

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

Twentieth Congress
First Regular Session

HOUSE BILL NO. 4005



Introduced by **Representative RAYMOND ADRIAN SALCEDA**

AN ACT
ESTABLISHING THE ITARAN MULTIGRAIN CENTER IN THE MUNICIPALITY
OF POLANGUI, PROVINCE OF ALBAY, AND APPROPRIATING FUNDS
THEREFOR

EXPLANATORY NOTE

The agriculture sector continues to suffer from post-harvest losses, poor farm-gate prices, and lack of access to modern processing and storage facilities. These inefficiencies cut into farmer incomes and weaken food security.

To address these constraints, the Department of Agriculture – Regional Field Office V approved the establishment of a **₱250 million Multi-Grain Facility and Storage in Barangay Itaran, Polangui, Albay**. The feasibility study demonstrates that the project is technically, financially, and economically viable, with a Financial Internal Rate of Return (FIRR) of 27.6 percent, a Benefit-Cost Ratio (BCR) of 2.69, and a positive Net Present Value (NPV) of ₱487 million.

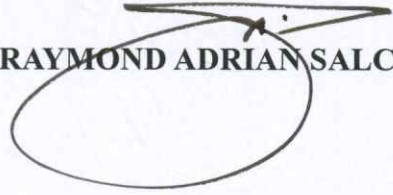
The Center will directly benefit **5,000 hectares of corn and rice farms** in the 3rd District of Albay, providing drying, milling, storage, and marketing services. Its storage and processing capacity will help guarantee higher buying prices (at least ₱1.50 per kilogram more than traditional traders) and ensure a steady market for farmers.

The project also introduces modern mechanization, reinforced infrastructure against typhoons, and climate-resilient post-harvest technologies. It will serve as a **Common Service Facility (CSF)** managed by the Department of Agriculture in partnership with farmer cooperatives, with oversight by an inter-agency committee including Bicol University, the Agricultural Training Institute, and the Local Government Unit of Polangui.

Institutionalizing this facility through legislation ensures sustainable national government funding, long-term protection of the investment, and a clear governance framework for farmer cooperatives to maximize its benefits.

The passage of this measure will mark a major step in making Polangui, and the 3rd District of Albay, a **regional hub for grain processing, storage, and value-adding**—a vital backbone of food security and rural development in the Bicol Region.

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



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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 *Itaran Multigrain Center Act*.

SEC. 2. *Declaration of Policy.* It is the policy of the State to ensure food security, reduce post-harvest losses, and promote higher farmer incomes by providing modern, efficient, and climate-resilient agro-industrial facilities. Toward this end, the State shall establish multigrain processing and storage centers that serve as common service facilities for farmer cooperatives and associations.

SEC. 3. *Establishment of the Itaran Multigrain Center.* There is hereby established a Multigrain Facility and Storage Center in Barangay Itaran, Municipality of Polangui, Province of Albay, to serve as a centralized hub for drying, milling, storage, and processing of rice, corn, and other grains.

SEC. 4. *Lead Implementing Agency.* The Department of Agriculture (DA), through the Philippine Center for Postharvest Development and Mechanization (PhilMech), in coordination with the Local Government Unit of Polangui and accredited farmer cooperatives and associations, shall oversee the management, operations, and development of the Center.

SEC. 5. *Functions.* The Center shall:

- (a) Provide modern drying, milling, and storage services for rice, corn, and other grains;
- (b) Serve as a consolidation hub to guarantee higher farm-gate prices and steady supply for institutional buyers;
- (c) Reduce post-harvest losses and improve grain quality;

- (d) Offer processing, packaging, and value-adding services for corn-based feed, rice by-products, and other agro-industrial products; and
(e) Serve as a demonstration site for advanced mechanization and post-harvest technologies.

SEC. 6. *Appropriations.* The amount of ₱250,000,000.00 necessary for the initial implementation of this Act shall be charged against the funds of the Department of Agriculture. Thereafter, such sums as may be needed for its continued operation and maintenance shall be included in the annual General Appropriations Act.

SEC. 7. *Implementing Rules and Regulations.* Within ninety (90) days from the effectivity of this Act, the Department of Agriculture shall, in coordination with the Local Government Unit of Polangui, the Provincial Government of Albay, and concerned stakeholders, promulgate the rules and regulations to implement this Act.

SEC. 8. *Separability Clause.* If any provision of this Act is declared unconstitutional or invalid, the remaining provisions not affected shall remain in full force and effect.

SEC. 9. *Repealing Clause.* All laws, decrees, executive orders, and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 10. *Effectivity.* This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,