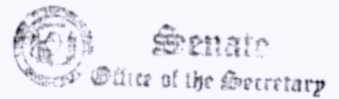


SEVENTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Third Regular Session )



'18 AUG -6 P12 :36

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SENATE

S. N. 1913

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Introduced by Senator Cynthia A. Villar


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**AN ACT TO FURTHER STRENGTHEN THE PHILIPPINE COCONUT AUTHORITY,  
REPEALING PD NO. 1468 OTHERWISE KNOWN AS THE REVISED COCONUT  
INDUSTRY CODE OF 1978, AS AMENDED**

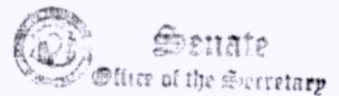
**EXPLANATORY NOTE**

In order to make the Philippine Coconut Authority responsive to the needs of its constituency by way of granting better and improved benefits to the 3.5 million coconut farmers, strengthening the coconut industry making it competitive, safeguarding the almost P100-billion coconut levy funds by creating the Coconut Farmers and Industry Trust Fund (CFITF), and providing for its management and utilization together with its yearly government subsidy, this bill seeks to introduce an increased representation of coconut farmers in the reconstituted PCA Board that will ensure that the protection of farmers' interest in the agency's decision-making process.

In view of the foregoing, the early approval of the bill is earnestly sought.

  
**CYNTHIA A. VILLAR**  
**SENATOR**

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AUTHORITY, REPEALING PD NO.1468 OTHERWISE KNOWN AS THE  
REVISED COCONUT INDUSTRY CODE OF 1978, AS AMENDED**

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

**ARTICLE I  
TITLE AND POLICY OF THE STATE**

1 Section 1. Short Title. – This law shall be known as the “Reconstituted  
2 Philippine Coconut Authority Board Law”.

3  
4 Section 2. Declaration of Policy. – It is hereby declared the policy of  
5 the State to promote the integrated development and growth of the  
6 coconut industry in all its aspects and to ensure that the coconut  
7 farmers become direct participants in, and beneficiaries of, such  
8 development and growth through increased farm income and  
9 productivity by modernizing and making competitive the coconut  
10 industry.

11  
12 **ARTICLE II**  
13 **THE PHILIPPINE COCONUT AUTHORITY**  
14

15 Section 1. The Philippine Coconut Authority shall continue to be an  
16 independent public corporation with principal office in the National  
17 Capital Region with branches and agencies within the country as  
18 may be necessary for the proper conduct of its business. As a  
19 Government Owned and Controlled Corporation it shall follow the  
20 provisions of Republic Act 10149, otherwise known as “An Act to

1 Promote Financial Viability and Fiscal Discipline in Government-  
2 Owned or Controlled Corporations and to Strengthen the Role of the  
3 State in its Governance and Management to Make Them More  
4 Responsive to the Needs of Public Interest and for Other Purposes” of  
5 May 2011. PCA retains its classification under Land and Water  
6 Resources Sector of the Governance Commission for GOCCs (GCG).  
7 As such the performance and relevance of the Authority is also  
8 evaluated by the GCG.

9  
10 Section 2. Power. The Authority shall have the following powers and  
11 functions:

- 12
- 13 a. Prepare and adopt the PCA's annual budget;
- 14 b. Formulate and implement a general program of  
15 development for the coconut and other palm oil industry in  
16 all its aspects;
- 17 c. Formulate and implement a nationwide replanting program  
18 using high-yielding hybrid seed nuts;
- 19 d. Make available, for free, to coconut farmers the hybrid  
20 coconut planting materials;
- 21 e. Conduct researches for varietal improvements;
- 22 f. Undertake extensive research and programs for farmers in  
23 the prevention, control, and eradication of coconut diseases  
24 and pests;
- 25 g. Fertilize and/or replace senile coconut trees as needed;
- 26 h. Promote the development of new coconut products and  
27 by-products and all derivatives of coconut oil locally and  
28 internationally;
- 29 i. Keep and yearly update a coconut farmers registry;
- 30 j. In coordination with other government agencies provide  
31 extension services to coconut farmers for better farming  
32 techniques, modern technologies and mechanization;
- 33 k. Promote integrated farming system to coconut areas by  
34 introducing intercropping (cacao, coffee, high value crops)  
35 and livestock raising.
- 36 l. Promote the empowerment of coconut farmers as groups,  
37 associations and cooperatives to facilitate network,  
38 economies of scale and farm support mechanism such as  
39 shared facilities and infrastructure program;
- 40 m. Promote the establishment of coco hubs for farmer  
41 organizations;

- 1 n. Establish a credit program through LandBank and  
2 Development Bank of the Philippines for coconut farmers;
- 3 o. Establish a system of providing scholarship and health  
4 benefits to farmers and their dependents;
- 5 p. Promote the disposition or utilization of the Trust Fund or any  
6 portion thereof in accordance with the Coconut Farmers  
7 and Industry Development Plan;
- 8 q. Regulate the marketing and the exportation of copra and its  
9 by-products by establishing standards for domestic trade  
10 and export; to conduct inspection of all copra and its by-  
11 products for exports to determine conformity to the  
12 standards so established. (retained from P.D. 1468)
- 13 r. Exercise such other powers as may be necessary and proper  
14 for the effective implementation of its mandate.  
15

16 Section 3. Governing Board. – The corporate powers and duties of  
17 the Authority shall be vested in and exercised by a Board of eleven  
18 (11) members as follows:  
19

- 20 a. Four (4) representatives of the government, the Secretary of the  
21 Department of Agriculture (DA) as the Chairperson; the  
22 Secretary of the Department of Finance (DOF) as the Vice  
23 Chairperson; and as members, the Secretary of the  
24 Department of Budget and Management (DBM), and the  
25 Administrator of the PCA who will be appointed by the  
26 President;
- 27 b. One (1) representative from the coconut industry; and
- 28 c. Six (6) representatives from the coconut farmers sector, divided  
29 into two (2) representative each for the island groups of Luzon,  
30 Visayas and Mindanao, as members, Provided, that the six (6)  
31 representatives from the coconut farmers sector must be  
32 Filipino citizens, registered with the Coconut Farmers Registry,  
33 have considerable experience and reputable track record in  
34 promoting coconut farmer's interest and welfare, and  
35 nominated by coconut farmers organizations or cooperatives  
36 that are active for the past three (3) years in the farmers  
37 organizations and development or community enterprise  
38 development. They shall be appointed by the President from a  
39 shortlist of four (4) nominees from each island grouping, as  
40 submitted by the PCA Board. They shall hold a term of three (3)  
41 years, and may be reappointed one. Any appointment to fill  
42 the vacancy arising from death, removal, retirement or

1 resignation of the representative of the coconut farmer sector  
2 shall only be for the unexpired term.

3  
4 Within thirty days following the effectivity of this Act, the PCA  
5 shall promulgate a nomination and screening process of  
6 nominees as representatives of the coconut farmers sector in  
7 the PCA in consultation with the coconut farmers' organization.  
8

9 Section 4. The PCA shall execute a reorganization plan and create  
10 a dedicated unit for the planning, monitoring and evaluation of the  
11 CFITF funded programs and report annually their accomplishments  
12 and performance to both Houses of Congress and publish the same  
13 in the PCA website;

14  
15 PCA shall submit a Board approved reorganization Plan and staffing  
16 pattern to the GCG and the Department of Budget and  
17 Management for review and approval.

18  
19 The personnel complement of the PCA shall be provided for in the  
20 General Appropriations Act.

21  
22 Section 5. The chief executive officer of the Authority shall be the  
23 administrator assisted by such Deputy Administrators as the Board  
24 may prescribe, all of whom shall be appointed, or removed, by the  
25 Board and delegated with such powers and duties as it may  
26 prescribe.

27  
28 All officers and employees of the Authority shall be selected and  
29 appointed by the Board on the basis of merit and fitness. (retained  
30 from P.D. 1468)

31  
32 **Article III**  
33 **MISCELLANEOUS**  
34

35 Section 1. Congressional Oversight. A Congressional Oversight  
36 Committee to be called Coconut Farmers and Industry Fund  
37 Oversight Committee, composed of five members each from the  
38 House of Representatives and the Senate shall exercise oversight  
39 and shall watch over how the PCA shall implement this Act.  
40

1 Section 2. Separability Clause. – If any provision of this Act is  
2 declared unconstitutional, the same shall not affect the validity and  
3 effectivity of other provisions thereof.

4

5 Section 3. Repealing Clause. Presidential Decree 1468 as  
6 amended is hereby repealed. All laws, decrees, orders, and  
7 issuances or portions thereof, which are inconsistent with the  
8 provisions of this Act, are hereby repealed, revoked, amended or  
9 modified accordingly.

10

11 Section 4. Effectivity. – This Act shall take effect fifteen (15) days  
12 following its publication in the Official Gazette or at least two  
13 newspapers of general circulation.

14

15 Approved.