

**TITLE 9
AGRICULTURE**

**Chapter 1
Agriculture Commission
[Repealed]**

§ 101. [Repealed]

§ 102. [Repealed]

§ 103. [Repealed]

Source

PDC § 207, modified; repealed by RPPL 4-14 § 1(1).

Chapter 2
Agricultural Revolving Fund

- § 201. Fund established.
- § 202. Purpose of fund.
- § 203. Administration of fund.

§ 201. Fund established.

There is hereby established within the National Treasury a separate account to be known as the Palau Agricultural Fund. All funds formerly maintained in the Palau Agricultural Revolving Fund shall be deposited into the Palau Agricultural Fund.

Source

PDC § 208, divided into sections, rewritten and modified. Amended by RPPL 6-37 § 26(b).

Notes

Section 26(a) of RPPL 6-37 reads: “Amendment: Palau Agriculture Fund. (a) Legislative findings. The Olbiil Era Kelulau finds that the Palau Agricultural Revolving Fund, established during the Trust Territory Administration, has not since the independence of the Republic been administered in accordance with the Constitution, Article XII, Section 1, which requires that all revenues to the national government be deposited into the National Treasury for appropriation pursuant to law. Changes to the law establishing this fund are therefore long overdue. It is appropriate to redesignate the Fund simply as the Palau Agricultural Fund, which is to be a separate fund within the National Treasury, and assign the administration of this fund to the Bureau of Agriculture of the Ministry of Resources and Development.”

Republic of Palau v. Carreon, 19 ROP 66, 81, 82 (2012).

§ 202. Purpose of fund.

The Palau Agricultural Fund shall be earmarked for appropriation to the Ministry of Natural Resources, Environment, and Tourism, to be used by the Bureau of Agriculture for the purpose of purchasing seeds, fertilizers, insecticides, hog and chicken feed, and small hand tools, and then selling such items to farmers in the Republic at CIF prices plus a mark-up of not more than ten percent (10%). All revenues derived from sales of items pursuant to this section shall be deposited into the Palau Agricultural Fund.

Source

PDC § 208, divided into sections, rewritten and modified. Amended by RPPL 6-37 § 26(b)[202].

Notes

“Ministry of Natural Resources, Environment, and Tourism” read “Ministry of Resources and Development” and was amended by RPPL 7-43 § 2, *see* 2 PNCA § 102.

AGRICULTURE REVOLVING FUND 9 PNCA § 203

§ 203. Administration of fund.

The fund shall be administered by the Bureau of Agriculture of the Ministry of Natural Resources, Environment, and Tourism. The Bureau shall maintain proper records of all purchases and sales made under the fund, and shall submit quarterly reports to the Ministry of Natural Resources, Environment, and Tourism summarizing the purchases and sales made under the fund.

Source

PDC § 208, divided into sections, rewritten and modified. Amended by RPPL 6-37 § 26(b)[203].

Notes

“Ministry of Natural Resources, Environment, and Tourism” read “Ministry of Resources and Development” and was amended by RPPL 7-43 § 2, *see* 2 PNCA § 102.

**Chapter 3
Farm Loan Program**

- § 301. Farm loan program established.
- § 302. Eligibility.
- § 303. Business and technical assistance.
- § 304. Farm loan program annual report and expiration

§ 301. Farm loan program established.

There is hereby established an agricultural and aquaculture development and technical assistance loan program to be called the “Farm Loan Program.” This program shall be administered by the National Development Bank of Palau (“NDBP”) with the assistance and cooperation of the Palau Small Business Development Center (“SBDC”) and the relevant Bureau within the Ministry of Natural Resources, Environment and Tourism, including the Bureau of Agriculture and the Bureau of Marine Resources. Under this program, NDBP shall offer loans of not more than twenty thousand dollars (\$20,000) to qualified Palauan citizens at the rate of three percent (3%) interest per year. NDBP shall establish credit eligibility standards for this program. Nothing in this chapter shall be construed to apply retroactively to loans made before the effective date of this chapter, or to affect such loans in any way.

Source

RPPL 9-13 § 2, modified.

Notes

RPPL 9-13 § 1 reads: Legislative Findings. The Olbiil Era Kelulau finds that much of the Republic’s produce is imported, resulting in additional cost to consumers, less income to local farmers, and a threat to food security. The Olbiil Era Kelulau finds that the appropriate solution is for the government to proactively support the development of local farms. The Olbiil Era Kelulau also finds that the Republic has the resources to develop its agricultural and aquaculture industry. A program that integrates the assistance of business development, financial resources, and technical assistance is the key resource that the government should provide to local farmers. Therefore, the National Development Bank of Palau shall provide small-scale financing to farming start-ups, contingent upon the applicant working with the Bureau of Agriculture and the Bureau of Marine Resources to receive technical assistance to operate the farm and perform strategic planning. The Olbiil Era Kelulau finds that the Republic’s current resources of the Palau Small Business Development Center, the National Development Bank of Palau, and the Ministry of Natural Resources, Environment, and Tourism are the appropriate entities to be charged to assist in filling this gap in the Republic’s economy. The Olbiil Era Kelulau further finds that tourism is the main industry in the Republic. Promoting agriculture and aquaculture farming will increase local food production which tourists will purchase, thereby maximizing the profits to be realized from tourism and farming.

§ 302. Eligibility.

In addition to the credit eligibility standards and other loan criteria established by NDBP for this program, the application for this loan must also require a written business plan prepared with the SBDC and Ministry of Natural Resources, Environment, and Tourism that demonstrates how SBDC and the Bureau of Agriculture and the Bureau of Marine Resources will establish and continue its assistance to the applicant throughout the development of the local farm. The SBDC and the Ministry of Natural Resources, Environment, and Tourism shall respond within ninety (90) days to a request by a loan applicant for assistance with development of a written business plan for purposes of applying for a loan under this program.

Source

RPPL 9-13 § 3, modified.

§ 303. Business and technical assistance.

The Palau Small Business Development Center and the Ministry of Natural Resources, Environment, and Tourism shall provide technical and advisory assistance to the recipients of this loan throughout the life of the loan. This assistance will include, at a minimum, assisting loan applicants in preparing written agricultural or aquaculture business plans, suitable crop or livestock selection, operational assistance, harvest methods, market selection, farm to market strategies including transportation, and financial management of agricultural or aquaculture projects.

Source

RPPL 9-13 § 4, modified.

§ 304. Farm loan program annual report and expiration.

(a) The National Development Bank of Palau, in collaboration with the Palau Small Business Development Center and the Ministry of Natural Resources, Environment, and Tourism, shall provide an annual report to the President and both houses of the Olbiil Era Kelulau by April 1 of each year that the Farm Loan Program remains in effect. The report shall summarize the state of the Farm Loan Program by providing details regarding the number of projects funded through the program, the amount of funds issued through the program, and information regarding the development and success of each project funded by the program.

(b) Unless reauthorized by law, the provisions of the Farm Loan Program shall expire five (5) years after the enactment of this chapter.

Source

RPPL 9-13 § 5, modified.