

REPUBLIC OF THE PHILIPPINES
OFFICE OF THE PRESIDENT
PHILIPPINE COCONUT AUTHORITY
Elliptical Road, Diliman, Quezon City 1101 Philippines
Tel. Nos.: (02) 928-4501 to 09 Fax No.: (02) 926-7631
<http://www.pca.da.gov.ph>



ADMINISTRATIVE ORDER NO. 03
Series of 2018



**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".

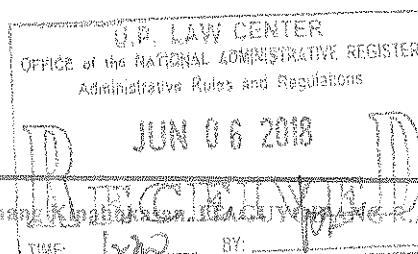
SECTION 2. Purpose – These Revised Rules and Regulations are hereby promulgated to prescribe procedures and guidelines for the effective implementation of RA 8048, as amended, facilitate compliance and achieve the objectives thereof.

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.

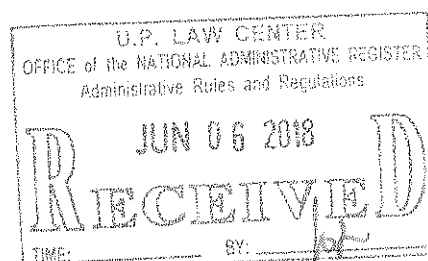
For reason of national interest, it is hereby declared the policy of the State to provide for the regulation of the cutting of coconut trees as well as to promote the growth of the coconut industry by embarking on a sustainable and efficient replanting program.

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) **Permit to Cut (PTC)** – 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.
- e) **Permit to Cut fees** – refers to all fees collected related to the issuance of a permit to cut i.e. filing fee, cutting permit fee and replacement fee.
- f) **Transport Permit (TP)** – 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, severe pruning, burning and the like, which led to its eventual destruction or death.
- 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 which generally for tall is 60 years and above and 40 years for dwarf.
- j) **Disease/Infected 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 severely damaged by rhino beetle, coconut scale insect, rodents, spike moth, caterpillar, and other destructive insects and animals and beyond rehabilitation.
- l) **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.
- m) **Lumber dealer** – refers to a person or entity engaged in the buying and selling, consolidating and or transporting of coconut logs or coconut lumber.



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- n) **Lumber Processor** – refers to a person or entity engaged in the buying and processing of coconut trees or 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

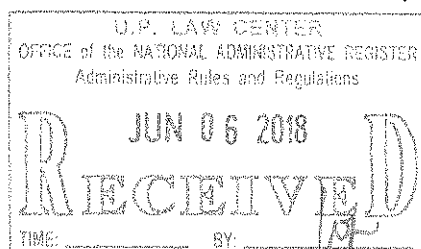
SECTION 5. Interpretation – These Rules and Regulations shall be strictly interpreted to preserve productive coconut trees from unabated and indiscriminate cutting. Nothing in these Rules shall be applied, construed or interpreted to circumvent, or defeat the security of tenure or the rights and benefits 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 senescent;
 - 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.

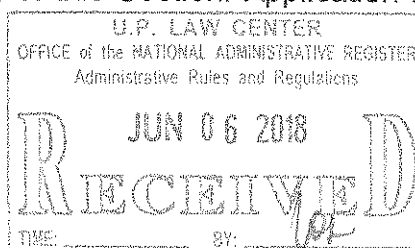
- (b) A valid application has been filed and the corresponding application fee and non-refundable processing fees have been paid upon filing and acceptance of the application.
- (c) The applicant has already planted the required equivalent number of seedlings prior to the application, as certified in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

In case of drought and typhoon 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 and change to other crops in accordance with law, the applicant shall pay a replacement fee of PhP 100.00 for every tree applied for cutting
- (e) A valid Permit to Cut has been issued by the Division Chief or Regional Manager or the Administrator.

ARTICLE III – STANDARDS

SECTION 8. Economically Unproductive

- (a) Coconut trees are deemed no longer productive if:
 - i. They have reached the age or condition of senescence and that for the last preceding three (3) years, there has been no substantial improvement or increase in their nut bearing capacity above 18 nuts/tree per year.
 - ii. Due to non-suitability of the land or area on account of geographical location, topography, drainage and other conditions e.g. severely affected by drought or El Niño as declared by PAG-ASA, the yield of the tree is eighteen (18) nuts or less per year despite adoption of sound management practices.
- (b) For change to other crops, 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. Application involving change to other



crop shall seek a certification from the Department of Agriculture (DA) that the proposed crop is more suitable and had higher income than coconut.

SECTION 9. 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.

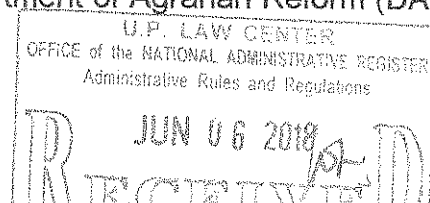
This Section shall not apply to intercrops.

SECTION 10. Disease or Pest Infestation

- a.) Disease or pest infestation in coconut trees shall be a ground for cutting only upon certification by the PCA Agriculturist that:
 - i. He has verified and confirmed that the tree applied for cutting is severely diseased or infested with pest;
 - ii. The diseased/infested trees are no longer capable of rehabilitation thru preventive measures such as application of chemicals or nutrient support; and
 - iii. 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 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 thru burying or other environmentally-sound acceptable means of disposal.

SECTION 11. Conversion into Residential, Commercial or Industrial Areas and Agri-Support Services and Facilities

- a) Applications for land use conversion into residential, commercial or industrial uses shall comply strictly with the requirements and procedures of the Department of Agrarian Reform (DAR) Administrative Order No. 01,



Series of 2002 entitled "2002 Comprehensive Rules on Land Use Conversion" which includes Department of Agriculture (DA) Certificate of Eligibility for Reclassification of Agricultural Lands as per DA Administrative Order No. 01, Series of 2017 entitled "Guidelines on the Issuance of Certification for Land Use Reclassification". 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 DA.

- b) In order to defray the administrative expenses of PCA in rendering said inspection services, the applicant shall pay to PCA the following on a per land title basis:

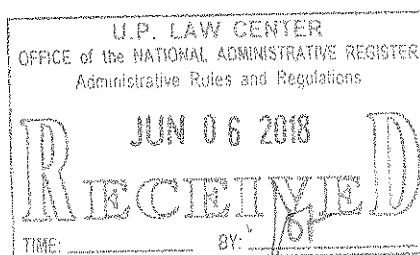
i. Filing Fee

- (1) One thousand pesos (PhP 1,000) per land title with an area less than or equal to five (5) hectares; or
- (2) Two thousand pesos (PhP 2,000) per land title with an area larger than five (5) hectares

ii. Inspection Fee

- (1) Twenty Thousand Pesos (PhP 20,000) per land title with an area less than or equal to five (5) hectares;
- (2) Thirty Thousand Pesos (PhP 30,000) per land title 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, whether devoted or not to coconut production.
- d) The payment of P1,000.00 per Certificate of Inspection and Verification (CIV) shall apply to applications involving re-issuance of CIV, as per DA Administrative Order No. 01, series of 2017 with validity period of only six (6) months.
- e) Likewise, the applicant shall undergo the usual process of securing Permit to Cut Trees from PCA once a conversion order had been issued by proper authorities.
- f) Lands applied for conversion where cutting of coconut trees were perpetrated before approval of conversion shall be assessed five times of the PTC fees or three (3) times the inspection fee, whichever is higher.
- g) The foregoing shall be without prejudice to the filing of criminal case for violations of RA 8048, as amended, and RA 8435.



SECTION 12. Hazard to Life and Property

- (a) The coconut trees are situated such that they pose immediate threat, danger or obstruction to:
- existing houses, animal dwellings, business establishments and buildings
 - plazas, playgrounds, promenades and public places frequented by people;
 - public roads and highways, right of way, ports, dams, transmission lines, irrigation and waterways;
 - electric and telephone communication lines or installation;
 - 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

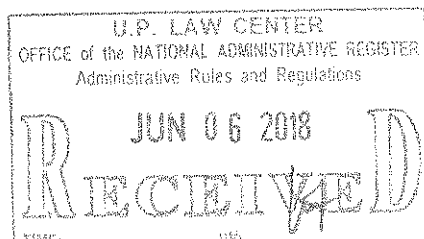
ARTICLE IV – APPLICATION FOR PERMIT TO CUT

SECTION 13. Filing of Application

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

| Number of Trees | Processing fee |
|--------------------|---|
| 1 to 5 | PhP 100.00 |
| 6 to 50 | PhP 200.00 |
| 51 to 100 | PhP 500.00 |
| 101 to 500 | PhP 1,000.00 |
| 501 to 1,000 | PhP 2,000.00 |
| In excess of 1,000 | PhP 2,000.00 + PhP 200.00 for every 50 trees thereafter |

- (d) Application for PTC coconut trees pursuant to Section 4 (f) of the Act shall not be approved by the PCA unless it is accompanied by a final Conversion Order issued by the DAR.

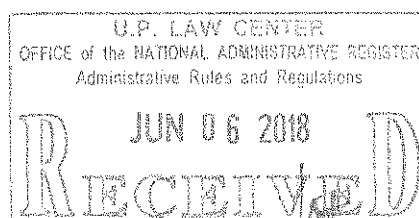


- (e) Filing of the application for PTC for the same ground/purpose in the same land/title shall only be allowed once within 30 day period.
- (f) Notwithstanding the issuance of the final Conversion Order by the Department of Agrarian Reform, the cutting of coconut trees in the land approved for conversion or exemption shall at all times be covered by a PTC 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 office to avoid the use of tampered permit.
- (h) 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/project personnel and the Division Chief to his/her respective Regional Manager for the filing of appropriate charges in court.
- (i) No application and processing fees shall be collected from typhoon, lightning and other natural calamity damaged coconut trees (felled/crownless) not exceeding five (5) and not intended for sale, provided that the application shall be filed within thirty (30) days from the occurrence.

SECTION 14. 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 letter of the owner with an attached machine copy of any valid ID with three specimen signatures thereon;
- b.) The controlling majority of the co-owners who shall submit the duly notarized approved 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 or authorization letter of the owner with an attached machine copy of any valid ID with three specimen signatures thereon 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 on the said endangerment.

SECTION 15. Where to Apply – The application shall be filed with the Division Chief or Agriculturist in the PCA Provincial Offices having responsibility over the area where the trees are situated. Provided that for applications from National Capital Region (NCR), shall be filed with the Coconut Production and Regulation Officer of PCA I-IVB regional office.



SECTION 16. Supporting Documents – The application shall be accompanied with the following supporting documents:

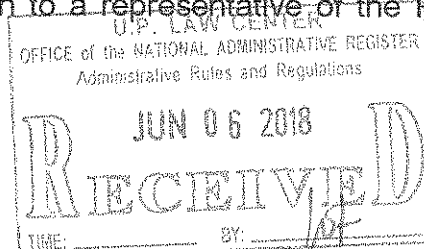
- a.) Any document that sufficiently identifies the applicant (*i.e.* Voters IDs, Driver's License, Barangay I.D/Certificate or any valid government issued identification card);
- b.) Proof of ownership or legal possession of affected land (TCTs, OCTs, Tax Declaration, Tenancy/Leasehold Agreement, Transfer Certificate from DAR or CLOA, FAAS, CADT, CADC, Certificate of Stewardship and DENR clearance, notarized Deeds of Conveyance or Mortgage, Certification from the Municipal Assessor and supported by a Barangay Certificate that the applicant is owner/possessor of the land unregistered lands or areas with known problems in land registry);
- 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 of No Existing Encumbrance, Lis Pendens, Third Party Claimant, Mortgage and Other Similar Circumstances. 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) For government projects, the applicant shall submit copy of the Program of Works or Notice to Proceed from the implementing agency.

Other supporting documents/certificates as may be required hereinafter under these Rules and Regulations.

ARTICLE V – PROCESSING OF APPLICATION

SECTION 17. Notice and Posting Requirements – The PCA Agriculturist or the Coconut Production and Regulation Officer for NCR 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 18. 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

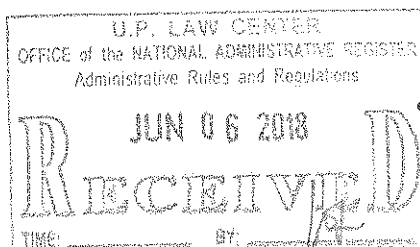
SECTION 19. Verification – Upon compliance with preceding sections, the PCA Agriculturist shall:

- 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.

The Agriculturist shall issue a certification that the trees to be cut are properly identified and marked. Marking should be on the ground most base of the tree using red or white paint.

SECTION 20. Consultations – Before the Agriculturist make the final recommendation, he shall further satisfactorily show that:

- 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 (MARO)/ Barangay Agrarian Reform Committee (BARC) Chairman. In case, there is no MARO/BARC Chairman in the area where the trees are situated, Barangay Chairman shall state the fact and include in its Certification as required above;



- iv. At least one (1) Coconut Farmers Organization (CFO) or Local Coconut Industry Development Council (LCIDC) or other PCA recognized/accredited organization or non-government organization, whichever exists in the locality, representing or promoting the interests of the coconut farmers.

Proofs of actual consultation shall be in the form of Certification to be issued by the person or organization's representative mentioned in the preceding paragraph

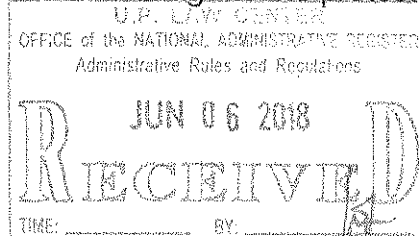
SECTION 21. Evaluation of Application for PTC

- a.) After verification, field inspection/investigation and consultation as provided herein, the PCA Agriculturist shall prepare and submit to the Division Chief his recommendation on whether the application should be granted or not, along with the reasons thereof and shall be posted in the Barangay Hall. In the case of NCR, it shall be the Coconut Production and Regulation Officer who shall perform the duties of the Agriculturist and shall submit his recommendation for the approval by the Regional Manager.
- b.) The affected applicant, tenant/tiller/regular farm workers shall be furnished a copy of the evaluation report and recommendation.

SECTION 22. Protest from report of PCA Agriculturist – 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 with the Division Chief, while in NCR, the findings and report of the Coconut Production and Regulation Officer, may file with the Regional Manager within five (5) days from receipt of such findings, report and posting in the barangay. The filing of the protest shall suspend the issuance of the PTC. Provided that the protest may be filed within five (5) days from issuance and posting of the evaluation report.

SECTION 23. 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 or 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.



SECTION 24. Hearing/Resolution

- a.) The Division Chief or Regional Manager for NCR shall have fifteen (15) 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 25. Appeal – Any party affected by the Resolution shall, within ten (10) days from receipt of the Resolution of the Division Chief or Regional Manager for NCR, may appeal the same to the Regional Manager or Office of the Administrator for NCR who shall in turn resolve the appeal within thirty (30) days from receipt thereof. The resolution of the Office of the Regional Manager or Administrator for NCR shall be final and executory for the purposes of the issuance or non-issuance of permit to cut under these Rules and Regulations

SECTION 26. 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

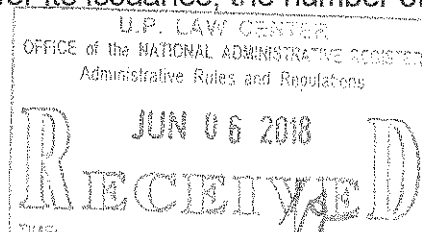
SECTION 27. Recommending and Approving Authority – The PTC may be issued after the review of the recommendations of the recommending authority that may be adopted or modified by the approving and issuing authorities hereinafter provided:

Provided that for applications in the NCR, the recommending authority is the Coconut Production and Regulation Officer and approving Authority is the Regional Manager.

| Number of Trees | Recommending | Approving |
|-----------------|------------------|------------------|
| 1 to 1,000 | Agriculturist | Division Chief |
| 1,001 to 2,500 | Division Chief | Regional Manager |
| 2,501 or more | Regional Manager | Administrator |

In areas where PCA has a Satellite Office, the Regional Manager concerned shall appoint/identify an Officer-In-Charge to take responsibility in behalf of the Division Chief.

SECTION 28. Form, Validity and Distribution of PTC – The PTC shall be in serialized form in four original copies (white, blue, pink and yellow) 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 PTC issued to the applicants shall be based on the following:

| NO. OF TREES | VALIDITY |
|--|----------|
| 1-20 | 2 days |
| 21-50 | 3 days |
| 51-100 | 5 days |
| <u>Additional one (1) day validity shall be given for every 100 trees in excess.</u> | |

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. In case of unused or partially used but expired PTC, the applicant may apply for a replacement PTC upon payment of the applicable filing/processing fee in Section 13(c) only, subject to the usual process of inspection and posting.

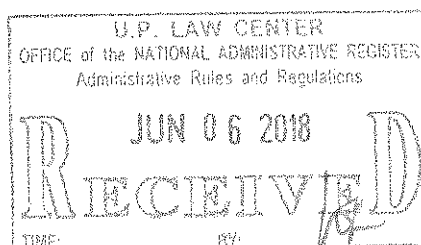
SECTION 29. Copy Furnished Persons/Groups – Once the PTC is released to the applicant, the issuing officer shall furnish the duplicate originals (blue and yellow) to the region and Central office, respectively and certified true copies of the permit to the following:

- a.) Barangay Chairman
- b.) CFO/LCIDC
- c.) Municipal Treasurer
- d.) MARO
- e.) Tenant, if applicable

SECTION 30. Date and Time of Cutting – The recipient of the PTC shall inform the Division Chief or PCA Agriculturist/Project Personnel or Coconut Production and Regulation Officer in the case of Region I-IVB of the date and time of cutting and the latter shall do the necessary spot-checking of the actual cutting.

SECTION 31. Delegation of Authority to Grant Permits

- a.) The authority to grant permit to cut under these Rules may be delegated to the City or Municipal Mayor pursuant to the guideline to be issued by the Authority.
 - i. upon the request of the City or Municipal Mayor; or upon the endorsement of PCA accredited farmer or non-government organization.
 - ii. at the discretion of the PCA Governing Board



ARTICLE VII – COLLECTION AND REMITTANCE

SECTION 32. Payment of Fees – Payment of fees authorized under these rules shall be made by the applicant by either paying in cash or managers cheque payable to PCA to the Division Chief or cashier or depositing it in the nearest bank in the area, copy of the receipt or proof of payment shall thereafter be furnished to the Division Chief/cashier concerned who shall issue the corresponding official receipt.

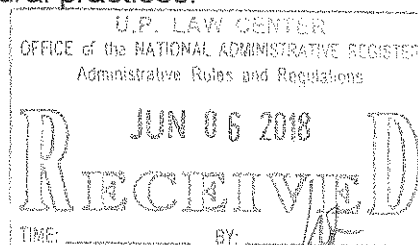
SECTION 33. Remittance

- a.) All fees herein collected by the Division Chief/cashier 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 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.

ARTICLE VIII – PROGRAM MONITORING

SECTION 34. Responsibility of PCA, LGUs, and Farmer's Organizations

- a.) The assigned PCA personnel in the area where the application of cutting was approved shall conduct random inspection or spot checking of the actual cutting operation and shall submit proper documentation such as:
 - i. Field evaluation report
 - ii. Pictures showing the actual cutting of coconut trees
 - iii. Certificate of appearance from the barangay captain that the concerned PCA staff was present in the area during cutting
- b.) The regional/provincial offices concerned shall conduct a regular monitoring of the replanting made by the applicants to ensure that the cut coconut trees were replaced. Likewise, a monthly visit to the replanted coconut trees shall also be undertaken to guarantee that newly planted coconut seedlings are being taken care of in accordance with the recommended principles and practices of good agricultural practices.



- c.) All PTC and transport permit issued under these rules shall be subject to a post evaluation, review and audit to be conducted by the National and Regional Committees on RA 8048, to determine and ensure compliance with the Act and its IRR. Hence, copies of all RA 8048 approved applications and supporting documents shall be submitted to the Central Office through the National Committee on RA 8048 to likewise effect proper monitoring. All Regional Managers/Division Chiefs shall submit an inventory report on all complaints, received and/or filed relative to violation of RA 8048 and illegal conversion of coconut lands committed within their jurisdiction and the actions taken every quarter.
- d.) To strengthen coordination with the LGUs and other Government Agencies and NGOs, the Regional Managers, Division Chiefs and Agriculturists shall conduct or attend meetings with 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.

The Regional Managers, Division Chiefs and Agriculturists shall coordinate regularly with the law enforcement agencies, such as the PNP, PCG, AFP, and the LGUs in their respective area of jurisdiction for the proper implementation of the law.

SECTION 35. Report of Violations – The PCA Agriculturist or any member of Coconut Farmers Organizations (CFOs)/LCIDC 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.

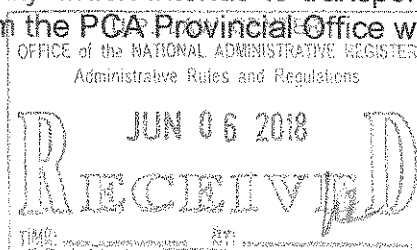
The Barangay Chairman, City or Municipal Mayor or law enforcement agents shall be immediately informed of such incident/s for their appropriate preventive action. The PCA Agriculturist shall submit a complete report of all such incidents to the concerned Division Chief, copy furnished the Regional Manager.

SECTION 36. 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 or 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.

SECTION 37. Transport Permit (TP)

- a) Any person and entity which intends to transport cut coconut logs/lumber shall secure TP from the PCA Provincial Office who issued the PTC.



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The TP shall indicate the validity period, origin/destination, mode of transport to be used, licensed plate number or vessel name and registration number, the volume of the log/lumbers, and fees paid to be computed at 30 centavos per board foot (bdft), exact address/s of the destination, PCA Registration Number of the Consignee if the consignee will sell the said lumber.

The TP shall at all times be accompanied by the original copy of the PTC.

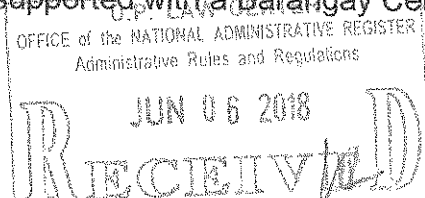
- b) Any excess in volume stated in the PTC shall be imposed a penalty in accordance with Section 44 (c) hereof.
- c) The transport permit that shall be issued shall be accompanied by a Certificate of Quantity/Volume of Coconut lumber issued by PCA using prescribed pro forma guide.
- d) The maximum volume of cocolumber in bd.ft to be loaded according to the type of vehicle are as follows:

| TYPE OF VEHICLE | MAXIMUM LOAD (in bd.ft) |
|------------------------------------|-------------------------|
| Smaller than jeep | 2,000 |
| Jeep | 3,500 |
| Elf or Six-Wheeler Truck | 4,000 |
| Forward | 7,000 |
| Ten-Wheeler Truck | 12,000 |
| Prime Mover (12 wheeler and above) | 18,000 |

- e) For lumber consolidators, they shall submit the original PTC and the original transport permit issued by the PCA to the original owner of the coconut lumber. They shall apply for a new transport permit indicating the consolidated volume and pay an application fee of Php500.00 only regardless of volume. In case the lumber is not covered by approved transport permits, the consolidator shall apply for a new transport permit and shall pay an application fee of Php1,000.00 and fee of P0.30/bdft of lumber.
- f) **The validity of Transport permit shall be determined accordance with the following:**

| NO. OF TREES | MAXIMUM VALIDITY |
|----------------------------------|------------------|
| Within the Municipality | 1 day |
| Within the Province | 2 days |
| Within the Region | 3 days |
| Outside the Region/ Inter Island | 5-7 Days |

- g) An extension of the validity of the Transport Permit may be allowed for a valid reason duly supported with a Barangay Certification.



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ARTICLE IX – REGISTRATION

SECTION 38. 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.

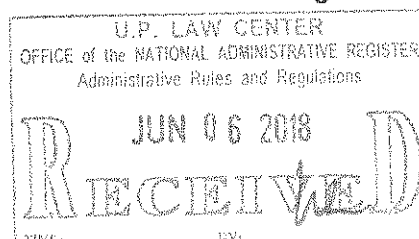
- (a) Pursuant to Section 7 of the Act, the registration of persons and entities dealing with coconut products in accordance with PCA Administrative Orders No. 01, series 2009 as amended, shall, except as hereinafter provided, be applicable to operators of sawmills, lumberyards, processors and dealers of coconut wood products and warehouses used in storing coco lumber. 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, are hereby amended as follows:

| Authorized Capital | Registration Fee (PhP) | |
|---------------------------------------|------------------------|----------|
| | New | Renewal |
| Less than PhP 1,000,000.00 | 2,000.00 | 500.00 |
| Over PhP 1,000,000.00 to 5,000,000.00 | 6,000.00 | 1,500.00 |
| Over PhP 5,000,000.00 | 10,000.00 | 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 trees, shall register annually with the PCA Provincial Office where they operate or conduct business. Those operating in NCR shall register with the PCA Region I-IVB Regional Office in Quezon City.

SECTION 39. Annual Registration of Power saws/ Chainsaws with the PCA

- a.) All power saws and or chainsaws intended for the cutting of coconut trees shall be accepted for registration with any PCA Provincial Office, only if, same had registration with the DENR under Republic Act No. 9175 (Chainsaw Act)., and to be renewed by December of each year.
- b.) Registration fees:
- Original registration and renewal fee – PhP 1,000.00
 - Late registration shall incur a surcharge of 50% of the current year's rate.
- c.) The Division Chief 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.) Any power saw/chainsaw which is registered with DENR but is not registered with PCA which is used in the cutting and ripping of coconut trees covered by a valid PTC shall be confiscated and shall only be released to the owner upon proper registration and payment of PhP15,000 for the first offense/instance. Provided, however, that for the second offense/instance, the powersaw/chainsaw shall be confiscated and forfeited in favor of the government in accordance with Section 7 of RA 10593.

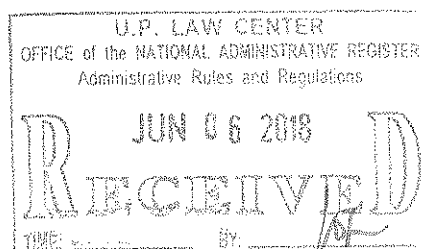
Regardless of registration with PCA and/or DENR, all power saws/chainsaws used in the illegal cutting of coconut trees shall be confiscated in favor of the government pursuant to Section 7 of the Act and Article 45 of the Revised Penal Code.

ARTICLE X – ENFORCEMENT

SECTION 40. Police Powers – The PCA Administrator, Chairperson of Task Force RA 8048, Regional Managers, Division Chiefs, Coconut Production and Regulation Officer, Senior Agriculturists and Agriculturists 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:

- 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

Seek the assistance of the police, local government officials and other law enforcement agencies for the efficient and effective implementation of this Act.



SECTION 41. Funds for enforcement – The Regional Office shall maintain a revolving fund of not exceeding 30% of the total annual collection per year as Enforcement Fund to defray extraordinary expenses including litigation expenses incurred in the enforcement of RA 8048 and this IRR subject to existing laws and usual accounting and auditing rules.

The fund shall be sourced and replenished from fines and proceeds from the auction of lumber and implements abandoned, confiscated and/or duly forfeited in favor of the Authority or the Government, provided that it may also be replenished from collections for Filling fees, Permit to Cut Fees and Inspection fees.

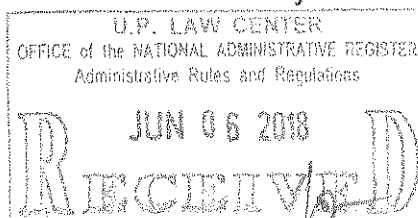
SECTION 42. Deputation of Members of the Philippine National Police, National Bureau of Investigation, Bureau of Customs, and other law enforcement agencies – All members of the Philippine National Police (PNP), National Bureau of Investigation (NBI) – Environmental Crime Division, Bureau of Customs (BOC), and other law enforcement and investigation 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 43. 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, members of 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 44. Confiscation and Imposition of Administrative Fees

- a.) Any felled coconut tree or lumber found to be without the required PTC from the PCA is hereby deemed illegally cut.
- b.) All newly cut coconut logs/lumbers transported, with a duly issued PTC but with no TP, shall be confiscated pursuant to Section 7 of RA 10593 and deposited to the nearest barangay hall or police outpost.
- c.) All excess logs shall be assessed and penalized according to PTC and transport permit fees. Every 150 bdft will be equivalent to one tree cut and shall be charged treble the application fee of PhP100.00/tree. Every excess volume shall be charged PhP3.00/bdft for transport fee, otherwise the excess lumber shall be confiscated.
- d.) 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 and executed an affidavit that they had no complicity in the illegal



cutting of coconut trees, logs or lumber confiscated and payment of fine in accordance with the following schedule.

| TYPE OF VEHICLE | PENALTIES |
|------------------------------------|---------------------------|
| Smaller than jeep | PhP 1,000.00 + Affidavit |
| Jeep | PhP 3,000.00 + Affidavit |
| Elf or Six-Wheeler Truck | PhP 10,000.00 + Affidavit |
| Forward | PhP 20,000.00 + Affidavit |
| Ten-Wheeler Truck | PhP 50,000.00 + Affidavit |
| Prime Mover (12 wheeler and above) | PhP 70,000.00 + Affidavit |

All vehicles shall be impounded at the nearest Police station or nearest PCA office.

- e.) A vehicle 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.

Provided that if no complaint is filed in court, the vehicle may only be released upon payment of the corresponding administrative fine herewith

| TYPE OF VEHICLE | PENALTIES |
|------------------------------------|----------------|
| Smaller than jeep | PhP 5,000.00 |
| Jeep | PhP 7,000.00 |
| Elf or Six-Wheeler Truck | PhP 20,000.00 |
| Forward | PhP 40,000.00 |
| Ten-Wheeler Truck | PhP 100,000.00 |
| Prime Mover (12 wheeler and above) | PhP 150,000.00 |

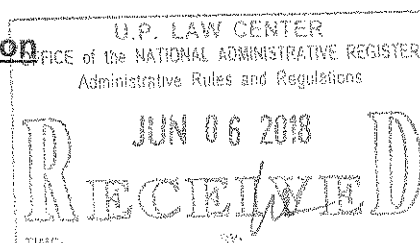
If a case has been filed in court, he shall additionally file a petition for the purpose.

- f.) Any power saw/chainsaw which is not registered with the Department of Environment and Natural Resources (DENR) and PCA which is used in the cutting and ripping of coconut trees whether or not covered by a valid PTC shall be confiscated and forfeited in favor of the government.

The Forfeiture Order undertaken pursuant to this section shall be duly recommended by the Division Chief or Coconut Production and Regulation Officer in the case of Region I-IVB for NCR and approved by the Regional Manager copy of which shall be furnished the owner.

The foregoing shall be, without prejudice to the liability of the owner or user under the Chainsaw Act and Article 45 of the Revised Penal Code.

SECTION 45. Custodial Disposition



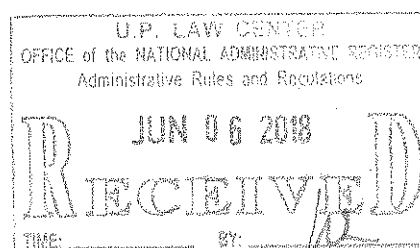
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- a.) The confiscated logs/lumbers covered with a PTC, without a valid TP and the vehicle used in transporting the same shall be impounded and shall not be released until a valid TP is secured with the PCA Provincial Office having jurisdiction over the point of origin of the coconut logs or lumber. A corresponding fine equivalent to double the amount of the applicable TP fee shall be imposed as penalty for failure of the transporter/owner to secure a valid TP prior to transporting the logs/lumber.

Failure of the transporter/owner to secure a valid TP after a lapse of fifteen (15) days from the confiscation shall cause the PCA to dispose and sell the logs/lumbers through public auction. The proceeds thereof, less cost of auction shall be applied to the TP fee and penalty/ies. Any balance remaining, if any, will be returned to the transporter/owner. The vehicle/s used in the transport shall only be released in accordance with Section 44 (d) of this rule.

- 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 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, the Division Chief or Regional Manager, in the case of NCR shall, after a lapse of fifteen days (15) days but not more than 30 days from confiscation or receipt in custody of the confiscated lumbers, ascertain and certify as to the condition of the same, and if merchantable conduct a public auction to sell and dispose of the illegally cut coconut trees, logs or lumber. In case the lumber is subject of complaint/case, the Division Chief/Regional Manager shall ask written permission from the court prior to the conduct of a public auction.

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.



ARTICLE XI – PENAL PROVISIONS, FORFEITURE AND DISPOSITION

SECTION 46. Penalties – The provision on Penalties under Section 9 of Republic Act 10593 is hereby adopted *entoto* and declared an integral part of these Rules and Regulations as follows:

“Sec. 9 Penalties. – Those found guilty of violating this Act or any rules and regulations issued pursuant hereto shall, upon conviction, be punished by imprisonment of not less than two (2) years but not more than six (6) years, or a fine of not less than One hundred thousand pesos (P100,000.00) but not more than Five hundred thousand pesos (P500,000.00), or both, at the discretion of the court.”

“If the offender is a corporation or a juridical entity, the official who ordered or allowed the commission of the offense shall be punished with the same penalty.

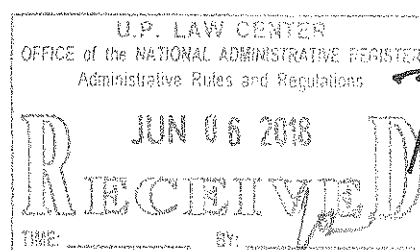
“If the offender is in the government service, he shall, in addition be dismissed from office.

“Upon verification by the PCA that no replanting was done, the barangay captain who issued the certification shall, upon conviction, be penalized with imprisonment of not less than three (3) years but not more than seven (7) years and a fine of not less than One hundred thousand pesos (P100,000.00) but not more than One million pesos (P1,000,000.00). Furthermore, the barangay captain concerned shall be perpetually disqualified from holding any other public office.”

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 47. 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 or proceeds of the action thereof, and the instruments or tools employed in their cutting unless they be the property of a third person not liable for the offense.

SECTION 48. Final Disposition – The illegally cut coconut trees, logs or lumber forfeited in favor of the Government and which have not been auctioned 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.




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 two (2) newspapers of general circulation.

Issued this 1st day of June, 2018 at Quezon City, Philippines.


ROMULO J. DE LA ROSA
Administrator

APPROVED AND CONFIRMED by the PCA Governing Board in its Resolution No. 038-2018.

