

[DOA ADMINISTRATIVE ORDER NO. 14, August 03, 2009]

ADDENDUM TO DA ADMINISTRATIVE ORDER (AO) NO. 19, SERIES OF 2008, REVISED IMPLEMENTATION GUIDELINES ON THE UTILIZATION OF THE AGRICULTURAL COMPETITIVENESS ENHANCEMENT FUND (ACEF)

WHEREAS, the Agricultural Competitiveness Enhancement Fund (ACEF) is a government-instituted measure for the main objective of increasing the agricultural sector's productivity and enabling it to achieve higher levels of competitiveness;

WHEREAS, Congress enacted into law R.A. 9496, otherwise known as "An Act to Extend the Utilization of the Agricultural Competitiveness Enhancement Fund amending R.A. 8178 entitled "An Act Replacing Quantitative Restrictions on Agricultural Products, Except Rice, with Tariffs, Creating the Agricultural Competitiveness Enhancement Fund, and for Other Purposes;"

WHEREAS, there is need to improve the mechanisms and procedures necessary to efficiently and effectively allocate and disburse the Agricultural Competitiveness Enhancement Fund (ACEF) in order to achieve its objective of competitiveness as provided in R.A. 9496;

NOW, THEREFORE, BY AUTHORITY OF SECRETARY ARTHUR C. YAP, I, Atty. BERNIE G. FONDEVILLA, do hereby order these amendments from DA AO No. 19, series of 2008 that will read as follows:

SECTION 1.

J. Financing. 1. Mode

a. The Agricultural Competitiveness Enhancement Fund (ACEF) shall be extended as an interest-free loan to eligible proponents the proposed projects of which are income generating. The Agricultural Competitiveness Enhancement Fund (ACEF) shall also be extended as a collateral-free loan, except for those which the Executive Committee (ExeCom) may require to put up collaterals as loan security. The Agricultural Competitiveness Enhancement Fund (ACEF) shall be extended in the form of grant to finance public investments that will increase the productivity of farmers, subject to approval by the ACEF Execom.

J. Financing. 5. Fund Allocation

The Fund shall be set aside and earmarked as follows:

- (1) **Seventy percent (70%)** for agri-based production and post-production and processing activities including, but not