

SIXTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



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SENATE

P. S. Resolution No. 1737

RECEIVED BY: JS

Introduced by Senator JUAN PONCE ENRILE

A RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE ALLEGED ILLEGAL EXPORTATION OR SMUGGLING OUT OF WHOLE COCONUTS IN VIOLATION OF EXISTING LAWS, TO DETERMINE THE EFFECTIVENESS OF THE POLICY FRAMEWORKS CURRENTLY IN PLACE, WITH THE END IN VIEW OF FURTHER STRENGTHENING OUR LAWS AGAINST SMUGGLING AND TO ENSURE THE CONTINUED VIABILITY OF THE COCONUT INDUSTRY

WHEREAS, coconut-based products, e.g., crude and refined coconut oil, virgin coconut oil, coir, glycerin, coconut desiccated products and other related or high-value products continue to be one of the top agricultural exports of the country;

WHEREAS, the Philippines remains the second biggest exporter of coconut-based products in the world, and in 2014, exports by the country of these products had averaged to at least US\$ 750 Million annually in the last three (3) years;

WHEREAS, the Philippine Coconut Authority (PCA) was established by virtue of *Republic Act No. 1145* to ensure the steady and orderly development of the coconut industry, and to stabilize and strengthen its position in the world markets; to promote the effective merchandising of copra, coconut oil, coconut products and by-products in the domestic and foreign markets so that those who are engaged in the coconut industry will achieve economic security; and, to regulate the marketing and exportation of copra by establishing standards for domestic trade and export, among others;

WHEREAS, then President Ferdinand E. Marcos issued *Presidential Decree 930* (1976) to simplify the export procedure and documentation necessary to expedite the process as well as *Executive Order 1016* (1985) mandating that all inspection, commodity and export clearance requirements on the Philippine commodity exports are dispensed with, except those covering items which are banned for exports, among others;

WHEREAS, *E.O. 1016* (1985) created an Inter-Agency Committee (IAC) mandated to annually update the List of Prohibited and Regulated Products for Export, which is implemented by the Bureau of Customs (BoC). Based on such list, matured coconuts and coconut seedlings are products prohibited for export;

WHEREAS, it is alleged that whole coconuts are being smuggled out of the Philippines and into the Province of Hainan, China;

WHEREAS, according to the Coconut Organization of Producers Processors Refiners and Agents, Inc. (COPPRA), if substantial quantities of whole coconuts are continuously smuggled out instead of being made available to local producers, the production of coconut-based products will surely dwindle, and result in a significant drop in the country's foreign exchange earnings and ultimately affect the viability of the coconut industry;

WHEREAS, the United Coconut Association of the Philippines (UCAP) reported that exports of whole coconuts from January to November 2015 totaled to 403,197 pieces from a mere 3,472 pieces in 2014;

WHEREAS, since 2012, the media had been continuously reporting the smuggling or export of whole coconuts. However, efforts on the part of government agencies concerned such as the Philippine Coconut Authority (PCA), Bureau of Customs (BoC), Philippine National Police (PNP) and Philippine Ports Authority (PPA) to prevent or stop such activities appear to be wanting or ineffective;

WHEREAS, there is a need to determine and pinpoint the loopholes in existing laws being exploited by these smugglers, look into the effectiveness of these existing measures, and into the necessity to formulate new policies and laws in order to strengthen these existing measures and plug such loopholes, if any;

WHEREAS, the national interest requires that the government undertake necessary and appropriate steps to assure the continued viability of the coconut industry as millions of coconut farmers and their families depend on this industry for their livelihood and economic survival;

THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED THAT, the proper Committee of the Senate be directed to conduct an inquiry, *in aid of legislation*, into the illegal exportation or smuggling out of the country of whole coconuts, with the end in view of protecting and assuring the continued viability of the coconut industry, in general, and protecting the welfare of the country's millions of coconut farmers and their families, in particular.

Adopted,


JUAN PONCE ENRILE
Senator