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**DEPARTMENT OF AGRICULTURE**  
**PHILIPPINE COCONUT AUTHORITY**  
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# **DOCUMENTATION REPORT OF THE PHILIPPINE COCONUT AUTHORITY (PCA) BOARD YEAR-END 2024 ASSESSMENT AND 2025 PLANNING, BOARD MEETING, AND PROJECT SITE VISIT.**

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## **1. INTRODUCTION**

The Philippine Coconut Authority (PCA) Board held its 2024 Year-End Assessment and 2025, Planning Workshop, Project Site visit and 13<sup>th</sup> Board Meeting (Regular) in Davao City from December 11 to December 13, 2024. The event aimed to evaluate the organization's performance, address challenges, and strategize for 2025. This document provides an overview of key discussions, resolutions, and actionable items from the sessions.

## **2. PROGRAM**

### **DAY 1: PART I – ASSESSMENT**

#### **OPENING REMARKS**

The session began with a warm welcome from BS3 Ernest, who thanked all participants for their attendance despite their busy schedules. RM Juvie Alayon from Region 11 delivered the welcome remarks, expressing gratitude for hosting the event in Davao City.

#### **RATIONALE AND OBJECTIVES**

Atty. Luz J. Perez, the Corporate Secretary, outlined the rationale and objectives of the assessment and planning workshop. She emphasized the importance of regular assessments as mandated by the GCG memorandum circular and the need to review the system of checks and balances within PCA.

### **MANAGEMENT REPORT ON 2024 BOARD RESOLUTIONS**

Admin. Dexter R. Buted presented the management report, highlighting the status of 2024 board resolutions. Key points included:

- **Corporate Budget:** Approval of a P4 billion budget with 59% obligated and 49% disbursed as of November 2024.
- **Fiscal Year 2025 Budget Proposal:** Initial proposal of P10.4 billion reduced to P1.195 billion by DBM.
- **Early Procurement:** Identified priority projects for early procurement, including planting materials and fertilization.

- **Employee Welfare:** Initiatives for employee welfare, including renovation of the old laboratory building into an employee center and provision of group personal accident insurance.

### **Comments and Recommendations**

- **Director Ribo:** Raised concerns about the status of unsigned board resolutions and the need for an inventory of these resolutions.
- **Atty. Perez:** Confirmed the existence of an inventory and the need for coordination with management to address unsigned resolutions.
- **Admin. Buted:** Suggested that the reporting of board resolution implementation should be part of the following board meeting.
- **Director Capangpangan:** Recommended ratifying previous board resolutions involving fund disbursements to resolve issues with unsigned resolutions.

### **PRESENTATION ON THE PRESCRIPTIVE PERIOD OF SIGNING OF MINUTES AND BOARD RESOLUTIONS**

BS3 Livelo presented the prescriptive period of signing of minutes and board resolutions, highlighting the following points:

- **Five-Day Prescriptive Period:** A five-day prescriptive period was set for signing board resolutions and minutes, after which they are deemed approved if no comments are received.
- **Secretary's Certificate:** In the absence of signed board resolutions, the Corporate Secretary's office can issue a Secretary's Certificate upon request of the concerned offices.
- **Issues and Recommendations:** Livelo identified issues such as scheduling conflicts, lack of awareness, and technical issues that cause delays in signing. Recommendations included immediate follow-up, escalation protocols, and the adoption of digital signatures to expedite the process.

### **CORPORATE ORDER NO. 1 SERIES OF 2024**

Atty. Nina Tababa-Venturanza reviewed the Corporate Order No. 1 Series of 2024, highlighting changes and inconsistencies with previous orders. Key points included:

#### **Review and Changes:**

- **Appointment of Personnel:** The qualifications for approving appointments were updated. Previously, the approval was based on the salary grade, but now specific positions are identified. For example, the PCA Board now approves the appointments of board secretaries, deputy administrators, and the manager of the internal audit department.
- **Designations and Reassignments:** All approvals are now with the administrator, except for board secretaries, records officers of OCS, manager and staff of IAD, and deputy administrators.
- **Detail and Secondment:** The qualifications for detail and secondment are now specified as from PCA and to PCA, whereas previously all personnel were approved by the PCA Board.

- **Acceptance of Resignation:** The PCA Board now approves and accepts the resignation of the administrator up to the department manager, while the administrator approves the resignation of division chiefs and below.

#### **Procurement Matters:**

- **Approval Thresholds:** The PCA Board retains approval for procurement of goods and services above 30 million pesos and consultancy services above 2 million pesos.
- **Suspension, Extension, Termination of Contracts, and Blacklisting:** The PCA Board approves these actions for contracts above 30 million pesos.

#### **Legal Matters:**

- **Memorandum of Agreement (MOA):** The PCA Board approves MOAs for projects and research outside of regular programs and CFIDP with funding commitments.
- **Property Matters:** The PCA Board approves the grant and donation of land by PCA and the usufruct of land to PCA.

#### **Administrative Matters:**

- **Appointment and Resignation:** The PCA Board approves the appointment and resignation of key positions, including board secretaries, manager of the internal audit department, and deputy administrators.
- **International Travel:** Official foreign travel for board members and the administrator requires PCA Board approval and the chairman's signature.

#### **Recommendations and Directives:**

- **Revisiting Corporate Order No. 1 Series of 2024:** The management was directed to revisit and resolve any inconsistencies in the corporate order.
- **Clarification on Approval Processes:** It was suggested that the approval processes for appointments and resignations be clarified to ensure proper checks and balances.
- **Digital Signatures:** The board discussed the possibility of adopting digital signatures to expedite the approval process for board resolutions and minutes.

### **PERFORMANCE EVALUATION SYSTEM (PES)**

DM Odessa Pacaul presented the PES comparative analysis from 2021 to 2023. Key findings included:

- **Performance Trends:** A downtrend in PCA's performance from 2013 to 2023, with a slight improvement in 2023.
- **Strategic Measures:** Identification of strategic measures where PCA consistently met targets and areas needing improvement.
- **Recommendations:** Limiting strategic measures to those with higher chances of achieving higher scores and ensuring compliance with good governance requirements.

#### **Comments and Recommendations**

- **Asec. Glenda:** Emphasized the importance of compliance with GCG requirements and the need for a management unit to oversee compliance.
- **Admin. Buted:** Highlighted the need for a change in mindset and the importance of the ISO certification in improving PCA's performance.

### **Discussion on the Annual Procurement Plan (APP)**

The discussion on the APP was a significant part of the assessment. The history and reason for the delegation of the APP were addressed:

- **Director Ribo:** Inquired about the status of the APP and whether it was approved by the board in the previous year.
- **Admin. Buted:** Explained that the APP approval was delegated to the Administrator to expedite the process due to difficulties in convening the board for quorum. This delegation was intended to hasten the implementation of various programs and projects.
- **Atty. Perez:** Confirmed that the APP was delegated to the Administrator as per Corporate Order No. 1 Series of 2022, but suggested revisiting this delegation to ensure proper checks and balances.
- **Director Capangpangan:** Expressed concerns about the lack of balance in the appointment process and recommended that the board should have a more active role in approving the APP to ensure transparency and accountability.

### **Discussion on issues regarding IAD**

1. **Role and Independence of IAD:**
  - The IAD is mandated to provide an independent evaluation of all policies, rules, regulations, programs, projects, and activities of the PCA.
  - There was a discussion on the importance of maintaining the independence of the IAD to ensure unbiased and accurate reporting.
2. **Findings and Recommendations:**
  - The IAD has been submitting reports to the Audit Committee, highlighting various findings and recommendations. However, there was a concern about whether these findings were being acted upon by the management.
  - It was noted that the IAD had previously identified issues such as non-compliance with ARTA and the Citizens Charter, but these issues had not been adequately addressed.
3. **Need for a Management Unit:**
  - There was a discussion about the need for a management unit within the PCA to oversee compliance and ensure that the recommendations from the IAD are implemented.
  - The absence of a management unit was highlighted as a gap that needs to be filled to improve the overall governance and compliance within the PCA.
4. **Coordination with Other Offices:**
  - The IAD's role in coordinating with other offices to ensure compliance with various requirements was emphasized. This includes ensuring that all necessary documents are submitted and deadlines are met.
  - The importance of having a point person or a dedicated team to monitor and follow up on compliance issues was discussed.
5. **Challenges Faced by IAD:**

- The IAD faces challenges in terms of manpower and resources, which affects its ability to effectively carry out its mandate.
  - There was a discussion on the need to provide adequate support and resources to the IAD to enable it to perform its functions effectively.
6. **Integration with Quality Management System (QMS):**
- The integration of the IAD's functions with the Quality Management System (QMS) was discussed as a way to improve overall governance and compliance.
  - The need for a clear operational plan and timeline for the implementation of the QMS was highlighted.

## **GCG EVALUATION FINDINGS ON PERFORMANCE EVALUATION FOR DIRECTORS (PED) (2020-2023) and GCG EVALUATION FINDINGS ON CORPORATE GOVERNANCE SCORECARD (CGS) REPORT B (2020-2023)**

Mr. Maningas presented the comparative analysis of PED and CGS from 2020 to 2023. Key findings included:

### **GCG Evaluation Findings On Performance Evaluation For Directors (PED) (2020-2023)**

#### **2020**

- **PES Rating:** 92.11%
- **Attendance:** Scores ranged from 80% to 100%
- **Director Performance Review (DPR):** Scores ranged from 60% to 99%
- **Overall PED Rating:** Five directors received above-average ratings (91% to 94%), three directors scored between 84% and 85%

#### **2021**

- **PES Rating:** 14%
- **CGS Rating:** 2%
- **Attendance:** Scores ranged from 70% to 100%
- **DPR:** Scores ranged from 60% to 93%
- **Overall PED Rating:** Nine directors received very poor ratings (below 45%), ten directors scored below 44%

#### **2022**

- **Overall PED Rating:** Seven directors scored 71% to 72% (below average), five directors scored 64% to 69%, two directors received very poor ratings (58%)

#### **2023**

- **Evaluation:** Ongoing

### **GCG Evaluation Findings on Corporate Governance Scorecard (CGS) Report B (2020-2023)**

#### **2020**

- **Score:** 63.02
- **Issues:** No 2020 annual report, financial report, validated 2020 PES, or disclosure on the date when the AFS was released from COA and when it was published

#### **2021**

- **Score:** 54.69
- **Issues:** Similar issues as 2020, including late publication of the COA report and failure to meet the 90% PES target

## 2022

- **Score:** 65
- **Issues:** Late publication of the COA report, failure to meet the 30-day release order for the AFS

## 2023

- **Score:** 79.5
- **Improvement:** Significant improvement due to the efforts of the administration, with a request for revalidation to potentially achieve an 80+ score

## Recommendations

1. **Conduct Appraisals:** Implement the appraisal of board committee performance, peer assessment system for PCA Board of Directors, and performance appraisal of the PCA Board of Directors as required by the GCG.
2. **Timely Submission:** Ensure that all required documents are submitted on time to meet GCG deadlines.
3. **Technical Working Group:** Create a Technical Working Group to manage and prepare GCG report requirements and compliances.
4. **Enhance Corporate Governance Scorecard:** Improve the PCA Corporate Governance Scorecard and ensure it is accurately reflected on the PCA website.
5. **Close Coordination with GCG:** Maintain close coordination with the GCG regarding the 2023 evaluation to achieve a higher score.

## CLOSING REMARKS

The session concluded with a reminder of the importance of working towards common goals for the benefit of coconut farmers and the PCA organization.

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## DAY 2: PART II – PLANNING

### OPENING REMARKS

The session began with a prayer led by Director Pepito Capangpangan, followed by a welcome address from BS3 Livelo. Participants included PCA board members, officers, and staff, with special mentions of Usec. Navarro, Asek Glenda Rumor Figaro from DOF, and various directors from Luzon, Visayas, and Mindanao.

### SYNTHESIS OF DAY 1 ACTIVITIES

Ms. Lucman presented the key points and recommendations from the previous day's PCA board assessment. Highlights included:

- **Review of PCA Policies and Strategies:** Emphasis on regular reviews to ensure effective governance and performance.

- **Status of 2024 Board Resolutions:** Administrator Dexter Butte highlighted key achievements and challenges, stressing the importance of improving plan utilization and compliance with governance standards.
- **Performance Evaluation System (PES):** Focus on improving compliance with GCG requirements and achieving higher scores in future assessments.
- **Internal Audit and Compliance:** Discussion on the role of the Internal Audit Department (IAD) and the recommendation to establish a management unit to oversee compliance and governance issues.
- **Corporate Governance Scorecard:** Review and recommendations to enhance compliance and improve overall performance.

### **Comments and Recommendations**

- **Timely Submission of Reports:** Ensure all required documents are submitted on time to meet GCG deadlines.
- **Creation of Management Unit:** Establish a unit to oversee compliance and governance issues.
- **Enhanced Coordination:** Improve coordination with GCG to ensure accurate evaluation and higher scores.
- **Digital Signatures:** Consider adopting digital signatures to expedite the signing of board resolutions.
- **Regular Monitoring:** Implement a system for regular monitoring and compliance with governance requirements.

### **DISCUSSION ON BOARD MEETING SCHEDULE**

BS3 Livelo presented the proposed schedule for regular board meetings in 2025, suggesting flexibility in scheduling to ensure better attendance and adherence to resolutions.

### **PRESENTATION ON DIRECTOR REQUIREMENTS AND COMPLIANCE**

BS3 Livelo outlined the documentary requirements for directors, emphasizing the importance of timely submission of necessary documents and certifications.

### **PERFORMANCE EVALUATION FOR DIRECTORS (PED)**

BS3 Livelo discussed the components of the PED, including attendance, performance review, and compliance with governance standards. Atty. Perez highlighted the challenges faced in conducting the director's performance review online and the need for assistance for some directors.

### **Comments and Recommendations**

- **Director Ribo:** Suggested authorizing the Office of Corporate Secretary to assist directors in obtaining necessary clearances and documents.
- **Director Capangpangan:** Recommended crediting trainings attended by directors to avoid zero scores in training requirements.

### **PRESENTATION ON PCA FLAGSHIP PROGRAMS**

DM Pacaul discussed the proposed PCA flagship programs, highlighting global trends in the coconut industry and the challenges faced by coconut-producing countries. The presentation covered various strategic development goals (SDGs) and the corresponding programs to address these goals, including:

- **SDG 1: Productivity Enhancement:** Massive planting and replanting program, hybridization project, and fertilization program.
- **SDG 2: Farmers' Empowerment:** Health and medical program, credit and lending programs, professionalizing coconut farming, and strengthening coconut farmer organizations.
- **SDG 3: Trade and Market Development:** Participation in trade fairs, monitoring trade performance, and ensuring compliance with global regulatory policies.
- **SDG 4: Research, Development, and Innovation:** Establishing germplasm, forging bilateral agreements, and improving research centers.
- **SDG 5: Effective and Sustainable Organizational Systems:** Pursuing ISO certification, intensifying fee collection, and reviewing the PCA Charter.

### Discussion and Comments

1. **PCA Collection Fees:** Concerns were raised about the PCA's collection fees and their impact on operations. It was suggested to review and possibly update the fees to ensure they are fair and effective.
2. **Identity Theft:** A board member reported an incident of identity theft involving their name and requested assistance in investigating the matter.
3. **Timeliness of Agenda Submission:** The board emphasized the importance of timely submission of agenda items for board meetings.
4. **Christmas Incentives for PCA Employees:** The board discussed the provision of Christmas incentives for PCA employees, including non-cash benefits.

### Recommendations and Directives

1. **Review of Unsigned Resolutions:** The board directed the review of all unsigned resolutions filed during the years 2018 to 2022.
2. **Clarification of CFIDT Committee Functions:** The board recommended clarifying the functions of the CFIDT committee to avoid duplication and ensure efficiency.
3. **Budget for Training and Seminars:** The board directed the internal audit department to review and possibly reduce the budget for training and seminars.
4. **Investigation of Identity Theft:** The board directed the legal affairs service to investigate the reported identity theft incident.
5. **Inclusion of Philippine Quality Award in WFP:** The board recommended including the budget for the Philippine Quality Award Program in the 2025 work and financial plan.
6. **Director Ribo:** Raised concerns about the status of the Annual Procurement Plan (APP) and the need for proper checks and balances.
7. **Admin. Buted:** Explained the delegation of APP approval to the Administrator to expedite the process.
8. **Atty. Perez:** Suggested revisiting the delegation of APP approval to ensure proper checks and balances.



## **PRESENTATION AND DISCUSSION ON CIIF-OMG UPDATES AND TRUST FUND MANAGEMENT COMMITTEE BRIEFER**

### **Presentation by Asec. Glenda Rumohr-Figueroa**

Asec. Glenda Rumohr-Figueroa presented the CIIF-OMG updates with the assistance of Ms. Balancio and the Trust Fund Management Committee briefer. The presentation focused on the CIIF Oil Mill Group (OMG) and the status of its assets and operations.

### **Strategic Locations and Business Model**

The CIIF-OMG operates in strategic locations with copra buying stations to facilitate the purchase of raw materials. The operational companies include Granexport Manufacturing Corporation, San Pablo Manufacturing Corporation, and the LegOil Arimbay Plant. The CAG-Oil and IL-COCO are not operational.

### **Current Products**

The CIIF-OMG produces various coconut products, including Minola Coconut Oil, which is available in supermarkets.

### **Status of Disposition Activity**

The total assets of CIIF-OMG are valued at P2.8 billion. The Privatization and Management Office (PMO) initially handled the disposition process, but it has since been transferred to the Development Bank of the Philippines (DBP). The DBP is currently reviewing the valuation and assessment of the properties.

### **Trust Fund Management Committee (TFMC)**

The TFMC is composed of the Department of Finance (DOF) as the chairperson, and members from the Department of Budget and Management (DBM) and the Department of Justice (DOJ). The TFMC's primary responsibilities include setting the annual allocation for disbursement to the Implementing Agencies (IAs), approving the disposition plan of the coconut levy assets, and approving the trust fund management expenses.

### **Status of Coco Levy Trust Fund**

As of September 30, 2024, the total cash coco levy asset is P49.1 billion, and the total non-cash coco levy asset is P6.1 billion. The current balance in the special account is P31.9 billion. The trust fund has earned a total of P3.7 billion in income from 2021 to September 2024.

### **Reconveyance of Coco Levy Assets**

The UCPB has been sold to Land Bank for P1.1 billion, payable over 20 years with an annual interest rate of 1.75%. The 16th floor of the former UCPB Executive Building has been sold to the SEC, with the money currently held in an escrow account due to unpaid levies. The CIIF Oil Mills Group has a disposition deadline of March 13, 2026. The SMC common shares and COCO Chem shares have disposition deadlines of June 14, 2027, and November 2, 2027, respectively.

## Comments and Recommendations

1. **Director Ribo:** Expressed concerns about the potential sale of COCO Chem shares, emphasizing the importance of maintaining government control over the company to leverage its competitive advantage in the oleochemical market.
2. **Asec. Glenda:** Clarified that the TFMC operates under the law, and any changes to the disposition plan would require amending the law.
3. **Usec. Navarro:** Suggested that the board consider a resolution to request amendments to the law to facilitate the usage of non-operational CIIF assets.

## Directives

1. **Review and Amend Law:** The board should consider drafting a resolution to request amendments to the law governing the disposition of CIIF assets.
2. **Coordination with DBP:** Continue coordination with DBP to ensure the proper valuation and disposition of CIIF assets.
3. **Engagement with Stakeholders:** Engage with stakeholders, including the Secretary of Agriculture, to discuss the strategic use of CIIF assets for the benefit of the coconut industry.

## PRESENTATION ON THE PRESCRIPTIVE PERIOD OF SIGNING OF MINUTES AND BOARD RESOLUTIONS

BS3 Livelio presented the prescriptive period for signing minutes and board resolutions, emphasizing the importance of timely approval to avoid delays in implementation.

## Comments and Recommendations

- **Director Capangpangan:** Emphasized the need for proper segregation of moisture content in copra to avoid operational losses.
- **Director Ribo:** Suggested decoupling moisture content and discount factors to address concerns raised by farmers and oil millers.
- **Asec. Glenda:** Recommended revisiting the moisture meter law and conducting a review to address the concerns of farmers and traders.

## POLICY DIRECTIVES FROM THE CHAIRMAN

### 1. Human Resource Development

The Chairman emphasized the importance of addressing the human resource gaps within the PCA. He directed the board to complete the human resource requirements by filling vacant positions and creating new ones as necessary. This includes collapsing redundant positions and creating new ones to meet the evolving needs of the organization. The Chairman also highlighted the need for a succession plan to ensure continuity and retention of institutional knowledge.

### 2. Digitalization and Modernization

The Chairman underscored the need for digitalization and modernization within the PCA. This includes the adoption of new technologies and systems to improve efficiency and effectiveness.

The Chairman directed the board to prioritize the implementation of digital solutions and modernize existing processes to keep pace with the changing landscape of the coconut industry.

### **3. Integrated Coconut Processing Centers**

The Chairman highlighted the importance of establishing integrated coconut processing centers across the country. These centers are intended to enhance the value chain and provide better market opportunities for coconut farmers. The Chairman directed the board to prioritize the development and implementation of these centers to support the coconut industry's growth and sustainability.

### **4. Market Development**

The Chairman emphasized the need to develop and expand market opportunities for coconut products. This includes both domestic and international markets. The Chairman directed the board to implement strategies to increase market access, promote coconut products, and enhance the competitiveness of the coconut industry in the global market.

### **5. Export Promotion**

The Chairman stressed the importance of promoting coconut exports to boost the industry's growth and sustainability. He directed the board to develop and implement export promotion strategies, including participation in international trade fairs, establishing trade partnerships, and ensuring compliance with global regulatory standards. The goal is to increase the volume and value of coconut exports and strengthen the Philippines' position in the global coconut market.

### **Review and Amendment of RA 11524**

The Chairman called for a review and possible amendment of Republic Act 11524, which governs the disposition of coconut levy assets. He emphasized the need to ensure that the law aligns with the current needs and priorities of the coconut industry. The Chairman directed the board to draft a resolution requesting amendments to the law and to lobby for its approval.

### **Strategic Planning and Implementation**

The Chairman stressed the importance of strategic planning and implementation to achieve the PCA's goals. He directed the board to develop a comprehensive plan that includes clear targets, timelines, and resource allocation. The Chairman also emphasized the need for regular monitoring and evaluation to ensure that the PCA's programs and initiatives are on track and delivering the desired outcomes.

These directives aim to strengthen the PCA's capacity to support the coconut industry and improve the livelihoods of coconut farmers.

### **CLOSING REMARKS**

The session concluded with a reminder of the importance of working towards common goals for the benefit of coconut farmers and the PCA organization. Director Frank Roy Ribo provided

closing remarks, summarizing the key points discussed and expressing gratitude to all participants for their contributions.

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## **DAY 2: PART III - 13TH BOARD MEETING**

### **Attendance and Agenda**

The 13th PCA Board Meeting commenced with the attendance of the board members and the approval of the agenda. The meeting was attended by the chairperson, Undersecretary Roger Navarro, the vice chairperson from the DOF, Asik Leda Figueroa, and directors from Luzon, Visayas, and Mindanao. The administrator, Dexter Buted, joined online.

### **Approval Requests**

1. **Minutes of the Previous Meeting:** The minutes from the November 19, 2024, board meeting were approved after correcting the attendance record.
2. **Functions of the CFIDT Committee:** The board discussed and approved the functions of the CFIDT committee with minor amendments.
3. **Internal Audit Department Functions and Annual Audit Plan for 2025:** The board adopted the functions of the internal audit department and approved the annual audit plan for 2025.
4. **Manual of Corporate Governance:** The board approved the revision of the manual of corporate governance.
5. **Reprogramming of Prior Year's Balances:** The board approved the reprogramming of prior year's balances from 2018 to 2022.
6. **PCA Representative for Testimony:** The board authorized a PCA representative to testify in a pending case.
7. **Board Performance Appraisal Criteria:** The board approved the criteria for board performance appraisal.
8. **Renewal and Hiring of Legal Services:** The board approved the renewal and hiring of services of lawyers for the legal affairs service.
9. **Board and Committee Meetings Schedule:** The board approved the schedule for PCA board and committee meetings.

### **Matters for Information**

1. **Audit Findings by the IAD for 2024:** The IAD shared the audit findings for 2024, highlighting areas of improvement and compliance.
2. **Philippine Quality Award Program for Quality Management:** The board was informed about the application for the Philippine Quality Award Program for Quality Management.

### **Other Discussions**

1. **PCA Collection Fees:** The board discussed the PCA's collection fees and their impact on operations. Concerns were raised about the potential perception of these fees as another form of levy.
2. **Identity Theft:** A board member reported an incident of identity theft involving their name and requested assistance in investigating the matter.
3. **Timeliness of Agenda Submission:** The board emphasized the importance of timely submission of agenda items for board meetings.
4. **Christmas Incentives for PCA Employees:** The board discussed the provision of Christmas incentives for PCA employees, including non-cash benefits.

### **Recommendations and Directives**

1. **Review of Unsigned Resolutions:** The board directed the review of all unsigned resolutions filed during the years 2018 to 2022.
2. **Clarification of CFIDT Committee Functions:** The board recommended clarifying the functions of the CFIDT committee to avoid duplication and ensure efficiency.
3. **Budget for Training and Seminars:** The board directed the internal audit department to review and possibly reduce the budget for training and seminars.
4. **Investigation of Identity Theft:** The board directed the legal affairs service to investigate the reported identity theft incident.
5. **Inclusion of Philippine Quality Award in WFP:** The board recommended including the budget for the Philippine Quality Award Program in the 2025 work and financial plan.

The meeting concluded with a motion to adjourn and a reminder about a dinner gathering for the board members.

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### **DAY 3: PART IV - PROJECT SITE VISIT**

- Site Visit to PCA-DRC and PCA RXI (Davao).

### **CONCLUSION**

The PCA Board's 2024 Year-End Assessment and 2025 Planning Workshop served as a platform for critical reflection and forward planning. The discussions and resolutions emphasized the importance of accountability, efficiency, and innovation in driving the coconut industry's growth. With clear objectives and actionable plans, the PCA is poised to achieve its strategic goals for 2025 and beyond.

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## **SUMMARY OF PRESENTATIONS**

### **2024 PCA Board Year-End Assessment and Planning for CY 2025**

**Date and Location:** December 11-12, 2024, Park Inn by Radisson Davao, Davao City

#### **Day 1: 2024 PCA Board ASSESSMENT**

##### **Rationale:**

- **GCG M.C. NO. 2012-07 (Code of Corporate Governance for GOCCs):**
  - The PCA Board is responsible for implementing a system of checks and balances and ensuring regular updates.
  - PCA Management must ensure effective planning, control, and risk assessment to achieve PCA goals.

##### **Key Sections:**

- **Sec. 5:** The Board is primarily responsible for the governance of the GOCC, not Management.
- **Sec. 6:** The Board must ensure the selection of fit and proper officers and provide an independent check on Management.
- **Sec. 7:** The Board is responsible for providing policy directions, monitoring, and overseeing Management actions.
- **Sec. 8:** Specific functions of the Board include monitoring corporate strategies, managing conflicts of interest, ensuring the integrity of financial systems, and identifying key risks.

##### **Topics and Objectives:**

- **Topic 1: Review and Recommendations: PCA Board-Approved Policies and Programs**
  - Identify actions taken on significant resolutions.
  - Know the current status of policies and programs.
  - Recommend actions on key issues.
- **Topic 2: Comparative Review of PCA Performance Evaluation Scorecards**
  - Identify critical areas in the formulation, monitoring, and assessment of key performance indicators.
  - Assess how the Board addressed risks and recommended strategies.
  - Recommend policy measures.

##### **Expected Output:**

1. Consolidated status of 2024 policy issuances and significant resolutions.
2. Analysis and recommendation on relevant Board protocols and directives.
3. Policy recommendations of the Board.

**UPDATES ON THE 2024 BOARD RESOLUTIONS**  
**Presented by Administrator DEXTER R. BUTED**

## **Board Resolutions**

- 37 Board Resolutions passed in CY 2024.
- 59% of the fund obligated, with 49% disbursed as of November 13, 2024.
- Budget Proposal submitted to DBM was PhP 10.4 Billion; NEP recommended PhP 1.196 Billion.

## **Administrative & Finance**

- Conducted seminars on employee well-being and gender sensitivity.
- Ongoing construction of the Employee Center and procurement of fitness and clinic equipment.
- 102 COS Personnel enrolled under Group Personal Accident Insurance.
- Ongoing procurement of flu vaccines for Central Office personnel.
- Established a Quality Assurance Office under the Administrator.

## **Operations**

- Various projects and programs across regions, including coconut fertilization, hybridization, and village development.
- Advised PCA BARMM and Region XII on program implementation details.
- Hybrid seednut production and seed farm establishment targets mostly met.
- Implemented mitigation measures for El Niño effects and infestations.

## **Research & Development**

- Issues with procurement and transport of chemicals due to election ban and expired PDEA license.
- Delegation of Authority noted and incorporated into procedures.
- Limited funds for ongoing mitigation measures.

## **CFIDP**

- Issued guidelines for FY 2024 implementation of CFIDP programs.
- Guidelines cascaded to CFIDP Implementing Agencies and PCA Regional Offices.
- CFIDP amendment submitted to the Office of the President for approval.

## **Legal Services**

- Timely filing by PCA-LAS, but delays in hiring additional COS lawyers impacted workload capacity.

## **Issues & Recommendations**

- Expedite issuance of signed Board Resolutions.
- Improve utilization rate through effective procurement and planning.
- Establish a centralized system to track Board Resolutions' progress.
- Ensure timely submission of items for discussion to avoid delays.

I hope this helps! If you need more details on any specific point, feel free to ask.

Include the Board Resolution numbers

Sure thing! Here are the main points from the document, including the Board Resolution numbers:

### **Board Resolutions**

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- **59%** of the fund obligated, with **49%** disbursed as of November 13, 2024.
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### **Administrative & Finance**

- Conducted seminars on employee well-being and gender sensitivity.
- Ongoing construction of the Employee Center and procurement of fitness and clinic equipment.
- **102 COS Personnel** enrolled under Group Personal Accident Insurance.
- Ongoing procurement of flu vaccines for Central Office personnel.
- Established a Quality Assurance Office under the Administrator (**B.R. 2024-014**).

### **Operations**

- Various projects and programs across regions, including coconut fertilization, hybridization, and village development.
- Advised PCA BARMM and Region XII on program implementation details.
- Hybrid seednut production and seed farm establishment targets mostly met.
- Implemented mitigation measures for El Niño effects and infestations.

### **Research & Development**

- Issues with procurement and transport of chemicals due to election ban and expired PDEA license.
- Delegation of Authority noted and incorporated into procedures.
- Limited funds for ongoing mitigation measures.

### **CFIDP**

- Issued guidelines for FY 2024 implementation of CFIDP programs.
- Guidelines cascaded to CFIDP Implementing Agencies and PCA Regional Offices.
- CFIDP amendment submitted to the Office of the President for approval.

### **Legal Services**

- Timely filing by PCA-LAS, but delays in hiring additional COS lawyers impacted workload capacity.

### **Issues & Recommendations**



- Expedite issuance of signed Board Resolutions.
- Improve utilization rate through effective procurement and planning.
- Establish a centralized system to track Board Resolutions' progress.
- Ensure timely submission of items for discussion to avoid delays.

**PRESCRIPTIVE PERIOD-SIGNING OF MINUTES AND BOARD RESOLUTIONS:**  
**ISSUES AND RECOMMENDATIONS**  
**Presented by BS3 ERNEST MICHAEL LIVELO**

Mr. Livelo, discusses issues and recommended actions related to the signing of board resolutions and minutes within a 5-day prescriptive period. Here are the main points:

**Issues Encountered**

- **Scheduling Conflicts:** Board members may have overlapping commitments or travel schedules.
- **Lack of Awareness:** Receiving personnel may not understand the urgency or importance of the documents.
- **Approval Bottlenecks:** Multiple layers of review and sign-off can cause delays.
- **Technical Issues:** Problems with digital signature tools.
- **Disagreements:** Unresolved disagreements or concerns about the resolutions/minutes.
- **Health Issues:** Personal health issues or emergencies of board members.
- **Miscommunication:** Lack of clear communication about the need and timeline for signing.
- **Workload:** Board members may be overwhelmed with other responsibilities.

**Recommended Actions**

1. **Immediate Follow-Up:** Send a polite reminder email or letter to the responsible signatory.
2. **Escalation Protocol:** Escalate the matter to a higher authority if there is no response within a reasonable timeframe.
3. **Documentation of Delays:** Keep a record of all communications and attempts to obtain the signature.
4. **Review of Processes:** Evaluate and streamline the current process for obtaining signatures.
5. **Training and Awareness:** Ensure all board members and relevant personnel understand the importance of timely approvals.
6. **Setting Deadlines:** Clearly communicate deadlines and the consequences of missing them.
7. **Contingency Plans:** Develop contingency plans for critical resolutions that require immediate attention.
8. **Regular Monitoring:** Implement a system for regular monitoring of pending resolutions/minutes and timely follow-ups.

**REVIEW OF CORPORATE ORDER NO. 1 SERIES OF 2024**  
**Presented by ATTY. RONINA J. TABABA-VENTURANZA**

1. **Board Resolutions:**
  - Approval of amendments to Corporate Order No. 01, Series of 2022.
  - Confirmation and adoption of provisions from the Management Memorandum dated February 7, 2023.
2. **Legal Matters:**
  - Delegation of authority for MOAs with schools and government training providers.
  - Usufruct of land to PCA.
  - Authority to file or withdraw cases.
3. **Administrative Matters:**
  - Appointment of personnel, including regular and contractual positions.
  - Designations and reassignments of officers and personnel.
  - Detail and secondment of personnel.
  - Separation from service, including acceptance of resignation and retirement applications.
4. **Procurement Matters:**
  - Approval of procurement of goods, services, and infrastructure projects.
  - Approval of consultancy services.
  - Suspension, extension, termination of contracts, and blacklisting.
5. **Travel Orders:**
  - Approval of local and foreign travel for officials and employees.
6. **Leave of Absence:**
  - Approval of various types of leave, including sick leave, vacation leave, paternity leave, maternity leave, and study leave.
7. **General Memorandum Orders:**
  - Guidelines for appointments, designations, movement of personnel, and travel orders.

The presentation outlines the delegation of authority and approval processes for various legal, administrative, and procurement matters within the organization.

**REVIEW OF THE PCA MANUAL CORPORATE OF GOVERNANCE**  
**Presented by ATTY. RONINA J. TABABA-VENTURANZA**

The presentation main points from are to wit:

1. **Vision and Mission:**
  - Vision: To become a modernized authority empowering coconut farmers and stakeholders through sustainable, resilient, and inclusive development programs towards a globally competitive coconut and palm oil industry by 2030.
  - Mission: To develop and implement sustainable programs utilizing relevant technologies and policies that foster growth, modernization, and inclusivity across the coconut and palm oil value chains.
2. **Board Committees and Their Responsibilities:**
  - Executive Committee: Acts on matters within the competence of the Board, except for specific exclusions like approval of actions requiring Board

- approval, filling vacancies, and amendments to the PCA Manual of Corporate Governance.
- Governance Committee: Oversees performance evaluations, director duties, continuing education, succession planning, and budget use.
- Audit Committee: Focuses on management control and operations audit.
- Risk Management Committee: Manages risks associated with PCA operations.
- Coconut Farmers and Industry Development Plan Committee: Oversees the design, creation, and implementation of CFIDP programs and projects.
- 3. **Internal Audit Department:**
  - Reports to the Board on management control and operations audit.
  - Conducts audits of PCA functions, programs, projects, and activities.
  - Reviews and appraises systems, procedures, and performance standards.
  - Analyzes management deficiencies and recommends actions.
- 4. **PCA Technical Panel:**
  - Formed to provide necessary information relevant to the PCA's Performance Scorecard.
  - Composed of various officers and employees authorized by the PCA Board.

**COMPARATIVE PES SCORECARD 2021-2023**  
**Presented by DM MARIA ODESSA PACAUL-CPS**

Here are the main points from the presentations:

- **Event Details:** The document is a comparative PES (Performance Evaluation System) scorecard for the years 2021-2023, presented on December 11, 2024, at the Raddisson Hotel in Davao by the Philippine Coconut Authority (PCA) under the Department of Agriculture.
- **Purpose of PES:** The PES aims to appraise the accomplishments of Government-Owned and Controlled Corporations (GOCCs) based on performance criteria, targets, and weights. It facilitates the achievement of breakthrough results and performance through effective monitoring and coordination of strategic objectives.
- **Performance Metrics:** The document lists various strategic measures (SM) for evaluating performance, such as:
  - Average nut yield per coconut palm per year.
  - Percentage of coco seedlings that survived in the last three years.
  - Average annual gross income from coconut and intercrops.
  - Number of new farmers' enterprises established for priority commodities.
  - Percentage of RA8048 reported violations/conflicts acted upon.
  - Number of coconut seedlings planted and the increase in the area planted with coconut seeds.
  - Number of hybrid seednuts produced and the area planted to hybrids.
  - Percentage of employees meeting required competencies.
  - ISO certifications (ISO 9001:2015 and ISO 17025:2017).
  - Budget utilization rate.
  - Number of research outputs completed and translated to policies.
  - Number of investments secured through investment promotions.
  - Number of product standards/code of good practice developed.

- Percentage of satisfied customers.
- Development of a risk management plan.
- Percentage of PCA fee collected.
- Number of systems developed and implemented.
- Number of farmers provided with health and medical assistance.
- **Performance Scores:** The document includes the GCG-validated PCA scores for 2021 to 2023 and targets for 2024 and 2025, with a breakdown of rates and total scores.

**GCG EVALUATION'S FINDINGS REGARDING THE PERFORMANCE REVIEW  
FOR DIRECTORS (PED) FOR CY2020-2023 AND CY2020-2023 ON PCA  
CORPORATE GOVERNANCE SCORECARD REPORT B  
Presented by TS ROMEO C. MANINGAS**

Here are the main points from the presentation:

1. **GCG Evaluation Findings (CY2020-2023):**
  - Performance Review for Directors (PED)
  - Corporate Governance ScoreCard Report B
  - Reportorial Requirements and Compliance
2. **Performance Evaluation for Directors (PED) Coverage:**
  - Includes all Appointive Directors, Ex Officio Directors, and their alternates/authorized representatives.
  - Evaluation based on attendance and performance in Board and Committee meetings.
3. **Components of Director Performance Review (DPR):**
  - GOCC Performance (50%)
  - Corporate Governance Scorecard (10%)
  - Director Performance Review (20%)
  - Director Attendance Score (20%)
4. **Evaluation Results (CY2020-2023):**
  - Detailed performance ratings and attendance scores for directors.
  - Recommendations for improving compliance and performance.
5. **Reportorial Requirements:**
  - Various certifications and clearances required for directors.
  - Annual performance evaluation and compliance responsibilities.
6. **Recommendations:**
  - Creation of a Technical Working Group (TWG) for managing reportorial requirements.
  - Timely submission of reports and enhanced coordination with GCG.

**Day 2: 2024 PCA PLANNING FOR CY 2025**

**PCA BOARD MEETING SCHEDULE  
Presented by BS3 ERNEST MICHAEL LIVELO**

Here's a summary of the main points from the presentation:

- **PCA Board Meeting Schedule for Calendar Year 2023:**
  - Monday: 1 meeting
  - Tuesday: 1 meeting
  - Wednesday: 1 meeting
  - Thursday: 3 meetings
  - Friday: 5 meetings
- **Conclusion on Days Most Board Meetings are Held:**
  - Monday: 2 meetings
  - Tuesday: 5 meetings
  - Wednesday: 3 meetings
  - Thursday: 7 meetings
  - Friday: 7 meetings
- **PCA Board Meeting Schedule for Calendar Year 2024:**
  - Monday: 1 meeting
  - Tuesday: 4 meetings
  - Wednesday: 2 meetings
  - Thursday: 4 meetings
  - Friday: 28% of meetings
  - Monday: 2 meetings
  - Tuesday: 5 meetings
  - Wednesday: 3 meetings
  - Thursday: 7 meetings
  - Friday: 7 meetings
- **For 24 Board Meetings Held in CY 2023 and 2024:**
  - Most meetings were held on a Thursday or a Friday.

**FLAGSHIP PROGRAM OF PCA**  
**Presented by DM MARIA ODESSA PACAUL-CPS**

Here are the main points from the presentation:

**Vision**

- Modernized Philippine Coconut Authority (PCA) empowering coconut farmers and stakeholders.
- Sustainable, resilient, and inclusive development programs.
- Globally competitive coconut and oil palm industry.
- Productivity and growth driving food security and poverty reduction.
- Good governance.

**Strategic Programs**

- **Massive Coconut Planting:** Establish seed nurseries and farms, hybridization.
- **Coconut Fertilization:** Fertilize 55M palms by 2025, increase production by 7.1B nuts by 2028.
- **Irrigation and Water Management.**

- **Coconut Farmers and Industry Development Plan (CFIDP):** Social protection, farmers organization, community-based farm enterprise development, integrated coconut processing, support services, program management.
- **Coconut-based Agro-Enterprise Development Program:** Processing facilities, sustainable livelihood.
- **Professionalization of the Coconut Industry.**
- **Market Research and Promotions.**
- **Trade and Market Regulations and Expansion.**
- **Research Development and Innovation.**
- **Effective and Sustainable Organizational Systems.**

### **Impact Outcomes**

- Increased supply of coconut planting materials.
- Increased productivity and income of coconut farmers.
- Job generation.
- Improved farmers' knowledge and skills.
- Sustained and increased export market.
- Increased domestic utilization of coconut products and by-products.
- Increased investments in coconuts.
- Stakeholders' satisfaction.

### **Outputs**

- 100M trees planted.
- Establish 45K hectares of seed farm by 2030.
- Increase coconut yield to 90 nuts/tree/year.
- Improve copra quality.
- Develop 10 modules or courses on Good Agricultural Practice.
- Register at least 2.5M farmers in NCFRS.
- Graduate 50% of active CocoFarmerOrganizations into CocoFarmerCoops.
- Cover 70% of coconut farmers with social protection programs.
- Conduct market research on branding, product packaging, pricing, promotions, and business and economics.
- Establish local and international partners.
- Comply with international regulations on food safety.
- Translate research into policy/adoption/utilization.
- Upgrade research facilities.
- Reorganize PCA.

### **Strategic Goals (2025-2030)**

- **SG1:** Productivity Enhancement.
- **SG2:** Farmers Empowerment.
- **SG3:** Trade and Market Development.
- **SG4:** Research Development and Innovation.
- **SG5:** Effective and Sustainable Organizational Systems.

### **Monitoring and Feedback Mechanism**

- Align with UN SDG, PDP, DA Thrusts.
- Implement QMS, SDP, AOP, BSC, PES, OPCR, CSSTIME.

### **Program Phases**

- **Short-Term (1-2 years):** Core Programs.
- **Mid-Term (3-4 years):** Emerging Programs.
- **Long-Term (4-5 years):** Future Programs.

### **Focus Areas**

- **SDG 1:** Productivity Enhancement.
- **SDG 2:** Farmers Empowerment.
- **SDG 3:** Trade and Market Development.
- **SDG 4:** Research Development and Innovation.
- **SDG 5:** Effective and Sustainable Organizational Systems.

### **Core Programs (2025-2027)**

- Massive planting and replanting program.
- Health and medical programs for farmers.
- Direct marketing promotions.
- Replication/development of germplasm.
- Establishment of seed farms in collaboration with LGUs.
- Hybridization project.
- Farm diversification project.
- Trade regulatory efficiency enhancement program.
- PCA research journal.
- Fertilization program.
- National competition for best model integrated coconut farm.
- R&D on propagation methods for better varieties.
- Review of PCA charter and organizational structure.

### **Emerging Programs (2025-2028)**

- Coconut farm irrigation program.
- Startup program for young entrepreneurs.
- Market research and investment-related research.
- Commercialization of farming and processing technologies.
- Establishment of the Coconut Café in Manila.
- PRIME HRM - Silver.
- Copra quality improvement program.
- Establishment of village-level integrated production facility for copra and salt.
- Establishment of food safety and regulatory units.
- Rehabilitation of ZRC coconut plantation.
- Establishment of employee center.
- Direct copra/coconut marketing assistance program.
- R&D on renewable energy using coconut feedstock.
- Knowledge management system.

## **Future Programs (2025-2030)**

- Hybrid nut production.
- PCA-assisted CFO/CFC model farms in Mindanao.
- Capability building for inspectorate.
- Establishment of a new 500-hectare research center in Palawan.
- Amendment of PCA charter.
- Development of early bearing, high yielding coconut varieties.
- Climate resilient farms.
- Provision of physical/infra support for the inspectorate.
- Green island project.
- Reorganization of PCA.
- SMART farming.
- Competitive high-value products for export (Coco Water).
- Rehabilitation of research centers (ARC, ZRC, DRC).
- Establishment of Coconut Café in the regions.

## **CHIF-OMG UPDATES & TRUST FUND MANAGEMENT COMMITTEE BRIEFER** **Presented by ASEC. GLENDA RUMOHR-FIGUEROA and ROSH BALANCIO**

Here are the main points from the presentation:

1. **Trust Fund Management Committee (TFMC):**
  - Created under Republic Act No. 11524 (Coconut Farmers and Industry Trust Fund Act).
  - Composed of the Department of Finance, Department of Budget and Management, and Department of Justice.
  - Responsibilities include setting annual allocations, approving disposition plans, and managing expenses.
2. **Status of Coco Levy Trust Fund:**
  - As of September 30, 2024, the total cash Coco Levy Asset is PHP 49.19 billion, and the total non-cash asset is PHP 6.13 billion.
  - The current balance in the Special Account in the General Fund (SAGF) is PHP 31.99 billion.
  - The PHP 76 billion Coco Levy Assets are being transferred to the Trust Fund Principal in a staggered manner from 2021 to 2025.
3. **Trust Fund Income:**
  - The TFMC invested the cash Coconut Levy Assets in Philippine Government securities.
  - The total income from these investments as of September 2024 is PHP 3.77 billion.
4. **Disbursement Activities:**
  - The TFMC sets an annual allocation for disbursement, which is at least PHP 5 billion per year.
  - For 2025, the allocation was reduced to PHP 5 billion due to low disbursement rates.
  - The document provides a detailed breakdown of the annual allocations and disbursements for various implementing agencies.
5. **Status of Reconveyance and Disposition of Coco Levy Assets:**



- Several assets have been sold or are in the process of being disposed of, including United Coconut Planters Bank and San Miguel Corporation shares.
  - The document outlines the status and issues related to the disposition of these assets.
6. **Implementation Issues:**
- There are ongoing issues with the implementation of the Coconut Farmers and Industry Development Fund (CFIDP) programs.
  - The document highlights the need for amendments to the CFIDP to address these issues.
7. **Coconut Industry Investment Fund - Oil Mills Group (CIIF-OMG):**
- The CIIF-OMG is composed of several companies, some of which are operational while others are not.
  - The document provides details on the nature of business and locations of these companies.

### **13<sup>th</sup> BOARD MEETING PRESENTATIONS**

### **PICTURES**

**Prepared by:**

A handwritten signature in blue ink, appearing to read 'Norhainah T. Luman', with a stylized flourish at the end.

**NORHAINAH T. LUMAN, SCL, JD, MMPA**