

SENATE

'19 JUL -1 A11 :07

Senate Bill No. 33

Introduced by Senator FRANCIS N. PANGILINAN

AN ACT
PROVIDING POST-HARVEST FACILITIES TO RICE FARMERS

EXPLANATORY NOTE

A 2010 study of the Philippine Center for Postharvest Development and Mechanization (PHilMech) and the Philippine Rice Research Institute (PhilRice) said that "a total of 16.47% grain losses incurred during the postharvest activities. Both drying and milling have the highest recorded losses with 36% and 34% share respectively."

The issue of postharvest losses in rice has been partly addressed by the enactment of Republic Act No. 11203 or an Act Liberalizing the Importation, Exportation and Trading of Rice, Lifting for the Purpose the Quantitative Import Restrictions on Rice, and for Other Purposes. RA No. 11203 allocates 50% of the Rice Fund to be "released to and implemented by the Philippine Center for Postharvest Development and Mechanization (PHilMech) as grant in kind to eligible farmers associations, registered rice cooperatives and local government units (LGUs), in the form of rice farm equipment, such as tillers, tractors, seeders, threshers, rice planters, harvesters, irrigation pumps, small solar irrigation, reapers, driers, millers, and the like, for purposes of improving farm mechanization." However, postharvest losses in rice occur not only in drying and milling but also in harvesting, piling, threshing and storage; and this will result in more than two million metric tons of rice lost.

Hence, to further improve lowering postharvest production losses, this bill proposes that government constructs and provides postharvest facilities like warehouses, rice mills, and transport facilities; and sells these postharvest facilities at cost to accredited farmer cooperatives. A version of this measure was filed by Senator Trillanes in the 17th Congress.

In view of the foregoing, the approval of this bill is earnestly sought.


FRANCIS N. PANGILINAN



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

1 **SECTION 1. Title.** - This Act shall be known as the "*Post-Harvest Facilities Support*
2 *Act of 2019.*"

3 **SEC. 2. Declaration of Policy.** - It is the policy of the State to promote agricultural
4 and rural development. Specifically, the State aims to raise farm incomes to a level high
5 enough to allow farmers to satisfy their material needs and enhance their self-esteem. It
6 is also the policy of the State to encourage and strengthen non-government organizations,
7 such as farmer organizations, cooperatives, and enterprises.

8 **SEC. 3. Post-Harvest Facilities.** - The Department of Public Works and Highways,
9 in consultation with the Department of Agriculture, the Department of Agrarian Reform,
10 and farmer cooperatives shall construct warehouses and rice mills in every rice-
11 producing municipality and city in the Philippines: *Provided, That* in the initial phase of
12 the program, every district with at least one rice-producing municipality shall be the
13 beneficiary of at least one warehouse and rice mill.

14 Additionally, the Department of Trade and Industry, in consultation with the
15 Department of Agriculture, the Department of Agrarian Reform, and farmer

1 cooperatives, shall provide the equipment and machinery required to operate these
2 warehouses and rice mills as well as the necessary transport facilities.

3 **SEC. 4. *Acquisition of Farmer Cooperatives.*** - The warehouses and rice mills,
4 including the equipment and machinery required to operate them, shall be sold at cost to
5 accredited farmer cooperatives which will be given 25 years to amortize the facilities.

6 **SEC. 5. *Funding.*** - The amount of One Billion Pesos (Php 1,000,000,000.00) is initially
7 appropriated for the program. In subsequent years, funding for the program shall be
8 incorporated in the General Appropriations Act.

9 **SEC. 6. *Rules and Regulations.*** - Within thirty (30) days from the effectivity of this
10 Act, the Department of Public Works and Highways, the Department of Agriculture, the
11 Department of Agrarian Reform, and the Department of Trade and Industry shall jointly
12 promulgate the implementing rules and regulations necessary for the full
13 implementation of this Act.

14 **SEC. 7. *Separability Clause.*** - If any provision of this Act is declared invalid or
15 unconstitutional, the other provisions not affected by such declaration shall remain in full
16 force and effect.

17 **SEC. 8. *Repealing Clause.*** - All laws, executive orders, administrative orders, and
18 rules and regulations inconsistent with this Act are hereby repealed or amended
19 accordingly.

20 **SEC. 9. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days after its
21 complete publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,