

Republic of the Philippines OFFICE OF THE SECRETARY Elliptical Road, Diliman 1100 Quezon City

MEMORANDUM ORDER No. <u>21.</u> Series of 2022

SUBJECT : UPDATING OF THE MEMORANDUM ORDER NO. 64 AND 67 SERIES OF 2021 ENTITLED IMPLEMENTING GUIDELINES FOR THE RICE COMPETITIVENESS ENHANCEMENT FUND – RICE FARMERS FINANCIAL ASSISTANCE PROGRAM

WHEREAS, The Department of Agriculture issued the Memorandum No. 64 and 67 series of 2021 which serves as the Implementing Guidelines for the Rice Competitiveness Enhancement Fund – Rice Farmers Financial Assistance (RCEF-RFFA) Program.

WHEREAS, Article XIII Section 13 stipulates the Rice Competitiveness Enhancement Fund (RCEF), otherwise known as the Rice Fund, which shall consist of an annual appropriation of Ten Billion Pesos (Php 10,000,000,000.00) for the next six (6) years following the approval of the Act. The Rice Fund shall be used for rice farm machinery and equipment; rice seed development, propagation, and promotion; expanded rice credit assistance; and rice extension services to all eligible rice farmer beneficiaries in the identified target areas.

WHEREAS, Section 13 also states that if the annual tariff revenues from rice importation exceeds Ten Billion Pesos in any given year within the six-year period following the effectivity of the Act, the excess tariff revenues shall be earmarked by the Congress and included in the General Appropriations Act (GAA) of the following year so it may be used for other purposes.

WHEREAS, The Bureau of Customs shall issue a certification, not later than April 15 of every fiscal year, on the annual tariff revenue from rice importation of the preceding year to the Department of Budget and Management, copy furnished the Department of Agriculture, Department of Finance, and Bureau of Treasury, commencing upon the effectivity of the Act. This certification shall likewise include the amount in excess of Ten Billion Pesos (P10,000,000,000.00), if any, from the tariff revenue from rice importation the preceding year.

WHEREAS, Among the intended purposes of the excess tariff collections is the Rice Farmer Financial Assistance which is a direct financial assistance released to the DA and to be provided to rice farmers as compensation for the projected reduction or loss of farm income arising from the tariffication of the quantitative import restrictions on rice.

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WHEREAS, Republic Act No. 11518 otherwise known as the General Appropriations Act for Fiscal Year 2021 has stated in Special Provision No. 3: Rice Farmers Financial Assistance Program, that an amount of Two Billion One Hundred Thirty-Five Million Two Hundred Ninety-Nine Thousand Pesos (Php 2,135,299,000.00) is appropriated to the DA to provide direct cash transfers to rice farmers.

WHEREAS, Stipulations from Unprogrammed Appropriations under Special Provision No. 22: Use of Excess Tariff Collections from Rice Importation states that the excess of the Ten Billion Pesos (Php 10,000,000,000.00) collected by the Bureau of Customs for the year 2020 under the Rice Tariffication Law shall be released as cash assistance for rice farmers as compensation for the projected reduction or loss of farm income arising from the tariffication.

WHEREAS, A veto message from the President was released regarding these two Special Provisions regarding the identification of program beneficiaries wherein the abovementioned provisions should be in accordance with the same law, i.e. RA 11203. Therefore, the subsidies shall be provided to rice farmers who are tilling two (2) hectares and below.

WHEREAS, The Republic Act No. 11598 or the Cash Assistance for Filipino Farmers Act was passed on 26th of July 2022 which authorizes the Department to utilize the annual tariff revenues in excess of Ten Billion Pesos (Php 10,000,000,000.00), in support to the provision of the Rice Tariffication Law, to directly provide cash assistance to farmers who are tilling (2) hectares and below of rice land until 2024.

WHEREAS, R.A. No. 11598 further states that the Bureau of Customs is mandated to directly transfer the said excess funds to the Department.

WHEREAS, all guidelines on the implementation shall be retained as is.

NOW THEREFORE, the following additional provisions on the implementation of RCEF-Rice Farmers Financial Assistance (RCEF-RFFA) Program shall be adopted:

Prioritization Criteria Model I.

The prioritization criteria will be presented in tiers wherein the 1st tier will be most prioritized and the 5th tier will be least prioritized.



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Tier	Prioritization Criteria
1	Eligible beneficiaries who have not yet received any assistance from any of the following cash assistance programs: RFFA 2019, FSRF 2020, and RCEF-RFFA 2021
	Registered in the Registry System for Basic Sectors in Agriculture (RSBSA)
	Must be owning or tilling rice areas of 2 hectares and below
2	Eligible beneficiary who were able to receive cash assistance at least once from any of the following cash assistance programs RFFA 2019, FSRF 2020, and RCEF-RFFA 2021
	Registered in the Registry System for Basic Sectors in Agriculture (RSBSA)
	Must be owning or tilling rice areas of 2 hectares and below
3	Eligible beneficiary who were able to receive cash assistance at least twice from any of the following cash assistance programs RFFA 2019, FSRF 2020, and RCEF-RFFA 2021
	Registered in the Registry System for Basic Sectors in Agriculture (RSBSA)
	Must be owning or tilling rice areas of 2 hectares and below
4	Eligible beneficiary who thrice received cash assistance from RFFA 2019, FSRF 2020, and RCEF-RFFA 2021
	Registered in the Registry System for Basic Sectors in Agriculture (RSBSA)
	Must be owning or tilling rice areas of 2 hectares and below

This Order shall take effect immediately after signing.

Done this <u>4</u> day of <u>March</u> 2022, Diliman, Quezon City, Philippines.

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> WILLIAM D. DAR, Ph.D. Secretary

DEPARTMENT OF AGRICULTURE

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