

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

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SENATE
P. S. R. No. 468

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE TO INSTITUTIONALIZE PROPER GOVERNMENT INITIATIVES TO ENCOURAGE THE GROWTH OF THE COFFEE INDUSTRY AND ADDRESS THE DECLINE OF FARM PRODUCTION OF COFFEE IN THE COUNTRY

WHEREAS, the Constitution, Article 2, Section 20 provides that: "The State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments";

WHEREAS, based on the report of the International Coffee Organization Certifying Agency (ICOCA), Philippine exports of coffee went up by 40 percent in 2005 at \$5.31 million from only \$3.8 million in 2004;

WHEREAS, the export value represented a total of 2.033 million metric tons of coffee in the forms of green beans, soluble and roasted coffee;

WHEREAS, the exports of soluble coffee accounts for 98 percent of the total coffee exports while the remaining two percent were green beans and roasted coffee;

WHEREAS, 92 percent of the country's exports of green coffee beans went to the Sultanate of Oman followed by Japan and China; for soluble coffee, at least 73 percent were shipped to Japan;

WHEREAS, according to importers, they source coffee from the Philippines mainly because it is a member of good standing in the International Coffee Organization, an international body that administers the International Coffee Agreement, a multilateral agreement among the world's 75 coffee-producing and consuming countries;

WHEREAS, according to the Department of Agriculture (DA) local demand for coffee is growing at 3% per year and is expected to reach 65,693 tons by 2010 and 78,439 tons by 2015; at this rate of expansion, coffee plantations need to boost production;

WHEREAS, in 2004, domestic demand for coffee was 55,000 metric tons while production was only around half of the requirement;

WHEREAS, the Philippines has 72,620 hectares of productive coffee farming area: 5,000 hectares in North Luzon; 10,020 hectares in South Luzon; 8,400 hectares in Visayas; and 49,200 hectares in Mindanao;

WHEREAS, the DA said that in terms of expansion for coffee, Mindanao has enough area for the 10,000-hectare per year expansion needed to be self-sufficient;


WHEREAS, according to Figaro Foundation Corporation, the lack of the necessary technology is one of the problems faced by coffee farmers; in many coffee countries, coffee production is largely mechanized which cuts down time and labor costs; in the Philippines, except for the larger coffee farms, nearly everything is done by hand; the smaller farmers cannot even afford the most basic machines like hullers;

WHEREAS, many farmers whose families have planted coffee for generations have sold their land or have switched to planting more profitable crops;

WHEREAS, it is the duty of the government to promote the much needed developments in the coffee industry and to ensure that the country's good standing in the International Coffee Organization is maintained; now be it

RESOLVED, that the proper Senate committee shall institutionalize proper government initiatives to encourage the growth of the coffee industry and address the decline of farm production of coffee in the country.

Adopted,


MIRIAM DEFENSOR SANTIAGO

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