



June 2, 2026

The Honorable Members
Sangguniang Panlungsod
Naga City

Thru: **Hon. GABRIEL H. BORDADO JR.**
City Vice Mayor and Presiding Officer

Ladies and Gentlemen:

With the indulgence of this body, I am respectfully withdrawing my proposed ordinance entitled **“Patas Presyo Para sa Para-Omang Nagueno.”** The main reason being that farmers are wont to wait for weeks or even months for their vouchers to be processed before receiving cash payment for their harvest that had been purchased by the city.

In its stead, I am filing a substitute ordinance, now to be known as **“Tabang Paraoma - Tabang Kooperatiba” (TAPAT KO) Ordinance** wherein we will harness local cooperatives to be the intermediary between the farmers and the city government thereby facilitating immediate cash payment to farmers.

Said TAPAT KO Ordinance is being submitted now for first reading. Attached is a copy of the said proposal.

Thank you very much.

Very truly yours,


FRANK M. MENDOZA
City Councilor
Chairperson – Committee on Agriculture

Enclosed: a/s

May 28, 2026
For 1st Reading

SPI n	2026-0978
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TANGGAPAN NG SANGGUNIANG PANLUNGSOD NG NAGA	
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ORDINANCE NO. 2026-XXX

AN ORDINANCE ESTABLISHING THE "TABANG PARAOMA - TABANG KOOPERATIBA (TAPAT KO) PROGRAM," DEFINING THE ROLES AND OBLIGATIONS OF THE CITY GOVERNMENT, LOCAL COOPERATIVES, AND FARMER-BENEFICIARIES, AND FOR OTHER PURPOSES.

Author: Hon. FRANCISCO M. MENDOZA

Explanatory Note

For too long, our local farmers in Naga City have been caught in a precarious cycle: high costs for seeds and fertilizers at the start of the season, followed by plummeting farmgate prices at harvest time. Often, they are forced to sell their produce at a loss just to cover immediate debts, leaving them with little to nothing for their families or the next cropping cycle.

This ordinance establishes the "Tabang Paraoma - Tabang Kooperatiba (Tapat Ko) Program," a strategic partnership designed to provide a sustainably priced market for the palay harvest of small farmers, skip the lengthy government voucher system and enable farmers to receive immediate cash for their produce, strengthen local cooperatives. It utilizes a "Big Brother-Small Brother" framework where the City Government and local cooperatives act as the "Big Brothers" providing the support system, allowing our "Small Brother" farmers to focus on palay production and earn from it.

NOW, THEREFORE, BE IT ORDAINED by the Sangguniang Panlungsod of the City of Naga, in session assembled, that:

SECTION 1. Title. This Ordinance shall be known as "Tabang Paraoma, Tabang Kooperativa (Tapat Ko)" Ordinance.

SECTION 2. Statement of Policy. It is the policy of the City Government not only to ensure food security but also increase the income of local farmers, particularly small holders, and strengthen the cooperative sector. To achieve this, the City shall implement a "Big Brother-Small Brother" framework where the City Government provides credit and agricultural extension services, local cooperatives manage processing and logistics, and farmers ensure quality production.

SECTION 3. Definition of Terms.

- a. Farmer-Beneficiary (FB): Individual farmers registered in the RSBSA (Registry System for Basic Sectors in Agriculture) and selected by the City Agriculture Office.
- b. Partner Cooperative: A duly registered cooperative selected through Community Participation as a mode of procurement.
- c. Input Credit: Loans in the form of seeds, fertilizers, or cash equivalents provided by the City to FBs.

- d. Farmgate Price: The price at which the cooperative buys palay directly from the FB.

SECTION 4. Obligations of the City Government. The City Government, through the City Agriculture Office (CAgO) and the Agricultural Biosystems Engineering Division (ABED), shall:

- a. Identification: Screen and identify eligible Farmer-Beneficiaries (FBs) within the city's jurisdiction.
- b. Seed Support: Provide high-quality seeds to identified FBs.
- c. Extension Services: Extend sustained farm extension services, including regular field monitoring and crop inspection.
- d. Financial/Input Assistance: Extend input credit and facilitate access to additional assistance from the Department of Agriculture (DA).
- e. Risk Management: Enroll all FBs in the Philippine Crop Insurance Corporation (PCIC) or a localized crop insurance program.
- f. Production Scheduling: Manage the planting calendar to ensure that harvest dates coincide with the City's rice procurement needs.
- g. Selection of Partner: Select the Partner Cooperative through Community Participation or thru Negotiated Procurement - Sagip Saka as modes of procurement, in accordance with RA 12009.
- h. Facility Access: Grant the Partner Cooperative preferential access to the City's drying and rice milling facilities.
- i. Procurement: Accept deliveries of repacked rice from the Cooperative for the City's social programs.
- j. Prompt Payment: Process payments to the Cooperative within three (3) weeks from receipt of complete billing and delivery documents.
- k. Credit Collection: Assign authorized personnel to collect credit repayments from the Cooperative and issue Official Receipts (OR) immediately upon the sale of harvest.

SECTION 5. Obligations of the Partner Cooperative. The Cooperative selected for this program shall:

- a. Guaranteed Purchase: Buy palay from FBs at a farmgate price of not less than P18.00 per kilo.
- b. Processing: Undertake the drying and milling of the purchased palay.
- c. Sale to City: Sell the milled rice back to the City Government at the agreed-upon contract price.
- d. Logistics: Deliver repacked rice at the designated sites and dates specified by the City.
- e. Collection Agent: Retain a portion of the payment due to the FB (equivalent to the FB's debt to the City) and remit said amount directly to the City's assigned collection officer.

Section 6. Obligations of the Farmer-Beneficiaries (FB). All farmers enrolled in this program shall:

- a. Technical Compliance: Plant only the rice variety recommended by the City farm technician.

- b. Adherence to Protocol: Strictly follow the instructions and schedules provided by the farm technician.
- c. Reporting: Immediately report any crop problems, pest infestations, or calamities to the assigned technician.
- d. Input Application: Apply fertilizers and other inputs as directed by the technical team.
- e. Exclusive Sale: Sell their entire harvest exclusively to the Partner Cooperative.
- f. Debt Settlement: Agree to a "deduction-at-source" scheme, where their credit obligations to the City are deducted from the proceeds of their palay sale to the Cooperative.

SECTION 7. Credit and Repayment Mechanism. The City shall extend input credit to the FB at the start of the cropping season. Upon harvest, the FB delivers the palay to the Cooperative. The Cooperative, when paying the FB, shall deduct the amount of the City's input credit. This deducted amount shall be turned over to the City Treasurer's representative in exchange for an Official Receipt issued in the name of the FB.

SECTION 8. Funding. This Program shall be funded out of the appropriations for rice procurement by the City Social Welfare and Development Office, the Education, Scholarship and Sports Office, and such other departments and offices of the city government with programs or activities requiring the supply of rice.

SECTION 9. Separability Clause. If any part or provision of this Ordinance is declared unconstitutional or invalid by a court of competent jurisdiction, the other provisions not affected thereby shall remain in full force and effect.

SECTION 10. Repealing Clause. All ordinances, resolutions, executive orders, or rules and regulations inconsistent with the provisions of this Ordinance are hereby repealed or modified accordingly.

SECTION 11. Effectivity. This Ordinance shall take effect 10 days after posting in the bulletin board at the entrance of city hall and in at least two conspicuous places in the city.