Republic of the Philippines

HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
3rd Regular Session

House Bill No. 10513

Introduced by Representative ERIC GO YAP

EXPLANATORY NOTE

The severe disparity in the price between imported rice and locally produced rice called for the President’s action of ordering the National Food Authority (NFA) to procure local farmers' palay. This incentive was set with the key intention of (1) lowering the price of palay in the country, and (2) augmenting the income of our local farmers. One of the main reasons why this initiative has not improved the situation is due to the moisture content of locally produced palay, which is considerably higher than the requirement of the NFA.

This bill seeks to establish rice drying facilities for both the NFA and the local farmers' use. The NFA shall procure, build, install, operate, manage, and/or maintain rice drying facilities sufficient in quantity and geographically accessible to local farmers to enable it to buy rice directly from local farmers. Through the procurement of such drying systems or facilities, the local farmers will be able to reach the moisture requirement of the NFA, thus assuring revenue.

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

ERIC GO YAP
AN ACT
MANDATING THE NATIONAL FOOD AUTHORITY TO ESTABLISH RICE DRYING FACILITIES 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 “NFA Rice Drying Facilities Act” of the Philippines.

SEC. 2. Declaration of Policy. It is the declared policy of the State to recognize the indispensable role of the agricultural sector for national growth and development. As such, the State shall foster an enabling environment for rice producers, and provide the most appropriate equipment and infrastructure to help rice farmers sell and market their produce.

SEC. 3. Drying Facilities. The National Food Authority (NFA) shall procure, build, install, operate, manage, and/or maintain rice drying facilities sufficient in quantity and geographically accessible to local farmers to enable it to buy rice directly from local farmers. These drying facilities shall be used by the NFA solely to dry rice to be bought directly from local farmers.

The NFA shall allow local farmers to use these drying facilities at no cost for rice to be directly sold to the NFA.

SEC. 4. Appropriations. The amount necessary for the implementation of this Act, i.e., to enable the NFA to procure, build, install, operate, manage, and/or maintain sufficient rice drying facilities around the Philippines, shall be charged against the appropriations for the Department of Agriculture and/or sourced from PAGCOR, PCSO, and the MALAMPAYA Funds. The required budget for continued implementation of this Act shall be submitted to the Department of Budget and Management for inclusion in the General Appropriations Act.

SEC. 5. Implementing Rules and Regulations. Within sixty (60) days from the effectivity of this Act, the Department of Agriculture shall, through the NFA, issue the
necessary rules and regulations for the effective implementation of this Act, including the procedures for use of drying facilities by local farmers.

SEC. 6. **Separability Clause.** Should any part of this Act be declared unconstitutional or invalid, the other provisions hereof that are not affected thereby shall continue to be in full force and effect.

SEC. 7. **Repealing Clause.** All laws, decrees, executive orders, proclamations, rules and regulations, and issuances, or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 8. **Effectivity.** This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in any newspaper or general circulation.

Approved,