

THIRTEENTH CONGRESS OF THE REPUBLIC  
OF THE PHILIPPINES

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First Regular Session

SENATE  
P.S. Res. 528RECEIVED BY: 

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Introduced by Senator Magsaysay, Jr.

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## RESOLUTION

URGING THE SENATE COMMITTEE ON AGRICULTURE AND FOOD AND OTHER APPROPRIATE COMMITTEES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ANENT THE STATUS OF MANAGEMENT AND UTILIZATION OF COCONUT LEVY FUND IN THE LIGHT OF REPORTS THAT IT IS BEING APPROPRIATED FOR IMMENSELY HUGE PROJECTS TO THE DETRIMENT OF SMALL COCONUT FARMERS WITH THE END-IN-VIEW OF CHARTING POLICIES FOR THE COCONUT INDUSTRY AND FAMILIES DEPENDING ON THE SECTOR

*Whereas*, coconut production constitutes one of the four major sectors of Philippine agriculture, with 2.7 million hectares of our land devoted to the said crop and about one-third of the country's population depending mainly on coconut production for livelihood;

*Whereas*, the coconut levy fund is intended to support the farmers in the coconut and related palm oil industry, ensuring their development and they are sourced from four (4) general classes, viz.: (a) the Coconut Investment Fund created under R.A. 6260 (effective June 19, 1971); (b) the Coconut Consumers Stabilization fund created under P.D. 276 (effective August 20, 1973); (c) the Coconut Industry Development Fund created under P.D. 582 (effective November 14, 1974); and (d) the Coconut Industry Stabilization Fund created under P.D. 1841 (effective October 2, 1981)<sup>1</sup>;

*Whereas*, as has been ordained, the utilization and proper management of the coconut levy funds, raised as they were by the State's police and taxing powers, are certainly the concern of the government and that it is aimed at assisting the thousands of Filipino coconut farmers, growers and planters for the development of the sector;

*Whereas*, through the coco levy's 9-year span (collected from August 1973-August 1982), it garnered an amount of Php 9.7 billion<sup>2</sup>;


*Whereas*, very recently, it was reported that the Philippine Coconut Authority (PCA) Administrator Evangelina Valbuena is being pressured to resign from post for refusing to support the use of some Php 8.4 billion in coconut levy funds for a single project in Agusan del Sur;

*Whereas*, it was reported that Secretary Arthur Yap of the Department of Agriculture has been pushing the PCA to approve the said immensely huge project;

*Whereas*, the League of Provinces of the Philippines is vocal in its opposition in the government's plan to infuse the amount of P8.4 billion of coconut levy funds for a single project citing the amount involve and the fact that Agusan del Sur is not a coconut-producing province;

<sup>1</sup> Philippine Coconut Producers Federation, Inc., et.al v. Presidential Commission on Good Government, GR No. 75713, October 2, 1989

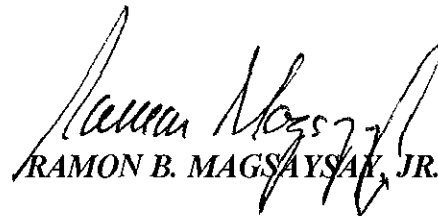
<sup>2</sup> "The Philippine Coconut Industry and The Coconut Levy" by Manuel Castro, PESC-KSP



*Whereas*, for reasons of transparency and better governance, the matter should be investigated and that this act of Secretary Yap, if indeed true, should not be tolerated as the government should not allow graft and corruption to siphon off the gains won by farmers as evidenced by Supreme Court decisions championing the cause of Filipino agricultural workers and that allocating substantial portion of the coconut levy fund for a single project is tantamount to shameful malversation of coconut farmers' fund : *Now therefore be it*

*Resolved, as it hereby resolves*, that the Senate Committee on Agriculture and Food and other appropriate committees to conduct an inquiry, in aid of legislation, anent the status of management and utilization of the coconut levy fund in the light of reports that it is being appropriated for immensely huge projects to the detriment of small coconut farmers with the end-in-view of charting policies for the coconut industry and families depending on the sector.

**Adopted,**

  
RAMON B. MAGSAYSAY, JR.