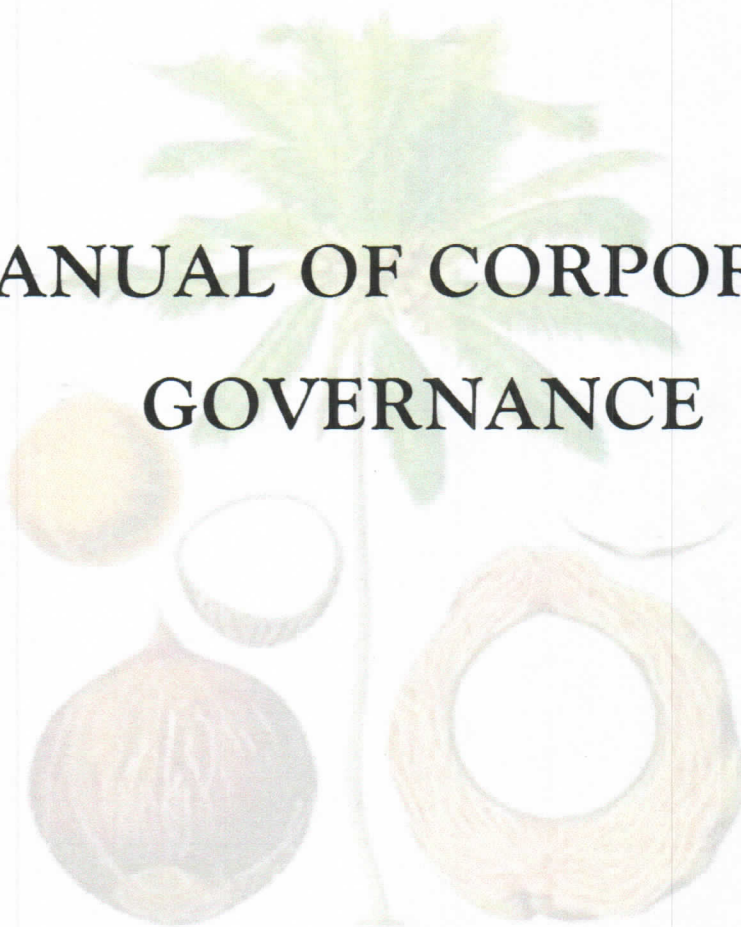




Republic of the Philippines
Office of the President
PHILIPPINE COCONUT AUTHORITY



MANUAL OF CORPORATE GOVERNANCE



Amended on March 21, 2018



MANUAL OF CORPORATE GOVERNANCE

Pursuant to the Code of Corporate Governance for PCA adopted per GCG Memorandum Circular No. 2012-07, the Governing Board of Philippine Coconut Authority (PCA for brevity) hereby promulgates, adopts and further amends this Manual of Corporate Governance through **Board Resolution No. 031-2018** dated 21 March 2018. This Manual shall lay down the standards for and provide clear cut policies, rules and procedures that will be observed, in a transparent, responsible and accountable manner with the best interest of the public and state in mind.

The **PHILIPPINE COCONUT AUTHORITY** is the sole government agency that is tasked to develop the industry to its full potential in line with the new vision of a united, globally competitive and efficient coconut industry.

Mandate

"It is hereby directed to be the policy of the State to promote the rapid integrated development and growth of the coconut and other palm oil industry in all its aspects and to ensure that the coconut farmers become direct participants in, and beneficiaries of, such development and growth."

It establishes the legal basis for PCA's sole stewardship and responsibility over the coconut and other palm oil industries for the benefit of the coconut and oil palm farmers.

(Article 1, Section 2, P.D. 1468 or the Revised Coconut Industry Code)

Vision

A developed and globally competitive coconut and other palm oil industry that contributes to food security, improved income, and enhanced participation of all stakeholders by 2020.

Mission

The Philippine Coconut Authority shall ensure the development and implementation of high value programs for the coconut and other palm oil industry carried out in transparent, responsible, and accountable manner and with utmost degree of professionalism and effectiveness.

ARTICLE I - DEFINITION OF TERMS

Section 1. - Definition of Terms – As used in this Manual, the following terms shall have the following meanings:

PCA - refers to the Philippine Coconut Authority, created pursuant to Presidential Decree (P.D.) No. 232 dated June 30, 1973 which became an independent public corporation by virtue of P.D. 961, series of 1976 and revised by P.D. 1468 on June 11, 1978.

PCA Charter - refers to P.D. 1468, series of 1978 otherwise known as the "Revised Coconut Industry Code".

Administrator - refers to the highest ranking Executive Officer of PCA who heads the Management.

Appointive Director- refers to all members of the Governing Board who are not ex-officio members

Board Officers - refer to officers whose primary task is to serve the Governing Board or to pursue the immediate functions of the Board. In this manual, the Board Officers are the Chairman, the Vice Chairman and the Board Secretary.

Chairman – refers to the ex-officio member and Chairman of the Governing Board.

Charter Statement- refers to a statement of the PCA's vision, mission and core values.

Confidential Information- Refers to all non-public information entrusted to or obtained by a member of the Board or Officer by reason of his/her position as such with the PCA. It includes, but is not limited to, non-public information that might be of use to competitors or harmful to the PCA or its customers/stakeholders if disclosed, such as: (1) non-public information about the PCA's financial condition, prospects or plans, its marketing and sales programs and research and development information, as well as information relating to mergers, acquisitions, divestitures, stock splits and similar transactions; (2) non-public information concerning possible transactions or ventures with

other companies, or information about suppliers, joint venture partners, or any information that the PCA is under obligation to keep confidential; and (3) non-public information about internal discussions, deliberations and decisions, between and among Directors and Officers.

Executive Officers - refer to the Administrator and other officers which form part of Management.

Extraordinary Diligence- refers to the measure of care and diligence that must be exercised by Directors and Officers in discharging their functions, in conducting the business and dealing with the properties and monies of PCA's, which is deemed met when Directors and Officers act using the utmost diligence of a very cautious person taking into serious consideration all the prevailing circumstances and Material Facts, giving due regard to the legitimate interests of all affected Stakeholders.'

Fit and Proper Rule - refers to a set of standards for determining whether a member of the Board of Directors or trustees or the Administrator is qualified to hold a position in a PCA which shall include, but not be limited to, standards on integrity, experience, education, training and competence' as such standards are set forth under GCG Memorandum Circular No. 2012-05

GCG - refers to the Governance Commission for GOCC.

PCA Act - refers to R.A. No. 10149, otherwise known as the "GOCC Governance Act of 2011".

Government Agency- refers to any of the various units of the Government of the Republic of the Philippines, including a department, bureau, office, instrumentality or GOCC, or a local government or a distinct unit therein.'

Governing Board - refers to the collegial body that exercises the corporate powers of as specified in its Charter, P.D. 1468 and as prescribed in the Code of Corporate Governance issued by the Governance Commission on GOCCs.

ICRS - refers to the Integrated Corporate Reporting System, the extensive database and comprehensive information on PCAs developed by the National Government through the GCG.

Management - refers to the body given the authority to implement policies determined by the Governing Board in directing the course and business activities of PCA.

Officers - refer to the Board Officers and Executive Officers.

Per diems - refer to the compensation granted to members of the Governing Board for actual attendance in meetings.

Performance Scorecard - refers to a governance and management tool forming part of the performance evaluation system which consists of a set of measures, targets and initiatives that facilitate the achievement of breakthrough results and performance through effective and efficient monitoring and coordination of the strategic objectives of the PCA and other GOCCs.

Public Officials or Public Officers - refer to elective and appointive officials and employees, whether classified as permanent or temporary status, whether in the career or non-career service, whether or not they receive compensation, regardless of amount, who are in the National Government, or in other instrumentalities, agencies or branches of the Republic of the Philippines, including the PCA and other government-owned or controlled corporations, and their subsidiaries.

Stakeholders - refer to any individual or entity for whose benefit the PCA has been constituted such as the government, PCA employees, coconut farmers and farm workers, coconut business enterprises, and the whole coconut industry community.

Strategy Map -- refers to an integrated set of strategic choices or objectives drawn by the Governing Board, the successful execution of which results in the achievement of the PCA vision in relation to its mission or purpose.

Supervising Agency -- refers to the government agency to which the PCA is attached pursuant to Executive Order No. 01, S. 2016 for purposes of policy and program coordination and for general supervision.

ARTICLE II – THE PHILIPPINE COCONUT AUTHORITY

Section 2. Creation - The Philippine Coconut Authority (PCA) was created pursuant to Presidential Decree No. 232 on June 30, 1973. It absorbed and assumed the powers and functions of the then Coconut Coordinating Council (CCC), the Philippine Coconut Administration (PHILCOA), and the Philippine Coconut Research Institute (PHILCORIN).

The Authority became an independent public corporation on July 14, 1976 under P.D. No. 961, reporting to and supervised by the President. On June 11, 1978, P.D. No.

1468, otherwise known as the "Revised Coconut Industry Code", was issued which presently serves as the PCA Charter.

Section 3. Policy Statement - The policy mandate for the coconut industry is restated in P.D. 1468, viz:

" It is hereby declared to be the policy of the State to promote the rapid integrated development and growth of the coconut and other palm oil industry in all its aspects and to ensure that the coconut farmers become direct participants in, and beneficiaries of, such development and growth".

Section 4. - Organizational and Functional Status - Republic Act No. 10149, "An Act to Promote Financial Viability and Fiscal Discipline in Government-Owned or Controlled Corporations and to Strengthen the Role of the State in its Governance and Management to Make Them More Responsive to the Needs of Public Interest and for Other Purposes", otherwise known as "*The GOCC Governance Act of 2011*" was enacted on May 2011. Under this law, the Authority is classified under Land and Water Resources Sector of the Governance Commission for GOCCs (GCG). As such, the performance and relevance of the Authority is evaluated by the GCG.

ARTICLE III – THE PCA GOVERNING BOARD

Section 5. Board Directly Vested with Corporate Powers - The corporate powers and duties of the Authority are vested in and exercised by a Governing Board of seven (7) members appointed by the President. Sectoral representation of the members of the Board provided in P.D. 1468 was deleted by virtue of E.O. 146 issued on March 3, 1987.

Such is reiterated under GCG Memorandum Circular No. 2012-07 titled Code of Corporate Governance for PCAs which was approved by the President, His Excellency President Benigno S. Aquino III on 28 November 2012.

The Code provides that the Governing Board, 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 PCA," the Governing Board is primarily responsible for the governance of the PCA. Consequently, it is the Board and not

Management, that is primarily accountable to the State for the operations and performance of the PCA.¹

Section 6. Composition of the Governing Board - The corporate powers and duties of the Authority shall be vested in and exercised by a Governing Board of seven (7) members to be appointed by the President. (EO No. 146)

Section 7. Qualifications and Eligibilities of Appointive Directors - All members of the Board shall be qualified by the Fit and Proper Rule adopted by the GCG. In determining whether an individual is fit and proper to hold the position of an Appointive Director, due regard shall be given to one's integrity, experience, education, training and competence.

The GCG, subject to the approval of the President, shall pass upon and review the qualifications and disqualifications of individuals appointed as Directors and shall disqualify those found unfit.

Section 8. Board Duty to Properly Select and Provide Independent Check on Management. - Concomitant with the power to elect the Administrator from among their ranks and to appoint other Officers of the PCA, it is the duty of every Governing Board to ensure that they elect and/or employ only Officers who are fit and proper to hold such offices with due regard to their qualifications, competence, experience and integrity. The Board is therefore obliged to provide an independent check on Management.

Section 9. Mandate and Responsibility for the PCA's Performance. - Although the day-to-day management of the affairs of the PCA may be with Management, the Board is, however, responsible for providing policy directions, monitoring and overseeing Management actions, as articulated in its Charter and other relevant legislation, rules and regulations. These mandated functions and responsibilities include the following:

- (a) Provide the corporate leadership of the PCA subject to the rule of law, and the objectives set by the National Government through the Supervising Agencies and the GCG;

¹ By virtue of E.O. No. 292 issued last 25 July 1987, the Secretary of Agriculture was Chairman of the Governing Board. However, on 20 May 2014, E.O. No. 166 created the Presidential Assistant for Food Security and Agricultural Modernization (PAFSAM) thus, the Secretary sit as the Chairman of the Governing Board in an *ex officio* capacity. At present, President Rodrigo Roa Duterte issued Executive Order No. 01 on 30 June 2016 which reengineered the Office of the President. Consequently, the Philippine Coconut Authority, together with eleven (11) other agencies, was placed under the direct supervision of the Office of the Cabinet Secretary

- (b) Establish the PCA'S vision and mission, strategic objectives, policies and procedures, as well as defining the PCA'S values and standards through:
 - Charter Statements;
 - Strategy Maps; and
 - Other control mechanism mandated by best business practices;
- (c) Determine important policies that bear on the character of the PCA to foster its long-term success, ensure its long term viability and strength, and secure its sustained competitiveness;
- (d) Determine the organizational structure of the PCA, defining the duties and responsibilities of its Officers and employees and adopting a compensation and benefit scheme that is consistent with the PCA Compensation and Position Classification System (CPCS) developed by GCG and formally approved by the President of the Philippines;
- (e) Ensure that personnel selection and promotion shall be on the basis of merit and fitness and that all personnel action shall be in pursuit of the applicable laws, rules and regulations;
- (f) Provide sound written policies and strategic guidelines on the PCA'S operating budget and major capital expenditures, and prepare the annual and supplemental budgets of the PCA;
- (g) Comply with all reportorial requirements, as required in the Charter, as well as applicable laws, rules and regulations;
- (h) Formally adopt and conduct annually the mandated Performance Evaluation System (PES) and the Performance Scorecard and timely and accurate report the results to the GCG; and
- (i) Ensure the fair and equitable treatment of all Stakeholders and enhancing the PCA's relations with its Stakeholders.

Section 10. Term of Office of Members of the Governing Board - The term of office of members of the Governing Board, pursuant to Section 17 of R.A. 10149 shall be for one (1) year, unless removed for cause, provided that each appointive Director shall continue to hold office until his/her successor is appointed and qualified.

Section 11. Compensation of Members of the Board - The compensation and allowance of the Chairman and members of the Board shall be determined by the GCG using as initial reference Executive Order No. 24 dated 10 February 2011 and DBM Budget Circular No. 2013-06. The Directors shall not receive any compensation from PCA other than per diems for actual Board or Committee meetings attended, reimbursement of actual travel expenses including board and lodging and other incidental expenses as allowed by law and rules, and the Performance Based Incentive as may be allowed by GCG.

Section 12. Provision of Multiple Seats – The PCA adheres to the policy that the capacity of Appointive Directors to serve with diligence shall not be compromised, hence no PCA Appointive Director may hold more than two (2) other Board seats in other PCAs, Subsidiaries and/or Affiliates.

Section 13. Ex Officio Alternates – The PCA adheres to the rule on Ex-Officio Alternates as provided under Section 11 of R.A. 10149, viz:

"The ex officio members of the PCA may designate their respective alternates who shall be the officials next in rank to them and whose acts shall be considered the acts of their principals."

Section 14. Board Meeting and Quorum - The Board may meet as often as the exigencies of the service may demand preferably at least once every month. The presence of at least four members constitutes a quorum to conduct business. The vote of a majority of the members present constituting a quorum shall be necessary for the adoption of any rule, resolution or decision or any other act of the Board.

ARTICLE IV - POWERS AND FUNCTIONS OF THE PCA GOVERNING BOARD

Section 15. Specific Functions of the Board. - In addition to those specified in its Charter, the Board shall perform the following functions:

- (a) Meet regularly, ideally at least once every month, to properly discharge its responsibilities, with independent views expressed during such meetings being

given due consideration, and that all such meetings shall be properly documented or minuted;

- (b) Determine the PCA'S purpose and value, as well as adopt strategies and policies, including risk management policies and programs, in order to ensure that the PCA survives and thrives despite financial crises and that its assets and reputation are adequately protected;
- (c) Monitor and evaluate on a regular basis the implementation of corporate strategies and policies, business plans and operating budgets, as well as Management's over-all performance to ensure optimum results;
- (d) Adopt a competitive selection and promotion process, a professional development program, as well as a succession plan' to ensure that the Officers of the PCA have the necessary motivation, integrity, competence and professionalism;
- (e) Monitor and manage potential conflicts of interest of Directors, Management, and shareholders, including misuse of corporate assets and abuse in related party transactions;
- (f) Implement a system of internal checks and balances, which may be applied in the first instance to the Board; and ensure that such systems are reviewed and updated on a regular basis;
- (g) Ensure the integrity of the PCA's accounting and financial reporting systems, including independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards;
- (h) Identify and monitor, and provide appropriate technology and systems for the identification and monitoring of key risks and performance areas;
- (i) Adopt, implement and oversee the process of disclosure and communications;
- (j) Constitute an Audit Committee and such other specialized committees as may be necessary, or required by applicable regulations, to assist the Board in discharging its functions: and
- (k) Conduct and maintain the affairs of the PCA within the scope of its authority, as prescribed in its Charter or Articles of Incorporation, By-laws, and applicable laws, rules and regulation.

Section 16. Board Committees and their Responsibilities - The creation of Board Committees enables the members of the Governing Board to efficiently manage their time and ensures the proper understanding and resolution of all issues affecting PCA and the proper handling of all other concerns. It allows the Board to effectively utilize the expertise of its Directors.

The Governing Board shall constitute proper committees which shall report to the Board to assist members of the Board in performing their duties and responsibilities. The Board shall also provide each committee with written terms of reference defining duties, authorities and the composition of the constituted committees.

The Board shall be supported by the following committees:

a. Executive Committee - The Executive Committee shall be composed of four (4) Directors with the Chairman of the Board as the Chairman.

In accordance with the authority granted by the Board or during the absence of the Board, the Committee shall act by a vote of at least two-thirds of its members on specific matters within the competence of the Board as may from time to time be delegated to the Committee, except on the following:

1. Filling of vacancies in the Board or in the Executive Committee;
2. Amendment of policies or adoption of new rules;
3. Amendment or repeal of any resolution of the Board which by its express terms cannot be amended or repealed; and
4. Exercise of powers delegated by the Board exclusively to other committees.

b. Audit Committee - The Audit Committee shall consist of at least three (3) Directors whose Chairman should have audit, accounting or finance background.

The Committee is responsible for the following:

1. Oversee, monitor and evaluate the adequacy and effectiveness of the Authority's internal control system; engage and provide oversight of PCA's internal and external auditors, and coordinate with the Commission on Audit (COA);

2. Review and approve audit scope and frequency of 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;
3. Receive and review reports of internal and external auditors and regulatory agencies, and ensure that Management is taking appropriate corrective actions, in a timely manner in addressing control and compliance functions with regulatory agencies;
4. Ensure that internal auditors have free and full access to all the Authority'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;
5. Develop a transparent financial management system that will ensure the integrity of internal control activities throughout the PCA through a Handbook on Procedures and Policies which will be used by the entire Authority.

c. Governance Committee - The Governance Committee shall assist the Board of Directors in fulfilling its corporate governance responsibilities. It shall be composed of at least three (3) members of the Board, and shall be chaired by the Chairman of the Board. The Committee shall be responsible for the following:

1. Oversee the periodic performance evaluation of the Board and its committees and that of Management; and conduct an annual self-evaluation of performance;
2. Decide 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);
3. Recommend 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;

4. Recommend the manner by which the Board's performance may be evaluated and propose an objective performance criteria approved by the Board.

d. Nomination and Remunerations Committee - The Nomination and Remunerations Committee shall consist of at least three (3) members of the Board. The Committee shall be responsible for the following:

1. Install and maintain 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;
2. Review and evaluate the qualifications of all persons nominated to positions which require appointment by the Board;
3. Recommend to the GCG nominees for the shortlist in line with the Governing Board's composition succession plan;
4. Develop recommendations to the GCG for updating of CPCS in accordance with pertinent laws, rules and regulations.

e. Risk Management Committee - The Risk Management Committee shall consist of at least three (3) members, with at least one member having a background in finance and investments. The Risk Management Committee shall be responsible for the following:

1. Performing oversight risk management functions specifically in the areas of managing credit, market, liquidity, operational, legal, reputational and other risks of the PCA, and crisis management, which shall include receiving from Senior Management periodic information on risk exposures and risk management activities;
2. Developing the Risk Management Policy of the PCA, ensuring compliance with the same and ensure that the risk management process and compliance are embedded throughout the operations of the PCA, especially at the Board and Management level: and

3. Providing quarterly reporting and updating the Board on key risk management issues as well as ad hoc reporting and evaluation on investment proposals;

f. Board Committee for Coconut Enterprise Development (CocoED) - The Board Committee for Coconut Enterprise Development (CocoED) shall consist of at least three (3) members of the Board. The Committee shall be responsible for the following:

1. Formulate/review policies to be submitted to the Board for adoption of Governing Board for policy matters
2. Review, assess and endorsement of proposals for coco-hub prior to the approval of the Board
3. Develop continuing partnership and productive alliance between PCA and its partners (LGUs, SUCs and private sector/social enterprise) for the establishment of commercial coconut processing enterprises

g. Special Committee on Coconut Scale Insect (CSI) - The Special Committee on Coconut Scale Insect (CS) shall consist of at least three (3) members of the Board. The Committee shall be responsible for the following:

1. To provide the Board an update on the progress and costs of the Coconut Scale Insect Emergency Action Plan (CSIEP)
2. To develop a Give-Back-Better mechanism for areas affected by the infestation
3. To develop and recommend on strategic intervention for immediate treat and prevent the further spread of CSI

Combining the Mandatory Committees. - Nothing herein shall preclude the Governing Board from formally combining the functions of the committees into such combinations that will best serve the interest of the PCA.

Other Committees Required by Law, Rules and Regulations. - In addition to the committees required in this Code, each PCA, when so covered, shall also establish the committees required under the corresponding and applicable rules and regulations

issued by the Bangko Sentral ng Pilipinas (BSP), the Insurance Commission (IC), the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE), and other Supervising Agencies.

Annual Performance Evaluation of the Board. - A systematic evaluation process of the Board shall be developed as a necessary tool in enhancing its professionalism and as a useful incentive for Board Members to devote sufficient time and effort to their duties. The evaluation should also be instrumental in developing effective and appropriate induction and training programs for new and existing members of the Board.

ARTICLE V - BOARD OFFICERS AND THEIR RESPONSIBILITIES

Section 17. The Board Officers – Pursuant to the GCG Code, the Board Officers whose primary task is to serve the Board or to pursue the immediate functions of the Board, are the following, viz:

- A. Chairman.** The Chairman shall, when present, preside at all meetings of the Board. The Chairman's responsibilities includes:
1. Calling meetings to enable the Board to perform its duties and responsibilities;
 2. Approving meeting agenda in consultation with the Administrator and the Board Secretary;
 3. Exercising control over quality, quantity and timeliness of the flow of information between Management and the Board; and
 4. Assisting in ensuring compliance with the Authority's guidelines on corporate governance.
 5. The above responsibilities may pertain only to the Chairman's role in respect to the Board proceedings, and shall not be taken as a comprehensive list of all the duties and responsibilities of a Chairman.
 6. For legal purposes, the Chairman of the Governing Board shall be considered as the "Head of Agency" of the Authority.

B. Vice-Chairman - In the absence of the Chairman of the Board, the Vice-Chairman shall preside at the meetings of the Board.

C. Board Secretary - The Board Secretary shall be the highest ranking officer in the Office of the Corporate Secretary. He/She must possess organizational, interpersonal skills and legal skills of a Chief Legal Officer. He/She shall be responsible in:

1. Serving as adviser to Members of the Board on their responsibilities and obligations and ensuring that the Board has the proper advice and resources for discharging its fiduciary duty;
2. Keeping the minutes of meetings and furnishing copies thereof to Members of the Board and the Administrator;
3. Keeping the PCA seal in safe custody which shall be affixed in every instrument requiring it;
4. Attending to the calling of Board meetings, upon instructions of the Chairman, preparing of regular agenda for meetings, and notifying members of the Board of such agenda in every meeting;
5. Ensuring the fulfillment of disclosure requirements to regulatory bodies;

D. Board Secretary as Compliance Officer - The Board Secretary shall also act as the Compliance Officer in the absence of the appointment of Compliance Officer, with the following functions:

1. Monitor the compliance by the PCA of requirements under the Act, the Code, and government rules and regulations. If violations are found, he/she shall report these to the Board and recommend imposition of appropriate disciplinary action on responsible parties and measures to be adopted to prevent repetition of the violation;
2. Appear before the GCG when summoned in relation to compliance with the Code or other compliances, issue a certification every 30th of May of the year on the extent of the Authority's compliance with the government corporate standards governing PCAs for the period

beginning 01 July of the immediately preceding calendar year and, if there are any deviations, explain the reason for such deviation.

ARTICLE VI - OFFICES UNDER THE GOVERNING BOARD

A. Office of the Corporate Secretary

The Office of the Corporate Secretary renders administrative and technical support to the Governing Board. Such support includes, among others, preparation of schedules and itinerary for Board meetings and monitoring of availability of a quorum; preparation of Board Meeting Agenda and monitoring of submission of Management Memoranda and support documents in the Agenda folder; facilitation of the conduct of Board meetings; transcription of proceedings of Board meetings and preparation of Minutes, Resolutions and other directives.

The Office is also responsible in the dissemination of Board policies and Board Resolutions to Management, in monitoring of the implementation of policies promulgated by the Board, and in keeping the PCA seal.

B. Internal Audit Department

The Internal Audit Department reviews the operational effectiveness and efficiency of corporate business processes, systems and procedures; examines and evaluates the adequacy and effectiveness of internal control systems and programs through the following, viz: 1) conduct of management review on the different organizational units to determine degree of compliance with established objectives, policies, regulations and approved operating procedures; and 2) review and appraisal of internal control systems to determine weaknesses and inadequacies for corrective measures.

ARTICLE VII – THE MANAGEMENT

Section 18. The PCA Management – The Management shall be responsible for the day-to-day affairs of the Authority. It determines its activities by putting the targets set by the Board in concrete terms and by implementing basic strategies for achieving those targets.

It shall also be responsible to the Board for implementing the infrastructure for the Authority's success through mechanisms set by the Board: organizational structures that work effectively and efficiently in attaining its goals; useful planning, control, and information systems that are defined and aligned with an information technology strategy and the goals of the Authority; and a plan of succession that formalizes the process of identifying, training and selection of successors in key positions.

Section 19. Management Primarily Accountable to the Governing Board - Management shall be primarily accountable to the Board. As part of its accountability, Management shall provide all members of the Board with a balanced and understandable account of the Authority's performance, position and prospects on a monthly basis.

Section 20. The Administrator - The Administrator shall be elected annually by the members of the Board from among its ranks. He shall be subject to the disciplinary powers of the Board and may be removed by the Board for cause. In addition to the duties imposed on him by the Board, the Administrator shall:

- a) Exercise general supervision and authority over the regular course of business, affairs, and property of the Authority, and over its employees and officers;
- b) See to it that all orders and resolutions of the Board are carried into effect;
- c) Submit to the Board as soon as possible after the close of each fiscal year, a complete report of the operations of the Authority for the preceding year, and the state of its affairs;
- d) Report to the Board from time to time all matters of interest to the Authority which needs to be brought to the former's notice; and
- e) Perform such other duties and responsibilities as the Board may impose upon him.

Power of the Governing Board to Discipline/Remove Officers. - Subject to existing civil service laws, rules and regulations, and in ensuring compliance with the requirements of due process, the Board shall have the authority to discipline, or remove

from office, the Administrator, or any other Officer, upon a majority vote of the members of the Board who actually took part in the investigation and deliberation.

ARTICLE VIII - DUTIES AND OBLIGATIONS OF DIRECTORS AND OFFICERS

The following are the duties and obligations of the PCA Governing Board and the PCA Management:

Section 20. As Fiduciaries of the State - Directors and Officers are fiduciaries of the State in that they have the obligation and duty to always act in the best interest of the PCA, with utmost good faith in dealings with properties, interests and monies of the Authority. They are constituted as trustees in relation to the properties, interests and monies of the Authority.

Section 21. Duty of Diligence - In fulfilling their fiduciary duty, Directors and Officers shall always act in the best interest of PCA, with utmost good faith in all dealings with the properties and monies of the PCA. Such obligations include the following: 1) Exercise extraordinary diligence, skill and utmost good faith in dealing with properties of the Authority; 2) Apply sound principles to ensure financial soundness of the Authority; 3) Elect and/or employ only Officers who are fit and proper to hold such office with due regard to the qualifications, competence, experience and integrity.

Section 22. Duty of Loyalty - The fiduciary duty of loyalty of Directors and Officers include the following:

- (a) Act with utmost and undivided loyalty to the PCA;
- (b) Avoid conflicts of interest and declare any interest they may have in any particular matter before the Board; and
- (c) Avoid - (1) taking for themselves opportunities related to the PCA's business; (2) using the PCA's property, information or position for personal gain; or (3) competing with the PCA's business opportunities.

22.1. Avoid Conflict of Interest. - Directors and Officers shall at all times avoid any actual or potential conflict of interest with the PCA. Each shall also avoid any

conduct, or situation, which could reasonably be construed as creating an appearance of a conflict of interest. Any question about a Director's or Officer's actual or potential conflict of interest with the PCA shall be brought promptly to the attention of the Chairman of the Board, who will review the question and determine an appropriate course of action.

22.2. Trustee Relation to PCA Properties, Interests and Monies. – Except for the per diem received for actual attendance in board meetings and the reimbursement for actual and reasonable expenses and incentives as authorized by the GCG, any and all realized and unrealized profits and/or benefits including, but not limited to, the share in the profits, incentives of Directors or Officers in excess of that authorized by the GCG, stock options, dividends and other similar offers or grants from corporations where the PCA is a stockholder or investor, and any benefit from the performance of Directors or Officers acting for and in behalf of the PCA in dealing with its properties, investments in other corporations, management of Subsidiaries and other interest, are to be held in trust by such Director or Officer for the exclusive benefit of the PCA represented .

22.3. Taking of Corporate Opportunities. - Where a Director or an Officer, by reason of his being a member of the Board or an Officer of a PCA, acquires or receives for himself/herself a benefit or profit of whatever kind or nature, including but not limited to, the acquisition of shares in corporations where such PCA has an interest, the use the properties of the PCA for his/her own benefit, the receipt of commission(s) on contract(s) with the PCA or its assets, or the taking advantage of corporate opportunities of the PCA, all such profits or benefits shall be subject to restitution pursuant to Section 24 of the Act, without prejudice to any administrative, civil or criminal action against members of the such Director or Officer. The remedy of restitution shall apply notwithstanding the fact that such Director or Officer risked his/her own funds in the venture."

22.4. Restitution. - Pursuant to Section 24 of the Act, upon the determination and report of the Commission on Audit (COA) pursuant to a Notice of Disallowance which has become final and executory, that properties or monies belonging to the PCA are in the possession of a Director or Officer of a PCA without authority, or that profits are earned by the Director or Officer in violation of his/her fiduciary duty, or the aggregate per diems, allowances and incentives received in a particular year are

in excess of the limits provided under the Act, the Director or Officer receiving such properties or monies shall immediately return the same to the PCA.

Failure by a Director or Officer to make the restitution within thirty (30) days after a written demand has been served shall, after trial and final judgment, subject such Director or Officer to the punishment of imprisonment for one (1) year and a fine equivalent to twice the amount to be restituted and, in the discretion of the court of competent jurisdiction, disqualification to hold public office.

Section 23. Duty of Confidentiality - In pursuit of their duties of diligence and loyalty, Directors and Officers shall not use or divulge confidential or classified information officially made known to them by reason of their office and not made available to the public either to further their private interests or give undue advantage to anyone, or which may prejudice the public interest.

Section 24. As Public Officials - Directors and Officers are public officials and as such they lead in promoting high standard of ethics in public service in the Authority. They are covered by the provisions of the "Code of Conduct and Ethical Standards for Public Officials and Employees". As Public Officials, they are, at all times, accountable to the people. They shall: 1) discharge their duties with utmost responsibility, integrity, competence, and loyalty; 2) act with patriotism and justice; 3) lead modest lives; and 4) uphold public interest over personal interest.

Section 25. No Gift Policy – All Directors, Officers and employees of the PCA shall not solicit, demand, or accept, directly or indirectly, any gift from any person, group, association, or juridical entity, whether from the public or private sector, at any time, inside or outside the work premises, except as otherwise provided in the revised PCA No Gift Policy which was adopted by the Governing Board in its Resolution No. 063-2015 and as contained in Memorandum Circular No. 03 series of 2015 and uploaded in the PCA website. The policy included the basis, rules, allowable gifts, duties of director or employee if gift is given or inevitably received, gift registry, donation to charitable institutions, implementation and monitoring, and penalties for violation. A copy of the approved revised PCA No Gift Policy is hereto appended as part and parcel of this Manual.

Section 26. Respect for and Obedience to the Constitution and the Law - As Public Officials, Directors and Officers, they shall uphold the Constitution and shall comply and cause the Authority to faithfully and timely comply with legal provisions, rules and regulations, and corporate governance standards.

Section 27. Limits to Compensation, Per Diems, Allowances and Incentives. - Pursuant to Section 23 of the Act:

(a) The Charter of the PCA to the contrary notwithstanding, the compensation, per diems, allowances and incentives of the Appointive Directors shall be determined by the GCG, using as a reference, among others, Executive Order No. 24, dated February 10, 2011;

(b) Directors shall not be entitled to retirement benefits acting as such Directors and (c) With respect to PCAs organized solely for the promotion of social welfare and the common good, without regard to profit, the total yearly per diems and incentives in the aggregate which the Directors may receive shall be determined by the President upon the recommendation of the GCG based on the achievement by such PCA of its performance target(s).

ARTICLE IX - OBLIGATIONS OF PCA TO DIRECTORS AND OFFICERS

Section 28. Provision of Staff Support to Directors - The Authority shall provide members of the Governing Board with reasonable support staff and office facilities to allow them to properly discharge their duties and responsibilities.

Section 29. Provision of Directors and Officers Liability Insurance (DOLI) - The Authority shall obtain *Directors and Officers Liability Insurance (DOLI)* coverage for itself and for members of the Governing Board and Officers against contingent claims and liabilities that may arise from, as well as expenses that may be incurred when the Authority and/or Members of the Board and Management are sued before tribunals on matters that are within their official functions and capacity and on matters where business judgment has been exercised in good faith.

ARTICLE X - CORPORATE SOCIAL RESPONSIBILITY AND RELATIONSHIP WITH STAKEHOLDERS

Section 30. Relationship with Stakeholders - All Members of the Governing Board and Officers accept their positions fully aware that they shall assume responsibilities to the PCA and to its stakeholders, who, in turn, have the right to expect that the PCA is being run in a prudent manner. Consequently, all Members of the Governing Board and Officers shall deal fairly with PCA employees, coconut and oil palm farmers, dealers and processors of coconut and oil palm products, business partners and suppliers and other Stakeholders.

They shall affirm and covenant the following:

- a) To have a working knowledge of the statutory and regulatory requirements affecting the Authority, including its Charter, GCG issuances and requirements, and requirements of its Supervising Agency; and
- b) To always keep oneself informed of industry developments and business trends in order to safeguard the Authority's interests and preserve its competitiveness.

No Director or Officer may take unfair advantage of PCA employees, coconut and oil palm farmers and farm workers, coconut and oil palm traders and processors, suppliers and business partners and other Stakeholders through manipulation, concealment, abuse of confidential or privileged information, misrepresentation of material facts, or any other unfair dealing practices.

Section 31. Corporate Social Responsibility - As an integral part of the National Government, the PCA is inherently mandated to act and operate as a good corporate citizen. The PCA recognizes and performs the obligations the PCA has towards the coconut and oil palm farmers and farm workers, the National Government, its employees, suppliers and other Stakeholders and communities in which it operates.

The protection of the reputation and goodwill of the PCA is of fundamental importance such that Directors, Officers and employees should be aware of the disciplinary implications of breaches of ethical policies mandated by the GCG. Every employee of PCA is encouraged to promptly report any potentially illegal, improper and/or unethical conduct that he or she may become aware of at the workplace or in connection with work.

The PCA shall create an environment that enables its people to raise genuine and legitimate concerns internally. In addition, the PCA shall enact policies providing for regular employee development discussions and the creation of structured training programs for continuing personal and professional development. The PCA shall also endeavor to provide health and insurance coverage to its Directors, Officers and employees as may be allowed by the Insurance Code and the rules and regulations prescribed by GCG, Department of Budget and Management and Commission on Audit, and such other rules and regulations as may be applicable.

Section 32. Responsibility of Directors, Officers and Employees - Reciprocally, every Director, Officer or employee shall:

1. Remember that the biggest stakeholder is the Government;
2. Share the vision of PCA;
3. Be accountable to the public;
4. Listen and learn from co-employees;
5. Think and act as a team;
6. Focus on stakeholders and strive for stakeholders' satisfaction;
7. Respect others;
8. Communicate with stakeholders;
9. Deliver results and celebrate success; and
10. Protect the reputation of PCA

Section 33. Alternative Dispute Resolution - The PCA adopts the ADR Policy as the primary means of settling or adjudicating conflicting rights and claims between the Government Agencies and other PCAs.

Section 34. Formal Recognition of Stakeholders - The following are the stakeholders of PCA:

- a) Coconut farmers, coconut farm workers, oil palm farmers, oil palm farm workers;
- b) The State, Government and Supervising Agency;
- c) PCA employees;
- d) Registered traders, processors and industrial users of coconut and oil palm products;
- e) Partner agencies & entities;

- f) Suppliers and other business partners; and
- g) Consumers and the general public

Section 35. Hierarchy and Nature of Stakeholders' Interests – The hierarchy and nature of interests of PCA's stakeholders are as follow:

- a) For coconut and oil palm farmers and farmworkers – increased income and the building of capacities and organization of coconut and oil palm farmers and farm workers into thriving cooperative/enterprise units
- b) For the State, Government and Supervising Agency – the implementation of programs and projects designed to increase coconut and oil palm farm productivity and to promote inclusive growth and self-sufficiency.
- c) For the employees - the development of personnel competence and raising the morale of PCA employees to become effective and dedicated partners in program and project implementation
- d) For traders and industrial users - the promotion of market driven and globally competitive product and process innovations
- e) For partners' entities locally and abroad - the enhancement of cooperation and linkages to promote industry development through research and innovations
- f) For suppliers and business partners - the promotion of the goodwill and reputation of PCA as a dependable, fair dealing, transparent and responsible business partner
- g) For consumers and the general public - the promotion of coconut and oil palm products which conform with national and international standards

Section 36. Policy in Communicating with Stakeholders – The PCA adheres to the policy of utmost transparency and full disclosure in all of its dealings in the exercise of its corporate powers and the performance of its mandate, and upholds that the more transparent the internal workings of the organization, the more secure are the assets and funds of PCA will be from misappropriation or mismanagement.

The PCA also adheres to the primary importance of communication and feedback mechanisms in ensuring that its Stakeholders are adequately informed and enjoined to support and participate in its programs and projects, and to afford it real-time feedback from them.

For these purposes, the PCA shall ensure unrestricted public access to its website where all relevant information and updates on its programs and projects are posted. The PCA shall also maintain a system of dissemination of information on a regular basis through publications, newsletters, press releases and engagements with tri-media and the social media, prospectus and annual and other periodic reports.

The PCA shall remain committed to its policy of conducting consultation and dialogue with all Stakeholders, beginning with its employees and all coconut industry stakeholders and including suppliers and business partners, as an important tool of communication and feedback to foster good, responsive, collaborative and proactive relations.

Section 37. System of Accountability and Relationship with Stockholders' Legitimate Interests – The PCA undertakes to always act in good faith in its dealings with all its stakeholders.

The Governing Board shall be primarily accountable to the Stakeholders, while the Management shall be accountable to the Governing Board. The Governing Board shall provide the stakeholders with a balanced and understandable assessment of PCA performance, position, prospects and updates on a regular basis. The Management, on the other hand, shall do the same for the members of the Governing Board.

The Governing Board shall be responsible for maintaining a sound system of internal control and check and balance to safeguard the assets and funds of PCA and protect the interests of all its Stakeholders.

Section 38. Citizens' Charter – All PCA Officers and employees are enjoined to commit to the PCA's Performance Pledge and serve all the PCA's Stakeholders promptly and efficiently and with utmost courtesy pursuant to PCA Citizens' Charter. Approved by

the Governing Board in its Resolution No. 052-2012, the Charter affirms, among others, the mission, vision, core values, processing time commitments on the following frontline services and feedback and redress mechanisms for improvement towards stakeholders' satisfaction, viz:

- a) Assessment and Collection of PCA Fee
- b) Analyses of Agricultural Samples and Coconut Products and By-Products
- c) Issuance of Export and Commodity Clearances
- d) Registration of Processors, Exporters and Traders of Coconut Products and By-Products
- e) Issuance of Permit –to-Cut
- f) Issuance of Permit to Transport Coconut Lumber
- g) Registration of Coco Lumber Traders/Processors
- h) Registration of Chainsaws
- i) Application for land Use Conversion
- j) Accreditation of Coconut Seednut/Seedling Producer and Accreditation of Oil Palm Nurseries
- k) Quasi-frontline Services on Programs and Projects

The Board Resolution approving the PCA Citizens' Charter is hereto attached as part of this Manual.

ARTICLE XI - DISCLOSURE AND TRANSPARENCY REQUIREMENTS

Section 39. Requirements on Disclosure – The PCA undertakes to fully disclose all material information to all its stakeholders in a timely and accurate manner at all times, including but not limited to unrestricted public web access to:

- a) The PCA Charter or the Revised Coconut Industry Code
- b) Complete listing of the Directors with attached resume and their membership in Governing Board Committees
- c) Complete compensation package of all Directors and PCA Officers, including travel, representation and transportation allowances, and any other form of expenses or allowances
- d) Information on the Governing Board Committees and their activities
- e) Attendance record of Directors in Board and Committee meetings
- f) PCA's latest Annual Audited Financial and Performance Report, within thirty days from receipt of such report
- g) Audited Financial Statements in immediate past three (3) years
- h) Quarterly and Annual Reports and Trial Balance

- i) Current Corporate Operating Budget
- j) Government subsidies
- k) All borrowings guaranteed by the Government
- l) Performance Evaluation System
- m) Charter Statement/Vision-Mission Statements
- n) Organizational Chart
- o) Manual of Corporate Governance
- p) CSR Statement
- q) Balance Scorecard; and
- r) Such other information or report that the GCG may require.

The PCA shall be an active and responsible member and contributor to the Integrated Corporate Reporting System (ICRS).

A. List of Disclosures to be made by Directors –

1. Statement of Assets, Liabilities and Net Worth
2. Extent of their business interest or material information required by the GCG, the appropriate Government Agency or to the PCA, when required pursuant to the requirements of the relevant provision of law, circulars, memorandum, rule or regulation applicable to PCA
3. Prior to assuming the position to which he/she was appointed, an Appointive Director shall submit to the Board Secretary serving as Compliance Officer, a sworn certification that he/she possesses all the qualifications and none of the disqualifications pertaining to the position as found in the PCA Charter, provisions of laws, rules and regulations applicable to the PCA, and as provided for in the Fit and Proper Rule of the GCG.
4. Any question about an actual or potential conflict of interest by a Director shall be disclosed and brought promptly to the attention of the Chairman who will review the question and determine an appropriate course of action.

B. Statement by the PCA Governing Board Confirming the Truth and Fairness of the PCA Financial Statements –

Each Annual Consolidated Financial Statements of the PCA shall contain the following Statement:

"The Philippine Coconut Authority (PCA) confirms the truth and fair presentation of the financial statements in accordance with generally accepted accounting principles in the Philippines. It conducts a review of the consolidated financial statements before such statements are approved and submitted to the President of the Philippines and to the Congress of the Philippines."

Section 40. Mandatory Website - The PCA shall maintain and update its website and post the following for unrestricted public access.

A. On Institutional Matters:

1. The latest version of the PCA Charter
2. Government Corporate Information Sheet

B. On Directors and Officers

1. Complete listing of Directors and Officers with attached resume, and membership in Board Committees;
2. Complete compensation package of all the Directors and officers, including travel, representation, transportation and any other form of expenses and allowances;
3. Information on PCA-Governing Board Committees and their activities;
4. Attendance record of Directors in Board and Committee meetings.

C. On Financial and Operational Matters

1. Audited Financial Statements in the immediate past three (3) years;
2. Quarterly, and Annual Reports and Trial Balance;
3. Current Corporate Operating Budget (COB);
4. Local and Foreign borrowings, if any.
5. Government subsidies and net lending, if any;
6. All borrowings guaranteed by the Government;

7. Any material risk factors and measures taken to manage such risks;
8. Performance Evaluation System (PES).

D. On Governance Matters:

1. Charter Statement/Mission-Vision Statements;
2. Performance Scorecards and Strategy Map;
3. Organizational Chart;
4. Manual of Corporate Governance;
5. No Gift Policy
6. CSR Statement; and
7. Balance Scorecard.

E. Such other information or report that the GCG may require.

Section 41. PCA to be an Active Participant in the ICRS – The PCA, through the Governing Board and Management, shall ensure that it becomes an active and responsible member and contributor to the ICRS.

Section 42. Mandatory Reports – The Governing Board shall regularly submit, as may be required by the GCG and other Government Agencies, the following:

- A. Performance Scorecards;
- B. Implementation of the audit recommendations of COA;
- C. Compliance with commitments on servicing loans to, and borrowings guaranteed by, the National Government, if any.

Section 43. Other Reportorial Requirements - The PCA shall also submit to the GCG the following periodically in electronic form:

- a) Common Form financial statements based on annual audited financial statements within thirty (30) days from receipt of the report;
- b) Cash and Investment balances;
- c) Actual and projected Statement of Cash Surplus/Deficit;

- d) Capital Expenditure program;
- e) Statement of Financial Operations;
- f) Acquisition and disposition of assets;
- g) Off Balance Sheet transactions; and
- h) Reports for the annual corporate budget call such as but not limited to the following:
 - 1. Physical and Financial Performance reports (the immediately preceding three (3) years); and
 - 2. Sources and uses of Funds (the immediately preceding three (3) years) and the proposal for the coming year.

ARTICLE XII - HIGHEST STANDARDS PRINCIPLE

Section 44. Public service being a public trust, nothing in this Manual shall be construed as:

- A. **Corporate Governance Standards:** Relieving or excusing the PCA, its Directors and Officers, from complying with more rigorous standards of corporate governance as those required by regulatory agencies having jurisdiction over it.
- B. **Reportorial Requirements:** A waiver of the separate reportorial requirements mandated by the regulatory agencies that have jurisdiction over PCA and its business operations.
- C. **Administrative and Criminal Liabilities:** A waiver of the administrative or criminal liabilities imposed by existing laws, rules and regulations such as the Anti-Graft and Corrupt Practices Act and the Code of Conduct and Ethical Standards for Public Officials and Employees for Government Officials, for offenses or breach of ethical standards committed by Commissioners, Officers and Employees of the PCA.

Section 45. Fines and Consequences for Violation or Omission of Duties under this Manual –

Taking of Corporate Opportunities - Where a Director or Officer, by reason of his being a member of the Governing Board or an officer of PCA, acquires or receives for himself/herself a benefit or profit of whatever kind or nature, including but not limited to, the use of the properties of PCA for his/her own benefit, the receipt of commission(s) on contract(s) with PCA or its assets, or the taking advantage of corporate opportunities

of PCA, such profits or benefits shall be subject to restitution pursuant to Section 24 of R.A. No. 10149, without prejudice to any administrative, civil or criminal action against such Director or Officer. The remedy of restitution shall apply notwithstanding the fact that such Director or Officer risked his/her own funds in the venture.

Nothing in this Manual shall be construed as waiving or limiting any civil, criminal, or administrative responsibility the said Director or Officer may incur in addition to the foregoing for acts and/or omissions proscribed under the 1987 Constitution, Republic Act No. 6713, Republic Act No 3019, RRACCS, Civil Service Rules and Regulations, and other existing laws, rules and regulations.

ARTICLE XIII - PERFORMANCE EVALUATION SYSTEM

Section 46. Performance Evaluation System - The Authority adheres with the Performance Evaluation System (PES) of PCAs which was established and being implemented by the GCG. For each calendar year, the Authority shall enter into a Performance Agreement Negotiation (PAN) with GCG to govern its targets or major final outputs and outcomes for the year. Components of the Agreement include Charter Statement and Strategy Map, Performance Criteria, Performance Targets, Performance Weights, Commitments, and others such as Action Plan to attain performance targets.

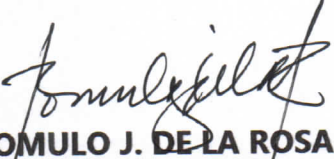
Section 47. Performance Evaluation of Directors - The Authority likewise adheres with the Performance Evaluation of Directors (PED) as per GCG Memorandum Circular No. 2014-03 providing for a system of evaluating the performance of "all Appointive Directors as the basis for the determination of whether they shall be recommended for reappointment" and "Ex Officio Directors or their Alternates for the purpose of reporting to the President the performance of such Ex Officio Directors, as well as allow the GCG to evolve a good governance system for Ex Officio Directors in the PCA Sector."

ARTICLE XIV - MISCELLANEOUS PROVISIONS

Section 48. Amendments – This Manual may be amended by the Governing Board subject to the approval of the Governance Commission for GOCCs (GCG) through the issuance of a Resolution duly published in the PCA website.

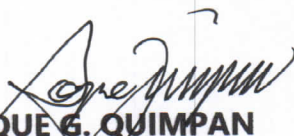
Section 49. Effectivity – This Manual shall be effective upon its approval by the Governance Commission for GOCCs (GCG).

LEONCIO B. EVASCO, JR.
Chairperson


ROMULO J. DE LA ROSA
Member


CONRADO S. CAPA
Member


EDICIO G. DELA TORRE
Member


ROQUE S. QUIMPAN
Member


ALAN P. TANJUAKIO
Member



REPUBLIC OF THE PHILIPPINES
OFFICE OF THE PRESIDENT
PHILIPPINE COCONUT AUTHORITY

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BOARD RESOLUTION NO. 031-2018

AMENDING THE PCA MANUAL OF CORPORATE GOVERNANCE

WHEREAS, the Board agreed to amend Section 1¹ to define Supervising Agency as follows:

"Supervising Agency – refers to the government agency to which the PCA is attached pursuant to Executive Order No. 01, S. 2016 for purposes of policy and program coordination and for general supervision."

WHEREAS, it was likewise agreed to add a third paragraph on Section 2, Article II² as follows:

"By virtue of EO 292 issued last 25 July 1987, the Secretary of Agriculture sits as the Chairperson of the Governing Board. However, on 20 May 2014, EO 166 created the Presidential Assistant for Food Security and Agriculture Modernization (PAFSAM) to sit as the Chairperson of the Governing Board in an ex-officio capacity. At present, President Rodrigo Roa Duterte issued Executive Order No. 01 on 30 June 2016 which reengineered the Office of the President. Consequently, the Philippine Coconut Authority, together with eleven (11) other agencies, was placed under the direct supervision of the Office of the Cabinet Secretary."

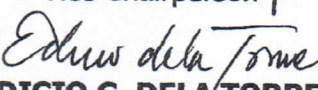
NOW, THEREFORE, BE IT RESOLVED THAT, upon consensus, the PCA Manual of Corporate Governance is hereby **AMENDED** to reflect the above-cited revisions.

Done this 21st day of March 2018 at Belmont Newport Hotel, Pasay City.


LEONCIO B. EVASCO, JR.
Chairperson


ROMULO J. DE LA ROSA
Vice Chairperson


CONRADO S. CAPA
Member


EDICIO G. DELA TORRE
Member


ROQUE G. QUIMPAN
Member


ALAN P. TANJUAKIO
Member

¹ Definition of Terms

² Creation of the Philippine Coconut Authority
NCD/21March2018