

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Seventeenth Congress
First Regular Session

HOUSE BILL NO. 5916



Introduced by Honorable Michaelina M. Antonio

EXPLANATORY NOTE

Article XII, Section 1 of the Constitution provides that the State shall promote industrialization and full employment based on sound agricultural development and agrarian reform, and that in the pursuit of these goals, all sectors of the economy and all regions of the country shall be given optimum opportunity to develop.

For us to achieve rice self-sufficiency and for our agricultural sector to develop, there is a need to make appropriate procedures, technologies, and facilities accessible to our farmers at every stage of rice production.

This necessarily includes providing our rice farmers with post-harvest support. Based on a study of PhilMech and PhilRice (2010), a total of 16.47% grain losses are incurred during the postharvest activities, with drying and milling setting the highest recorded losses with 36% and 34% share respectively.¹ These losses can be reduced by 5 to 10% with mechanized drying and harvesting; therefore, government postharvest support must be increased.

This bill aims to have our government, through the Department of Public Works and Highways (DPWH), Department of Agriculture (DA), and Department of Agrarian Reform (DAR), construct post-harvest facilities like warehouses, rice mills, and transport facilities. This will also provide them with the equipment and machinery necessary to operate these warehouses and rice mills. These facilities and equipment will be acquired by farmers' cooperatives at cost to be amortized for 25 years. The farmers' control and ownership of these facilities will, as a consequence, increase their income significantly.

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


MICHELLE M. ANTONIO

¹ <http://www.philmec.gov.ph/?page=phlossinfo>

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**AN ACT PROVIDING POST-HARVEST FACILITIES TO RICE FARMERS
AND APPROPRIATING FUNDS THEREFOR**

*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 2017."

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

SEC. 3. *Creation of Warehouses and Rice Mills* - The Department of Public Works and Highways, in consultation with the Department of Agriculture, the Department of Agrarian Reform, and farmers' 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 district with at least one rice-producing municipality shall be the beneficiary of at least one warehouse and rice mill.

SEC. 4. *Grant of Necessary Equipment and Machinery* – The Department of Trade and Industry, in consultation with the Department of Agriculture, the Department of Agrarian Reform, and farmer cooperatives, shall provide the equipment and machinery necessary to operate these warehouses and rice mills as well as the necessary transport facilities. These include, but are not limited to dryers, silos, and modern processing equipment.

SEC. 5. *Amortization* – The warehouses and rice mills, including the equipment and machinery required to operate them, shall be sold to the accredited farmers' cooperatives which will be given 25 years to amortize the facilities at cost or without interest.

SEC. 6. *Appropriations* – The amount of One Billion (P1-B) Pesos is initially appropriated for the program. In subsequent years, the amount necessary to pursue the program shall be incorporated in the General Appropriations Act, and the funding shall come from, among others, the savings realized from the phasing out of the palay and rice subsidies and from amortizations then accumulated.

SEC. 7. *Implementing Rules and Regulations* – Within thirty (30) days from the effectivity of this Act, the Department of Public Works and Highways, the Department of Agriculture, the Department of Agrarian Reform and the Department of Trade and Industry shall jointly promulgate the necessary rules and regulations to implement this Act.

SEC. 8. *Separability Clause* – If any provision in this Act or the application thereof is held invalid or unconstitutional, the validity of other provisions not affected thereby, shall be in full force and effect.

SEC. 9. *Repealing Clause* – All laws, decrees, orders, proclamations, rules and regulations, and other issuances, inconsistent herewith, are hereby repealed or modified accordingly.

SEC. 10. *Effectivity Clause* – This Act shall take effect upon its approval.

Approved,