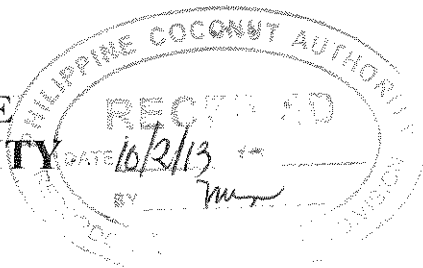


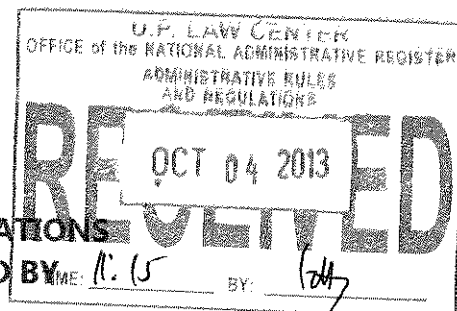
REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF AGRICULTURE
PHILIPPINE COCONUT AUTHORITY

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ADMINISTRATIVE ORDER NO. 01
SERIES OF 2013

REVISED IMPLEMENTING RULES AND REGULATIONS
OF REPUBLIC ACT NO. 8048, AS AMENDED BY
REPUBLIC ACT 10593



Pursuant to Section 7 of Republic Act 8048, otherwise known as the "Coconut Preservation Act of 1995", and Section 8 of Republic Act 10593 "An Act Amending Certain Sections of RA 8048" this Administrative Order is being issued for guidance and compliance of all concerned.

ARTICLE I – PRELIMINARY PROVISIONS

SECTION 1. Title - These Rules and Regulations shall be cited as the Revised Implementing Rules and Regulations of Republic Act 8048, otherwise known as the "Coconut Preservation Act of 1995", as amended by Republic Act 10593 "An Act Amending Certain Sections of RA 8048".

SECTION 2. Purpose – These Revised Rules and Regulations are hereby promulgated to prescribe procedures and guidelines for the effective implementation of RA 8048, as amended, facilitate compliance and achieve the objectives thereof.

SECTION 3. Declaration of Policy – The State recognizes the role of the coconut industry in the economy, it being one of the principal industries and one of the largest income earners for the country, benefits from which should meaningfully be felt by farmers. Thus, it becomes mandatory for the Government to step in and to regulate the unabated and indiscriminate cutting of the coconut trees.

For reason of national interest, it is hereby declared the policy of the State to provide for the regulation of the cutting of coconut trees as well as to promote the growth of the coconut industry by embarking on a sustainable and efficient replanting program.

SECTION 4. Definition of Terms - For the purpose of these Rules and Regulations, the following terms and phrases shall mean:

- (a) **Coconut Tree** – scientific name: *Cocos nucifera*, refers to a pinnate-leaved palm that produces an edible fruit called coconut, whether or not bearing fruits, including the newly planted, or replanted young trees at least three (3) years old.
- (b) **Coconut Seedling** - refers to the germinated coconut used as planting material.
- (c) **Replanting Program** – refers to the program of the Philippine Coconut Authority (PCA) or other accredited organizations, institutions, or the local government to promote production or replenish the coconut trees permitted to be cut by the PCA.
- (d) **Planting of equivalent number** – refers to the sowing of seed nuts or planting with such number of planting materials as determined by the PCA, taking into consideration the rate of culling and mortality, as replacements of the trees applied for cutting.
- (e) **Permit to Cut** – refers to the prescribed written license or authorization of the PCA issued after compliance with the requirements and conditions for valid cutting of coconut trees as provided by the Act and its Rules and Regulations.
- (f) **Transport Permit** – refers to a permit issued by the Authority to allow transport of the coconut logs or lumber processed by virtue of a valid Permit to Cut from the place of origin to any province of consignment or destination.
- (g) **Illegal Cutting of Coconut Tree** – refers to the cutting of coconut tree without a valid Permit to Cut issued by the authority and shall include any form of circumvention such as uprooting or felling, poisoning, burning and the like, which led to its eventual destruction, death or removal.
- (h) **Economically unproductive farm** – refers to a coconut area where the cost of farm production and maintenance is greater than the generated proceeds or income for a period of at least three (3) years.
- (i) **Senescent coconut trees** - are coconut trees that are not productive and low yielding by reason of old age.

- (j) **Disease Infested Tree** – refers to a severely impaired coconut tree due to bacteria, fungus, virus, viroid and other similar microorganisms, and the chances of survival and capacity to bear fruits are nil.
- (k) **Pest Infested Tree** – refers to a coconut tree damaged by rhino beetle, rodents, spike moth, caterpillar, and other destructive insects and animals and beyond rehabilitation.
- (l) **Sound Management Practice** – refers to procedures and decisions that are scientifically proven; or accepted cultural practice that enhances farm production or productivity.
- (m) **Sawmill** - refers to a wood processing plant or implement operated manually or mechanically, whether fixed or mobile where coconut wood, log or timber is cut, treated, sawn or ripped to lumber, slabs and other wood products of any size or form such as poles, piles, wall wood, board pulp, or other finished coconut wood products.
- (n) **Lumber dealer** – refers to a person or entity engaged in the buying or selling or both of coconut logs, timber and/or coconut tree lumber.
- (o) **Lumber Processor** – refers to a person or entity engaged in the processing of coconut logs into lumber, slabs and other wood products of any size or form such as poles, piles, wall wood, board pulp, or other finished coconut wood products.
- (p) **Registration** – refers to the registration certificate issued by PCA to coconut sawmills operators, dealers and processors of coconut lumber or coco wood products including power chain saws.
- (q) **Implementing Rules and Regulations** – refer to the rules and regulations promulgated by the PCA including guidelines, circulars, orders and memoranda issued to supplement the same.

SECTION 5. Interpretation – These Rules and Regulations shall be strictly interpreted to preserve productive coconut trees from unabated and indiscriminate cutting. Nothing in these Rules shall be applied, construed or interpreted to circumvent, or defeat the security of tenure or the rights and benefits of farmers, tenants, farm-lessees, tillers and regular farm workers prescribed by the agrarian reform laws.

ARTICLE II – PROHIBITION

SECTION 6. General Rule – Consistent with the guiding policies, the cutting of coconut trees is hereby prohibited.

SECTION 7. Exception – Coconut trees may be cut only if the following requisites exist:

- (a) There exists a valid ground as enunciated in Section 4 of the Act:
- i. When the tree is sixty (60) years old in the case of tall varieties and at least 40 years old for dwarf varieties;
 - ii. When the tree is no longer economically productive;
 - iii. When the tree is severely disease-infected and/or pest-infested and beyond rehabilitation;
 - iv. When the tree is severely damaged by typhoon or lightning;
 - v. When the agricultural land devoted to coconut production shall have been converted in accordance with law into residential, commercial or industrial areas;
 - vi. When the land devoted to coconut production shall be converted into other agricultural uses or other agricultural-related activities pursuant to a conversion duly applied for by the owner and approved by the proper authorities; Provided, that no conversion shall be allowed by the PCA until after it shall have been verified and certified that for a period of at least three (3) years the majority of the coconut trees have become senescent and economically unproductive or where the coconut is not adaptable to sound management practices on account of geographical location, topography, drainage and other conditions rendering the farm economically unproductive; and
 - vii. When the tree would cause hazard to life and property.

No other causes other than those above mentioned shall be considered as valid ground for cutting.

- (b) A valid application has been filed and the corresponding non-refundable application and cutting permit fees have been paid upon filing of the application.
- (c) The applicant has already planted the required equivalent number of seedlings, as certified in a Certificate of Field Planting by the Barangay Chairman and verified and attested to by the PCA

Agriculturist for applications not involving Land use conversion. The specific location of the planting site shall be stated in the Certificate of Field Planting issued for this purpose.

The regional/provincial offices concerned must conduct a regular monitoring of the replantings made by the applicants to ensure that the cut coconut trees were replaced. Likewise, a monthly visit to the replanted coconut trees must also be undertaken to guarantee that the newly planted coconut seedlings are being taken care of in accordance with the recommended principles and practices of good agricultural practices.

If the weather condition is not suitable for planting, the applicant shall pay to PCA Fifty pesos (PhP 50.00) for every tree applied for cutting, in lieu of replanting. The said amount, which is the equivalent of five (5) seed nuts, shall be used by the PCA in its replanting program.

- (d) When the ground for cutting is conversion of the area into residential, commercial or industrial sites or that the land on which the coconut trees are grown has been converted into other agricultural purposes in accordance with law, the applicant shall have procured from a PCA accredited source one (1) seedling for every tree applied for cutting and delivered the same to the PCA nursery or office. The PCA Agriculturist shall issue the corresponding Certificate of Delivery.

In case good quality seedlings are not available the applicant shall pay to PCA One hundred pesos (PhP 100.00) for every tree applied for cutting, in lieu of delivering one seedling. The said amount, which is the equivalent of ten (10) seed nuts, shall be used by the PCA in its replanting program.

- (e) A valid Permit to Cut has been issued by a Provincial Coconut Development Manager (PCDM)/Division Chief or Regional Manager or the Administrator.

SECTION 8. Violations in Tenanted Farms

- (a) Cutting of coconut trees in tenanted farm/s in violation of these Rules and Regulations perpetrated by the owner/s thereof shall be deemed prima facie evidence of dispossession, unlawful ejectment or deprivation of the rights and benefits of the farmer-tenants, tillers or

regular farm-workers under the agrarian reform laws. The PCA shall report any such incidence to the Department of Agrarian Reform (DAR) for appropriate action.

- (b) Cutting of coconut trees in tenanted farm/s in violation of these Rules and Regulations perpetrated by farm workers/tenants shall be treated as a pure violation of the special law and shall not in a case be considered as agrarian in nature.

If a similar complaint is filed before a regular court or office of the prosecutor and the same is referred by the judge or the prosecutor to the DAR for determination and certification whether an agrarian dispute exists pursuant to Section 50-A of Republic Act 9700 (Exclusive Jurisdiction on Agrarian Dispute), PCA and/or the prosecutor shall vigorously oppose the referral as purely a violation of Republic Act 8048, as amended. Any resolution adverse to the PCA and the State shall be appealed within fifteen (15) days to the regional trial court in cases referred to by the municipal trial court and the prosecutor's office, and to the Court of Appeals in cases referred to by the regional trial court.

ARTICLE III – STANDARDS

SECTION 9. Economically Unproductive

- (a) Coconut trees are deemed no longer productive if:

- i. They have reached the age or condition of senescence that begins at the age of sixty (60) years in the case of tall varieties and 40 years for dwarf varieties, and that for the last preceding three (3) calendar years, there has been no substantial improvement or increase in their nut bearing capacity.
- ii. Due to senescence as described in the preceding subparagraph, or the non-suitability of the land or area, the yield of the tree is eighteen (18) nuts or less per year.

- (b) For conversion to other agricultural related activities, it shall be the duty of the authorized PCA Agriculturist to examine, evaluate and verify whether for the period of three (3) calendar years immediately preceding the application, the majority of the trees in the land are

senescent and economically unproductive as described in paragraph (a) (i) and (ii) of this Section.

No permit shall be issued unless all the aforementioned conditions are duly established and certified by the authorized PCA official.

SECTION 10. Farm Productivity - To determine economic gain as a measure of productivity of coconut farm, the following shall be deducted from the total annual gross sales of the farm from its coconut trees:

- (a) If the final product is copra:
 - i. cost of harvesting which includes picking and piling;
 - ii. cost of loading and hauling; and
 - iii. cost of processing, which includes husking, splitting, scooping, and drying.
- (b) If the final product is "buko" or green nuts, only cost items (i) and (ii) above shall be deducted.
- (c) If the final product is husked nuts, the cost items (i) to (ii) plus the cost of husking shall be deducted. This Section shall not apply to or include secondary crops other than coconut.

SECTION 11. Disease Infestation

- (a) Disease in coconut trees shall be a ground for cutting only upon certification by the PCA Agriculturist that:

- a. He has verified and confirmed that the tree applied for cutting is infested with pest or disease;
- b. The infested trees are no longer capable of rehabilitation thru preventive measures such as application of chemicals or nutrient support; and
- c. The infestation is such that it will spread to other trees or farms.

- (b) Application for cutting coconut trees which by nature of infestation should be subjected to 'quarantine and may not be allowed for processing, sale, transport or transshipment and shall be exempt from payment of permit to cut, replacement and processing fees. Diseased coconut trees thirty years (30) of age and below which may not be processed into lumber shall similarly be exempt from such fees and similarly quarantined.

- (c) Quarantined trees shall be disposed of by the owner thru burning under the supervision of the PCA Agriculturist.

SECTION 12. Conversion into Residential, Commercial or Industrial Areas and Other Agricultural Crops

- (a) Applications for land use conversion into residential, commercial or industrial use shall comply strictly with the requirements and procedures of the DAR Administrative Order No. 01, series of 2002 titled "2002 Comprehensive Rules on Land Use Conversion". In Such applications, the PCA shall conduct its own inspection of the area sought to be converted in order to determine the condition of the coconut trees therein and shall thereafter submit its certification to the DAR.
- (b) In order to defray the administrative expenses of PCA in rendering said inspection services, the applicant shall pay the PCA the following:
- i. Filing Fee**
 - (1) One thousand pesos (Php 1,000) for applications involving land with an area less than or equal to five (5) hectares; or
 - (2) Two thousand pesos (Php 2,000) for applications involving land with an area larger than five (5) hectares;
 - ii. Inspection Fee**
 - (1) Ten thousand pesos (Php 10,000) for applications involving land with an area less than or equal to five (5) hectares;
 - (2) Fifteen thousand pesos (Php 15,000) for applications involving land with an area more than five (5) hectares.
- (c) The payment of filing fee and inspection fee shall also apply to applications involving conversion of land devoted to coconut production to other agricultural uses.

- (d) Applicants who commence conversion of lands devoted to coconut farming before the filing and approval of the application for conversion by the PCA and DAR, and perpetrates cutting of coconut trees thereon without a duly issued permit to cut shall be assessed treble of the fees and shall accordingly be proceeded with criminally in court.
- (e) An application for Certificate of Inspection/Verification for a land not devoted to coconut production shall be charged a Certification Fee of One thousand pesos (Php 1,000) per land title submitted.


SECTION 13. Hazard to Life and Property

- (a) The coconut trees are situated such that they pose immediate threat, danger or obstruction to:
- i. existing houses, animal dwellings, business establishments, buildings;
 - ii. plazas, playgrounds, promenades and public places frequented by people;
 - iii. public roads and highways, right of way, ports, dams, transmission lines, irrigation and waterways;
 - iv. electric and telephone communication lines or installation;
 - v. Other properties of greater value than the coconut tree.
- (b) Cutting of coconut trees due to the exercise of the power of eminent domain/expropriation or police power shall be governed by the appropriate laws, regulations and ordinances.

ARTICLE IV – APPLICATION FOR PERMIT TO CUT

SECTION 14. Filing of Application

- (a) Application for a Permit to Cut (PTC) coconut tree(s) shall be made in accordance with the PCA prescribed form, stating the specific causes and circumstances therefor. No application for permit to Cut shall be processed and approved unless all documents required are submitted properly, filled-up and complied with by the applicant(s).

- (b) A cutting permit fee of One Hundred Pesos (Php 100.00) for every tree applied for cutting shall be collected and paid by the applicant upon filing of the application.
- (c) A filing/processing fee shall be paid by the applicant in accordance with the following rates:
- i. PhP 100.00 – 1 to 50 coconut trees
 - ii. PhP 250.00 – 51 to 100 coconut trees
 - iii. PhP 500.00 – 101 to 500 coconut trees
 - iv. PhP 1000.00 – 501 or more coconut trees
- (d) Application for Permit to Cut coconut trees pursuant to Section 4 (f) of the Act shall not be approved by the PCA unless it is accompanied by a Certification of Exemption issued by the DAR or Certification for Conversion to other crops issued by the Department of Agriculture
- (e) Filing of the application for permit to cut for the same ground/purpose in the same land/area shall only be allowed once within 30 day period.
- (f) Notwithstanding the issuance of the final Conversion Order or Certificate of Exemption by the Department of Agrarian Reform or the Department of Agriculture, the cutting of coconut trees in the land approved for conversion or exemption shall at all times be covered by a permit to cut duly applied for by its owner and approved by the PCA.
- (g) Prior to the release of the PTC, the concerned PCA employee and/or official shall ensure that the permit is properly marked with the dry seal of the issuing officer to avoid the use of tampered permit.
- (h) To rationalize the whole process of accepting and approval of applications for PTC, the Regional/Provincial officers should establish a target or quota system of the number of applications that shall be accepted and to be processed for a given month based on the available manpower and resources and must be posted for transparency. This is to minimize the problem associated with the inadequate manpower vis-à-vis the volume of applications being
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accepted and processed every month and to effectively monitor the cutting of trees and/or transport of coco lumber.

- (i) Under no circumstances shall the cutting of coconut tree(s) in excess of what is stated in the approved PTC, be allowed. Any violation thereof should be reported immediately by the concerned PCA Agriculturist and the Division Chief I to his/her respective Regional Manager (RM) for the filing of appropriate charges in court.

SECTION 15. Who May Apply – The following may apply for permit to cut:

- (a) Landowner or his authorized representative who shall submit the notarized written consent or authorization of the owner.
- (b) The controlling majority of the co-owners who shall submit the duly notarized approved board resolution;
- (c) Any authorized representative of corporation who shall submit the duly approved board resolution;
- (d) Tenant, worker, tiller or farmer who shall submit the notarized written consent authorization of the owner to the application;
- (e) Barangay Captain or owner of land/property that is endangered by coconut trees planted in adjacent land who shall submit the Sangguniang Barangay Resolution or Certification on the said endangerment.

SECTION 16. Where to Apply – The application shall be filed with the Division Chief I or Agriculturist in the PCA Municipal/City station having responsibility over the area where the trees are situated.

SECTION 17. Supporting Documents – The application shall be accompanied with the following supporting documents:

- (a) Any document that sufficiently identifies the applicant (i.e. Voters IDs, Driver's License, Barangay I.D/Certificate or any valid government issued identification card);
- (b) Proof of ownership or legal possession of affected land (TCTs, OCTs, Tax Declaration, Tenancy/Leasehold Agreement, Transfer Certificate from DAR or CLOA, notarized Deeds of Conveyance or Mortgage, etc.);

- (c) For undivided co-owned properties (*pro indiviso*), unsettled estates of deceased persons, and estates under court proceedings (*en custodia legis*), proof that the applicant is a co-owner or co-heir and the appropriate special power/letter of consent of co-owners, or letters of administration and authorization from the court where the proper probate or intestacy proceedings are pending.
- (d) Affidavit that there is no existing encumbrance, lis pendens, third party claimant, mortgage and other similar circumstances involving the property.

For a property covered by any of the circumstances mentioned in paragraph (d) above, the applicant shall submit the duly notarized letter of consent to the application from the mortgagee or person concerned.

- (e) Affidavit of marking and identification of trees. No application for Permit to Cut coconut trees shall be accepted and approved without the necessary affidavit of marking and identification of trees to be cut.
- (f) Other supporting documents/certificates as may be required hereinafter under these Rules and Regulations.

ARTICLE V – PROCESSING OF APPLICATION

SECTION 18. Notice and Posting Requirements - The PCA Agriculturist shall cause the posting of the application in the barangay hall and in the site/area subject of application for seven (7) days and he shall thereafter issue a certificate of posting indicating the time and place of posting. The Certificate of Posting shall form part of the application.

The actual expenses incurred for the posting shall be borne by the applicant. A copy of the certificate shall be given to a representative of the PCA accredited farmers organization in the area.

SECTION 19. Completeness of Application


- (a) The PCA Agriculturist shall determine the completeness of the application on its face and supporting documents.

- (b) Applications failing to comply strictly with the requirements in the preceding article shall not be processed and shall be returned to the applicant with the corresponding notice stating the reason/s thereto.

SECTION 20. Verification – upon compliance with preceding sections, the PCA Agriculturist shall:

- (a) Verify the accuracy of the information contained in the application and supporting documents and conduct the necessary field and ocular inspection or investigation, as well as the consultations hereinafter required.
- (b) In compliance with Section 7 of the Act, inform the applicant, tenant/s, representative/s of the organization in the area and the Barangay Chairman of the date and time set for inspection and invite them to attend as witnesses. Their non-appearance after due notice shall be deemed as a waiver to witness the inspection.
- (c) Conduct an inspection and verification of the existence or non-existence of the causes or circumstances to warrant the issuance or non-issuance of a permit.

SECTION 21. Consultations - Before the Agriculturist may make any final recommendation, he must further satisfactory show that:


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- (a) Consultations have been made with –
- i. The owners, farmer-tenants, tillers, regular worker and other lawful occupants occupying or working on the subject farm;
 - ii. The Barangay Chairman;
 - iii. The Municipal Agrarian Reform Officer/ BARC Chairman;
 - iv. At least one (1) Coconut Farmers Organization (CFO) or other PCA recognized/accredited organization or non-government organization, whichever exists in the locality, representing or promoting the interests of the coconut farmers.
- (b) Proofs of actual consultation shall be in the form of individual Clearance to be issued by the person or organization's representative mentioned in the preceding paragraph.

SECTION 22. Monitoring and Evaluation

- (a) After verification, field inspection/investigation and consultation as provided herein, the PCA Agriculturist shall prepare and submit to the Division Chief I his recommendation on whether the application should be granted or not, along with the reasons thereof.
- (b) The affected applicant, tenant/tiller/regular farm workers shall be furnished a copy of the evaluation report and recommendations.
- (c) All Permits to Cut and Transport Permit issued under these rules shall be subject to a post evaluation, review and audit to be conducted by the National Task Force of R.A 8048, to determine and ensure compliance with the Act and its IRR. Hence, copies of all RA 8048 approved applications and supporting documents must be submitted to the Central Office through the National Task Force 8048 to likewise effect proper monitoring.

SECTION 23. Who May Protest – An applicant, owner, co-owner, co-heir, tenant, tiller, regular farm worker or the farmers or non-government organization acting for and in their behalf, adversely affected by the findings and report of the PCA Agriculturist, may file a written protest with the PCA Regional Manager within five (5) days from receipt of such findings and report.

SECTION 24. Grounds for Protest – Protest may be made on any of the following grounds:

- (a) Where the findings and the recommendation are not in accordance with the Act or these Rules and Regulations;
 - (b) Where the findings and recommendations are attended by fraud, threat or coercion;
 - (c) Misrepresentation on serious mistakes in the appreciation of facts;
 - (d) Grave abuse of discretion on the part of the Agriculturist; and
 - (e) Where the implementation of the recommendation will cause excessive injury and unreasonable damage to the protesting party.
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SECTION 25. Hearing/Resolution

- (a) The Regional Manager shall have thirty (30) days from the receipt of the protest to immediately notify the parties, hear the protest and resolve the same. The whole proceedings shall not be bound by technical rules of procedures and evidence.
- (b) The contending parties shall submit their respective sworn statements and other documentary evidence in support of or in reply to the protest, which shall be the basis for the resolution.

SECTION 26. Appeal – Any party affected by the Resolution shall, within ten (10) days from receipt of the Resolution of the Regional Manager, may appeal the same to the Office of the Administrator who shall in turn resolve the appeal within thirty (30) days from receipt thereof. The resolution of the Office of the Administrator shall be final and executory for the purposes of the issuance or non-issuance of permit to cut under these Rules and Regulations.


SECTION 27. Reports – All records and documents of protests, appeals, actions and resolutions by the Regional Manager shall be transmitted to the PCA Administrator within fifteen (15) days from its conclusion.

ARTICLE VI – ISSUANCE OF PERMIT TO CUT

SECTION 28. Approving Authority – The Permit to Cut may be issued after the review of the recommendations of the PCA Agriculturist that may be adopted or modified by the approving and issuing authorities hereinafter provided:

- (a) Division Chief I – 1-1000 trees
- (a) Regional Manager – 1,001 to 2,500 trees
- (b) PCA Administrator or in his absence, the Chairman of the Task Force - 2,501 trees or more.

To prevent circumvention of the aforementioned approving and issuing authorities, only one (1) permit to cut shall be issued for the same purpose/ground covering a particular land/area. Splitting of the Permit to Cut is not allowed.



SECTION 29. Form and Validity of Permit to Cut – The Permit to cut shall be in serialized form containing the name of the grantee, grounds for its issuance, the number of trees to be cut, the date of cutting, the area or locality, the validity period and such other information as may be required.

The validity of the permit to cut issued to the applicants shall be based on the number of coconut trees approved for cutting. As such, the following validity periods from date of issuance with the corresponding number of trees are prescribed:

- | | |
|--------------------------|--------------------------------|
| i. Five (5) days | - 1 to 100 coconut trees |
| ii. Ten (10) days | - 101 to 500 coconut trees |
| iii. Fifteen (15) days | - 501 to 1,500 coconut trees |
| iv. Twenty (20) days | - 1,501 to 2,500 coconut trees |
| v. Twenty-five (25) days | - 2,501 to 5,00 coconut trees |
| vi. Thirty (30) days | - 5,001 or more coconut trees |

The specific effectivity date that corresponds to the number of coconut trees approved for cutting is without any extension, and should be clearly specified in the approved PTC of the applicant.

SECTION 30. Copy Furnished Persons/Groups – Once released to the applicant, the issuing officer shall furnish copies of the permit to the following:

- i. Barangay Chairman;
- ii. Tenant, if applicable; and
- iii. Regional Office

SECTION 31. Date and Time of Cutting – The recipient of the Permit to Cut shall inform the Division Chief I or PCA Agriculturist of the date and time of cutting and the latter shall do the necessary spot-checking of the actual cutting.

SECTION 32. Delegation of Authority to Grant Permits

(a) In conjunction with Section 6 of the Act, the authority to grant permit to cut under these Rules may be delegated to the City or Municipal Mayor as the need arises and shall be initiated under any of the following circumstances:

- i. upon the request of the City or Municipal Mayor;
- ii. at the discretion of the PCA Administrator; or
- iii. upon the endorsement of PCA accredited farmer or non-government organization.

Provided, that in the exercise of such delegated authority, the City or Municipal Mayor shall abide by the mandatory standards and requisites prescribed in these rules that shall be verified and certified by the PCA Regional Manager.

- (b) The Administrator may, at any time, recall herein delegated authority upon showing that the same is being dispensed with contrary to the standards or criteria prescribed in these Rules and Regulations, or for other compelling reasons in the interest of the coconut industry.

ARTICLE VII – COLLECTION AND REMITTANCE

SECTION 33. Payment of fees – Payment of fees authorized under these rules shall be made to the Division Chief I who shall issue the corresponding official receipt.

SECTION 34. Remittance

- (a) All fees herein collected by the Division Chief I shall be deposited immediately with the nearest Land Bank of the Philippines branch or other government depository bank in their area of responsibility. The same shall be remitted to the PCA Regional Office for proper accounting thereof in accordance with existing COA rules and regulations.
- (b) The Regional Office shall hold in trust the share of fees accruing in favor of the beneficiaries and for the purposes authorized in Section 5 of the Act.
- (c) Within three (3) months from receipt of remittances, the Division Chief I shall prepare the voucher in favor of the Municipal Treasurer of the local government unit for remittance of their share in the fees. The voucher and the check shall be approved and signed by the Regional Manager.
- (d) The Regional Offices shall likewise submit a quarterly consolidated report to the Administrator, indicating the status of collection of fees therein.
- (e) All collections allotted for the PCA shall be used to implement its replanting program in the region from where the fees are collected including the costs of implementation of the Act, subject to the approval by the PCA Administrator of the proposed expenditures.

ARTICLE VIII – PROGRAM MONITORING

SECTION 35. Responsibility of PCA, LGUs, and FARMER'S ORGANIZATIONS

- (a) The PCA through its Regional Managers shall be principally responsible for the formulation of specific programs and projects involving the regulation of indiscriminate cutting of coconut trees, to be assisted by the Action Officers of Task Force R.A 8048.
- (b) In the formation of such programs and in the implementation of this Act, the PCA shall consult and enlist the assistance and participation of the Department of Interior and Local Government (DILG) and other government agencies, the Coconut Farmers Organization (CFOs) and other PCA-accredited farmers/non-government organizations, in conducting nationwide surveys of the cutting of coconut trees and affected areas and establishment of a data base relating thereto.
- (c) To strengthen coordination with the LGUs and other Government Agencies, the Regional Manager, Division Chief I and Agriculturists must attend all meetings conducted by the Barangay, Municipal, Provincial and Regional Development Council; to disseminate information regarding the local coconut industry situation particularly the PCA's campaign for the strict implementation of RA 8048, as amended.
- (d) The RMs, Division Chiefs I and Agriculturists must coordinate regularly with the law enforcement agencies, such as the PNP, AFP, Maritime Industry Authority (MARINA); and the LGUs (SCFO) in their respective area of jurisdiction for the proper implementation of the law.

SECTION 36. Report of Violations – The PCA Agriculturist or any member of Small Coconut Farmers Organizations (SCFOs) and other PCA-accredited farmers/non-government organizations, shall inquire into all incidents of perceived violations of the Act and these Rules, by conducting spot-investigations or verifications thereof.

The Barangay Chairman, City or Municipal Mayor or law enforcement agents shall be immediately informed of such incident/s for their appropriate preventive action.

The PCA Agriculturist shall submit a complete report of all such incidents to the concerned Division Chief I, copy furnished the Regional Manager.

SECTION 37. Filing of the Complaint – Any criminal complaint for violations of Sec. 5 of RA 8048 may be initiated by the PCA Agriculturist or other authorized employee, member of the PNP and any person who has personal knowledge of the facts constituting the violation of R.A 8048, as amended, and its IRR.

It shall be commenced by filing a formal sworn complaint before the Office of the Provincial or City Prosecutor having jurisdiction of the place where the violation was committed. All private complainants shall avail of the assistance of the PCA employees and the PNP Station of the place where the violation was committed, in the preparation and filing of the necessary complaint for violation of this Act.

In case of complaint filed against PCA personnel, the concerned RM/Division Chief I/Agriculturist must report the same immediately to the Office of the Administrator (OFAD) and/or Chairman of National Task Force of RA 8048 for immediate legal assistance. The report must be accompanied with complete details of the case/complaint and the necessary documents, if any.

SECTION 38. Transport Permit

- (a) For the effective monitoring of the movement and transport of coconut logs or lumber, transporters shall be required to secure the necessary Transport Permit from the PCA Provincial Office having jurisdiction over the point of origin of the coconut logs or lumber. The Transport Permit shall indicate, among others, its validity date, the destination, the mode of transport to be used including the plate number/s of vehicle/s to be used, the measurement and corresponding number of lumber pieces.
- (b) A Transport Permit fee based on the vehicle to be used to transport coconut lumbers/logs covered by one Permit to Cut, shall be collected from the applicant upon filing of the request or application for a Transport Permit, based on the following rates:

i.	Smaller than jeep	-	Php50.00
ii.	Jeep	-	PhP 300.00
iii.	Elf or Six-Wheeler Truck	-	PhP 700.00
iv.	Ten-Wheeler Truck	-	PhP 1,500.00
v.	Closed Van	-	PhP 1,500.00
vi.	Trailer Truck	-	PhP. 2,000.00

The approved transport/transshipment permit should be accompanied with an original copy of the Certificate of Origin (CO) duly signed by the Agriculturist or the Division Chief I having jurisdiction over the point of origin of the coconut logs or lumber; to serve as safety net in order to avoid recycling of such document.

- (c) Any transport or movement of coconut logs or lumber shall at all times be covered by the original copy of the Permit to Cut and Transport Permit. Duplicate originals, machine or Xerox copies of Permit to Cut or Transport Permit shall not be valid proofs of compliance with the Act.

ARTICLE IX – REGISTRATION

SECTION 39. Applicability of PCA Administrative Orders No. 01, Series of 1982, 2003 and 2009, as Amended by PCA Administrative Order No. 01-A Series of 2009.

- (a) Pursuant to Section 7 of the Act, the registration of persons and entities dealing with coconut products in accordance with PCA Administrative Orders No. 01, series of 1982, 2003 and 2009 as amended by PCA Administrative Order No 01-A, series of 2009, shall, except as hereinafter provided, be applicable to operators of sawmills, lumberyards, processors and dealers of coconut wood products. Provided, however, that registration under this section shall not be issued to sawmills and lumber processors whose licenses have been withdrawn or cancelled by the Department of Environmental and Natural Resources (DENR).

- (b) For purposes of these Rules and Regulations only, the rates of registration fee based on authorized capitalization provided for in PCA Administrative Order No. 01, Series of 2009, as amended by AO 01-A, series of 2009, are hereby amended as follows:

Less than PhP 1,000,000.00	New	PhP 1,000.00
	Renewal	500.00
PhP 1,000,000.00 up to 5,000,000.00	New	PhP 3,000.00
	Renewal	1,500.00
Over PhP 5,000,000.00	New	PhP 5,000.00
	Renewal	2,500.00

- (c) For purposes of these Rules and Regulations only, sawmills and lumberyards, as well as coconut wood dealers and other persons or entities dealing in the processing or sawing of coconut tress, shall register annually with the PCA Provincial Office where they operate or conduct business. Those operating in Metropolitan Manila shall register with the PCA Region I-IV-B regional office in Quezon City.

SECTION 40. Annual Registration of Powersaws/Chainsaws with the PCA

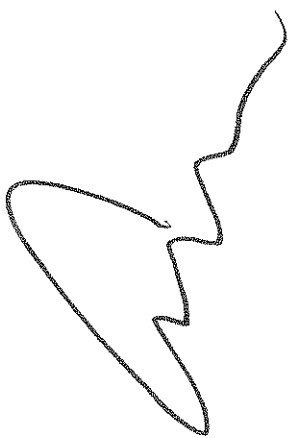
- (a) All power saws and or chainsaws intended for the cutting of coconut trees shall, notwithstanding prior registration with the Department of Environment and Natural Resources (DENR) under Republic Act No. 9175 (Chainsaw Act), be registered with any PCA Provincial Office, to be renewed by December of each year.
- (b) Registration fees:
- i. Original registration – PhP 1,000.00
 - ii. Renewal fee – PhP 500.00
 - iii. Late registration shall incur a surcharge of 50% of the current year's rate.
 - iv. Renewal after a year or more of non-renewal shall be treated as an original registration.
- (c) The Division Chief I shall record the serial number of each power saw/chainsaw registered and issue the corresponding registration receipts and sticker that shall be attached to the registered unit.
- (d) Power saw/chainsaw which is unregistered with PCA and used in the cutting and ripping of coconut trees covered by a valid permit to cut shall be impounded and shall be released to the owner only upon payment of the registration fee and a fine of Fifteen Thousand Pesos (PhP 15,000.00) per unit. These shall be without prejudice to the liability of the owner or user under the Chainsaw Act.
- (e) Regardless of registration with PCA and/or DENR, all power saws/chainsaws used in the illegal cutting of coconut trees shall be confiscated in favor of the government pursuant to Section 7 of the Act and Article 45 of the Revised Penal Code.

SECTION 41. Coordination with Local Government Units and Other Agencies

- (a) The PCDM/Division Chief shall from time to time consult with the City or Municipal Mayors or other agencies such as the Department of Trade and Industry-Bureau of Domestic Trade (DTI-BDT), the Securities and Exchange Commission (SEC), the Bureau of Internal Revenue (BIR) to update the PCA of the legal existence, identity and operations of sawmills, lumberyards, processors and dealers of coconut wood products in the area of his jurisdiction, and seek such information relevant in the investigation or prosecution of violators of the Act or these Rules and Regulations.
- (b) In the event that the persons or entities in the preceding sections are found to have violated any provision of the Act or these Rules and Regulations, the PCA may recommend to the appropriate agencies the cancellation of their registrations and/or other sanctions authorized by law, charters or municipal ordinances.

ARTICLE X – ENFORCEMENT

SECTION 42. Police Powers – The PCA Administrator, Chairperson of Task Force RA 8048, Regional Managers, Division Chiefs I, Agriculturists, and other PCA personnel who may hereafter be designated, shall be vested with the authority to exercise duly delegated police powers for the proper performance of their functions and duties concurrent and coextensive with their respective jurisdictions, to wit:

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- (a) Investigate suspected violations of this Act;
 - (b) Arrest and apprehend any person actually committing or attempting to commit an offense under this Act;
 - (c) Arrest and apprehend possessor of coconut lumber without the necessary permit as required under this Act;
 - (d) Search and seize a moving vehicle with illegally cut, gathered, collected or removed coconut lumber. *Provided*, that probable cause for the search is established;
 - (e) Stop the transport and/or shipment of coconut lumber without authority or without legal documents in accordance with pertinent laws, regulations or policies on the matter;

- (f) Confiscate and forfeit in favor of the government the illegally cut, gathered, collected, removed, possessed or abandoned coconut lumber, as well as the machinery, equipment, implements and tools illegally used in the commission of the offense and to dispose of the same in accordance with pertinent laws, rules, regulations or policies on the matter; and
- (g) Seek the assistance of the police, local government officials and other law enforcement agencies for the efficient and effective implementation of this Act."

SECTION 43. Deputation of Members of the Philippine National Police

All members of the Philippine National Police (PNP) and other law enforcement agencies nationwide are hereby deputized to assist in the enforcement of the Act and these Rules and Regulations by investigating, apprehending and causing the prosecution of violators thereof. By this deputation, they may spot-check the cutting, transportation and stockpiling of coconut trees, logs or lumber to ascertain compliance with this Act and its IRR.

SECTION 44. Deputation of Coconut Farmers Organizations (CFOs) and Other PCA-Recognized/Accredited Farmers or Non-Government Organizations (NGOs)

Upon their application duly endorsed by the Division Chief I, members of Coconut Farmers Organizations (CFOs) and/or other PCA recognized/accredited farmers or non-government organizations may be deputized by the PCA Administrator to assist in the enforcement of the act and these Rules and Regulations, particularly in the monitoring, apprehension, confiscation and prosecution aspects of RA 8048 implementation.

SECTION 45. Confiscation

- (a) Any felled coconut tree or lumber found to be without the required Permit to Cut from the PCA is hereby deemed illegally cut.
- (b) The PCA or the PNP and other law enforcement agencies shall confiscate illegally cut coconut trees, logs or lumber, intercept their transportation, impound the vehicles used for the same and issue the necessary receipts therefore and shall file the necessary complaint in the appropriate court for violation of the law, rules and regulations prohibiting the unauthorized cutting of coconut trees.

- (c) Vehicles impounded for the first time pursuant to the preceding paragraph shall be released by the PCA to their owners after they have sufficiently shown that they had no complicity in the illegal cutting of coconut trees, logs or lumber confiscated.
- (d) A vehicle owned or operated by a person or group found to have been used to transport illegally cut coconut trees, logs or lumber prior to the current apprehension or impounding, shall remain impounded regardless of whether the owner or operator shall have sufficiently proven non-involvement in the illegal cutting of coconut trees, and shall be released only upon filing of a petition in the court where the legal action was filed and upon filing/payment by the owner or operator of a release bond as the court may determine.

SECTION 46. Custodial Disposition

- (a) Subject to the provisions of the preceding section, the illegally cut coconut trees, logs or lumber and the instruments and tools used in their cutting and transport, which are confiscated by the PNP and other law enforcement agencies, shall be deposited in the nearest PNP station or detachment or in the nearest barangay or municipal premises.
- (b) The confiscated logs or lumber, instruments, tools and vehicles shall be recorded, inventoried and duly receipted for by the proper police officer or the authorized barangay or municipal official. The report of such confiscation and custodial disposition shall be immediately made to the Division Chief I of the nearest PCA Provincial Office and to the PNP Station Commander in case the apprehending person is a PNP officer. The illegally cut coconut trees, logs or lumber shall be turned over by the PNP to the PCA Regional or Provincial Office for proper accounting and disposal, unless the PCA authorized official concerned shall decide otherwise on account of distance and/or lack of storage facilities.
- (c) To prevent wastage caused by deterioration or rotting during the pendency of resolution or litigation, the Division Chief II, within fifteen days (15) days from confiscation or receipt in custody of the confiscated lumbers, ascertain and certify as to the condition of the same, and if merchantable, ask permission from the public prosecutor or the court for the conduct of a public auction to sell and dispose of the illegally cut coconut trees, logs or lumber.

Lumber dealers duly registered with the PCA Provincial Office, the barangay captain and municipal mayor concerned shall be notified of the place and time of the auction within ten (10) days before the date of said auction. Written notices shall likewise be posted in three (3) conspicuous public places where the sale is to take place. The coco lumbers or logs shall be awarded to the highest bidder on **as is where is** basis. The proceeds of the sale shall be deposited in trust with the nearest Land Bank of the Philippines branch for disposition of PCA, after final resolution or judgment in the case. In the event that the offender is found guilty, the proceeds of the sale shall be forfeited in favor of the government thru PCA.

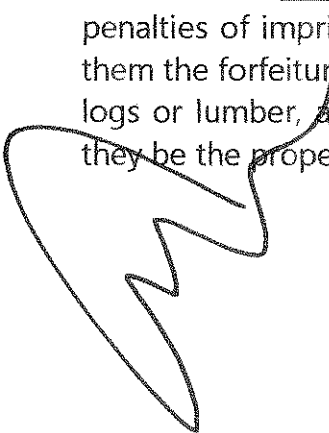
- (d) Confiscated coconut lumbers, which are unclaimed or abandoned for a period of thirty (30) days, shall thereafter be summarily disposed of by PCA and the proceeds thereof, if any, shall be used for the implementation of this Act.

ARTICLE XI – PENAL PROVISIONS, FORFEITURE AND DISPOSITION

SECTION 47. Penalties – The provision on Penalties under Section 9 of Republic Act 10593 is hereby adopted *en toto* and declared an integral part of these Rules and Regulations.

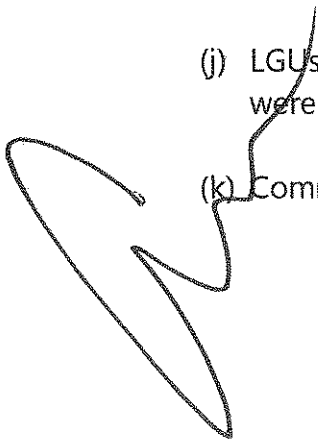
Accordingly, any PCA officer and employee or Barangay officials, who after investigation, are found to have connived or participated in the act violating any provisions of the Law and its IRR shall be charged either administratively and/or criminally, and shall be meted with appropriate penalty. Likewise, remission of duty or negligence on the part of the PCA officer and employee in strictly implementing RA 8048, as amended and its IRR shall be properly dealt with in accordance with the Civil Service Rules and Regulations.

SECTION 48. Forfeiture – Pursuant to Article 45 of the Revised Penal Code, the penalties of imprisonment and fine under Section 8 of the Act shall carry with them the forfeiture in favor of the Government of the illegally cut coconut trees, logs or lumber, and the instruments or tools employed in their cutting unless they be the property of a third person not liable for the offense.



SECTION 49. Final Disposition – The illegally cut coconut trees, logs or lumber forfeited in favor of the Government shall be disposed of in accordance with the prioritization set forth in Memorandum Order No. 162, series of 1993 as amended by Memorandum Order No. 284 of the President dated June 5, 1995.

Accordingly, in the event that two (2) or more parties are requesting for disposition, priority shall be given in the following order:

- (a) Needy victims of disaster as certified by DSWD;
 - (b) The DPWH projects related to the restoration of public facilities such as bridges, roads, etc., in times of emergencies, calamities and disasters and pursuant to a Memorandum of Agreement to be entered into between PCA and DPWH;
 - (c) School building programs of the Department of Education (DepEd) and those undertaken by the Department of National Defense (DND)/AFP Engineering Brigade;
 - (d) Health centers as may be requested by the Department of Health (DOH) and the local government unit (LGU) concerned;
 - (e) Public markets as may be requested by the LGU concerned;
 - (f) Municipal buildings as may be requested by the LGU concerned;
 - (g) Police stations as may be requested by the PNP and LGU concerned;
 - (h) AFP camps as may be requested by the DND;
 - (i) The National Housing Authority (NHA) for the implementation of the housing program for low-salaried government employees and pursuant to a Memorandum Agreement that may be entered into between PCA and NHA;
 - (j) LGUs that have jurisdiction over the place where the coconut trees were cut, gathered and/or confiscated; and
 - (k) Commitments to provincial regional and national projects.
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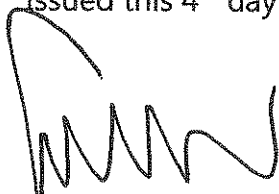
ARTICLE XII – REPEALING CLAUSE

All Administrative Orders, Memoranda, Circulars and other issuances inconsistent with these Rules and Regulations are hereby modified and repealed accordingly.

ARTICLE XIII – EFFECTIVITY

These Revised Rules and Regulations shall take effect fifteen (15) days after publication in one (1) newspaper of general circulation.

Issued this 4th day of September 2013 at Quezon City, Philippines.



EUCLIDES G. FORBES
Administrator
10-228-13

APPROVED AND CONFIRMED by the PCA Governing Board in its Resolution No. 066-2013.