

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

EIGHTEENTH CONGRESS
First Regular Session

HOUSE RESOLUTION NO. 504



Introduced by Rep. Wilfrido Mark M. Enverga

A RESOLUTION URGING THE DEPARTMENT OF AGRICULTURE, THE PHILIPPINE COCONUT AUTHORITY, DEPARTMENT OF BUDGET MANAGEMENT AND OTHER AGENCIES OF THE EXECUTIVE DEPARTMENT TO AUTHORIZE AND IMPLEMENT EMERGENCY MEASURES AND SAFETY NETS TO AMELIORATE THE ECONOMIC SHOCK OF FILIPINO COCONUT FARMERS IN LIGHT OF THE ENORMOUS REDUCTION OF COPRA PRICES

WHEREAS, it is a policy of State to promote and protect the coconut industry considering the importance of this industry in nation-building, it being one of the principal industries and one of the largest income-earners of the country;

Whereas, 3.5 million hectares (2015), which accounts for 26% of the total croplands, and 74% of commercial croplands in the Philippines are planted to coconut trees, justly that the country is recognized as the world's biggest exporter of coconut oil;

WHEREAS, 68 out of 81 provinces are coconut areas;

WHEREAS, about 24 million Filipinos or one-third of the Philippine population directly or indirectly benefit from the coconut industry. There are 2.6 million coconut farmers and farm workers;

Whereas, coconut producing provinces account for more than 10 million families, majority of which live below the poverty line;

WHEREAS from July 2018 up to June 2019, the PCA reported a significant and continuing drop of copra prices both mill gate and farmgate prices;

(2)

WHEREAS, the price of copra has declined because of a glut in supply in the world market of vegetable oils as well as speculative behavior by global traders reacting to announcements by the European Union (EU) that they will ban the use of palm oil in their biofuels program;

WHEREAS, our coconut farmers are in desperate situation and due to copra price fluctuation, farmers are no longer harvesting coconuts, some farmers cut coconut trees illegally or circumventing policies of the government against illegal cutting of coconut trees and sell them as lumber, instead of harvesting the coconut;

WHEREAS if this low copra selling price and production continues, the coconut industry will collapse;

NOW THEREFORE BE IT RESOLVED, as it is hereby resolved, by the House of Representatives to urge the Department of Agriculture (DA) and the Philippine Coconut Authority or PCA, the DBM and other agencies of the executive department in light of the crisis of emergency proportions being faced by Filipino coconut farmers due to enormous and continuing drop of the prices of copra, to implement the following emergency measures to ameliorate their economic shock - FIRSTLY, a) any amount remaining available in the budget in GAA 2019, to be officially determined by the Bureau of Treasury beginning September 2019 and on a monthly basis thereafter be appropriated for the direct cash assistance program for coconut farmers officially included in the National Coconut Farmers Registry System in the country, in the form but not limited to-

1. Transport allowance to coconut farmers where government shoulders the costs of transport of copra and husked nuts from farm to mill until prices go beyond the production cost of copra;
2. Marketing assistance to coconut farmers;
3. Technical and Training Assistance to coconut farmer through the Department of Science and Technology (DOST) to fully utilize the coconut and its by-products;
4. Capital Assistance provisions for alternative income activities;
5. Livestock and seedling dispersal through the PCA to accredited farmer organizations;

SECONDLY, to immediately implement the Biofuels Act of 2006 (Republic Act 9367) mandating that all diesel fuels sold in the domestic market be blended with five percent Coco Methyl Ester (CME). Increasing the current biodiesel blend to 5% as mandated by law will increase domestic crude coconut oil (CNO) utilization and thereby contribute greatly in the stabilization of domestic copra prices; and

THRIDLY, urging the DA/PCA to enter into a tripartite arrangement for copra direct marketing whereby farmers cooperatives deliver their copra directly to the oil mills. Millers giving preferential treatment to coconut farmers cooperatives and the PCA providing shared service facilities in the form of warehouses which will be used as copra aggregating points.

Adopted,



WILFRIDO MARK M. ENVERGA