

## Philippines to invest P3-billion to build cold storage facilities for vegetables, high-value crops

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Philippines Department of Agriculture (DA) plans to build around 99 cold storage facilities starting this year to help extend the shelf life of fruits, vegetables, and high-value crops as well as ensure supply and price stability.

Agriculture Secretary Francisco P. Tiu Laurel Jr. said the key features of these cold storage facilities are their sustainability and low cost of operation. He said the refrigerated warehouses are hybrid infrastructures that could be powered by electricity from renewable energy sources such as solar and wind, and those supplied by the grid to ensure efficient and environmentally friendly operations.

A total of P3 billion has been allocated by DA for the project which should help reduce farmers' losses and boost food security. Most small facilities are expected to start operating this year.

"This approach addresses immediate agricultural needs but also aligns with broader environmental goals. By improving the cold chain infrastructure, we will strengthen the agricultural sector, reduce farm losses, extend the shelf life of agricultural products, stabilize supply and prices, and ensure food security," Secretary Tiu Laurel said.

The project is part of a comprehensive logistics master plan designed by the DA through the Agriculture and Fisheries Logistics Office (AFLO) headed by Agriculture Assistant Secretary for Logistics, Daniel Alfonso Atayde. The plan encompasses not only cold storage facilities but also the development of a robust road network, agricultural seaports, and an integrated cold chain network. This will streamline agricultural products distribution throughout the country.

Sec. Tiu Laurel said the use of P1.5 billion in unprogrammed funds in 2024 to kick start the development of the cold storage network had been approved by President Ferdinand Marcos, Jr. while another P1.5 billion was included by the DA in the General Appropriations Act for 2025.

“The unprogrammed funds will be spent to build around 65 small or modular chiller-type cold storage facilities across the country and a large cold storage facility to be built in Camarines Sur,” said the chief of the DA.

Also lined up are two large facilities—one possibly in San Jose, Occidental Mindoro and another in Cabanatuan, Nueva Ecija, and around 31 modular units across the country.

These investments will collectively enhance the country’s capacity for preserving perishable goods, ultimately benefiting both farmers and consumers.

The assistant secretary for logistics, Atayde stressed the project’s importance in reducing farm losses, ensuring food security and price stability as well as maximizing returns for farmers and fisherfolk.

Construction of the large storage facilities is expected to take around 18-22 months after awarding the contract. Each facility will have a capacity of 2,800 to 3,500 pallet positions, depending on the products. The DA will oversee and manage these mega-cold storage facilities through and in cooperation with local government units, and farmers’ cooperatives and associations to ensure efficient operations and community involvement.

Modular refrigeration warehouses, on the other hand, are basically 40-foot container vans. It will have a capacity of between 7-15 metric tons, depending on the agricultural products to be stored. These warehouses are expected to be operational within three months of construction, allowing for the swift enhancement of cold storage capabilities nationwide. As the DA moves forward with these plans, it aims to create a more sustainable and efficient agricultural sector, benefiting both producers and consumers across.