



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session



House Bill No. 10220

Introduced by CIBAC Party-List Representative
EDUARDO "BRO. EDDIE" C. VILLANUEVA

EXPLANATORY NOTE

The coconut industry remains one of the cornerstones of Philippine agriculture, providing livelihood to millions of Filipino farmers and contributing significantly to rural development, food security, and export earnings. Recognizing the historical injustice suffered by coconut farmers, Congress enacted Republic Act No. 11524, or the Coconut Farmers and Industry Trust Fund Act, to ensure that the recovered coconut levy assets are utilized exclusively for the benefit of coconut farmers and the long-term rehabilitation and modernization of the coconut industry.

While the enactment of Republic Act No. 11524 marked a significant milestone, experience in its implementation has revealed operational, administrative, and governance challenges that limit the timely and effective utilization of the Trust Fund. Delays in project implementation, limited absorptive capacity, fragmented coordination among implementing agencies, outdated beneficiary records, and the absence of measurable performance targets have hindered the realization of the law's intended benefits. There likewise remains a need to strengthen transparency, improve accountability mechanisms, and ensure that Trust Fund resources directly translate into higher productivity, increased farmer incomes, and long-term resilience of the coconut sector.

This bill seeks to strengthen the implementation of Republic Act No. 11524 by enhancing the governance framework of the Coconut Farmers and Industry Trust Fund. It authorizes the Philippine Coconut Authority (PCA) to adopt more responsive implementation strategies, establish measurable annual performance targets, periodically update the Coconut Farmers and Industry Development Plan, digitize and continuously validate the Coconut Farmers Registry, and create a dedicated Program Management Office to improve project delivery and monitoring. The measure also expands support programs for coconut farmers, including productivity enhancement, comprehensive insurance, research and innovation, enterprise development, infrastructure, social protection, and disaster assistance.

The proposed amendments further strengthen transparency and accountability by requiring the publication of annual implementation reports, beneficiary information

consistent with data privacy laws, audit findings, and project accomplishments. It likewise refines the management and disposition of coconut levy assets to ensure that decisions are guided by the long-term interests of coconut farmers and that public assets are utilized in a manner that generates measurable economic benefits for the industry. The bill also enhances farmer participation in governance by extending the tenure of farmer representatives in the PCA Board and institutionalizing regular consultations with stakeholders.

By modernizing the governance structure of the Coconut Farmers and Industry Trust Fund and ensuring more efficient, transparent, and accountable implementation, this measure seeks to maximize the developmental impact of recovered coconut levy assets and secure sustainable economic opportunities for present and future generations of coconut farmers.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


EDUARDO "BRO. EDDIE" C. VILLANUEVA



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AN ACT
STRENGTHENING THE IMPLEMENTATION, MANAGEMENT, AND UTILIZATION
OF THE COCONUT FARMERS AND INDUSTRY TRUST FUND, ENHANCING
GOVERNANCE AND BENEFICIARY ACCESS, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 11524, OTHERWISE KNOWN AS THE "COCONUT
FARMERS AND INDUSTRY TRUST FUND ACT"

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1.** Section 3 of Republic Act No. 11524, or the "Coconut Farmers and
2 Industry Trust Fund Act," is hereby amended to read as follows:

3
4 "SEC. 3. Definition of Terms. - As used in this Act:

5
6 (a) x x x

7 (b) x x x

8 (c) x x x

9 **(D) COMPREHENSIVE INSURANCE REFERS TO YIELD**
10 **INSURANCE, CROP INSURANCE, TERM INSURANCE, AND OTHER**
11 **FORMS OF INSURANCE THAT MAY BE AVAILABLE TO COCONUT**
12 **FARMERS;**

13 ~~[(d)]~~ **(E)** Designated Disposition Entity (DDE) refers to the
14 Privatization Management Office (PMO), Land Bank of the Philippines
15 (LBP), Development Bank of the Philippines (DBP), Social Security
16 System (SSS), Government Service Insurance System (GSIS) which, at
17 the time of the enactment of this Act, are one hundred percent (100%)
18 owned by the government."

19
20 **SEC. 2.** Section 4 of Republic Act No. 11524 is hereby amended to read follows:

21
22 ~~"[SEC. 4. Preparation of the Coconut Farmers and Industry~~
23 ~~Development Plan. The Coconut Farmers and Industry Development~~

1 ~~Plan shall be prepared by the Philippine Coconut Authority (PCA) and~~
2 ~~approved by the President of the Philippines. The utilization of the Trust~~
3 ~~Fund created under this Act, or any portion thereof, shall be in~~
4 ~~accordance with the Development Plan. In the performance of its~~
5 ~~functions, the PCA shall consult coconut farmers and their organizations,~~
6 ~~industry associations, civil society organizations, academe, government~~
7 ~~agencies concerned, particularly the Land Bank of the Philippines (LBP),~~
8 ~~Development Bank of the Philippines (DBP), Cooperative Development~~
9 ~~Authority (CDA), Department of Science and Technology Philippine~~
10 ~~Council for Agriculture, Aquatic and Natural Resources Research and~~
11 ~~Development (DOST-PCAARRD), Bureau of Micro, Small and Medium~~
12 ~~Enterprise Development under the Department of Trade and Industry~~
13 ~~(DTI), Commission on Higher Education (CHED), Technical Education~~
14 ~~and Skills Development Authority (TESDA), Agricultural Training~~
15 ~~Institute (ATI), Philippine Center for Post Harvest Development and~~
16 ~~Mechanization (PhilMech), Department of Agriculture's High Value~~
17 ~~Crops Development Program, Department of Agriculture's Bureau of~~
18 ~~Animal Industry's Philippine Native Animals Development Program,~~
19 ~~National Dairy Authority (NDA), Department of Public Works and~~
20 ~~Highways (DPWH) and other stockholders in the coconut industry. The~~
21 ~~Plan shall set the directions and policies for the development and~~
22 ~~rehabilitation of the coconut industry within fifty (50) years.]~~

23
24 **SEC. 4. PREPARATION OF THE COCONUT FARMERS AND**
25 **INDUSTRY DEVELOPMENT PLAN. - THE COCONUT FARMERS**
26 **AND INDUSTRY DEVELOPMENT PLAN, HEREINAFTER REFERRED**
27 **TO AS THE "PLAN," SHALL BE FORMULATED UNDER THE**
28 **LEADERSHIP OF THE PHILIPPINE COCONUT AUTHORITY (PCA),**
29 **IN COORDINATION WITH RELEVANT GOVERNMENT AGENCIES**
30 **AND INDUSTRY STAKEHOLDERS, AND SHALL BE SUBMITTED TO**
31 **THE PRESIDENT OF THE PHILIPPINES FOR APPROVAL.**

32
33 **THE UTILIZATION OF THE TRUST FUND CREATED UNDER THIS**
34 **ACT, OR ANY PORTION THEREOF, SHALL BE IN ACCORDANCE**
35 **WITH THE PLAN: PROVIDED, THAT THE PCA MAY INTRODUCE**
36 **SUCH ADJUSTMENTS AS MAY BE NECESSARY TO ADDRESS**
37 **AGENCY ABSORPTIVE CAPACITIES AND THE EVOLVING NEEDS**
38 **OF COCONUT FARMERS AND THE INDUSTRY.**

39
40 **IN THE PERFORMANCE OF THIS MANDATE, THE PCA SHALL**
41 **ENSURE PARTICIPATORY CONSULTATION WITH COCONUT**
42 **FARMERS AND THEIR ORGANIZATIONS, INDUSTRY**
43 **ASSOCIATIONS, CIVIL SOCIETY ORGANIZATIONS, THE ACADEME,**
44 **RELEVANT GOVERNMENT AGENCIES, AND OTHER**
45 **STAKEHOLDERS IN THE COCONUT INDUSTRY TO ENSURE THAT**
46 **THE PLAN REFLECTS THE NEEDS OF ITS INTENDED**
47 **BENEFICIARIES.**

48
49 **THE PLAN SHALL ESTABLISH THE LONG-TERM VISION, GOALS,**
50 **POLICIES, AND STRATEGIES FOR THE DEVELOPMENT,**

1 REHABILITATION, AND MODERNIZATION OF THE COCONUT
2 INDUSTRY OVER A PERIOD OF FIFTY (50) YEARS, AND SHALL
3 INCLUDE MECHANISMS FOR PERIODIC REVIEW AND UPDATING
4 TO RESPOND TO EMERGING CHALLENGES AND
5 OPPORTUNITIES. IT SHALL LIKEWISE INCLUDE ANNUAL
6 PERFORMANCE TARGETS, SUCH AS THE NUMBER OF FARMERS
7 SERVED, HECTARES REPLANTED, IMPROVEMENTS IN YIELD,
8 AND INCREASES IN FARMER INCOME.

9
10 x x x

11
12 The Plan shall include a national program for:

13
14 **(A) INCREASED COCONUT PRODUCTIVITY AND SUSTAINABILITY**
15 **THROUGH MASSIVE COCONUT PLANTING AND REPLANTING,**
16 **FERTILIZATION, AND COCONUT FARM IRRIGATION;**

17
18 ~~[(a)]~~ **(B)** Community-based enterprises, including integrated processing
19 of products and downstream products intended to increase incomes of
20 coconut farmers;

21 ~~[(b)]~~ **(C)** Social protection that directly benefit coconut farmers, farm
22 workers, and their families, taking into consideration existing social
23 protection programs of the government;

24 ~~[(c)]~~ **(D)** Coconut farmers organization and development; **AND**

25 ~~[(d)]~~ **(E)** Innovative research projects and their practical application on
26 coconut processing, production and distribution towards developing the
27 local coconut industry[; and

28
29 ~~(e) Integrated processing of coconut and downstream products].~~

30
31 x x x

32
33 ~~[Programs relating to planting, replanting, fertilization, research and~~
34 ~~development, market promotion, and farm to market roads in coconut~~
35 ~~producing provinces, shall also be funded through regular appropriations.~~
36 ~~The Plan shall take into account the distribution of the annual allocation~~
37 ~~from the Trust Fund, as follows:~~

38
39 ~~(a) Development of hybrid coconut seed farms, and nursery for planting~~
40 ~~and replanting, twenty percent (20%): to be implemented by the PCA~~
41 ~~fifteen percent (15%) and the Department of Science and Technology~~
42 ~~Philippine Council for Agriculture, Aquatic and Natural Resources~~
43 ~~Research and Development (DOST PCAARRD) at five percent (5%) for~~
44 ~~research respectively;~~

45 ~~(b) Training of farmers and their families, as listed in the coconut farmers~~
46 ~~registry, in farm schools, the training shall be on coconut production and~~
47 ~~processing technologies, value addition of coconut products,~~
48 ~~diversification and sustainable farming methods, including organic~~
49 ~~farming, financial literacy, and farm business schools programs among~~

others through the TESDA and the ATI, eight percent (8%), to be shared equally;

(c) Research, marketing, and promotion, five percent (5%), to be implemented by the Bureau of Micro, Small and Medium Enterprise Development under the DTI;

(d) Crop Insurance, four percent (4%), to be implemented by the Philippine Crop Insurance Corporation (PCIC);

(e) Farm improvements through diversification and/or intercropping with livestock, dairy, poultry, coffee, cacao production, ten percent (10%), to be implemented by the NDA, the Department of Agriculture's High Value Crops Development Program, and the Department of Agriculture's Bureau of Animal Industry, Native Animal Program to be shared equally;

(f) Shared facilities for processing, ten percent (10%), to be implemented by the PhilMech, the beneficiaries of which are coconut farmers cooperatives and LGUs for coconut farmer organizations. LGUs shall create local small farmers councils to provide mechanisms for consultation and participation;

(g) Organizing and empowerment of coconut farmer organization and their cooperatives, five percent (5%) to be implemented by the Cooperative Development Authority (CDA) for farmers cooperatives and LGUs for coconut farmer organizations. LGUs shall create local small farmers councils to provide mechanisms for consultations and participation;

(h) Credit programs through the DBP and LBP, ten percent (10%) to be shared equally;

(i) Infrastructure development, ten percent (10%), to be implemented by the DPWH, in identified coconut producing LGUs. The DPWH shall give priority to the use of coconut coir or coconut bio-engineering solutions in controlling soil erosion and slope stabilization in the construction of roads and in other applicable projects;

(j) Scholarship program for farmers and their families eight percent (8%), to be implemented by the CHED; and

(k) Health and medical program for farmers and their families ten percent (10%) thereby creating a special unit within the agency for the purpose. Within one hundred twenty (120) days from the effectivity of this Act, the PCA Board shall enter into a memorandum of agreement with the following agencies, as identified in this section: DOST PCAARRD, TESDA, ATI, NDA, PhilMech, CDA, LBP, DBP, CHED, STI, and DPWH, to ensure a coordinated implementation of the programs under the Development Plan, proper utilization of the allocations provided in this section, and submission of periodic accomplishment report of these implementing agencies to the PCA Board.

To facilitate the implementation of these programs and the identification of beneficiaries, the PCA shall, within ninety (90) days from the effectivity of this Act, complete the Coconut Farmers Registry: Provided, That an annual verification of the registry shall be conducted by the LGUs in coordination with the PCA and the Department of Agriculture (DA) to ensure its veracity.

1 Within one hundred twenty (120) days from the effectivity of this Act, the
2 Plan shall be submitted by the PCA to the President, for approval.]
3

4 THE PLAN SHALL UTILIZE THE ANNUAL ALLOCATION FROM THE
5 TRUST FUND TO PRIORITIZE PROGRAMS THAT DIRECTLY
6 ENHANCE THE WELFARE, PRODUCTIVITY, AND INCOME OF
7 COCONUT FARMERS AND THEIR FAMILIES, AND PROMOTE THE
8 SUSTAINABLE DEVELOPMENT OF THE COCONUT INDUSTRY,
9 INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING:
10

11 (A) PRODUCTIVITY ENHANCEMENT AND FARM DEVELOPMENT. -
12 PROGRAMS FOR COCONUT PLANTING AND REPLANTING,
13 FERTILIZATION, IRRIGATION, AND THE ESTABLISHMENT OF
14 HYBRID SEED FARMS AND NURSERIES, AS WELL AS OTHER
15 INTERVENTIONS TO IMPROVE FARM PRODUCTIVITY AND
16 RESILIENCE;
17

18 (B) RESEARCH, INNOVATION, AND EXTENSION. - RESEARCH
19 AND DEVELOPMENT, TECHNOLOGY TRANSFER, EXTENSION
20 SERVICES ON COCONUT PRODUCTION, PROCESSING,
21 DIVERSIFICATION, AND CLIMATE-RESILIENT FARMING SYSTEMS,
22 INCLUDING THE PRACTICAL APPLICATION OF INNOVATIONS
23 ACROSS THE VALUE CHAIN;
24

25 (C) CAPACITY BUILDING AND TRAINING. - TRAINING PROGRAMS
26 FOR COCONUT FARMERS AND THEIR FAMILIES, AS LISTED IN
27 THE COCONUT FARMERS REGISTRY, TO BE CONDUCTED
28 THROUGH TECHNICAL-VOCATIONAL INSTITUTIONS, FARM
29 SCHOOLS, AND OTHER ACCREDITED AGRICULTURAL TRAINING
30 PROVIDERS, COVERING PRODUCTION AND PROCESSING
31 TECHNOLOGIES, VALUE ADDITION, DIVERSIFIED AND
32 SUSTAINABLE FARMING SYSTEMS, FINANCIAL LITERACY, AND
33 FARM BUSINESS MANAGEMENT;
34

35 (D) ENTERPRISE DEVELOPMENT AND MARKET ACCESS. -
36 PROMOTION OF COMMUNITY-BASED ENTERPRISES, VALUE
37 CHAIN DEVELOPMENT, MARKETING SUPPORT, AND MARKET
38 LINKAGE PROGRAMS TO INCREASE FARMER INCOMES AND
39 PARTICIPATION IN HIGHER-VALUE ACTIVITIES;
40

41 (E) FARM DIVERSIFICATION AND LIVELIHOOD SUPPORT. -
42 PROGRAMS SUPPORTING INTERCROPPING, INTEGRATED
43 FARMING SYSTEMS, AND OTHER LIVELIHOOD ACTIVITIES THAT
44 OPTIMIZE LAND USE AND ENHANCE INCOME OPPORTUNITIES;
45

46 (F) CREDIT AND FINANCIAL SERVICES. - ACCESSIBLE AND
47 AFFORDABLE CREDIT FACILITIES, FINANCING PROGRAMS, AND
48 OTHER FINANCIAL SERVICES TAILORED TO THE NEEDS OF
49 COCONUT FARMERS AND THEIR ORGANIZATIONS;
50

1 (G) CROP INSURANCE AND RISK MITIGATION. - PROVISION OF
2 COMPREHENSIVE CROP AND RELATED INSURANCE PROGRAMS,
3 AND OTHER RISK MITIGATION MECHANISMS TO PROTECT
4 FARMERS AGAINST LOSSES;
5

6 (H) INFRASTRUCTURE AND POST-HARVEST FACILITIES. -
7 DEVELOPMENT OF INFRASTRUCTURE AND SHARED FACILITIES
8 FOR PROCESSING, STORAGE, AND TRANSPORT IN IDENTIFIED
9 COCONUT-PRODUCING AREAS, INCLUDING THE
10 PRIORITIZATION OF COCONUT COIR OR COCONUT
11 BIOENGINEERING SOLUTIONS FOR SOIL EROSION CONTROL
12 AND SLOPE STABILIZATION, WHERE TECHNICALLY
13 APPROPRIATE;
14

15 (I) INSTITUTIONAL DEVELOPMENT AND FARMER ORGANIZATION.
16 - ORGANIZING AND STRENGTHENING OF COCONUT FARMERS
17 AND THEIR ORGANIZATIONS, INCLUDING SUPPORT FOR
18 COOPERATIVE DEVELOPMENT, INSTITUTIONAL CAPACITY-
19 BUILDING, AND THE ESTABLISHMENT OF LOCAL SMALL
20 COCONUT FARMER COUNCILS BY LGUS TO ENSURE
21 CONSULTATION AND PARTICIPATION;
22

23 (J) SOCIAL PROTECTION AND HUMAN CAPITAL DEVELOPMENT.
24 - SCHOLARSHIP PROGRAMS, HEALTH AND MEDICAL SERVICES,
25 AND OTHER SOCIAL PROTECTION MEASURES FOR COCONUT
26 FARMERS AND THEIR FAMILIES, INCLUDING THE
27 ESTABLISHMENT OF APPROPRIATE UNITS WITHIN THE PCA TO
28 ADMINISTER SUCH PROGRAMS; AND
29

30 (K) OTHER SUPPORT PROGRAMS. - SUCH OTHER PROGRAMS AS
31 MAY BE NECESSARY TO DIRECTLY IMPROVE FARMER WELFARE,
32 INCREASE INCOMES, AND SUSTAIN THE LONG-TERM
33 DEVELOPMENT OF THE COCONUT INDUSTRY.
34

35 PROVIDED, THAT NOT LESS THAN FIVE PERCENT (5%) OF THE
36 ANNUAL ALLOCATION FROM THE TRUST FUND SHALL BE SET
37 ASIDE AS FINANCIAL ASSISTANCE TO COCONUT FARMERS IN
38 THE EVENT OF NATURAL OR HUMAN-INDUCED DISASTERS,
39 PUBLIC HEALTH EMERGENCIES, OR OTHER UNFORESEEN
40 CIRCUMSTANCES THAT MATERIALLY AFFECT COCONUT
41 FARMERS AND THE COCONUT INDUSTRY.
42

43 PROGRAMS UNDER THE PLAN SHALL BE IMPLEMENTED IN A
44 TIMELY AND EFFICIENT MANNER, GUIDED BY ANNUAL
45 IMPLEMENTATION SCHEDULES AND PERFORMANCE TARGETS
46 TO BE ESTABLISHED BY THE PCA.
47

48 THE PLAN SHALL BE REVIEWED AND UPDATED EVERY FIVE (5)
49 YEARS, TAKING INTO ACCOUNT THE RESULTS OF MONITORING
50 AND EVALUATION, EMERGING CHALLENGES AND

1 OPPORTUNITIES, STAKEHOLDER FEEDBACK, AND EVOLVING
2 LOCAL AND GLOBAL INDUSTRY CONDITIONS, IN ORDER TO
3 ASSESS THE IMPACT OF PROGRAMS AND PROJECTS. FOR THIS
4 PURPOSE, THE PCA SHALL SUBMIT TO THE PRESIDENT A
5 REVISED PLAN, INCLUDING UPDATED FUNDING REQUIREMENTS
6 AND ALLOCATIONS.
7

8 THE PLAN SHALL LIKEWISE ESTABLISH CLEAR AND
9 TRANSPARENT CRITERIA FOR BENEFICIARY TARGETING, WITH
10 PRIORITY GIVEN TO SMALLHOLDER FARMERS. TO SUPPORT
11 THIS, THE PCA SHALL ENSURE THE COMPLETION AND
12 CONTINUOUS UPDATING OF THE COCONUT FARMERS
13 REGISTRY, AND SHALL CONDUCT ANNUAL VERIFICATION
14 THEREOF IN COORDINATION WITH LOCAL GOVERNMENT UNITS
15 (LGUS) AND THE DEPARTMENT OF AGRICULTURE (DA) TO
16 ENSURE ITS ACCURACY.
17

18 THE REGISTRY SHALL BE DIGITIZED, UPDATED ANNUALLY, AND
19 SUPPORTED BY MOBILE AND COMMUNITY-BASED
20 REGISTRATION MECHANISMS TO ENSURE THE INCLUSION OF
21 REMOTE AND INFORMAL COCONUT FARMERS.
22

23 WITHIN NINETY (90) DAYS FROM THE EFFECTIVITY OF THIS ACT,
24 THE PCA SHALL PREPARE AND SUBMIT THE PLAN TO THE
25 PRESIDENT FOR APPROVAL.
26

27 Before the Plan is finalized and submitted to the President for approval,
28 the DA, Department of Budget and Management (DBM),
29 DEPARTMENT OF FINANCE (DOF), DEPARTMENT OF TRADE AND
30 INDUSTRY (DTI), and [the National Economic and Development
31 Authority (NEDA)] DEPARTMENT OF ECONOMY, PLANNING, AND
32 DEVELOPMENT (DEPDEV) shall provide their advisory opinions on the
33 following matters:
34

- 35 (a) x x x
36 (b) x x x
37 (c) x x x
38 (d) x x x "
39

40 **SEC. 3.** Section 5 of Republic Act No. 11524 is hereby amended to read as
41 follows:
42

43 "SEC. 5. The Philippine Coconut Authority (PCA). - The PCA, an
44 independent public corporation created under Presidential Decree No.
45 1468, shall be reconstituted and strengthened to ensure the participation
46 of coconut farmers in the crafting and implementation of the [~~Coconut~~
47 ~~Farmers and Industry Development~~] Plan. The composition of the PCA
48 Board is hereby amended and the same shall now be composed of the
49 following:

- 1 (a) The Secretary of the [~~Department of Agriculture (DA)~~] **DA**, as
2 Chairperson;
- 3 (b)
4 (b) The Secretary of the [~~Department of Finance (DOF)~~] **DOF**, as Vice
5 Chairperson;
- 6
7 (c) The Secretary of the [~~Department of Budget and Management~~
8 (~~DBM~~)] **DBM**;
- 9
10 (d) The Secretary of the Department of Science and Technology
11 (DOST);
- 12
13 (e) The Secretary of the [~~Department of Trade and Industry (DTI)~~] **DTI**;
- 14
15 (f) The Administrator of the Authority; and
- 16
17 (g) Three (3) members from the coconut farmers sector (one (1) each
18 from Luzon, Visayas, and Mindanao): Provided, That the representatives
19 from the coconut farmers sector shall be Filipino citizens, registered with
20 the PCA's Coconut Farmers Registry, own not more than five (5)
21 hectares of coconut farm in the last ten (10) years, have considerable
22 experience and reputable track record in promoting coconut farmers'
23 interest and welfare, and nominated by coconut farmers organizations
24 or cooperatives that are active for the past three (3) years in farmer
25 organization and development or community enterprise development.
26 They shall be appointed by the President of the Philippines from a list of
27 four (4) nominees for each island grouping: Provided, That any
28 appointment to fill a vacancy in the Board arising from death, removal,
29 retirement, or resignation of the appointive members of the Board shall
30 only be for the unexpired term: Provided, further, That the term of office
31 of the appointive members of the Board shall be for [~~one (1)~~] **THREE (3)**
32 **yearS**, unless sooner removed for cause: Provided, finally, That any
33 appointive member of the Board shall continue to hold office until a
34 successor is appointed.

35
36 The government representatives in the reconstituted PCA Board shall,
37 within thirty (30) days from the effectivity of this Act, coordinate with the
38 PCA in promulgating a nomination and screening process for the
39 nominees of representatives of the coconut farmers in consultation with
40 their respective organizations or associations.

41
42 **THE PCA, AS THE LEAD AGENCY, SHALL STRENGTHEN THE**
43 **IMPLEMENTATION OF THE PLAN AND MAY PROPOSE THE**
44 **CREATION OF SUCH UNITS AND PLANTILLA POSITIONS AS MAY**
45 **BE NECESSARY FOR THE EFFECTIVE PLANNING, EXECUTION,**
46 **AND MONITORING OF PROGRAMS THEREUNDER, IN ORDER TO**
47 **ACCELERATE THE DEVELOPMENT OF THE COCONUT INDUSTRY.**

48
49 **A PROGRAM MANAGEMENT OFFICE IS HEREBY ESTABLISHED**
50 **WITHIN THE PCA TO SERVE AS THE CENTRAL DELIVERY UNIT**

1 RESPONSIBLE FOR THE TIME-BOUND IMPLEMENTATION,
2 COORDINATION, AND MONITORING OF PROGRAMS UNDER THE
3 PLAN, AND SHALL PUBLISH QUARTERLY DELIVERY
4 SCORECARDS.

5
6 THE PCA SHALL SUBMIT AN ORGANIZATIONAL
7 STRENGTHENING PLAN AND STAFFING PATTERN, DULY
8 APPROVED BY ITS BOARD, TO THE GOVERNANCE COMMISSION
9 FOR GOVERNMENT-OWNED OR -CONTROLLED CORPORATIONS
10 (GCG) FOR REVIEW AND APPROVAL: PROVIDED, THAT NO
11 TRANSFER, REASSIGNMENT, OR SIMILAR PERSONNEL ACTION,
12 NOR ANY DEMOTION OR DIMINUTION IN RANK, SALARY, OR
13 OTHER EMOLUMENTS, SHALL BE EFFECTED WITHOUT THE
14 PRIOR APPROVAL OF THE GCG AND DBM. THE APPROVED
15 PERSONNEL COMPLEMENT OF THE PCA, INCLUDING THAT OF
16 THE PROGRAM MANAGEMENT OFFICE, SHALL BE PROVIDED
17 FOR IN THE GENERAL APPROPRIATIONS ACT."

18
19 **SEC. 4.** Section 10 of Republic Act No. 11524 is hereby amended to read as
20 follows:

21 "SEC. 10. Creation of a Trust Fund Management Committee. - There is
22 hereby created a Trust Fund Management Committee, which shall be
23 comprised of authorized representatives of the DOF, DBM, and
24 Department of Justice (DOJ). The Trust Fund Management Committee
25 shall be responsible for setting the Investment Strategy of the Trust Fund,
26 which includes the following, among others:

- 27
28 (a) x x x
29 (b) x x x
30 (c) x x x
31 (d) x x x
32 (e) x x x
33 (f) x x x
34 (g) x x x
35 (h) x x x

36
37 (i) Approval of the financial requirements of DDEs in relation to [its]
38 **THEIR** function set forth under this Act, including [its] **THEIR** annual
39 budget for operations, management, and privatization/disposition of
40 Coconut Levy Assets and/or Funds transferred and entrusted in [its]
41 **THEIR** care; [and]

42
43 **(J) TO WITHHOLD THE REMITTANCE OF DIVIDENDS ARISING**
44 **FROM THE DISPOSITION OF COCONUT LEVY ASSETS,**
45 **PARTICULARLY THOSE FROM GOVERNMENT-OWNED OR -**
46 **CONTROLLED CORPORATIONS (GOCCS), WHERE SUCH**
47 **REMITTANCE WOULD ADVERSELY AFFECT THE VALUATION OR**
48 **FINANCIAL VIABILITY OF THE ASSETS;**
49

(K) IN CASES WHERE ENTITIES HOLDING OR CONTROLLING COCONUT LEVY ASSETS DO NOT HAVE DULY CONSTITUTED BOARDS OF DIRECTORS OR OFFICERS, TO EXERCISE THE FUNCTIONS OF THE BOARD IN AN EX OFFICIO CAPACITY, SOLELY FOR PURPOSES OF IMPLEMENTING THE DISPOSITION OF SUCH ASSETS IN ACCORDANCE WITH THIS ACT, EXISTING LAWS, AND APPLICABLE RULES AND REGULATIONS; AND

~~[(j)]~~ (L) Other guidelines as may be necessary to fulfill its mandate under this Act.

THE TRUST FUND MANAGEMENT COMMITTEE SHALL ENSURE THAT ITS POLICIES AND DECISIONS ARE INFORMED BY REGULAR CONSULTATION WITH THE PCA AND REPRESENTATIVE ORGANIZATIONS OF COCONUT FARMERS.

THE SECRETARY OF THE DOF, OR HIS DESIGNATED ALTERNATE, WITH A RANK OF UNDERSECRETARY, SHALL SERVE AS THE CHAIRPERSON OF THE TRUST FUND MANAGEMENT COMMITTEE.

x x x"

SEC. 5. Section 13 of Republic Act No. 11524 is hereby amended to read as follows:

"SEC. 13. Disposition of Non-Cash Coconut Levy Assets. - Coconut Levy Assets defined in Section 3 hereof, which are assigned by the Trust Fund Management Committee to DDEs, shall be privatized or disposed **OF**, subject to the regulatory approvals as required by law ~~[within the period of five (5) years from the effectivity of this Act.]:~~ **PROVIDED, THAT ASSETS DETERMINED BY THE TRUST FUND MANAGEMENT COMMITTEE TO DIRECTLY BENEFIT THE COCONUT INDUSTRY AND ITS BENEFICIARIES MAY BE ACQUIRED OR UTILIZED BY THE NATIONAL GOVERNMENT FOR SUCH PURPOSE: PROVIDED, FURTHER, THAT NO DISPOSITION SHALL BE APPROVED UNLESS IT DEMONSTRATES CLEAR AND MEASURABLE BENEFIT TO COCONUT FARMERS, INCLUDING INCOME GENERATION OR EMPLOYMENT CREATION.**

FOR PURPOSES OF THIS ACT, DISPOSITION AND PRIVATIZATION SHALL, WHERE APPROPRIATE, INCLUDE THE DISSOLUTION OR SALE OF COCONUT LEVY ASSETS, AS WELL AS THE ACQUISITION OR UTILIZATION THEREOF BY THE NATIONAL GOVERNMENT, WHERE SUCH ACTION IS DETERMINED TO ADVANCE THE BROADER INTEREST AND LONG-TERM DEVELOPMENT OF THE COCONUT INDUSTRY: PROVIDED, THAT ANY ACQUISITION OR UTILIZATION OF ASSETS BY THE NATIONAL GOVERNMENT SHALL BE SUBJECT TO A FAVORABLE RECOMMENDATION BASED ON A THOROUGH STUDY CONDUCTED BY AN EXTERNAL AND INDEPENDENT ORGANIZATION OR RESEARCH OR CONSULTING FIRM, TO BE

1 PROCURED BY AND AT THE EXPENSE OF THE REQUESTING
2 GOVERNMENT ENTITY, AND SUBJECT TO THE APPROVAL OF
3 THE TRUST FUND MANAGEMENT COMMITTEE.
4

5 NON-CASH COCONUT LEVY ASSETS SHALL, UPON REVIEW AND
6 RECOMMENDATION OF THE TRUST FUND MANAGER, BE
7 ASSIGNED BY THE TRUST FUND MANAGEMENT COMMITTEE TO
8 THE APPROPRIATE DDES FOR PURPOSES OF FACILITATING
9 THEIR DISPOSITION WITHIN ONE (1) YEAR FROM THE
10 RECONVEYANCE OF SUCH ASSETS TO THE NATIONAL
11 GOVERNMENT.
12

13 THE DDE SHALL BE RESPONSIBLE FOR THE DISPOSITION OF
14 THE ASSIGNED ASSET WITHIN TEN (10) YEARS FROM THE DATE
15 OF SUCH ASSIGNMENT.
16

17 THE TRUST FUND MANAGEMENT COMMITTEE MAY GRANT AN
18 EXTENSION OF THE DISPOSITION PERIOD: PROVIDED, THAT
19 SUCH EXTENSION IS JUSTIFIED IN WRITING BY THE CONCERNED
20 DDE. THE TRUST FUND MANAGEMENT COMMITTEE MAY
21 LIKEWISE REASSIGN ASSETS TO ANOTHER DDE FOR REASONS
22 OF PRACTICALITY OR EFFICIENCY.
23

24 This Act shall in no case exempt Coconut Levy Assets from the
25 respective jurisdictions of the various applicable regulators, particularly
26 the [~~Governance Commission for Government-owned or controlled~~
27 ~~Corporations (GCG)] GCG, the Bangko Sentral ng Pilipinas (BSP), the~~
28 ~~Philippine Deposit Insurance Corporation (PDIC), and the Insurance~~
29 ~~Commission (IC)."~~
30

31 SEC. 6. Section 16 of Republic Act No. 11524 is hereby amended to read as
32 follows:
33

34 "SEC. 16. Reporting Requirements. - **TO ENSURE TRANSPARENCY,**
35 **ACCOUNTABILITY, AND PUBLIC PARTICIPATION IN THE**
36 **IMPLEMENTATION OF THE PLAN, THE PCA SHALL PUBLISH AN**
37 **ANNUAL REPORT CONTAINING, AMONG OTHERS, THE**
38 **FOLLOWING INFORMATION:**
39

40 **(A) ANNUAL AND QUARTERLY BUDGETS, ALLOCATIONS, AND**
41 **RELEASES;**
42

43 **(B) STATUS OF PROJECT IMPLEMENTATION, INCLUDING**
44 **PHYSICAL AND FINANCIAL ACCOMPLISHMENTS;**
45

46 **(C) NAMES OF BENEFICIARY COOPERATIVES, ORGANIZATIONS,**
47 **AND INDIVIDUALS, SUBJECT TO APPLICABLE DATA PRIVACY**
48 **LAWS; AND**
49

1 (D) AUDIT FINDINGS, EVALUATION REPORTS, AND OTHER
2 RELEVANT INFORMATION.

3
4 x x x."

5
6 **SEC. 7. Implementing Rules and Regulations.** - The rules and regulations
7 necessary for the effective and efficient enforcement of the provisions of this Act shall
8 be formulated by the DA, through the PCA, in consultation with the DOF, DBM, DOST,
9 DTI, DEPDDev, DOJ, relevant government agencies, LGUs, the private sector, and
10 other stakeholders, and shall be implemented within ninety (90) days from the
11 effectivity of this Act.

12
13 Unjustified or willful failure or refusal of the concerned government agencies to
14 promulgate the implementing rules and regulations (IRR) within the specified period
15 shall subject the heads of these government agencies to administrative penalties
16 under applicable civil service laws.

17
18 Should the IRR contain provisions that are contrary to this Act, the heads of the
19 government agencies responsible for such provision, when done in bad faith or with
20 gross negligence, shall be held administratively liable.

21
22 **SEC. 8. Repealing Clause.** – All laws, presidential decrees, executive orders,
23 letters of instruction, proclamations, administrative orders, issuances, rules, and
24 regulations that are inconsistent with the provisions of this Act is hereby repealed,
25 amended, or modified accordingly.

26
27 **SEC. 9. Separability Clause.** – If any portion or provision of this Act is declared
28 unconstitutional, the remainder hereof or any provisions not affected thereby shall
29 remain in full force and effect.

30 **SEC. 10. Effectivity.** – This Act shall take effect fifteen (15) days following its
31 publication in the Official Gazette or in a newspaper of general circulation.

32
33 *Approved,*