



1 machinery and machine performance standards, regular testing and evaluation, registration,  
2 and the accreditation and classification of suppliers, assemblers and manufacturers to  
3 ensure compliance to prescribed quality standards;

4 (d) Strengthen support services such as credit facilities, research, training and  
5 extension programs, rural infrastructures, post harvest facilities and marketing services;

6 (e) Unify, rationalize and strengthen the implementation, coordination of activities  
7 and mechanisms on agricultural and fisheries mechanization programs and projects; and

8 (f) Deliver integrated support services to farmers, fisherfolks and other stakeholders,  
9 and assist them to be able to viably operate and manage their agricultural and fisheries  
10 mechanization projects.

11 **SEC. 3. Definition of Terms.** – The following terms are defined, as follows:

12 (a) *Agricultural and fisheries machinery* refers to machinery and equipment for the  
13 production, harvesting, processing, storage, manufacture, preserving, transporting and  
14 distribution of agricultural and fisheries products. It includes, but is not limited to, tractors  
15 and their attachments, power tillers, seeders, transplanters, windmills, harvesting machines,  
16 crop protection and maintenance equipment, irrigation equipment and accessories,  
17 greenhouses and other thermal conditioning equipment, livestock equipment, fishery  
18 equipment, slaughtering equipment, meat/fishery and crop processing equipment, post-  
19 harvest machines such as milling machines, dryer, threshers, grain and other strippers,  
20 agricultural transport machinery and storage facilities including cold storage, reefer vans,  
21 slaughter houses and fishing boats of three (3) gross tons or less. New agricultural and  
22 fishery machinery includes newly imported as well as one that has not been used since its  
23 date of manufacture;

24 (b) *Agricultural and fisheries mechanization* refers to the development, adoption,  
25 assembly, manufacture and application of appropriate, location specific and cost-effective  
26 agricultural and fisheries machinery using human, animal, mechanical, electrical, renewable  
27 and other nonconventional sources of energy for agricultural production and

1 postharvest/postproduction operations consistent with agronomic conditions and for  
2 efficient and economic farm and fishery management towards modernization of agriculture  
3 and fisheries;

4 (c) *Agro-industrial processing* refers to the local activity or series of activities to  
5 maintain or raise the quality or change the form or characteristics of agricultural, fisheries  
6 and forestry products. It also includes, but not limited to, cleaning, sorting, grading, mixing,  
7 milling, canning, dressing, slaughtering, freezing, pasteurizing, conditioning, packaging,  
8 repacking and transporting of said products; and

9 (d) *Fishing boat* refers to any boat, ship or other watercraft of three (3) gross tons or  
10 less, equipped to be used for taking of fishery species or aiding or assisting one (1) or more  
11 vessels in the performance of any activity relating to fishing including, but not limited to,  
12 preservation, supply, storage, refrigeration, transportation and/or processing.

13 **SEC. 4. *Scope and Application.*** – The provision of this Act shall apply to the research,  
14 development and extension, promotion, distribution, supply, assembling, manufacturing,  
15 regulation, use, operation, maintenance and project implementation of agricultural and  
16 fisheries machinery and equipment.

## 17 **ARTICLE II**

### 18 **THE NATIONAL AGRI-FISHERY MECHANIZATION PROGRAM**

19 **SEC. 5. *The National Agri-fishery Mechanization Program.*** – There shall be  
20 formulated a National Agri-fishery Mechanization Program by the Department of Agriculture  
21 (DA) with the following objectives:

22 (a) Promote and support through the provision of research grants, credit, transparent  
23 and predictable regulation, the local development and manufacture of agricultural and  
24 fisheries machinery by the private sector;

25 (b) Unify, lead and support the efforts of various institutions in the research, design  
26 and development of agricultural and fisheries machinery;

1 (c) Establish quality, safety and performance standards for agricultural and fisheries  
2 machinery;

3 (d) Support the establishment of quality, safety and performance testing centers for  
4 the certification of agricultural and fisheries machinery in strategic localities in the country;

5 (e) Establish guidelines for the registration of ownership of agricultural and fisheries  
6 machinery; and

7 (f) Promote the adoption of certified agricultural and fisheries machinery for  
8 improving agriculture and fishery productivity.

9 **SEC. 6. Program Implementation.** – The overall implementation of the National Agri-  
10 fishery Mechanization Program shall be coordinated by the DA through the Undersecretary  
11 duly designated by the Secretary who shall:

12 (a) Conduct the formulation and review of the five-year National Agri-fishery  
13 Mechanization Program for the DA;

14 (b) Provide leadership in the formulation of guidelines for the registration of  
15 ownership of agricultural and fisheries machinery;

16 (c) Ensure the formulation of quality, safety and performance standards for  
17 agricultural and fisheries machinery;

18 (d) Ensure the formulation of accreditation guidelines for testing centers for  
19 agricultural and fisheries machinery;

20 (e) Formulate and enforce guidelines for the credit program to include, but not  
21 limited to, access, disbursement and repayment;

22 (f) Oversee the implementation of the National Agri-fishery Mechanization Program  
23 by the various units of the Department; and

24 (g) Coordinate with other government agencies and local government units (LGUs) in  
25 the implementation of measures provided for in this Act.

26 **ARTICLE III**

27 **RESEARCH, EXTENSION AND HUMAN RESOURCE DEVELOPMENT**

1           **SEC. 7. Unified National Research and Development (R&D) and Extension Agenda. –**

2   A unified National Agricultural and Fisheries Mechanization Research and Development and  
3   Extension (RDE) Agenda shall be formulated and implemented by the DA: *Provided*, That the  
4   DA, through the Philippine Center for Postharvest Development and Mechanization  
5   (PHiMech) as focal agency, shall integrate and unify all agricultural and fisheries  
6   mechanization RDE programs and projects of all concerned national government agencies,  
7   LGUs, state universities and colleges (SUCs), which shall be geared towards development of  
8   machineries and equipment, job generation, address market and industry demands and help  
9   accelerate agricultural and fisheries modernization in the countryside.

10           The National Agricultural and Fisheries Mechanization RDE Agenda shall include, but  
11   not be limited, to the following:

12           (a) Development, pilot-testing and commercialization of appropriate, location-  
13   specific and cost-effective agricultural and fisheries machinery and equipment in support to  
14   contiguous farming and machinery pooling;

15           (b) Design and testing of new machineries and equipment for agriculture and  
16   fisheries;

17           (c) Local manufacture and assembly of agricultural engines and equipment;

18           (d) Development and utilization of renewable and non-conventional energy  
19   resources such as wind, biomass, hydro, solar and biofuels for agricultural and fisheries  
20   equipment and machineries;

21           (e) Development of efficient production and post-production mechanization  
22   systems;

23           (f) Continuous development of technical standards and testing procedures for  
24   quality agricultural machinery and components;

25           (g) Training of farmers, fisherfolks, manufacturers, extension workers, agricultural  
26   engineers, technicians, and operators engaged in the agricultural and fisheries  
27   mechanization;

1 (h) Promotion of technologies through agricultural and industrial extension activities  
2 and techno-demo centers;

3 (i) Development of prototype and fabrication of agricultural machinery and  
4 equipment; and

5 (j) Development and conduct of commercialization strategies involving all sectors  
6 representing the demand and supply sides of agricultural and fisheries mechanization  
7 technologies.

8 **SEC. 8. *Agri-fisheries Mechanization RDE Network.*** – An Agricultural and Fisheries  
9 Mechanization RDE Network is hereby organized and composed of research and educational  
10 institutions, LGUs, nongovernment organizations and the recognized and well-established  
11 associations of agricultural and fisheries machinery assemblers, manufacturers and  
12 distributors, agricultural engineers, farmers and fisherfolks. The Agricultural and Fisheries  
13 Mechanization RDE Network shall be responsible for the formulation and implementation of  
14 the National Agricultural and Fisheries Mechanization RDE Agenda. The PHilMech shall be  
15 responsible for organizing the Network and shall serve as secretariat to the Network. The  
16 Network shall be chaired by the Director of the PHilMech.

17 Moreover, the Agricultural Mechanization Development Program of the University of  
18 the Philippines, Los Baños (UPLB), which is part of the Network, shall be strengthened and  
19 institutionalized to lead and coordinate the agricultural and fishery mechanization RDE  
20 program of all academic institutions in the country.

21 **SEC. 9. *Agri-fisheries Machinery and Equipment Service Centers.*** – The DA and the  
22 LGUs shall encourage and support the private sector and other rural entrepreneurs to  
23 establish and operate agricultural and fishery machinery and equipment service centers in  
24 the Strategic Agricultural and Fishery Development Zones (SAFDZs)) and Agrarian Reform  
25 Communities.

26 The Agri-fisheries Machinery and Equipment Service Centers shall be operated as  
27 business enterprises that will provide the following services:

- 1 (a) After-sales service and warranty to their respective clients;
- 2 (b) Custom plowing, harrowing, harvesting, drying, milling and other farm  
3 mechanization services;
- 4 (c) Repair and troubleshooting services of agricultural and fishery machinery and  
5 equipment; and
- 6 (d) Training of maintenance and proper use of agricultural machineries and  
7 equipment.

8 The ownership and operation of Agri-fisheries Machinery and Equipment Service  
9 Centers shall not be the exclusive domain of equipment and machineries suppliers. These  
10 may be owned and operated by registered cooperatives or by businesses registered with the  
11 Securities and Exchange Commission (SEC) or with the Department of Trade and Industry  
12 (DTI).

13 **SEC. 10. *Agri-fisheries Mechanization and Engineering Resource Network.*** – The  
14 existing agricultural machinery information and data base of the PHilMech shall be  
15 strengthened into an agri-fishery mechanization and engineering resource network. It will  
16 also be used or tapped as a facility for the online registration of agri-fisheries machinery and  
17 equipment, and monitoring of agri-fisheries mechanization and infrastructure projects. This  
18 network shall be linked to other existing information and database networks of the DA, the  
19 Agricultural Machinery Information Network of the Department of Science and Technology  
20 (DOST), the Agricultural Mechanization Development Program of the UPLB and of other  
21 government agencies.

22 **SEC. 11. *Research Grants.*** – To enhance research and technological development on  
23 agricultural and fisheries mechanization, the government through the Bureau of Agricultural  
24 Research (BAR) of the DA, the DOST and the Commission on Higher Education (CHED) shall  
25 provide competitive research grants to members of the Network to undertake needs-  
26 oriented research as well as institutional development and upgrading of laboratory facilities  
27 and equipment.





1 encouraged by the DA in partnership with the private sector, and through joint venture  
2 agreements. For this purpose, the DA in partnership with the recognized national  
3 organization of agricultural machinery assemblers, manufacturers and distributors,  
4 agricultural engineers and the DOST shall undertake the feasibility study and R&D for the  
5 local assembly and manufacture of agricultural engines/prime mover, and other agricultural  
6 machinery and equipment.

7 **SEC. 16. *Incentives for Local Manufacturers and Assemblers of Agri-fisheries***  
8 ***Machinery.*** – Ventures in local manufacture, fabrication and assembly of agri-fisheries  
9 machinery and equipment shall be eligible for loans under the Agricultural Competitiveness  
10 Enhancement Fund (ACEF) under the program of the DA. These businesses shall be granted  
11 incentives as long as they are considered as registered enterprises engaged in a preferred  
12 area of investment pursuant to Article 39 of Executive Order No. 226, as amended.

13 **SEC. 17. *After-Sales Service.*** – All agricultural and fisheries machinery assemblers,  
14 manufacturers, importers, suppliers, distributors and dealers are required to provide after-  
15 sales service and warranty to their respective clients which shall be monitored by the  
16 agriculture offices of the LGUs and the Bureau of Agricultural and Fisheries Engineering  
17 (BAFE), created under Section 24 of this Act.

## 18 **ARTICLE V**

### 19 **TESTING AND EVALUATION, REGISTRATION, STANDARDIZATION AND ACCREDITATION**

20 **SEC. 18. *Testing and Evaluation.*** – Agricultural and fisheries machinery and  
21 equipment to be sold in the market shall pass through testing and evaluation by the  
22 Agricultural Machinery Testing and Evaluation Center (AMTEC) in accordance with the  
23 national policies and guidelines to be promulgated by the Secretary. Specifically, before it  
24 can be assembled, manufactured and commercially sold in the market, the model of the  
25 machine and any modification thereof should be tested by the AMTEC and should pass the  
26 prescribed quality and performance standards. The regular testing and evaluation of  
27 machinery sold shall be undertaken by the AMTEC on new models and design. Field tests

1 shall likewise be undertaken by the AMTEC to ensure consistent quality of test units as well  
2 as on the commercial units. The Bureau of Agriculture and Fisheries Products Standards  
3 (BAFPS) shall maintain a certification registry of equipment and machinery as well as a  
4 registry of those denied certification.

5         **SEC. 19. *Registration of Ownership of Agricultural and Fishery Machinery and***  
6 ***Equipment.*** – All owners of agricultural and fishery machinery and equipment must register  
7 these with the agriculture offices of municipal and city government units. The agriculture  
8 offices of the LGUs shall establish and maintain a registry of agricultural and fishery  
9 machinery at the municipal, city and provincial levels. The DA Regional Agricultural  
10 Engineering Division shall maintain a registry of agricultural and fishery machinery at the  
11 regional office whereas the BAFPS shall maintain a national database of all registered  
12 agricultural and fishery machinery. Each office shall ensure that these registries and  
13 databases are available through the internet. The Secretary shall promulgate national  
14 guidelines and procedures for the registration of agricultural and fisheries machinery by the  
15 LGUs, including the collection of registration fees in accordance with the Local Government  
16 Code.

17         **SEC. 20. *Registration of Manufacturers, Fabricators, Assemblers and Importers.*** –  
18 Within six (6) months upon the enactment of this Act, all manufacturers, fabricators,  
19 assemblers and importers must register with the BAFPS.

20         Three (3) years upon the enactment of this Act, registrants must provide certification  
21 by an accredited certifying body of all products that they have in the market or intend to  
22 market and withdraw all products that have no certification. One (1) year after the  
23 enactment of this Act, the registrants must submit to the BAFPS the list of  
24 equipment/machineries manufactured/fabricated/assembled/imported.

25         **SEC. 21. *Standards Development and Enforcement.*** – The DA, through the BAFPS, in  
26 coordination with the DTI, the DOST, the BoAE and the AMTEC, and in consultation with the  
27 accredited associations of farmers and fisherfolks, agricultural machinery assemblers,

1 manufacturers and distributors and agricultural engineers shall develop standards  
2 specifications and test procedures of agricultural and fishery machinery. These standards  
3 should be in conformity with the International Standards Organization (ISO) and shall be part  
4 of the existing Philippine Agricultural Engineering Standards (PAES).

5         Thereafter, the DA and the LGUs, in collaboration with the BoAE, shall enforce the  
6 above standards on the manufacture, sale and distribution of agriculture and fisheries  
7 machinery and equipment, and its accreditation system for agricultural and fisheries  
8 facilities and establishments.

9         The Secretary shall deputize the agriculture offices of the LGUs to monitor the  
10 implementation of regulation concerning certification, registration of manufacturers,  
11 assemblers, dealers or importers and accreditation of agricultural and fishery machinery  
12 testing centers.

13         The Department of Public Works and Highways (DPWH) and the local building  
14 officials, consistent with the provisions of Republic Act No. 8559, otherwise known as the  
15 “Philippine Agricultural Engineering Act of 1998”, and in coordination with the agriculture  
16 offices of the LGUs shall enforce the PAES as part of the implementation of the National  
17 Building Code of the Philippines particularly in the design, construction, operation and  
18 maintenance of agricultural and fisheries buildings and structures.

19         **SEC. 22. Classification and Accreditation of Assemblers, Manufacturers, Importers,**  
20 **Suppliers, Distributors and Dealers.** – Agricultural and fisheries machinery assemblers,  
21 manufacturers, importers and suppliers, distributors and dealers shall be classified into  
22 small, medium and large, and shall be encouraged to have their manufacturing/service  
23 facility build-up: *Provided,* That agricultural and fisheries machinery assemblers,  
24 manufacturers, importers, suppliers, distributors and dealers shall be classified and  
25 accredited based on their organizational strengths and track record, area of operation,  
26 marketing and distribution network, after-sales service and manufacturing capabilities.

1 For this purpose, the DA shall encourage and assist in the organization of a private-  
2 led classification and accreditation system for agricultural machinery assemblers,  
3 manufacturers, importers, suppliers, distributors and dealers.

#### 4 ARTICLE VI

#### 5 INSTITUTIONS

6 **SEC. 23. *Agricultural and Fisheries Mechanization Committee.*** – The Agricultural and  
7 Fisheries Mechanization Committee (AFMeC) under the National Agricultural and Fishery  
8 Council (NAFC) shall act as an advisory body to ensure the success of the programs and  
9 activities of the DA concerning agricultural and fisheries mechanization. It shall also serve as  
10 the consultative and feedback mechanism from the lowest possible level to the top decision  
11 makers and to assist in defining and formulating the goals and scope of the country's  
12 agricultural and fisheries mechanization and infrastructure policies, plans and programs. The  
13 agricultural and fisheries mechanization committees under the regional, provincial, city,  
14 municipal and barangay agricultural and fishery councils shall integrate, coordinate, unify  
15 and monitor the field implementation of the agri-fisheries mechanization and infrastructure  
16 projects of various national government agencies, LGUs, banking and financial institutions  
17 and the private sector.

18 **SEC. 24. *Strengthening the DA Agricultural and Fishery Engineering Groups.*** –  
19 Pursuant to Section 46 of Republic Act No. 8435, otherwise known as the "Agriculture and  
20 Fisheries Modernization Act of 1997", a Bureau of Agricultural and Fisheries Engineering  
21 (BAFE) is hereby created as a regular bureau of the DA which shall be under the supervision  
22 of the DA Undersecretary and shall have the following functions and responsibilities:

23 (a) Coordinate, oversee and monitor the national planning and implementation of  
24 agri-fisheries engineering, farm-to-market road and other agri-fisheries infrastructure  
25 projects;

26 (b) Assist in the national planning, coordination and implementation of the national  
27 agri-fisheries mechanization programs;

1 (c) Prepare, evaluate, validate and recommend engineering plans, designs and  
2 technical specifications on agri-fisheries mechanization and infrastructure projects;

3 (d) Oversee and provide technical assistance to the operations of the agricultural  
4 engineering divisions of the DA regional field units;

5 (e) Coordinate and integrate all agricultural and fisheries engineering activities of the  
6 DA bureaus, attached agencies and corporations; and

7 (f) Coordinate and monitor the enforcement of standards and other regulatory  
8 policies on agricultural and fishery engineering.

9 Modifications shall be made in the staffing pattern of the regional field units of the  
10 DA to strengthen the provision of agricultural engineering services necessary to carry out the  
11 field implementation of the agricultural and fishery engineering, mechanization and  
12 infrastructure programs and projects of the DA.

13 All concerned bureaus and attached agencies of the DA implementing agri-fishery  
14 mechanization and infrastructure projects shall review and modify their organizational  
15 structure and staffing pattern with the end-view of strengthening the provision of  
16 agricultural engineering services as part of the overall network of the BAFE.

17 **SEC. 25. *Philippine Center for Post Harvest Development and Mechanization***  
18 ***(PHILMECH)***. – The PHilMech shall coordinate, plan and execute agricultural and fishery  
19 mechanization and postharvest RDE programs and projects of the DA.

20 **SEC. 26. *Bureau of Agriculture and Fisheries Products Standards***. – The BAFPS, in  
21 addition to its functions under Sections 62 and 63 of Republic Act No. 8435, shall:

22 (a) Implement accreditation and registration scheme for agriculture and fishery  
23 machinery, tools and equipment, in coordination with technology generators;

24 (b) Develop standards for agriculture and fishery machinery, tools and equipment in  
25 coordination with accredited testing centers, and other concerned government and private  
26 entities;

1 (c) Issue permits to operate to agriculture and fishery tools and equipment  
2 manufacturers, fabricators, assemblers and importers; and

3 (d) Promulgate and implement accreditation guidelines for testing centers.

4 The BAFPS is hereby renamed into Bureau of Agriculture and Fisheries Standards  
5 (BAFS) and authorized to create a new division on agricultural and fisheries machinery  
6 regulations. It may call upon experts, professional groups and other government agencies to  
7 assist in the performance of its functions.

8 **SEC. 27. *Agricultural Machinery Testing and Evaluation Centers (AMTEC).*** – The  
9 AMTEC of the College of Engineering and Agro-Industrial Technology (CEAT) of the UPLB is  
10 hereby institutionalized. The AMTEC is hereby designated as the premier and reference  
11 testing center in the country, and for purposes of functional coordination and integration,  
12 shall closely coordinate its activities with the BAFS. As the premier testing center, it shall  
13 assist the BAFS in the formulation of quality, safety and performance standards of  
14 agricultural and fisheries machinery and of accreditation guidelines for testing centers. It  
15 shall also provide technical assistance in the establishment of testing centers in other parts  
16 of the country.

## 17 **ARTICLE VII**

### 18 **RESPONSIBILITIES OF THE LOCAL GOVERNMENT UNITS**

19 **SEC. 28. *Implementation by the Local Government Units (LGUs).*** – The LGUs,  
20 pursuant to the provisions of Republic Act No. 7160, otherwise known as the “Local  
21 Government Code of 1991”, shall undertake applied research, extension, dispersal,  
22 management and regulation of agricultural and fisheries machinery and equipment,  
23 including the collection of fees.

24 **SEC. 29. *Strengthening the Agricultural Engineering Groups of the Local***  
25 ***Government Units.*** – The agricultural engineering division/section of the agriculture offices  
26 of the LGUs organized under Executive Order No. 86, Series of 1999 and Section 46 of  
27 Republic Act No. 8435 shall serve as the planning, coordinating, regulating and implementing

1 bodies at the provincial, city and municipal levels on agricultural and fisheries engineering,  
2 mechanization and infrastructure programs and projects and shall have the following  
3 functions and responsibilities:

4 (a) Provide agricultural engineering services which include engineering survey,  
5 preparation and evaluation of plans, designs, technical specifications, feasibility studies and  
6 cost estimates/program of work of irrigation, small water impounding, soil conservation and  
7 management, farm machinery, slaughterhouses, poultry dressing plants, post harvest  
8 facilities, auction markets, farm-to-market roads and other agricultural and fisheries  
9 infrastructure projects of the LGUs;

10 (b) Administer, supervise and coordinate the construction, operation, maintenance,  
11 improvement and management of irrigation, small water impounding, soil and water  
12 conservation structures and facilities, farm machinery, post harvest facilities, auction  
13 markets, farm-to-market roads and other agricultural and fisheries infrastructure projects of  
14 the LGUs;

15 (c) Undertake the registration of agri-fishery machinery and facilities, enforcement  
16 of the PAES and other agricultural and fishery engineering regulatory activities in  
17 coordination and collaboration with the concerned national government agencies;

18 (d) Coordinate with the concerned national government agencies with regards to the  
19 implementation of national government programs and projects on irrigation, farm  
20 mechanization, post harvest facilities, farm-to-market roads and agricultural and fisheries  
21 infrastructure;

22 (e) Be in the frontline of the delivery of basic agricultural engineering services;

23 (f) Provide training and extension activities to farmers and fisherfolks particularly in  
24 the installation, operation and maintenance of their irrigation, post harvest facilities,  
25 agricultural and fishery machinery projects in coordination with the agriculture and fisheries  
26 extension workers;

1 (g) Undertake and/or coordinate the pilot testing and commercialization of matured  
2 agricultural and fisheries engineering technologies; and

3 (h) Exercise such other powers and perform such other duties and functions as may  
4 be prescribed by law or ordinance.

5 To effectively carry out the above functions and responsibilities, the agricultural  
6 engineering division of the provincial and city agriculture offices, and agricultural  
7 engineering section in the municipal agriculture offices are hereby strengthened and  
8 institutionalized into the organizational structure of the LGUs, and if not yet existing, shall be  
9 created in the particular LGUs. The LGUs belonging to the first up to the third income classes  
10 which are providing or implementing agricultural and fishery infrastructure, mechanization  
11 and engineering projects shall hire at least one (l) agricultural engineer at the provincial, city  
12 and municipal levels.

13 In the case of provincial, city and municipal LGUs belonging to the fourth up to the  
14 sixth income classes which are not capable of establishing their agricultural engineering  
15 division/section due to financial constraints, the DA through its regional agricultural  
16 engineering divisions shall augment and perform such responsibilities and, as deemed  
17 necessary, establish its provincial, city and municipal operation units, and shall be allocated  
18 and provided with necessary funding and manpower requirements for their operation.

## 19 ARTICLE VIII

### 20 PROHIBITED ACTS, PENALTIES AND SANCTIONS

21 **SEC. 30. *Prohibited Acts.*** – It is unlawful for any person to:

22 (a) Sell, mortgage or lease agricultural and fishery machinery without being  
23 registered with the BAFS;

24 (b) Sell new agricultural and fishery machinery without warranty or after-sales  
25 service;

26 (c) Claim ownership to an agricultural and fishery machinery that has not been  
27 properly registered in his/her name; and



1 (d) Operate a testing center without proper accreditation.

2 **SEC. 31. Penalties.** – Any person who shall violate any provision of this Act shall,  
3 upon conviction, be subject to a fine of not less than One thousand pesos (P1,000.00) but  
4 not more than Ten thousand pesos (P10,000.00) or imprisonment of not less than two (2)  
5 months but not more than one (1) year, or both, upon the discretion of the court and/or  
6 other applicable penalties imposed under Republic Act No. 7394, otherwise known as the  
7 “Consumer Act of the Philippines”. The purchase of non-certified or substandard agricultural  
8 and fishery machinery for the government shall be dealt with under Republic Act No. 3019,  
9 as amended, otherwise known as the “Anti-Graft and Corrupt Practices Act.”

10 **SEC. 32. Sanctions.** – This provision shall take effect four (4) years upon the  
11 enactment of this Act when all regulatory provisions have already been in place. The  
12 Secretary or his duly authorized representative has the power to file before the proper court  
13 or regulatory agency the:

14 (a) Forfeiture proceedings for agricultural and fishery machinery that is not duly  
15 certified, without serial number and without warranty, and is substandard;

16 (b) Closure proceedings against business entities not duly registered as  
17 manufacturers, assemblers, dealers or importers of agricultural and fishery machinery, or  
18 sells new agricultural and fishery machinery not duly certified, without a serial number, or  
19 without warranty, without after-sales service and substandard; and

20 (c) Closure proceedings against testing centers that has not been duly accredited.

21 Any business that sells new agricultural and fishery machinery which was not duly  
22 certified, without a serial number, without warranty, or without after-sales service shall be  
23 given one (1) month to refund or replace the sold machinery duly corrected for any  
24 deficiency as indicated. Failure to do so shall result to corresponding legal action against the  
25 offending party.

26 **ARTICLE IX**

27 **MISCELLANEOUS PROVISIONS**

1           **SEC. 33. *Agricultural and Fisheries Mechanization Programs at the Local Levels.*** –

2   The LGUs, through an ordinance, shall also formulate in consultation with the DA and  
3   implement their respective provincial, city and municipal agricultural and fishery  
4   mechanization plans as a vital component of their respective local development plans.

5           **SEC. 34. *Contiguous Farming.*** – The DA, together with the Department of Agrarian  
6   Reform (DAR), shall carry out contiguous farming projects in order to effect suitable field  
7   shapes and sizes conducive to efficient operation of agricultural machinery and equipment  
8   and likewise to ensure economies of scale. The contiguous farming projects shall:

9           (a) Promote farm land clustering with a minimum of fifty (50)-hectare cluster for  
10   synchronized farming operations, from land preparation to harvesting, in cooperation or  
11   contract with agricultural mechanized operation service providers;

12           (b) Undertake farm development planning; and

13           (c) Promote the strengthening of farmers cooperatives and associations.

14           **SEC. 35. *Use of Renewable Energy.*** – The use of renewable and nonconventional  
15   energy such as wind, solar, hydro, biomass and other farm-based energy sources shall be  
16   promoted as power sources for the operation and maintenance of agricultural and fisheries  
17   machinery. The DA, in coordination with the Department of Energy (DOE), the DOST and  
18   SUCs, and the private sector shall undertake research and extension activities to enhance  
19   the use of renewable and nonconventional energy in agricultural and fisheries operations.

20           **SEC. 36. *Infrastructure Support.*** – The government shall provide priority investment  
21   for the infrastructure needs in clustered farm land identified as key agricultural and fishery  
22   production areas to accelerate agricultural and fisheries mechanization in the countryside  
23   and this includes irrigation, farm-to-market roads, postharvest, power and communications  
24   facilities.

25           **SEC. 37. *Implementing Rules and Regulations.*** – The DA, within six (6) months upon  
26   the enactment of this Act and in consultation with the stakeholders and other government  
27   agencies, shall promulgate the necessary rules and regulations to implement this Act.

1           **SEC. 38. Funding.** – The Secretary of Agriculture shall include in the DA’s program the  
2 implementation of this Act, the funding of which shall be included in the annual General  
3 Appropriations Act.

4           The DA shall likewise set aside funds from the Agricultural Competitiveness  
5 Enhancement Fund (ACEF) for grants to upgrade the AMTEC and to establish one (1) testing  
6 center in Visayas and one (1) testing center in Mindanao.

7           The BAR shall allocate funds annually from its regular R&D funds to support research  
8 programs, processing of patent applications, and testing and certification of locally designed  
9 agri-fisheries equipment and machineries.

10           All LGUs shall include in their investment plans, as part of the priority appropriations  
11 for local development fund, the funding support for the implementation of their respective  
12 provincial, city, municipal and barangay agricultural and fisheries mechanization programs in  
13 accordance with Republic Act No. 7160 and its implementing rules and regulations and the  
14 Department of the Interior and Local Government-Department of Budget and Management  
15 (DILG-DBM) Joint Memorandum Circular No. 1, Series of 2005.

16           The CHED shall allocate funds from the Higher Education Development Fund  
17 necessary for the upgrading of agri-fishery mechanization laboratory facilities of concerned  
18 SUCs, faculty training program and scholarships.

19           The TESDA shall likewise allocate funds from its annual appropriations necessary for  
20 the skills certification and training program for agri-fishery machinery technicians and  
21 operators.

22           **SEC. 39. Congressional Oversight Committee.** – The Congressional Oversight  
23 Committee on Agricultural and Fisheries Modernization (COAFM) shall be the congressional  
24 oversight committee for purposes of this Act.

25           **SEC. 40. Separability Clause.** – The provisions of this Act are hereby declared  
26 separable and if any clause, sentence, provision or section hereof should be declared invalid,

1 such invalidity shall not affect the other provisions of this Act which can be given force and  
2 effect without the provisions which have been declared invalid.

3 **SEC. 41. Repealing Clause.** – All laws, decrees, executive orders and other  
4 administrative issuances and parts thereof which are inconsistent with the provisions of this  
5 Act are hereby repealed or modified accordingly.

6 **SEC. 42. Effectivity Clause.** – This Act shall take effect after fifteen (15) days from its  
7 publication in the *Official Gazette* or two (2) newspapers of general circulation.

*Approved,*