



Senate

Office of the Secretary

NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )

'22 JUL -7 P 4 :07

SENATE  
S. No. 165

RECEIVED BY: \_\_\_\_\_

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INTRODUCED BY SENATOR JOSEPH VICTOR "JV" G. EJERCITO

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**AN ACT**  
**MANDATING THE ESTABLISHMENT OF AGRI-FOOD TERMINALS AND**  
**TRADING CENTERS IN EVERY PROVINCE PROVIDING FUNDS THEREFOR**  
**AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

The 1987 Philippine Constitution, Article XIII, Section 5, thereof, specifically provides that:

*The State shall recognize the right of farmers, farmworkers, and landowners, as well as cooperatives, and other independent farmers' organizations to participate in the planning, organization, and management of the program, and shall provide support to agriculture through appropriate technology and research, and adequate financial, production, marketing, and other support services.*

The Philippines is largely an agricultural country. Many of our *kababayans* rely on farming and fishing as their source of income - they are our most fundamental producers to ensure the food security in the country. The agriculture sector contributed a gross value added (GVA) of about P1.76 trillion in 2021. Moreover, the sector also contributed 9.6 percent to the country's GDP.<sup>1</sup> Nevertheless, the government support to our farmers is still insufficient. The problems on smuggling and importation of agricultural products adversely affected the agricultural sector.

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<sup>1</sup> <https://www.statista.com/statistics/1265745/philippines-gva-of-agriculture-forestry-and-fishing-sector/>

In this proposed legislation aims to foster and promote growth of the local agricultural markets, by establishing agri-food terminals and trading centers in every province in the country. This agri-food terminals and centers will serve as place where local farmers can sell their produced and goods directly to the wholesalers. These will be located in areas near train stations, bus terminals, ports or any transport hub in the province. With the establishment of these agri-food terminals, there will be proper management of the supply and distribution of local agriculture products; our farmers will be supported and their products will be promoted.

With the current state of the agriculture sector, it is our Constitutional duty to support our local farmers and other agricultural workers as they contribute to the country's inclusive growth and sustainability. It is the opportune time that the sector be given the priority that it deserves.

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



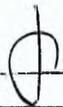
**JOSEPH VICTOR "JV" G. EJERCITO**



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

SECTION 1. *Short Title.* - This act shall be known as the "**Agri-Food Terminal and Trading Centers Act**"

Sec. 2. *Declaration of Policies.* - It is hereby declared the policy of the State to give aid to farmers by providing venue to promote and market their produce and giving them access to buyers who can offer competitive prices. Toward this end, a comprehensive program for the creation of a nationwide system of agricultural food terminals & trading centers is hereby established.

The goal of these centers is to provide an avenue where farmers and livestock raisers can directly sell their products to institutional buyers and gain higher profit; moreover, this endeavor for a higher mobility for locally produced agricultural products to the whole country for cheaper cost of transportation.

Sec. 3. *Definition of Terms.* - For purposes of this Act:

- a. *Agri-food Terminals and Trading Center or Terminal and Center* refers to an establishment where farmers can offer their products for sale directly to wholesalers and direct consumers thus eliminating middleman in the sale of agricultural products
- b. *Secretary* refers to the Secretary of Department of Agriculture.
- c. *Department* refers to the Department of Agriculture.

Sec. 4. *Establishment of Agri-food Terminals mid Trading Centers.* - The Department of Agriculture shall establish and manage an Agri-food Terminals and Trading Center in every province. Cities and Municipalities are hereby encouraged to establish their own Agri-food Terminals and Trading Centers.

Agri-food Terminal and Trading Centers shall have the following standards for their creation and operation:

- a. It shall be mandatory for the province to setup at least one Agri-food Terminal and Trading Center adjacent to a train stations located within the jurisdiction of the province concerned.
- b. In provinces where there is no train station, Agri-food Terminal and Trading Center shall be set up strategically near ports, bus terminals or any transport hub within the jurisdiction of the province concerned.
- c. For the first two (2) years from the date of operation, terminals/centers shall concentrate on the top three (3) agricultural products of the province. The list shall be expanded to five after this period.
- d. Each center shall be equipped with a warehousing center, cold storage and any similar facilities necessary to accommodate and store agriculture product.

Sec. 5. *Work Plan.* - In line with this act, the Department shall develop the following:

- a. A plan of bringing the program down to the grassroots, utilizing available personnel and facilities on the local level and those of LGUs;
- b. A pattern of cooperation and mutual assistance with LGUs, Peoples Organizations and Non-Governmental Organizations, which will maximize people empowerment and participatory approaches to program formulation, implementation and monitoring; and
- c. A schedule of short-term, medium-term and long-term targets on research and development, marketing, trade promotion/initiatives, capacity building, among others.

Sec. 6. *Funding.* - The amount of Twenty-Five billion pesos (P25,000,000,000) is hereby appropriated for the initial year of implementation of this act, thereafter, the

amount of Ten billion pesos (P10,000,000,000) shall be included in the budget of the Department for implementation and continued expansion of this program. In addition, the establishment and operation of terminals and centers will be made with the available participatory funding from the national government with adequate equity from the Local Government Units.

*Sec. 7. Implementing Rules and Regulations* - Within thirty (30) days from the effectivity of this Act, the Secretary of Agriculture and the Secretary of Interior and Local Government, in consultation with appropriate government agencies and other stakeholders, shall promulgate the necessary rules and regulations to implement this Act. The implementing rules and regulations shall include a template to guide the cities and municipalities in the establishment of their own Agri-food Terminals and Trading Centers.

*Sec. 8 Separability Clause.* – If any provision of this Act is held invalid or unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof

*Sec. 9. Repealing Clause.* – All laws, decrees, executive orders, rules and regulations, which are inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

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

*Approved,*