

**[DENR ADMINISTRATIVE ORDER NO. 98-64,
October 14, 1998]**

**GENERAL RULES AND REGULATIONS ON THE ESTABLISHMENT
OF CROCODILE FARMS IN THE PHILIPPINES**

Consistent with the State's policy of promoting biodiversity conservation and sustainable development and pursuant to the Department's mandate of ensuring equitable sharing of benefits derived from natural resources and in order to promote the socio-economic well-being of rural communities/local folks through the introduction and development of a suitable crocodile farming technology, the following rules and regulations on the establishment of crocodile farms are hereby promulgated for the information and guidance of all concerned.

**Section 1.
Basic Policy.**

The policy of the State provides that sustainable development of biological resources shall be undertaken primarily to ensure the conservation of biological diversity and that the utilization of which must be consistent with that principle. Further, the State through the DENR encourages and promotes the participation and cooperation of rural communities/local folks in natural resources development, conservation, management and protection and enforcement of laws, rules and regulations for the development of the country's remaining natural resources for the benefit and enjoyment of the present and future generations of Filipinos.

**Section 2.
Objective.**

The establishment of Crocodile Farms has the following objectives:

2.1 To promote the crocodile farming industry as the Department's contribution in the upliftment of the socio-economic well-being of local communities.

2.2 To develop the local capability on crocodile farming through the transfer of technology generated by the Crocodile Farming Institute particularly on saltwater crocodiles (*Crocodylus porosus*) including skin processing and marketing of skin derivatives and by-products. The technology is embodied in an Action Plan which forms part of this Order.

2.3 To generate support for the conservation of the two species of crocodiles, i.e., *Crocodylus porosus* and *Crocodylus mindorensis*, and for the conduct of researches to further enhance the crocodile rearing technology in the Philippines consistent with the policy of the State on sustainable development of biological resources.

Section 3. Definition Of Terms

3.1. *Belly width* — linear measurement taken of skin (after flaying) from the widest portion to include the stomach and proximal 2 rows of hard buttons on flanks;

3.2. *CFA* — this stands for Crocodile Farming Institute. This is a government project established in 1986 under the management of DENR whose functions are to conserve the two species of crocodiles i.e., *Crocodylus porosus* and *Crocodylus mindorensis* and to promote the socio-economic well being of communities through the development and introduction of a suitable rearing technology;

3.3. *CITES* — This stands for Convention on International Trade in Endangered Species of Flora and Fauna; this regulates international trade in specimens of species of wild fauna and flora on the basis of a system of permits and certificates, which are issued when certain conditions are met and which have to be presented when consignments of specimens leave or enter a country.

3.4. *Cooperator* — any entity (e.g. livestock farmers or livestock cooperatives) under contract agreement with CFI for crocodile rearing;

3.5. *Flaying* — The process of removing skin from the carcass;

3.6. *Hatchling* — Young crocodiles less than 0.5 m. in length;

3.7. *Harvest* — Process of obtaining stock reared in farms for slaughter or broodstock purposes;

3.8. *Hide* — also raw skin, this includes skin which has been cured for short-term preservation through slating,

3.9. *Processing* — procedure by which skin is treated for preservation, tensile strength, fashion until manufacturing stage, and other derivatives are obtained to include hygienic removal and preservation of edible parts for human consumption.

Section 4. Basic Conditions

The implementation of the development program embodied in the Action Plan will be done in accordance with the following conditions:

4.1. CFI shall be the sole source of the crocodile, it being the CITES-approved breeding operator;

4.2. Reared crocodiles shall be harvested by CFI only;

4.3. Stocks dispersed by CFI shall be reared or grown only by qualified Cooperator;

4.4. The CFI technology for rearing crocodile shall be tested in at least 8 farms in Palawan. However, if Palawan cannot accommodate the initial target number of 8 farms during the first year, other areas in the country shall be accommodated;

4.5. Application shall be opened to livestock farmers and livestock cooperatives who shall be selected based on criteria set in Annex A* (i.e. their willingness to participate, their financial and managerial capabilities, and on the presence of suitable conditions for farming including availability of food supply for crocodiles);

4.6. An agreement (sample as Annex B*) of DENR or CFI with each Cooperator shall be executed, whereby CFI shall, among others, provide the hatchlings and technical assistance, while the Cooperator shall provide land, feeds, labor and other expenditures for the rearing and maintenance of the stock;

4.7. Trade of crocodile skins, by-products and derivatives shall be done only through accredited government corporations in accordance with the provisions of the agreement executed with these corporations;

4.8. Skin to be traded shall be in processed or finished state only in order to give added value to the resource. The finished or processed skins are those that are ready for manufacture;

4.9. The national and international rules and regulations on handling and trade shall be strictly followed.

Section 5. Pre-Dispersal Procedures

5.1. Public Notification and Invitation

A public notification shall be made in local/national dailies regarding the selection of potential participants in the farming of ***C. porosus***. The invitation to participate in the project shall be limited initially to interested applicants from Palawan. If appropriate, more participants may be invited. The applicants must submit to CFI a letter of intent to rear crocodile.

5.2. Orientation Program and Application

A one-day orientation meeting shall be scheduled and conducted at the CFI to formally inform interested applicants on the basic concepts, requirements (both financial and physical) and strategies of farming crocodiles. The criteria for final selection of cooperators and the contract scheme shall likewise be presented during the orientation program. After the orientation, the interested applicants shall be asked to sign application forms to rear crocodile.

5.3. Submission of Requirements and Screening of Applicants

The qualified applicant shall be required to submit the following for evaluation:

5.3.1 Letter of intent to rear crocodiles;

5.3.2 Proposal with guidance from the brochure provided by CFI;

5.3.3 Barangay clearance specifying the social acceptance of farming at the local site;

5.3.4 Location map of proposed area for farming;

An on-site inspection of the proposed site for farming shall be carried out to assess the location's suitability, taking into consideration the site's accessibility, social acceptability of the project and availability of food and water supply.

5.3.5 Financial statement and other requirements as may be necessary,

5.3.6 Structural Plan as prescribed under Annexes* C and D.

5.4. *Final Selection of Cooperators*

Initially, eight (8) applicants shall be selected as Cooperators by a Screening Committee composed of CFI technical staff.

The qualifying score for applicants shall be 80% with qualifiers ranked according to their scores. In case of ties, they shall be broken by drawing lots.

5.5. *Seminar-Training of Selected Cooperators*

Selected cooperators together with one of their staff shall be required to undergo a 2-week seminar-training on the basic concept and techniques of crocodile rearing. Provided that, prior to the training, the cooperators-trainees shall be required to sign a waiver for possible injury or death while on training.

Travel and boarding expenses shall be shouldered by the Cooperator. CFI shall provide accommodation during the training.

After training, a certificate of completion shall be awarded to each participant.

5.6. *Signing of the Contract Agreement*

A Contract Agreement shall be executed by and among Department of Environment and Natural Resources (DENR) as "*Owner*", Natural Resources Development Corporation (NRDC) or any DENR-designated and government-owned and/or controlled corporation as "*Partner*" and the selected applicant as "*Cooperator*".

Section 6. Dispersal Of Hatchlings

6.1. *Dispersal Scheme*

Eight (8) farms shall be initially identified in Palawan and each farm shall be stocked with 100 hatchlings, making a total of 800 hatchlings during the first year. A similar number shall be dispersed in the subsequent 2 years of implementation. As more hatchlings are produced, additional farms may be established with increasing stock size levels. The assumption and projection related to financial analysis of 100 head stocking density and the cash flow statements are provided in Annex E* for the information and reference of Cooperators.

The hatchlings that shall be dispersed to farms are approximately 8 to 10 months of