

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. **390**



Introduced by: **REP. RUTH MANGUDADATU SAKALURAN**

EXPLANATORY NOTE

The cultivation of coffee in the Philippines is deeply rooted in its agricultural history, dating back over four hundred years. Despite this long-standing tradition, the nation's coffee sector has seen a decline in global competitiveness, becoming a net importer since 1997. By 2020, coffee imports had reached a value of USD 81,216,670.00—an increase from USD 72,091,198.00 in 2019. Between 2015 and 2020, the country slipped from 25th to 34th in the global ranking of coffee producers.

In response to this concerning trend, the proposed legislation seeks to institutionalize a national hub—the Coffee Industry Advancement and Research Center—that will spearhead initiatives aimed at revitalizing the sector. Its mandate will include scientific research, development of modern and climate-resilient farming methods, promotion of sustainability, and expansion of knowledge networks for Filipino coffee growers.

The province of Sultan Kudarat stands out for its excellent agro-climatic conditions and long-established coffee farming practices. Designating Sultan Kudarat as the “Coffee Capital of the Philippines” recognizes the province’s leadership in production and cultural heritage, and will help increase visibility, drive local economic development, and open new markets for its coffee growers.

The region of SOCCSKSARGEN composed of four provinces and a city namely: South Cotabato, Cotabato, Sultan Kudarat, Sarangani, and General Santos City, played a pivotal role in national production in 2021, contributing 21,007.41 metric tons of dried coffee cherries and 10,503.71 metric tons of green coffee beans—amounting to 35.60% of the country’s output. Sultan Kudarat alone accounted for 85.90% of that regional total, yielding 18,044.46 MT of dried cherries and 9,022.23 MT of green beans. These figures confirm Sultan Kudarat’s position as the country’s top-producing province.

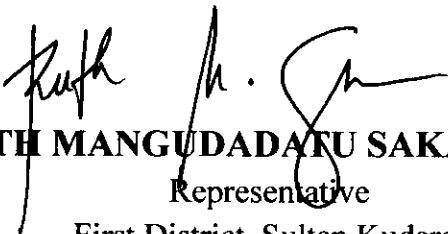
The establishment of the Center will prioritize cutting-edge research and address key production concerns such as post-harvest handling, pest and disease control, and soil health. It will also host capacity-building programs and technical trainings, while promoting collaboration between farmers, researchers, and industry players to uplift practices across the value chain.

The measure also calls for the integration of advanced technologies and marketing innovations, alongside institutional linkages with government agencies, academia, and the private sector. These strategies are essential for expanding domestic productivity and elevating the Philippines' coffee profile on the global stage.

To ensure smooth implementation, this bill provides for an initial budget allocation to support the Center's operations, with the expectation that it will become fully operational within six months from the law's effectivity.

Additionally, this bill establishes a clear framework for transparency and oversight. Periodic reports on the Center's research outcomes, budget utilization, and overall progress will be submitted to the Department of Agriculture and the two chambers of Congress.

By formally recognizing Sultan Kudarat as the Coffee Capital of the Philippines and establishing a dedicated research and development institution, this measure aims to reinvigorate the domestic coffee industry. With innovation, inclusive growth, and farmer empowerment at its core, the bill endeavors to place the Philippines back on the map as a leading producer of world-class coffee.



RUTH MANGUDADATU SAKALURAN
Representative
First District, Sultan Kudarat

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HOUSE BILL NO. **390**

Introduced by **REP. RUTH MANGUDADATU SAKALURAN**

AN ACT
DEVELOPING THE COFFEE INDUSTRY OF THE PHILIPPINES AND
CREATING THE COFFEE INDUSTRY ADVANCEMENT AND RESEARCH
CENTER AND DECLARING THE PROVINCE OF SULTAN KUDARAT AS
THE COFFEE CAPITAL OF THE PHILIPPINES

Be it 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 “Coffee Industry Advancement Act”.

SECTION 2. *Declaration of Policy*- It is hereby declared the policy of the state to promote and support the growth and advancement of the coffee industry in the country, particularly one of its major producers, the province of Sultan Kudarat. Towards this end, the country shall maintain and protect the coffee industry to increase its production, quality and sustainability for the benefit of the farmers and other stakeholders, and to meet local and global demands.

SECTION 3. *Creation of the Coffee Industry Advancement and Research Center*- Within a year from the approval of this act, there shall be created the Coffee Industry Advancement and Research Center in the province of Sultan Kudarat which shall be attached to the Sultan Kudarat State University.

SECTION 4. *Functions of the Coffee Industry Advancement and Research Center* - The Coffee Industry Advancement and Research Center shall perform the following function and duties:

- a. Undertake researches and technical studies on the development, product, and marketing of coffee and its by-products;
- b. Provide technical, capital, and monetary assistance and support to coffee farmers and other stakeholders in all coffee producing provinces towards high yielding, high quality coffee varieties;
- c. Develop appropriate pre-harvest and post-harvest technologies beneficial to the coffee industry;
- d. Train faculty members and other research personnel who will undertake research and development work on coffee;

- e. Publish research studies, papers, articles, and other works or writings with governments, the private sector, and research partners relating to coffee on a regular basis with the end goal of benefitting coffee farmers and other stakeholders nationwide.
- f. Establish fruitful partnerships with the best advanced research institutes in the world;
- g. Provide innovative and relevant research services through modern facilities and technologies operated by highly-trained personnel.
- h. Coordinate with the Department of Agriculture (DA), Department of Trade and Industry (DTI), Department of the Science and Technology (DOST), and Department of Environment and Natural Resources (DENR), Technical Education and Skills Development Authority (TESDA) to consolidate all policies, programs, and projects on coffee research and development.
- i. Such other functions and duties necessary or incidental to the promotion and development of the coffee industry.

SECTION 5. *Coffee Capital of the Philippines* – The Province of Sultan Kudarat is hereby declared, or granted the official designation as the Coffee Capital of the Philippines.

SECTION 6. *Implementing Rules and Regulations* – The DA and DENR in collaboration with DTI, DOST, TESDA, and the Sultan Kudarat State University, shall issue and promulgate the necessary rules and regulations to implement the provisions of this act.

SECTION 7. *Appropriations* – For the effective implementation of this act, the amount of One Hundred Million Pesos (PhP100,000,000.00) is hereby appropriated from the current and annual budgetary allocations of the DA and DENR, fifty percent of which shall serve as the initial amount for the Coffee Subsidy Fund under Section 6 of this act. Thereafter, such amounts as may be necessary for its continued implementation shall be included in the annual budget of the DA and DENR under the General Appropriations Act.

SECTION 8. *Repealing Clause* – All laws and parts thereof inconsistent with any provisions of this Act shall be deemed repealed or modified accordingly;

SECTION 9. *Effectivity Clause* – This Act shall take effect Fifteen (15) days after its publication in the official Gazette or in at least two (2) newspapers of general circulation.

Adopted.