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SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)RECEIVED BY: 

SENATE

S. No. 564

Introduced by Senator Antonio "Sonny" F. Trillanes IV

AN ACT
CREATING A COFFEE RESEARCH, DEVELOPMENT AND EXTENSION
CENTER, AUTHORIZING THE APPROPRIATION OF FUNDS THEREFOR, AND
FOR OTHER PURPOSES

EXPLANATORY NOTE

Of recent, coffee production has become a booming industry in the country. With the introduction of Starbucks, Seattle's Best, and other high-end cafe, in the market the demand for the excellent varieties of coffee has reached unparalleled height. Even the country's pride, Figaro, has set standards of global competitiveness by opening satellite stores in Hongkong and in Southeast Asia.

True enough, the demand for coffee has outpaced harvests and production. The Makati Business Club (MBC) cited that local demand had already perked up to 55,000 tons while production stood at only 35,000 tons. Areas planted to coffee declined from about 100,000 hectares in 1986 to only 78,000 hectares at present.

In the province of Cavite, a new festivity called "Pahimis" is being touted as a coffee feast celebration in Amadeo. It is a tribute for the greatness of coffee, the town's bountiful and chief harvests. It is for this reason that the Province of Cavite and its municipalities and cities and the Cavite State University spearheaded the campaign for the creation of a Coffee Research, Development and Extension Center (CoRDEC).

The legislation envisions the creation of a center that will have the general powers and functions in line with the research, development and extension programs of the Department of Agriculture Bureau of Agricultural Research (DA-BAR), Department of Science and Technology (DOST), Department of Trade and Industry (DTI), National Economic and Development Authority (NEDA) and the Cavite State University (CvSU). The Center will be in the forefront of educating and training all stakeholders of the coffee industry; conducting relevant researches, scientific study and feasible marketing strategies; extending technologies; and creating linkages with international organizations and other coffee development centers in other countries.

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



ANTONIO "SONNY" F. TRILLANES IV
Senator

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

1 **SECTION 1. *Coffee Research, Development and Extension Center.*** - The Coffee
2 Research, Development and Extension Center (hereinafter referred to as CoRDEC) based at
3 the Cavite State University (CvSU), in the Municipality of Indang, Province of Cavite is
4 hereby established.

5
6 **SEC. 2. *General Powers and Functions of the Center.*** - The Center shall have the
7 following general powers and functions in line with the research, development and extension
8 programs of the Department of Agriculture - Bureau of Agricultural Research (DA-BAR),
9 Department of Science and Technology (DOST), Department of Trade and Industry (DTI),
10 National Economic and Development Authority (NEDA) and the Cavite State University
11 (CvSU).

- 12
13 a. Educate and train all stakeholders of the coffee industry;
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15 b. Conduct relevant researches, scientific study and feasible marketing strategies;
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17 c. Extend technologies; and
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19 d. Link with international organizations and other coffee development centers in other
20 countries.

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22 **SEC. 3. *Specific Powers and Functions of the Center.*** - The Center shall have the
23 specific powers and functions:

- 24
25 a. Develop productive, high yielding, good quality varieties/trains of coffee;
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27 b. Develop efficient, economic and productive coffee production technologies;

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- c. Develop effective and sound coffee processing technologies for varieties "Exelsa", "Liberica" and other outstanding varieties coffee;
- d. Develop effective production systems for all coffee varieties;
- e. Establish and maintain germplasm collection and gene bank for coffee;
- f. Develop effective and efficient marketing systems for coffee;
- g. Evolve productive coffee-based farming systems;
- h. Develop and implement appropriate and suitable technology packages and effective technology transfer schemes, especially the conduct of training programs;
- i. Upgrade the skills of development facilitators, estensionists and farmers through trainings, seminars and workshop on coffee production and postharvest handling and processing;
- j. Establish national and international linkages for coffee research, development, extension and production activities; and
- k. Coordinate with other government/non-government agencies involved in the development of the coffee industry.

SEC. 4. Executive Director of the Center. - The Center shall be headed by an Executive Director who shall be responsible for the planning, implementation, and supervision of the Center's program of activities. The Executive Director shall possess the following qualifications:

- a. Must not be more than fifty (50) years of age;
- b. Must have completed substantial and relevant education and experience on coffee research and development; and
- c. Must be of good moral character and has not been involved in a legal case involving moral turpitude.

All other officers and employees of the Center shall be appointed by the Executive Director consistent with the provisions of the Civil Service laws, rules and regulations.

SEC. 5. Advisory Board. - The plans and programs of the Center shall be reviewed annually by the Advisory Board which shall be composed of:

- 1 a. The Secretary of the Department of Agriculture as Chairman;
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3 b. The University President of the Cavite State University, as Vice-Chairman;
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5 c. The Secretary of the Department of Trade and Industry, as Member;
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7 d. One (1) representative from a non-governmental organization (NGO) working on
8 coffee production, research and development and processing;
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10 e. One (1) representative from the group of coffee traders;
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12 f. One (1) representative from the group of coffee processors; and
13
14 g. One (1) representative from the group of coffee growers.
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16 **SEC. 6. *Quorum.*** - The presence of at least five (5) members at the time of the
17 meeting shall constitute the quorum: *Provided, however,* That the Chairman, in his absence,
18 the Vice-Chairman, shall preside.
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20 **SEC. 7. *Authorization and Exemption.*** - The Center is hereby authorized to plan,
21 construct, develop, improve, acquire, or lease buildings, farms, fields and other facilities, to
22 purchase machineries, equipment, materials and supplies locally or abroad as may be
23 necessary to carry out its functions and objectives.
24

25 Moreover, the Center shall enjoy exemption from taxes and other duties in the
26 importation of such machineries, development and extension programs, subject to the
27 provisions of Section 105(s) of the Tariff and Customs Code, Section 103(f) of the National
28 Internal Revenue Code and to the provisions on Automatic Appropriations under the General
29 Appropriations Act.
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31 **SEC. 8. *Location of the Center.*** - The main offices, experimental area and nursery of
32 the Center shall be located at the Cavite State University campus in Indang, Cavite. The
33 Center may hereafter establish similar facilities in its other service areas in order to promote
34 the development of the coffee industry in the country.
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36 **SEC. 9. *Appropriations.*** - The amount of Fifty million pesos (P50,000,000.00) is
37 hereby authorized to be appropriated from the Special Activities Fund of the President of the
38 Republic of the Philippines, or from any other sources that may be identified for the purpose.
39 Thereafter, such sum required for its operation, maintenance, research, development and
40 extension activities shall be included in the annual General Appropriations Act.
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42 **SEC. 9. *Revolving Funds.*** - Any and all savings and income of the Center shall
43 constitute a revolving fund which shall not be reverted to the General Fund and which shall
44 be used by the Center in the furtherance of its goals and objectives.

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SEC. 11. *Repealing Clause.* - All existing laws, rules and regulations or part thereof inconsistent with the provisions of this Act are hereby repealed, superseded or modified accordingly; Provided, however, that nothing in this Act shall amend, modify or repeal the provisions of Republic Act No. 7160, otherwise known as the Local Government Code.

SEC. 12. *Effectivity Clause.* - This Act shall take effect fifteen (15) days of its complete publications in the Official Gazette or in at least two (2) newspapers of national circulation.

Approved,