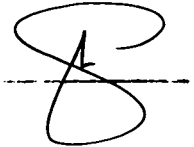


24 JAN -8 A11 :49

NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )

RECEIVED BY



SENATE  
S.B. No. 2517

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Introduced by **SENATOR IMEE R. MARCOS**

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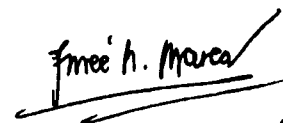
**AN ACT**  
**INSTITUTIONALIZING THE PHILIPPINE ABACA INDUSTRY DEVELOPMENT**  
**PROGRAM, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

Abaca, internationally known as Manila hemp, is endemic to the Philippines. According to the Philippine Fiber Industry Development Authority (PhilFiDA), the Philippines dominates the global abaca trade as the country supplies about 86% percent of the world's abaca fiber requirements as of 2019. From 2010 to 2019, PhilFiDA reported that the Philippines generated an average of USD119 million per year from the exports of abaca fibers and manufactures. Aside from the industry's substantial contributions to the country's economy, the Philippine abaca also plays a vital role in the growing global advocacy for environmental protection and forest conservation. Thus, the Philippine abaca continues to be one of the priority agricultural commodities of the Department of Agriculture due to the its various economic and ecological advantages.


The proposed measure seeks to support the steady growth of the industry by institutionalizing the Philippine Abaca Industry Development Program, a ten (10) year framework for plans, projects, programs and policies for the scientific propagation, processing, utilization and expansion of trade of Philippine abaca. The framework shall also include plans, projects and policies on planting site identification, production support and extension, market promotion, infrastructure development, quality assurance and establishment of the Philippine Abaca Information Center.

Thus, the immediate passage of this bill is earnestly sought.

  
**IMEE R. MARCOS**

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AN ACT  
INSTITUTIONALIZING THE PHILIPPINE ABACA INDUSTRY DEVELOPMENT  
PROGRAM, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

1           **Section 1. Short Title.** – This Act shall be known as the “Philippine Abaca  
2 Industry Development Act”.

3  
4           **Sec. 2. Declaration of Policy.** – It is hereby declared the policy of the State  
5 to protect and promote the right of the Filipino people to a better quality of  
6 life, improve their living conditions through programs that provide sustainable  
7 livelihood, increase employment and protect the environment.

8  
9           **Sec. 3. Creation of the Philippine Abaca Industry Development**  
10 *Coordinating Council.* – There is hereby created a Philippine Abaca Industry  
11 Development Coordinating Council (PAIDCC), hereinafter referred to as the  
12 “Council”, administratively attached to the Department of Agriculture (DA) and  
13 charged with the main function of coordinating the activities of various  
14 government agencies and instrumentalities to ensure the accomplishment of  
15 the Philippine Abaca Framework for Development.

16  
17           The Chairman of the Council shall submit an annual report to both  
18 Houses of Congress on the status of the implementation of this Act.

19  
20           **Sec. 4. National Abaca Research Center.** *4. Composition of the Council.* –  
21 The PAIDCC shall be composed of the following:

- 22  
23           a. Secretary of the Department of Agriculture as Chairman;  
24           b. The Executive Director of PhilFiDA as the Head of the Council  
25           Secretariat;  
26           c. Head of the National Abaca Research Center;

- 1 d. Secretary of the Department of Environment and Natural Resources;
- 2 e. Secretary of the Department of Agrarian Reform;
- 3 f. Secretary of the Department of Science and Technology;
- 4 g. Secretary of the Department of Trade and Industry;
- 5 h. Representative from the League of Municipalities of the Philippines;
- 6 i. Representative from the League of Provinces;
- 7 j. Two (2) representative from Abaca Farmers'/Producers'/Processors'
- 8 Associations; and
- 9 k. Representative from non-governmental organizations.

10

11 The Council shall regularly meet every two (2) months and may hold  
12 special meetings, whenever the need arises, to consider urgent matters upon  
13 the call of the Chairman or any seven (7) Council members.

14

15 **Sec. 5. Institutionalizing the Philippine Abaca Industry Development**  
16 **Program (PAIDP).** – There is hereby established the Philippine Abaca Industry  
17 Development Program (PAIDP), hereinafter referred to as the “Program,” which  
18 shall be within the mandate of the PhilFiDA. The Program shall be a ten (10) -  
19 year framework for development, to be validated and updated annually. Such  
20 framework shall serve as a guide to the formulation and implementation of  
21 plans, projects, programs and policies for the scientific propagation,  
22 processing, utilization and expansion of trade of Philippine abaca.

23

24 The framework shall also provide for the following:

25

26 a. Site Identification – The Department of Environment and Natural  
27 Resources, in coordination with the Department of Agriculture,  
28 Department of Agrarian Reform and local government units, shall  
29 identify the broad areas suitable for the planning and propagation of  
30 Philippine abaca within six (6) months after the effectivity of this Act.

31

32 b. Scientific Propagation and Development – The Department of  
33 Environment and Natural Resources and Department of Science and  
34 Technology shall establish cultivation and propagation of Philippine  
35 disease free and disease resistant varieties of abaca. The Department  
36 of Science and Technology shall also provide for the transfer and  
37 improvement of appropriate technology and techniques which will be  
38 utilized in the production, processing, marketing and distribution.  
39 Particular emphasis shall also be made on the adoption and upgrading  
40 of post-harvest technology.

41

42 c. Production Support and Extension – The Department of Environment  
43 and Natural Resources, Department of Agriculture, Department of  
44 Trade and Industry and Department of Science and Technology, in  
45 coordination with the local government units, non-governmental

1 organizations, Technical Education and Skills Development Authority,  
2 Cooperative Development Authority, state universities and colleges,  
3 and other relevant government agencies, shall establish programs  
4 which promote and provide adequate training on adapting  
5 technologies to individuals engaged in the propagation, production,  
6 processing, marketing and distribution of Philippine abaca and  
7 strengthen farmers'/producers'/processors' cooperatives and  
8 organizations involved in the sustainable and viable development of  
9 Philippine abaca.

10  
11 d. Market Promotion and Expansion of Trade – The Department of Trade  
12 and Industry, in coordination with Private Industry Associations, shall  
13 link up agribusiness cooperatives and organizations directly with  
14 consumers' cooperatives and organizations, agro-processing  
15 companies or exporters to provide marketing outlets and assure  
16 relatively higher and stable prices of abaca. This also includes  
17 exploring national and international markets and facilitating the  
18 participation of local farmers, growers and exporters in local and  
19 international conferences, trade fairs, expositions and exhibits.

20  
21 e. Infrastructure Development – Access to post harvest facilities, storage  
22 and distribution/transport facilities of existing government agencies  
23 shall be facilitated by the Department of Environment and Natural  
24 Resources, Department of Agriculture and the local government units.

25  
26 f. Quality Assurance – To ensure health and proper trading, the  
27 Department of Trade and Industry and Department of Science and  
28 Technology, and PhilFiDA, respectively, shall establish and enforce  
29 standards in grading, sampling, and inspection, tests and analysis,  
30 specifications, nomenclature, units of measurement, packaging,  
31 preservation, conservation or transportation of Philippine abaca  
32 products and by-products.

33  
34 g. Philippine Abaca Information Center – The Department of Trade and  
35 Industry, in coordination with local government units, shall establish  
36 a Philippine Abaca Information Center in areas where abacas are  
37 abundant.

38  
39 **Sec. 6. Philippine Abaca Industry Development Fund.** – To provide for the  
40 funding requirements for the propagation, production, processing, marketing,  
41 promotion and distribution of Philippine abaca, there is hereby created a  
42 Philippine Abaca Industry Development Fund (PADF), with an initial amount of  
43 Five Hundred Million Pesos (Php 500,000,000.00) upon approval of this Act and  
44 every year thereafter, to be provided by the Department of Budget and  
45 Management in the PhilFiDA's budget. This is in addition to PhilFiDA's existing

1 allocation under the General Appropriations Act for the development of other  
2 fibers and its administrative, regulatory and operational expenses. Of this  
3 amount, Fifty Million Pesos (Php 50,000,000.00) shall be allocated for the  
4 Philippine Abaca Research Center, Visayas State University in Baybay, Leyte for  
5 the abaca research, development and extension program  
6

7 **Sec. 7. *The Council Secretariat.*** – The Council Secretariat shall be headed  
8 by the Executive Director of the PhilFiDA. The Secretariat and technical staff  
9 shall be detailed from their existing personnel without prejudice to the  
10 designation by the Council of such additional staff members as it may deem  
11 necessary for the proper discharge of its functions and responsibilities.  
12

13 **Sec. 8. *Implementing Rules and Regulations.*** – Within ninety (90) days  
14 from the effectivity of this Act, the Council shall formulate and prescribe the  
15 necessary rules and regulations for its implementation.  
16

17 **Sec. 9. *Repealing Clause.*** – Any law, presidential decree or issuance,  
18 executive order, letter of instruction, administrative order, proclamation,  
19 charter, rule or regulation and/or parts thereof contrary to or inconsistent with  
20 the provisions of this Act is hereby repealed, modified or amended accordingly.  
21

22 **Sec. 10. *Separability Clause.*** – If for any reason, any section or provision  
23 of this Act is declared unconstitutional or invalid, other sections or provisions  
24 which are not affected thereby shall continue to be in full force and effect.  
25

26 **Sec. 11. *Effectivity Clause.*** – This Act shall take effect fifteen (15) days  
27 following its publication in the Official Gazette or in two (2) newspapers of  
28 general circulation.  
29

30 National Abaca Research Center  
31 *Approved,*