



Republic of the Philippines  
**House of Representatives**  
Quezon City



Eighteenth Congress  
First Regular Session

HOUSE RESOLUTION NO. 782

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**Introduced by Representative Sabiniano “Ben” S. Canama**

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**RESOLUTION**

**DIRECTING THE COMMITTEE ON COOPERATIVES DEVELOPMENT, TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE STATUS OF THE IMPLEMENTATION OF THE OIL PALM FINANCING PROGRAM OF THE LAND BANK OF THE PHILIPPINES**

**WHEREAS**, in 2005, the Landbank of the Philippines (LBP) opened new products including Oil Palm Financing Program, in its aim to provide timely, accessible and responsive products and services on multiple platforms and customer touchpoints, especially to small farmers and fishers, micro, small and medium enterprises, countryside financial institutions, cooperatives, non-government organizations, corporations and local government units;

**WHEREAS**, through Agumil Philippines, Inc. (Agumil), an integrated oil palm production and processing corporation, the Landbank of the Philippines encouraged several cooperatives nationwide to venture in oil palm plantation;

**WHEREAS**, due to the promise of viability and profitability, several cooperatives, including Laak Multi-Purpose Cooperative in Poblacion Laak, Davao de Oro, Sto. Niño Teachers and Farmers Multi-Purpose Cooperative in Sto. Niño, South Cotabato, and Norala Palm Oil Growers and Farmers Association in Norala, South Cotabato, entered into a long-term loan contract with LBP;



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**WHEREAS**, as presented during the orientation of the LBP, the price of oil palm bunches ranges from Php 6.00 to Php 7.00 per kilogram, but eventually Agumil bought only the same for a very low price of Php 3.00 per kilogram, thus, growers were unable to pay their loans to the cooperatives, and the cooperatives in turn were unable to cope with its obligations to LBP as a result of the substantial disparity in the price of the oil palm produce;

**WHEREAS**, given the urgency of the situation, there is a need to revisit the oil palm financing policy and the program of government-run Land Bank of the Philippines in the fulfillment of its role. Now, therefore, be it

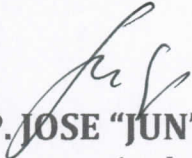
**RESOLVED BY THE HOUSE OF REPRESENTATIVES**, To direct the Committee on Agriculture and the Committee on Cooperatives Development, to conduct an inquiry, in aid of legislation, on the status of the implementation of the oil palm financing program of the Land Bank of the Philippines.

Adopted,


SABINIANO **"BEN" S. CANAMA**  
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**House of Representatives**  
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**REP. JOSE "JUN" L. ONG, JR.**  
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