



SENATE

S. No. 1976

---

PREPARED JOINTLY BY THE COMMITTEE ON AGRICULTURE  
AND FOOD AND THE COMMITTEE ON FINANCE WITH  
SENATOR VILLAR AS AUTHOR

---

AN ACT TO FURTHER STRENGTHEN THE PHILIPPINE  
COCONUT AUTHORITY (PCA), AMENDING  
PRESIDENTIAL DECREE NO. 1468, OTHERWISE  
KNOWN AS THE "REVISED COCONUT INDUSTRY  
CODE OF 1978, AS AMENDED"

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

1

ARTICLE I

2

TITLE AND DECLARATION OF POLICY

3

SECTION 1. *Short Title.* – This Act shall be known as

4

the "Strengthened Philippine Coconut Authority (PCA)

5

Law".

6

SEC. 2. *Declaration of Policy.* – It is hereby declared

7

the policy of the State to promote the integrated

8

development and growth of the coconut industry in all its

1 aspects and to ensure that the coconut farmers become  
2 direct participants in, and beneficiaries of, such  
3 development and growth through increased farm income  
4 and productivity by modernizing and making competitive  
5 the coconut industry.

## 6 ARTICLE II

### 7 THE PHILIPPINE COCONUT AUTHORITY

#### 8 SEC. 3. *The Philippine Coconut Authority (PCA).* –

9 The PCA shall continue to be an independent public  
10 corporation with principal office in the National Capital  
11 Region with branches and agencies within the country, as  
12 may be necessarily maintained or created for the proper  
13 conduct of its business. As a Government Corporation its  
14 existence shall be consistent with the intentions of  
15 Republic Act No. 10149 of 2011, otherwise known as “An  
16 Act to Promote Financial Viability and Fiscal Discipline in  
17 Government-Owned or -Controlled Corporations and to  
18 Strengthen the Role of the State in its Governance and  
19 Management to Make Them More Responsive to the Needs  
20 of Public Interest and for Other Purposes”. The PCA shall

1 retain its classification, under Agriculture, Fisheries and  
2 Food Sector, as provided by the Governance Commission  
3 for GOCCs (GCG). As such, the performance and relevance  
4 of the PCA shall also be evaluated by the GCG.

5 SEC. 4. *Powers and Functions.* – The PCA shall have  
6 the following powers and functions:

7 (a) Prepare and adopt the PCA's annual budget;

8 (b) Formulate and implement a general program of  
9 development for the coconut sector in all its aspects;

10 (c) Formulate and implement a nationwide  
11 replanting program using high-yielding hybrid seed nuts;

12 (d) Make available, for free, to coconut farmers the  
13 hybrid coconut planting materials;

14 (e) Conduct researches for coconut seed nuts variety  
15 improvements;

16 (f) Undertake extensive research and programs for  
17 farmers in the prevention, control, and eradication of  
18 coconut diseases and pests;

19 (g) Fertilize and/or replace senile coconut trees as  
20 needed;

1           (h) Promote the development of new coconut  
2 products and by-products and all derivatives of coconut oil  
3 locally and internationally;

4           (i) Keep and publish on the PCA website an annual  
5 update of a coconut farmers registry;

6           (j) In coordination with other government agencies,  
7 provide extension services to coconut farmers for better  
8 farming techniques, modern technologies and  
9 mechanization;

10          (k) Promote integrated farming system in coconut  
11 areas by introducing intercropping (cacao, coffee, high  
12 value crops) and livestock raising;

13          (l) Promote the empowerment of coconut farmers as  
14 groups, associations and cooperatives to facilitate the  
15 strengthening of networks, economies of scale and farm  
16 support mechanism such as shared facilities and  
17 infrastructure program;

18          (m) Promote the establishment of coco hubs all over  
19 the country for farmer organizations, equipped with  
20 machines and facilities for use by all coconut farmers for

1 the production of high-value products like virgin coconut  
2 oil, coconut water, coco sugar, and coco coir, among others;

3 (n) Establish a credit program through LandBank  
4 and Development Bank of the Philippines for coconut  
5 farmers;

6 (o) Establish a system of providing scholarship and  
7 health benefits to farmers and their dependents;

8 (p) Promote the disposition or utilization of the  
9 Trust Fund or any portion thereof in accordance with the  
10 Coconut Farmers and Industry Development Plan;

11 (q) Regulate the marketing and the exportation of  
12 copra and its by-products by establishing standards for  
13 domestic trade and export; conduct inspection of all copra  
14 and its by-products for exports to determine conformity to  
15 the standards so established;

16 (r) Implement the provisions of Republic Act No.  
17 8048, as amended by Republic Act No. 10593;

18 (s) Continue to oversee and regulate the  
19 development of the palm oil industry as declared in  
20 Presidential Decree No. 1468; and

1 nominated by industry organizations or associations. The  
2 President shall appoint the sector representative from a  
3 list of four (4) nominees submitted by the PCA Board. The  
4 sector representative may be reappointed once. Any  
5 appointment to fill the vacancy arising from death,  
6 permanent disability, removal, retirement or resignation of  
7 the industry representative shall only be for the unexpired  
8 term; and

9 (c) Six (6) representatives from the coconut farmers  
10 sector, divided into two (2) representatives each for the  
11 island groups of Luzon, Visayas and Mindanao: *Provided*,  
12 That the six (6) representatives from the coconut farmers  
13 sector must be Filipino citizens, registered with the  
14 Coconut Farmers Registry, have considerable experience  
15 and reputable track record in promoting coconut farmer's  
16 interest and welfare, and nominated by coconut farmers  
17 organizations or cooperatives that are active in organizing  
18 and developing coconut farmers or in community  
19 enterprise development for the past three (3) years. They  
20 shall be appointed by the President from a shortlist of four



1           (t) Exercise such other powers as mandated by law  
2           and as may be necessary and proper for the effective  
3           implementation of its mandate.

4           SEC. 5. *Governing Board.* – The corporate powers  
5           and duties of the PCA shall be vested in and exercised by a  
6           Governing Board. The Governing Board of the PCA is  
7           hereby reconstituted to be composed of eleven (11)  
8           members as follows:

9           (a) Four (4) representatives of the government, the  
10          Secretary of the Department of Agriculture (DA) as the  
11          Chairperson; the Secretary of the Department of Finance  
12          (DOF) as the Vice Chairperson; and as members, the  
13          Secretary of the Department of Budget and Management  
14          (DBM), and the Administrator of the PCA who will be  
15          appointed by the President;

16          (b) One (1) representative from the coconut industry  
17          sector, who is a Filipino citizen, with considerable  
18          experience, and reputable track record in promoting the  
19          industry's welfare and interest and has been active in the  
20          industry for the past three (3) years and who shall be

1 That no transfer, reassignment and other similar  
2 movement of PCA personnel, demotion or diminution in  
3 rank and salary and other emoluments shall be effected  
4 without the consent and approval of the GCG and the  
5 DBM.

6 The approved personnel complement of the PCA shall  
7 be provided for in the General Appropriations Act.

8 SEC. 7. *Roadmap.* – The PCA shall formulate a  
9 coconut industry roadmap which shall be the basis of its  
10 performance and evaluation.

11 SEC. 8. *Reports.* – The PCA shall submit to both  
12 House of Congress its annual accomplishment report and  
13 annually publish the same in the PCA website.

### 14 ARTICLE III

#### 15 TRANSITORY PROVISION

16 SEC. 9. *Transition Committee.* – The Government  
17 Representatives (viz. DA, DOF, DBM) in the reconstituted  
18 PCA Board, together with a representative from the GCG,  
19 shall constitute the Transition Committee. The Committee  
20 shall convene immediately from the enactment of this Act.



1 (4) nominees for each island grouping, as submitted by the  
2 PCA Board. They shall hold a term of three (3) years, and  
3 may be reappointed once. Any appointment to fill the  
4 vacancy arising from death, permanent disability, removal,  
5 retirement or resignation of the representative of the  
6 coconut farmer sector shall only be for the unexpired term.

7 Within thirty (30) days from the occurrence of any  
8 vacancy in the Board, the PCA shall submit its short list to  
9 the President for the latter's consideration.

10 SEC. 6. *Organizational Matters.* – The PCA shall  
11 strengthen its organization, by creating additional units  
12 and *plantilla* positions, necessary for the planning,  
13 monitoring and evaluation of the Coconut Farmers and  
14 Industry Trust Fund (CFITF) funded programs, under the  
15 Coconut Farmers and Industry Development Act of 2018,  
16 and it's new, strengthened programs to hasten the  
17 development of the coconut industry.

18 The PCA shall submit a Governing Board approved  
19 organizational strengthening Plan and staffing pattern to  
20 the GCG and the DBM for review and approval: *Provided,*

1           SEC. 10. *Functions.* – The Transition Committee shall  
2 spearhead the following:

3           (a) Designate a temporary representative from  
4 PCA/Facilitate the immediate appointment of an  
5 Administrator;

6           (b) Update and publish the farmer's registry by  
7 municipality/city, province, region and nationwide;

8           (c) Approve the screening process and nomination  
9 for the farmer representatives and for the industry sector  
10 representative and submit the shortlists to the President;

11          (d) Approve the proposed organizational strengthening  
12 plan;

13          (e) Approve the Corporate Operating Budget and  
14 Strategic Plan of PCA for the immediately succeeding year.

15           SEC. 11. *Period.* – The Transition Committee shall  
16 complete and finish its task within one hundred and  
17 twenty (120) days from the approval of this Act. After  
18 which, the Committee shall be automatically dissolved.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18

## ARTICLE IV

## MISCELLANEOUS

SEC. 12. *Congressional Oversight.* – A Congressional Oversight Committee to be called Coconut Farmers and Industry Fund Oversight Committee, composed of five (5) members each from the House of Representatives and the Senate shall exercise oversight and shall watch over the PCA in the implementation of this Act.

SEC. 13. *Separability Clause.* – If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions thereof.

SEC. 14. *Repealing Clause.* – All laws, decrees, orders, and issuances or portions thereof, which are inconsistent with the provisions of this Act, are hereby repealed, revoked, amended or modified accordingly.

SEC. 15. *Effectivity.* – This Act shall take effect fifteen (15) days following its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,