

NINETEENTH CONGRESS OF THE) REPUBLIC OF THE PHILIPPINES) *First Regular Session*)

22 AUG 31 P5:00

RECEIVED BY

SENATE S.B. No. <u>1253</u>

Introduced by SENATOR IMEE R. MARCOS

AN ACT URGING THE PLANNING AND PROMOTION OF THE PHILIPPINE MANGO FOR INTERNATIONAL EXPORT ESTABLISHING THE MANGO EXPORT PROMOTION COUNCIL, AND PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The "Carabao" Mango, internationally known as the Manila Super Mango, is widely known as one of the best varieties of mango due to its superior quality and taste. It is listed as the sweetest in the world by the 1995 Guinness Book of World Records. As of 2019, global trade in fresh and dried mango totaled 2 billion US dollars. Mexico is the world's biggest mango exporter, followed by Peru, Brazil, India, and Thailand. Sadly, despite its fame and quality, the Philippine mango has failed to date to break into this huge international market.

While mangoes can be produced in most parts of the country, less than 3% of the present domestic produce is exported. Output has remained fairly stable from 2018 to 2021, from 711,659 metric tons in 2018 to 741,829 metric tons in 2021. Acreage remained stable from in 185,607 hectares in 2018 to 185,111 hectares in 2021. The number of trees also remained stable, from 9,427,494 in 2018 to 9,432,506 in 2021. The industry is suffering from problems related to economies of scale, as it is dominated by farmers with small landholdings. Aggregation problems in meeting output demand of exporters are hence predictable.

Further, the lack of processing equipment and capacity for the production of mango puree and other processed products hinder the growth of the processed sector. Access to the processed mango sector is critical, given the size of the puree market, valued at USDS 995 million in 2017. This processed mango demand is projected reach USDS 2.1 billion by 2026.

The Philippines has consistently had difficulty complying with the stringent regulations of the major markets in the region. In particular, adherence to Sanitary and Phytosanitary (SPS) permit standards and Good Agricultural Practice (GAP) requirements remain problematic. There is a need to negotiate the details of these requirements with major trade partners to facilitate export as well as urge their investment and assistance in complying with both SPS and GAP.

Government intervention in promoting mango exports is clearly urgent and necessary. In particular, there is a need to expand planting, provide shared facilities, assist the farmers in meeting GAP and SPS standards, and cooperate with our partners in enhancing the competitiveness of the Philippine Mango.

Given the abovementioned opportunities, the immediate passage of this bill is urgently recommended.

IMEE R. MARCOS



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

SECTION 1. Short Title. – This Act shall be known as the "Mango Export Act of
 2022."

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SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to develop and promote a globally competitive mango industry with the objective of increasing mango farmers' income, encouraging the production of export-quality fruits, and promoting international trade and industry.

SEC. 3. Establishment of the Mango Export Promotion Council (MEPC). - A 9 council, composed of the Secretary of the Department of Agriculture (DA) or his 10 representative as the Chairperson, the Secretary of the Department of Foreign Affairs 11 (DFA) or his representative, the Secretary of the Department of Trade and Industry 12 (DTI) or his representative, and one (1) each from the mango growers and commercial 13 processors' sectors to be designated by the Secretary of the DA shall be created 14 immediately upon the effectivity of this Act to ensure the government's, support, and 15 assistance to mango exporters. The Bureau of Plant Industry (BPI) under DA, through 16 the office which implements the High-Value Crops Development Program, shall be 17 designated as the MEPC'S Secretariat. 18

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SEC. 4. Functions of the MEPC. - The MEPC, in consultation with the Department 1 of Environment and Natural Resources (DENR), Department of Science and Technology 2 (DOST), state universities and colleges, mango growers' and processors cooperatives 3 and organizations, local government units, and the private sector, shall formulate a ten 4 (10) year framework to be validated and updated annually. Such Framework shall serve 5 as guide to the formulation and implementation of plans, programs and projects for the 6 production, processing and marketing of Philippine mango for export worldwide, as 7 envisioned in this Act. The Framework shall likewise provide for the following: 8

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a. National Expansion Plans and Programs - The DA, DOST, state universities 10 and colleges (SUCs) and other stakeholders shall encourage the conduct of research on 11 mango, particularly in the areas of crop improvement (development of new varieties), 12 crop protection, harvesting and postharvest handling, supply chain analysis, marketing 13 and promotion. Model farms shall also be established in key mango growing areas of 14 the country to showcase the latest technologies in mango propagation, production. 15 Integrated Pest Management (IPM), Good Agricultural Practice (GAP) post-harvest 16 handling, and processing, packaging and branding. 17

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b. Investment Promotion and Facilitation – The DA and DTI shall establish
linkages between stakeholders in the mango industry. Government Financial Institutions
(GFIs) and private financial entities. Programs to invite the private sector to mango
production and processing shall likewise be developed.

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c. Export Promotion Support – An integrated export strategy shall be created, to include branding, advertising, market research and analyses, and updated phytosanitary guidelines. Foreign trade and export promotion activities such as training, technical assistance, capacity building, information on export opportunities, export planning assistance, and participation in international food, agriculture, and events shall facilitated.

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d. Formulation of Trade Policies – The MEPC shall engender a consultative approach at every stage of the trade policy-making process, inviting all mango stakeholders. The DFA shall lead the negotiation of Free Trade Agreements (FTAs) to provide a competitive environment for Filipino mango exports overseas.

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e. Monitoring and Evaluation – The MEPC shall continuously monitor, and evaluate the results of programs implemented by the various stakeholders and government agencies, providing overall coordination and end-to-end management of
 the export process.

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SEC. 5. Appropriations. – The amount necessary to implement this Act shall be included in the annual General Appropriations Act (GAA). Thereafter, such funds as may be necessary for the continued implementation of this Act shall be included in the succeeding annual GAA.

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9 **SEC. 6.** Repealing Clause. – All laws or parts thereof, decrees, orders, rules and 10 regulations inconsistent with the provisions of this Act are hereby repealed or modified 11 accordingly: Provided, however, that nothing in this Act shall be construed or applied 12 as amending the CARP and other laws on agrarian reform.

SEC. 7. Separability Clause. – If for any reason any part or provision of this Act
 shall be deemed unconstitutional or invalid, the other sections or provisions hereof shall
 not be affected and shall remain in force and effect.

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Sec. 8. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,