

**[DENR ADMINISTRATIVE ORDER NO. 99-45,
November 05, 1999]**

**RULES AND REGULATIONS ON THE SALE AND FARMING OF
SALTWATER CROCODILE (CROCODYLUS POROSUS)**

Pursuant to the provisions of Executive Order No. 192 of 1987, in compliance with the Government's commitments to the Convention in International Trade on Endangered Species of Flora and Fauna (CITES) and the Convention on Biological Diversity (CBD), in pursuit of the DENR's mandate to promote the socio-economic well-being of the Filipino people through the introduction of crocodile farming industry and transfer of related technologies, and in order to ensure equitable-sharing of benefits derived from the country's biological resources particularly from crocodiles, the following rules and regulations on the sale and farming of Saltwater Crocodiles (*Crocodylus porosus*) from Crocodile Farming Institute (CFI) are hereby promulgated for the information and guidance of all concerned:

**SECTION 1.
OBJECTIVES**

This Administrative Order shall have the following objectives:

- 1.1 To promote the crocodile farming industry in the country as the Department's contribution to the upliftment of the socio-economic well-being of the Filipino people;
- 1.2 To develop local capability on Saltwater Crocodile farming through the transfer of technology generated by the CFI especially on Saltwater Crocodile;
- 1.3 To promote conservation and sustainable use of Saltwater Crocodile and ensure equitable-sharing of benefits derived from said resource; and,
- 1.4 To generate revenues that will help sustain all activities of CFI towards the conservation of the two species of crocodiles namely, *Crocodylus mindorensis* and *Crocodylus porosus* and enhancement of crocodile farming technology in the Philippines.

**SECTION 2.
DEFINITION OF TERMS**

For the purpose of this Order, the following terms shall be construed to mean as:

- a. BFAD — Bureau of Food and Drugs
- b. By-product or derivative — any part taken or substance extracted from crocodile, in raw or processed form. This includes stuffed crocodile.

- c. CFI — Crocodile Farming Institute located at Puerto Princesa City, Palawan. This is a DENR-managed project established in 1986 whose functions are to conserve the two species of crocodiles (i.e, *Crocodylus porosus* and *Crocodylus mindorensis*) and to promote socio-economic well being of Filipino communities through the development and introduction of suitable crocodile farming technology.
- d. CITES — Convention on International Trade in Endangered Species of Flora and Fauna; a treaty among countries, including the Philippines, that regulates the international trade of wild flora and fauna 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 CITES-member country;
- e. Cooperator — an individual of Filipino citizenship or entity, company or organization owned by Filipinos who has been pre-qualified and selected to acquire, thru sale, captive-bred saltwater crocodiles from CFI; authorized to use crocodiles purchased from or registered with CFI commercially; and has executed a Crocodile Sale and Farming Agreement with the DENR thru CFI and NRDC;
- f. Crocodile Breeding — propagating or producing crocodiles in captivity through the technology developed by CFI;
- g. Crocodile Sale and Farming Agreement — an agreement entered into by and between the DENR, thru CFI and NRDC, and the Cooperator covering the sale and farming of *Crocodylus porosus* from CFI.
- h. Culled breeder - a non-performing or unproductive breeder;
- i. DENR — Department of Environment and Natural Resources created by virtue of Executive Order No. 192 of 1987;
- j. DTI — Department of Trade and Industries
- k. Farm — an area, including the facilities thereat developed by a Cooperator for rearing, breeding and maintenance of Saltwater Crocodiles in captivity;
- l. Farming — rearing and breeding of Saltwater Crocodiles for commercial uses and other purposes;
- m. Hatchling — young crocodile of less than 0.5 m in length;
- n. Harvest — process or act of gathering and taking the crocodiles from their enclosure for slaughter and leather production purposes;
- o. NMIC — National Meat Inspection Commission;
- p. NRDC — Natural Resources Development Corporation, a government owned and controlled Corporations attached to the DENR and chartered under

- q. PAWB — Protected Areas and Wildlife Bureau, a staff bureau of the DENR mandated to manage and conserve the biological diversity of the Philippines;
- r. Processing — procedure by which skin is treated for preservation, tensile strength and fashion until manufacturing stage and other derivatives are obtained to include hygienic removal and preservation of edible parts for human consumption;
- s. Progeny — the crocodile produced in the Farm through breeding operations;
- t. Sale — the act of selling *Crocodylus porosus* for an agreed price.
- u. Sustainable utilization/sustainable use — the use/utilization of a biological resource in a way and at a rate that does not lead to the long-term decline of such resource, thereby maintaining its potential to meet the needs and aspirations of present and future generations.

SECTION 3. BASIC CONDITIONS

The sale and farming of *Crocodylus porosus* from CFI shall be governed by the following conditions:

3.1 CFI shall sell only captive-bred hatchlings of Saltwater Crocodile (*Crocodylus porosus*);

3.2 Sale shall be limited to Cooperators who met the requirements and undergone the screening process specified under Section 4 hereof;

3.3 The sale shall only be effected upon execution of a Crocodile Sale and Farming Agreement by and between the DENR (through CFI and NRDC) and the Cooperator;

3.4 The price per crocodile shall be determined by CFI based on the prevailing rate in the international market and cost incurred in the maintenance of the crocodiles for sale;

3.5 All Cooperators shall be encouraged to breed crocodiles to sustain the crocodile farming industry. This undertaking shall be subject to conditions stipulated under Section 7 hereof;

3.6 Proceeds of sale shall be administered by NRDC in accordance with Section 9 of this Order;

3.7 The handling, transport and trade of *Crocodylus porosus* and/or by-products or derivatives therefrom shall be subject to national and international policies, rules and regulations.

SECTION 4. GENERAL REQUIREMENTS AND PROCEDURES

4.1 Public Notification and Invitation

The CFI shall, through mass media, issue a public notification on the availability of *Crocodylus porosus* for sale and farming purposes. Such notification must include an invitation to interested parties to submit, on set deadline, the requirements enumerated in Section 4.2.

4.2 Submission of Requirements

Interested parties must submit a Letter of Intent to the DENR through CFI, together with the following documents:

4.2.a A detailed proposal based on the guidelines prepared by CFI. The proposal must include the Site Development Plan and Location Map of the proposed farm, indicating among others, the access road, source of water and feed, and nearest landmark;

4.2.b Municipal and Barangay/City Clearances stating the approval of said Local Government Units in the establishment and operation of a crocodile farm in their area;

4.2.c Proof of lease or ownership of the land;

4.2.d Certified true copies of the latest Income Tax Return (ITR) and Assets and Liabilities;

4.2.e SEC Registration and Articles of Incorporation and By-laws for Corporation; or Certificate from the Cooperative Development Authority (CDA) for Cooperative; or Articles of Partnership for Business Partners; or Community Residence Certificate for individual applicant;

4.2.f Annual Local Weather Report from PAGASA for the last five (5) years; and,

4.2.g Environmental Compliance Certificate or ECC (to be submitted by applicants who have passed the final screening process)

4.3 Initial Screening of Applications

The CFI and PAWB shall undertake initial screening of applications to determine if the applicant(s) has/have satisfied the requirements stipulated under Section 4.2. The screening shall include inspection of the proposed farm site to assess its suitability, taking into consideration the site's accessibility and location of food and water sources.

Initial screening must be done within thirty (30) days after the deadline for submission of applications. Thereafter, the CFI shall prepare a list of pre-qualified applicants for deliberation and final selection of Cooperators.

4.4 Final Screening and Selection of Cooperators

The CFI and PAWB shall undertake final screening of applications based on the selection criteria developed by CFI (Annex "A"). The final screening process shall be limited to pre-qualified applicants as determined under Section 4.3.

The applicant must have a minimum score of 80% to qualify as Cooperator. Qualifiers shall be ranked according to their scores. In case of tie, lots will be drawn to break the tie. The applicant who has previously qualified as Cooperator but had not been considered as a result of the lots drawn shall be given priority in the next selling period/batch. All Cooperators shall be notified in writing by CFI immediately after the selection process is completed.

4.5 Seminar-Training of Cooperators

The Cooperators and one of their technical staff shall be required to undergo a 2-week seminar-training on crocodile handling, rearing, breeding and maintenance, at the cost of the Cooperators. Provided that, prior to the training, the trainees shall sign a waiver relieving the DENR-CFI from any liability in case of injury and/or death of the trainees, and/or damage and/or loss of personal property of the trainees during their stay at CFI.

A Certificate of Completion shall be awarded to each participant.

4.6 Submission of Environmental Compliance Certificate (ECC)

The Cooperator shall submit to CFI the Environmental Compliance Certificate (ECC) obtained in accordance with the existing policies, rules and regulations.

4.7 Farm Inspection and Acceptance

The CFI shall undertake farm inspection to determine if the facilities constructed thereat are in accordance with the designs, specifications and standards set by CFI. If said facilities are found in order, a Certificate of Acceptance shall be issued by CFI to the Cooperator. Otherwise, the Cooperator must undertake necessary modifications/renovations based on CFI's findings.

4.8 Execution of the Crocodile Sales and Farming Agreement

The Cooperator shall execute a Crocodile Sale and Farming Agreement with the DENR, thru CFI and NRDC, upon compliance with all requirements and payment of the full amount due in cash or managers check for the purchase of the crocodiles. The said Agreement must include all applicable and appropriate provisions of this Order (Annex "B").

SECTION 5. DISPERSAL OF CROCODILES

Dispersal of crocodiles to the Cooperators shall be governed by the following:

5.1 CFI shall be the sole source of crocodiles, it being the only CITES-registered commercial breeding facility for crocodiles in the country;

5.2 Each Cooperator can avail of a minimum of 50 and a maximum of 200