

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 8720



Introduced by **Representative ERIC G. YAP**

EXPLANATORY NOTE

This bill seeks to institutionalize the direct participation of coconut farmers in the management and utilization of the Coconut Farmers and Industry Trust Fund (CFITF). It amends Republic Act No. 11524, otherwise known as the "*Coconut Farmers And Industry Trust Fund Act*".

The coconut industry remains an important sector of agriculture in the Philippines. It provides employment to approximately 2.5 - 3.5 million farmers in sixty-nine (69) provinces in the Philippines¹ and has a total production area of 3.62 million hectares. Coconut products continue to rank among the country's top export commodities as reported by the Philippine Coconut Authority (PCA)² and yet coconut farmers continue to face challenges that limit their economic stability. Many farmers work with aging coconut trees that produce lower yields, while limited access to technology constraints their productivity. They also bear the direct impact of pests and diseases such as coconut scale insects and lethal yellowing, as well as increasingly severe weather disturbances that damage farms and disrupt harvests.

This measure introduces the Coconut Farmers Advisory Board (COCOFAB), a dedicated body composed of representatives from registered farmers' federations and cooperatives, that will directly engage in the review of development priorities, budget allocations, and program implementation. It mandates consultation prior to key fund decisions and strengthens transparency through the public disclosure of investment reports, fund releases, and project performance. This ensures that financial decisions align with the actual needs of the community.

This vital piece of legislation ensures that coconut farmers are not merely beneficiaries but active partners in shaping the future of the industry. It advances a more responsive and accountable Trust Fund that delivers timely and equitable

¹ Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development (PCAARRD). *Coconut Industry Profile*. <https://ispweb.pcaarrd.dost.gov.ph/isp-commodities/coconut/#>

² Odong, Charmaine. (2025, August 24). *Coconut remains PH's top export product, says PCA*. <https://pia.gov.ph/news/luzon/calabarzon/coconut-remains-phs-top-export-product-says-pca/>

benefits, uplifts farmers welfare, and strengthens the long-term sustainability of the coconut sector.

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



HON. ERIC G. YAP

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 8720

Introduced by **Representative ERIC G. YAP**

AN ACT
STRENGTHENING COCONUT FARMERS' PARTICIPATION IN THE UTILIZATION OF THE COCONUT FARMERS AND INDUSTRY TRUST FUND, AMENDING FOR THE PURPOSE CERTAIN PROVISIONS OF REPUBLIC ACT NO. 11524, OTHERWISE KNOWN AS THE "COCONUT FARMERS AND INDUSTRY TRUST FUND ACT", AND FOR OTHER PURPOSES

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

Section 1. Section 4 of Republic Act (RA) No. 11524, otherwise known as the "*Coconut Farmers and Industry Trust Fund Act*", is hereby amended to read as follows:

"Section 4. Preparation of the Coconut Farmers and Industry Development Plan. – x x x

"In the formulation of the Plan, the PCA shall be guided by the following objectives:

"(a) Increase[d] THE productivity, PROFITABILITY, and [income] RESILIENCE of coconut farm[er]s THROUGH THE REHABILITATION, REPLANTING, AND EXPANSION OF COCONUT AREAS, ESTABLISHMENT OF SEED FARMS AND COMMUNAL NURSERIES, AND THE MASS PROPAGATION AND DISTRIBUTION OF HYBRID AND HIGH-YIELDING SEEDLINGS;

"(b) [Poverty alleviation, education,] ENSURE THAT THE BENEFITS OF THE COCONUT FARMERS and [social equity] INDUSTRY TRUST FUND ARE TIMELY, TRANSPARENT, AND DIRECTLY

ACCESSIBLE TO COCONUT FARMERS THROUGH SIMPLIFIED AND DIGITALIZED PROCEDURES FOR FUND RELEASE AND PROGRAM IMPLEMENTATION; [and]

“(c) [Rehabilitation] ENCOURAGE RESEARCH, PRODUCT DEVELOPMENT, and INVESTMENT UTILIZING [modernization of the] coconut [industry towards farm productivity] AND ITS BY-PRODUCTS, TO PROMOTE JOB CREATION, AND MARKET COMPETITIVENESS[.];

“(D) PURSUE INCLUSIVE GROWTH AND SOCIAL EQUITY BY ALIGNING ALL PROGRAMS WITH POVERTY REDUCTION, SOCIAL PROTECTION, AND CAPACITY-BUILDING OBJECTIVES;

“(E) PROMOTE THE MODERNIZATION, SUSTAINABILITY, AND CLIMATE RESILIENCE OF THE COCONUT SECTOR THROUGH METHODS CONSISTENT WITH ENVIRONMENTAL STEWARDSHIP; AND

“(F) IMPROVE ACCESS TO MARKETS, CREDIT, AND INFRASTRUCTURE SUPPORT TO ENHANCE FARMERS’ INCOME AND LIVELIHOOD SECURITY.

“x x x”

SEC. 2. There is hereby inserted a new Section 5-A in the same Act to read as follows:

“SECTION 5-A. COCONUT FARMERS ADVISORY BOARD. - THERE IS HEREBY CREATED A COCONUT FARMERS ADVISORY BOARD (COCOFAB) COMPOSED OF FIVE (5) MEMBERS REPRESENTING REGISTERED COCONUT FARMERS' FEDERATIONS, COOPERATIVES, AND/OR PEOPLE'S ORGANIZATIONS. THE MEMBERS OF THE COCOFAB SHALL BE APPOINTED BY THE PCA BOARD FROM AMONG NOMINEES SUBMITTED BY RECOGNIZED FARMERS’ ORGANIZATIONS. THEY SHALL ELECT FROM AMONG THEMSELVES THE CHAIRMAN.

"THE COCOFAB SHALL HAVE THE FOLLOWING FUNCTIONS:

"(A) REVIEW AND RECOMMEND TO THE PCA BOARD THE ANNUAL PRIORITIES AND PROPOSED BUDGET ALLOCATIONS UNDER THE COCONUT FARMERS AND INDUSTRY DEVELOPMENT PLAN (CFIDP);

"(B) MONITOR AND EVALUATE THE IMPLEMENTATION OF TRUST FUND-FINANCED PROGRAMS; AND

"(C) SUBMIT POLICY AND PROGRAM RECOMMENDATIONS TO THE PCA BOARD AND RELEVANT AGENCIES TO ENSURE THAT TRUST FUND PROGRAMS ARE ALIGNED WITH THE NEEDS AND PRIORITIES OF COCONUT FARMERS.

"THE COCOFAB SHALL BE CONSULTED PRIOR TO THE APPROVAL OF ANY INVESTMENT, DISBURSEMENT, OR UTILIZATION OF THE TRUST FUND. FOR THIS PURPOSE, THE TRUST FUND MANAGEMENT COMMITTEE SHALL FURNISH THE COCOFAB WITH ALL RELEVANT DOCUMENTS AND PROPOSALS AT LEAST FIFTEEN (15) DAYS PRIOR TO APPROVAL, AND SHALL DULY CONSIDER ITS COMMENTS AND RECOMMENDATIONS IN THE FINAL DECISION."

SEC. 3. Section 10 of the Same Act is hereby amended to read as follows:

"Section 10. Creation of a Trust Fund Management Committee. - x x
x

"x x x

"(j) Other guidelines as may be necessary to fulfill its mandate under this Act.

"THE TRUST FUND MANAGEMENT COMMITTEE SHALL, PRIOR TO THE APPROVAL OF ANY INVESTMENT STRATEGY OR PLACEMENT, CONSULT THE PCA BOARD AND THE COCOFAB TO ENSURE THAT THE INVESTMENT STRATEGY IS

**RESPONSIVE TO THE PRIORITIES AND WELFARE OF
COCONUT FARMERS AND INDUSTRY DEVELOPMENT PLAN.**

“x x x

“x x x

**“ALL INVESTMENT REPORTS, FUND RELEASES, AND
PROJECT PERFORMANCE UPDATES RELATING TO THE TRUST
FUND SHALL BE MADE PUBLICLY AVAILABLE THROUGH AN
OFFICIAL WEBSITE TO BE MAINTAINED BY THE PCA, WITH
PERIODIC SUMMARIES SUBMITTED TO CONGRESS.”**

SEC. 4. *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, the PCA, in coordination with the concerned agencies, shall issue the necessary rules and regulations for its effective implementation.

SEC. 5. *Separability Clause.* – If any provision of this Act is held invalid or unconstitutional, the other provisions not so declared shall remain in force and effect.

SEC. 6. *Repealing Clause.* – All laws, decrees, orders and rules, and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SEC. 7. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or a newspaper of general circulation.

Approved,