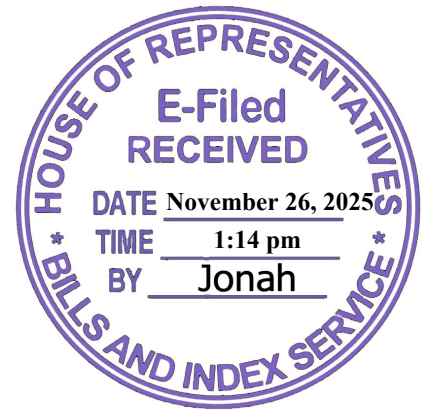


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6404



Introduced by **ANG PROBINSYANO**
Party-list Representative Alred Delos Santos

Explanatory Note

Coffee has long held a cherished place in the daily lives of Filipino families. In many provinces, it is deeply woven into cultural identity and heritage, while in others, it serves as a vital driver of local economies. Beyond its traditional role at the breakfast table, Philippine coffee has in recent years gained wider recognition, with single-origin beans harvested in the country now enjoyed by consumers throughout the day and celebrated in specialty cafés both locally and abroad.

The Philippines is one of the largest coffee producers in the world, uniquely capable of cultivating all four major varieties namely, Arabica, Robusta, Excelsa, and Liberica. Yet despite this advantage, local production has lagged behind the demand. As of 2023, the country produced 9.42 thousand metric tons of green coffee beans, with Robusta accounting for 73.5 percent and SOCCSKSARGEN contributing 33.4 percent of total output. Still, 81 percent of national coffee requirements are imported, underscoring the need for stronger domestic support¹.

The industry is dominated by smallholder farmers, with 95 percent of farms under five hectares, many of whom face challenges in technology, training, and climate resilience². Coffee production is not easy. Often, coffee farmers lack the know-how and technology to maximize their yield.³ Worse, climate change has brought upon unforeseen challenges in their environment that further deplete harvest and production.⁴

At the same time, consumption continues to rise. As of 2025, Filipinos are projected to consume 3.78 kilograms per person annually, making the Philippines the

¹ *Philippine Statistics Authority, Coffee Production Report, Q1 2023*; Department of Agriculture & Department of Trade and Industry, *Philippine Coffee Industry Roadmap 2021–2025*.

² *Philippine Coffee Industry Roadmap 2017–2022*, Department of Agriculture & Department of Trade and Industry.

³ “Regenerative agriculture is shifting paradigms for coffee farmers in the Philippines.” Caleb Quinley. National Geographic. <https://www.nationalgeographic.com/culture/article/paid-content-regenerative-agriculture-is-shifting-paradigms-for-coffee-farmers-in-the-philippines#>

⁴ *Philippine Coffee Industry Roadmap*.

second-largest coffee consumer in Asia⁵. This widening gap between limited local production and growing domestic demand underscores the urgency of strengthening support for farmers and building resilience across the coffee value chain.

The market reflects this demand, generating ₱130 billion in revenue in 2023 and expected to grow at a compound annual growth rate (CAGR) of 8.22 percent, surpassing ₱400 billion by 2026. The CAGR measures the average yearly growth of an industry over time, smoothing out fluctuations⁶. Yet despite this robust growth in consumption and market value, local production has failed to keep pace. Over the past decade, coffee output has declined by 3.5 percent⁷ and approximately 81% of all coffee requirements in the Philippines is imported.⁸

In light of the country's global standing, rising consumption, and untapped potential, the passage of this measure will enable the country to harness its natural advantages, uplift farming communities, and secure a sustainable future for the coffee industry. In light of the decline in production, the heavy reliance on imports, and the untapped potential of our unique coffee varieties, the establishment of a National Program for the Coffee Industry is both timely and necessary.

This bill seeks to help Filipinos situated in the various points of the coffee value chain to maximize the value of their labor and material investment by creating the National Coffee Board to spearhead the development and acquisition of technology, and technical expertise, and distribution of support programs by establishing National Program for the Coffee Industry.

It is for the foregoing premises that the approval of this bill is earnestly sought.



ALFRED C. DELOS SANTOS

Representative, Ang Probinsyano Partylist

⁵ *Coffee Affection, Coffee Consumption Statistics Philippines (2025)*; consolidated in Hills & Valleys PH, Coffee Statistics Philippines.

⁶ *Statista Market Forecast, Coffee Market Philippines 2023*. Original figure: US\$2.33 billion. Converted to Philippine peso (₱130 billion) using the Bangko Sentral ng Pilipinas (BSP) average exchange rate for 2023.

⁷ *Philippine Coffee Industry Roadmap 2021-2025*. Department of Agriculture - Bureau of Agricultural Research through the UPLB Foundation, Inc. in collaboration with the Philippine Council for Agriculture and Fisheries. Department of Agriculture. High Value Crops Development Program.

⁸ Id.

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Introduced by **ANG PROBINSYANO**
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**AN ACT ESTABLISHING A NATIONAL PROGRAM FOR THE COFFEE INDUSTRY
PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES**

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 "Coffee Industry Development Act".

SECTION 2. *Declaration of Policy.* – It is hereby declared the policy of the State to foster the growth and development of the coffee industry as a vital source of livelihood for Filipino farmers, to increase farm productivity through the adoption of modern and sustainable practices, and to ensure the long-term resilience of the sector. Toward this end, the State shall promote inclusive programs that uplift smallholder farmers, strengthen local production, reduce dependence on imports, and advance the coffee industry as a driver of rural development and national progress.

SECTION. 3. *Creation of a National Coffee Board.* – There shall be a National Coffee Board, hereinafter referred to as the Board, that shall direct, supervise and monitor the development and promotion of the coffee industry. The board shall be composed of:

- a. Secretary of the Department of Agriculture (DA) as Chairman;
- b. Secretary of the Department of Trade and Industry (DTI) as Vice Chairman;
- c. Secretary of Department of Science and Technology (DOST);
- d. Secretary of Department of the Interior and Local Government (DILG);
- e. One (1) representative from State Universities and Colleges;
- f. One (1) representative from the League of Municipalities where coffee is primarily grown;
- g. One (1) representative from a Non-Governmental Organization (NGO) working on coffee production, research and development, processing or promotion;
- h. One (1) representative from coffee growers;
- i. One (1) representative from coffee traders; and
- j. One (1) representative from coffee processors.

SECTION 4. *National Program for the Coffee Industry.* – There is hereby established a National Program for the Coffee Industry to promote the sustainable growth and competitiveness of Philippine coffee. The Program shall serve as the overarching

framework for the development of the sector, encompassing production, processing, marketing, research, and trade for the implementation of the National Coffee Board. The National Program for the Coffee Industry shall include, but not be limited to, the following components:

- a. Research and Development. Advancement of farming technologies, climate-resilient practices, and quality improvement measures for all coffee varieties grown in the Philippines.
- b. Capacity Building and Training. Provision of technical assistance, extension services, and farmer education programs to enhance productivity and quality standards.
- c. Financial and Market Support. Access to credit, crop insurance, and marketing assistance to strengthen the value chain and reduce dependence on imports.
- d. Infrastructure Development. Establishment of post-harvest facilities, processing centers, and logistics support to improve efficiency and competitiveness.
- e. Promotion and Branding. Development of a national branding strategy for Philippine coffee to expand domestic and international market reach.
- f. Monitoring and Evaluation. Regular assessment of program implementation to ensure accountability, transparency, and measurable outcomes.

The National Program for the Coffee Industry shall be aligned with the Philippine Coffee Industry Roadmap and other national development plans, and shall prioritize the empowerment of smallholder farmers, the reduction of import dependence, and the positioning of Philippine coffee as a globally competitive product.

SECTION 5. *Development of the Coffee Industry.* – The Board, in consultation with the Department of Science and Technology (DOST), state universities and colleges, farmer groups, local government units, and the private sector, shall formulate necessary programs and projects for the advancement and industry-wide development of coffee in the Philippines, as follows:

- a. Create and maintain a coffee industry roadmap that will outline the planned programs and projects to develop the coffee industry on a national scale;
- b. Organize systematic programs that could improve coffee production including the development of effective production systems;
- c. Promote the coffee industry to investors;
- d. Provide technical assistance on planting systems and rehabilitation of farms;
- e. Develop efficient and productive processing technologies for coffee beans;
- f. Allow and facilitate the establishment of credit programs in government banks for coffee farmers;
- g. Conduct research and other scientific studies on coffee;
- h. Establish and maintain a germplasm collection and gene bank for coffee;

- i. Provide marketing and promotions of coffee for domestic and export markets;
- j. Classify coffee as a high value crop;
- k. Establish a coffee processing facilities for farmers and farmer's organizations;
and
- l. Coordinate and collaborate with other government and non-government agencies involved in the development of the coffee industry.

SECTION 6. *Secretariat of the Coffee Board.* – The Undersecretary of Agriculture in Charge of Crops and the Head of the Bureau of Plant Industry shall be the Secretariat of the Board. The Office of High Value Crops Development shall establish an office space for the Coffee Board for their meetings.

SECTION 7. *Appropriation.* – The amount of fifty million pesos (Php50,000.000.00) shall be allocated from the Special Activities Fund of the President of the Republic of the Philippines or from any other sources that may be identified for the purpose for the operation, industry development as contained in Section 4 hereof. Thereafter, such sum required shall be included in the annual General Appropriations Act of the Department of Agriculture.

SECTION 8. *Separability Clause.* – If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SECTION 9. *Repealing Clause.* – All existing laws, rules and regulations or part thereof inconsistent with the provisions of this Act are hereby repealed, superseded or modified accordingly.

SECTION 10. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,