

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 6663



Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

EXPLANATORY NOTE

The Philippine Banana Industry is the world's fifth largest exporter of bananas while, locally, it is the second largest contributing sector in agriculture exports¹. The Banana Industry is also one of the largest employers in the country, as well as the second biggest dollar earner, contributing USD 1.4 Billion to the world banana trade in 2014². However, despite being a highly-valued asset in the Philippine economy, the industry lacks its own regulatory agency to address issues and concerns that affect them.

The industry faced troubled waters earlier this year due to insurgency in Southern Mindanao³, where the country's biggest banana producers are. This has resulted in huge losses of production and displaced hundreds of laborers. Suspected members of the New People's Army torched a truck loaded with tons of bananas in Cotabato City in April⁴ and set on fire three facilities in May⁵—emphasizing that one of the threats of the industry is people apart from natural calamities.

In establishing the Banana Industry Development Council (BIDC), this bill intends to

¹ <https://businessmirror.com.ph/dollar-earning-banana-industry-grapples-with-numerous-challenges/>

² Ibid.

³ <http://www.bworldonline.com/content.php?section=Economy&title=banana-industry-troubles-seen-dampening-davao-2017-growth&id=144746>

⁴ <http://www.gmanetwork.com/news/news/regions/605750/suspected-npa-members-torch-truck-loaded-with-bananas-in-cotabato/story/>

⁵ <http://www.bworldonline.com/content.php?section=Economy&title=banana-industry-in-turmoil-amid-land-disputes-plaguing-lapanday-davao-penal-colony&id=145541>

ensure that importance is given to the industry and that sustainability of the crop is prioritized. This also entails the full participation of the Local Government Units, as well as relevant sectors, involved in the development of this valued crop. This bill also proposes that the BDC Secretariat be under the direct supervision of the Department of Agriculture under the High Value Crops Development Program, created by Republic Act No. 7900, which helps promote the production, processing, marketing and distribution of high value crops, to give priority to this valued industry.

In support of the President's push for this legislation for be passed⁶, and in support of one of the country's biggest export product, the approval of this bill is earnestly sought.



LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

⁶ <http://www.philstar.com/business/2016/10/10/1631915/duterte-supports-banana-industry-development-council&arubalp=f5b421b4-b095-4ac7-aadd-8bcc952c70>

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AN ACT
CREATING THE BANANA INDUSTRY DEVELOPMENT COUNCIL AND
PROVIDING FUNDS THEREOF AND FOR OTHER PURPOSES

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

SECTION 1. *Short Title.* – This Act shall be known as the "Banana Industry Development Act of 2017."

SECTION 2. *Declaration of Policy.* – The State recognizes the importance of agriculture in making available food and other products necessary to sustain and enhance human life, and in providing livelihood to a major portion of the population.

It distinguishes the importance of food security for every Filipino family and recognizes our farmers a one of its most important partners in reaching its goals.

It also recognizes the rights of the farmer workers to be entitled to such benefits provided under the Labor Code. As provided in Art. II, Sec.18 of the Constitution, "The State affirms labor as a primary economic social force. It shall protect the rights of the workers and promote their welfare."

SECTION 3. *Definition of Terms.* – As used in this Act, the following words and phrases shall mean as follows:

- A. Cooperatives – refer to groups of individuals (either growers or workers or both) that engage in legitimate business within the banana industry;
- B. Consumers – they are the end user/buyer of bananas in the banana-importing or producing countries/farms;
- C. Secretariat Services – the officials or office entrusted with administrative duties, maintaining records, and overseeing or performing secretarial duties;
- D. Workers – All workers that are engage in activities in banana plantations.

SECTION 4. *Objectives.* – This Act seeks to attain the following objectives:

- A. To give the people involved in banana farming a fair share of the country's wealth through empowered government assistance, training, and support;
- B. To mandate the owners of banana plantations to comply with laws, conform to environmental standards and use a reasonable or limited amount of pesticides and chemical fertilizers;
- C. To assist the farmers/farm owners to obtain the highest yield of return possible; and
- D. To promote the import and export of bananas.

SECTION 5. *Creation of the Banana Industry Development Council (BIDC).* – To carry out the policy and program provided in this Act, a Banana Industry Development Council (BIDC) shall be formed to organize, plan, and implement necessary guidelines and regulation to achieve these objectives.

The BIDC shall ensure the full participation of the Local Government Units involved, cooperatives, NGOs and the private sectors to attain its objectives.

SECTION 6. *Composition of the BIDC.* – The BIDC shall be composed of the following:

- A. The Secretary of Agriculture or his designated undersecretary as chairperson;
- B. The Secretary of the DENR or his duly authorized representative possessing similar skills and qualifications;

- C. Fifteen (15) representatives from legitimate banana plantation/farmers' cooperative who shall own or till not more than five (5) hectares of banana plantation. Each island group must be at least represented by three (3). They shall be nominated by the farmers group in their respective island group and who shall be chosen by the chairperson from the list of five (5) nominees.
- D. Three (3) representatives from the business/industry sector chosen by their peers.

SECTION 7. Powers and Functions of the BIDC. – The BIDC shall have the following powers, functions, and obligations:

- A. Formulate policies, plans, programs and projects to better assist, train and support the Banana Industry for its competitiveness and sustainability and the establishment of an efficient and integrated supply chain;
- B. Call upon private sectors, cooperatives, academe to provide information and guidance pertaining to the banana industry farming;
- C. Adequate supply and widespread use of tissue cultured planting materials to minimize risks and stronger resistance to disease and pests/ infestation;
- D. Submit annual and other periodic report to be submitted to the Department of Agriculture of the accomplishment of the Industry;
- E. Identify areas for expansion to meet foreign and local demands;
- F. Address issues pertaining to new diseases, tariffs, climate change challenges, regulations, among others;
- G. Provide development framework and implementation mechanisms for the optimum development of the banana industry in the Philippines;
- H. Protect and preserve the native Philippine banana varieties;
- I. Enhanced flow and quality of extension services for banana farming to facilitate adoption of Good Agriculture Practices for improved productivity and product quality;
- J. Improved access to, availability, use, and utilization of organic fertilizer and other inputs, while reducing environmental costs and production losses;
- K. Perform such other functions as may be necessary for the continued enhancement, growth and development of banana plantation and trade business in the country and for export.

SECTION 8. *Secretariat of the BIDC.* – The BIDC Secretariat shall be constituted and be under the direct supervision of the Department of Agriculture under the High Value Crops Development Program (HVCDP) (RA 7900) which helps promote the production, processing, marketing and distribution of high value crops. A position of an Executive Director shall be created to supervise the day-to-day operations of the Banana Industry Development Council.

SECTION 9. *Implementing Rules and Regulations.* – The BIDC shall be constituted within ninety (90) days from the approval of this Act.

SECTION 10. *Repealing Clause.* – All laws, decrees, executive orders and rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 11. *Separability Clause.* – If any provision of this Act is held invalid or unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

SECTION 12. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,