

## AN ACT TO PROMOTE THE DEVELOPMENT OF THE COCONUT INDUSTRY

*REPUBLIC ACT NO. 2282, June 19, 1959*

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/1787a2e217fb/>

---

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

SECTION 1. It is declared to be a national policy to promote to the fullest extent possible the rapid development of the coconut industry by providing for an adequate financing of coconut cooperatives and coconut producers.

SEC. 2. To implement the policy declared in this Act there is hereby created a Coconut Financing Fund which shall be deposited with and administered by the Development Bank of the Philippines and which shall be constituted, either (a) by an amount not exceeding thirty million pesos out of the sale of bonds which shall be issued by the President of the Philippines upon recommendation of the National Economic Council, or (b) by the sum of thirty million pesos which is hereby appropriated out of any funds in the National Treasury not otherwise appropriated, ten million pesos of which shall be made available within one year after the approval of this Act and five million pesos made available every year thereafter until the full amount of thirty million pesos is totally released.

The Secretary of Finance shall prescribe the form, the rates of interest, the denominations, maturities, negotiability, convertibility, call and redemption features, and all other terms and conditions of issuance, placement, sale, servicing, redemption and payment of all bonds issued under the authority of this Act.

SEC. 3. A sinking fund shall be established in such a manner that the total annual contributions thereto, accrued as at such rate of interest as may be determined by the Secretary of Finance, shall be sufficient to redeem at maturity the bonds issued under this Act. Said fund shall be under the custody of the Central Bank of the Philippines which shall invest it in such manner as the Monetary Board may approve, and the said Bank shall charge all expenses of such investment to said fund, and shall credit the same with the interest on investments and other income belonging to it.

SEC. 4. The Coconut Financing Fund shall be a revolving fund and shall be used by the Development Bank of the Philippines solely to grant loans, with interest at the rate of two per cent annually, for financing capital requirements of coconut farmers and coconut cooperatives duly registered in the Securities and Exchange Commission.

The loans to coconut cooperatives shall be for providing initial capital thereof; for meeting the long-term needs for the financing of replanting programs; for industrialization and standardization of coconut products, wastes and by-products; and for construction or acquisition of fixed assets; such as, warehouses, driers, moisture meters, and the like.

Loans granted to provide initial capital for a coconut co-operative shall be upon the security of the total fair market value of the combined unencumbered assets of its members pledged for the purpose, which shall include not only real estate but also fruit-bearing coconut tree and other fixed assets: Provided, however, That Torren title to real estate shall not be required if ownership thereof can be established by other means.

SEC. 5. This Act shall take effect upon its approval.

Approved, June 19, 1959.

**ABOUT BATAS.ORG**

# Study smarter at BATAS.org

*The Philippine bar review and law-school companion built around how your brain actually remembers.*

**The complete Philippine law library - free for everyone.**

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

**Audio case-brief lectures.**

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

**Bar review built on the science of memory.**

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

**The full law-school curriculum.**

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

**Mock exams that tell you where you stand.**

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

**A study planner that keeps you on pace.**

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

**Start free at <https://batas.org>**

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.