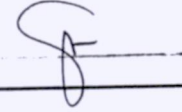


SENATE

'19 JUL 16 P2:38

S. No. 548

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Introduced by SENATOR MANUEL "LITO" M. LAPID

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**AN ACT**  
**TO PROMOTE THE PRODUCTION, PROCESSING, MARKETING AND**  
**DISTRIBUTION OF PHILIPPINE MANGOES PROVIDING FUNDS THEREFOR**  
**AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Philippine Mango or the *Manggang Kalabaw* (or Super Manila Mango) is known to be the sweetest mango in the world as listed in the 1995 Guinness Book of World Records and it is the third most important fruit crop that the country exports.

In terms of trade, Philippines continue to be a significant player in the global mango value chain. Based on a 2017 study prepared by the Duke University Center on Globalization, Governance and Competitiveness (Duke CGGC) on behalf of the USAID/Philippines, the Philippines is 7<sup>th</sup> worldwide in terms of exports of fresh and dried mango, with US\$91 million in fresh and dried mango exports for a 4% share of the global market (UNComtrade, 2016). Our products also account for an average of 10% of international fresh and dried mango exports (FAO, 2016) with major export

destinations to the United States (24%), Hong Kong (17%), Republic of Korea (13%) and Japan (12%) (UNComtrade, 2016).<sup>1</sup>

However, with technological advances in other countries, there has been growing competition and our mango production and export is being challenged by other mango-producing countries.

Although the trend on land area dedicated for mango plantations has consistently increased, reaching 188,139 hectares in 2009, the value and volume of production has fluctuated through the years. In 2018 alone, volume of mango production was rapidly shifting every quarter as reported by the Philippine Statistics Authority. Although production increased in the third and fourth quarters (4.3%<sup>2</sup> and 0.5%<sup>3</sup>, respectively), low volume was recorded in the first and second quarters of 2018 (9.4%<sup>4</sup> decrease and 3.3%<sup>5</sup> decrease, respectively). For the first quarter of 2019, the sector further suffered a 2.8% slump in production<sup>6</sup>.

But the problem does not only lie on the production side. Farmers are also experiencing difficulties in selling their produce. The Department of Agriculture reported an oversupply of almost two million kilograms of mango – an oversupply that is attributable to low demand.

This downward trend in production coupled with an excess of supply due to low demand clearly spells disaster for the livelihood of about 2.5 million famers dependent on the market for Philippine mangoes, mostly small farmers engaged in backyard gardening. It is obvious that our local mango industry is in need of an institutionalized roadmap for long-term development.

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<sup>1</sup> Fernandez-Stark, Karina, et al. *The Philippines in the Mango Global Value Chain*. Duke University Center on Globalization, Governance and Competitiveness. 2017. Retrieved from: [https://gvcc.duke.edu/wp-content/uploads/2017\\_03\\_10\\_PUBLIC\\_The-Philippines-in-the-Mango-GVC.pdf](https://gvcc.duke.edu/wp-content/uploads/2017_03_10_PUBLIC_The-Philippines-in-the-Mango-GVC.pdf) Date retrieved: June 27, 2019

<sup>2</sup> [https://psa.gov.ph/sites/default/files/Major%20Fruit%20Crops%20Quarterly%20Bulletin%2C%20July-September%202018\\_0.pdf](https://psa.gov.ph/sites/default/files/Major%20Fruit%20Crops%20Quarterly%20Bulletin%2C%20July-September%202018_0.pdf)

<sup>3</sup> [https://psa.gov.ph/sites/default/files/Major%20Fruit%20Crops%20Quarterly%20Bulletin%2C%20October-December%202018\\_0.pdf](https://psa.gov.ph/sites/default/files/Major%20Fruit%20Crops%20Quarterly%20Bulletin%2C%20October-December%202018_0.pdf)

<sup>4</sup> <https://psa.gov.ph/sites/default/files/Major%20Fruit%20Crops%20Quarterly%20Bulletin%2C%20January%20-%20March%202018.pdf>

<sup>5</sup> [https://psa.gov.ph/sites/default/files/Major%20Fruit%20Crops%20Quarterly%20Bulletin%2C%20April-June%202018\\_0.pdf](https://psa.gov.ph/sites/default/files/Major%20Fruit%20Crops%20Quarterly%20Bulletin%2C%20April-June%202018_0.pdf)

<sup>6</sup> <https://psa.gov.ph/fruits-crops-bulletin/mango>

This bill seeks to mandate a program for the efficient production, processing, marketing and distribution of Philippine Mangoes to ensure continued increase in their export and improve their quality.



**MANUEL "LITO" M. LAPID**  
*Senator*



SENATE

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Introduced by SENATOR MANUEL "LITO" M. LAPID

**AN ACT  
TO PROMOTE THE PRODUCTION, PROCESSING, MARKETING AND  
DISTRIBUTION OF PHILIPPINE MANGOES PROVIDING FUNDS THEREFOR,  
AND FOR OTHER PURPOSES**

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

1 Section 1. *Title.* This Act shall be known as the "Philippine Mango  
2 Development Act."

3 Sec. 2. *Declaration of Policy.* - It is hereby declared the policy of the State to  
4 develop and promote a globally competitive mango industry with the objective of  
5 increasing production of safe, quality and healthy mango fruits, promoting lower  
6 cost of production and marketing, generating higher income for mango growers and  
7 traders, instituting comprehensive research and development, modernizing post-  
8 harvest techniques and implementing effective marketing strategies.

9 Sec. 3. *Site Identification.* - The Department of Agriculture, in coordination  
10 with the Department of Environment and Natural Resources, Department of Agrarian  
11 Reform and Department of Science and Technology, and the municipal, city and  
12 provincial governments concerned, shall identify the broad areas suitable for  
13 planting and propagation of the Philippine Mango within six (6) months after the  
14 effectivity of this Act: *Provided,* that such site identification shall be reviewed at

1 appropriate intervals to ensure consistency with the agrarian reform program and  
2 the national land use policy.

3       *Sec. 4. Philippine Mango Framework for Development.* - The Department of  
4 Agriculture, in consultation with the Department of Trade and Industry, Department  
5 of Environment and Natural Resources, Department of Science and Technology,  
6 mango growers' cooperatives and organizations, local government units, and the  
7 private sector, shall formulate a five-year Framework for Development, to be  
8 validated and updated annually. Such Framework shall serve as a guide to the  
9 formulation and implementation of plans, programs and projects for the production,  
10 marketing, processing and distribution of Philippine mangoes for food and  
11 commercial needs, as envisioned in this Act. The Framework shall likewise provide  
12 for the following:

13       a. *Investment Promotion and Facilitation* - The Department of Agriculture  
14 and Department of Trade and Industry shall develop programs  
15 establishing links between stakeholders in the mango industry  
16 Government Financial (GFIs) and other financial cooperatives. Department  
17 of Agriculture and Department of Trade and Industry shall likewise  
18 develop and implement programs that will establish reasonable and  
19 innovative investment incentives to attract more investors to the mango  
20 industry;

21       b. *Production Support and Extension* – The Department of Agriculture and  
22 Department of Trade and Industry, Department of Science and  
23 Technology, Cooperative Development Authority, state universities and  
24 colleges and other relevant government agencies shall establish programs  
25 that promote and provide adequate training on adapting technologies to  
26 individuals engaged in production, marketing, processing and distribution  
27 of Philippine mangoes, strengthen growers' cooperatives and organizations  
28 involved in the sustainable and viable development of Philippine mangoes,  
29 and afford opportunities for participation in international conventions,  
30 workshops and fora. The Department of Agriculture, in coordination with  
31 all state universities and colleges (SUCs) or SUCs with agriculture

- 1 programs, the Department of Trade and Industry, shall likewise make  
2 good seeds and materials readily available to mango growers/cooperatives  
3 to ensure high yield and good quality Philippine mangoes;
- 4 c. *Research and Development* – The Department of Agriculture and the  
5 Department of Science and Technology shall establish sites and/or pilot  
6 farms for the cultivation and propagation of Philippine mangoes. The same  
7 also covers the transfer and improvement of appropriate technology and  
8 techniques, which will be utilized in every phase of mango production,  
9 marketing, processing and distribution. Particular emphasis shall be placed  
10 on adoption and upgrading of post-harvest technology;
- 11 d. *Market Promotion and Development* - The Department of Agriculture and  
12 Department of Trade and Industry shall promote link-ups of agribusiness  
13 cooperatives and organizations directly with consumers' cooperatives and  
14 organizations. This also includes exploring national and international  
15 markets and facilitating the participation of local growers and producers in  
16 local and international conferences, trade fairs, and exhibits;
- 17 e. *Quality Assurance* – To ensure the health and proper trading of mangoes,  
18 the Department of Agriculture shall establish and enforce standards in  
19 grading, sampling and inspection, tests and analysis, specifications,  
20 nomenclature, units of measurement, packaging, preservation,  
21 conservation and transportation of Philippine mangoes;
- 22 f. *Infrastructure Development* – Access to post harvest facilities, storage and  
23 distribution/transport facilities of existing government agencies shall be  
24 facilitated by the Department of Agriculture. Assistance shall be given to  
25 qualified and viable growers/cooperatives in the availment of soft loans or  
26 grants for the construction of post-harvest, processing and storage  
27 facilities; and
- 28 g. *The Department of Agriculture and DOST* – Philippine council for  
29 Agriculture, Forestry and Natural Resources Research and Development  
30 shall establish a Philippine Mango Information Center in areas identified  
31 pursuant to Section 3 of this Act.

1           Section 5. *Philippine Mango Development Fund (PMDF)*. - To provide for the  
2 funding requirements for the production, marketing, processing and distribution of  
3 Philippine mango, there is hereby created a Philippine Mango Development Fund  
4 (PMDF), with an initial amount of five hundred million pesos (500,000,000.00) to be  
5 taken from the existing budget of the Department of Agriculture. Thereafter, the  
6 PMDF shall be sourced from the amounts be appropriated in the General  
7 Appropriations Act in the year following its enactment into law. Other sources of  
8 funds, including but not limited to borrowings from local and international financial  
9 institutions, shall also be considered to further support the Fund.

10           Section 6. *Inter-Agency Committee*. - A committee, composed of  
11 representatives from the Department of Agriculture, the Department of Agrarian  
12 Reform, the Department of Finance, the Land Bank of the Philippines, the  
13 Development Bank of the Philippines, the Cooperative Development Authority, the  
14 Department of Science and Technology, the Department of Trade and Industry, the  
15 Department of Environment and Natural Resources, the Department of the Interior  
16 and Local Government and one (1) from each of the mango growers and commercial  
17 producers' sectors to be designated by the Secretary of Agriculture, shall formulate  
18 and prescribe, after public hearing and publication as required by law, the  
19 implementing rules and regulations in order to carry out the provisions of this Act.  
20 The representatives from the Department of Agriculture and the Department of  
21 Trade and Industry shall be the chairman and the vice-chairman, respectively, of the  
22 Committee.

23           The Secretary of the Department of Agriculture shall report to both Houses of  
24 Congress on the status of the implementation of this Act bi-annually.

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

1           Sec. 8. *Separability Clause.* - If any part or provisions of this Act shall be  
2 declared unconstitutional or invalid, the other parts or provisions not affected  
3 thereby shall remain in full force and effect.

4           Sec. 9. *Effectivity Clause.* - This Act shall take effect immediately following its  
5 publication in a newspaper of general circulation or in the Official Gazette, whichever  
6 comes first.

7                           *Approved,*