



Senate
Office of the Secretary

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

'19 OCT -7 P 4 :06

SENATE
S.B. No. 1107

RECEIVED

Introduced by **SENATOR IMEE R. MARCOS**

**AN ACT URGING THE PLANNING, EVALUATION, AND PROMOTION OF
PINEAPPLES FOR INTERNATIONAL EXPORT, ESTABLISHING THE PINEAPPLE
EXPORT DEVELOPMENT COUNCIL, AND PROVIDING FUNDS THEREFOR**

EXPLANATORY NOTE

Pineapples are one of the primary agricultural exports of the Philippines. As of 2017, the Philippines is the second largest producer and exporter of pineapples, behind only Costa Rica. As of 2018, the Philippine Imports and Exports Statistics rank pineapples as the 3rd biggest agricultural export of the country behind fresh banana and coconut oil. The Philippines exported almost USD 200 million worth of fresh pineapples in 2018. The country's largest export markets as of 2018 are Japan, China, and Korea. Together, these three countries account for 80.4% of the Philippines' pineapple exports. Almost 100% of Philippines' pineapple exports are to countries in Asia and the Pacific region. In total, the Philippines exported USD 460 million worth of pineapple products.

Looking at the industry trend, production of pineapples remain constant. From 2016 to 2018, pineapple production only grew at an average rate of 2%, from 2.63 million tons in 2016 to 2.73 million tons in 2018. The acreage of pineapple also remain constant, from 64.52 thousand hectares in second half 2016 to 65.58 thousand hectares in 2018.

The lack of growth in the industry is due to several factors. The pineapple industry regularly experiences the lost of 40% of the total fruit production due to hauling and transporting problems, in addition to rat infestation. There is a need to provide farm-to-market roads in pineapple planting regions in Northern Mindanao and SOCCSKSARGEN in order to reduce losses. There is a also a need improve the access of farmers to cold storage facilities that will allow them to ship their produce. This is important as proper postharvest handling is important in producing export-quality fresh pineapples.

There is also a lack of processing centers to produce processed pineapple goods like pineapple juice and canned pineapples. Given the perishability of the fresh product and the existing world demand for processed pineapple products, there is a need to further develop the processed pineapple sector in order to expand the market reach of the local pineapple produce, as only 3% of the processed pineapple of the Philippines reach the US market.

Farmers are also suffering from losses due to the infestation of insects and other pests. Pineapple plants suffer from parasites like the *Phytophthora* and the *Fusarium* fungi, nematode infestation, and *Symphytan* insect attacks. The Department of Agriculture needs to provide the farmers support in dealing with the pests associated with pineapples.

Given the abovementioned circumstances, the immediate passage of this bill is necessary.



IMEE R. MARCOS
Senator

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THEREFOR**

*Be it enacted by the Senate and the House of Representatives of the Philippines in
Congress assembled:*

1 Section 1. *Short Title.* – This Act shall be known as the “Pineapple Export Act of 2019.”

2
3 Section 2. *Declaration of Policy.* – It is hereby declared the policy of the State to
4 develop and promote a globally competitive Pineapple industry with the objective of
5 increasing Pineapple farmers’ income, upgrading production of export quality fruits,
6 and encouraging trade and industry.

7
8 Section 3. *Establishment of Pineapple Export Promotion Council (PEPC).* – A council,
9 composed of the Secretary of the Department of Agriculture (DA) as the Chairperson,
10 the Secretary of the Department of Foreign Affairs (DFA), the Secretary of the
11 Department of Trade and Industry (DTI), and one (1) each from the Pineapple

growers and commercial producers' sectors to be designated by the Secretary of the DA shall be created immediately upon the effectivity of this Act to ensure the promotion, support, and assistance to pineapple exporters. The Bureau of Plant Industry (BPI), through the office which implements the High Value Crops Development Program, shall be designated as the Secretariat.

Section 4. *Functions of the PEPC.* – The PEPC, in consultation with the Department of Environment and Natural Resources (DENR), Department of Science and Technology (DOST), Pineapple growers' cooperatives and organizations, local government units, and the private sector, shall formulate a one-year framework to be validated and updated annually. Such Framework shall serve as guide to the formulation and implementation of plans, programs and projects for the production, marketing, processing and distribution of Pineapple for food and commercial needs, as envisioned in this Act. The Framework shall likewise provide for the following:

- a. Plan National Framework – The DA, DOST, state universities and colleges (SUCs) and other stakeholders shall strengthen the conduct of researches on pineapple particularly on areas of crop improvement (development of new varieties), crop protection, harvesting and postharvest handling, supply chain analysis, marketing and promotion. A techno-demo site shall also be established in different pineapple growing areas of the country to showcase the matured technologies on pineapple propagation, production, Integrated Pest Management (IPM), post-harvest handling, and processing.
- b. Investment Promotion and Facilitation – The DA and DTI shall develop programs establishing links between stakeholders in the Pineapple industry and Government Financial Institutions (GFIs) and other financial cooperatives. The DA and DTI shall likewise develop and implement programs that would establish reasonable and innovative investment incentives to attract more players in the pineapple industry.
- c. Export Promotion Support. – An integrated and strategic export promotion program for pineapple industry shall be created. The export promotion program shall be responsive to market conditions, needs of the exporters, and possibilities offered by new products and technologies. It shall likewise provide foreign trade and

1 export promotion activities through trainings, technical assistance, capacity
2 building, generating awareness on export opportunities, and export planning
3 assistance.

4
5 d. Strengthen Trade Policies and Support Network. – The PEPC shall be responsible
6 in coordinating a consultative approach for the various stages of the trade policy
7 making process. The DFA shall lead the negotiation of Free Trade Agreements
8 (FTAs) to provide a competitive environment for pineapple exports abroad.

9
10
11 e. Monitoring and Evaluation. – The PEPC shall continuously monitor, track, and
12 analyze the progress and outcomes of the programs to be implemented to
13 determine over-all effectiveness.

14
15 Section 6. *Appropriation of Funds.* – To provide for the funding requirements for the
16 propagation, production research and development and extension program, post-
17 harvest handling and processing, marketing and promotion of Philippine Pineapple,
18 there is hereby created a Pineapple Development Fund (PDF), with an initial amount
19 of five hundred million pesos (P500,000,000.00) to be taken from the existing budget
20 of the Department of Agriculture. Thereafter, the PDF shall be sourced from the
21 amounts be appropriated in the General Appropriations Act in the year following its
22 enactment into law. Other sources of funds, including but not limited to borrowings
23 from local and international financial institutions, shall also be considered to further
24 support the Fund. In addition, one (1) percent of the revenue from the Pineapple
25 export (as levy) shall be allocated to research and development to address the priority
26 problems of the industry.

27 Section 7. *Repealing Clause.* – All laws or parts thereof, decrees, orders, rules and
28 regulations inconsistent with the provisions of this Act are hereby repealed or modified
29 accordingly: Provided, however, that nothing in this Act shall be construed or applied
30 as amending the CARL and other laws on agrarian reform.

1 Section 8. *Separability Clause*. – If any of the provisions of this Act is declared invalid,
2 the other provisions not affected thereby shall remain in full force and effect.

3
4 Section 9. *Effectivity Clause*. – This Act shall take effect fifteen (15) days following its
5 publication in a newspaper of general circulation or in the Official Gazette, whichever
6 comes first.

Approved,