



# CERTIFICATE OF REGISTRATION

## Collective Negotiation Agreement

No. 1081

Pursuant to the Amended Rules and Regulations Governing the Exercise of the Right of Government Employees to Organize, the Collective Negotiation Agreement entered into by and between the

### PCA EMPLOYEES ASSOCIATION

and the

### PHILIPPINE COCONUT AUTHORITY

PCA Building, Elliptical Road, Diliman, Quezon City

having complied with the prescribed requirements in the abovementioned Rules is registered by the Commission and is binding between the parties thereof during the period of its effectivity from **March 21, 2016** to **March 21, 2019**.

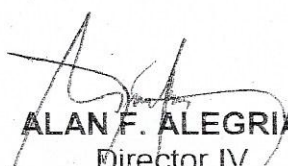
Issued this 1st day of July 2016 in Quezon City.

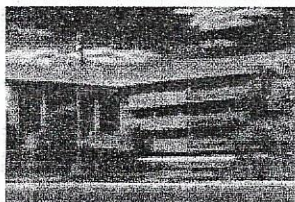
  
ALICIA dela ROSA-BALA  
Chairperson

  
ROBERT S. MARTINEZ  
Commissioner

VACANT  
Commissioner

Attested by:

  
ALAN F. ALEGRIA  
Director IV  
Human Resource Relations Office







July 1, 2016

**Ms. LOUEDA N. DEONA**

President  
PCA Employees Association  
Philippine Coconut Authority (PCA)  
PCA Building, Elliptical Road, Diliman  
1100 Quezon City

**Dear Ms. Deona:**

This Office congratulates the *PCA Employees Association* and the management of the *Philippine Coconut Authority (PCA)*, Quezon City for their efforts in coming up with a Collective Negotiation Agreement (CNA) which would pave the way for a harmonious working relationship between them.

Having complied with the requirements for CNA registration under the Amended Rules and Regulations of Executive Order No. 180, the Commission hereby registers the Agreement as evidenced by the attached Certificate of Registration.

Section 5, Rule XIII (Registration of CNAs) of the abovestated Rules provides that the CSC-HRRO shall point out the provisions in the Agreement which are non-negotiable, hence, unenforceable despite the registration of the Agreement. Thus, this Office hereby makes the following comments on some provisions of the Agreement which must be observed:

### **1. Article II (Coverage and Definition of Terms)**

**Section 1 (Coverage):** We must stress that in collective negotiations, the accredited employees' organization represents all **rank-and-file employees** for the furtherance and protection of their interests and improvement of public service delivery. Hence, it is presumed that this CNA covers only the **rank-and-file employees** of that agency.

Those who are appointed as coterminous, high-level, or highly confidential as defined under the Amended IRR of Executive Order No. 180 are excluded. The actual duties and responsibilities of the employee shall be considered in determining eligibility to membership.

However, when a union member is designated to a position which has been declared primarily confidential or policy-determining, his/her membership to the union is deemed suspended co-extensive with the period of the employees' designation to the aforesaid position as provided in Section 2, PSLMC Resolution No. 2, s. 1993.

On the other hand, *DBM Circular 2006-1* dated February 1, 2006, provides that CNA Incentive may be extended to **coterminous** or **highly**

*In a Race to Serve: Responsive, Accessible, Courteous and Effective Public Service*



**confidential** employees who contributed to agency productivity and implementation of cost-cutting measures identified in the CNA, provided they are assessed and have paid the corresponding *agency fee*.

Contrariwise, the right to form, join, assist an employees' association should not be confused with the privilege to receive benefits under the CNA. The two are separate and distinct from each other.

The *availment* of CNA incentive also includes those rank-and-file employees who are not members of the employees' association provided that they pay the corresponding agency fee.

Moreover, CNA Incentive shall also be granted to the management (Senate and House of Representatives Joint Resolution No. 4, s. 2009). We must stress that the eligibility of the management to receive "CNA incentive" is by virtue of mutual cooperation to generate savings and not by virtue of representation. Therefore, the "CNA incentive" that will inure to the management is **not** subject to agency fee.

Please be informed that in PSLMC Resolution No. 1, s. 1991, rank-and-file employees are those belonging to position with salary grade 1 up to grade 24 (Division Chief level). Hence, for purposes of unionism, Division Chiefs are eligible to form, assist or join employees' organization. However, the "*salary grade allocation test*" is not exclusive since there are holders of SG 24 that perform managerial/executive functions.

In identifying whether the position is managerial/executive, a circumspect review on the duties and responsibilities of the position as found in the position description form be made which can be validated by the performance appraisal report, and qualification standards, among others.

## **2. Article II (Association Recognition and Privileges)**

**Section 1 (Association Recognition):** The stipulation should be construed as "*The MANAGEMENT recognizes PCA Employees Association as the sole and exclusive negotiating representative of all rank-and-file employees of the Philippine Coconut Authority (PCA) regardless of status of employment except those whose work engagements are classified as Job Order or Contract of Service*".

**Section 3 (Office Space):** The provision of office space should be construed in a manner that the agency will allocate a certain space out from the existing structure of the agency that could be used by the employees' association. The obligation does not embrace the situation wherein the agency will be compelled to construct a new structure for the purpose.

The agency may allow the use of its machines, office equipment, and other facilities where the employees' association officers/members are assigned, subject to existing agency rules and regulations. However, supplies and materials necessary for the employees' association operation



(e.g. bond papers) should be for the account of the employees' association.

It is understood that once the employees' association is no longer accredited as the sole and exclusive negotiating agent, the office space, machines, office equipment, and other facilities provided by the agency to the employee association will be reverted back to the agency within reasonable time.

**Section 4 (Regular/Emergency Meetings):** Conduct of regular and/or emergency meetings and general assemblies should be done with prior notice to the Management to avoid controversy and that it shall not prejudice public service. Attendance thereto shall be on **official time only**.

On the other hand, when any of the elected or legislative officers of the employees' association including the chairpersons of the committees **sits** as employees' association representative in the different committees of the agency, the said employees' association representative is considered as on **official business**. It is understood that the primary purpose of their attendance is to promote public service.

**Section 5 (Workers' Education Program):** Attendance to general assemblies and meetings, activities and conferences called by any government agency or other organizations/institutions, will be treated as employees' association time-off and may be granted to the employees' association Board of Directors, other executive officers and members in recognition of their participation rights for the purpose of advancing the interest of the employees' association. Hence, it cannot be availed when the benefit will inure exclusively to the employee similar to that of sick and vacation leave.

We must stress that attendance to the abovementioned activities shall be on "**official time**" which should be construed as a variation of day-off as contradistinguished from official business or leave. Hence, its availment cannot be deferred to another day and cannot be accumulated much less converted into cash. Simply put, if an employee failed to avail it on the appointed time, then the same is considered waived.

Moreover, as pointed out, it is subject to prior notification requirements. There is no uniform rule/specification as to how many days before the enjoyment of union time-off should a notice be given. The customary reasonable period is three (3) days prior notice. This is needed to ensure that the applicant has no pending assignment which will be prejudiced when (union) time-off is availed. If pending assignment exists and the same is critical to the function of the Office, it is then necessary that it be accomplished first or somebody will take over/finish the pending assignment before the appointed time of leave.

Public service delivery is still the paramount consideration and should not in any way be disrupted or hampered.



**Section 7 (Check-Off):** As stipulated, effecting check-off or deduction from the salary of employees in the amount equivalent to the association's dues, fees, fines and other assessments requires individual written authorization. Moreover, *Section 52 of 2016 General Appropriations Act (GAA)* must be strictly observed.

**Section 8 (Agency Fees):** As stipulated, assessment of agency fee for **non-member** who enjoys the benefits under the CNA is limited only to a reasonable amount equivalent (same or equal in amount) to the union dues and other fees normally (regularly) paid by the accredited union members pursuant to PSLMC Resolution No. 1, s. 1993 and PSLMC Resolution No.15, s. 2013.

The *agency fee* can only be enforced as soon as the non-member employee eventually enjoys the benefits under the CNA. The same is deducted from the **CNA incentive** to be received by each non-association member and not from their monthly basic salary. As stated, authorization to deduct agency fee is not necessary.

Moreover, the agency fee should not be used as subtle weapon for oppression of those employees who wish not to become an employees' association member. The right to become a member includes the right not to become a member.

We reiterate that the "*CNA incentive*" that will inure to the management is not subject to agency fee.

**Section 9 (Association's Representation):** Membership of employees' organization's representatives to the following committees is mandatory as provided by existing Civil Service rules and regulations, among others, to wit:

- Personnel Selection Board (CSC MC No. 3, s. 1999)
- Committee on Decorum and Investigation for Sexual Harassment Cases (CSC Resolution No. 01-0940 dated May 21, 2001)
- Grievance Machinery (CSC MC No. 2, s. 2001)
- PRAISE Committee (CSC MC No. 1, s. 2001)
- Personnel Development Committee (CSC MC No. 10, s. 1989)
- Employees' Organization – Management Consultative Committee (DBM Circular No. 2006-1)
- Performance Management Team (CSC MC No. 6, s. 2012; CSC MC No. 8, s. 2013)
- Change Management Team (IRR of EO 366)

Attention is invited to CSC MC No. 04, s. 2005, as amended implementing CSC Resolution No. 050059 dated January 18, 2005. It specifically provides that the duties and functions of the PSB shall be to assist the appointing authority in the judicious and objective selection of candidates for appointment in the agency in accordance with the approved Agency Merit Selection Plan. In short, the PSB's function is assistorial, and not recommendatory in nature.



Corollary, the PSB members, do not have any voting powers to speak of. Candidates' ratings during the selection process are enough bases as to who will be included in the list of top five (5) candidates.

Moreover, the *Implementing Rules and Regulations of the Procurement Law (RA 9184)* do not specify that the employees' association/union shall be represented in the **Bids and Awards Committee**. At the most, an association officer/member may be allowed to sit during public bidding especially on matters concerning employees' welfare and benefits in an **observer** capacity only.

The employees' association/union is highly encouraged to negotiate with the management regarding their membership to the Anti-Red Tape Committee.

Likewise, the parties are encouraged to establish a Task Force/Committee mandated to design and implement programs, plans and activities relative to *CSC Memorandum Circular No. 17, s. 2009* (Smoking Prohibition based on 100% Smoke Free Environment Policy), *CSC-DOH Joint Memorandum Circular 2010-01* (Protection of the Bureaucracy against Tobacco Industry Interference) and *CSC Office Memorandum No. 76, s. 2015* (Protection of the Bureaucracy against Tobacco Industry Interference) and the *Civil Service Commission Memorandum Circular No. 30, s. 1994* (Checklist of Reasonable Working Conditions in the Public Sector).

We must stress that one of the objectives of the law in granting the government employees the right to self-organization is for them to become partner of the management in policy formulation, implementation and monitoring.

**Section 10 (Social, Cultural Spiritual, Sports and Economic Benefits):** Social development programs such family welfare activities, team building and the like must be incorporated in the agency's annual *Personnel Development Plan (PDP)* specifying therein the nature of welfare development activities to be undertaken to avoid confusion or conflict.

Meanwhile, conduct of cultural and athletic activities must be in conformity with *Section 48* of the General Appropriations Act for FY 2016, which must be strictly observed.

**Section 11 (Association Leave):** Our comments on Section 5 (Workers' Education Program), Article II (Association Recognition and Privileges), applies. Moreover, the parties are advised to avoid using the term "**leave**" since it has special legal meaning in "*Leave Laws*".

### 3. Article VI (Employees' Welfare and Benefits Program)

**Section 1 (Physical, Cultural and Social Programs):** Our comments on Section 10 (Social, Cultural Spiritual, Sports and Economic Benefits), Article II (Association Recognition and Privileges), applies.



**Section 2 (Chronic Illness/Disease Leave):** The Omnibus Rules on Leave and other leave laws does not contain a provision for leave of absence for rehabilitation/hospitalization for chronic illness or disease. However, this type of leave of absence due to this kind of sickness can be charged against the employees' sick leave. In case the same is already exhausted, then the vacation leave credits of the employee can be utilized due to continued illness.

**Section 3 (Burial Financial Assistance):** The grant of this benefit by the Agency is unenforceable but if it will be taken through automatic deduction from the monthly basic salary of employees who voluntarily signified their willingness to participate in the program, then the same is not objectionable. In such a case, individual authorization for automatic deduction must be submitted to the management to avoid conflict.

**Section 4 (Injury Leave and Special Assistance):** Injury leave should be construed as Rehabilitation Leave. Section 55 of the Omnibus Rules on Leave provides for six (6) months rehabilitation leave for job-related injuries and payment of medical attendance, necessary transportation, subsistence and hospital fees of the injured employee.

To avail of this benefit, the provisions of CSC-DBM Joint Circular No. 01, s. 2006, otherwise known as the Guidelines for Availing of the Rehabilitation Privilege, must strictly be complied with.

**Section 5 (Compensatory Time-Off):** Work rendered in excess of eight (8) hours must be properly compensated. In case of lack of funds, *CSC-DBM Joint Circular No. 2, series of 2004* which provide for a uniform policy on the availment of compensatory time-off in lieu of overtime pay must be strictly observed.

In the implementation thereof, *CSC-DBM Joint Circular No. 2-A s. 2005* dated July 1, 2005 amending Section 5.5.2 of *CSC-DBM Joint Circular No. 2, series of 2004*, must be strictly observed.

Unused COCs shall be deemed forfeited in cases of resignation, retirement or separation from the service.

**Section 6 (Medical and Dental Assistance):** Annual medical/physical examination is allowed under *Section 2, Rule XII* of the Amended Rules and Regulations of EO 180. The amount of annual medical and physical examination must be based on the actual cost of medical and physical examinations availed of by the rank-and-file employees to be paid directly by the agency to the medical institution contracted by the former for the purpose.

The medical and dental assistance in the amount of Php5,000.00 should not be construed as a cash incentive to be given to each employees. It is just a limitation of the agreed amount that the agency will pay directly to the particular hospital which provided medical examinations to the employee.



Attention is invited to Commission on Audit Resolution No. 2005-001 dated February 3, 2005 (Prohibition from Securing Health Care Insurance from Private Agencies) which must be strictly observed.

**Section 7 (Rice Allowance):** DBM Circular No. 2008-9 dated November 26, 2008 (Guidelines Implementing AO 228 and the President's Directive dated May 31, 2008) must be strictly observed. We would like to stress that since the policy uses "*rice subsidy*" it must be given in kind as contradistinguished from the term "*rice allowance*".

**Section 9 (Family Day):** Our comments on Section 10 (Social, Cultural Spiritual, Sports and Economic Benefits), Article II (Association Recognition and Privileges), applies.

#### **4. Article IX (Flexible Working Hours)**

**Section 1 (Work Schedules):** In the implementation of a Flexitime Work Schedule, adherence to the 40-hour work-week as required by law (*RA 2262*) should be faithfully observed.

#### **5. Article X (Implementing and Monitoring Scheme)**

**Section 1 (Coverage):** Our comments on Section 1 (Coverage), Article II (Coverage and Definition of Terms), applies.

#### **6. Article XI (Grant of CNA Incentives)**

**Section 1:** We must stress that the Agreement failed to include cost-cutting measures/systems improvement which shall be the source of savings to be used for the grant of monetary benefits/CNA incentives.

Attention is invited to Budget Circular No. 2006-1, in Item 7.1.1 which explicitly requires that savings must be generated out of the cost-cutting measures identified in the CNAs and supplements thereto. In the absence of identified cost-cutting measures in the Agreement, there can be no source of fund for the grant of CNA incentive.

For this purpose, we suggest that the parties identify the cost-cutting schemes and system improvement measures to be adopted by both management and the employees' association providing therein some operational guidelines to forestall conflict or confusion. Primary consideration should be considered by the parties that in the implementation thereof, public service will not be compromised in favor of savings. An Addendum to this effect must be submitted to this Office in four (4) original copies which shall form an integral part of the Agreement.

Noteworthy to stress that the grant of CNA incentive must be in conformity with *DBM Budget Circular No. 2015-2* dated November 23, 2015 and



consistent with the DBM policy on the one-year-validity of appropriations and allotments provided under *Section 65* of the General Provisions of the FY 2016 GAA, and National Budget Circular No. 561 dated January 14, 2016.

The Result-Based Performance as stipulated in Section 1.5, DBM Budget Circular No. 2015-2 dated November 23, 2015 should be construed that the agency was able to comply the following pre-conditions before the release of CNA incentive.

1. *Accomplished or delivered at least 70% of its FY 2015 targets on the average by October 31, 2015 under the Major Final Output (MFO), and*
2. *Realized savings from the specific Maintenance and Other Operating Expenses (MOOE).*

Item 4.2.2 of the DBM Budget Circular No. 2015-2 dated November 23, 2015 specifically provide that "The CNA Incentive for employees in offices or organizational units which contributed more in the accomplishment of performance targets, cost saving, productivity and/or profitability may be higher than the rest of employees, but not to exceed P25,000.00."

**Section 3 (Retirement Award):** The stipulated incentive scheme for retirees must be incorporated in the agency's enhanced Program on Awards and Incentives for Service Excellence (PRAISE) and comply the requirements set in CSC Memorandum Circular No. 1, s. 2001.

## **7. Article XIV (Effectivity and Continuity Clause)**

**Section 1 (Effectivity):** As provided for in PSLMC Resolution No. 2, s. 2007, the CNA shall take effect upon its **signing** and **ratification** by the majority of the rank-and-file employees in the negotiating unit. Thus, the CNA between the **PCA Employees Association** and the **PCA** takes effect from **March 21, 2016**, the date of signing of the Agreement up to **March 21, 2019** or for a period of three (3) years.

Attention is invited to Section 11 of PSLMC Resolution No. 2, s. 1991, which explicitly states that in no case shall a collective negotiation agreement have a lifetime of more than three (3) years.

**Section 2 (Renewal):** We are mindful of the automatic renewal clause. However, such provision will only take effect if efforts in renegotiation or concluding a new CNA were undertaken prior to the expiration of the current CNA pursuant to PSLMC Resolution No. 1 dated March 14, 2014.

If in case, this Office failed to comment on some salient provisions which is contrary to law, morals, good customs, public policy or public order, the same shall remain non-enforceable.



We look forward to a mutual compliance of the Agreement by the parties concerned since this is an important step towards the creation/enhancement of a harmonious working atmosphere in the agency.

Attach is a *Union Profile Form* which need to be submitted the soonest possible time after providing the required data. However, if you have recently submitted the same, please disregard the attached form. For easy retrieval of your records, please indicate this document code: *RACD-062816-E2240* in your compliance letter. Similarly, any clarification concerning our comments to your CNA, please use the file code.

Very truly yours,



**ALAN F. ALEGRIA**  
Director IV  
Human Resource Relations Office

cc: **Director IV JUDITH D. CHICANO**  
Civil Service Commission-NCR  
#25 Kaliraya cor. Cordillera Street  
0890 Quezon City





July 1, 2016

**Director IV JUDITH D. CHICANO**  
Civil Service Commission-NCR  
#25 Kaliraya cor. Cordillera Street  
0890 Quezon City

**Dear Director Chicano:**

We are pleased to inform you that the Commission has registered the Collective Negotiation Agreement (CNA) entered into by and between the *PCA EMPLOYEES ASSOCIATION* and the management of the *PHILIPPINE COCONUT AUTHORITY (PCA)*, Quezon City as evidenced by Certificate of Registration No. 1081 dated July 1, 2016.

To reinforce the CSC's mandate of promoting responsive management and responsible public sector unions as key partners for effective governance, we enjoin that Regional Office, through the CSC-Field Office to award the attached *Certificate of Registration No. 1081 (original copy)* of *PCA EMPLOYEES ASSOCIATION* in a fitting ceremony such as during the agency's flag raising ceremony. This is also meant to recognize the effort exerted by the association and to further establish linkage with them.

Thank you for your continued support to HRRO's programs and projects.

Our warm regards.

Very truly yours,

  
**ALAN P. ALEGRIA**  
Director IV  
Human Resource Relations Office

cc: **Mr. GLENN B. SANTOS**  
OIC-Administrator  
Philippine Coconut Authority (PCA)  
PCA Building, Elliptical Road, Diliman  
1100 Quezon City

**Ms. LOUEDA N. DEONA**  
President  
PCA Employees Association  
Philippine Coconut Authority (PCA)  
PCA Building, Elliptical Road, Diliman  
1100 Quezon City

cna2015/ncr/addmte *Race to Serve: Responsive, Accessible, Courteous and Effective Public Service*



## COLLECTIVE NEGOTIATION AGREEMENT

### KNOW ALL MEN BY THESE PRESENTS:

This **Collective Negotiation Agreement** made and entered into by and between:

**PHILIPPINE COCONUT AUTHORITY (PCA)**, a government corporation organized and existing under and by virtue of Presidential Decree No. 1468, as amended, with principal address at Elliptical Road, Diliman, Quezon City, represented by its OIC-Administrator, **GLENN B. SANTOS**, herein referred to as the "**MANAGEMENT**";

-and-

**PHILIPPINE COCONUT AUTHORITY EMPLOYEES ASSOCIATION (PCAEA)**, a duly registered and accredited public sector union by the DOLE and CSC under Registration Certificate No. 043 dated March 21, 1988 and Accreditation Certificate No. 054 dated January 5, 1993, represented by its President, **LOUEDA N. DEONA**, herein referred to as the "**PCAEA**".

### WITNESSETH:

**WHEREAS**, the 1987 Philippine Constitution and Executive Order No. 180 granted to the government workers the right to form unions/associations and to collective negotiations through the following provisions:

1. Article III (Bill of Rights) Sec. 8 – the right of the people including those in the public and private sectors, to form unions, associations or societies for purposes not contrary to law shall not be abridged.
  2. Article IX, (Civil Service Commission) Section 2, par.5. The right to self-organization shall not be denied to government employees.
  3. Article XIII (Social Justice and Human Rights), Sec. 3 – The State shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all.
- ✓ It shall guarantee the rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike in accordance with law. They shall be entitled to security of tenure, humane conditions of work and a living wage.



- ✓ They shall also participate in policy and decision-making processes affecting their rights and benefits as may be provided by law. The State shall promote the principle of shared responsibility between workers and employers and the preferential use of voluntary modes in settling disputes, including conciliation, and shall enforce their mutual compliance therewith to foster industrial peace.
- ✓ The State shall regulate the relations between workers and employers, recognizing the right of labor to its just share in the fruits of production and the right of enterprises to reasonable returns of investments, and to expansion and growth.

**WHEREAS**, Chapter 6, Title 1, Book V of Executive Order No. 292 (Administrative Code of 1987 dated 25 July 1987), authorizes all employees of the government including those in GOCCs with original charters, to form, join or assist employees' organizations of their own choosing for the furtherance and protection of their interests;

**WHEREAS**, the **MANAGEMENT** recognizes and supports the right of employees to self-organization and to collective negotiations on terms and conditions of employment;

**WHEREAS**, the **PCAEA** is recognized as the sole and exclusive representative of all rank and file employees of the Philippine Coconut Authority as herein defined under Article II:

**WHEREAS**, the **MANAGEMENT** and the **PCAEA** have mutually agreed to establish a working environment which will promote harmonious relationship between them and enhance the employees' welfare and productivity and contribution to the attainment of an improved, effective and efficient delivery of public service;

**NOW, THEREFORE**, for and in consideration of the foregoing and the stipulations hereunder set forth, the parties agree and bind themselves as follows:

#### **ARTICLE I** **DECLARATION OF PRINCIPLES**

**Section 1.** The **MANAGEMENT** and the **PCAEA** recognize the basic rights of all workers, both in private and public sector on living wage, security of tenure and humane working conditions in accordance with existing laws, rules and regulations.



**Section 2.** The **MANAGEMENT** and the **PCA EA** adhere to the observance of international and national declaration of policies negotiation and the right to assembly.

**Section 3.** The **PCA EA** recognizes the authority and prerogative of **MANAGEMENT** to fairly implement existing laws and policies governing the terms and conditions of employment in the PCA.

**Section 4.** The **MANAGEMENT** shall not interfere in the establishment, operations and administration of the **PCA EA** through acts designed to place the same under its control. The **MANAGEMENT** shall likewise undertake not to coerce, intimidate, either by force or violence, any member of the **PCA EA** by virtue of his membership thereof or participation in any of its activities.

**Section 5.** The **MANAGEMENT** and the **PCA EA** believe in the equality among all gender preferences and the eradication of all forms of discrimination, and thus, recognize the vital role of collective negotiation in pursuing their commitment towards a truly responsive PCA.

## ARTICLE II COVERAGE AND DEFINITION OF TERMS

**Section 1. Coverage.** The Parties agree that the following are covered by this Agreement:

- a. All rank and file employees of the PCA (from Division Chief with salary grade 24 to lowest salary grade) and have rendered service for not less than six (6) months;
- b. All highly confidential and co-terminus employees provided they qualify under Section 5 of DBM Circular 2006-1.

**Section 2. Membership Fee.** Refers to a one-time fee of members of **PCA EA** upon admission as a member in accordance with its Constitution and by-laws.

**Section 3. Association Dues.** Refers to the regular monthly contribution of members to **PCA EA** in accordance with its Constitution and By-laws.

**Section 4. Agency Fee.** Refers to the amount assessed and collected from **PCA EA** employees who are non-member rank and file employees who enjoy the benefits granted under and as a result of this CNA.



### ARTICLE III UNION RIGHTS AND PRIVILEGES

**Section 1. Association Recognition.** The **MANAGEMENT** has recognized the **PCAEA** as the sole and exclusive representative of all rank and file employees of the Philippine Coconut Authority as defined under Article II.

**Section 2. Representation.** The **MANAGEMENT** shall deal only through and directly with the **PCAEA** on all matters and issues affecting the rights, benefits and interests of all rank and file employees covered by this Agreement.

**Section 3. Association Office. Supplies and Equipment.** In accordance with the existing procedures on procurement of office supplies, the **MANAGEMENT**, aside from the provision of office space and supplies, shall also provide office equipment and communication facilities such as telephone, bulletin boards, computers and etc., including the maintenance thereof free of charge to the **PCAEA** for the customary use in its activities.

- a. **Principal Office.** The **MANAGEMENT** shall provide the **PCAEA** an office space to serve as the principal office or the central headquarters of the **PCAEA**, preferably located at the PCA main office. The **PCAEA** shall be responsible for providing its own employee/s to take charge of said office/s and in maintaining appropriate order and decorum within the premises.
- b. **Chapter Offices.** In the same way, the **MANAGEMENT** shall provide office spaces for the **PCAEA's Local Chapters**, Regional and Provincial. If the PCA Field Offices cannot provide an office/space for the local chapters, the local **PCAEA Officers** shall be allowed to use any available room/space where they could conduct their meetings/conferences and other activities of the **PCAEA**.

**Section 4. Regular/Emergency Meetings.** The **MANAGEMENT** shall allow the holding of the following **PCAEA's** meetings on official time, not exceeding the frequency indicated herein:

- a. Local Chapter's Employees' Assembly to be conducted annually;
- b. Central Office general assembly to be conducted annually;
- c. National Officers' meeting once a month;
- d. Local Chapter's Officers' meeting quarterly; and
- e. Other special/emergency meetings or as the need arises.

The **PCAEA** shall inform the **MANAGEMENT** of schedule of its meetings/activities covered under letters a, b, c and d three (3) days before the scheduled dates of said meetings.



**Section 5. Workers Education Program.** The **MANAGEMENT** may allow the participation of **PCA EA** officers and members to attend workers' education programs, seminars meetings, conventions, conferences, symposia and others, including leadership training, trade unionism, workers' congresses and similar activities conducted by government agencies and duly accredited non-government organizations and Annual National Conference of **PCA EA** Officers and Consultation Workshop and other similar/related activities. When the education programs mentioned in the preceding paragraph are covered under the Human Resource Career Development Plan, the PCA shall pay the expenses incurred therein subject to existing rules and regulations.

**Section 6. Use of Service Vehicle.** Upon request and subject to availability of service vehicles, the **MANAGEMENT** may provide service vehicle for the use of **PCA EA** officers and members in attending official meetings called by any government agency or duly accredited organizations on matters concerning the welfare of the employees. The **MANAGEMENT** shall also allow the use of transportation facilities for the **PCA EA**'s activities even during non-working days/hours.

**Section 7. Check-Off.** The **MANAGEMENT** recognizes the right of the **PCA EA** to check-off and shall deduct from the payroll the **PCA EA** dues, assessments and other fees from salaries of the members of the **PCA EA** upon receipt of written authorization from said members and to remit the same to the **PCA EA** Treasurer within a reasonable number of working days after the deductions have been made, provided that personal debts and obligations shall be excluded from this check-off authority.

**Section 8. Agency Fees.** The **MANAGEMENT** shall cause the deduction from the CNA Incentives of employees who are non-members or those employees of local chapters not affiliated with the **PCA EA**.

The PCA shall deduct from non-member rank and file employees who benefited from the CNA incentives a reasonable amount as agency fee equivalent to the dues and other fees paid by its members. The PCA shall remit check-off collections to the Association's National Office.

**Section 9. Association's Representation.** The **MANAGEMENT** recognizes the right of the **PCA EA** to be represented on matters pertaining to employees' welfare and interests in committees or bodies which may be created by Management.

**Section 10. Social, Cultural, Spiritual, Sports and Economic Activities.** The **MANAGEMENT** shall allow and support the social, cultural, spiritual, sports and economic activities of the **PCA EA** including fund-raising campaigns.



**Section 11. Association Leave.** The Management may allow the PCAEA officers an annual union leave to devote their time to PCAEA activities which shall be covered by usual filing of official business (OB) form for union purposes only, subject to official invitation and existing policy of PCA, a union time equivalent or shall not exceed to 20% of the total work time per month for the President, Directors and Officers, and 10% of the total work time per month for the Chairpersons of Standing Committees.

For proper implementation and monitoring, and so as not to hamper the work in the offices where the PCAEA officers are assigned, the PCAEA shall notify the Human Resource Division and affected heads of offices where the PCAEA officer belongs, at least one (1) week in advance on their use of union time, except in cases of extreme urgency wherein shorter notice may be acceptable.

**Section 12. Exclusive Right to Administer Internal Affairs.** The MANAGEMENT shall recognize the PCAEA's exclusive right to administer its internal affairs, to formulate and implement programs for the development and welfare of its members; to represent them before any and all proceedings, meetings, conferences, committees, offices, agency/ies and/or Courts of law to inquire the propriety of the Management's policy/ies or action/s affecting employee-members.

**Section 13. Access to Information.** The MANAGEMENT shall, upon the request of the PCAEA, furnish the latter with its audited financial reports, approved Corporate Operating Budget and Commission on Audit/Department of Budget and Management findings/opinions/reports affecting the rank and file employees' welfare. The MANAGEMENT and the PCAEA shall conduct periodic review of the financial status of PCA in order to ensure availability of funds for the Collective Negotiation Agreement provisions pursuant to DBM Circular No. 2006-1.

**Section 14. Existing Benefits.** Employees shall continue to enjoy all existing rights and benefits already provided by laws, rules and regulations, including this Agreement.

#### ARTICLE IV

#### JOB SECURITY/SECURITY OF TENURE

**Section 1. Security of Tenure.** No employee within the scope of this Agreement shall be suspended or terminated from his employment without just and legal cause and without affording him due process of existing laws.

**Section 2. Administrative Investigation.** An employee who is charged or accused of having committed an offense or violation of laws, policies, rules and regulations of the PCA that would warrant the imposition of a disciplinary action such as but not limited to suspension or termination from the service, shall be granted full opportunity to explain and defend himself from such charge or accusation in accordance with existing laws, rules and regulations.



**Section 3. Re-Assignment/Detail.** No employee within the scope of this Agreement shall be re-assigned or detailed to any section, department, office or unit, without his consent, unless such transfer is in the exigency of the service or such employee has a pending administrative/criminal case against him. All reassignments/details shall be made in accordance with existing laws, rules and regulations.

## ARTICLE V GRIEVANCE SETTLEMENT MACHINERY

**Section 1. Definition.** For purposes of this Agreement, a "Grievance" shall mean a complaint in writing which has, in the first instance and in the employees opinion, been ignored, overridden or dropped without due consideration by the **MANAGEMENT**.

This does not include those involving disciplinary actions which are governed by separate rules and regulations.

**Section 2.** The **PCA EA** shall recognize the grievance machinery and processes of the PCA.

**Section 3. Filing of A Complaint with the Civil Service Commission.** No complaint shall be filed at the Civil Service Commission by either the **MANAGEMENT** or the **PCA EA** without first exhausting all proper steps and procedures as prescribed under existing laws, rules and regulations. Thereafter, Complaints may then be filed with the Civil Service Commission.

## ARTICLE VI EMPLOYEES' WELFARE AND BENEFITS PROGRAM

**Section 1. Physical, Cultural and Social Programs.** The **MANAGEMENT** shall allocate budget for the programs designed for the employees' physical fitness, cultural and social development. Such programs shall be conducted in coordination with **PCA EA** for implementation including sports, recreational and team building activities, periodic socials, choral/dance groups, conduct of cultural activities and other similar activities.

**Section 2. Chronic Illness/Disease Leave.** **PCA EA** member-employees covered by this Agreement diagnosed with chronic illness or disease such as upper respiratory diseases (Bronchitis, asthma, pulmonary tuberculosis, etc.), urinary tract disease or other illness shall be allowed a ten (10) day chronic illness/disease (CID) leave of absence determinable by a certified government physician which shall not be deducted from any other leave to which the employee may be entitled.



**Section 3. Burial Financial Assistance.** Financial Assistance to the bereaved family of the deceased employee in the amount of Ten Thousand Pesos (₱10,000.)

**Section 4. Injury Leave and Special Assistance.** The **MANAGEMENT** may allow the grant of injury leave and special assistance not exceeding six (6) months to **PCAEA** member-employee during any period of disability resulting from wounds or injuries incurred in the performance of official duty. The leave assistance shall only be availed by said employee after the consumption of his/her accrued leave credits. Approval of such assistance will only take effect upon submission of the prescribed form together with the proper medical certificate showing that the wounds or injuries were incurred in the performance of duty. The PCA Administrator, in his discretion, may also authorize payment of medical assistance, transportation, subsistence and hospital fees of the injured employee.

**Section 5. Compensatory Time Off.** **PCAEA** member-employee may elect to take compensatory time-off in lieu of cash payment for duly approved overtime work performance. Said member-employee on compensatory time-off shall be deemed on official business (OB). (CSC MC No. 30, Series of 1994).

**Section 6. Medical and Dental Assistance.** The **Management** shall provide Medical and Dental Assistance to all its officials and employees in the amount of Five Thousand Pesos (₱5,000.) annually.

**Section 7. Rice Allowance.** The **Management** shall also grant one (1) sack of Fifty (50) kgs. of premium rice per month or its equivalent amount to all PCA officials and employees, subject to the usual accounting and auditing rules and regulations.

**Section 8. Shuttle Bus Service.** The PCA shall provide adequate shuttle bus service to employees in its central, regional and provincial offices.

**Section 9. Family Day.** A Family Day shall be observed once a year to PCA employees and their families to participate in activities, (e.g. X'mas Party, Children's Party or Teambuilding) geared towards familiarization and acquaintances.

**Section 10. Legal Assistance.** The **MANAGEMENT** shall provide legal assistance to **PCAEA** member-employee in any of the following:

- a. The member-employee is sued for an action taken by him/her in the course of his/her employment and within the scope of his/her duties and responsibilities.
- b. The member-employee must appear as a witness and/or if subpoenaed to appear in court on a matter arising in the course of employment and within the scope of his/her duties and responsibilities.



**Section 11. Other Employees Privileges.** All PCAEA member-employees who have transactions with the academe and government agencies such as Government Service Insurance System (GSIS), PAG-IBIG, Social Security System (SSS) for loans, Department of Foreign Affairs (DFA), National Statistics Office (NSO), National Bureau of Investigation (NBI), Land Transportation Office (LTO), Ombudsman and other government agencies for the following purposes shall be allowed to leave the office on official time subject to approval of the Division Chief/ Department Manager concerned.

## ARTICLE VII

### SAFETY, HEALTH AND WORK ENVIRONMENT

**Section 1. General Provision.** The **MANAGEMENT** shall continue to comply with the regulations on safety, health and sanitary working conditions prescribed by the Civil Service Commission (CSC), the Department of Health (DOH), the Department of Labor and Employment (DOLE) and other government agencies. The **MANAGEMENT** shall also ensure potable drinking water in all workplaces including the regional and provincial offices (CSC MC No. 33, Series of 1997).

**Section 2. First Aid.** The **MANAGEMENT** shall provide adequately equipped first aid facilities and treatments for emergency situations. There shall be created first aid teams equipped with first aid kits and supplies and trained with skills to provide first aid treatments.

**Section 3. Annual Immunization.** The **MANAGEMENT** and the **PCAEA** shall coordinate with the Department of Health (DOH) for the conduct of annual general immunization of its employees at no cost to the PCA.

## ARTICLE VIII

### REORGANIZATION, RECRUITMENT, PROMOTION AND CAREER DEVELOPMENT

**Section 1. Reorganization.** The **MANAGEMENT** shall inform the **PCAEA** of any program regarding reorganization or internal re-structuring involving the creation, abolition, reclassification, or upgrading of positions.

In case of reorganization, the **MANAGEMENT** shall ensure strict compliance with applicable laws, rules and regulations.

**Section 2. Promotions.** The **MANAGEMENT** shall adhere to the duly approved Merit and Promotions Plan, subject to review and revision by **MANAGEMENT** and **PCAEA**.

**Section 3. Vacancy.** In case of vacancy of any regular position, qualified **PCAEA** members shall be given preference whenever candidates are deemed equal on qualifications.



**Section 4. Career Development.** **MANAGEMENT** shall commit to provide career development responsive to the needs of its members.

## **ARTICLE IX**

### **FLEXIBLE WORKING HOURS**

**Section 1. Work Schedules.** The **MANAGEMENT** shall implement a flexi-time work schedules from 7:30 AM to 6:00 PM, for those stationed in the Central office.

Work schedules in the Regional and Center Offices shall be as agreed upon by their local Management and EA Chapter.

## **ARTICLE X**

### **IMPLEMENTING AND MONITORING SCHEME**

**Section 1. Coverage.** Except as herein provided, this Agreement shall apply to all **PCA EA** Members in the Central Office, Regional and Center Offices nationwide.

**Section 2. Applicability.** If there is any conflict between the provisions of this Agreement and any rules and regulations heretofore promulgated by the **MANAGEMENT** applicable to the employees, the terms of this Agreement shall prevail, subject to existing rules and regulations issued and promulgated by appropriate authorities.

**Section 3. Implementation.** The implementation of all benefits herein provide shall be subject to the availability of sound legal bases.

**Section 4.** All matters/policies affecting employee relations not covered by this Agreement, including those that are, or maybe the subject of a regulation promulgated by the PCA shall be subject to the consultation with the **PCA EA** prior to effecting such changes.

## **ARTICLE XI**

### **GRANT OF CNA INCENTIVES**

**Section 1.** In recognition of the joint efforts of the **MANAGEMENT** and the **PCA EA** in attaining more efficient and viable operations, the grant of CNA incentives equivalent to an amount to be determined by the Employees Organization-Management Consultative Committee based on generated savings shall be allowed pursuant to DBM Circular No. 2011-9 dated September 29, 2011 and in consonance with the provisions of the PSLMC Resolution No. 4, s. 2002; CSC Opinion No. 481 dated November, 2005; Malacañang Administrative Order No. 135 dated December 27, 2005; and DBM Budget Circular No. 2006-1 dated February 1, 2006.



**Section 2. The MANAGEMENT and PCAEA** shall jointly institute improvement of income and productivity, streamlining of systems and procedures and cost-cutting measures. The same, however, should not prejudice the efficient delivery of service to the Authority's clientele or prejudicial to the rights of the employees.

**Section 3. Retirement Award.** An employee who retires from the service shall receive a plaque of recognition and twenty thousand pesos (₱20,000.00).

## **ARTICLE XII**

### **ENTIRETY AND MODIFICATION CLAUSE**

**Section 1.** Both **PARTIES** agree that all items discussed during the negotiations leading to this agreement shall not be reopened on any item during the life of this Agreement except by mutual consent of both parties.

## **ARTICLE XIII**

### **SEPARABILITY CLAUSE**

**Section 1.** If, for any reason, any section or provision of this Agreement is declared null and void, no other section, provision or part thereof shall be affected and the same shall remain in full force and effect. As regards the section or provision declared null and void by the proper court, the **PARTIES** will meet not later than fifteen (15) days after said section/provision is declared null and void for the purpose of amending or revising the same.

## **ARTICLE XIV**

### **EFFECTIVITY AND CONTINUITY CLAUSE**

**Section 1. Effectivity.** This Agreement shall take effect immediately upon signing of this Agreement and shall continue for a period of three (3) years thereafter.

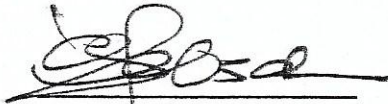
**Section 2. Renewal.** Both **PARTIES** agree to meet not later than sixty (60) calendar days prior to the expiration of this Agreement for the purpose of negotiating a new agreement to be governed by both **PARTIES**. It is understood that all provisions in this Agreement shall continue to remain in force until such time that a new Agreement is in effect.



IN WITNESS WHEREOF, the parties have hereunto set their hands this  
21st day of march, 2016, in Quezon City, Philippines.

PHILIPPINE COCONUT AUTHORITY  
 (PCA)

By:



GLENN B. SANTOS  
 OIC-Administrator

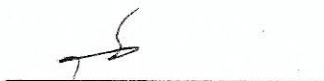
PHILIPPINE COCONUT AUTHORITY  
 EMPLOYEES ASSOCIATION (PCEA)

By:



LOUEDA N. DEONA  
 President

WITNESSES:



HERNANI S. YAP  
 OIC-Dep. Adm.- AdFin Branch

WITNESSES:



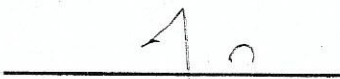
MIGUELITO E. TARREGA  
 Chairman, Board of Directors



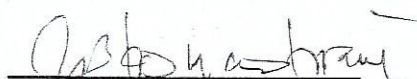
EDUARDO F. SUAREZ  
 Dept. Mgr. II- Finance Dept.



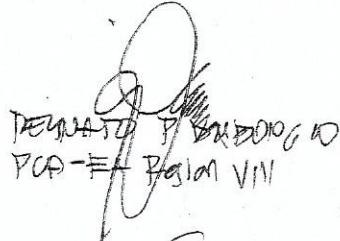
MARILOU B. MORA  
 Vice-President



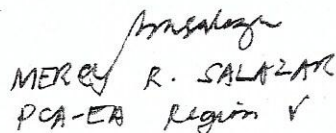
EDSEL B. PABELLANO  
 OIC-Adm. & Gen. Services Dept.



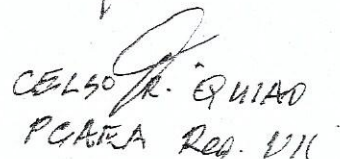
ZOSIMO S. BONAOBRA III  
 Board of Director



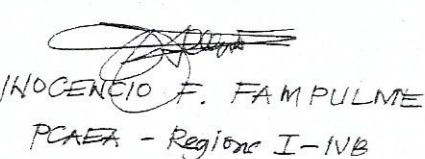
FERNANDO P. BANDO  
 PCA-EA Region VII



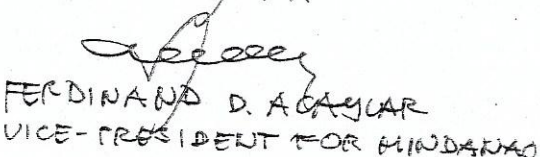
MERCY R. SALAZAR  
 PCA-EA Region V



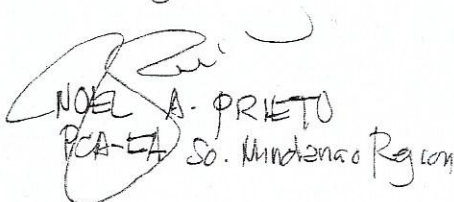
CELSO R. EQUIAO  
 PCEA Reg. VII



INOCENCIO F. FAMPULME  
 PCEA - Region I-IVB



FERDINAND D. AGUILAR  
 VICE-PRESIDENT FOR MINDANAO

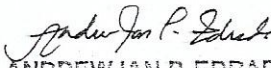


NOEL A. PRIETO  
 PCA-EA So. Mindanao Region



SUBSCRIBED AND SWORN TO before me this 21<sup>st</sup> day of March 2016 at  
Quezon City, Philippines, affiants exhibiting to me their PCA Company IDs issued  
on \_\_\_\_\_ at \_\_\_\_\_.

Doc. No. 154  
Page No. 9  
Book No. 1  
Series of 2016

  
**ATTY. ANDREW IAN P. EDRA DA**  
NOTARY PUBLIC  
Appt No. NP-132 (2015-2016);  
Diliman, Quezon City; Until 31 December 2016  
PTR No. 0597584; 01/08/2016; Quezon C  
IBP No. 984609; 01/07/2016; Quezon City Chapter  
Roll No. 63801; 05/08/2014  
MCLE Compliance No. NEW LAWYER  
(As per MCLE Governing Board Order No. 1,  
Series of 2008 dated July 04, 2008)