

Republic of the Philippines
TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY
East Service Road, South Superhighway, Taguig, Metro Manila

Special TESDA Board Meeting
31 January 2006, Tuesday 1:00 p.m.
7th Floor TESDA Board Room, Office of the Chair
Taguig, Metro Manila

Resolution No. 2006 - 01
(Page 1 of 3 pages)

Approving in Principle the Acquisition of the Rice Straw Wall Board Factory in Iloilo from the Land Bank of the Philippines

WHEREAS, Section 8, paragraph 3 of Republic Act No. 7796 otherwise known as the "Technical Education and Skills Development Act of 1994" grants the TESDA Board, the power to enter into, make, execute, perform and carry-out domestic and foreign contracts subject to existing law, rules and regulations;

WHEREAS, in the exercise of this power, the TESDA Board shall approve all contracts both local and foreign entered into by the Technical Education and Skills Development Authority (TESDA);

WHEREAS, the Rice Straw Wall Board Factory was originally owned and managed by the First Iloilo Area Marketing Cooperative (FIAMCO) using the technology and equipment supplied by ORTECH Industries of Australia;

WHEREAS, the Rice Straw Wall Board Factory is currently unoperational and the machines require rehabilitation;

WHEREAS, Rice Straw Wall Board Factory and all the attached FIAMCO properties have been foreclosed by the Land Bank of the Philippines, Iloilo;

WHEREAS, the Rice Straw Wall Board Factory located in Barangay Bolong, Sta. Barbara, Iloilo has a total land area of 10,000 sq.m. with four (4) contiguous parcels under TCT T-195964, T-195965, T-195966, T-195967 registered in the name of the Land Bank of the Philippines;

WHEREAS, the Rice Straw Wall Board Factory is composed of the old rice mill building, office building, unfinished building and staff house;

WHEREAS, the plant has a production capacity of 840 m2 of boards per day; and is capable of supplying the requirements of 5 low-cost housing units per day or 1,500 units per year;

WHEREAS, the cost of Land is Seventeen Million Pesos (Php17M), and Nine Million and Six Hundred Thousand Pesos (Php9.6M) of Machinery and Equipment;

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WHEREAS, the Rice Straw Wall Board Factory will have the following benefits:

- ❖ Jobs creation in support of the President's 10 point Agenda and TVET Paradigm Shifts;
- ❖ Production of cheap construction materials in support of the government's low-cost housing projects;
- ❖ Addition to TESDA's network of livelihood training facilities for wider clientele coverage;
- ❖ Generation of additional income for farmers from sales of straw bales;
- ❖ Complementary facility to Iloilo's agricultural sector: Rice is the major crop grown in Iloilo. Rice plantations comprise 74% of the total agricultural land in Iloilo;
- ❖ Complementary training facility to the Iloilo priority sectors, as identified in the NTESDP: Agri-Fishery and Construction.

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the Board approves in principle the acquisition of the Rice Straw Wall Board Factory in Iloilo subject to compliance of the following requirements;

BE IT RESOLVED FURTHER, that the Rice Straw Wall Board Factory in Iloilo be further studied subject to the following conditions:

1. To negotiate further with LBP on best cost and payment arrangements.
2. To undertake a feasibility study area focus on the financial, economic and marketing viability of the factory.
3. To submit the TESDA Certificate of Availability of Funds.
4. To create a TESDA Appraisal Committee to establish the reasonableness of price verified and to by the authorities concerned and noted by the previous owner/s.
5. To have zonal validation of the recommendation of the Appraisal Committee.
6. To have approval and registration in the proper registry of deeds.
7. To have transfer of tax declaration from the vendor and owner to TESDA.
8. To have titling of the property in favor of TESDA.

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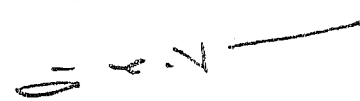
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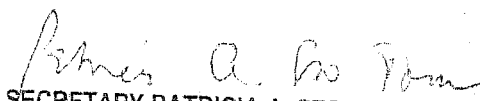
BE IT RESOLVED FINALLY, that copies of this resolution be disseminated to all concerned.

Approved this 31st of January 2006.


MA. ADORINDA DE JESUS-FORRO
Board Secretary VI

Attested by:


SECRETARY AUGUSTO BOBOY SYJUCO
Alternate Chair, TESDA Board
Director General, Technical Education and Skills Development Authority


SECRETARY PATRICIA A. STO. TOMAS
Department of Labor and Employment (DOLE)
Chair, TESDA Board

ACQUISITION OF THE RICE STRAWBOARD FACILITY, ILOILO

LOCATION: Brgy. Bolong, Sta. Barbara, Iloilo

LAND AREA: 10,000 sq.m. with four contiguous parcels under TCT T-195964, T-195965, T-195966, T-195967 registered in the name of Land Bank of the Philippines

INDICATIVE PRICE: PhP 17,690,500.00

CASH BASIS SELLING PRICE: PhP 17M

PLANT PRODUCTION CAPACITY: 500,000 sq.m. panel/year

PRODUCT: Rice Strawboard

Description: 2-inch thick panels made of solid core compressed rice straw bales
Product Usage: low-cost construction materials

EXISTING IMPROVEMENTS:

1. One (1) unit – 2 storey Office Building with floor area of 148 sq.m.
2. One (1) unit – Strawboard Model House with floor area of 36 sq.m.
3. One (1) unit – Storage Barn with a floor area of 308 sq.m.
4. One (1) unit – Ricemill Building/Bodega with a floor area of 1,061 sq.m.
5. One (1) unit Factory Building with a floor area of 1,910 sq.m.

EXISTING MACHINERY AND EQUIPMENT: amounting to 9.6 million

COST AND BENEFIT:

COST	BENEFIT
<ul style="list-style-type: none"> • PhP 17M Land • PhP 9.6M Machinery and Equipment 	<ul style="list-style-type: none"> • Jobs creation in support of the President's 10-Point Agenda and TVET Paradigm Shifts • Production of cheap construction materials in support the government's low-cost housing projects • Addition to TESDA's network of livelihood training facilities for wider clientele coverage • Generation of additional income for farmers from sales of straw bales • Complementary facility to Iloilo's agricultural sector: <ul style="list-style-type: none"> - Rice is the major crop grown in Iloilo. - Rice plantations comprise 74% of the total agricultural land in Iloilo. • Complementary training facility to the Iloilo priority sectors as identified in the NTESDP: Agri-fishery and Construction