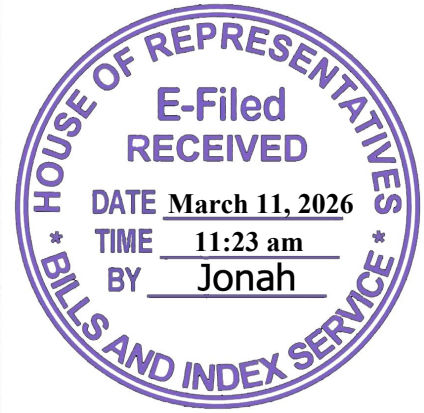


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. 8424



INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO
AND JOCELYN P. TULFO

AN ACT
AMENDING REPUBLIC ACT NO. 11524, OTHERWISE KNOWN AS THE
"COCONUT FARMERS AND INDUSTRY TRUST FUND ACT," TO
STRENGTHEN ITS IMPLEMENTATION, ALIGN FUND UTILIZATION WITH
INDUSTRY EXPANSION AND FARMER NEEDS, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Republic Act No. 11524, otherwise known as the "Coconut Farmers and Industry Trust Fund Act", was enacted into law in 2021 to consolidate the benefits due to coconut farmers, especially the poor and marginalized, under various statutes and to expedite the delivery to attain increased incomes for coconut farmers, alleviate poverty, and achieve social equality.

The strong productivity of farmers has made the Philippines the world's second-largest coconut producer and exporter, after Indonesia. Coconut products are the country's top agricultural export earner, which include coconut oil, desiccated coconut, copra meat, and other by-products. The government has been targeting planting and replanting efforts, as well as fertilization, as the Philippine Coconut Authority aims to plant 100 million coconut trees by 2028. Therefore, to ramp up this

effort, the Coconut Trust Fund must be redirected toward high-impact programs aimed at lifting productivity and farmers' income.¹

This bill aims to strengthen the implementation of the "Coconut Farmers and Industry Trust Fund Act" by ensuring that fund utilization is strategic, responsive to the needs of coconut farmers, and supportive of national goals for industry expansion, rural development, and agricultural export growth. Further, it provides for the institutionalization and implementation of a nationwide coconut planting and replanting program, including the establishment and expansion of seed farms and nurseries, the production and distribution of high-yielding and hybrid coconut seedlings, and the provision of technical and logistical support for coconut rehabilitation.

In view of the foregoing, the urgent passing of this bill is earnestly sought.



RALPH WENDEL P. TULFO

Representative

2nd District of Quezon City



JOCELYN P. TULFO

Representative

ACT-CIS Partylist

¹ Barro, Dexter II, "DA chief pushes amended coco trust fund law to boost industry", *MANILA BULLETIN*, 4 Aug 2025, <https://mb.com.ph/2025/08/04/da-chief-pushes-amended-coco-trust-fund-law-to-boost-industry>.

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

1 SECTION 1. Section 2 of Republic Act No. 11524 is hereby amended to read as
2 follows:

3
4 "SEC. 2. Declaration of Policy. – It is hereby declared the policy
5 of the State to consolidate and manage the coconut levy assets for the ultimate
6 benefit of coconut farmers and the development of the coconut industry, and
7 to use the fund for the rehabilitation and modernization of the industry,
8 increased coconut productivity and income, poverty alleviation, and social
9 equity.

10
11 IT IS LIKEWISE THE POLICY OF THE STATE TO ENSURE THAT
12 FUND UTILIZATION UNDER THIS ACT IS STRATEGIC, RESPONSIVE TO

1 THE NEEDS OF COCONUT FARMERS, AND SUPPORTIVE OF NATIONAL
2 GOALS FOR INDUSTRY EXPANSION, RURAL DEVELOPMENT, AND
3 AGRICULTURAL EXPORT GROWTH."
4

5 SEC. 2. Section 4 of Republic Act No. 11524 is hereby amended to read as
6 follows:
7

8 "SEC. 4. Objectives – The Coconut Farmers and Industry Development
9 Plan shall be formulated to accomplish the following objectives:
10

- 11 (a) Increase the income and productivity of coconut farmers;
12 (b) Promote poverty alleviation, education, and social equity;
13 (c) Modernize and industrialize the coconut industry;
14 (d) Ensure sustainable and equitable development of coconut-based
15 enterprises;
16 (e) Provide support to coconut farmers, farm workers, and their
17 families,

18 INCLUDING EMERGENCY SUPPORT; AND

- 19 (f) INSTITUTIONALIZE AND IMPLEMENT A NATIONWIDE
20 COCONUT PLANTING AND REPLANTING PROGRAM,
21 INCLUDING THE ESTABLISHMENT AND EXPANSION OF SEED
22 FARMS AND NURSERIES, THE PRODUCTION AND
23 DISTRIBUTION OF HIGH-YIELDING AND HYBRID COCONUT
24 SEEDLINGS, AND THE PROVISION OF TECHNICAL AND
25 LOGISTICAL SUPPORT FOR COCONUT REHABILITATION."
26
27
28
29

1 SEC. 3. Section 8 of Republic Act No. 11524 is hereby amended by inserting a
2 new paragraph, to read as follows:

3
4 “SEC. 8. Trust Fund Management Committee. – The Trust Fund
5 Management Committee shall be composed of the Secretary of Finance as
6 Chairperson, the Secretary of Budget and Management as Vice Chairperson,
7 and the Secretary of Agriculture as member.

8
9 The Committee shall approve disbursements from the Trust Fund only
10 in accordance with the Coconut Farmers and Industry Development Plan, as
11 prepared, approved, and validated in accordance with Sections 3 and 6 of this
12 Act.

13
14 THE TRUST FUND MANAGEMENT COMMITTEE SHALL ENSURE
15 THE PRIORITIZATION AND INCLUSION IN EACH YEAR’S
16 DISBURSEMENT PLAN OF A STRATEGIC PROGRAM ALLOCATION FOR
17 COCONUT INDUSTRY EXPANSION, FOCUSING ON NATIONWIDE
18 PLANTING AND REPLANTING, HYBRID SEEDLING PROPAGATION,
19 SEED FARM ESTABLISHMENT, AND EXPORT-ORIENTED ENTERPRISE
20 SUPPORT. THE COMMITTEE SHALL COORDINATE CLOSELY WITH THE
21 PHILIPPINE COCONUT AUTHORITY IN DETERMINING THESE
22 PRIORITIES BASED ON THE TARGETS OF THE COCONUT FARMERS AND
23 INDUSTRY DEVELOPMENT PLAN.”

24
25 SEC. 4. Section 9 of Republic Act No. 11524 is hereby amended by inserting a
26 new paragraph at the end thereof, to read as follows:

27
28 “SEC.9. Allocation and Use of the Trust Fund. – The utilization of the
29 Trust Fund shall be in accordance with the Coconut Farmers and Industry
30 Development Plan.

1
2 The initial allocation from the Trust Fund shall be utilized as follows:
3

- 4 (a) Fifteen percent (15%) for the planting and replanting of hybrid
5 coconut seedlings by the Philippine Coconut Authority (PCA);
6 (b) Five percent (5%) for the training of coconut farmers and their
7 families as listed in the Coconut Farmers Registry in farm schools
8 through the Technical Education and Skills Development Authority
9 (TESDA) and Agricultural Training Institute (ATI);
10 (c) Five percent (5%) for research and development by the Department
11 of Science and Technology – Philippine Council for Agriculture,
12 Aquatic and Natural Resources Research and Development (DOST-
13 PCAARRD), PCA and the Department of Agriculture – Bureau of
14 Agricultural Research (DA-BAR);
15 (d) Ten percent (10%) for crop insurance through the Philippine Crop
16 Insurance Corporation (PCIC);
17 (e) Ten percent (10%) for farm-to-market roads through the Department
18 of Public Works and Highways (DPWH);
19 (f) Five percent (5%) for scholarships for farmers and their families
20 through the Commission on Higher Education (CHED);
21 (g) Five percent (5%) for health and medical programs for farmers and
22 their families through the Department of Health (DOH);
23 (h) Five percent (5%) for credit programs through the Development
24 Bank of the Philippines (DBP) and the Land Bank of the Philippines
25 (LBP); and
26 (i) Thirty percent (30%) for shared facilities programs through the PCA.
27

28 DURING THE YEAR, IF ANY OF THE IMPLEMENTING AGENCIES
29 IDENTIFIED IN THIS SECTION IS UNABLE TO UTILIZE OR OBLIGATE ITS
30 PROGRAMMED ALLOCATION WITHIN A REASONABLE PERIOD, THE

1 TRUST FUND MANAGEMENT COMMITTEE MAY, IN CONSULTATION
2 WITH THE PHILIPPINE COCONUT AUTHORITY, REALLOCATE SUCH
3 UNUTILIZED FUND IN THE NEXT FISCAL YEAR TO OTHER PROGRAMS
4 AND PROJECTS CONSISTENT WITH THE OBJECTIVES OF THE COCONUT
5 FARMERS AND INDUSTRY DEVELOPMENT PLAN. IN SUCH CASES,
6 PRIORITY SHALL BE GIVEN TO OTHER IMPLEMENTING AGENCIES
7 ALSO IDENTIFIED UNDER THIS ACT THAT HAVE SUBMITTED
8 QUALIFIED BUT UNFUNDED OR UNDERFUNDED PROPOSALS DUE TO
9 LIMITED INITIAL ALLOCATIONS."

10
11 SEC. 5. A new section is hereby inserted after Section 11 of Republic Act No.
12 11524 to read as follows:

13
14 "SEC. 11-A. INTER-AGENCY IMPLEMENTATION. - THE
15 PHILIPPINE COCONUT AUTHORITY IN COORDINATION WITH THE
16 DEPARTMENT OF AGRICULTURE, THE DEPARTMENT OF TRADE AND
17 INDUSTRY, AND LOCAL GOVERNMENT UNITS IN COCONUT-
18 PRODUCING AREAS, SHALL IMPLEMENT THE COCONUT PLANTING
19 AND REPLANTING PROGRAM AND RELATED PROGRAMS UNDER THIS
20 ACT.

21
22 THE IMPLEMENTING AGENCIES SHALL ENSURE THE
23 ESTABLISHMENT AND OPERATION OF SEED FARMS AND NURSERIES,
24 THE TIMELY PROCUREMENT AND DISTRIBUTION OF HYBRID
25 SEEDLINGS, AND THE PROMOTION OF VALUE-ADDED AND EXPORT-
26 ORIENTED COCONUT PRODUCTS.

27
28 AN ANNUAL IMPLEMENTATION REPORT SHALL BE SUBMITTED
29 TO THE TRUST FUND MANAGEMENT COMMITTEE AND TO CONGRESS,

1 INDICATING PLANTING PERFORMANCE, FUND UTILIZATION, AND
2 MEASURABLE FARMER OUTCOMES."
3
4
5

6 SEC. 6. Section 15 of Republic Act No. 11524 is hereby amended to read as
7 follows:
8

9 "SEC. 15. Participation of Coconut Farmers. - Recognized and
10 accredited coconut farmers' organizations shall be consulted in the formulation
11 and updating of the Coconut Farmers and Industry Development Plan and
12 shall be represented in the monitoring of implementation.
13

14 THEIR PARTICIPATION SHALL BE INSTITUTIONALIZED IN THE
15 PLANNING AND PRIORITIZATION OF PROGRAMS FUNDED UNDER
16 THIS ACT, PARTICULARLY IN PLANTING AND REPLANTING
17 INITIATIVES, AND IN THE IDENTIFICATION OF COMMUNITY-BASED
18 PROJECT SITES AND RECIPIENTS."
19

20 SEC. 7. Implementing Rules and Regulations. - Within ninety (90) days from
21 the effectivity of this Act, the Trust Fund Management Committee shall promulgate
22 the implementing rules and regulations necessary for the implementation of this Act.
23

24 SEC. 8. Separability Clause. - If any provision of this Act is declared
25 unconstitutional or invalid, the remainder shall not be affected and shall remain in
26 full force and effect.
27

28 SEC. 9. Repealing Clause. - All laws, decrees, executive orders, rules and
29 regulations inconsistent with this Act are hereby repealed or modified accordingly.
30

1 **SEC. 10. Effectivity.** – This Act shall take effect fifteen (15) days after its
2 publication in the Official Gazette or in a newspaper of general circulation.

3

4 Approved,