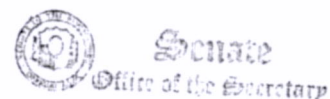


SEVENTEENTH CONGRESS OF )  
THE REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )



'18 MAR 20 P 4 :57

SENATE Bill No. 1759

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Introduced by **SENATOR CYNTHIA A. VILLAR**

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**AN ACT TO STRENGTHEN THE RESILIENCY OF SMALL FARMERS AGAINST  
CLIMATE CHANGE AND EXTREME WEATHER RISKS  
BY ESTABLISHING THE REGULATORY FRAMEWORK AND PROGRAM FOR A  
FREE WEATHER INDEX-BASED CROP INSURANCE, PROVIDING THE SOURCE OF  
FUNDING THEREFOR, AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

The Philippines is one of the most disaster-prone and climate-change vulnerable countries in the Asian region. Its geographic location places most of the agriculture production areas in the direct path of most typhoons that originate in the Western Pacific. The country is, thus, highly exposed to various hydro-meteorological hazards, including climate-change induced super-typhoons and storm surges.

Farmers in the Philippines are the poorest among the various economic sectors, mostly due to poor productivity and antiquated farm practices. But this is gravely exacerbated by the high risks brought about by weather disturbances and calamities. For instance, according to the Philippine Food Security Information System of the Philippine Statistical Authority, floods and typhoons from the year 2000 through 2012 wreaked havoc on rice and corn farms costing farmers up to P54.8 billion or an average of P4.2 billion per year. The Department of Agriculture reckons a total of P106.9 billion in weather damages for all crops for the ten year period from 2000-2010. According to the Philippine Crop Insurance Corp. (PCIC), corn farmers alone have suffered cumulative losses of P7 billion

over the three decades from 1982-2012 due to the many catastrophic typhoons, floods, droughts, plant diseases and pests wreaked havoc on their crops.<sup>1</sup>

The World Bank's Global Index Insurance Facility has noted that the "most powerful of recent typhoons, Yolanda, which struck in November 2013, damaged crops, property, buildings, and infrastructure worth PhP361 billion (US\$7.5 billion)" apart from thousands of lives that were lost.<sup>2</sup> In 2015, The Climate Change Act of 2009 (RA 9729) has called for the design of relevant and appropriate risk-sharing and risk-transfer instruments and coordination with local government units (LGUs) and private entities to address vulnerability to climate change impacts of regions, provinces, cities and municipalities. Likewise, the Philippine Disaster Risk Reduction and Management Act of 2010 (Republic Act No. 10121) sought to have "continuing budget appropriation on disaster risk reduction from national down to local levels towards building a disaster-resilient nation and communities" and "to lessen the impact of disaster, and facilitate resumption of normal social and economic activities."

An average farmer can lose up to P50,000 a year in vanished productivity due to extreme weather events.<sup>3</sup> But we have yet to produce a tangible response that will help our farmers cope with climate change risks. It behooves the government, then, to introduce more effective disaster risk management and climate-change adaptation approaches to help farmers gain resiliency and the ability to financially recover faster, contribute to productivity, and safeguard the country's food security.

It is true that we have the Philippine Crop Insurance Corporation but thus far it has had too few participants and very miniscule outreach compared with the total number of farmers that it is supposed to serve. From 2013 up to 2017, Congress has been appropriating an average of PhP1.55 billion per year to subsidize the PCIC insurance premiums on up to 600,000 hectares of rice farms in a number of provinces. Still, against a total of almost P380 billion in palay production in 2014<sup>4</sup>, the Philippine Crop Insurance Corporation has been insuring only around P12.2 Billion worth of crops annually or roughly 3% of potential insurable value.<sup>5</sup> In short, the greater numbers of our small

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<sup>1</sup> <http://www.philstar.com/headlines/2014/08/18/1358840/crop-insurance-program-shields-farmers-climate-change>

<sup>2</sup> <http://documents.worldbank.org/curated/en/608151490705770748/text/113748-BRI-PH-Philippines-Nov8-digital-PUBLIC.txt>

<sup>3</sup> <https://www.rappler.com/move-ph/issues/hunger/52992-climate-change-food-security-ph>

<sup>4</sup> [www.psa.gov.ph](http://www.psa.gov.ph)

<sup>5</sup> Computed based on data farmers registered as derived from PCIC website.

farmers remain uninsured simply because of the inadequate resource base and outreach of the PCIC.

To effectively reach and serve more and more of country's five million small-hold farmers, provide them with greater resiliency, there is a need for the country to involve the private sector and adopt a more relevant strategy and also safeguard the food security of the broader rural population. Weather Index-based Crop Insurance (WIBCI) has become a very popular mode of providing risk transfer on the part of millions of farmers in a growing number of countries in Asia, Africa and Latin America.

Weather Index-based Crop Insurance is a unique insurance product based on the occurrence of breach of a weather-based parameter, which serves as legal proof of the occurrence of extremely adverse weather conditions and proxy for the expected crop damage. WIBCI is an innovation that requires less administrative costs in terms of selling the product, administering the policy coverage and monitoring over wide areas; maximizes the use of relevant technologies and networks in order to reach out to more and more farmers; and provides faster payout turn-around in the event of breach of the agreed parameters without need for bureaucratic processing by an adjuster. The hassle-free disbursement of claims is made possible through the use of technology and a widely distributed network of payment centers.

The required elements already exist in the country but need to be organized under a coherent policy framework and a conducive policy environment. The insurance contracts elaborating rates, terms, and conditions requires strong collaboration among a variety of participants including: Meteorological Agency and/or Satellite-based Weather monitoring services; Agriculture research institutions to do correlation research studies to validate crop sensitivity to specific weather disturbances; insurance service providers, including the PCIC; Local Government Units; and the farmers, themselves.

Another important component of Weather Index-based Crop Insurance is the support for re-insurance to provide a second layer of insurance support to help the originating insurance providers in absorbing shocks from disasters and in spreading out their risks. This enables originating insurance providers with predictable financial relief, greater capacity to insure more and more farmer clients and strengthen societal resilience.

The country has around 5.5 million small-hold farms dispersed in the various island groups, the majority of which are in Luzon, Mindanao, Negros and Panay Islands, the

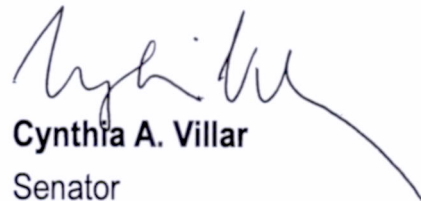
MIMAROPA island group. Around 2.4 million farmers are into rice production, each tilling an average of 1.14 hectares or a total rice area of 2.88 million hectares<sup>6</sup>.

The prospects of growth for the WIBCI industry should focus on enticing the players of the insurance industry, to provide cover to more and more of the country's farmers. This will require a policy environment that will encourage the wider use of WIBCI as a policy instrument to support social safety nets, disaster resiliency, and food security.

This bill aims to institute measures needed to effectively establish the weather index-based insurance service in the Philippines, ensure the access initially of the 2.4 million rice farmers to an innovative risk sharing arrangement aimed at enhancing their capacity to deal with extreme adverse weather events. The program will require around PhP 5.8 billion per year to be initially sourced from the Risk Management Fund (Unprogrammed Appropriations) to potentially cover the FIBCI premiums for 2.8 million hectares of rice lands.

The need to provide an immediate tangible social safety net for the Filipino farmers cannot be over-emphasized.

Approval of this bill is urgently requested.

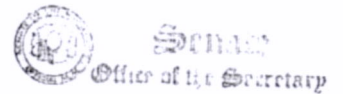


**Cynthia A. Villar**  
Senator

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<sup>6</sup> "Rice Farming in the Philippines: Facts and Opportunities." PowerPoint presentation by Bruce Tolentino, IRRI. September 2015.

SEVENTEENTH CONGRESS OF )  
THE REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )



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SENATE Bill No. 1759

RECEIVED BY: \_\_\_\_\_

Introduced by SENATOR CYNTHIA A. VILLAR

**AN ACT TO STRENGTHEN THE RESILIENCY OF SMALL FARMERS AGAINST  
CLIMATE CHANGE AND EXTREME WEATHER RISKS  
BY ESTABLISHING THE REGULATORY FRAMEWORK AND PROGRAM FOR A  
FREEWEATHER INDEX-BASED CROP INSURANCE, PROVIDING THE SOURCE OF  
FUNDING THEREFOR, AND FOR OTHER PURPOSES**

*Be it enacted by the Senate and House of Representatives of the Philippines in  
Congress assembled:*

- 1 Section 1. **Short Title.** This Act shall be known as the Free Index-Based Crop Insurance
- 2 (FIBCI) Act of 2017"
- 3
- 4 Section 2. **Declaration of Policy.** It is the policy of the State to ensure food security,
- 5 intensify food production, and increase climate resiliency of the country's agricultural
- 6 communities by ensuring the availability of critical safety nets to help farmers and
- 7 agricultural producers withstand the adverse impact of disastrous weather events,
- 8 facilitate their prompt recovery from crop damage or crop devastation which often lead
- 9 them to uncompensated losses, heavy financial burden and unpaid debts.
- 10
- 11 Recognizing the increasing frequency and/or severity of droughts, fires, floods and storms,
- 12 the Climate Change Act of 2009 (RA 9729) has sought to "create an enabling environment
- 13 for the design of relevant and appropriate risk-sharing and risk-transfer instruments;" and
- 14 to "coordinate with local government units (LGUs) and private entities to address
- 15 vulnerability to climate change impacts of regions, provinces, cities and municipalities."

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The Philippine Disaster Risk Reduction and Management Act of 2010 (RA 10121), has also it declared policy of the State to:

a) *Xx "Uphold the people's constitutional rights to life and property by addressing the root causes of vulnerabilities to disasters, strengthening the country's institutional capacity for disaster risk reduction and management and building the resilience of local communities to disasters including climate change impacts;" xx*

b) *xx "Incorporate internationally accepted principles of disaster risk management in the creation and implementation of national, regional and local sustainable development and poverty reduction strategies, policies, plans and budgets;"xx*

c) *xx "Institutionalize the policies, structures, coordination mechanisms and programs with continuing budget appropriation on disaster risk reduction from national down to local levels towards building a disaster-resilient nation and communities;" xx*

In view thereof, the State shall strengthen government initiatives and programs to effectively address the weather and climate risks faced by small agricultural producers in the Philippines, and extend crop insurance coverage to crops and agricultural production.

In order to reach out and serve the greatest number Filipino farmers, fisher-folks and agricultural producers, the State shall encourage private insurance service providers to complement the government crop insurance programs by way of innovative risk sharing mechanisms, specifically weather index based crop insurance program.

1 Section 3. **Definition of Terms.** As used in this Act, the following terms shall defined as  
2 follows:

3  
4 a. Insurance - is the service rendered by insurance providers to protect the insured  
5 clients against the probability of a large unexpected loss through the transfer and  
6 sharing of risks to compensate for unexpected but financially disastrous events.  
7 A contract of insurance is an agreement whereby one undertakes for a  
8 consideration to indemnify another against loss, damage or liability arising from an  
9 unknown or contingent event.

10  
11 b. Crop insurance - is an insurance service to protect farmers and agriculture  
12 producers against financial losses and uncertainties brought about by crop failures,  
13 pests, extreme weather conditions and/or other causes beyond their control.

14  
15 c. Weather Index-based Crop Insurance (WIBCI) - is an innovative insurance product  
16 that aims to provide prompt insurance payout against the incidence of extreme  
17 weather conditions through the use of scientifically measurable weather  
18 parameters such as rainfall, temperature, frost, humidity and/or other gauges as  
19 proxy and transparent indicators of the occurrence of an adverse event.

20  
21 d. Payout- the amount paid or to be paid by the insurance service provider on account  
22 of the occurrence of an event, such as the breach of an agreed lower or upper limit  
23 in weather indicators, as may be indicated in an insurance contract.

24  
25 e. Triggers - threshold measurement points for the selected weather index or indicator  
26 at which the insurance contract starts to pay out.

1 f. Reference Unit Area (RUA) - is a contiguous geographical area such as a  
2 municipality or city as may be covered or monitored by a Reference Weather  
3 Station (RWS).

4  
5 g. Reference Weather Station (RWS) - a specific meteorological station for each  
6 insurance contract as the named reference station from which the observed  
7 weather parameter/s shall be obtained. This may be a particular weather facility of  
8 the Philippine Atmospheric Geo-Physical and Astronomical Services  
9 Administration (PAGASA), or a PAGASA-accredited private weather station,  
10 and/or satellite-based weather observation service.

11  
12 h. Small Farmers/Producers - are those farmers whose combined farm-holdings  
13 cover an area of not more than five hectares.

14  
15 Section 4. **Free Index-Based Crop Insurance Framework.** There is hereby established  
16 a nationwide Free Weather Index-based Crop Insurance (FIBCI) Program that shall  
17 operate under the following policy framework:

18  
19 4.1 **Weather Index-Based Insurance Product.** The typical core features of an  
20 index-based insurance product shall be present in a crop insurance contract under  
21 the Program, as follows:

22  
23 4.1.1 An agreed weather reference index, such as, but not limited to rainfall  
24 (mm), wind speed (kilometers per hour) and temperature (degrees) whose  
25 quantification is provided for each Reference Unit Area and for which data  
26 is monitored and reported by an independent third party service provider  
27 such as PAGASA or a private professional weather information service  
28 firms.



1  
2 4.1.2 A Reference Weather Station as the named meteorological station  
3 from which the observed weather parameter shall be obtained, which may  
4 include PAGASA's own weather stations, PAGASA-accredited automatic  
5 weather stations (AWS), and satellite-based weather monitoring services,  
6 among others;

7  
8 4.1.3 A trigger or threshold reference point for the agreed index  
9 measurement for which, upon the occurrence of a breach, the insurance  
10 provider obligates itself to indemnify (or make a payout) to the insured;

11  
12 4.1.4 A payout or lump sum insurance payment amount that shall be based  
13 on a pre-determined schedule that takes into account the actual area  
14 planted.

15  
16 4.1.5 Phases of crop growth that will be covered by the insurance – which  
17 may refer to a separate trigger and partial payout for each phase of  
18 vegetative growth, or a threshold indicator for one whole cropping period.

19  
20 **4.2 Insurance Service Providers.** The FIBCI Program shall be open to all  
21 government and private sector insurance and re-insurance providers that will be  
22 accredited based on the policies and guidelines to be formulated by the FIBCI  
23 Project Management Office created under this Act. Weather Index-Based Crop  
24 Insurance providers shall be under the regulatory supervision of the Insurance  
25 Commission.

26  
27 **4.3 Stakeholders and Participants.** The main beneficiaries of the FIBCI program  
28 shall be the Filipino farmers and agriculture and fisheries producers who shall  
29 register with their respective Local Government Units (LGUs) for the particular crop

1 or production insurance program offered by the LGU through accredited insurance  
2 providers. The LGUs may set aside supplemental local funds to complement the  
3 premium subsidies that will be provided by the national government. The  
4 beneficiary farmers may also pay premium for added insurance features that may  
5 be offered by providers.

6  
7 **4.4 No Need for Calamity Declaration.** Any breach of the insurance parameters  
8 as stated in the FIBCI policy contracts shall be the sole trigger or basis for any  
9 payout and shall not require the declaration of a state of calamity by the LGU in  
10 order to trigger the obligation of the insurer to the insured farmers/producers.

11  
12 Section 5.**Program Administration.** There is hereby created a FIBCI Program  
13 Management Office(PMO) under the Office of President (OP) that will focus on  
14 establishing the needed coordination mechanisms to implement the program, and  
15 popularizing farmers' regular use of Weather Index-Based Crop Insurance, which shall:

- 16
- 17 a. Coordinate with the various stakeholders, including the Department of Agriculture,  
18 National Disaster Risk Reduction & Management Council (NDRRMC), Local  
19 Government Units (LGUs), farmers' groups, insurance service providers and the  
20 scientific community, on the widest possible implementation of the FIBCI program  
21 based on the rules and guidelines formulated by its Board;
  - 22 b. Establish and maintain a Weather Risk Data Analytics Center for index-based  
23 agriculture insurance, which information may be obtained from various sources,  
24 including PAGASA, Philippine Crop Insurance Corporation, agriculture colleges  
25 and universities, other government research institutions, and commercial sources  
26 such as satellite-based weather monitoring services;
  - 27 c. Monitor, in coordination with the Insurance Commission, the progress and  
28 concerns of all index-based agriculture insurance in the country;

- d. Pre-qualify, pre-accredit, and pre-approve the participation of national and region-based insurance providers and intermediaries such as brokers who are allowed by the Insurance Commission to develop and register insurance products based on actuarially sound insurance and re-insurance principles;
- e. Coordinate with the municipalities and cities that are eligible to undertake the FIBCI Program in order to facilitate their access to the Program funds that will assist their registered farmers.
- f. Undertake, in partnership with the scientific communities, the development and conduct of pilot studies on other crops and agriculture produce as well as on other innovative modes of risk management that will encourage participation in index-based insurance and re-insurance; and
- g. Oversee and ensure compliance by the relevant parties in the implementation of the Program and the provisions of the index-based insurance and re-insurance contracts.

The PMO shall be headed by an Executive Director who shall act its chief executive officer and who shall report to the Board of Administrators. The Executive Director shall formulate the agency's organization plan, strategic and operational plans, and annual budgets to be submitted, with approval by the Board, to the OP and the Department of Budget and Management.

Section 6. **FIBCI Board of Administrators.** The PMO shall be governed by a Board of Administrators to be composed of the heads of the following institutions and agencies, or their designated permanent representatives:

1. Insurance Commission, to serve as Chairman
2. Department of Agriculture

- 1 3. Department of Interior and Local Government
- 2 4. National Disaster Risk Reduction and Management Council (NDRRMC)
- 3 5. Philippine Atmospheric Geophysical Astronomical Services Administration
- 4 (PAGASA)
- 5 6. Three (3) farmers, representing farmer organizations or farmer cooperative
- 6 federations from the country's three major island groups - to be appointed by
- 7 the President of the Philippines, and
- 8 7. Three (3) representatives from the insurance industry, including the Philippine
- 9 Crop Insurance Corporation and two (2) from the private sector.

10  
11 The Board shall have the following functions:

- 12
- 13 a. Confirm or approve the organization plans, strategic and operational plans, and
- 14 annual budgets to be submitted in the developed, managed, and monitored by
- 15 PMO, with the end in view of ensuring proper and transparent implementation
- 16 of the Program with the widest possible outreach for small farmers;
- 17 b. Govern, monitor and oversee the operation of the FIBCI program and oversee
- 18 the administration of all index-based agriculture insurance in the country;
- 19 c. Formulate the rules and guidelines for the implementation of index-based crop
- 20 insurance programs, taking into account actuarially sound insurance and re-
- 21 insurance principles;
- 22 d. Fix and regularly update the maximum levels of insurance coverage levels and
- 23 maximum premiums that can be used as basis for subsequent budgets of the
- 24 FIBCI and other related programs; and
- 25 e. Prepare, through the PMO, an annual report on the implementation and extent
- 26 of availment by farmers and LGUs of the FIBCI program.

1 Section 7. ***Role of PAGASA and Other Weather Information Providers***. The Philippine  
2 Atmospheric Geophysical and Astronomical Service Administration (PAGASA), consistent  
3 with its mandates under the PAGASA Modernization Act of 2015 (or R.A. No. 10692), shall  
4 provide adequate, up-to-date, and timely information on atmospheric, astronomical, and  
5 other weather related phenomena as well as assessments pertinent to climate change  
6 adaptation programs, such as weather index-based insurance.

7  
8 Through its Unified Meteorological Information System, PAGASA shall, in  
9 coordination with the relevant research institutions, continue to conduct and publish  
10 correlation and other scientific studies relative to weather and Philippine crops and  
11 livestock, computation of evapo-transpiration, and analysis of future climate scenarios,  
12 among others.

13  
14 PAGASA shall calibrate and accredit in accordance with its specifications and  
15 standards all automatic weather stations (AWS) to be installed in the country and shall be  
16 responsible for monitoring and regulation of the standards and maintenance of all  
17 PAGASA-accredited AWS.

18  
19 Pursuant to Sections 10 and 11 of R.A. 10692, PAGASA may partner with relevant  
20 scientific organizations, research organizations and/or the private sector entities for the  
21 implementation of Specialized Services and Cost Recovery Programs and may collect a  
22 minimal service fee for its Weather Data Certifications.

23  
24 The accredited index-based insurance service providers may partner with  
25 recognized satellite-based weather information service agencies as their alternative  
26 source and basis for determining the weather thresholds, or to complement the data from  
27 PAGASA. Insurance providers utilizing satellite-based weather information services shall  
28 report to the FIBCI-PMO details on the objectivity and reliability of such weather  
29 information facilities.

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**Section 8. Role of Local Government Units.** The FIBCI Program shall be implemented by city and municipal LGUs for the farmers and farm crops within their areas of jurisdiction. The LGU shall conduct an education and information campaign regarding the FIBCI program and distribute information materials with the help of their barangay officials. The farmers shall formally register with the Municipal or City Agriculturist, at least 45 days prior to the start of crop planting, to avail of the free weather index crop insurance, indicating the crop to be insured, farm area and location, start of planting and expected harvest schedule and their estimated cost of production using their latest expected prices of farm inputs.

The Municipal or City Agriculturist shall electronically collate the farmers' registration information and provide the PMO a report on the average cost of production for the on-going year for the particular crop covered, to be electronically submitted to the Provincial Agriculturist and the PMO at least 20 days prior to the start of the planting season. The provincial agriculturists shall submit their expected cropping calendar for the covered crops in the various municipalities and agriculture-based cities in their respective provinces.

**Section 9. Free Premium and Source of Funding.** To subsidize the free premiums of farmers under the FIBCI Program, the amount of P5.8 billion shall be set aside from their current year's Un-programmed Risk Management Fund to form the FIBCI Premium Subsidy Fund. This fund shall be included as an additional line item in subsequent annual national appropriations, the amount of which shall be automatically augmented in proportion to the applicable inflation rate adopted by the Development Budget Coordinating Council for the ensuing year.

1 The insurance premium subsidies for the crops and farms of the registered farmers  
2 shall be securely transmitted electronically to the selected insurance provider based upon  
3 the list of registered farmers reported by the LGUs to the PMO; Provided that the premium  
4 amount for the insurance coverage will not exceed five percent (5%) of the average cost  
5 of crop production, as certified by the city or municipal agriculturist for the on-going  
6 production year.

7  
8 The farmers may directly choose their insurance service providers from among  
9 those accredited by the FIBCI-PMO and communicated to farmers by the LGUs. The  
10 insurance service providers shall immediately submit reports to the concerned LGU and  
11 the FIBCI-PMO on their covered farms and insurance clients for the relevant Reference  
12 Unit Areas. The insurance providers may independently conduct marketing activities to  
13 advertise and popularize their insurance services.

14  
15 Section 10. **Index-Based Risk Mitigation Fund.** There is hereby created an Index-  
16 Based Risk Mitigation Fund to be managed by the PMO. Any and all unutilized amounts  
17 under the FIBCI program for any given year shall accrue to this Fund and may be used for  
18 any of, but not limited to, the following purposes: institution and capacity building,  
19 information and education campaigns, the enhancement and updating of the data  
20 analytics center, and improvement of communication and coordination between and  
21 among the key stakeholders, especially the small farmers.

22  
23 Section 11. **Tax Exemptions.** All premium payments paid for index-based  
24 insurance contracts registered with the LGUs and coordinated with the PMO shall be  
25 exempt from VAT and other relevant transaction taxes, including Documentary Stamp  
26 Taxes.

27  
28 Section 12. **Transitory Provisions.** Initially, the FIBCI Program may commence  
29 for rice and corn in *Reference Unit Areas* where weather and crop-correlation data may

1 have been compiled and where the insurance providers may offer their weather index-  
2 based crop insurance products.

3  
4 Within a period of five years from the approval of this Act, the PMO shall coordinate  
5 and partner with the scientific community and relevant research and academic institutions  
6 on the development of weather and crop-correlation data and other needed studies to  
7 widen the coverage of weather index-based insurance to other agricultural crops and  
8 livestock

9  
10 Section 13. **Penalty Clause** – For the areas and communities that the FIBCI-PMO  
11 declares as eligible under the FIBCI Program, the elected LGU officials, key administrative  
12 officers, including but not limited to the Municipal/City Agriculturist, Treasurer, and  
13 Accountant shall be administratively liable for non-implementation of the weather index  
14 insurance for their farmers, subject to Chapter 7 Sections 47 and 48 of the Administrative  
15 Code (E.O. 292), as amended, and Rule XI (Penalties) under the Code of Conduct and  
16 Ethical Standards for Public Officials and Employees, (R.A. No. 6713).

17  
18 Section 14. **Repealing Clause**. All laws, executive orders, rules and regulations, or  
19 parts thereof, inconsistent herewith are hereby repealed or modified accordingly.

20  
21 Section 15. **Implementing Rules and Regulations**. Within sixty days from the  
22 effectivity of this Act, the Insurance Commissioner shall convene the FIBCI Board of  
23 Administrators to formulate the Implementing Rules and Regulations of this Act within the  
24 ensuing period of three months.

25  
26 Section 16. **Separability Clause** - The provision of this Act are hereby declared to  
27 be separable. If any provision of this Act shall be held unconstitutional, the remainder of  
28 the Act not otherwise affected shall remain in full force and effect.



1 Section 17. **Effectivity.** - This Act shall take effect upon its publication in the Official  
2 Gazette.

Approved.