

SENATE

S. NO. 406

Introduced by Senator Antonio "Sonny" F. Trillanes IV

EXPLANATORY NOTE

Of recent, coffee production has become a booming industry in the country. With the introduction in the market of Starbucks, Seattle's Best, and other high-end cafe, the demand for the excellent varieties of coffee has reached unparalleled height. Even the country's pride, Figaro, has set standards of global competitiveness by opening satellite stores in Hongkong and in Southeast Asia.

True enough, the demand for coffee has outpaced harvests and production. The Makati Business Club (MBC) cited that local demand had already perked up to 55,000 tons while production stood at only 35,000 tons. Areas planted to coffee declined from about 100,000 hectares in 1986 to only 78,000 hectares at present.

In the province of Cavite, a new festivity called "Pahimis" is being touted as a coffee feast celebration in Amadeo. It is a tribute for the greatness of coffee, the town's bountiful and chief harvests. It is for this reason that the Province of Cavite and its municipalities and cities and the Cavite State University spearheaded the campaign for the creation of a Coffee Research, Development and Extension Center (CoRDEC).

The legislation envisions the creation of a center that will have the general powers and functions in line with the research, development and extension programs of the Department of Agriculture-Bureau of Agricultural Research (DA-BAR), Department of Science and Technology (DOST), Department of Trade and Industry (DTI), National Economic and Development Authority (NEDA) and the Cavite State University (CvSU). The Center will be in the forefront of educating and training all stakeholders of the coffee industry; conducting relevant researches, scientific study and feasible marketing strategies; extending technologies; and creating linkages with international organizations and other coffee development centers in other countries.

Approval of this policy measure is earnestly sought.


ANTONIO "SONNY" F. TRILLANES IV
Senator

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AN ACT
CREATING A COFFEE RESEARCH, DEVELOPMENT AND EXTENSION CENTER,
AUTHORIZING THE APPROPRIATION OF 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.** The Coffee Research, Development and Extension Center (hereinafter
2 referred to as CoRDEC) based at the Cavite State University (CvSU), in the Municipality of
3 Indang, Province of Cavite is hereby established.

4
5 **SEC. 2.** The Center shall have the following general powers and functions in line with
6 the research, development and extension programs of the Department of Agriculture - Bureau of
7 Agricultural Research (DA-BAR), Department of Science and Technology (DOST), Department
8 of Trade and Industry (DTI), National Economic and Development Authority (NEDA) and the
9 Cavite State University (CvSU).

- 10 a. Educate and train all stakeholders of the coffee industry;
11 b. Conduct relevant researches, scientific study and feasible marketing strategies;
12 c. Extend technologies; and
13 d. Link with international organizations and other coffee development centers in other
14 countries.

15
16 **SEC. 3.** The Center shall have the specific powers and functions:

- 17 a. Develop productive, high yielding, good quality varieties/trains of coffee;
18 b. Develop efficient, economic and productive coffee production technologies;
19 c. Develop effective and sound coffee processing technologies for varieties "Exelsa",
20 "Libérica" and other outstanding varieties coffee;
21 d. Develop effective production systems for all coffee varieties;

- e. Establish and maintain germplasm collection and gene bank for coffee;
- f. Develop effective and efficient marketing systems for coffee;
- g. Evolve productive coffee-based farming systems;
- h. Develop and implement appropriate and suitable technology packages and effective technology transfer schemes, especially the conduct of training programs;
- i. Upgrade the skills of development facilitators, extensionists and farmers through trainings, seminars and workshop on coffee production and postharvest handling and processing;
- j. Establish national and international linkages for coffee research, development, extension and production activities; and
- k. Coordinate with other government/non-government agencies involved in the development of the coffee industry.

SEC. 4. The Center shall be headed by an Executive Director who shall be responsible for the planning, implementation, and supervision of the Center's program of activities. The Executive Director shall possess the following qualifications:

- 4.1. Must not be more than fifty (50) years of age;
- 4.2. Must have completed substantial and relevant education and experience on coffee research and development; and
- 4.3. Must be of good moral character and has not been involved in a legal case involving moral turpitude.

All other officers and employees of the Center shall be appointed by the Executive Director consistent with the provisions of the Civil Service laws, rules and regulations.

SEC. 5. The plans and programs of the Center shall be reviewed annually by the Advisory Board which shall be composed of:

- a. The Secretary of the Department of Agriculture as Chairman;
- b. The University President of the Cavite State University, as Vice-Chairman;
- c. The Secretary of the Department of Trade and Industry, as Member;
- d. One (1) representative from a non-governmental organization (NGO) working on coffee production, research and development and processing;
- e. One (1) representative from the group of coffee traders;
- f. One (1) representative from the group of coffee processors; and
- g. One (1) representative from the group of coffee growers.

1 **SEC. 6.** The presence of at least five (5) members at the time of the meeting shall
2 constitute the quorum: *Provided*, however, That the Chairman, in his absence, the Vice-
3 Chairman, shall preside.

4
5 **SEC. 7.** The Center is hereby authorized to plan, construct, develop, improve, acquire, or
6 lease buildings, farms, fields and other facilities, to purchase machineries, equipment, materials
7 and supplies locally or abroad as may be necessary to carry out its functions and objectives.
8 Moreover, the Center shall enjoy exemption from taxes and other duties in the importation of
9 such machineries, development and extension programs, subject to the provisions of Section
10 105(s) of the Tariff and Customs Code, Section 103(f) of the National Internal Revenue Code
11 and to the provisions on Automatic Appropriations under the General Appropriations Act.

12
13 **SEC. 8.** The main offices, experimental area and nursery of the Center shall be located at
14 the Cavite State University campus in Indang, Cavite. The Center may hereafter establish similar
15 facilities in its other service areas in order to promote the development of the coffee industry in
16 the country.

17
18 **SEC. 9.** The amount of fifty million pesos (Php50,000,000.00) is hereby authorized to be
19 appropriated from the Special Activities Fund of the President of the Republic of the Philippines,
20 or from any other sources that may be identified for the purpose. Thereafter, such sum required
21 for its operation, maintenance, research, development and extension activities shall be included
22 in the annual General Appropriations Act.

23
24 **SEC. 10.** Any and all savings and income of the Center shall constitute a revolving fund
25 which shall not be reverted to the General Fund and which shall be used by the Center in the
26 furtherance of its goals and objectives.

27
28 **SEC. 11.** All existing laws, rules and regulations or part thereof inconsistent with the
29 provisions of this Act are hereby repealed, superseded or modified accordingly; *Provided*,
30 however, That nothing in this Act shall amend, modify or repeal the provisions of Republic Act
31 No. 7160, otherwise known as the Local Government Code.

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33 **SEC. 12.** This Act shall take effect fifteen (15) days of its complete publications in the
34 Official Gazette or in at least two (2) newspapers of national circulation.

Approved,