

Republic of the Philippines

OFFICE OF THE SECRETARY

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DEPARTMENT ORDER

No. _______ Series of 2024

SUBJECT

COMMON FRAMEWORK FOR THE UPDATING OF EXISTING

REGULATORY POLICIES IN THE DEPARTMENT

AGRICULTURE

WHEREAS, the Department of Agriculture (DA) is vested with the authority to formulate and implement regulatory policies in accordance with its mandate to promote the development of the agri-fishery sector;

WHEREAS, the Department exercises its regulatory policy formulation functions through the DA regulatory agencies composed of the Bureau of Agriculture and Fisheries Engineering (BAFE), Bureau of Agriculture and Fisheries Standards, (BAFS), Bureau of Animal Industry (BAI), Bureau of Fisheries and Aquatic Resources (BFAR), Bureau of Plant Industry (BPI), Fertilizer and Pesticide Authority (FPA), National Dairy Authority (NDA) National Meat Inspection Service (NMIS), National Tobacco Administration (NTA), Philippine Coconut Authority (PCA), Philippine Fiber Industry Development Authority (PhilFIDA), and Sugar Regulatory Administration (SRA);

WHEREAS, Republic Act (RA) No. 1556, *Livestock and Poultry Feeds Act of 1956*, mandates the DA to regulate and control the manufacture, importation, labelling, advertising and sale of livestock and poultry feeds;

WHEREAS, Presidential Decree (PD) No. 1144, series of 1977, Creating the Fertilizer and Pesticide Authority and Abolishing the Fertilizer Industry Authority, mandates the DA to regulate fertilizer importation, manufacture, formulation, distribution, delivery, sale, transport and storage as well as pesticide labeling, distribution, storage, transportation, use and disposal;

WHEREAS, PD No. 1433 (1978), *Plant Quarantine Decree of 1978*, states that plant quarantine rules and regulations of the Philippines must be compatible with those of another countries and with the provisions of the Food and Agriculture Organization (FAO) International Protection Convention of the United Nations to which the Philippines is a signatory;

WHEREAS, Executive Order No. 18, series of 1986, *Creating a Sugar Regulatory Administration*, mandates the SRA to institute regulations for implementing, controlling and monitoring the production quotas, and to institute, implement and regulate an orderly system of quedanning, disposition and withdrawals of various forms of sugar from warehouses;

WHEREAS, RA No. 8550 (1998), *Philippine Fisheries Code of 1998*, states that a flexible policy towards the attainment of food security shall be adopted in response to changes in demographic trends for fish, emerging trends in the trade of fish and other aquatic products in domestic and international markets, and the law of supply and demand;

WHEREAS, RA No. 9296, *Meat Inspection Code of the Philippines*, mandates the National Meat Inspection Service to establish safety and quality standards for meat and meat products, accredit establishments for HACCP audits, license meat inspectors, handlers, and brokers, and enforce standards set by the Bureau of Agriculture and Fisheries Product Standards on labeling and promotion;

WHEREAS, Section 16 of RA No. 10611, *Food Safety Act of 2013,* mandates that the DA shall be responsible for the development and enforcement of food safety standards and regulations for foods in the primary production and postharvest stages of the food supply chain;

WHEREAS, Rule 16.5 of RA No. 10611 prescribes that the DA Secretary may put into place arrangements among the DA Food Safety Regulatory Agencies when necessary to improve efficiency and cost-effectiveness of services;

WHEREAS, the Philippines is a World Trade Organization (WTO) Member State, and has the obligation to abide with WTO's fundamental principles, which encompass trade without discrimination, the promotion of freer trade, ensuring predictability in trade relations, fostering fair competition, and actively encouraging development and economic reform;

WHEREAS, the landscape of international trade cooperation, to which the Philippines is a contracting party, continues to evolve and undergo significant developments;

WHEREAS, the Philippines is a member of the Food and Agriculture Organization-Commission on Genetic Resources for Food and Agriculture, and has the obligation to deal with policy, sectoral and cross-sectoral matters related to the conservation and sustainable use of genetic resources of relevance to food and agriculture;

WHEREAS, Section 5 of RA No. 11032, Ease of Doing Business and Efficient Government Service Delivery Act of 2018, provides that all National Government Agencies (NGAs), Local Government Units (LGUs), and Government-Owned and Controlled Corporations (GOCCs) are mandated to review existing laws, executive issuances and local ordinances, and recommend the repeal of the same if deemed outdated, redundant, and adds undue regulatory burden to the transacting public;

WHEREAS, the Anti-Red Tape Authority (ARTA), in accordance with its mandates on RA No. 11032, published the Philippine Good Regulatory Principles (PGRP) to ensure businesses and regulated entities understand what they can expect from regulators;

WHEREAS, the ARTA issued Memorandum Circular No. 2022-06 with the subject *Establishing the National Policy on Regulatory Management System*, which prescribes

that Government agencies shall be responsible for ensuring that regulations continually meet their policy objectives and for reviewing regulations on an ongoing basis;

WHEREAS, the Philippine Development Program (PDP) 2023-2028 provides that NGAs and LGUs, with the guidance of ARTA and the Department of Information and Communications Technology (DICT), shall expedite the elimination of redundant, duplicative, and overlapping regulations; and,

WHEREAS, there is a need to establish a systematic framework for the regular updating of existing regulatory policies and guidelines to effectively and efficiently implement the regulatory powers vested in the Department to uphold public interest, and promote sustainable development.

NOW, THEREFORE, I, FRANCISCO P. TIU LAUREL, JR., Secretary of the Department of Agriculture, by virtue of the powers vested in me by law and other issuances, do hereby order:

Section 1. *Definitions.* For purposes of this Order, the following terms shall be defined as follows:

- 1.1. *Amend* refers to the modification or alteration of an enacted policy.
- 1.2. *Consolidate* refers to the integration of multiple similar issuances into one legal document.
- 1.3. *Policy* refers to the rules or guidelines issued by the agency to implement a law or to lay regulations for the public, in accordance with the law.
- 1.4. *Regulations* refer to legal instruments that give effect to a government policy intervention and include licensing, imposing information obligation, compliance to standards, or payment of any form of fee, levy, charge, or any other statutory and regulatory requirements necessary to carry out activity or modify behavior.
- 1.5. Regulatory Reform refers to changes that improve regulatory quality, that is, enhance the performance, cost-effectiveness, or legal quality of regulations and related government formalities. It also refers to evaluating past and current issuances and subsequently taking necessary policy options for each.
- 1.6. *Reform* refers to the revision of a single regulation, the scrapping and rebuilding of an entire regulatory regime and its institutions, or improvement of processes for making regulations and managing reform.
- 1.7. Repeal refers to the revocation of issuances.
- 1.8. *Stakeholders* refer to public or private, individuals or organizations with relevant issues or concerns.
- 1.9. *Stocktaking* refers to the inventory of all regulatory policies relevant to, and made by the regulatory agency.

Section 2. Adoption of the Framework. All DA regulatory agencies engaged in the development and implementation of regulatory policies are hereby directed to conduct an annual updating of existing regulatory policies.

- **Section 3. Principles of Regulatory Policy Updating.** The following principles, consistent with the PGRP of the ARTA, shall be observed in the updating of regulatory policies:
 - 3.1. Clarity All DA regulatory agencies shall provide clarity in policy rationale, policy objectives/goals, institutional frameworks, and support mechanisms. In order to provide clear, transparent, and coherent regulatory policies, decisions, and orders, regulators should abide by the following key best practices.
 - 3.1.1. In order to provide clear, transparent, and coherent regulatory policies, decisions, and orders, regulators should abide by the following key best practices:
 - 3.1.1.a. Regulators should consider existing and proposed regulations, ensuring they are consistent, aligned, and supportive of the country's overall development objectives.
 - 3.1.1.b. Upon careful analysis through the use of regulatory management tools such as Regulatory Impact Assessment (RIA), regulators shall ensure that a regulatory policy is crafted to support the capacities of regulators to enforce, and of regulated entities to comply with the regulation.
 - 3.2. Legal and Empirical Basis Regulators shall ensure that a regulatory policy has a sound legal and empirical basis to establish a need for a new regulation and to only intervene in instances when evidence identifies an issue or a need for intervention.
 - 3.2.1. Regulators shall only intervene in instances when evidence supports that the regulations will address the issue or lead to benefits.
 - 3.2.2. Regulatory agencies shall be able to identify and establish a sound legal basis for all regulatory policies in accordance with the mandate and functions of your agency.
 - 3.3. *Benefits and Costs* Regulators shall ensure that a regulatory policy will accrue benefits that will justify the least costs, unintended effects, and negative impact on the economy, society, and the environment among others.
 - 3.3.1. Regulators, when crafting and/or updating regulatory policies, shall take into consideration its potential impact, costs, and effects upon the economy, society, and environment. This is achieved by looking at all possible impacts of the regulation as well as undertaking evidence-based studies and assessments. Regulators shall also seek the views of those persons who will be affected to understand the impact and costs imposed. 3.3.2. Overall, regulators therefore shall design and implement regulations with benefits that justifies the costs. Costs may cover but are

not limited to compliance and monitoring costs as well as negative externalities.

- 3.4. Assessment Regulators shall assess and consider all policy options including non-regulatory interventions through RIA.
 - 3.4.1 Regulators shall assess and consider a spectrum of regulatory options such as but not limited to the imposition of command-and-control regulations (e.g. licenses, permits, registrations, and certifications, etc.). Regulators may also opt not to regulate or impose quasi-regulatory options (e.g. status-quo, co-regulation, self-regulation, information dissemination campaign, etc.) when warranted and where there is sufficient evidence to do so as prescribed in the ARTA RIA Manual.
- 3.5. *Engagement* —Regulators shall ensure and sustain effective and inclusive stakeholder engagement.
 - 3.5.1. Government agencies, civic groups, interested and affected parties, research and academic institutions, and other relevant public and private organizations shall be involved from the intent to draft a regulation until the review of a regulation prior and post-implementation through the design and implementation of a comprehensive stakeholder engagement protocol/framework. The consultation process should also consider all perspectives on issues, proposed alternatives, awareness raising, to foster transparency and accountability.
 - 3.5.2. Regulators shall integrate stakeholder consultation in the different stages of the regulatory rulemaking process as well as institutionalizing reasonable participation at all levels. As a matter of policy, the state shall, by law, facilitate the establishment of adequate consultation mechanisms. Regulators shall also maximize all channels to engage stakeholders (e.g. stakeholder fora/summits, emails, electronic platforms, and/or focus group discussions).
 - 3.5.3. A feedback mechanism shall be set in place to ensure that stakeholders are informed of the corresponding actions and/or decisions of the regulatory agency in processing the stakeholders' inputs.
 - 3.5.4. Consultations conducted shall be properly documented. This is achieved by utilizing both traditional and non-traditional forms of recordkeeping and documentation such as but not limited to:
- 3.6. *Coherence* —Regulators shall ensure that regulations are congruent and consistent with other regulations to achieve policy coherence;
 - 3.6.1. Regulators shall avoid overlapping and inconsistent regulations. These occur when several or multiple National Government Agencies

(NGAs) and/or Local Government Units (LGUs) are actively engaged in similar (if not duplicative) regulatory activities. Regulators are advised to conduct a thorough assessment in accordance with Principle 4 of this document. This is so regulators can avoid duplication and/or conflicting regulations for both proposed (Ex-Ante) and existing regulations (Ex-Post).

- 3.7. Whole-of-Government Regulators shall collaborate in supporting regulatory cooperation in all levels and support regular and continuous regulatory capacity development initiatives.
 - 3.7.1. Before regulators engage in regulatory cooperation, role clarity shall be established to fully implement its mandate and functions. Regulators should avoid conflicting objectives, functions and scope wherein there is a clear mandate that defines the role of each regulator as prescribed in public policy (e.g. laws, issuances, ordinances, etc.). Regulators shall also have the power to cooperate transparently with other regulatory bodies.
 - 3.7.2. To achieve the objectives of this principle, regulators shall adhere to a concerted effort of regulatory cooperation through an adoption of a Whole-of-Government (WOG) approach as prescribed under Rule III, Section 3 of the Implementing Rules and Regulations (IRR) of RA 11032 and the ARTA Whole-of-Government Reengineering Manual. This may entail the review and harmonization of existing and applicable laws, regulations, issuances, and policies to make legal interpretation consistent across agencies as well as exchange of information and data if necessary.
 - 3.7.3. International regulatory cooperation shall also entail engaging with international regulatory agencies and organizations as well as the regulated and the broader local and international community.
 - 3.7.4. Regulators shall have a skilled and efficient workforce to implement better regulation. Regulatory agencies shall ensure that there is an adequate amount of work staff that possess the necessary capacity, skills, and knowledge to implement existing regulations and formulate evidence-based proposed regulations and support regulated entities to comply.
- 3.8: Continuous Evaluation —Regulators shall meet the expectations set by oversight bodies in the review of their stock of regulations. This may include participation and compliance with existing and future planned initiatives by ARTA or as may be required by law. Further, regulators are highly encouraged to conduct additional activities/programs (i.e. Internal Reduction Targets, Scorecards, Internal Sharing of Best Practices) and/or utilize tools (RIA, SCM) that support the mentioned review.

- 3.8.3 Stocktaking and assessing current regulations is vital in keeping future regulations sound and in-check.
- 3.8.4 Regulations must keep pace with change from emerging technologies and to design "fit-for-purpose" regulatory frameworks that tackle enforcement challenges brought about by the multi-dimensional effects of these technologies. To be able to address the changing and disruptive nature of emerging technologies, regulators must adapt by assessing the current limitations of existing regulatory regimes. To ensure sustainability, regulatory frameworks should take into consideration the pace of disruption, consumer behavioral changes, and evolving stakeholder preferences which can also provide useful insights for regulators to understand "fit-for-purpose" regulations (e.g. adopting a regulatory sandbox approach for financial technology or FinTech services).
- 3.9. *Competition* Regulators must ensure that regulations are compatible with competition, trade and investment-facilitation principles at both domestic and international levels.
 - 3.9.1. In alignment with RA 10667 otherwise known as the Philippine Competition Act, regulatory policies should promote, adhere, and be compatible to competition principles and policies that create an environment conducive for entrepreneurship, encourages private investment, facilitates technology development and transfer, and enhances resource productivity. By doing so, regulatory policies for both proposed and existing regulations should avoid anti-competitive practices that hamper growth and the overall development objectives of the country.
- 3.10. *Risk Management* Regulators shall promote Regulatory Risk Management at every stage of the decision-making process.
 - 3.10.1. Regulators shall take an evidence-based approach to determining and managing risks involved at every stage of the regulatory cycle. This means identifying and prioritizing risk areas that have been known to cause problems and allocating the necessary policy interventions to mitigate those risks.
 - 3.10.2. Regulators shall develop, design and craft a risk assessment framework that will have a mechanism in place to identify compliance risk as well as an avenue for continuous review and assessment with all stakeholders. The risk assessment framework should also take into consideration the concept of impartiality in order to be fair and to avoid conflicts of interest, unfounded bias or improper influence from stakeholders.

Section 4. *Oversight.* The Assistant Secretary for Policy and Regulations shall exercise oversight functions over the conduct of the updating of regulatory policies by the concerned agencies. The Food, Agriculture and Fisheries Policy Division of the Policy Research Service (PRS-FAFPD) shall provide the corresponding secretariat support for this purpose.

Section 5. *Regulatory Reform Committee.* Each regulatory agency shall establish a Regulatory Reform Committee (RRC) which shall be tasked to conduct the following:

- A. Stocktaking of all regulatory policies;
- B. Engage with other stakeholders such as civil society organizations and private sectors in identifying cumbersome regulations, and in determining priority regulatory policies for review and improvement;
- C. Conduct studies/reviews in the promotion of efficient government services and ease of doing business;
- D. Assess regulatory policies, and determine the effects and implications of adopting a policy option through undertaking RIA;
- E. Recommend policy options based on the Regulatory Impact Statement produced from RIA to be adopted by the Department;
- F. Establish procedures and methodologies, including the implementation of the new policy regulations;
- G. Create and/or update the database system and agency website; and,
- H. Ensure timely coordination with the PRS-FAFPD.

The Committee shall be composed of members not more than five (5) technical personnel from divisions performing regulatory functions and heads of their Records Unit. The Committee shall be headed by a Chair to be designated by the head of the agency.

- **Section 6.** Stocktaking of Regulatory Policies. Upon its formation and institutionalization, the RRC shall create an inventory of all regulatory policies implemented by the regulatory agency. Regulatory mapping, through the conduct of stocktaking, shall be conducted to determine which regulatory policies are outdated, overdue, redundant, or need review.
 - 6.1. *Approaches on Stocktaking*. Stocktaking may be conducted by a regulatory agency through the following means:
 - A. Compilation of Regulatory Issuances and creation of a Compendium of issuances by the Records Division;
 - B. Consolidation of issuances from all operating units; and
 - C. Outsourcing of stocktaking activity to third-party service provider.

Review of the regulatory policies shall commence upon completion of the inventory. A mapping and reforming tool shall be developed by the PRS-FAFPD and adopted by the agencies.

6.2. Recommend Policy Options. After the review of regulatory policies, RRC shall meet for this purpose to recommend an appropriate action/policy— such as repeal, amend, consolidation, or retention.

Once a policy option is recommended, the RRC shall accomplish the Regulatory Reform Technical Report to be submitted to the PRS-FAFPD.

Section 7. *Policy Option Validation.* The PRS-FAFPD, in coordination with the RRC. shall validate the recommended policy option based on the submitted Regulatory Reform Technical Report.

Section 8. Adoption of Policy Options. Following its review and assessment, the PRS-FAFPD shall recommend either the repeal, amendment, consolidation, or retention of regulatory policies to the Assistant Secretary for Policy and Regulations. The ASec. for Policy and Regulations shall then consider these recommendations when directing the respective regulatory agency on the most suitable course of action.

Section 9. Submission of Reports. The RRC shall provide the Regulatory Reform Technical Report to PRS-FAFPD within three (3) months upon approval of this Order. The RRC shall conduct regular regulatory reform every year using the same processes and forms.

Section 10. Separability. If any part or provision of this Order shall be held invalid or unconstitutional, the provisions not affected thereby shall remain in full force and effect.

Section 11. *Repeal.* All other orders, rules and regulations, and other issuances or parts thereof which are inconsistent with the provisions of this Order are also hereby repealed or modified accordingly.

Section 12. Effectivity. This Order shall take effect immediately upon approval and shall remain in force until revoked in writing.

Done this 7th day of June 2024.

₽RANCISCO P. TIU LAUREĻ JR.

Secretary



Form 1. Overview of the regulatory details.

REGULATORY DETAILS		
Title of the regulatory proposal:		
Agency:		
	Name and designation	
Accountable/contact officer:	Phone Number	
	Email	
	Name and designation	
Approving Authority:	Email	
	Date of Approval	

Form 2. Clarity of the regulation.

CLARITY OF THE REGULATION						
Summary of the regulation						
Is the regulation supportive of the Philippine Development Plan (PDP) 2023-2028?						
In what way does it support the PDP 2023-2028?						
Is it in line with international agreements? How?						

Form 3. Identification of the problem.

IDENTIFICATION OF THE POLICY PROBLEM					
What is the problem that is the regulation trying to address?					
What are the causes?					
Could it be addressed by a regulation?					
What actions were taken before?					
What are the gaps?					
What are the needs and requirements to be able to address the gaps?					
How will compliance be achieved?					

Form 4. Legal and empirical basis.

LEGAL & EMPIRICAL BASIS	
What is the legal basis of the regulation?	
Is the agency mandated by the said law to make regulations?	
Is there a gap in regulation to address the issue?	
Is there an existing regulation? Is it being implemented?	

Form 5. Regulatory reform technical report.

DA REGULATORY AGENC	Y INFORMATIO	N			
Regulatory Agency					
Date of Submission					
POLICY INFORMATION					
Number	Title				
Date of Effectivity					
Legal Basis		Brief Descriptio	n of the	Polic	y
Recommended Policy Option	□Repeal	□Amend	□Cons ate	olid	□Retain
List of other regulations	it may affect				
Code	Title				
Rationale behind recom	mended policy	option			
Impact when policy option	on is adopted				
Stakeholder(s)	Nature of Impact	Magnitude of In	npact	Durat	tion of Impact

Form 6. Regulatory mapping and summary of recommended policy option.

Policy No./Code	Status of Existing Policies					Impact to Stakeholder		Policy Option		Remarks
	Title of the Policy	Date of Approval (DD-MM- YYYY)	val Bases	Sector	Business Related/Non- Business Related	Coverage	Types of Affected Stakeholders	Recommended policy option (Repeal/Amend/ Consolidate/Retain)	Reason for the policy option	
						(Local/ National/ International)				

			-							

Form 7. Regulatory mapping and summary for new issuances.

Policy No./Code	New Issuances					Impact to Stakeholder		Sources of Policy Option	Affected Existing Policy	
			Legal Bases	Sector	Business Related/Non-	Coverage	Types of Affected	(Repealed/ Amended/	Code	Title
			1	Business Related	(Local/ National/ International)	Stakeholders	Consolidated/Retained)			