

**STRATEGIC ACTION PLAN: BANANA
LAKATAN, LATUNDAN, SABA/CARDABA AND BANANA CHIPS**

Executive Summary

1. The development of the Strategic Action Plan involved the participation of the private sector at the national and selected regions. At the national level, a Consultative Group composed of representatives of key industry associations and firms as well as concerned government institutions discussed the constraints and recommendations and identified recommended actions. The draft SAP was also presented to a Technical Panel composed of distinguished representatives from the private sector and former top officials of the Department of Agriculture (DA) and Department of Trade and Industry (DTI) led by former DA Secretary Senen C. Bacani with former DTI Secretary Ceferino Follosco.
2. The SAP followed a private sector-led and market-oriented approach to developing the Philippine banana industry. It is expected to be implemented and monitored by the private sector in partnership with the government led by the DA. The Plan, as a first version, must be regularly updated to consider any changes in the industry. Operational details as well as localized adaptation are also encouraged especially at the provincial and municipal levels.
3. The industry trends showed that while there are current drawbacks in the growth of the industry due to economic problems faced by the key export markets as well as the Philippines, there are good market opportunities and long term potential on which to anchor optimism for developing a strategic action plan. The industry has inherent strengths that if further exploited, will redound to benefit many smallholders who hold bulk of the country's banana supply. There is a need to upgrade and modernize the banana industry for cost-efficiency in various operations in the input supply and distribution, farm production, postharvest, processing and marketing.
4. While there is a need for the industry to be unified in terms of objectives and long-term directions to enhance private investments and profitability, the government also has to be in unison in addressing the industry weaknesses by harnessing their own strengths and mandates. Policy reforms and advocacy are critical areas for government and private sectors to work on especially in the areas of infrastructure, transportation and human resource development.

5. Industry Goals and Objectives:

GOALS	SPECIFIC OBJECTIVES
1. To increase year-round production and supply of high quality fresh banana (Lakatan, Latundan and Saba/Cardaba)	1a. To develop resistant varieties and improved production technologies 1b. To reduce production costs 1c. To enhance production arrangements
2. To enhance global competitiveness of fresh and processed banana (Lakatan, Latundan, Saba/Cardaba and banana chips)	2a. To improve handling system through appropriate postharvest technologies 2b. To enhance quality and safety of fruits for domestic and international markets 2c. To sustain and increase international market share 2d. To enhance the policy and regulatory environment (all products)

6. Industry Profile

ITEMS	WORLD	PHILIPPINES
Yield (MT/ha)	15	11
Trade Fresh Banana	<i>Major Exporters:</i> Ecuador, Costa Rica, Colombia, Philippines, Belgium-Luxemburg, Guatemala and Panama	<i>Major Markets:</i> Japan, Hong Kong
Banana Chips	<i>Exporters:</i> Philippines, Thailand, Indonesia, Malaysia	<i>Major Markets:</i> Hong Kong, U.S.A., United Kingdom, Germany, Japan, Taiwan, Singapore, Netherlands, South Korea and France

7. Industry Targets

VARIETY	BASE YEAR 1998	2004	2007	2012
(MT/HA)				
<i>Production Targets</i>				
Lakatan	11	13	18	23
Latundan	7	10	13	16
Saba/Cardaba				
Off processing plant	12	14	18	23
Around processing plant	12	15	19	25
Postharvest Losses	30-40%			
Reduce by:		3%	5%	10%

8. Major Strategies and Key Government Institutions Involved

MAJOR STRATEGIES	KEY GOVERNMENT INSTITUTIONS
Enhancement of and Increased Funding for Research, Development and Extension	<ul style="list-style-type: none"> • DA: BAR, BPI, ATI, BPRE, FDC • UPLB and other SCUs • DOST: PCARRD • LGUs
Improving Access to Quality and Reasonably Priced Production Inputs and Irrigation system	<ul style="list-style-type: none"> • DA: BPI, BAR, FPA, BSWM, DTI, Tariff Commission, ACPC
Promotion of Various Forms of Partnerships as Industry Support Mechanism (e.g. institutional/industry strengthening, strong linkages between growers/suppliers and buyers/exporters, and interagency and private-private partnerships)	<ul style="list-style-type: none"> • DA: NAFC, Operations Group, AMAS • CDA
Enhancement of Product, Quality and Classification Standards	<ul style="list-style-type: none"> • DA: BAFPS, FDC, BPI • DOST: ITDI, TAPI • UPLB
Human Resource Development	<ul style="list-style-type: none"> • DA: BAFPS, ATI • UPLB
Enhancement of Market Infrastructure and Facilities (e.g. farm-to-market roads, tramlines, packing houses and sheds)	<ul style="list-style-type: none"> • DA: BPRE • DPWH • UPLB-PHTRC
Export Market Development	<ul style="list-style-type: none"> • DA: OSEC, AMAS • DTI: CITEM, BOI
Policy Analysis and Advocacy	<ul style="list-style-type: none"> • DA-Policy, FPA, PPA, MARINA, LGUs