



HOUSE OF REPRESENTATIVES

H. No. 8552

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BY REPRESENTATIVES PANGANIBAN, MACAPAGAL-ARROYO, ROCAMORA, DEL MAR, YAP (A.), LAGMAN, GARIN (S.), LOBREGAT, SAGARBARRIA, ESCUDERO, TAN (A.), ESTRELLA, CHAVEZ, SUAREZ, SY-ALVARADO, SACDALAN, GO (M.), SALON, VILLARIN, NIETO, SALCEDA, BILLONES, ERICE, ALCALA, SAHALI, NAVA, BIRON, AUMENTADO, ARBISON, DEFENSOR, SARMIENTO (E.M.), GORRICETA, CARI AND PAPANDAYAN, PER COMMITTEE REPORT NO. 924

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AN ACT FURTHER STRENGTHENING THE PHILIPPINE COCONUT AUTHORITY (PCA), AMENDING FOR THE PURPOSE SECTION 4 OF PRESIDENTIAL DECREE NO. 1468, OTHERWISE KNOWN AS THE "REVISED COCONUT INDUSTRY CODE", AS AMENDED

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

1 SECTION 1. Section 4 of Presidential Decree No. 1468,  
2 otherwise known as the "Revised Coconut Industry Code", is hereby  
3 amended to read as follows:

4 "SECTION 4. *Governing Board.* - The corporate  
5 powers and duties of the Authority shall be vested in,  
6 and exercised by, A Board of [seven (7)] FIFTEEN (15)  
7 members [to be appointed by the President], as follows:

1           “a) [Two representatives of the Government, one of  
2 whom shall be designated by the President as  
3 Chairman and the other as Vice-Chairman;] THE  
4 SECRETARY OF THE DEPARTMENT OF AGRICULTURE  
5 (DA), AS CHAIRPERSON;

6           “b) [Three members recommended by the  
7 Philippine Coconut Producers Federation;] THE  
8 ADMINISTRATOR OF THE AUTHORITY;

9           “c) [One member recommended by the United  
10 Coconut Associations of the Philippines;] THE  
11 SECRETARY OF THE DEPARTMENT OF FINANCE (DOF),  
12 AS VICE CHAIRPERSON;

13           “d) [One member recommended by the owner and  
14 operator of the hybrid coconut seednut farm herein  
15 authorized to be established.] THE SECRETARY OF THE  
16 DEPARTMENT OF BUDGET AND MANAGEMENT (DBM);

17           “e) THE SECRETARY OF THE DEPARTMENT OF  
18 SCIENCE AND TECHNOLOGY (DOST);

19           “f) THE SECRETARY OF THE DEPARTMENT OF  
20 TRADE AND INDUSTRY (DTI);

21           “g) THE PRESIDENT OF THE LAND BANK OF THE  
22 PHILIPPINES (LANDBANK);

23           “h) THE PRESIDENT OF THE DEVELOPMENT BANK  
24 OF THE PHILIPPINES (DBP), OR THEIR RESPECTIVE  
25 DULY DESIGNATED PERMANENT REPRESENTATIVES;

1           “i) SIX (6) MEMBERS FROM THE COCONUT  
2 FARMERS SECTOR, COMPRISED OF TWO (2)  
3 REPRESENTATIVES EACH FROM THE ISLAND GROUPINGS  
4 OF LUZON, VISAYAS, AND MINDANAO; AND

5           “j) ONE (1) REPRESENTATIVE FROM THE COCONUT  
6 PROCESSING INDUSTRY SECTOR:

7           *PROVIDED*, THAT THE REPRESENTATIVES FROM  
8 THE COCONUT FARMERS SECTOR SHALL BE FILIPINO  
9 CITIZENS, REGISTERED WITH THE AUTHORITY’S  
10 COCONUT FARMERS REGISTRY, HAVE CONSIDERABLE  
11 EXPERIENCE AND REPUTABLE TRACK RECORD IN  
12 PROMOTING COCONUT FARMERS’ INTEREST AND  
13 WELFARE, AND NOMINATED BY COCONUT FARMERS  
14 ORGANIZATIONS OR COOPERATIVES THAT ARE ACTIVE  
15 FOR THE PAST THREE (3) YEARS IN FARMER  
16 ORGANIZATION AND DEVELOPMENT OR COMMUNITY  
17 ENTERPRISE DEVELOPMENT. THEY SHALL BE  
18 APPOINTED BY THE PRESIDENT OF THE PHILIPPINES,  
19 FROM A LIST OF FOUR (4) NOMINEES FOR EACH ISLAND  
20 GROUPING, IN ACCORDANCE WITH THE PROVISIONS OF  
21 REPUBLIC ACT NO. 10149, OTHERWISE KNOWN AS THE  
22 ‘GOCC GOVERNANCE ACT OF 2011’: *PROVIDED*,  
23 *FURTHER*, THAT THE REPRESENTATIVE FROM THE  
24 COCONUT PROCESSING INDUSTRY SHALL LIKEWISE BE A  
25 FILIPINO CITIZEN, HAS CONSIDERABLE EXPERIENCE  
26 AND REPUTABLE TRACK RECORD IN PROMOTING THE  
27 COCONUT PROCESSING INDUSTRY, AND NOMINATED BY  
28 A COCONUT PROCESSING INDUSTRY ASSOCIATION. SUCH  
29 REPRESENTATIVE SHALL BE APPOINTED BY THE

1 PRESIDENT OF THE PHILIPPINES, FROM A LIST OF FIVE  
2 (5) NOMINEES, SELECTED IN ACCORDANCE WITH THE  
3 PROVISIONS OF REPUBLIC ACT NO. 10149: *PROVIDED*,  
4 *MOREOVER*, THAT ANY APPOINTMENT TO FILL A  
5 VACANCY IN THE BOARD ARISING FROM DEATH,  
6 REMOVAL, RETIREMENT, OR RESIGNATION OF THE  
7 APPOINTIVE MEMBERS OF THE BOARD SHALL ONLY BE  
8 FOR THE UNEXPIRED TERM: *PROVIDED, FINALLY*, THAT  
9 THE TERM OF OFFICE OF THE APPOINTIVE MEMBERS OF  
10 THE BOARD SHALL BE FOR ONE (1) YEAR, UNLESS  
11 SOONER REMOVED FOR CAUSE AND IN ACCORDANCE  
12 WITH THE PROVISIONS OF REPUBLIC ACT NO. 10149.

13 "THE GOVERNANCE COMMISSION FOR  
14 GOVERNMENT OWNED OR CONTROLLED  
15 CORPORATIONS (GCG) SHALL COORDINATE WITH THE  
16 PCA IN PROMULGATING A NOMINATION AND  
17 SCREENING PROCESS FOR THE PCA ADMINISTRATOR  
18 AND THE NOMINEES OF REPRESENTATIVES OF THE  
19 COCONUT FARMERS AND COCONUT PROCESSING  
20 INDUSTRY SECTORS IN CONSULTATION WITH THEIR  
21 RESPECTIVE ORGANIZATIONS OR ASSOCIATIONS.

22 "The Board shall have the following additional  
23 powers and duties:

24 "a) To direct and manage the affairs of the  
25 Authority;

26 "b) To prepare and adopt an annual budget;

27 "c) To disburse the proceeds of the levies for the  
28 purposes herein authorized; and

1           “d) To [establish] REVIEW AND MODIFY the internal  
2 organization of the Authority [and fix the salaries and  
3 other compensation of its officers and employees]. FOR  
4 THIS PURPOSE, THE PCA IS HEREBY AUTHORIZED TO  
5 IMPLEMENT A REORGANIZATION PLAN TO RATIONALIZE  
6 ITS STAFFING PATTERN, WHICH SHALL INCLUDE A  
7 DEDICATED UNIT FOR THE PLANNING, EVALUATION  
8 OF PROPOSALS, AND MONITORING OF THE  
9 IMPLEMENTATION OF THE PROGRAMS AND PROJECTS  
10 UNDER THE COCONUT FARMERS AND INDUSTRY  
11 DEVELOPMENT TRUST FUND. WITHIN NINETY (90) DAYS  
12 FROM THE EFFECTIVITY OF THIS ACT, THE PCA SHALL  
13 SUBMIT A BOARD APPROVED REORGANIZATION PLAN TO  
14 THE GCG FOR REVIEW AND APPROVAL.”

15           “SEC. 2. *APPROPRIATIONS.* - THE AMOUNT  
16 NEEDED FOR THE INITIAL IMPLEMENTATION OF THIS  
17 ACT SHALL BE CHARGED AGAINST THE CURRENT YEAR'S  
18 APPROPRIATIONS OF THE PCA. THEREAFTER, SUCH  
19 SUMS AS MAY BE NECESSARY FOR ITS CONTINUED  
20 IMPLEMENTATION SHALL BE INCLUDED IN THE  
21 GENERAL APPROPRIATIONS ACT (GAA): *PROVIDED,*  
22 THAT THE AMOUNT OF NOT LESS THAN TEN BILLION  
23 PESOS (P10,000,000,000.00) SHALL BE INCLUDED IN  
24 THE ANNUAL APPROPRIATIONS OF THE PCA, SUBJECT  
25 TO THE REGULAR BUDGET PROCESS AND PRIORITIES, TO  
26 AUGMENT THE COCONUT FARMERS AND INDUSTRY  
27 DEVELOPMENT TRUST FUND, TO INCREASE THE INCOME  
28 OF COCONUT FARMERS, AND TO SUPPORT THE



1 DEVELOPMENT ACTIVITIES OF THE PCA: *PROVIDED,*  
2 *FURTHER,* THAT THE ALLOCATION AND USE OF SUCH  
3 ANNUAL APPROPRIATION SHALL BE REVIEWED BY  
4 CONGRESS AFTER SIX (6) YEARS FROM THE APPROVAL  
5 OF THIS ACT. THE SAID APPROPRIATIONS SHALL BE  
6 ALLOCATED AS FOLLOWS:

7 "A) INFRASTRUCTURE PROGRAM, TWENTY PERCENT  
8 (20%);

9 "B) PLANTING, REPLANTING, AND ESTABLISHMENT  
10 OF HYBRID COCONUT NURSERIES, TWENTY PERCENT  
11 (20%);

12 "C) INTERCROPPING, TEN PERCENT (10%);

13 "D) SHARED FACILITIES, TWENTY PERCENT (20%);

14 "E) RESEARCH AND DEVELOPMENT, COCONUT  
15 DISEASE PREVENTION, CONTROL, AND ERADICATION,  
16 TEN PERCENT (10%);

17 "F) FERTILIZATION, FIVE PERCENT (5%);

18 "G) NEW PRODUCTS AND ALL DERIVATIVES OF  
19 COCONUT OIL AND MARKETING, FIVE PERCENT (5%);  
20 AND

21 "H) CREDIT THROUGH LANDBANK AND DBP, TEN  
22 PERCENT (10%);

23 "*PROVIDED, FINALLY,* THAT THE ADMINISTRATIVE  
24 EXPENSES TO IMPLEMENT THE PROGRAMS OR PROJECTS  
25 SHALL NOT EXCEED TEN PERCENT (10%) OF THE  
26 PROGRAM OR PROJECT COSTS."

1           SEC. 3. All laws, decrees, executive issuances, rules and  
2 regulations inconsistent with this Act are hereby repealed or  
3 modified accordingly.

4           SEC. 4. This Act shall take effect fifteen (15) days after its  
5 publication in the *Official Gazette* or in a newspaper of general  
6 circulation.

Approved,

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