

[PRESIDENTIAL DECREE NO. 232 [*], June 30, 1973]

CREATING A PHILIPPINE COCONUT AUTHORITY.

WHEREAS, the Coconut Industry has attained magnitudes that necessitate a more concerted effort at integrating the diffused efforts currently being exerted towards its development;

WHEREAS, the global perspective on international fats and oil supply situation indicates a need for developing other industrial and food uses of coconut through a more purposeful and integrated research activity;

WHEREAS, the present stage of the development of the coconut and other palm oils in the country is generally characterized by relatively low yields and quality that could be substantially improved given the necessary support from concomitant development activities such as research extension work, marketing and the strengthening of credit institutions;

WHEREAS, the economic well-being of a major part of the population depends to a large extent on the viability of the industry and its improvement in the areas of production, processing and marketing; and

WHEREAS, the industry needs an intensive, extensive and sustained foreign trade promotion effort in order that its position in markets abroad will be maintained and enhanced;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution as Commander-in-Chief of all the Armed Forces of the Philippines, pursuant to Proclamation No. 1081, dated 21 September 1972, as amended by Proclamation No. 1104, dated 17 January 1973 and General Order No. 1, dated 22 September 1972, as amended, in order to effect the desired and necessary changes and reforms in the social and economic structure of our society, do hereby decree the creation of a Philippine Coconut Authority, as follows:

SECTION 1. *Declaration of Policy.* — It shall be the policy of the State to promote accelerated growth and development of the coconut and other palm oils industry so that the benefits of such growth shall accrue to the greatest number, and to provide continued leadership and support in the integrated development of the industry.

SEC. 2. *Purposes and Objectives.* — The Authority shall have the following purposes and objectives:

- a. To promote the accelerated development of the coconut and other palm oils industry in all its aspects;
- b. To provide general directions for the steady and orderly development of the industry;
- c. To achieve vertical integration of the coconut industry so that coconut farmers become participants in and beneficiaries of the development and growth of the coconut industry.

SEC. 3. Powers and Functions. — To carry out the purposes and objectives mentioned in the preceding Section, the Authority, through its Board as hereinafter constituted, is hereby vested with the following powers, in addition to those transferred to it under Section 6 of this Decree:

- a. To formulate and adopt a general program of development for the coconut and other palm oils industry;
- b. To evaluate the existing policies, programs and projects of all agencies and instrumentalities having to do with industry development and to integrate and coordinate the various facets of such activities into the approved general development program;
- c. To recommend to the President of the Philippines and, upon his approval, to effect the integration of agencies charged with the prosecution of certain aspects of industry development with the view of attaining efficiency and effectiveness in implementation of the general program;
- d. To supervise, coordinate and evaluate the activities of all agencies charged with the implementation of the various aspects of industry development, and to allocate and/or coordinate the release of public funds in accordance with approved development programs and projects;
- e. To regulate the marketing and export of coconut products and by-products, as well as those of other palm oils, including the establishment of quotas thereon, whenever the national interest so requires;
- f. To receive and administer funds *provided* by law; to draw, with the approval of the President, funds from existing appropriations as may be necessary in support of its program, and to accept donations, grants, gifts and assistance of all kinds from international and local private foundations, associations or entities, and to administer the same in accordance with the instructions or directions of the donor or, in default thereof, in the manner it may in its discretion determine;
- g. To borrow the necessary funds from local and international financing institutions, and to issue bonds and other instruments of indebtedness, subject to existing rules and regulations of the Central Bank, for the purpose of financing programs and projects deemed vital and necessary for the early attainment of its goals and objectives;
- h. To formulate and recommend for adoption credit policies affecting production, marketing and processing of coconut and other palm oils;
- i. To formulate and recommend for adoption by other agencies and instrumentalities, such programs and projects as are necessary to accelerate industry development;
- j. To enter into, make and execute contracts of any kind as may be necessary or incidental to the attainment of its purposes and, generally, to exercise all the powers necessary to achieve the purposes and objectives for which it is organized.

SEC. 4. Governing Board. — The Authority shall be governed by a Board of eleven members, who shall meet as often as necessary, composed of:

- a. Three representatives at-large of the private sector, to be appointed by the President, who shall have recognized competence in the many facets of the industry and be leaders of the industry, acknowledged by both the Government and private sector members of the coconut community;
- b. The Chairman, National Science Development Board;