Republic of the Philippines HOUSE OF REPRESENTATIVES

Quezon City, Metro Manila

NINETEENTH CONGRESS 1st Regular Session

House Bill No. **7711**



Introduced by Representatives PAOLO Z. DUTERTE, ERIC G. YAP, and EDVIC G. YAP

EXPLANATORY NOTE

According to the 1987 Constitution, the mandate of the state to the agricultural sector includes provision of support for appropriate technology and research and adequate financial, production, marketing, and other support services.

The Philippine Center for Postharvest Development and Mechanization (PhilMech), an attached agency of the Department of Agriculture (DA), highlights that postharvest losses among major farm commodities in the Philippines range from 10 to 50 percent (10% - 50%). For palay alone, the PhilMech accentuates that losses range as much as twenty-five percent (25%) for the past ten (10) years.

The need for an intervention program to accelerate post-harvest industry becomes apparent. Hence, the proposed measure seeks to establish post-harvest facilities in every rice-producing municipality and city in the Philippines upon the condition that in the initial phase of the program, every legislative district with at least one-rice producing municipality shall be the beneficiary of at least one (1) warehouse and one (1) rice mill. Through the said measure, postharvest losses will be reduced, if not eliminated, resulting to a massive increase in the food production in the country.

PAOLO A DUTERTE ERIC G. YAP EDVIC G. YAP

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AN ACT PROVIDING POST-HARVEST FACILITIES FOR PALAY AND RICE FARMERS

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

SECTION 1. *Short Title -* This Act shall be known as the "Post-Harvest Facilities Support Act of 2022".

- **SEC. 2.** *Declaration of Policy* It shall be the policy of the State to attain national food security though the promotion of agricultural and rural development. In particular, the State shall endeavor to provide for agricultural infrastructure and facilities necessary to increase the farmers' incomes, and at the same time, decrease the prices of agricultural produce, rice and palay, in particular. It shall also be the policy of the State to encourage and strengthen farmers' organizations and cooperatives as partners of the government in achieving its economic development goals for the agricultural sector in the country.
- **SEC. 3.** Construction of Post-Harvest Facilities The Department of Agriculture (DA) and the Department of Agrarian Reform (DAR), in coordination with the Department of Public Works and Highways (DPWH), and in consultation with concerned farmer cooperatives, shall construct warehouses and rice mills in every rice-producing municipality and city in the Philippines: *Provided*, that in the initial phase of the program, every legislative district with at least one-rice producing municipality shall be the beneficiary of at least one (1) warehouse and one (1) rice mill.
- **SEC. 4.** *Provision of Equipment and Machineries* The Department of Trade and Industry (DTI), in consultation with the DA, the DAR and farmers' cooperatives, shall provide the equipment and machineries, including transport facilities, necessary to complement and operate the warehouses and rice mills: *Provided*, that such warehouses and rice mills, including the equipment, machineries and transport facilities required to operate them, shall be sold to the concerned accredited farmers' cooperatives which shall be given a period of twenty-five (25) years within which to amortize the cost of the same without interest.

- **SEC. 5.** *Implementing Rules and Regulations* Within sixty (60) days from the effectivity of this Act, the DAR, the DAR, the DPWH and the DTI shall jointly formulate and promulgate the rules and regulations necessary for the effective implementation of this Act.
- **SEC. 6.** Appropriation The amount of One Billion Pesos (P1,000,000,000.00) is hereby initially appropriated for the program upon approval of this Act. Thereafter, the amount necessary to pursue the program shall be incorporated in the General Appropriations Act, funding of which shall partly be sourced from the savings realized from the phasing out of palay and rice subsidies, and from the amortizations accumulated thereof.
- **SEC. 7.** *Separability Clause.* If any provision of this Act, or any parts thereof, is declared unconstitutional, the same shall not affect the validity and effectivity of the other portions.
- **SEC. 8.** *Repealing Clause.* All laws, executive orders, presidential decrees, proclamations, rules, regulations, issuances and enactments of parts thereof inconsistent with this Act are hereby repealed or modified accordingly.
- **SEC. 9.** *Effectivity.* This Act shall take effect fifteen (15) days from its complete publication in the *Official Gazette* or in a newspaper of general circulation in the Philippines, whichever comes earlier.

Approved,