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FIFTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

SENATE

P.S. Resolution No. _ 334

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INTRODUCED BY SENATOR VILLAR

RESOLUTION DIRECTING THE COMMITTEE ON TRADE AND COMMERCE AND THE COMMITTEE ON AGRICULTURE AND FOOD TO CONDUCT A STUDY, IN AID OF LEGISLATION, ON THE STATE OF THE PHILIPPINE BANANA INDUSTRY FOR THE PURPOSE OF STRENGTHENING THE SECTOR

WHEREAS, Section 20, Article II of the 1987 Constitution makes it the policy of the State to "recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments.";

WHEREAS, section 21 of the said article provides that "The State shall promote comprehensive rural development and agrarian reform."

WHEREAS, the Philippine banana export industry is the third biggest in the world, it is the fifth largest export industry of the Philippines with a remittance of about PhP389 million in local taxes alone;¹

WHEREAS, Philippine bananas are exported mainly to the markets of Japan, Korea, Hong Kong, New Zealand, Brunei, China, Singapore, the Middle East, Indonesia, Russia and Canada;

WHEREAS, aside from employment, the banana industry's impact on the economy includes the development of related industries and increased tax collection for local governments;

WHEREAS, the industry has adopted a voluntary code setting forth labor standards for around 240,000 workers employed by the industry and for around 1.4 million persons dependent on its allied industries, the code provides a guiding set of principles that will govern the operation of the Banana Industry Tripartite Council (BITC) in aiming for industrial peace, productivity, and competitiveness;

WHEREAS, there is also a need of adopting a code of good practices to govern the quality of produce and make the industry fully compliant with local and international standards of quality and at the same time promote growth of the industry together with the interest of the industry stakeholders;

WHEREAS, the practices which are deleterious to the industry such as "pole-vaulting" must be identified and dealt with by law in order to promote the value and the global reputation of quality of Philippine bananas;²

WHEREAS, the government must actively campaign for a reduction of tariffs and secure favorable treatment for Philippine bananas in order to boost the local exports and promote the importation of Philippine banana produce by various countries;

¹ http://www.pbgea.org/the-banana-industry/the-philippine-banana-industry/ 1/11/11 5:03 PM

² http://www.philstar.com/Article.aspx?articleId=646383&publicationSubCategoryId=66 1/11/11 5:20 PM

WHEREAS, it must likewise work on improving the capabilities of the small banana growers in the production of world-class bananas for the country to compete and capture a bigger share of the global market.

NOW, WHEREFORE, BE IT RESOVED, as it is hereby resolved by the Senate of the Philippines to direct the Committee on Trade and Commerce and the Committee on Agriculture and Food to conduct a study, in aid of legislation, on the state of the Philippine banana industry for the purpose of strengthening the same through the adoption of a code to govern the standards of quality in the industry and determine and penalize the practices deleterious to its growth.

Adopted,

ILLAR MANNY