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CONGRESS OF THE PHILIPPINES
Metro Manila

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REPUBLIC ACT NO. 10068

AN ACT PROVIDING FOR THE DEVELOPMENT AND PROMOTION OF ORGANIC AGRICULTURE IN THE PHILIPPINES 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 "**Organic Agriculture Act of 2010**".

Section 2 Declaration of Policy. - It is hereby declared the policy of the State to promote, propagate, develop further and implement the practice of organic agriculture in the Philippines that will cumulatively condition and enrich the fertility of the soil, increase farm productivity, reduce pollution and destruction of the environment, prevent the depletion of natural resources, further protect the health of farmers, consumers, and the general public, and save on imported farm inputs. Towards this end, a comprehensive program for the promotion of community-based organic agriculture systems which include, among others, farmer-produced purely organic fertilizers such as compost, pesticides and other farm inputs, together with a nationwide educational and promotional campaign for their use and processing as well as adoption of organic agriculture system as a viable alternative shall be undertaken.

The State recognizes and supports the central role of the farmers, indigenous people and other stakeholders at the grassroots in this program.

Section 3 Definition of Terms. - For purposes of this Act, the following terms shall be defined as follows:

(a) Organic refers to the particular farming and processing system, described in the standards and not in the classical chemical sense. The term "organic" is synonymous in other languages to "biological" or "ecological". It is also a labeling term that denotes products considered organic based on the Philippine National Standards for organic agriculture.

(b) Organic agriculture includes all agricultural systems that promote the ecologically sound, socially acceptable, economically viable and technically feasible production of food and fibers. Organic agricultural dramatically reduces external inputs by refraining from the use of chemical fertilizers, pesticides and pharmaceuticals. It also covers areas such as, but not limited to, soil fertility management, varietal breeding and selection under chemical and pesticide-free conditions, the use of biotechnology and other cultural practices that are consistent with the principles and policies of this Act, and enhance productivity without destroying the soil and harming farmers, consumers and the environment as defined by the International Federation of Organic Agricultural Movement (IFOAM): *Provided*, That the biotechnology herein to shall not include genetically modified organisms of GMOs.

(c) Organic production system is a system designed to:

- (1) enhance biological diversity within the whole system;
- (2) increase soil biological activity;

- (3) maintain long-term soil fertility;
- (4) recycle wastes of plant and animal origin in order to return nutrients to the land, thus minimizing the use of nonrenewable resources;
- (5) rely on renewable resources in locally organized agricultural system;
- (6) promote the healthy use of soil, water and air as well as minimize all forms of pollution thereto that may result from agricultural practices;
- (7) develop and promote the use of biotechnology in agriculture;
- (8) handle agricultural products with emphasis on careful processing methods in order to maintain the organic integrity and vital qualities of the product at all stages; and
- (9) become established on any existing farm through a period of convention, the appropriate length of which is determined by site-specific factors such as the history of the land, and type of crops and livestock to be produced.

(d) Conversion period refers to the time between the start of the organic management and the certification of crops, animal husbandry or a aquaculture products as organic.

(e) Biodegradable wastes refer to organic matter for compost/ organic fertilizer for the organic cultivation, farming of food crops and includes discards segregated farm nonbiodegradable wastes coming from the kitchen/household (leftovers, vegetables and fruit peelings and trims, fish/fowl cleanings, seeds, bones, soft paper used as food wrap and the like), yard or garden (leaves, grasses, weeds and twigs), market (wilted, decayed or rotten vegetables and fruits, fish/fowl cleanings, bones) and farm wastes (grass clippings, dead or decayed plants, leaves, fruits, vegetables, branches, twigs and the like).

(f) Ecologically-sound refers to a state, quality or condition of a product, practice, system, development mode, culture, environment and the like, in accord with the 1987 Philippine Constitution, and as expounded in the above definition of organic agriculture.

(g) Commercialization is process of including a new agricultural and fishery technology either as product, process or service that has undergone the intensive innovative activities of assessment, promotion and transfer for economic benefit.

(h) Certification is the procedure by which official certification bodies or officially recognized certification bodies provide written or equivalent assurance that foods or food control systems conform to requirements.

(i) Accreditation is the procedure by which a government agency having jurisdiction formally recognizes the competence of an inspection and/or certification body to provide inspection and certification services.

(j) First party certification is defined as when the certification criteria and rules are set and monitor/enforced by the producer or company itself.

(k) Second party certification is defined as when the certification criteria and rules are set by buyers or industry organizations.

(l) Third party certification or independent certification is defined as when the firm requires that its supplies meet a certain standard and requests an independent organization that is not involved in the business relationship to control the compliance of the suppliers.

(m) Organic food establishment refers to an entity, whether local or foreign, that produces inputs acceptable for organic agriculture.

Section 4 Coverage. - The provisions of this Act shall apply to the development and promotion of organic agriculture and shall include, but not limited to, the following:

(a) Policy formulation on regulation, registration, accreditation, certification and labeling on organic agriculture;

(b) Research, development and extension of appropriate, sustainable environment and gender-friendly organic agriculture;

(c) Promotion and encouragement of the establishment of facilities, equipment and processing plants that would accelerate the production and commercialization of organic fertilizers, pesticides, herbicides and other commercialization of organic fertilizers, pesticides, herbicides and other appropriate farm inputs; and

(d) Implementation of organic agricultural programs, projects and activities, including the provision and delivery of support services with focus on the farmers and other stakeholders.

Section 5 National Organic Agricultural Program. - There is hereby established a comprehensive organic agricultural program through the promotion and commercialization of organic farming practices, cultivation and adoption of production and processing methods which have already been developed, or to be developed, continuing research and upgrading thereof, the capacity building of farmers and the education of consumers thereon, the extension of assistance to local government units (LGU's), peoples' organizations (POs), nongovernment organizations (NGOs) and other stakeholders including individuals and groups who are practicing and promoting these methods as well as those who are willing to do other pertinent activities, and documentation and evaluation of the program.

Section 6 National Organic Agricultural Board (NOAB). - To carry out the policy and the program provided in this Act, there is hereby created a NOAB which shall be the policy-making body and shall provide direction and general guidelines for the implementation of the National Organic Agricultural Program. The NOAB shall be attached to the Department of Agriculture (DA).

The NOAB shall ensure the full participation of POs, NGOs and the general public through coordination and consultative mechanisms such as, but not limited to, public hearings, meetings and joint projects.

Section 7 Composition of the NOAB. - The NOAB shall consist of:

(a) The Secretary of Agriculture, or his duly authorized permanent representative, with a rank of Undersecretary, as Chairperson;

(b) The Secretary of the Interior and Local Government, or his duly authorized permanent representative, as Vice Chair;

(c) The Secretary of Science and Technology, or his duly authorized permanent representative;

(d) The Secretary of Environment and Natural Resources, or his duly authorized permanent representative;

- (e) The Secretary of Education, or his duly authorized permanent representative;
- (f) The Secretary of Agrarian Reform, or his duly authorized permanent representative;
- (g) The Secretary of Trade and Industry, or his duly authorized permanent representative;
- (h) The Secretary of Health, or his duly authorized permanent representative;
- (i) Three (3) representatives from the small farmers; and
- (j) A representative each from the NGOs involved in sustainable agriculture for at least three (3) years; agricultural colleges and universities; and private sector or agribusiness firms; as members.

The designated aforementioned representatives of the various departments shall be occupying positions not lower than a bureau director level and shall be on a conterminous basis.

The representatives of small farmers and NGOs and of agricultural colleges and universities shall be chosen by the Secretaries of Agriculture and Science and Technology, respectively, from among nominees submitted by their respective national organizations. These representatives must be conversant in organic agriculture and committed to the policies and programs provided under this Act.

The existing National Organic Agriculture Board created pursuant to Executive Order No. 481 shall continue to function until the new NOAB created herein has been constituted pursuant to Section 8 hereof.

Section 8. Organization of the NOAB. - Within sixty (60) working days from the effectivity of this Act, the national organizations of small farmers, of NGOs and of agricultural colleges and universities shall submit their respective nominees to the Secretary of Agriculture and the Secretary of Science and Technology, as the case may be, who shall evaluate the qualifications of the nominees and appoint the most members to the NOAB.

The Chairperson shall call the members of the NOAB, or a majority thereof if not all have been designated, to a meeting to organize themselves and prescribe its rules and procedure for the attainment of the objectives of this Act. A majority of all the members of the NOAB shall constitute a quorum.

The NOAB shall also determine its budget, including travel expenses, allowances and per diems of its nongovernment members when attending official NOAB meetings or attending to matters assigned to them subject to accounting and auditing rules and regulations.

Section 9 Powers and Functions of NOAB. - The NOAB shall have the following powers and functions:

- (a) Formulate policies, plans, programs and projects to develop and promote organic agriculture, production, processing and trade;
- (b) Oversee the successful implementation of the National Organic Agricultural Program;
- (c) Identify sources of financing to expand organic agriculture;
- (d) Monitor and evaluate the performance of programs for appropriate incentives;
- (e) Undertake measures for the international recognition of local certification of organic products;

(f) Call upon any government agency to carry out and implement programs and projects identified by the NOAB;

(g) Call upon private sectors, POs and NGOs and the academe to provide advice on matters pertaining to organic agriculture and conduct of capability-building initiatives to farmers, producers, extension workers, consumers and other stakeholders in agriculture sector in coordination with the Agricultural Training Institute;

(h) Submit annual and other periodic reports to the President, Secretary of the DA and Congress of the Philippines through the Congressional Oversight Committee on Agricultural and Fisheries Modernization (COCAFAM);

(i) Promulgated such rules and regulations and exercise such other powers and functions as may be necessary to carry out effectively the purposes and objectives of this Act; and

(j) Perform such functions as may be necessary for its effective operations and for the continued enhancement, growth or development of organic agriculture.

Section 10 *The Bureau of Agriculture and Fisheries Product Standards (BAFPS) of the DA.* - The BAFPS of the DA shall be strengthened and empowered in terms of establishing functional divisions and incremental staffing to serve as the national technical and administrative secretariat of the NOAB with the member agencies providing additional staff support as the need arises.

Section 11 *Functions, Duties and Responsibilities of the BAFPS,* in addition to its existing functions and responsibilities shall perform the following functions, duties and responsibilities for purpose of this Act:

(a) Implement organic agriculture programs and projects approved by the NOAB;

(b) Update the NOAB on the status of the programs, projects and activities undertaken for the development and promotion of organic agriculture;

(c) Create effective networking with the various stakeholders involved in organic production; and

(d) Perform such other functions, duties and responsibilities as may be necessary to implement this Act and as directed by the NOAB.

Section 12 *Work Plan.* - In line with the national Organic Agricultural Program, the BAFPS shall submit to the Board for approval the following:

(a) A plan of bringing the program down to the grassroots, utilizing available personnel and facilities on the local level and those of LGUs;

(b) A pattern of cooperation and mutual assistance with LGUs, POs and NGOs, which will maximize people empowerment and participatory approaches to program formulation, implementation and monitoring; and

(c) A schedule of short-term, medium-term and long-term targets on research and development, marketing, trade promotion/initiatives, capacity building, among others.

Section 13 *Organic Agriculture and Protection of the Environment.* - The NOAB shall constantly devise and implement ways and means not only of producing organic fertilizers and other farm inputs and needs on and off the farm but also of helping to alleviate the problems of industrial waste and community garbage through disposal through appropriate methods of sorting, collecting and composting. The BAFPS shall conduct continuing studies, with consultations among the people and officials involved as well as POs and NGOs, in

order to advise local governments, from the barangay to the provincial level, on the collection and disposal of garbage and waste in such a way as to provide raw materials for the production of organic fertilizers and other farm inputs.

Section 14 Local Executive Committees. - Every provincial governor shall, insofar as practicable, form a provincial technical committee, and which shall, in coordination with and assistance of the BAFPS/DA - Regional Field Units (RFUs) implement activities in line with the National Organic Agricultural Program within each province.

Every municipal mayor shall likewise, insofar as practicable, form a municipal technical committee for purposes of implementing activities in line with the National Organic Agricultural Program within each municipality.

A local government unit that intends to shift its area of responsibility to organic agriculture must ensure that local industries have been adequately informed and consulted and that a viable plan to ensure supply for vulnerable industries is in place.

The governors shall monitor implementation of and compliance with this Act within their respective jurisdictions.

Section 15. Accreditation of Organic Certifying Body. - The BAFPS is hereby designated and authorized to grant official accreditation to organic certifying body or entity. The BAFPS is tasked to formulate the necessary rules and procedures in the accreditation of organic certifying body: *Provided*, That there shall be at least one (1) accredited organic certifying body each in Luzon, Visayas and Mindanao or in case of only (1) organic certifying body is accredited, it shall have at least one (1) satellite office or processing unit each in Luzon, Visayas and Mindanao

Section 16. Registration of Organic Food and Organic Input Producers. - All organic food and input establishments must register with the director, BAFPS, registration under this section shall begin within ninety (90) days of the enactment of this Act. Each such registration shall be submitted to director through an electronic portal and shall contain such information as the director by guidance may determine to be appropriate. Such registration shall contain the following information:

- (a) The name, address and emergency contact information of each organic food or input establishment that the registrant owns or operates;
- (b) The primary purpose and business activity of each organic food or input establishment, including the dates of operation if the organic food establishment is seasonal;
- (c) A list of the organic food or input produced and corresponding brand names;
- (d) For organic food establishment, the name, address and contact information of the organic food certifying body that certified the organic products sold by the company;
- (e) An assurance that the registrant will notify the director of any change in the products, function or legal status of the domestic food establishment (including cessation of business activities) not later than 30 days after such change; and
- (f) For organic input producers, a list of materials used in the production of each particular input

Section 17 Labeling of Organic Produce. - The label of organic produce shall contain the name, logo or seal of the organic certifying body and the accreditation number issued by the BAFPS. Only third party certification is allowed to be labeled as organically produced.

Section 18 *Retailing of Organic Produce.* - Retail establishments or stores of organic produce shall designate a separate area to display the organic produce to avoid mixing it with non-organic produce.

Section 19 *Availability of Trading Post for Organic Inputs.* - Local chief executives shall establish, as far as practicable, at least one (1) trading post for organic inputs for every LGU in the area of jurisdiction.

Section 20 *Research, Development and Extension.* - The Bureau of Agricultural Research (BAR), as the lead agency, shall coordinate with the other agencies of the DA, the Department of Agrarian Reform (DAR), the Department of Science and Technology (DOST), the Department of Education (DepED), the Department of Interior and Local Government (DILG), the strategic agricultural-based state universities and colleges (SUCs), including private organizations, to develop, enhance, support and consolidate activities and related technologies for the formulation and implementation of a unified and integrated organic agriculture RDE plan and programs for the national to the field level. The organic agriculture RDE plans and programs shall include, but not limited to the following:

- (a) Research, development and commercialization of appropriate, innovative and viable organic agricultural technologies;
- (b) Nationwide promotion of developed and commercially viable biodegradable farm wastes and by-products through various extension strategies to accelerate the production, use and distribution of organic fertilizers; and
- (c) Conduct research for market development, policy formulation, regulation and certification.

Section 21. *Creation of Organic Agriculture RDE Network.* - An organic agriculture RDE network shall be organized by the BAR, composed of research and educational institutions, LGUs, nongovernment agencies and the recognized association of organic fertilizer manufacturers and distributors, agricultural engineers, agriculturists, soil technologists, farmers group and/or associations.

Section 22. *RDE Centers.* - National, regional and provincial organic R & D and extension centers shall be organized, established and integrated as a major component of the existing RDE centers of DA, the DOST, the DENR, SUCs and the LGUs. These will be strengthened and enhanced to spearhead the integrated program to develop and promote organic agriculture throughout the country.

Section 23. *Organic Agriculture in the Formal and Non-formal Sectors.* - The National Government, through the DepED and in coordination with concerned government agencies, NGOs and private institutions, shall strengthen the integration of organic agriculture concerns in school curricula at all levels.

Section 24. *Incentives.* - The government shall extend incentives for the production and propagation of organic farm inputs by maximizing their use in all government and government supported agricultural production, research and demonstration programs. Incentive shall also be provided to farmers whose farms have been duly certified as compliant to the Philippine National Standards (PNS). Further, the DA may give cash reward in recognition of the best organic farm in the country. The DA, the DAR, the DOST, the DILG, the Department of Trade and Industry (DTI), the DepED, the Department of Finance (DOF), the Land Bank of the Philippine (LBP), and other government lending and non-lending institutions shall also assist organic input producers and organic farmers through the provision of adequate financial, technical, marketing and other services and resources. These include, but shall not be limited to, the following:

- (a) Exemption from the payment of duties on the importation of agricultural equipment, machinery and implements as provided under Republic Act No. 9281, which amends Republic Act No. 8435 or the Agriculture and Fisheries Modernization Act (AFMA);
- (b) Identification by LGUs of local taxes that may be offered as incentives to organic input production and utilization;

- (c) Provision of preferential rates and special window to organic input producers and users by the LBP;
- (d) Subsidies for certification fees and other support services to facilitate organic certification;
- (e) Zero-rated value-added tax (VAT) on transactions involving the sale/purchase of bio-organic products, whether organic inputs or organic produce; and
- (f) Income tax holiday and exemption for seven (7) years, starting from the date of registration of organic food and organic input producers on all income taxes levied by the National Government.

The tax incentives shall be given only to purely organic agriculture entities/farmers and shall be subject to the accreditation of the BAFPS and periodic reporting by the BAFPS to the DOF: *Provided*, That the said incentives shall be available only to micro, small and medium enterprises as defined under Section 3 of Republic Act No. 9501 or the Magna Carta for Micro, Small and Medium Enterprises.

Section 25. Appropriations. - The sum of Fifty million pesos (Php50, 000, 000.00) and the existing budget for the promotion of organic farming of the DA is hereby appropriated for the initial year of implementation of this Act. Thereafter, such amount as may be necessary for the continuous operation of the NOAB and the implementation of the program shall be included in the annual General Appropriation Act (GAA).

The NOAB is hereby authorized to solicit and accept assistance or facilities in the form of grants from individuals and entities here and abroad, and to utilize these funds and resources for purposes of this Act, subject to the usual budget, accounting and auditing rules and regulations.

Section 26. Penal Provision. - Any person who willfully and deliberately:

- (a) obstructs the development of propagation of organic agriculture, or the manufacture, production, sale or use of organic agricultural inputs;
- (b) refuses without just cause to extend the support and assistance required under this Act; and
- (c) mislabels or claims that the product is organic when it is not in accordance with the existing standards for Philippine organic agriculture or this Act shall, upon conviction, be punished by imprisonment of not less than one (1) month nor more than six (6) months, or a fine of not more than Fifty thousand pesos (P50, 000.00), or both, at the discretion of the court. If the offender is a corporation or a juridical entity, the official who ordered or allowed the commission of the offense shall be punished with the same penalty. If the offender is in the government service, he shall in addition, be dismissed from the office.

Section 27. Implementing Rules and Regulations. - The NOAB shall adopt rules and regulation to implement the provisions of this Act within ninety (90) days from the effectivity of this Act and submit the same to the COCAFm for review and approval. In the drafting of the implementing rules and regulations, the DOF shall be consulted in connection with the tax incentive provided under Section 24 hereof.

Section 28. Annual Report. - The NOAB shall render an annual report to both House of Congress on the accomplishment of the program. A review on the viability of the program shall be made by the concerned agencies after three (3) years of its implementation.

Section 29. Congressional Oversight Committee. - The COCAFm shall be the congressional oversight committee for purposes of this Act. The COCAFm shall review and approve the implementing rules and regulations of this Act and also perform the following functions:

(a) Monitor and ensure the proper implementation of this Act.

(b) Review the proper implementation of the programs on organic agriculture and the use of its funds;

(c) Review the performance of the NOAB; and

(d) Such other functions it deems necessary.

Section 30. Separability Clause. - if any provisions of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

Section 31. Repealing Clause. - All laws, presidential decrees, executive orders, presidential proclamations, rules and regulations or parts thereof contrary to or inconsistent with this Act are hereby repealed or modified accordingly.

Section 32. Effectivity. - This Act shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation or in the Official Gazette, whichever comes first.

Approved,

PROSPERO C. NOGRALES
Speaker of the House of Representatives

JUAN PONCE ENRILE
President of the Senate

This Act which is a consolidation of Senate Bill No. 3264 and House Bill No. 7066 was finally passed by the Senate and the House of Representatives on February 1, 2010.

MARILYN B. BARUA-YAP
Secretary General House of Representatives

EMMA LIRIO-REYES
Secretary of the Senate

Approved: APRIL 06, 2010

GLORIA MACAPAGAL-ARROYO
President of the Philippines

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