

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **4280**



Introduced by REP. Michael L. Romero

EXPLANATORY NOTE

The Philippines is an archipelago with a very rich diversity of tropical fruits wherein more than 20 different species are cultivated in the entire archipelago.

Production system ranges from backyard to highly integrated operation with the latter catering to the export market. The farms are generally small in size (1-5 ha) with minimal care resulting to low yield.

The major fruit species grown in the country are: a) banana (*Musa* sp.); b) pineapple (*Ananas comosus*); c) mango (*Mangifera indica*); d) papaya (*Carica papaya*); e) calamondin (*Microfortunella microcarpa*); f) durian (*Durio zibethinus*); g) jackfruit (*Artocarpus heterophyllus*); and h) lanzones (*Lansium domesticum*).

Banana, pineapple and mango are the major fruit export commodities of the country both in fresh and processed forms.

This information was obtained from the Philippines' Bureau of Agricultural Statistics (BAS), Department of Agriculture- Bureau of Agricultural Research (DA-BAR) and Department of Science and Technology-Philippine Council for Agriculture, Aquatic and Resources Research and Development (DOST-PCARRD). The data covered the period from 2008-2013.

Total production, hectarage, yield, export and import

Production and hectarage. The total production and area planted to various fruit species in the country. In 2013, the total production reached 12,750,850 MT with a total area of 856,553 hectares. An increasing trend in total production and area had been experienced from 2008-2012.

However, by 2013 both had dramatically been reduced due to destruction brought about by the strong typhoon that hit the country particularly the major producing areas in Mindanao. Overall, the average annual growth rate was 0.26% and 16%, respectively for production and area for the six-year time period.

Yield. The average yield per hectare ranged from 14.8MT to 15.21MT from 2008-2013 with an average annual growth rate of 0.57%. A similar trend was observed with that of production and area wherein slight increases in the average yield were experienced from 2008-2012 (14.83 to 15.10 MT/ha) and decreased to 14.89 MT/ha by 2013.

Export. Fruit are one of the major exports of the country. In 2013, the volume of exported fresh fruit reached 3,310,910MT from 2,510,864MT in 2008 with an average annual growth rate of 7.98%. From 2008 to 2010, volume of export had declined by 29%. After which, this had been increasing through 2011 till 2013 by 85.7%. This was brought about by the improvement of the economic status of the importing countries.

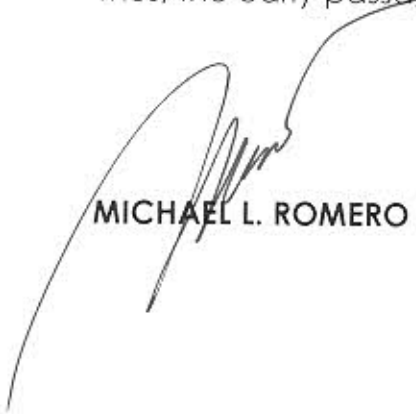
The major export commodities are banana, pineapple, mango and papaya. This shows the volume of the export in each commodity wherein banana accounted for 86.9% of the total volume and pineapple, 12.5%, mango, 0.15%, papaya, 0.15% and others, 0.30%.

Import. The total import of fruit by the Philippines from 2008 till 2013. The highest volume of imports occurred in 2012 reaching 240,477MT while the lowest was in 2008 to 187,265MT. The average annual growth rate was 3.68% during this time period. This was lower by 46.1% than the annual growth rate of fruit export in the same time period. Hence, there is a positive balance of trade for this commodity in the country.

The total import volume in 2013 was 214,800MT. Apples (27%), mandarins (18%), oranges (8%) and grapes (6%) were the major commodities.

This shows all numerical data for the total production, area, average yield/ha, volume export and volume of import of fruit in the Philippines.

Thus, the early passage of this bill is earnestly requested.



MICHAEL L. ROMERO Ph.D

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**AN ACT CREATING THE PHILIPPINE FRUIT AUTHORITY, AND FOR
OTHER PURPOSES**

*Be it enacted by the Senate and House of Representative of the
Philippines in congress assembled:*

SECTION 1. Short Title - This Act shall be known as the "*Philippine Fruit
Authority Act of 2016.*"

SECTION 2. Declaration of Policy - It is hereby declared that the state shall
safeguard the interest of small farmers/growers of Philippine fruits. It shall be the
policy of the state to develop the industry and trade of Philippine fruits.

The state shall provide the appropriate support thru services in production,
financial assistance, technical training and research.

The state shall enforce guidelines and quality control measures to
promote the interest of the small farmers/growers of fruits.

The state shall exploit the fruit industry's potential to increase and promote market export and generate foreign exchange revenues.

SECTION 3. Rules and Regulations. – The Department Agriculture (DA) in collaboration with the Department of Trade and Industry (DTI) shall issue the necessary rules and regulations to implement this Act.

SECTION 4. Creation of the Philippine Fruit Authority – There is hereby created a corporate government institution that shall be known as the Philippine Fruit Authority.

SECTION 5. Goals and Objectives:

1. To promote the industry of Philippine fruits in the country and in the export market;
2. To increase the income of the Philippine fruit farmers thru the use of new methods and technology; and
3. To improve the quality of life of our fruit farmers thru increasing production and fruit processing in more suitable areas.

SECTION 6. Powers and Functions of the Philippine Fruit Authority:

1. To create measures to establish that small farmers receive a fair price for their products;

2. To properly accredit and register all farmers, growers, traders and all associations involved with the Philippine Fruit Authority functions;
3. To create and maintain testing and experimental stations;
4. To identify, conserve and preserve endangered species;
5. To impose administrative sanctions and penalties for all violators of its rules and regulations;
6. To accept all financial assistance, all other support from private sectors and all other sources to promote the fruit industry;
7. To regulate the Philippine Fruit Authority in the country, administer all its functions; and
8. To incur any obligation, enter into contract with any person essential to the proper supervision of its affairs to carry-out its objectives and purposes.

SECTION 7. Governance of the Philippine Fruit Authority – the Philippine Fruit Authority shall be governed by the following:

1. Secretary of Agriculture (Chairman);
2. Director of the Philippine Fruit Authority (Vice Chairman);
3. Secretary of Trade and Industry;
4. Secretary of Environment and Natural Resources;
5. A representative from the Government Finance Institutions (GFI);
6. A representative from the rural cooperatives/institutions;
7. A representative from the Philippine fruit Industry; and
8. A representative from the Philippine fruit farmers/growers.

The Governing board shall act as the policy making body of the Philippine Fruit Authority to create its policies, implement its rules and regulations, and carry-out its goals and objectives.

The Governing board shall create the organizational structure of the Philippine Fruit Authority, and shall appoint all its other purposes.

SECTION 8. Appropriation:

There is hereby authorized to appropriate the necessary funds to carry-out into effect the provisions of this act. Provided thereafter that the budget for the Philippine Fruit Authority shall be included in the General Appropriations Act.

SECTION 9. Repealing Clause. All laws, executive orders, issuances, rules and regulations inconsistent with this Act are hereby amended, repealed or modified accordingly.

SECTION 10. Separability Clause. If, for any reason or reasons, any portion or provision of this Act shall be held unconstitutional or invalid, the remaining provisions not affected thereby shall continue to be in full force and effect.

SECTION 11. Effectivity Clause. This Act shall take effect fifteen (15) days after its publication in any newspaper of general circulation.

Approved,