to carry out the implementation of this Act shall be initially charged against the current fiscal year appropriations of the **DA – NDA**.

Thereafter, the amount needed for the continued implementation of the modernization program, shall be included in the annual General Appropriations Act (**GAA**).

SECTION 9. TRANSITORY PROVISION – Existing industries, businesses and offices affected by the implementation of this Act shall be given six **(6)** months transitory period from the effectivity of the IRR or such other period as may be determined, to comply with the requirements of this Act.

SECTION 10. IMPLEMENTING RULES AND REGULATIONS. – The departments and agencies charged with carrying out the provisions of this Act shall, within sixty **(60)** days after the effectivity of this Act, formulate the necessary rules and regulations for its effective implementation.

SECTION 11. REPEALING CLAUSE. – All laws, decrees, executive orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 12. SEPARABILITY CLAUSE. – If, for any reason, any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.

SECTION 13. EFFECTIVITY CLAUSE. – This Act shall take effect after fifteen (15) days from its publication in the Official Gazette or in at least two (2) national newspapers of general circulation whichever comes earlier.

Approved,