

FIFTEENTH CONGRESS OF)
THE REPUBLIC OF THE PHILIPPINES)
Third Regular Session

1973 FEB -6 P7:14

SENATE
P.S. Resolution No. 943 *AV*

Introduced by Senator Francis N. Pangilinan

**A RESOLUTION
DIRECTING THE SENATE COMMITTEE ON AGRICULTURE AND FOOD
TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED
ANOMALOUS IMPORTATION AND SALE OF PALM OIL
BY AN OIL MILL ESTABLISHED THROUGH THE USE OF COCO LEVY FUNDS**

WHEREAS, Presidential Decree No 276 was issued by the late President Ferdinand Marcos in 1973, which created the Coconut Consumers Stabilization Fund (CCSF) otherwise known as the coconut levy fund;

WHEREAS, under said decree, the Philippine Coconut Authority is authorized to formulate and immediately implement a stabilization scheme for coconut-based consumer goods, with the guideline that the Fund shall be utilized to subsidize the sale of coconut-based products at prices set by the Price Control Council under the rules and regulations to be promulgated by the Philippines Consumers Stabilization Committee;

WHEREAS, San Pablo Manufacturing Corp. (SPMC) is one of the six oil mills in the country established through the coco levy funds. Based on new reports, SPMC is engaged in the anomalous selling and importation of palm oil. It may be gleaned from the facts the importation of palm oil highly contends with coconut-based coconut oil. It is also reported that the importer of the palm Oil is a company under the Philippine Coconut Authority;

WHEREAS, under Republic Act No.6260¹, it is declared to be the national policy to accelerate the development of the coconut industry through the provision of adequate medium and long-term financing for capital investment in the industry, by instituting a Coconut Investment Fund capitalized and administered by coconut farmers through a Coconut Investment Company;

WHEREAS, these oil mills, which are allegedly involved in the anomalous selling and importation of palm oil, were established using the coco levy funds which supposed to be owned by the small coconut farmers. But from what has transpired, the palm-based cooking oil is produced by "PT Smart TBK" in Indonesia and distributed in the country by SPMC. The price of the bottled palm oil in the Philippine market is cheaper for an equivalent volume of coconut oil. Further, based on statements of the Bureau of Customs, the palm-based cooking oil was able to enter the country duty-free;

WHEREAS, there is a blatant disregard with the principles and guidelines established under Philippine laws and jurisprudence. As held in a case decided by the Supreme², the coconut industry is one of the major industries supporting the national

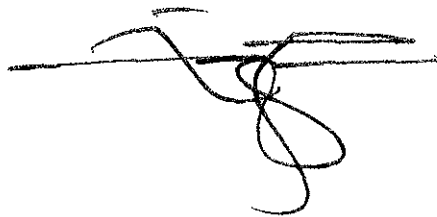
¹ AN ACT INSTITUTING A COCONUT INVESTMENT FUND AND CREATING A COCONUT INVESTMENT COMPANY FOR THE ADMINISTRATION THEREOF

² G.R. No. 75713 October 2, 1989

economy. It is, therefore, the State's concern to make it a strong and secure source not only of the livelihood of a significant segment of the population but also of export earnings the sustained growth of which is one of the imperatives of economic stability.

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED by the Senate of the Philippines to direct the Committee on Agriculture and Food to conduct an inquiry in aid of legislation, on the alleged anomalous importation and sale of palm oil by an oil mill established through the use of the Coco Levy Funds.

ADOPTED.

A handwritten signature in black ink, consisting of a horizontal line followed by a series of loops and flourishes.