

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6301



Introduced by **Representative Jose Manuel “JM” F. Lagdameo**

EXPLANATORY NOTE

The Philippines is one of the leading banana exporting countries in the world. The banana industry is a vital contributor to the national economy, being a major source of rural employment and foreign exchange. However, the industry is facing serious challenges due to decline in exports, threats of severe diseases, tariff disadvantages, fragmented institutional coordination, land reform issues, and insufficient research and development, among others.

In order to address these critical concerns and foster long-term sustainable development of the Philippine banana industry, a comprehensive development roadmap is necessary. This bill seeks to revitalize and improve the banana industry by establishing a robust regulatory framework, providing enhanced governmental support mechanisms, augmenting industry competitiveness, promoting sustainable development practices and improving subsistence and smallholder farmer livelihood and welfare.

Further, this measure aims to build a more resilient sustainable banana industry capable of withstanding future challenges. By providing access to modern technologies, improved farming practices, and enhanced market opportunities, this legislation will enable farmers to increase productivity and contribute more effectively to the nation's economy.

In view of the foregoing, the immediate passage of this measure is earnestly sought.


JOSE MANUEL “JM” F. LAGDAMEO
Representative
2nd District, Davao del Norte

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**“AN ACT
STRENGTHENING THE BANANA INDUSTRY IN THE PHILIPPINES,
ESTABLISHING THE PHILIPPINE BANANA INDUSTRY COUNCIL AND THE
PHILIPPINE BANANA RESEARCH CENTER, ADOPTING A BANANA INDUSTRY
DEVELOPMENT ROADMAP, AND APPROPRIATING FUNDS THEREFOR”**

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

**CHAPTER 1
PRELIMINARY PROVISIONS**

SECTION. 1. Short Title. - This Act shall be known as "*The Comprehensive Philippine Banana Industry Development Act*".

SEC. 2. Declaration of Policy. - Article XII of the Constitution emphasizes agriculture as the foundation of national development. Section 1 of the said Article provides that the goals of the national economy are a more equitable distribution of opportunities, income, and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged.

Consequently, it is hereby declared the policy of the State to strengthen and revitalize agriculture, improve productivity, income, and welfare of farmers and the rural population, and improve the investment climate, competencies, and efficiency of agribusiness.

Towards this end, the State shall develop the Philippine banana industry as a vital driver of sustained agri-industrial economic growth.

SEC. 3. Objectives. - To carry out the foregoing policy, the government shall pursue the attainment of the following objectives:

- (a) Increase banana production in order to attain banana self-sufficiency, and regain the position of being one of the top exporters of banana;

- (b) Encourage banana farming and expand the number of banana producing areas;
- (c) Ensure the sustainable production, management and harvesting, and soil and water conservation practices in banana-farming areas;
- (d) Promote public and private investments in the banana industry development programs;
- (e) Ensure the sustainability and viability of the banana industry through the establishment/strengthening of cooperatives among banana farmers and banana producers in order to optimize local production and improve access to government interventions, assistance and incentives;
- (f) Advance market access for Philippine banana products locally and internationally;
- (g) Support research and development (R&D) activities for banana production and processing and introduce new and appropriate technology based on R&D outputs;
- (h) Ensure regular funding for banana production, processing, commercial and marketing programs and projects and provide technical and financial assistance in the local design and fabrication of high-capacity processing equipment and machines for the banana Industry and banana processing; and
- (i) Provide continuous training and capacity building in the banana Industry development.

CHAPTER 2

ESTABLISHMENT OF THE PHILIPPINE BANANA INDUSTRY DEVELOPMENT COUNCIL AND ROADMAP

SEC. 4. *The Philippine Banana Industry Development Council.* - The Philippine Banana Industry Development Council, hereinafter referred to as the Council, is hereby created to spearhead the development and strengthening of the Philippine Banana Industry. The Council shall be administratively attached to the Department of Agriculture with the following composition:

Chairpersons:

- (a) Secretary of the Department of Agriculture (DA), as Chairperson;
- (b) Secretary of the Department of Trade and Industry (DTI), as Vice-Chairperson;
- (c) One (1) representative from the private sector engaged in banana-production and exporting, as Co-Vice-Chairperson

Members:

- (d) Secretary of the Department of Science and Technology (DOST);
- (e) Secretary of the Department of Agrarian Reform (DAR);

- (f) Secretary of the Department of Interior and Local Government (DILG);
- (g) Secretary of the Department of Social Welfare and Development (DSWD);
- (h) Secretary of the Department of Tourism (DOT);
- (i) Secretary of the Department of Public Works and Highways (DPWH);
- (j) Secretary of the Department of Environment and Natural Resources (DENR);
- (k) Secretary of the Department of Labor and Employment (DOLE);
- (l) Deans of College of Agriculture of a state college or university coming from Luzon, Visayas, and Mindanao, with a strong background in the banana industry;
- (m) Administrator of the Fertilizer and Pesticide Authority;
- (n) Administrator of the Philippine Crop Insurance Corporation;
- (o) Director of the Bureau of Plant Industry (BPI);
- (p) Director of the Bureau of Customs (BoC);
- (q) Chairperson of the Cooperative Development Authority (CDA);
- (r) Executive Director of the Philippine Banana Research Center;
- (s) Three (3) representatives from the banana farmer's cooperatives coming from Luzon, Visayas, and Mindanao, preferably representing subsistence and smallholder banana growers/farmers; and
- (t) Three (3) representatives from the private sector engaged in banana-production and exporting, including the private sector representative who shall serve as co-vice-chairperson.

Each agency may appoint representatives with a rank not lower than Assistant Secretary or its equivalent, in accordance with its own rules and regulations concerning appointment to sub-committees. These representatives shall exercise the same authority as the principals they represent, and their actions shall be deemed the actions of those principals.

SEC. 5. *Private sector representative.* - The private sector representatives, including the representative who shall act as co-vice chairperson, shall be appointed by the DA Secretary from a list of at least five (5) nominees to be nominated by other members of the Council based on the following minimum qualifications:

- (a) a resident and citizen of the Philippines;
- (b) engaged in banana production, research and development, processing, promotion, or in any activity in the banana value chain from production to marketing; and
- (c) a person of integrity, respected by the industry, and willing to serve with utmost responsibility and efficiency.

Private sector groups may nominate a representative among their own members to serve on the Council, subject to the rules on appointment above, provided, their membership shall be limited to individual representation and in no case shall the appointment of their members be construed as membership by the organization as a whole.

Representatives from the private sector and farmers' cooperatives shall serve for a term of three (3) years.

SEC. 6. *Allowances and Reasonable Expenses.* - Government sector representatives shall not be entitled to any compensation but they shall be entitled to reimbursement of reasonable expenses incurred in the performance of their functions. Private sector representatives shall be entitled to allowances or honoraria for the expenses incurred in the performance of their functions as members of the Council.

SEC. 7. *Meeting.* - The Council shall meet at least once every quarter or as often as necessary at the call of the Chairperson. The use of remote communication technologies in the conduct of meetings and approval of Council resolutions shall be allowed subject to security measures as the Council shall implement. The presence of at least one-third (1/3) of all the members of the Council, including all chairpersons, at each meeting, shall constitute a quorum for purposes of conducting business.

SEC. 8. *Functions of the Council.* - The Council shall have the following powers and functions:

- (a) Formulate the Philippine Banana Industry Development Roadmap and Plans, in accordance with Section 9 of this Act;
- (b) Identify specific and priority programs and projects in support of, and o in line, with, the Philippine Banana Industry Development Roadmap;
- (c) Identify sources of financing and facilitate credit windows with government banks and the Agricultural Credit Policy Council (ACPC) to expand the banana industry development;
- (d) Increase production of local banana by identifying areas for expansion for increasing land area devoted to banana and improving farm productivity to meet foreign and local demands;
- (e) Enhance flow and quality of extension services for banana farming to facilitate adoption of Good Agriculture Practices for improved productivity and product quality in coordination with the appropriate government agency;
- (f) Institutionalize capacity building for banana farmers through the BPI provincial officers;
- (g) Improve access to, availability, use, and utilization of organic fertilizer and other inputs: while reducing environmental costs and production losses;
- (h) Strengthen market linkage and promotion of Philippine banana with the assistance of the DTI;

- (i) Conduct continuing R&D on Innovation and modernization of the banana Industry in coordination with the Philippine Banana Research Center;
- (j) Establish an agri-insurance program for banana producers in coordination with existing government insurance providers;
- (k) Address issues pertaining to new diseases, tariffs, climate change challenges, regulations, among others;
- (l) Protect and preserve the native Philippine banana varieties;
- (m) Constitute Special Committees for important concerns, including but not limited to:

(i) *National Expansion Plans and Programs* - The DA, DOST, state universities and colleges (SUCs) and other stakeholders shall encourage the conduct of research on banana, particularly in the areas of crop improvement (development of new varieties), crop protection, harvesting and postharvest handling, supply chain analysis, marketing and promotion. Model farms shall also be established in key banana growing areas of the country to showcase the latest technologies in banana propagation, production. Integrated Pest Management (IPM), Good Agricultural Practice (GAP) post-harvest handling, and processing, packaging and branding.

(ii) *Investment Promotion and Facilitation* - The DA and DTI shall establish linkages between stakeholders in the banana industry. Government Financial institutions (GFIs) and private financial entities. Programs to invite the private Sector to banana production and processing shall likewise be developed.

(iii) *Export Promotion Support*. - An integrated export strategy shall be created, to include branding, advertising, market research and analyses, and updated phyto- sanitary guidelines. Foreign trade and export promotion activities such as training, technical assistance, capacity building, information on export opportunities, export planning assistance, and participation in international agriculture, food and events shall be facilitated.

(iv) *Formulation of Trade Policies*. - The concerned committee shall adopt a consultative approach at every stage of the trade policy-making process, inviting all banana stakeholders. The DTI shall lead the negotiation of Free Trade Agreements (FTAs) to provide a competitive environment for Filipino banana exports overseas.

(v) *Monitoring and Evaluation*. - The PMO shall continuously monitor, and evaluate the results of the programs implemented by the various stakeholders and government agencies, providing overall coordination and end-to-end management of the export process.

- (n) Establish and maintain a centralized banana industry database and analytics platform for the systematic collection, analysis, and dissemination of industry data

relating to production, productivity, land use, prices, export, imports, disease outbreaks, environmental compliance, and supply chains;

(o) Submit annual reports, not later than June 30, to the Office of the President and to each House of Congress, on the status of the implementation of the Philippine Banana Industry Development Roadmap and the banana industry development in the country;

(p) Recommend to the Department of Budget and Management (DBM) the required yearly appropriations for the Roadmap and implementation of the banana development programs;

(q) Promulgate such rules and regulations, and exercise such other powers and functions, as may be necessary to carry out the objectives of this Act;

(r) Constitute the staffing complement of the Secretariat with the power to create and abolish positions; and

(s) Perform such other functions as may be necessary for the continued enhancement, growth and development of banana plantation and trade businesses in the country and for export.

SEC. 9. *Philippine Banana Industry Development Roadmap and Plans.* The Council shall formulate and adopt a Philippine Banana Industry Development Roadmap, hereinafter referred to as Roadmap, that lays down the high-level strategies and objectives, including targets, programs, projects, and interventions for the development and management, research, processing, utilization, business modernization, and commercialization of the Philippine banana industry, consistent with the objectives and implementation of this Act.

The Roadmap shall contain short- (2026-2030), medium- (2031-2040), and long-term (2041-2055) plan of actions, hereinafter referred to as Plans, to achieve the objectives of the Roadmap.

The Roadmap and the Plans must be submitted to the President of the Philippines for approval within six (6) months from the effectivity of this Act, and is subject to mandatory review every year.

The Roadmap and the Plans shall be updated every five (5) years aligned with five-year targets such as hectares rehabilitated, export volumes, and farmer income gains.

The Council shall lead in the implementation of the Plan.

Sec. 10. *Secretariat to the Philippine Banana Development Council.* A Secretariat to the Council shall be established within the DA, hereinafter referred to as the Secretariat, to be headed by an Executive Director IV who shall be appointed by the President of the Philippines.

The Executive Director IV must possess adequate knowledge, training, and experience in agriculture or related field of discipline; be a person of proven administrative proficiency,

independence, integrity, and commitment to the development of the Philippine banana industry; and have served in a position of leadership for at least ten (10) years prior to the date of appointment.

The Executive Director IV shall be assisted by a Deputy Executive Director with the rank of Executive Director III, who shall likewise be appointed by the President, and a complete complement of Administrative Staff.

The organizational structure and staffing pattern of the Council shall be determined by the DA in accordance with the existing Compensation and Position Classification System subject to the evaluation and approval of the Department of Budget and Management and in accordance with the civil service laws, rules and regulations, and other pertinent laws.

SEC. 11. *Functions of the Executive Director.* The Executive Director of the Secretariat to the Council shall have the following functions:

- (a) Act as secretary of the Council and principal assistant to the Chairperson in the overall supervision of Council business, including those involving the mobilization of Council members and other relevant government offices, task forces, and mechanisms;
- (b) Provide support services for the coordination and monitoring of the implementation of the programs, policies and plans formulated pursuant to this Act;
- (c) Ensure that the Philippine Banana Industry Development Roadmap and other programs are implemented and targets are accomplished;
- (d) Establish a monitoring and evaluation system by which the Philippine banana industry development plans and programs shall be evaluated;
- (e) Execute policy decision of the Council;
- (f) Prepare quarterly report on the implementation of the Philippine Banana Industry Development Roadmap to be submitted to the Council;
- (g) Prepare annual work plan and operating budget of the Council and the Secretariat for approval of the Council;
- (h) Recommend policies and procedures for Council approval;
- (i) Provide general administrative and technical support to the Council; and
- (j) Perform other related functions as may be assigned by the Council.

CHAPTER 3

ESTABLISHMENT OF THE PHILIPPINE NATIONAL BANANA RESEARCH CENTER

SEC. 12. *Philippine Banana Research Center.* - The Philippine Banana Research Center, hereinafter referred to as the Research Center, is hereby established, attached to the DA, in Panabo City, Province of Davao del Norte.

SEC. 13. *Functions of the Research Center.* - The Research Center shall provide research and development techniques for crop improvement, protection, production, post-harvest handling and the maintenance of germ plasm collection and gene bank that are capable of producing good quality varieties of banana. It shall closely work with the Network for Research and Promotion of Banana Farming Methodologies and Techniques as defined in Section 27 of this Act.

SEC. 14. *Duties and Functions.* - The Center shall exercise the following duties and functions:

- (a) Integrate, collate and support research programs and studies on the banana industry;
- (b) Conduct continuing research on developing productive, high yielding, disease-resistant and good varieties of banana;
- (c) Conduct comprehensive studies and research on banana diseases and how to efficiently and effectively address the same;
- (d) Undertake research and generate relevant, efficient, cost effective, and scientific approaches to achieve sustainable banana farming;
- (e) Strengthen farm systems by promoting soil health, integrated pest management, and efficient water use;
- (f) Establish and maintain germplasm collection and gene bank for banana,
- (g) Accelerate the transfer of improved banana technologies to farmers and other stakeholders through on-farm research;
- (h) Upgrade the skills of development facilitators and banana farmers through trainings, seminars and workshops on farming techniques, banana production and postharvest handling and processing;
- (i) Establish national and international linkages for banana research, development and production activities;
- (j) Coordinate with local government units, non-government organizations and the private Sector involved in the development of the banana industry
- (k) Manage, contribute, and update the centralized banana industry database; and
- (l) Receive and manage grants, aid, donations or any kind of assistance from donors, either foreign or domestic, to achieve the Center's objectives.

SEC. 15. *Executive Director and Staff.* - The Research Center shall be headed by an Executive Director who shall be appointed by the President of the Philippines upon the recommendation of the Secretary of Agriculture. The Executive Director shall be a recognized agriculturist with experience in banana research and development. All other officers and employees of the Research Center shall be appointed by the Secretary of Agriculture upon the recommendation of the Executive Director and in accordance with existing Civil Service laws and rules and regulations.

SEC. 16. *Duties and Responsibilities.* - The Executive Director shall exercise the following duties and responsibilities:

- (a) Exercise over-all supervision and direction over the implementation of all research and development programs of the Center and in general to supervise and direct its management, operation and administration;
- (b) Execute contracts, incur obligations, acquire and dispose of assets and deliver documents on behalf of the Center;
- (c) Approve the organizational structure, staffing pattern, operating and capital expenditures of the Center;
- (d) Recommend the appointment of the officers and employees of the Center on the basis of the highest possible standards of merit and fitness for public servants subject to the civil service laws, rules and regulations;
- (e) Implement and enforce policies, decisions, orders, rules and regulations issued by the Department of Agriculture; and
- (f) Exercise such other powers and functions and perform such other duties as may be authorized, delegated, or assigned by law.

SEC. 17. *Annual Report.* - The Executive Director shall submit to the President of the Philippines, through the Secretary of Agriculture, an annual report dealing with the activities and operations of the Center, together with the audit report on the relevant accounts.

SEC. 18. *Donations and Solicitations.* - The Research Center may solicit and receive donations or endowments of money, property or services which shall be exempt from income or gift taxes and all other taxes, charges or fees imposed by the government or any political subdivision or instrumentality thereof. Government corporations are hereby authorized to give grants to the Center from the unimpaired surplus of funds at their discretion.

CHAPTER 4

LAND MAPPING AND UTILIZATION FOR SUSTAINABLE BANANA PRODUCTION

SEC. 19. *Mapping and Determination of Public Lands for Banana Production; Role of the DENR, and DA.* - The DA shall identify and map the areas suitable for the growing of bananas from the idle/degraded, and government lands in consultation with the DAR and DENR through its appropriate bureaus and its attached agency, the National Mapping and Resource Information Authority (NAMRIA) which is hereby mandated to map out, identify, and designate public lands, as banana production areas.

The DA shall prioritize public lands situated in the following provinces that are identified as suitable for banana production, namely: Davao Region, Socskargen Region, Caraga Region, Northern Mindanao Region, Maguindanao del Norte, Maguindanao del Sur, and Lanao del Sur, which are now hereby declared as priority areas for banana production.

The mapping and determination of public lands for banana production shall be completed within one (1) year from the effectivity of this Act: *Provided*, That public lands in other regions shall also be subsequently mapped out, identified and designated as potential banana production areas, within two (2) years from the effectivity of this Act: *Provided, further*, That the result of the mandatory mapping, identification, and designation of public lands for banana production shall be shared with the public, through the DENR website or otherwise, as their respective agency rules shall allow, so as to inform interested banana industry investors: *Provided, finally*, That they shall also provide a report on the completion of this mapping, identification, and designation to both Houses of Congress through the Congressional Oversight Committee on Agriculture and Fisheries Modernization (COCAFAM).

SEC. 20. *Public Lands Identified and Designated as Suitable for Banana Production from DENR designated for Banana Expansion.* - The DENR is hereby mandated to identify and designate public lands and ancestral domains mapped out, as suitable for banana production under its administrative jurisdiction, subject to procedures under existing laws within one (1) year from the effectivity of this Act.

SEC. 21. *Utilization of Public Land for Banana Production under Sustainable Forest Land Management Agreements (SFLMAs).* - Banana production is hereby recognized as a valid agroforestry activity for the utilization of public forest lands under the Sustainable Forest Land Management Agreement (SFLMA), or any subsequent amendment thereto. All SFLMA holders seeking to engage in banana production must comply with sustainability requirements including but not limited to the maintenance of required native forest cover, implementation of soil and water conservation measures, and preservation of critical biodiversity habitats and adherence to integrated land use planning standards. Holders of existing tenurial instruments prior to the effectivity of this Act who complete conversion to SFLMAs shall be eligible to include banana production in their converted agreements without additional application fees or administrative impediments provided they satisfy the sustainability requirements herein. Nothing in this section shall permit banana production on public forest lands outside the SFLMA framework or other applicable laws, rules, and regulations governing forest land management.

SEC. 22. *Respect for Indigenous Peoples' Rights.* - In the identification and designation of public lands and mapping out of ancestral domains suitable for banana production, the rights of Indigenous Cultural Communities/Indigenous Peoples (ICCs/IPs) to their ancestral lands and domains and their right to free and prior informed consent (FPIC) shall be upheld at all times.

CHAPTER 5

SUPPORT FOR THE PHILIPPINE BANANA INDUSTRY

SEC. 23. *Banana as an Agricultural Product.* - Banana, unprocessed or processed, is hereby classified as an Agricultural product and shall be exempt from all taxes arising from importation of farm inputs, farm machineries, post-harvest equipment, and other processing equipment.

The DA shall also ensure that banana is a priority commodity to be produced locally in areas or regions identified in this Act. The required resources shall be allocated by the DA for this purpose.

SEC. 24. *Support for the Development of Banana Farms and Banana Producers.* - The DA-BPI, in consultation with the individuals, corporations, associations, and cooperatives from the banana industry, shall provide technical support in the development and operation of existing banana farms. It shall assist in the design of banana farms of cooperatives/associations, if needed.

BPI is hereby mandated and authorized to grant material and technical assistance to banana farms of cooperatives/associations through its own projects and programs for the banana industry, on the following concerns:

- (a) Establishment of banana farmer warehouses;
- (b) Provision of inputs for banana development, machinery, and equipment;
- (c) Conduct of extension services;
- (d) Establishment and strengthening of banana producer's cooperative;
- (e) Development of modern banana production and processing technology; and
- (f) Prioritize the provision of technical and financial assistance to subsistence and smallholder banana producers.

This mandate shall be funded out of the budget allocation. The BPI shall institutionalize the Development of Banana Industry Program (DBIP) as a regular program funded by the General Appropriations Act (GAA) and shall cover the interventions that are not included for funding over and above the regular budget of BPI under the GAA.

SEC. 25. *Construction of Banana Farm Roads.* - Consistent with the Banana Roadmap and the Farm-to-Market Road Master Plan, the DA-BPI, in coordination with the LGUs, the DPWH, and the resident banana producers, shall identify priority locations of roads linking the banana farms to the market, which shall be known as *Daan Sagingan*. In the construction of the *Daan Sagingan*, the LGU and DA-BPI shall consider the investment cost for banana production in the area, the number of banana producers and their families who shall benefit from the venture, and the amount of banana produced or to be potentially produced in the banana production areas. Thereafter, the LGU and DA-BPI shall coordinate with the DPWH for the latter to undertake the construction, improvement, and maintenance of the *Daan Sagingan*.

SEC. 26. *Banana Farm Roads Exemption from Land Conversion.* - Notwithstanding the provisions of Section 65 of Republic Act No. 6657 and other Agrarian Reform laws, to encourage the production by micro-farms, subsistence, and smallholder farmers, as defined under Section (31) of this Act, farm-to-market-roads constructed or improved in banana-producing regions as certified by the DPWH as essential for the transport of agricultural products for farms less than five (5) hectares in area shall be explicitly exempt from land conversion restrictions to facilitate transportation and market access.

SEC. 27. *Network for Research and Promotion of Banana Farming Methodologies and Techniques.* - The DA-NFRDI, in close coordination with the SUCs, DA-BAR, and DA-Philippine Center for Postharvest Development and Mechanizations (DA-PhiMech), shall spearhead the development of the latest technology in banana production, particularly

technology that allows year-round production of banana even under erratic weather patterns. It shall also encourage the mechanization of banana production from pre- to post-harvest and develop technologies that promote alternative methods and cost-effective techniques in banana production.

The DA-NFRDI shall immediately transfer the results of their completed study/technology/product to banana producers/manufacturers.

SEC. 28. *Extension Programs.* - The BPI, in coordination with the DA, DTI, DOST, DOLE, Technical Education and Skills Development Authority (TESDA) and other relevant government agencies, shall provide complementary training programs that shall develop and upgrade skills and competencies of Philippine banana producers, ensure product traceability and compliance to food safety, hasten technology acquisition including product labelling and packaging, enhance skills on market positioning for Philippine Fresh Fruit and Processed bananas and such other capabilities necessary in the maintenance and development of the local banana industry.

SEC. 29. *Corps of Banana Production Trainers.* - Within thirty (30) days from the effectivity of this Act, BPI shall form the Corps of Trainers for banana production, whose members shall be recruited from BPI personnel in the provinces; experts from state universities and colleges (SUCs) with a track record for studying and researching on banana production and post-production techniques and technology; experts from Agricultural Training Institute (ATI); and from practitioners in actual banana farm production in the country. The corps members shall be tasked to help out in the establishment of banana farms in areas designated as such by this Act. BPI shall spend for their travel, lodging, honoraria and other necessary expenses, within existing budgetary rules.

SEC. 30. *Technology Transfer.* - The DA shall promote the transfer of knowledge and technology to subsistence and smallholder banana farmers through training programs, extension services, demonstration farms and information dissemination campaigns.

SEC. 31. *Support for Subsistence and Smallholder Farmers and Their Families.* - The government shall provide comprehensive support to banana farms and producers, particularly subsistence and smallholder farmers, or those engaged in the production, trade, and distribution of banana not exceeding three hundred (300) metric tons per year.

The DSWD shall integrate banana farmers and their families into relevant social welfare programs, such as sustainable livelihood training, financial assistance, healthcare services, and the provision of community-Driven Development to empower communities to identify, plan, and implement their own small-scale projects (e.g., repacking centers, farm-to-market roads).

The Commission on Higher Education (CHED) shall implement a scholarship program for farmers and their families to provide educational opportunities and enhance their skills for greater productivity.

Additionally, the government will establish a health and medical program specifically for farmers and their families, ensuring they have access to necessary healthcare services and support.

The benefits provided by this Act shall not be considered in any manner as a replacement for already existing benefits, or additional benefits to be added by the private sector or the government.

SEC. 32. *Registration as Banana Producer-Control Measures.* - All banana producers, whether holders of BPTI or otherwise, shall be registered with the BPI: Provided, that all existing banana producers already registered with the BPI shall be automatically recognized as such without need for submission of additional documents; and that the Food and Drug Administration (FDA) shall retain its jurisdiction over the registration of banana for human consumption as provided under Republic Act No. 8172, and Republic Act No. 10611 or the "Food Safety Act of 2013". The following are the qualification requirements for new registrants:

(a) For Cooperatives/Associations New Registrants:

- (i) Certificate of Registration from CDA for cooperatives, or from LGU where the proposed farm site is located for farmer's association;
- (ii) Business plan;
- (iii) Farm Site Inspection Report from the Provincial Agriculture Officer (PAO); and
- (iv) Affidavit from applicant of existence of at least fifty (50) members.

(b) For Corporations New Registrants:

- (i) Certificate of registration;
- (ii) Business plan; and
- (iii) Farm Site Inspection Report from the Provincial Agriculture Officer (PAO).

(c) For Individuals/Artisanal New Registrants:

- (i) Business plan; and
- (ii) Farm/Production Site Inspection Report from the Provincial Agriculture Officer (PAO).

Registration shall be renewed every ten (10) years.

Upon complete submission of the qualification requirements, BPI shall issue the Certificate of Registration as a banana producer, or a notice of the denial of the application for registration, accompanied by an explanation for such denial, within forty-five (45) days from completion. The failure of BPI to issue a Notice of Denial within the stated time period will render the application deemed approved, and it shall immediately issue the said Certificate of Registration. An appeal for such denial shall be filed with the BPI Director within fifteen (15) days from receipt of Notice of Denial, which in turn shall be decided with administrative finality by the Director, within fifteen (15) days from filing.

SEC. 33. *Banana Farmers Cooperatives and Associations.* - The CDA shall assist in the formation, organizational strengthening, and financial literacy of cooperatives and their local banana farmer-members and producers. It shall aim to build capabilities of cooperatives and associations to leverage their own resources, run sustainable operations, and increase the number of successful cooperative-managed banana farms in the country.

SEC. 34. *Good Agricultural Practices (GAP).* - The DA shall promote the adoption of Good Agricultural Practices among banana farmers to ensure food safety, quality and environmental sustainability. GAP shall include:

- (a) Proper use of fertilizers and pesticides.
- (b) Effective pest and disease management
- (c) Compliance with Philippine National Standards for banana grading and quality
- (d) Implementation of traceability systems to ensure food safety.

SEC. 35. *Variety-Specific Guidelines.* - The DA, together with the DTI, shall develop specific guidelines for the production, handling, and marketing of different banana varieties, taking into account their unique characteristics and market requirements.

SEC. 36. *Strengthening Export Competitiveness.* - The Council, DTI, DA and DFA shall assist and support local banana producers in the trade and exportation of their product through a dedicated Banana Export Promotion Fund, trade defense strategy such as against non-tariff barriers (NTBs), and market intelligence system under DTI/DA. It shall enhance the capabilities and global competitiveness of potential and exiting producers and exporters through export financing; business matching; provision of trade and market information; promotion of locally produced banana to local and international markets; organization of trade fairs and business missions; conduct of seminars, workshops, conferences and symposium on export-related subjects, including export documentation and procedures; product design and development; and market and product consultancy. The government shall give preference to locally produced bananas in government purchases.

SEC. 37. *Banana Imports Restrictions.* - Subject to Section 38 of this Act, no person shall import banana without first securing a permit from the following agencies through a single-window permit system for banana imports managed by DA-BPI with DOH-FDA technical clearance:

- (a) DA-BPI and DOH-FDA for food grade banana; and
- (b) DA-BPI for non-food grade banana.

The DA-BPI and DOH-FDA are hereby mandated to harmonize and streamline their processes in the issuance of importation permits.

SEC. 38. *Preferential use of Domestically Produced Banana.* - The government shall encourage the use of domestically produced banana in its programs. Imported bananas shall only be utilized in cases of extreme necessity, such as when there is a verified shortage or disruption of domestic banana supply and a clear market justification exists, as determined by the DA.

SEC. 39. *Categorization of Domestically Produced Banana.* - The banana produced by banana farmers who are registered and in good standing with the BPI shall be

automatically categorized as food grade. The burden of categorizing banana shall not be on the banana farmers and shall be the duty of the processors. For farms that both produce and process their own banana, their obligation subsists.

Food grade banana may be sold by farmers to banana processors in compliance with this Act provided that FDA compliance shall be done by the processors.

SEC. 40 *Labeling of Banana Made in the Philippines.* - All banana produced or manufactured in the Philippines for export shall be labeled as "Product of the Philippines" in a prominent and conspicuous manner on the product, its packaging, and accompanying documentation, and shall comply with the requirements of Republic Act No. 7394, otherwise known as the "Consumer Act of the Philippines".

For domestically produced bananas intended for the local market, banana manufacturers, producers or farmers are encouraged to provide a label "Product of the Philippines".

The DTI shall assist domestic banana manufacturers, producers or farmers on this labeling requirement.

SEC. 41. *Incentives.* - The following incentives shall be provided to investors in banana farms development and banana processing facilities:

- (a) Disease-resistant planting material subsidy;
- (b) Farm Mechanization support from PhilMech;
- (c) The Board of Investments shall classify banana farms as preferred areas of investment under its Investment Priorities Plan (IPP) subject to pertinent rules and regulations;
- (d) Banana farm owners, banana processors and other related businesses shall be exempt from the payment of import duties for imported machines and equipment to be actually and directly used in their businesses, subject to pertinent rules and regulations;
- (e) The banana producers and processors shall be given priority to access credit assistance and guarantee schemes granted by government financial institutions (OFIs), special lending programs of the DA such as the Agricultural Competitiveness Enhancement Fund (ACEF), financing programs from Special Projects such as the Philippine Rural Development Programme (PRDP), among others, pursuant to RA 10000, otherwise known as the Agri-Agra Reform Credit Act of 2009; and
- (f) Banana farm development and their equipment shall be covered by the Philippine Crop Insurance Corporation.

CHAPTER 6

INVOLVEMENT OF LOCAL GOVERNMENT UNITS, NATIONAL GOVERNMENT AGENCIES, AND CONGRESS

SEC. 42. *Local Government Unit (LGU) Involvement.* - Provinces, cities, and municipalities in priority development areas shall establish their respective Banana Industry Development Task Force (Banana Task Force) or office, provide extension services, disease quarantine enforcement, and co-financing of infrastructure with DA. LGUs shall regularly conduct a survey of existing banana farms and banana processing enterprises in their respective localities. LGUs in non-priority development areas that choose to establish the same shall not be prevented from doing so.

LGUs, in cooperation with the DENR, BPI, DA-NFRDI, and DTI and the appropriate DOST Regional Office, shall identify appropriate areas for local banana production in their respective localities.

LGUs in the priority development areas shall support the banana industry within their jurisdiction by providing extension services, promoting the adoption of Good Agricultural Practices, facilitating access to credit and financing and developing infrastructure to support banana production and marketing, and localization of other support programs provided in this Act. The Council shall provide technical assistance and guidance to LGUs in the implementation of this program.

SEC. 43. *Reporting of NGAs and Government Instrumentalities.* - The national agencies and other government instrumentalities specified in this Act shall provide regular updates to the Council on the progress of their programs and activities toward the realization of the objectives of this Act.

SEC. 44. *Congressional Oversight.* - The Congressional Oversight Committee on Agricultural and Fisheries Modernization (COCAFAM) shall regularly exercise its oversight powers to ensure the full implementation of this Act.

SEC. 45. *Agencies Regular Programs.* - The additional mandates, functions and activities of the various agencies provided for and identified in this Act shall be considered regular programs and shall be funded accordingly in their annual budgets as particularly provided in Sections 27, 36, and 42 of this Act.

SEC. 46. *Appropriations.* - To provide for the funding requirements for the implementation of this Act, a Banana Industry Development Fund (BIDF) is hereby created, with an initial amount of five hundred million pesos (P500,000,000.00) to be taken from the existing budget of the Department of Agriculture. The BIDF shall include a dedicated sub-fund, the Banana Industry Risk Management Sub-Fund (BIRMSF), designed to provide financial assistance to banana farmers affected by natural disasters, pest, disease outbreaks, or significant market price decline.

The BIDF shall be sourced from the amounts be appropriated in the General Appropriations Act in the year following its enactment into law. Other sources of funds, including but not limited to borrowings from local and international financial institutions, shall also be considered to further support the BIDF: *Provided*, That the DA may levy reasonable fees and other contributions from the private sector when deemed necessary.

CHAPTER 7

FINAL PROVISIONS

SEC. 47. *Implementing Rules and Regulations.* - The Department of Agriculture, in cooperation and consultation with relevant government agencies and stakeholders, shall promulgate the rules and regulations for the proper implementation of this Act within ninety (90) days from the effectivity of this Act.

SEC. 48. *Separability Clause.* - If any provision of this Act is declared invalid or unconstitutional, the other provisions of this Act not affected by such declaration shall remain in MI force and effect.

SEC. 49. *Repealing Clause.* - All laws, decrees, orders, rules and regulations or other issuances or parts inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 50. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the Official gazette or in two (2) newspapers of general circulation.

Approved,