

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Thirteenth Congress
First Regular Session

HOUSE BILL NO. 2631



Introduced by Honorable Raul T. Gonzalez, Jr.

EXPLANATORY NOTE

This bill provides for the creation of the Philippine Coffee and Tropical Fruits Development Authority.

The Philippines boasts of fertile grounds for growing coffee and tropical fruits. In fact, the country is proven to be a provider of Class A coffee and fruits, which are of export quality. However, owing to lack of technological knowledge, coffee and tropical fruit production is relatively low. Considering that the Philippine economy is agriculture based, it is imperative that all agricultural resources be tapped and developed to improve the economic condition of the people.

The creation of a national coffee and tropical fruits development authority is aimed at increasing the productivity of the coffee and tropical fruit trees and improving the quality of its fruits. It is also hoped that in the process, the utility of the trees will be maximized. The approval of this bill will not only improve the country's coffee and tropical fruit industry but will also promote national development and progress.

In the light of the constitutional mandate that the state shall give priority to science and technology and their application to the country's production system and national life, approval of this bill is highly and earnestly recommended.


RAUL T. GONZALEZ, JR.

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AN ACT
CREATING THE PHILLIPINE COFFEE AND TROPICAL FRUITS
DEVELOPMENT AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS
AND APPROPRIATING FUNDS THEREFOR.

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

SECTION 1. *Title* – This Act shall be known as “The Philippine Coffee and Tropical Fruits Development Authority Act of 1996”.

SECTION 2. *Declaration of Policy* – It is declared policy of the State to increase agricultural productivity, to expand agro-based exports, to strengthen agricultural research, and to encourage the development of high yielding and profitable tropical fruits for exports and for local consumption so that the Philippine fruit development program can contribute its share in the development of the national economy.

SECTION 3. *Philippine Coffee and Tropical Fruits National Development Authority* – For the purpose of carrying out the above stated policy, there shall be created a body to be known as the Philippine Coffee and Tropical Fruits Development Authority, hereinafter referred to as the Authority.

SECTION 4. *Supervision* – The Authority shall be under the supervision of the Department of Agriculture. All policies and programs formulated, all order, rules and regulations promulgated, and all appointments made by the Authority, as well as all transactions subject to its authority and jurisdiction shall be subject to the approval of the President of the Philippines.

SECTION 5. *Principal Office* – The Authority shall establish its principle office in the West Visayas State University College of Agriculture in Lambunao, Iloilo, and may establish such branches and agencies as may be necessary to carry out its powers and functions.

SECTION 6. *Powers and functions* – The Authority shall have the following powers and functions:

- a.) To conduct research on the high yielding and profitable tropical fruit for the purpose of increasing agricultural productivity of coffee and tropical fruits;
- b.) To undertake and coordinate studies and research activities for the improvement of production, processing, marketing and utilization of technologies on (1) coffee (2) cacao (3) bananas (4) mango (5) citrus (6) santol (7) avocado (8) guava (9) guyabano (10) cashew (11) lanzones (12) atis (13) durian (14) pili nut (15) jackfruit (16) mangosteen (17) rambutan and other fruits for local consumption and export;

- c).To conduct training and extensive activities which will help in transferring the right kind of technology to coffee and fruit growers and farmers;
- d).To intensify the publication and distribution of research information on newly discovered and improved technologies in coffee and fruit production, processing and marketing thus increasing the income of rural families and indirectly helping the economy.
- e).To coordinate, integrate and supervise the policies, programs and activities of the different sectors engaged in the development of the coffee and tropical fruits industry;
- f).To support and encourage the planting and production of coffee and tropical fruits by small farmers and organization of small coffee and tropical fruits producers into cooperatives and other such organizations to help their members in the production of their products;
- g).To develop tropical fruits varieties most responsive to medium and low levels of fertilization for use of commercial growers; and to develop or identify the best performing varieties under marginal conditions for the use of small farmer who cannot afford production inputs;
- h).To place emphasis on the development of village level primary processing technologies to lessen the problem of transport from remote production areas to the processing center where coffee and tropical fruits will be processed into final commercial products;
- i).To conduct studies on the ways of increasing profitability of production practices;
- j).To acquire, lease, own, manage, sell, donate or dispose of any real or personal of the Authority;
- k).To raise funds, and to invest and deal with the funds of the Authority;
- l).To regulate the importation, exportation, manufacture, processing, handling, distribution, pricing and other activities relating to coffee and tropical fruits;
- m).To enter into any contract, transactions, or undertaking subject to the procedures determined by the Board of Directors of the Authority in consultation with the Commission on Audit, with any person or juridical entity which may be necessary or incidental to the attainment of its objectives;
- n).To call on any department, bureau, office, agency or other instrumentality of the government for assistance;
- o).To promulgate rules and regulations to carry out the provisions of this Act;
- p).To promulgate rules and procedure and operations of the Authority;
- q).To charge reasonable fees for services rendered;
- r).To perform such other acts or functions and exercise such other powers as may be necessary or incidental to carry out the objectives of this Act.

SECTION 7. *Board of Directors* – The powers and functions of the Authority shall be vested in and exercised by a Board of Directors consisting of five members. The President of the Philippines shall serve for a term of six years. The Chairman must have considerable expertise and learning in the field of coffee and tropical fruit agriculture and industry.

The Department of Agriculture, The Bureau of Plant Industry, the Philippines Council for Agriculture and Resources Research and Development and the farmers sector shall each designate a representative who shall compose the other four members of the Board.

Three members of the Board shall constitute a quorum for the transaction of business.

Except for the Chairman whose salary shall be fixed by the President of the Philippines, the members of the Board shall each receive a per diem of One Thousand Pesos (1,000.00) for every meeting actually attended: Provided, that said per diem shall not exceed Four Thousand Pesos (4,000.00) a month.

SECTION 8. *Powers and Duties of the Board of Directors* – The Board of Directors shall have the following powers and duties:

- A) Promulgate policies, prescribe such rules and regulations as may be necessary to implement the intents and provisions of this Act;
- B) Approved the annual budget and such implementing budgets of the Authority which may be submitted by the General Manager;
- C) Asses and fix fees and other charges which the Authority is empowered to impose and collect;
- D) Determine and organize the Authority' staffing pattern, fix the salaries and emoluments of its personnel, and define their duties;
- E) Exercise all powers and functions of the Authority that are essential or incidental to attain the objectives of this Act;
- F) Borrow funds from local or foreign financial institutions to carry out the purpose of the Authority;
- G) Accept grants, donations, gifts, bequests, funds or properties of whatever nature and source and administer the same in accordance with the terms thereof, in such manner consistent with the policy, aims and objectives of the Authority;
- H) Submit to the President of the Philippines periodic report and such special reports as may from time to time, be necessary.

SECTION 9. *Management* – The management of the Authority shall be vested in a General Manager, to be appointed by the President of the Philippines, upon the recommendation of the Secretary of Agriculture. The General Manager shall be a person of known integrity, competence and experience in technical and executive fields related to the purpose of this Act. He shall receive such compensation as may be fixed by the Board of Directors.

SECTION 10. *Powers and Duties of the General Manger* – The General Manager shall have the following powers and duties:

- a) To implement and enforce the policies, programs, guidelines, measures, decisions, standards, rules and regulations prescribed by the Board;
- b) To manage the delay to day affairs of the Authority, subject to the approval of the Board of Directors;
- c) To appoint, dismiss and transfer personnel, subject to the approval of the Board of Directors;
- d) To suspend or otherwise discipline, for cause, any subordinate employee of the Authority, and;
- e) To perform such other duties, the Board may assign, and such other duties as may be necessary and proper to implement this Act.

SECTION 11. *Subsidy Scheme* – With the approval of the President of the Philippines. The Authority is empowered to establish and operate any subsidy scheme deemed appropriate for coffee and tropical fruits production, transportation and distribution, including the sale of seedlings of coffee and tropical fruits to small farmers at reduced prices, the sale of coffee and tropical fruits to consumers at reasonable prices, such other schemes as may be in favor of farmers, corporations and consumers of coffee and tropical fruits products.

SECTION 12. *Disposition of Funds* – All amounts collected as fees for services and all other income shall be deposited with the National Treasury of the Philippines, to the credit of the Authority and shall contribute a special fund to be used for the ordinary expenses of the Authority in the exercise of its powers and functions. Any unexpected surplus amount at the end of the year shall be expended by the Authority, with the approval of the President of the Philippines for the following purposes:

- a) Research on the improvement of coffee and tropical fruits production;
- b).Coffee tropical fruits production development program;
- c).Pursuance of any other aims or purposes, which shall promote and improve coffee and tropical fruits production.

SECTION 13. Appropriations – The sum necessary for the initial implementation of this Act is hereby appropriated out of any funds in the National Treasury not otherwise appropriated. Thereafter, such sum as may be necessary for the continued operation of the Authority shall be included in the annual General Appropriation Act.

SECTION 14. Repealing Clause – All laws, decrees, orders, rules and regulations, other issuance or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

SECTION 15. Effectivity – This Act shall take effect upon its approval.

Approved.