



OFFICE OF THE GOVERNOR

EXECUTIVE ORDER NO. 49 Series of 2022

AN EXECUTIVE ORDER INSTITUTIONALIZING THE OPERATIONS OF THE PROVINCIAL AGRICULTURAL CENTER (PAC), PROVIDING FOR ITS OPERATIONAL MANAGEMENT STRUCTURE, ENUMERATING ITS SERVICES, AND FOR OTHER PURPOSES

WHEREAS, Republic Act No. 8435 or the "*Agriculture and Fisheries Modernization Act (AFMA) of 1997*," as amended by Republic Act No. 9281, seeks to transform agriculture and fishery sectors into technology-based, competitive, and advanced industries which could keep up with the demands of local and international market.

WHEREAS, Section 16 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, states that every local government unit shall exercise the powers expressly granted, those necessarily implied there from, as well as powers necessary, appropriate, or incidental for its efficient and effective governance, and those which are essential to the promotion of the general welfare.

WHEREAS, on September 8, 2022, the ceremonial groundbreaking of the construction of the Provincial Government of Oriental Mindoro's Provincial Agriculture Center (PAC) was held at the Provincial Demo Farm in Brgy. Merit, Victoria.

WHEREAS, the establishment of PAC is a key outcome of the Project Agreement for Climate Resilient and Inclusive Green Growth for Poor Communities: Accelerating Implementation in the Agriculture Value Chain between the Provincial Government of Oriental Mindoro (PGOM) and Global Green Growth Institute (GGGI), funded by the Korea International Cooperation Agency (KOICA);

WHEREAS, the establishment of PAC will offer different services to more than nine thousand agricultural workers and rural-based organizations in Oriental Mindoro and foster PGOM's partnership with the National Government Agencies (NGAs) and local stakeholders.

WHEREAS, there is a need to institutionalize the PAC in order to ensure its operational sustainability and address the gaps identified in the agriculture and fishery sectors of Oriental Mindoro;

NOW THEREFORE, I, HUMERLITO A. DOLOR, MPA, Ph. D., by virtue of the power vested in me as Provincial Governor by Section 465 (b) (2) (iii), Article One, Chapter 3, Title 4, Book III of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, do hereby promulgate this Executive Order, as follows:

SECTION 1. Institutionalization and Objectives of the Provincial Agriculture Center. The Provincial Agriculture Center located in the Provincial Demo Farm in Brgy. Merit, Victoria is hereby institutionalized. The general objective of the PAC is to contribute to the development of the agricultural value chain of key commodities in the Province of Oriental Mindoro. Specifically, it aims to:

- a. Formulate and implement a strategic program for the development of technical and entrepreneurial skills of farmer and farmer-group beneficiaries through customized training programs;
- b. Provide an FDA-compliant facility intended to give access to specific services needed to establish, upscale, and support agripreneurs which will provide tolling services; and
- c. Strengthen the promotion of agribusiness ventures and value-added products in the province.

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SECTION 2. Definition of Terms. For purposes of this Executive Order, the following terms and/or phrases are hereby defined:

- a) **Accelerators** - Defined as operating at the stage when revenue is being generated and financed.
- b) **Agribusiness** - Refers to agriculture-related activities that put farmers, processors, distributors, and consumers within a system that produces, processes, transports, markets, and distributes agricultural products.
- c) **Agripreneurship** – A combination of the words "agriculture" and "business" and refers to any business related to farming and farming-related commercial activities.
- d) **Ideal Stage** – Refers to the pre-business model in agribusiness.
- e) **Incubatee** – Refers to an entity that receives ongoing support from an incubator.
- f) **Incubators** - Defined as organizations that operate at the idea stage and prototype stage.
- g) **Prototype Stage** - with a business model and plan but not yet generating revenue.

SECTION 3. Operational Management Structure. The PAC will have a top-down management system where the PGOM will serve as the ultimate overseer and decision-maker. Ad hoc committees shall be formed for project monitoring, audit, performance evaluation of the enterprise and hired staff and final screening of clients.

A management team and working staff will be hired for day-to-day operations, headed by a General Manager. The Organizational Structure of the PAC will be embodied by an Ordinance to be issued by the *Sangguniang Panlalawigan*.

SECTION 4. Nature of Business and Services. The PAC will operate a value-chain agribusiness incubator and aggregation facility. This will create options and opportunities for enterprising farmers and farmer groups (*i.e., associations, organizations, cooperatives, and rural improvement clubs*) in Oriental Mindoro.

a. Incubator Services

The PAC will earn from fees for the service during the incubation process. The PAC will partner with the NGAs and other stakeholders for grants (subsidies/state funding) and other interventions relevant for the incubatees during their incubation and acceleration process.

The PAC will offer a well-structured incubation and acceleration program customized per incubatee or group of incubatees. This may be individual or farmer groups lacking either financial or technical capacity to put up their enterprises or expand their current operations.

Incubatees will be provided customized training services and support based on a comprehensive assessment and classified under the Ideal, Prototype, and Accelerator stages and will be provided independently in the future or to grow their existing capabilities. Said services and support includes:

- i. Access to physical facilities for processing, packaging, distribution, as well as office space and Information and Communication Technology (ICT) equipment;
- ii. Coaching and mentoring by industry experts such as, but not limited to, business and financial management, product development, innovations, branding, packaging, and marketing; and

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- iii. Access to seed funding through the value-chain agribusiness incubator or credit institutions.

b. Tolling Services and Facility Rentals

The PAC will offer tolling services and facility rentals to social agri-enterprises needing specific services at a fee. The center has processing facilities such as:

- i. Calamansi/Citrus Processing Facility;
- ii. Banana Chips Processing Facility;
- iii. Dry/Hot Processing Facility (for dried or cooked agri-based processed products);
- iv. Wet Processing Facility (for juices);
- v. Product Development Room;
- vi. Packaging Room;
- vii. Store Facilities; and
- viii. Quality Assurance Laboratory

The facility will also offer administrative spaces and services such as offices, training rooms/event halls, meeting rooms, and ICT infrastructure to compete in a digital world.

c. Aggregation (Group Marketing/Trading) Services

The aggregation facilities are designed to improve efficiency in the distribution and trading systems of agricultural products in Oriental Mindoro.

The PAC will partner with aggregator/s for the priority use of aggregation services for warehousing, primary processing, and logistics support at competitive prices.

Organizations classified under the Mature Stage will act as lead firm/s or partners for the aggregation activities of PAC.

Customer segments are end-consumers, hotels, restaurants, and institutional buyers (HRIs), and other aggregators. Apart from traditional channels and markets, the PAC shall form a strategic partnership with an online marketplace and digital platform that connects partner producers and farmer groups to institutional buyers or direct consumers.

SECTION 5. Green Investment. Features promoting green growth will be incorporated in the facility and farm operations of participating clients. These include:

- a) Infrastructure - Installation of a solar power system and designation of a Materials Recovery Facility (MRF) for proper solid waste management, wastewater treatment system and typhoon-resilient and earthquake-proof building design; and
- b) Enterprise – Training on climate-smart agriculture, adoption of cropping calendar in programming off-season fruiting, use of climate-resilient varieties (e.g. dwarf hybrid coconut, drought-tolerant watermelon), risk-transfer such as crop insurance, use of recyclable materials for business activities and packaging.

SECTION 6. Conversion of the Provincial Agricultural Center into a Local Economic Enterprise. The structure and operations of the PAC shall be converted into a local economic enterprise to be owned and managed by the PGOM three (3) years upon its establishment. Said conversion shall be embodied by an ordinance to be enacted by the *Sangguniang Panlalawigan*, subject to the PAC's financial sustainability, self-sufficiency, and pertinent provisions of the Local Government Code of 1991, other applicable laws, and issuances.

SECTION 7. Funding. Administrative and operational expenses of the PAC shall be charged against the funds of the PGOM and other fund sources authorized by laws and other issuances.

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SECTION 8. Repealing Clause. All other executive orders, rules and regulations, issuances, or parts thereof inconsistent with this Executive Order are hereby amended, repealed and/or modified accordingly.

SECTION 9. Separability Clause. If any portion of this Executive Order is declared unconstitutional or invalid, other parts thereof which are not affected shall continue to remain in full force and effect.

SECTION 10. Effectivity. This Executive Order shall take effect immediately upon its approval.

DONE IN THE CITY OF CALAPAN, PROVINCE OF ORIENTAL MINDORO, this 12th day of December, in the Year of our Lord, Two Thousand and Twenty Two.


HUMERLITO A. DOLOR, MPA Ph. D.
Provincial Governor