



*Office of the Sangguniang Panlalawigan*

EXCERPT FROM THE MINUTES OF THE 107<sup>th</sup> REGULAR SESSION OF THE 11<sup>th</sup> SANGGUNIANG PANLALAWIGAN OF ISABELA HELD AT PROVINCIAL CAPITOL, ILAGAN CITY, ISABELA ON OCTOBER 15, 2024.

PRESENT:

FAUSTINO G. DY III	Vice Governor and Presiding Officer
ED CHRISTIAN S. GO	Member (2nd District) & Floor Leader Protempore
EMMANUEL JOSELITO B. AÑES	Member (1st District)
EDGAR R. CAPUCHINO	Member (2nd District)
MARY GRACE D. ARREOLA	Member (3rd District)
RAMON JUAN N. REYES, JR.	Member (3rd District)
CLIFFORD R. RASPADO	Member (4th District)
VICTOR G. DY	Member (4th District)
MANUEL FAUSTINO U. DY	Member (5th District)
EDWARD S. ISIDRO	Member (5th District)
MARCO PAOLO A. MERIS	Member (6th District)
AMADOR A. GAFFUD, JR.	Member (6th District)
ANTONIO S. HUI	Member, PCL Federation President
MARIA KATRINA JESSICA G. DY	Member, LnB Federation President
CATHERINE JOY L. LEGASPI	Member, SK Federation President

O.L.:

DELFINITO EMMANUEL L. ALBANO	Member (1st District)
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**ORDINANCE NO. 2024-39-02**

Series of 2024

**AN ORDINANCE APPROVING THE REPROGRAMMING OF ONE HUNDRED TWELVE MILLION SEVEN HUNDRED THOUSAND PESOS (P112,700,000.00) FROM THE "AGRO-INDUSTRIAL PROJECTS FOR ENTREPRENEURSHIP AND COOPERATIVES LIVELIHOOD PROGRAMS" UNDER THE TOBACCO EXCISE TAX SHARES OF THE PROVINCIAL GOVERNMENT OF ISABELA (FISCAL YEAR 2020 COLLECTIONS) TO THE 'PROCUREMENT OF AGRICULTURAL COMMODITY-PROCESSING AND ALLIED MACHINERIES' TO SUPPORT TOBACCO FARMERS, COOPERATIVES, AND ASSOCIATIONS TRANSITIONING FROM TOBACCO FARMING TO FOOD PROCESSING BUSINESSES"**

**Sponsor: HON. EDWARD S. ISIDRO**

Chairperson, Committee on Finance and Appropriations

**EXPLANATORY NOTE**

This proposed ordinance seeks to approve the reprogramming of funds previously allocated through Ordinance No. 2023-16-01, which authorized the Supplemental Budget No. 01 of the Provincial Government of Isabela for Fiscal Year 2023. Under this ordinance, a total of **Nine Hundred Forty-Two Million Five Hundred Eighty-One Thousand Five Hundred Forty-One Pesos (Php942,581,541.00)**, sourced from the **Burley and Native Tobacco Excise Tax Collections** of the National Government for Fiscal Year 2020, was appropriated for various initiatives, including financial, livelihood, and medical assistance, as well as agricultural services, modernization programs, and agricultural and medical infrastructure projects.

**Nagkaisa para sa Isabela**

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In response to the need to assist tobacco farmers in transitioning to more sustainable and health-conscious livelihoods, the Provincial Government of Isabela has identified the necessity to reallocate a portion of these funds. The proposed reprogramming will involve **One Hundred Twelve Million Seven Hundred Thousand Pesos (Php112,700,000.00)**, which were originally intended for the "Agro-Industrial Projects for Entrepreneurship and Cooperatives Livelihood Programs" under the tobacco excise tax fund, and will now be directed toward the **procurement of agricultural commodity-processing and allied machineries**. These machineries will serve to support **tobacco farmers, cooperatives, and associations** in their transition from tobacco farming to **food processing businesses**, a strategic move that aligns with the Provincial Government's thrust to diversify its agricultural base and promote healthier and more sustainable livelihoods.

The context of this reprogramming is rooted in Isabela's ongoing efforts to modernize its agricultural sector while adhering to its public health and sustainable development goals. The province's economy has traditionally relied on tobacco farming as a significant source of income. However, recognizing the long-term health risks associated with tobacco production and consumption, the Provincial Government—under the leadership of **Governor Rodolfo T. Albano III** and **Vice Governor Faustino G. Dy III**—has actively encouraged farmers to explore alternative crops and industries that contribute to better public health outcomes and economic stability.

This reprogramming is part of a broader initiative to promote **agriculture modernization** and **sustainable development**, helping farmers and cooperatives embrace value-added agricultural enterprises that are aligned with modern market demands. Food processing, in particular, offers a viable economic alternative for tobacco farmers, providing opportunities for increased productivity and the development of new income streams, while reducing the province's reliance on tobacco cultivation.

The **Provincial Development Council (PDC) of Isabela**, recognizing the importance of this shift, passed **PDC Resolution No. 05, Series of 2024**. Through this resolution, the Council approved a **Supplemental Annual Investment Plan** of the Provincial Government of Isabela for Fiscal Year 2024, which reflects the reprogramming of a portion of the **Tobacco Excise Tax Shares** of the Province for Fiscal Years 2018 and 2019, and 2020 collections. These funds will be reallocated to the **'Procurement of Agricultural Commodity-Processing and Allied Machineries in Support of Tobacco Farmers, Cooperatives, and Associations Shifting from Tobacco Farming to Food Processing Businesses'** and the **'Procurement of Large Cattle in Support of Tobacco Farmers, Cooperatives, and Associations Shifting from Tobacco Farming to Livestock Raising.'**

This reallocation of funds aligns with Isabela's overall strategy of promoting **inclusive growth** and fostering a more **resilient agricultural sector**, capable of thriving in a changing economic environment. By equipping tobacco farmers, cooperatives, and associations with the necessary tools and equipment, the Provincial Government will enable them to **add value** to their output and **transition more effectively** to alternative industries.

**AN ORDINANCE APPROVING THE REPROGRAMMING OF ONE HUNDRED TWELVE MILLION SEVEN HUNDRED THOUSAND PESOS (P112,700,000.00) FROM THE "AGRO-INDUSTRIAL PROJECTS FOR ENTREPRENEURSHIP AND COOPERATIVES LIVELIHOOD PROGRAMS' UNDER THE TOBACCO EXCISE TAX SHARES OF THE PROVINCIAL GOVERNMENT OF ISABELA (FISCAL YEAR 2020 COLLECTIONS) TO THE 'PROCUREMENT OF AGRICULTURAL COMMODITY-PROCESSING AND ALLIED MACHINERIES' TO SUPPORT TOBACCO FARMERS, COOPERATIVES, AND ASSOCIATIONS TRANSITIONING FROM TOBACCO FARMING TO FOOD PROCESSING BUSINESSES"**

The reprogramming of these funds is thus an essential step toward ensuring that tobacco farmers are not left behind in Isabela’s development trajectory. It reflects the Provincial Government’s commitment to **inclusive rural development**, fostering a shift from tobacco farming to more sustainable, health-promoting activities that offer long-term economic security. This ordinance not only supports the economic goals of the province but also aligns with the **national government’s health initiatives** to reduce tobacco use and its associated health risks, further promoting healthier lifestyles across the province.

In conclusion, this ordinance represents a critical realignment of resources that will enable Isabela to continue its progress toward a **more diversified and health-oriented agricultural economy**, ensuring that tobacco farmers are provided with the tools and support needed to transition to sustainable livelihoods in food processing and other value-added agricultural enterprises. Thus, the immediate passage of this ordinance is earnestly sought.

**AN ORDINANCE APPROVING THE REPROGRAMMING OF ONE HUNDRED TWELVE MILLION SEVEN HUNDRED THOUSAND PESOS (P112,700,000.00) FROM THE "AGRO-INDUSTRIAL PROJECTS FOR ENTREPRENEURSHIP AND COOPERATIVES LIVELIHOOD PROGRAMS' UNDER THE TOBACCO EXCISE TAX SHARES OF THE PROVINCIAL GOVERNMENT OF ISABELA (FISCAL YEAR 2020 COLLECTIONS) TO THE 'PROCUREMENT OF AGRICULTURAL COMMODITY-PROCESSING AND ALLIED MACHINERIES' TO SUPPORT TOBACCO FARMERS, COOPERATIVES, AND ASSOCIATIONS TRANSITIONING FROM TOBACCO FARMING TO FOOD PROCESSING BUSINESSES"**

**SECTION 1. Coverage.** This Ordinance shall cover the accounts stated in Section 2 hereof.

**SECTION 2. Reprogramming of Amounts.** That the amount FROM –

<b>PROGRAMS PROJECTS AND ACTIVITIES</b>	<b>FUNDING SOURCE</b>	<b>AMOUNT</b>
1. Agro-Industrial projects for Entrepreneurship and Cooperatives Livelihood Program	Tobacco Excise Tax (PGI Share FY 2020)	<b>112,700,000.00</b>
Total		<b>112,700,000.00</b>

**IS HEREBY REPROGRAMMED TO:**

<b>PROGRAMS PROJECTS AND ACTIVITIES</b>	<b>FUNDING SOURCE</b>	<b>AMOUNT</b>
1. Procurement of Agricultural Commodity-Processing and Allied Machineries in support to tobacco farmers, cooperatives and associations shifting from tobacco farming to food processing business	Tobacco Excise Tax (PGI Share FY 2020)	<b>112,700,000.00</b>
Total		<b>112,700,000.00</b>

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**Section 3. Utilization of Funds.** The disbursement and utilization of funds to be made pursuant to this Ordinance shall adhere to existing government budgeting, accounting, and auditing laws, rules, and regulations.


**Section 4. Authority to Reprogram.** To ensure that the resources and development plans of the Provincial Government of Isabela are responsive to the current development issues and that its programs, plans, and activities are effectively implemented, the Governor is hereby empowered to augment or reprogram any savings that may be derived from the herein reprogrammed funds to any item within the same appropriation.

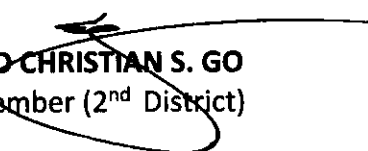
**Section 5. Effectivity.** This Ordinance shall take effect immediately upon its approval.

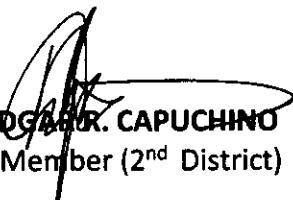
I hereby certify that the foregoing ordinance was duly enacted by the Sangguniang Panlalawigan of Isabela during its 107<sup>th</sup> Regular Session on October 15, 2024.


  
**ATTY. FRANCIS JAMES E. MEER**  
Secretary to the Sangguniang Panlalawigan


**DELFINITO EMMANUEL L. ALBANO (O.L.)**  
Member (1<sup>st</sup> District)


  
**EMMANUEL JOSELITO B. ANES**  
Member (1<sup>st</sup> District)

  
**ED CHRISTIAN S. GO**  
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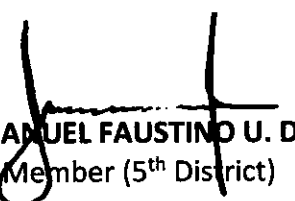
  
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**FAUSTINO G. DY III**  
Vice Governor

**APPROVED:**

  
**RODOLFO T. ALBANO III**  
Governor