

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



Senate
Office of the Secretary

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SENATE
Senate Bill No. 1403

RECEIVED BY: *Ji*

INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

EXPLANATORY NOTE

The coconut industry is a top dollar earner chalking \$900 million to about \$1 billion, and a potential annual earner of \$2 billion if rehabilitated. As a dollar earner, the coconut and all its by-products surpass other export products, as it requires no import casts. In fact, the Philippines is one of the world's biggest exporters of coconut oil, which is either used for food or other industries.

Unfortunately, unstable trends in production and world market prices lead observers to view the industry as a sunset industry, which will eventually die and stop bringing income to those who depend on it for a living. The number one problem is the dwindling supply of coconut. Coconut trees are cut down for lumber, while some cocolands are being converted to avoid the operation of land reform. Thus, the marginal coconut farmer is now in quandary. Most of them are seriously thinking of selling their cocolands, or of converting it, and leaving coconut farming in favor of promising opportunities in other areas of endeavor.

Hence, it is incumbent upon Congress to address these conditions afflicting the coconut industry, which comprises a substantial sector of Philippine agriculture and a major source of our export earnings.

This bill seeks, therefore, to alleviate the present condition of the coconut industry and ensure its continuity and substantiality by classifying it as last priority for coverage in the Comprehensive Agrarian Reform Program of the government so as not to discourage coconut farmers in investing further in coconut farming.

This measure also provides for a stricter or higher penalty for violations of the prohibited acts and omission under Republic Act No. 6657.

Early approval of this bill is earnestly requested.


JINGGOY EJERCITO ESTRADA
Senator

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AN ACT
AMENDING CERTAIN SECTIONS OF REPUBLIC ACT NUMBER SIX
THOUSAND SIX HUNDRED FIFTY SEVEN (R.A. 6657), AS AMENDED,
OTHERWISE KNOWN AS THE "COMPREHENSIVE AGRARIAN REFORM LAW
OF 1998", AND FOR OTHER PURPOSES

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

SECTION 1. Section 7 of Republic Act Numbered Six Thousand Six
Hundred Fifty Seven (R.A. 6657), as amended, otherwise known as the
"Comprehensive Agrarian Reform Law of 1998" is hereby amended to read as
follows:

*"Section 7. Priority. – The Department of Agrarian Reform (DAR) in
coordination with the Presidential Agrarian Reform Council (PARC)
shall plan and program the acquisition and distribution of all
agricultural lands through a period of ten (10) years from effectivity
of this Act. Land shall be acquired and distributed as follows:*

*"Phase One: Rice and corn lands under Presidential Decree No.
27; All idle and abandoned lands; all private lands voluntarily
offered by the owners for agrarian reform; all lands foreclosed by
government financial institutions; all lands acquired by the
Presidential Commission on Good Government (PCGG); and all
other lands owned by the government devoted to or suitable for
agriculture, which shall be acquired and distributed immediately
upon the effectivity of this Act, with the implementation to be
completed within the period of not more than four (4) years.*

*"Phase Two: all alienable and disposable public agriculture lands;
all arable public agricultural lands under agro-forest, pasture and
agricultural leases already cultivated and planted to crop in
accordance with Article XIII of the Constitution; all public
agricultural lands which are to be opened for new development and
resettlement and all private agricultural lands in excess of fifty (50)
hectares, insofar as the excess hectarage is concerned, to
implement principally the rights of farmers and regular farm
workers, who are landless, to own directly or collectively the lands
they till, which shall be distributed immediately upon the effectivity
of this Act, with the implementation to be completed within a period
of not more than four (4) years.*

"Phase Three: all other private agricultural lands with large landholdings and proceeding to medium and small under the following schedule:

- (a) Landholdings above twenty four (24) hectares up to fifty (50) hectares, to begin on the fourth (4th) year from the effectivity of this Act to be completed within three (3) years; and,*
- (b) Landholdings from the retention limit up to twenty-four (24) hectares, to begin on the sixth (6th) year from the effectivity of this Act and to be completed within four (4) years; to implement principally the right of farmers and regular farm workers who are landless, to own directly or collectively the lands they till.*

*"The schedule of acquisition and redistribution of all agricultural lands covered by this program shall be made in accordance with the above order or priority, which shall be provided in the implementing rules to be prepared by the Presidential Agrarian Reform Council (PARC), taking into consideration the following: The need to enhance agricultural productivity, and the availability of funds and resources to implement and support the program; **PROVIDED, THAT ALL LAND DEVOTED PRIMARILY TO COCONUT FARMING SHALL BE GIVEN LAST PRIORITY IN THE SCHEDULE OF ACQUISITION AND REDISTRIBUTION WHETHER THE SAME BE PUBLIC OR PRIVATE, TENANTED OR UNTENANTED.***

"In any case, the PARC, upon recommendation by the Provincial Agrarian Reform Coordination Committee (PARCOMM), may declare certain provinces or regions as priority land reform areas, in which cases the acquisition and distribution of private agricultural lands therein may be implemented ahead of the above schedules.

"In effecting the transfer within this guidelines, priority must be given to lands that are tenanted.

"The PARC shall establish guidelines to implement the above priorities and distribution scheme, including the determination of who are qualified beneficiaries; Provided, That an owner-tiller may be a beneficiary of the land he does not own but is actually cultivating to the extent of the difference between the area of the land he owns and the award ceiling of three (3) hectares."

SEC. 2. Section 74 of the same Act is hereby amended to read as follows:

*"Section 74. Penalties. – Any person who knowingly or willfully violates the provisions of this Act shall be punished by imprisonment of not less than [one (1) month but not more than three (3) or a fine of not less than one thousand pesos (P1,000.00) and not more than fifteen thousand pesos (P15,000.00)] **SIX (6) MONTHS TO NOT MORE THAN FOUR (4) YEARS OR A FINE OF NOT LESS THAN FIVE THOUSAND PESOS (P5,000.00).**"*

SEC. 2. *Separability Clause.* If any provision of this Act shall be held to be unconstitutional, the remainder of the Act not otherwise affected shall remain in full force and effect.

SEC. 3. *Repealing Clause.* Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to, or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

SEC. 4. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation or in the Official Gazette.

Approved,