Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL No. 1226

Introduced by: HON. FELIX R. ALFELOR, JR.

EXPLANATORY NOTE

This bill was filed with the 12th Congress as House Bill No. 4715 with the following explanatory note:

"Pili (Canarium Ovatum) is said to be one of the fruit tress indigenous to the Philippines, which can be developed into a major export crop for the country.

With its taste comparable to that of other popular nuts in the world like macadamia and walnut, pili nuts have become an important ingredient in many confectionaries and baked products. In the foreign market, pili nuts are exported mainly to Australia, Guam, Canada, and the United States.

Furthermore, the pili tree is suitable for reforestation, being an excellent windbreaker. It can also be used as an ornamental tree for landscaping purposes. Its bark can be a source of resin in chemical-based products like varnish, lacquers and perfume. Its pulp is edible and nutritious, making it a major delicacy in some restaurants around the country. Its shell can also be made into key holders, bracelets and other ornaments.

At present, the Bicol Regions accounts for 75% of the total area planted to pili. Other pili-producing regions include the Southern Tagalog as well other provinces in Visayas and Mindanao.

However, despite its strong export potential, the pili faces that could weaken the sustainability of its production and competitiveness as the hectarage planted to pili continues to decline due to indiscriminate cutting down of old but still productive pili trees for fuel and other purposes.

As the Constitution mandates the preferential use of Filipino products and the adoption of measures that will make them competitiveness of the pili, through the establishment of the Pili Development Authority."

In the view of the foregoing reasons, the approval of this bill, which was filed before the 12th Congress but was not acted upon its adjournment, is earnestly sought.

HON. FELIX R. ALFELOR, JR.
Representative
Fourth District, Camarines Sur

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AN ACT
ESTABLISHING THE PILI DEVELOPEMNT AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THREFOR AND OTHER PURPOSES.

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

SECTION 1. Title.- This Act shall be known as "The Pili Development Authority Act of 2002."

SECTION 2. Declaration of Policy.- It is hereby declared to be a policy of the State to foster and accelerate the growth and development of the pili industry so that the benefits of such growth shall redound to the greater sustainability of the industry and improvement in the welfare of the Pili farmers and processors.

Pursuant to this policy, the State shall promote the preferential use of Pili products and adopt measures that will help enhance its competitiveness.

SECTION 3. Creation of the Pili Development Authority.- There is hereby created the Pili Development Authority, hereinafter referred to as the Authority, which shall be placed under the Department of Agriculture.

SECTION 4. Purposes of and Objectives.- The Authority shall have the following purposes and objectives:

a. To promote and accelerate the development of the pili industry in all its aspects;
b. To provide general directions for the strategic research and development of the pili industry in order to sustain its agricultural, industrial and commercial viability in the country;

c. To adapt workable long-range policies for the intensification of pili products for export;
d. To institutional the monitoring and regulation of the production and use of Pili; and
e. To achieve vertical integration of the pili industry so that pili growers become participants in and beneficiaries of the development and growth of the industry.

SECTION 5. Governing Body.- The powers and functions of the Authority shall be vested in and exercised by the Board of Directors. It shall be composed of seven (7) members, who shall be appointed by the President of the Philippines. The Board shall consist of the following:

a. Five (5) members from the national government who shall come from the Department of Agriculture, Department of Trade and Industry, Department of Science and Technology, Department of Environment and Natural and Department of Agrarian Reform, who shall be appointed by their respective Department Secretaries.

b. Two (2) members from the pili processors; and

c. One (1) member representing the pili farmers.

SECTION 6. Powers and Functions. To carry out the purposes and objectives mentioned in the preceding section, the Board through its members as hereinafter constituted is hereby vested with the following powers:

a. To formulate and adopt a general program of development for the pili industry;

b. To evaluate the existing policies, programs and projects of all agencies and instrumentalities having to do with the pili industry development and to integrate as well as coordinate the various facets of such activities into the approved general program;

c. To recommend to the President of the Philippines and, upon his approval, to effect the integration of agencies charged with the enhancement of certain aspects of industry development with the view of attaining efficiency and effectiveness in implementation of the general program;

d. To supervise, coordinate and evaluate the activities of all agencies charged with the implementation of various aspects of the industry development, and to allocate and/or coordinate the release of public funds in accordance with approved development programs and projects;

e. To regulate the marketing and export of pili products and by-products including the establishment of quotas thereon, whenever the national interest so requires;

f. To receive and administer funds provided by law; with the approval of the president, funds from existing appropriations as may be necessary in support of its programs, and to accept donations, grants, gifts and assistance of all kinds from international and local private foundations, associations or entities, and to administer the same in accordance with the instructions or directions of the donor or, in default thereof, in the manner it may in its discretion determine;

g. To borrow the necessary funds from local and international financing institutions, and to issue bonds and other instruments of indebtedness, subject to existing rules and regulations of the Bangko Sentral, for the purpose of financing programs and projects deemed vital and necessary for the early attainment of its goal and objectives;

h. To formulate and recommend for adoption of credit policies affecting production, marketing and processing of pili;

i. To formulate and recommend for adoption by other agencies and instrumentalities, such programs and projects as are necessary to accelerate industry development; and

j. To enter into, make and execute contracts of any kind as may be necessary or incidental to the attainment of its purposes and, generally, to exercise all the powers necessary to achieve the purposes and objectives for which it was organized.

SECTION 7. Management.- The management of the Pili Development Authority shall be vested in an Administrator, to be appointed by the Board of Directors, who shall have the following power and duties:

a. To direct and manage the affairs and business of the Pili Development Authority, in accordance with policies and plans enunciated by the Board;
b. To recommend and, upon approval by the Board, to establish and maintain an organization with specific functions and responsibilities for each operating unit;
c. To appoint and fix the number, with the approval of the Board, of such officials and employees of the Authority as may be necessary for the proper discharge of its functions and responsibilities, and with the approval likewise of the Board, to remove, suspend and otherwise discipline, for just cause, any subordinate personnel thereof;

d. To prepare and submit within thirty (30) days after the close of each fiscal year an annual report to the President, and such periodic reports of activities as may be required from time to time; and
e. To perform such other duties as may be assigned to him by the Board from time to time.

SECTION 8. Appropriation.- An amount of Five Hundred Million Pesos (P500,000,000.00) is hereby appropriated for the initial implementation of this Act, Thereafter, the amount necessary for the continued operations of the Authority shall be included in the General Appropriations Act.

SECTION 9. Separability Clause.- If any part or section of this Act is declared unconstitutional for any reason whatsoever, such part not so declared shall remain in full force and effect.

SECTION 10. Repealing Clause.- All laws, decrees, orders, rules, and regulations or issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 11. Effectivity.- This Act shall take effect after Fifteen (15) days following its full publication in at least two (2) newspapers of general circulation in the Philippines.

Approved,