

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

19TH CONGRESS
First Regular Session

HOUSE BILL NO. 5857



Introduced by Representative Michael L. Romero

EXPLANATORY NOTE

The government created the National Postharvest Institute for Research and Extension (NAPHIRE) on May 24, 1978 by virtue of Presidential Decree No. 1380 to accelerate the development of the grains postharvest industry in the country. Its actual operations started in 1980 as a subsidiary corporation of the National Grains Authority (NGA) through Letter of Implementation No. 123. In 1982, a further expansion of its mandate incorporating all other food commodities was made through Letter of Instruction No. 1142 when NGA became the National Food Authority (NFA).

NAPHIRE became an attached agency of the Department of Agriculture (**DA**) in 1986 through Executive Order 116. In 1992, it was transformed into a regular agency through Executive Order 494 and was renamed as the Bureau of Postharvest Research and Extension (BPRE).

However, by virtue of EO 366 or the government's 2004 Rationalization Program, the BPRE was rationalized and renamed into the **Philippine Center for Postharvest Development and Mechanization (PHilMech)**.

This House Bill seeks to provide **Modernization Funding** to the **Philippine Center for Postharvest Development and Mechanization (PHilMech)**, to promote the agriculture and fishery sectors by increasing resource-use efficiency and productivity, reducing losses and adding value to the produce through partnership-based R&D, extension, commercialization, and deployment of appropriate postharvest and mechanization technologies.

Thus, the early passage of this bill is earnestly requested.

A handwritten signature in black ink, appearing to read 'Michael L. Romero', with a long horizontal flourish extending to the right.

MICHAEL L. ROMERO

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AN ACT

PROVIDING FOR MODERNIZATION FUNDINGFOR THE
**PHILIPPINE CENTER FOR POSTHARVEST DEVELOPMENT AND
MECHANIZATION (PHILMECH)**, INCREASING AND
REORGANIZING ITS ADMINISTRATION, TO PROMOTE A PREMIER
CENTER FOR POSTHARVEST AND MECHANIZATION
DEVELOPMENT, GLOBALLY COMPETITIVE, AND FOOD-SECURE
PHILIPPINES WITH EMPOWERED AND PROSPEROUS FARMERS
AND FISHERFOLKS AND FOR OTHER PURPOSES

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

SECTION 1. DECLARATION OF POLICY – It shall hereby be a declared policy of the State to mandate **PHilMech** to generate, extend and commercialize appropriate and problem-oriented agriculture and fishery postharvest and mechanization technologies, practices and systems.

The **PHilMech** shall further expand to include mechanization concerns from production to postproduction through the coordination and execution of research and extension activities and application of postproduction and agricultural mechanization technologies, in addition to its original mandate of developing the postharvest industry.

The state shall continually improve the effectiveness of our Quality Management System towards equitable development for improved quality of life for all.

The state shall formulate policies for the efficient and effective administration and management of all manpower, skills and competencies to ensure compliance.

SECTION 2. MODERNIZATION FUNDING. – The amount of Five Hundred Million Pesos (**Php 500,000,000.00**) for the operation and administration of the **Philippine Center for Postharvest Development and Mechanization (PHilMech)** shall be chargeable against funds for the purpose and other sources recommended by the **Department of Budget and Management (DBM)**. Thereafter, appropriations for the **Philippine Center for Postharvest Development and Mechanization (PHilMech)** shall be included in the budget proposals under the Department Agriculture (**DA**).

The Department of Budget and Management (**DBM**) shall rationalize the existing organizational structure and staffing pattern of the in accordance with the provisions of this Act and relevant compensation and position classification laws, rules and regulations.

Thereafter, the amount needed for the continued implementation of the modernization program, shall be included in the annual General Appropriations Act (**GAA**).

SECTION 3. A PHILIPPINE CENTER FOR POSTHARVEST DEVELOPMENT AND MECHANIZATION (PHILMECH) MODERNIZATION FUND – There is hereby created the (**PHILMECH**) *Modernization Fund* to be used exclusively for the (**PHILMECH**) *Modernization Program*.

The **(PHILMECH)** *Modernization Fund* shall be administered by the Secretary of the **DA** in accordance with existing government budgeting, accounting and auditing rules and regulations.

SECTION 4. PROGRESS REPORT – The Secretary of **DA** shall prepare an annual report on the status of the implementation of the **(PHILMECH)** *Modernization Programs* which shall be submitted, to the Office of the President and to the Chairpersons of the Committee of Agriculture and Food of the Senate and the House of Representatives.

SECTION 5. PERIOD OF IMPLEMENTATION – The modernization program under this Act shall be implemented for an initial period of two **(2)** years:

Provided, that payments for multi-year contract obligations incurred under this Act may extend beyond this period:

Provided, further, That the **Philippine Center for Postharvest Development and Mechanization (PHilMech)** shall continue to develop, modernize and constantly update its operational capabilities to keep pace with best global practices.

SECTION 6. POWERS AND FUNCTIONS. – The **Philippine Center for Postharvest Development and Mechanization (PHilMech)** shall continue to exercise and uphold the following powers and functions; but not limited to:

With the approved rationalization plan, the functions of **PHilMech**, formerly BPRE, has been strengthened. As a center, it is responsible for the conduct of innovative studies, research and development, acquisition, adaptation and development of strategies for the effective dissemination and application of technologies.

The **PHilMech** is tasked to empower the agri-fishery sector through the effective delivery of the following functions:

- a) **PHilMech** takes the lead in the formulation and execution of mechanization and postharvest systems research and development in the agriculture and fishery sector;
- b) **PHilMech** adopts comprehensive training, extension and applied communication approaches and strategies; and
- c) **PHilMech** aggressively builds strategic alliances with RFUs, LGUs, academe, equipment manufacturers and other relevant local and international institutions in the conduct of its programs and projects.

SECTION 7. INCREASE OF PERSONNEL. – The **Philippine Center for Postharvest Development and Mechanization (PHilMech)** shall maintain the sufficient staffing pattern. Hence, it is authorized to increase its manpower to meet such required and may continue to increase personnel per percentage rate increase of committed mandates annually or as the need arises.

SECTION 8. TRANSITORY PROVISION – Existing industries, businesses and offices affected by the implementation of this Act shall be given six **(6)** months transitory period from the effectivity of the IRR or such other period as may be determined, to comply with the requirements of this Act.

SECTION 9. IMPLEMENTING RULES AND REGULATIONS. – The departments and agencies charged with carrying out the provisions of this Act shall, within sixty **(60)** days after the effectivity of this Act, formulate the necessary rules and regulations for its effective implementation.

SECTION 10. REPEALING CLAUSE. – All laws, decrees, executive orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 11. SEPARABILITY CLAUSE. – If, for any reason, any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.

SECTION 12. EFFECTIVITY CLAUSE. – This Act shall take effect after fifteen (15) days from its publication in the Official Gazette or in at least two (2) national newspapers of general circulation whichever comes earlier.

Approved,