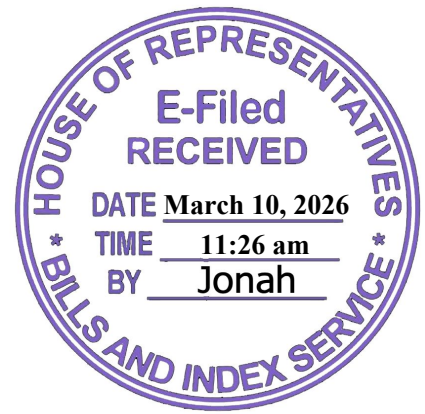


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. 8405



Introduced by Representative ERIC G. YAP

EXPLANATORY NOTE

This bill seeks to establish a vegetable processing plant in the province of Benguet to mitigate the perennial oversupply problem of farmers. This plant will be equipped with technology for processing, preservation, and packaging of vegetables to enhance their market value and shelf life. The plant will provide farmers with the means to process and add value to their produce, enabling them to access new markets and reduce the impact of oversupply.

The oversupply of vegetables is a recurring problem for Benguet farmers annually, leading to significant economic challenges. Reports from news agencies frequently highlight instances where unsold vegetables are discarded, reflecting a severe mismatch between production and market demand¹. This surplus often results in vegetables being dumped, causing food waste and financial losses to farmers. To mitigate further losses, some farmers opt to leave their crops to wither in the fields rather than harvest them, as the costs associated with harvesting, transporting, and marketing these vegetables can outweigh potential revenue. This practice not only increases food waste but also represents a missed opportunity to use these resources effectively.

The occurrence of vegetable oversupply may be inevitable but processing these surplus vegetables into new products can significantly mitigate the problem. For instance, processing Wombok (Chinese cabbage) into Kimchi, potatoes into ready-to-cook fries, preserved carrots and peas, and other crops into dehydrated snacks and condiments offers a viable solution. Unfortunately, Benguet lacks the necessary processing plant to address this.

The development and implementation of market promotion campaigns will further increase awareness and demand for processed Benguet vegetables and other crops in both domestic and international markets. This effort will focus on branding Benguet vegetables as premium products known for their quality, freshness, and nutritional value, thereby enhancing their competitiveness in the global market.

¹ CASUCIAN, J. 2025. Farmers dump up to 5 tons of unsold carrots in Benguet. GMA Integrated News. Accessed in <https://www.gmanetwork.com/news/topstories/regions/947070/farmers-dump-up-to-5-tons-of-unsold-carrots-in-benguet/story>

The establishment of a vegetable processing plant in Benguet is a crucial step towards addressing the perennial problem of vegetable oversupply. Improving market access, reducing food waste, and enhancing the profitability of vegetable farming will contribute significantly to the sustainable development of the agricultural sector in the province Benguet.

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



HON. ERIC G. YAP

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

TWENTIETH CONGRESS
First Regular Session

House Bill No. **8405**

Introduced by Representative ERIC G. YAP

AN ACT
ESTABLISHING A VEGETABLE PROCESSING PLANT IN THE PROVINCE OF
BENGUET, AND APPROPRIATING FUNDS THEREOF

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 Benguet Vegetable Processing Plant Act*".

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to promote sustainable agricultural practices, reduce food waste, and enhance the profitability of farming through the establishment of a processing plant. This Act aims to address the issue of vegetable oversupply in Benguet by providing the necessary infrastructure to enable farmers to process and add value to their farm produce.

SEC. 3. *Definition of Terms.* – As used in this Act:

a. Vegetable Processing Plant refers to a specialized infrastructure equipped with machinery, technology, and plants necessary for training and processing, preservation, and packaging of vegetables into various products;

b. Farmers Organization refers to any association or cooperative composed primarily of farmers engaged in vegetable production and related activities within Benguet; and

c. Market Promotion Campaigns refer to strategic initiatives and activities aimed at raising awareness, enhancing visibility, and increasing demand for processed Benguet vegetables in both domestic and international markets. These campaigns include branding, marketing, and promotional efforts to highlight the quality, freshness, and nutritional value of Benguet vegetables.

SEC. 4. *Establishment of the Benguet Vegetable Processing Plant.* – The Department of Agriculture (DA) is hereby mandated to establish a vegetable processing plant in a strategic location within the province of Benguet. This plant shall be equipped with machineries and technology for training, processing, preservation, and packaging of vegetables to enhance their market value and shelf life. The establishment of the vegetable processing plant shall prioritize environmentally sustainable practices, including energy-efficient technologies and waste management systems to minimize environmental impact. The DA, in coordination with relevant agencies, shall oversee the planning, construction, and operation of the vegetable processing plant, ensuring alignment with national agricultural policies and standards.

SEC. 5. *Benguet Vegetable Processing Plant Board.* – The Benguet Vegetable Processing Plant Board (BVPPB) is hereby established to oversee the implementation of this Act. The council shall be composed of the following:

- a. Provincial Agriculturist of Benguet-PLGU as Chairperson;
- b. A representative from the DA Regional Office;
- c. A representative from the Department of Trade and Industry (DTI);
- d. Benguet Vegetable Processing Center as Manager;
- e. One (1) expert in agricultural processing appointed by the Chairperson, if applicable;
- f. One (1) expert in marketing appointed by the Chairperson, if applicable;
- g. One (1) representative from private sector partner, if applicable;
- h. Five (5) representatives from the Provincial Federation of Farmers Organizations in Benguet, one (1) representative from the following:
 - i. Head, Heart, Hands, Health Club (4-H Club);
 - ii. Rural Improvement Club (RIC);
 - iii. Pambansang Mannalon, Maguuma, Magbabaul, Magsasaka ng Pilipinas (P4MP);
 - iv. Federation of Benguet Farmers' Cooperative; and
 - v. Accredited Non-Government Organization relative to Agriculture and Food Processing.

The members of the board shall receive emoluments as determined by the Board and in accordance with existing budget and accounting rules and regulations. The representatives from farmers' organizations shall be endorsed by their respective organization through a resolution duly approved by their officers for a term of three (3) years, which can be renewed by the respective organization.

SEC. 7. *Roles and Responsibilities Benguet Vegetable Processing Plant Board (BVPPB).* – The Board shall be responsible for:

- a. Policy Development and Implementation
 - i. Develop comprehensive policies and guidelines for the efficient and effective operation of the vegetable processing plant;
 - ii. Ensure that the policies and guidelines align with national agricultural goals and sustainable practices; and
 - iii. Regularly review and update the policies to adapt to changing market conditions, technological advancements, and feedback from stakeholders.
- b. Address Operational Issues and Concerns
 - i. Serve as the primary body for addressing any issues or concerns that arise in the day-to-day operations of the plant;
 - ii. Implement mechanisms for receiving and resolving complaints, suggestions, and feedback from farmers, staff, and other stakeholders; and
 - iii. Facilitate dialogue and mediation in case of disputes or conflicts related to the use of the plant.
- c. Coordination of Market Promotion Campaigns and Market Linkages
 - i. Develop and coordinate comprehensive market promotion campaigns to increase awareness and demand for processed Benguet vegetables in both domestic and international markets; and
 - ii. Establish and strengthen market linkages between farmers, processors, distributors, and retailers.
- d. Monitoring and Evaluation
 - i. Implement a strong monitoring and evaluation framework to continuously assess the effectiveness of the plant and programs;

- ii. Conduct regular audits and inspections to ensure compliance with established standards and policies;
 - iii. Collect and analyze data on plant usage, production output and financial performance; and
 - iv. Use the insights gained from monitoring and evaluation to make informed decisions and policy adjustments.
- e. Financial Oversight
 - i. Ensure transparent and accountable management of financial resources allocated to the plant and programs;
 - ii. Approve budgets and oversee the financial planning and expenditure of the plant; and
 - iii. Secure additional funding and resources through grants, donations, and partnerships to support the sustainability and expansion of the plant and programs.
- f. Stakeholder Engagement and Public Awareness
 - i. Engage with a wide range of stakeholders including farmers, Farmers Organizations, LGUs, academic institutions, and private sector partners;
 - ii. Create a collaborative environment where stakeholders can contribute to the planning and decision-making processes;
 - iii. Organize regular consultations, forums, and workshops to gather input and feedback from stakeholders;
 - iv. Conduct public awareness campaigns to educate the community about the benefits of vegetable processing and value addition;
 - v. Highlight success stories and best practices to inspire and motivate farmers to participate in the programs; and
 - vi. Collaborate with educational institutions to somewhat incorporate vegetable processing and sustainable agriculture into their curricula.
- g. Innovation and Sustainability
 - i. Promote the adoption of innovative technologies and practices to enhance the efficiency and sustainability of vegetable processing;

- ii. Encourage research and development initiatives focused on improving processing techniques, product output, product quality, and environmental sustainability; and
- iii. Implement eco-friendly practices within the plant, such as waste reduction, recycling, and the use of renewable energy sources.

The roles and responsibilities of the BVPPB may be refined or expanded through the Implementing Rules and Regulations (IRR), should such adjustments be deemed necessary to ensure the body's effective and efficient operation.

SEC. 8. *Management Staff.* – The BVPPB shall appoint a Manager to oversee the overall operations of the vegetable processing plant. The Manager shall be supported by a dedicated team of technical and administrative staff. The organizational structure, along with its duties and responsibilities, shall be crafted in the Implementing Rules and Regulations based on the needs of the operation.

SEC. 9. *Marketing and Distribution of Processed Products.* – The processed vegetable products produced by the Benguet Vegetable Processing Plant shall be marketed, distributed, and sold by the Plant through its management, or in coordination with the Provincial Local Government Unit of Benguet, DTI, DA, and other relevant agencies.

The Plant, or with its partner agencies, as applicable, shall:

- a. Formulate and implement marketing strategies to promote the processed products in local, national, and international markets;
- b. Establish partnerships with wholesalers, retailers, institutional buyers, and online marketplaces to widen distribution channels;
- c. Ensure that marketing and sales activities are aligned with the market promotion campaigns developed under this Act;
- d. Maintain transparent accounting of revenues generated from sales, subject to existing auditing and government accounting rules and regulations; and
- e. Reinvest a portion of the revenues into the improvement, maintenance, and expansion of the plant and its services, consistent with BVPPB-approved financial management policies.

The BVPPB shall issue guidelines on pricing, branding, labeling, and revenue-sharing arrangements to ensure fairness, sustainability, and compliance with national quality and food safety standards.

SEC. 10. *Market Development and Promotion.* – The DA, in collaboration with the Department of Tourism, DTI, and other relevant agencies, shall develop and

implement market promotion campaigns and market linkages to increase awareness and demand for processed Benguet vegetables in domestic and international markets.

SEC 11. *Funding.* – The amount necessary for the implementation of this Act shall be appropriated from the national budget to finance the establishment of the vegetable processing plant. The operation and maintenance cost of the plant shall be allocated in the annual appropriations of the DA. Additional funding may be sourced from public-private partnerships, international grants, and other lawful means to supplement the budget allocated.

SEC 12. *Implementing Rules and Regulations.* – Within one hundred twenty (120) days from the effectivity of this Act, the DA, in consultation with relevant stakeholders, shall promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 13. *Repealing Clause.* – All laws, executive orders, letters of instructions, rules and regulations and other issuances, or provision thereof, which are inconsistent with the of this Act are hereby repealed, amended or modified accordingly.

SEC. 14. *Separability Clause.* – If any provision or portion of this Act are declared invalid or unconstitutional, the other provisions not affected, shall remain valid and subsisting.

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

Approved,