

**[ PCA ADMINISTRATIVE ORDER NO. 01, January  
24, 2005 ]**

**IMPLEMENTING RULES AND REGULATIONS TO ENFORCE  
STANDARDS IN THE PRODUCTION AND MARKETING OF VIRGIN  
COCONUT OIL (VCO)**

**I. Legal Basis.**

These rules and regulations are issued pursuant to Presidential Decree No. 1468, as amended by Presidential Decree 1644, granting the Philippine Coconut Authority full power to regulate the marketing and export of coconut products and by-products for purposes, among others, of ensuring the quality of such products based on adopted standards.

**II. Rationale.**

It is the objective of these rules to promote the viability of the virgin coconut oil sector of the coconut industry through the enforcement of a mandatory minimum standards in the processing and fair marketing of this high value commodity, to ensure its competitiveness and afford the consumers a reasonable level of protection.

**III. Standard for Philippine Virgin Coconut Oil.**

Henceforth, all coconut oil products described, labeled, claimed or represented as Virgin Coconut Oil produced or sold domestically or for export shall be processed in conformity with the mandatory standard for Philippine Virgin Coconut Oil herein adopted by the Philippine Coconut Authority and registered with the Philippine National Standards as PNS / BAFPS 22:2004, ICS 67.200.10 / Amendment 1:2005, the full text of which is hereto attached as Annex "A"\* and made an integral part of this Order.

**IV. Registration and Clearance.**

Producers, processors, traders and exporters of virgin coconut oil dealing business in the Philippines shall:

(a) Register annually with the Philippine Coconut Authority in accordance with PCA Administrative Order No. 003, Series of 1981, as amended by Administrative Orders Nos. 1 and 2, both series of 2004;

(b) Obtain a License to Operate with the Bureau of Food and Drugs if the virgin coconut oil is intended for human consumption, dietary/food supplement, or therapeutic application;

(c) Apply and obtain a commodity clearance from PCA if the virgin coconut oil is intended for export. The commodity clearance shall be issued by PCA based

on the inspection and sampling drawn by an authorized PCA representative from the lot intended for export and the complete analysis by the PCA Product Quality Control Research Laboratory of the chemical, microbial and physical characteristics of the virgin coconut oil as provided in the National Standard.

#### V. Production Process.

Producers/processors shall state in their product label sufficient information to identify the process used in the production of virgin coconut oil, such as the traditional process (latik), fermentation with heat, fermentation without heat, centrifuge process, expelling process (with or without cooling system), or equivalent process which ensures that the product conforms with the definition and the chemical and physical characteristics in the Philippine Virgin Coconut Oil Standards herein adopted.

#### VI. Good Manufacturing Practice.

Producers of virgin coconut oil shall adopt a suitable manufacturing practice or a "kitchen-clean" plan in the processing of the product, sanitation controls, use of facilities, handling of raw materials, storage, packaging and repackaging of finished or semi-finished products and waste disposal to avoid or minimize the introduction, generation, retention or multiplication of particulates, microbial organisms and other contaminants which may compromise the quality and safety of the final product.

For this purpose, producers shall be guided by the principles and guidelines on current Good Manufacturing Practices in manufacturing, packing, repacking, or food handling developed by the Bureau of Food and Drugs, Department of Health Administrative Order No.153, s. 2004.<sup>[1]</sup>

#### VII. Plant Inspection.

In consonance with the preceding Section, all virgin coconut oil manufacturing or processing plant shall be inspected by the PCA Coconut Production and Regulation Officer upon application for registration as provided under Paragraph IV (a) of this Order, to ascertain that the applicant producer has complied with the good manufacturing practices herein prescribed.

On-site inspections shall include not only the plants and its peripheries but also the adjacent sites, taking into consideration the following:

1. Adequate location of the plant or enclosure thereof away from the presence of domesticated animals (piggery, poultry farms), or entry of stray or similar animals or pets into the processing premises;
2. Plants should be amply isolated from dumpsites, open sewerage or esteros, open canals, or drainage within or outside of the plant;
3. Plants should be located distant enough from any other industrial, manufacturing or processing plants, which can likely contaminate or cause a cross-contamination of virgin coconut oil products.
4. Plants should be provided with adequate lighting, ventilation and running faucet water and lavatories; adequately constructed and tiled toilets, washrooms and dressing rooms. The plants' premises must be totally free from