

PRESIDENTIAL DECREE NO. 1143

PROMOTING THE GROWTH AND DEVELOPMENT OF LOCALLY GROWN BURLEY AND TURKISH TOBACCO AND PLACING THE SAME UNDER THE JURISDICTION AND RESPONSIBILITY OF THE PHILIPPINE VIRGINIA TOBACCO ADMINISTRATION

WHEREAS, Burley and Turkish tobacco are essential ingredients in the manufacture of aromatic cigarettes;

WHEREAS, the local production and supply of Burley and Turkish tobacco is not adequate and the country continues to import Burley and Turkish tobacco in substantial quantities;

WHEREAS, the development of the Philippine Virginia tobacco industry under the aegis of the Government, through the Philippine Virginia Tobacco Administration (PVTA), has resulted in the unprecedented annual revenue earnings reaching about P1 Billion last year, from aromatic cigarettes alone;

WHEREAS, these revenue earnings could be increased still if proper government attention be devoted to the development of the locally grown Burley and Turkish tobacco;

WHEREAS, the PVTA, considering its experience along the line of tobacco production and marketing and its demonstrated capability in promoting the living conditions of the people involved in the tobacco industry, more particularly the tobacco farmers, is adequately equipped to undertake the preparation and implementation of a viable program of development for the locally produced Burley and Turkish tobacco;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution do hereby declare and order that:

SECTION 1. It is hereby declared to be the policy of the State to promote the growth and development of the locally produced Burley and Turkish tobacco and to encourage their production, the Government shall render and provide all the necessary assistance to the Burley and Turkish tobacco farmers.

SECTION 2. For the purpose of carrying out the aforesaid national policy, the development of the locally produced Burley and Turkish tobacco is hereby placed under the exclusive jurisdiction and responsibility of the PVTA.

SECTION 3. In addition to its objectives with respect to locally grown Virginia leaf tobacco, the PVTA shall:

- a. Establish and develop lucrative and stable markets, local or foreign, for the locally grown Turkish and Burley tobacco so that those engaged in the industry will be placed on a footing of economic security;
- b. Improve present practices concerning the growth, cultivation and culture of the Burley and Turkish tobacco plant in order to produce quality tobacco;
- c. Establish an efficient balance between Burley and Turkish tobacco production and demand in order to stabilize tobacco prices at levels sufficient to provide tobacco farmers reasonable profits; and

- d. Undertake necessary studies and research not only to improve the production of quality Burley and Turkish tobacco leaves but also their processing and marketing.

SECTION 4. To carry out the purposes and objectives mentioned in the preceding section, the PVTA is hereby vested with the following powers:

- a. To establish, maintain and operate such research stations, demonstration and seed farms or laboratories as may be necessary to undertake studies and research on Burley and Turkish tobacco in all its phase, with particular emphasis on the development of suitable varieties and strains; control and eradication of pests or diseases; reduction of the cost of production; and on the feasibility of mechanizing tobacco farms; Provided, That, the Philippine Virginia Tobacco Administration may utilize for this purpose the existing personnel and facilities of its Virginia Tobacco Research and Grading Institute;
- b. To regulate, control and supervise the trading of Burley and Turkish tobacco; to prescribe proper tobacco classification and grading standards; and to fix reasonable minimum prices for Burley and Turkish tobacco at farmers' level after taking into consideration the prevailing world market conditions, production costs, reasonable margins of profits for the farmers, dealers, manufacturers and exporters, the quality of the tobacco and other relevant factors and conditions;
- c. To help promote the organization of Burley and Turkish tobacco farmers and assist such organizations or associations of tobacco planters, producers and dealers as may be duly established in the attainment of their valid and relevant objectives; and
- d. Generally, to exercise with respect to Burley and Turkish tobacco all its corresponding powers conferred upon it by Republic Act 2265, and all other related acts, decrees or presidential issuances relating to Virginia tobacco.

SECTION 5. The PVTA is specifically authorized and granted the power:

- a. To make use of and set aside any amount from the Tobacco Fund created and established under the Republic Act No. 4155 which is not otherwise appropriated for any of the purposes of said Fund;
- b. To reorganize its administrative set-up and to streamline the same to make it more responsive to its present functions, and to effect adjustments in salaries, emoluments and other allowable forms of compensation in order to attract qualified technical or other necessary personnel; and
- c. To issue and promulgate rules and regulations to implement and carry out the purposes of this Decree.

SECTION 6. Any person who violates any provision of this Decree, or any of the rules and regulations issued or promulgated by the PVTA pursuant to the preceding section, shall be punished by a fine of not less than P2,000 nor more than P5,000 or imprisonment of not less than two (2) years nor more than five (5) years or both, at the discretion of the Court, for the first offense; for subsequent offenses or violations of the prescribed minimum prices of Burley or Turkish tobacco, by the maximum fine or imprisonment as above prescribed. If the offender is a corporate entity, the officer, manager or directors shall be primarily liable. If the offender is an alien, he shall be deported immediately.

SECTION 7. All laws, decrees, Presidential issuances, executive and administrative order, or regulations inconsistent herewith are hereby repealed or modified accordingly.

SECTION 8. Effectivity. This Decree shall take effect immediately.

Done in the City of Manila, this 27th day of May in the year of our Lord, nineteen hundred and seventy-seven.

(SGD.) **FERDINAND E. MARCOS**
President of the Philippines