

**[ REPUBLIC ACT NO. 10601, June 05, 2013 ]**

**AN ACT PROMOTING AGRICULTURAL AND FISHERIES  
MECHANIZATION DEVELOPMENT IN THE COUNTRY**

*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 “Agricultural and Fisheries Mechanization (AFMech) Law”.

ARTICLE I

DECLARATION OF POLICY, DEFINITION OF TERMS  
AND COVERAGE

SEC. 2. *Declaration of Policy.* – It shall be the policy of the State to:

- (a) Promote the development and adoption of modern, appropriate and cost-effective and environmentally-safe agricultural and fisheries machinery and equipment to enhance farm productivity and efficiency in order to achieve food security and safety and increase farmers’ income;
- (b) Provide a conducive environment to the local assembling and manufacturing of engines, machinery and equipment for agricultural and fisheries production, processing and marketing;
- (c) Ensure the quality and safety of machineries and equipment locally manufactured or imported by strengthening regulation through the development and enforcement of machinery and machine performance standards, regular testing and evaluation, registration, and the accreditation and classification of suppliers, assemblers and manufacturers to ensure compliance to prescribed quality standards;
- (d) Strengthen support services such as credit faculties, research, training and extension programs, rural infrastructures, postharvest facilities and marketing services;
- (e) Unify, rationalize and strengthen the implementation, coordination of activities and mechanisms on agricultural and fisheries mechanization programs and projects; and
- (f) Deliver integrated support services to farmers, fisherfolk and other stakeholders, and assist them to be able to viably operate and manage their agricultural and fisheries mechanization projects.

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

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

(b) *Agricultural and fisheries mechanization* refers to the development, adoption, assembly, manufacture and application of appropriate, location specific and cost-effective agricultural and fisheries machinery using human, animal, mechanical, electrical, renewable and other nonconventional sources of energy for agricultural production and postharvest/postproduction operations consistent with agronomic conditions and for efficient and economic farm and fishery management towards modernization of agriculture and fisheries;

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

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

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

## ARTICLE II

### THE NATIONAL AGRI-FISHERY MECHANIZATION PROGRAM

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

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

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

- (c) Establish quality, safety and performance standards for agricultural and fisheries machinery;
- (d) Support the establishment of quality, safety and performance testing centers for the certification of agricultural and fisheries machinery in strategic localities in the country;
- (e) Establish guidelines for the registration of ownership of agricultural and fisheries machinery; and
- (f) Promote the adoption of certified agricultural and fisheries machinery for improving agriculture and fishery productivity.

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

- (a) Conduct the formulation and review of the five-year National Agri-fishery Mechanization Program for the DA;
- (b) Provide leadership in the formulation of guidelines for the registration of ownership of agricultural and fisheries machinery;
- (c) Ensure the formulation of quality, safety and performance standards for agricultural and fisheries machinery;
- (d) Ensure the formulation of accreditation guidelines for testing centers for agricultural and fisheries machinery;
- (e) Formulate and enforce guidelines for the credit program to include, but not limited to, access, disbursement and repayment;
- (f) Oversee the implementation of the National Agri-fishery Mechanization Program by the various units of the Department; and
- (g) Coordinate with other government agencies and local government units (LGUs) in the implementation of measures provided for in this Act.

### ARTICLE III

#### RESEARCH, EXTENSION AND HUMAN RESOURCE DEVELOPMENT

SEC. 7. *Unified National Research and Development (R&D) and Extension Agenda.* – A unified National Agricultural and Fisheries Mechanization Research and Development and Extension (RDE) Agenda shall be formulated and implemented by the DA: *Provided,* That the DA, through the Philippine Center for Postharvest Development and Mechanization (PHilMech) as focal agency, shall integrate and unify all agricultural and fisheries mechanization RDE programs and projects of all concerned national government agencies, Local Government Units (LGUs), state universities and colleges (SUCs), which shall be geared towards development of machineries and equipment, job generation, address market and industry demands and help accelerate agricultural and fisheries modernization in the countryside.

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

- (a) Development, pilot-testing and commercialization of appropriate, location-specific and cost-effective agricultural and fisheries machinery and equipment in support to contiguous farming and machinery pooling;
- (b) Design and testing of new machineries and equipment for agriculture and fisheries;
- (c) Local manufacture and assembly of agricultural engines and equipment;
- (d) Development and utilization of renewable and nonconventional energy resources such as wind, biomass, hydro, solar and biofuels for agricultural and fisheries equipment and machineries;
- (e) Development of efficient production and post production mechanization systems;
- (f) Continuous development of technical standards and testing procedures for quality agricultural machinery and components;
- (g) Training of farmers, fisherfolk, manufacturers, extension workers, agricultural engineers, technicians and operators engaged in the agricultural and fisheries mechanization;
- (h) Promotion of technologies through agricultural and industrial extension activities and techno-demo centers;
- (i) Development of prototype and fabrication of agricultural machinery and equipment; and
- (j) Development and conduct of commercialization strategies involving all sectors representing the demand and supply sides of agricultural and fisheries mechanization technologies.

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

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

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

The Agri-fisheries Machinery and Equipment Service Center's shall be operated as business enterprises that will provide the following services:

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

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

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

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

SEC. 12. *Training and Scholarship Program.* – The DA, in partnership with SUCs and the private sector, shall train the agricultural extension workers and agricultural engineers of the LGUs who in turn shall train the farmers and fisherfolk on agricultural and fisheries mechanization technologies and practices.

The Department of Labor and Employment (DOLE) and the Technical Education and Skills Development Authority (TESDA) shall be responsible in the training of agricultural and fisheries machinery technicians and operators.

Furthermore, scholarships for graduate and undergraduate degrees on agricultural engineering and trade/vocational courses on agricultural and fisheries mechanization shall be given priority by the DA, the CHED and the DOST.

SEC. 13. *Manpower Complement.* – All agricultural and fisheries machinery pools and service centers, including sales and distribution outlets and manufacturing establishments, either public or private, shall have the required manpower complement of licensed agricultural engineers and certified technicians and operators, in accordance with the guidelines and standards to be promulgated by