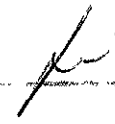


FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

10 JUL 26 2008

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SENATE

S.B. No. 2050

Introduced by Senator **EDGARDO J. ANGARA**

EXPLANATORY NOTE

Coconut products are still the number one agricultural export earner on our country. More than twenty million Filipinos all over the country depend on the planting and harvesting of coconuts for their living.

Due to the recent glut of palm oil in the world market and typhoon that hit the country last year, our coconut farmers are in desperate straits. Southern Tagalog alone copra sale went down from P22.40 per kg in 2004 to P18.28 per kg. in 2006. Government expects coconut production to stay flat this year at 2.4 million. Given the situation, farmers are no longer harvesting coconuts. More farmers cut trees and sell them as lumber, instead of harvesting the coconut.


If this low copra selling price and production continues, the coconut industry will collapse. This calamity requires emergency action, in order to provide immediate and long-term relief to coconut farmers suffering from the effects of abnormally low prices of copra and other coconut products.

The proposed emergency measure Program will involve the following projects:

- o Income Supplement Projects, for coconut farmers to sell their copra and whole nuts at millgate price or better, as follows:
- o Transport allowance to coconut farmers, for government to shoulder the difference between farmgate and millgate prices, worth P38.25 million a month;
- o Marketing assistance to coconut farmers, including transport equipment assistance to coconut farmer organizations and accredited oil mills, worth P236.2 million;
- o Direct buying of copra by National Food Authority at a threshold price determined by the Philippine Coconut Authority;
- o Income support on regular sales of copra and whole nuts, directly benefiting 1.6 million coconut farmers through the issuance of coupons.


It is only through a timely and critical intervention can we save the coconut industry - and the farmers who depend on this industry for their living - and help them overcome this debilitating crisis.

For the above-mentioned reasons, approval of this bill is earnestly urged.


EDGARDO J. ANGARA

FIFTEENTH CONGRESS OF THE)
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10 JUL 26 P4 08

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S.B. No. 2050

Introduced by Senator EDGARDO J. ANGARA

AN ACT
ESTABLISHING AN EMERGENCY MEASURE TO
ALLEVIATE THE PLIGHT OF COCONUT FARMERS ADVERSELY
AFFECTED BY LOW PRICES OF COPRA AND OTHER COCONUT
PRODUCTS, AND PROVIDING FUNDS THEREFOR

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

1 **SECTION 1. *Title of the Act.*** - This Act shall be known as the "Coconut
2 *Emergency Measures Act of 2010.*"

3
4 **SEC. 2. *Purpose of the Act.*** - In order to immediately address the abnormal price
5 situation in the coconut industry sector brought by the worldwide glut of fats and oils in
6 the world market, there is a need to launch an income supplement program for small
7 coconut farmers, tillers, workers and owner-cultivators who comprise the overwhelming
8 majority of the people in the coconut industry that will provide them immediate relief from
9 the adverse effects of extremely low prices of copra and husked nuts.

10
11 **SEC. 3. *Definition of Terms.*** - As used in this Act, "coconut farmers" refers to
12 small coconut farmers, tillers, workers and owner cultivators who comprise the
13 overwhelming majority of the people in the coconut industry.

14

1 **SEC. 4. Assistance Provided to Coconut Farmers.**- By virtue of this Act, coconut
2 farmers and coconut processing sector shall be provided income supplement projects, for
3 coconut farmers to sell their copra and husked nuts at millgate price or better, as follows:

4 (a) Transport allowance to coconut farmers where government shoulders the costs
5 of transport of copra and husked nuts from farm to mill until prices go beyond
6 the production cost of six pesos and four centavos (P6.04) per kilogram of
7 copra;

8 (b) Marketing assistance to coconut farmers, including transport equipment
9 assistance to coconut farmer organizations and accredited oil mills or
10 desiccators;

11 (c) Direct buying of copra by the National Food Authority (NFA) at a base price
12 determined by the Philippine Coconut Authority (PCA);

13 (d) Income support on regular sales of copra and husked nuts directly benefiting
14 coconut farmers through the issuance of incentive coupons the value of which,
15 as determined by PCA, shall be based on the volume delivered; and

16 (e) Livestock and seedling dispersal through the PCA and accredited farmer
17 organizations;

18 (f) Informing, teaching, assisting and training them through the Department of
19 Science and Technology, to fully utilize the coconut and its by-products;

20 (g) Providing them the skills for efficient marketing of their coconut products and
21 by-products;

22 (h) Helping them in the acquisition of fertilizers.

23
24 **SEC. 5. Implementation of this Act.** - The Philippine Coconut Authority shall
25 issue such rules and regulations in order to implement this Act.
26

1 **SEC. 6. *Funding.*** - Assets acquired through the coconut levy funds or by entities
2 financed by the coconut levy funds identified by the President of the Republic of the
3 Philippines for appropriate disposal or sale, shall be sold or disposed to generate a
4 maximum fund of One Billion Pesos (P1,000,000,000.00) which shall be managed by a
5 Committee composed of a Chairman and four (4) members to be appointed by the
6 President whose term shall be co-terminus with the Program. The Committee is authorized
7 to organize a Secretariat for the effective performance of its functions and responsibilities.

8 The Committee may authorize the disbursement of an amount not to exceed two
9 percent (2%) of the fund to defray personnel and maintenance and operating costs of the
10 Committee and its Secretariat, consultative meetings with coconut farmers and information
11 dissemination of the Program.

12 The Philippine Commission on Good Government, Office of the Solicitor General
13 and other appropriate government instrumentality are hereby directed to take all necessary
14 steps to implement the purposes and objectives of this Act.

15
16 **SEC. 7. *Audit of Fund and Submission of Report.***- The Authority and the
17 Commission of Audit shall immediately conduct a thorough inventory of all assets funded
18 by the coconut levy funds. Every quarter after the effectivity of this Act, the Authority and
19 the Commission on Audit shall make a public disclosure of their fundings.

20
21 **SEC. 8. *Other Funds.*** - The President may, by appropriate issuances and when the
22 situation so warrants, provide additional funds therefor.

23
24 **SEC. 9. *Separability Clause.*** - If any provision of this Act shall be declared
25 unconstitutional or invalid, the other provisions not otherwise affected shall remain in full
26 force and effect.

1

2 **SEC. 10. *Effectivity Clause.*** - This Act shall take effect fifteen days after its
3 publication in two (2) newspapers of general circulation.

4

5 *Approved,*