



## PCA BOARD COMMITTEES REPORT 2022

The Republic Act (RA) No. 11524, otherwise known as the "*Coconut Farmers and Industry Trust Fund Act*", gives way to the newly reconstituted Philippine Coconut Authority (PCA) Board and also mandates that the PCA shall be reconstituted and strengthened to ensure the participation of coconut farmers in the crafting and implementation of the Coconut Farmers and Industry Development Plan<sup>1</sup>. Section 5 of RA No. 11524 presents the composition of the PCA Board, to wit:

*"The composition of the PCA Board is hereby amended and the same shall now be composed of the following:*

- (a) The Secretary of the Department of Agriculture (DA), as Chairperson;*
- (b) The Secretary of the Department of Finance (DOF), as Vice Chairperson;*
- (c) The Secretary of the Department of Budget and Management (DBM);*
- (d) The Secretary of the Department of Science and Technology (DOST);*
- (e) The Secretary of the Department of Trade and Industry (DTI);*
- (f) The Administrator of the Authority; and*
- (g) Three (3) members from the coconut farmers sector (one (1) from Luzon, Visayas, and Mindanao)"*

Section 2 (e) of RA No. 10149, otherwise known as, the "*GOCC Governance Act of 2011*" provides that the governing boards of every GOCC and its subsidiaries are competent to carry out its functions, fully accountable to the State as its fiduciary, and acts in the best interest of the State. It is also reiterated in Section 5 of the GCG issued M.C. No. 2012-07<sup>2</sup> which is the *Code of Corporate Governance for GOCCs*, to wit:

*"Sec. 5. Board Directly Vested with Corporate Powers. – Having been vested directly by law with the legal capacity and authority to exercise all corporate powers, conduct all the business, and to hold all the properties of the GOCC, the Governing Board is primarily responsible for the governance of the GOCC. Consequently, it is the Board and not Management, that is primarily accountable to the State for the operations and performance of the GOCC."*

The Governance Commission for GOCCs (GCG) Memorandum Circular (MC) No. 2012-07<sup>3</sup> provides for the constitution and rationale of Board Committees. It provides that the creation of Board Committees and other such oversight bodies enables the members of the Governing Board to efficiently manage their time and ensure the proper understanding and resolution of all issues affecting the GOCC and the proper handling

<sup>1</sup> Section 5 of RA No. 11524

<sup>2</sup> Code of Corporate Governance for GOCCs – Approved and signed by H.E. Pres. Benigno C. Aquino on 28 Nov. 2012.

<sup>3</sup> Code of Corporate Governance for GOCCs.



of all other concerns. The constitution of the different Committees will also allow the Board to effectively utilize the expertise of its Directors.<sup>1</sup>

In view of the foregoing, the MC also mandates the Governing Boards of GOCCS to constitute the proper committees to assist them in performing their duties and responsibilities, providing each of the committees with written terms of reference defining the duties, authorities and the composition of the committees constituted. The committees shall report to the entire Board as a collegial body and the minutes of their meetings shall be circulated to all members of the Board.<sup>5</sup> With such provisions, the Board Committees were constituted through several Board Resolutions. (*Presented below*)

#### **I. 1 January 2022 – 9 May 2022**

Pursuant to Board Resolution No. 022-2021, the Governance, Audit, Risk Management, Coconut Enterprise Development, and Board Technical Review Committees were reconstituted on 15 March 2021.

Consequently, the Executive Committee was dissolved pursuant to Board Resolution No. 024-2021 which was approved on May 24, 2021.

These are the Board Committees for the period of 1 January to 9 May 2022.

<b>Board Committees</b>	<b>Position</b>	<b>Directors</b>
A. Governance Committee	Chairperson Members	Sec. William D. Dar – DA Sec. Carlos G. Dominguez, III – DOF Sec. Wendel E. Avisado – DBM
B. Risk Management Committee	Chairperson Members	Sec. Carlos G. Dominguez, III – DOF Sec. Wendel E. Avisado – DBM Sec. Fortunato T. Dela Peña – DOST
C. Audit Committee	Chairperson Members	Sec. Fortunato T. Dela Peña – DOST Sec. Carlos G. Dominguez, III – DOF Sec. Ramon M. Lopez – DTI
D. Coconut Enterprise Development Committee	Chairperson Members	Sec. Ramon M. Lopez – DTI Sec. William D. Dar – DA Sec. Fortunato T. Dela Peña – DOST
E. Board Technical Review Committee	Chairperson	Sec. William D. Dar – DA <ul style="list-style-type: none"> <li>▪ Dr. Leocadio S. Sebastian, CESO I</li> </ul> Sec. Carlos G. Dominguez, III – DOF <ul style="list-style-type: none"> <li>▪ Usec. Grace Karen G. Singson</li> <li>▪ Asec. Danielle Marie S. Rieza-Culangan</li> </ul> OIC-Sec. Tina Rose Marie L. Canda <ul style="list-style-type: none"> <li>▪ Usec. Anthony A. Aguilar</li> <li>▪ Asec. Kim Robert C. De Leon</li> <li>▪ Dir. Elena Regina S. Brillantes</li> </ul> Sec. Fortunato T. Dela Peña – DOST <ul style="list-style-type: none"> <li>▪ Dr. Rowena Cristina L. Guevara</li> </ul>

<sup>1</sup> Section 16 of the GCG Memorandum Circular No. 2012-07

<sup>5</sup> Section 16.1 of the GCG Memorandum Circular No. 2012-07

		<ul style="list-style-type: none"> <li>▪ Dr. Reynaldo V. Ehora</li> </ul> Sec. Ramon M. Lopez – DTI <ul style="list-style-type: none"> <li>▪ Usec. Blesila A. Lantayona</li> <li>▪ Usec. Asteria C. Caberte</li> </ul> Admin. Benjamin R. Madrigal, Jr. – PCA <ul style="list-style-type: none"> <li>▪ DA Roel M. Rosales</li> </ul>
--	--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

## II. 10 May 2022 – 11 October 2022

The President appointed three (3) representatives from the coconut farmers sector to the PCA Board and they indicated their resolve to participate in the activities and responsibilities of the PCA Board through the participation in the various Board Committees. Board Resolution No. 19 2022, dated 10 May 2022, included the farmer representatives to different committees. The Farmer Representatives are Dir. Flor L. Olivar for Luzon, Dir. Frank Roy M. Ribo for Visayas, and Dir. Pepito P. Capangpangan for Mindanao.

Further, with the resignation of Sec. Wendel E. Avisado from the Department of Budget and Management, he was replaced by OIC-Sec. Tina Rose Marie L. Canda in the Governance Committee.

These are the Board Committees for the period of 10 May to 4 October 2022.

Board Committees	Position	Directors
A. Governance Committee	Chairperson Members	Sec. William D. Dar – DA Sec. Carlos G. Dominguez, III – DOF <b><i>OIC-Sec. Tina Rose Marie L. Canda – DBM</i></b>
B. Risk Management Committee	Chairperson Members	Sec. Carlos G. Dominguez, III – DOF Sec. Wendel E. Avisado – DBM Sec. Fortunato T. Dela Peña – DOST <b><i>Dir. Frank Roy M. Ribo – Visayas Coconut Farmer Sector Representative</i></b>
C. Audit Committee	Chairperson Members	Sec. Fortunato T. Dela Peña – DOST Sec. Carlos G. Dominguez, III – DOF Sec. Ramon M. Lopez – DTI <b><i>Dir. Flor L. Olivar – Luzon Coconut Farmer Sector Representative</i></b>
D. Coconut Enterprise Development Committee	Chairperson Members	Sec. Ramon M. Lopez – DTI Sec. William D. Dar – DA Sec. Fortunato T. Dela Peña – DOST <b><i>Dir. Pepito P. Capangpangan – Mindanao Coconut Farmer Sector Representative</i></b>
E. Board Technical Review Committee	Chairperson	Sec. William D. Dar – DA <ul style="list-style-type: none"> <li>▪ Dr. Leocadio S. Sebastian, CESO I</li> </ul> Sec. Carlos G. Dominguez, III – DOF <ul style="list-style-type: none"> <li>▪ Usec. Grace Karen G. Singson</li> <li>▪ Asec. Danielle Marie S. Rieza-Culangen</li> </ul>



		OIC-Sec. Tina Rose Marie L. Canda ▪ Usec. Anthony A. Aguilar ▪ Asec. Kim Robert C. De Leon ▪ Dir. Elena Regina S. Brillantes Sec. Fortunato T. Dela Peña – DOST ▪ Dr. Rowena Cristina L. Guevara ▪ Dr. Reynaldo V. Eborá Sec. Ramon M. Lopez – DTI ▪ Usec. Blesila A. Lantayona ▪ Usec. Asteria C. Caberte Admin. Benjamin R. Madrigal, Jr. – PCA ▪ DA Roel M. Rosales
--	--	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

### III. 5 October 2022 - 31 December 2022

The PCA Board, in the meeting held on 05 October 2022, resolved to revert the organization of PCA Committees based on the PCA Manual: (a) Executive Committee, (b) Audit Committee, (c) Governance Committee, (d) Nomination and Remunerations Committee, (e) Risk and Management Committee, (f) Board Technical Review Committee.<sup>6</sup>

It might also be noted that pursuant to Board Resolution No. 022-2021, the Board resolved to merge the *Nomination and Remunerations Committee* with Executive Committee.

Pursuant to Article 7, Section 20 of the PCA Manual of Corporate Governance, adopted from the GCG Memorandum Circular No. 2012-07 as promulgated under RA No. 10149, Mr. Bernie F. Cruz was declared the duly elected Administrator/CEO of the PCA last 12 December 2022.

In view of the foregoing and the new appointments of President Ferdinand R. Marcos, Jr, these are the Board Committees and the respective members for the period of 5 October to 31 December 2022.

Board Committees	Position	Directors
A. Executive Committee and Nomination and Remunerations Committee	Chairperson <i>Ex-Officio</i> Members	President Ferdinand R. Marcos, Jr. – DA Sr. Usec. Domingo F. Panganiban – DA Sec. Benjamin E. Diokno – DOF Sec. Amenah F. Pangandaman – DBM Sec. Renato U. Solidum, Jr. – DOST Sec. Alfredo E. Pascual – DTI
B. Governance Committee	Chairperson <i>Ex-Officio</i> Members	President Ferdinand R. Marcos, Jr. – DA Sr. Usec. Domingo F. Panganiban – DA Sec. Benjamin E. Diokno – DOF Sec. Amenah F. Pangandaman – DBM
C. Risk Management Committee	Chairperson Members	Sec. Benjamin E. Diokno -DOF Sec. Amenah F. Pangandaman - DBM Sec. Renato U. Solidum - DOST Dir. Frank Roy M. Ribo - Visayas CFSR

<sup>6</sup> Board Resolution No. 034-2022 - Organization of The Philippine Coconut Authority Board Committees

D. Audit Committee	Chairperson Members	Sec. Renato U. Solidum, Jr. – DOST Sec. Benjamin E. Diokno – DOF Sec. Alfredo E. Pascual – DTT Dir. Flor L. Olivar - Luzon CFSR
E. Board Technical Review Committee	Chairperson Alternate Members and Alternates	Sr. Usec. Domingo F. Panganiban – DA ▪ Usec. Mercedita A. Sombilla Sec. Benjamin E. Diokno – DOF ▪ Usec. Catherine L. Fong ▪ Asec. Glenda R. Rumohr Sec. Arnelah F. Pangandaman – DBM ▪ Usec. Tina Rose Marie L. Canda ▪ Asec. Cristina B. Clasara Sec. Renato U. Solidum – DOST ▪ Asec. Dr. Leah J. Buendia ▪ Exec Dir. Dr. Reynaldo V. Eborra Sec. Alfredo E. Pascual – DTT ▪ Usec. Blesila A. Lantayona 1) Admin. Benjamin R. Madrigal, Jr. - PCA 2) Admin Bernie F. Cruz – PCA ( <i>Starting 12 December 2022</i> ) ▪ DA Roel M. Rosales

#### IV. Functions of the Board Committees

##### 1. Executive Committee<sup>7</sup>

Depending on the size of the Governing Board, it may constitute an Executive Committee composed of not less than three (3) members of the Board, with the Chairman of the Board being the Committee Chairman. The Executive Committee, in accordance with the authority granted by the Board, or during the absence of the Board, shall act by a vote of at least two-thirds (2/3) of its members on such specific matters within the competence of the Board as may from time to time be delegated to the Executive Committee in accordance with the GOCC'S Charter or By-Laws, except with respect to:

- a) Approval of any action for which shareholders' approval is also required;
- b) Filling of vacancies on the Board or in the Executive Committee;
- c) Amendment or repeal of By-Laws or the adoption of new By-Laws;
- d) Amendment or repeal of any resolution of the Board which by its express terms cannot be amended or subject to repeal;
- e) Distribution of cash dividends; and
- f) Exercise of powers delegated by the Board exclusively to other committees.

<sup>7</sup> Section 16.2.1 of the GCG Memorandum Circular No. 2012-07



## 2. *Audit Committee*<sup>8</sup>

- a) Overseeing, monitoring and evaluating the adequacy and effectiveness of the GOCC'S internal control system, engage and provide oversight of the GOCC'S internal and external auditors. and coordinate with the Commission on Audit (COA);
- b) Reviewing and approving audit scope and frequency, the annual internal audit plan, quarterly, semi-annual and annual financial statements before submission to the Board, focusing on changes in accounting policies and practices, major judgmental areas, significant adjustments resulting from the audit, going concern assumptions, compliance with accounting standards, and compliance with tax, legal, regulatory and COA requirements;
- c) Receiving and reviewing reports of internal and external auditors and regulatory agencies, and ensuring that Management is taking appropriate corrective actions, in a timely manner in addressing control and compliance functions with regulatory agencies;
- d) Ensuring that internal auditors have free and full access to all the GOCC'S records, properties and personnel relevant to and required by its function and that the internal audit activity shall be free from interference in determining its scope, performing its work and communicating its results; and
- e) Developing a transparent financial management system that will ensure the integrity of internal control activities throughout the GOCC through a procedures and policies handbook that will be used by the entire organization.

## 3. *Governance Committee*<sup>9</sup>

- a) Overseeing the periodic performance evaluation of the Board and its committees and Management; and also conducting an annual self-evaluation of their performance;
- b) Deciding whether or not a Director is able to and has been adequately carrying out his/her duties as director bearing in mind the director's contribution and performance (e.g., competence, candor, attendance, preparedness and participation). Internal guidelines shall be adopted that address the competing time commitments that are faced when directors serve on multiple boards;
- c) Recommending to the Board regarding the continuing education of Directors, assignment to Board Committees, succession plan for the Executive Officers, and their remuneration commensurate with corporate and individual performance; and

<sup>8</sup> Section 16.2.2 of the GCG Memorandum Circular No. 2012-07

<sup>9</sup> Section 16.2.3 of the GCG Memorandum Circular No. 2012-07

- d) Recommending the manner by which the Board's performance may be evaluated and proposing an objective performance criteria to be approved by the Board. Such performance indicators shall address how the Board will enhance long-term shareholder value.

#### 4. *Nomination and Remunerations Committee*<sup>10</sup>

- a) Installing and maintaining a process to ensure that Officers to be nominated or appointed shall have the qualifications and none of the disqualifications mandated under the law, rules and regulations;
- b) Reviewing and evaluating the qualifications of all persons nominated to positions in the GOCC which require appointment by the Board;
- c) Recommending to the GCG nominees for the shortlist in line with the GOCC's and its subsidiaries' Board composition and succession plan; and
- d) Developing recommendations to the GCG for updating the CPCS and ensuring that the same continues to be consistent with the GOCC'S culture, strategy, control environment, as well as the pertinent laws, rules, and regulations.

#### 5. *Risk Management Committee*<sup>11</sup>

- a) Performing oversight risk management functions specifically in the areas of managing credit, market, liquidity, operational, legal, reputational and other risks of the GOCC, and crisis management, which shall include receiving from Senior Management periodic information on risk exposures and risk management activities;
- b) Developing the Risk Management Policy of the GOCC, ensuring compliance with the same and ensure that the risk management process and compliance are embedded throughout the operations of the GOCC, especially at the Board and Management level; and
- c) Providing quarterly reporting and updating the Board on key risk management issues as well as ad hoc reporting and evaluation on investment proposals.

#### 6. *Coconut Enterprise Development Committee*<sup>12</sup>

- a) Formulate and review policies for adoption of the Board for policy matters;

<sup>10</sup> Section 16.2.4 of the GCG Memorandum Circular No. 2012-07

<sup>11</sup> Section 16.2.5 of the GCG Memorandum Circular No. 2012-07

<sup>12</sup> Board Resolution No. 022-2021



- b) Review contracts with all partner agencies in the implementation of programs and projects under the Coconut Farmers and Industry Trust Fund Act (Republic Act No. 11524); and
- c) Oversee and monitor the implementation of all programs and projects and propose any amendments, if there's any, for the Board's approval.


7. *The Board Technical Review Committee (BTRC) shall have the primary function of prior discussion, evaluation, study, and review of all submissions of the PCA Management to the Board.*<sup>13</sup>

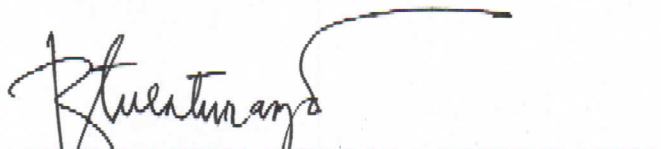
---

*Prepared by:*

*Noted by:*

  
**ISAGANI N. ZORRA**  
 Administrative Officer I, OCS

  
**ATTY. LUZ J. PEREZ**  
 Board Secretary V

  
**ATTY. RONINA J. TABABA-VENTURANZA**  
 Board Secretary IV

---

<sup>13</sup> Board Resolution No. 026-2021