

[ADMINISTRATIVE ORDER NO. 03, S. 2018, June 06, 2018]

**REVISED IMPLEMENTING RULES AND REGULATIONS OF
REPUBLIC ACT NO. 8048, AS AMENDED BY REPUBLIC ACT 10593**

Adopted: 01 June 2018

Date Filed: 06 June 2018

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 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 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.

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 (PhP50.00) 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 PhP100.00 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 Nino 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 intercroppings.

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