



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF AGRICULTURE
PHILIPPINE COCONUT AUTHORITY

Elliptical Road, Diliman, Quezon City Tel. no.: 928-4501 To 09
 Cable Address: "Philcoa" P.O. Box 3386, Manila, TDN# 000724616



ADMINISTRATIVE ORDER NO. 03
 Series of 2004

**IMPLEMENTING RULES AND REGULATIONS
 GOVERNING THE REGISTRATION AND ACCREDITATION
 OF OIL PALM NURSERIES**

WHEREAS, integral to the state policy enunciated in Presidential Decree No. 1468 is to promote the integrated development and growth of the coconut and other palm oil industry in all its aspects and to ensure that the stakeholders become direct participants and beneficiaries of such development and growth;

WHEREAS, in the implementation of the declared national policy, the Philippine Coconut Authority (PCA) is mandated by law to formulate and adopt a general program of development for the coconut and other palm oil industries in all its aspects;

WHEREAS, the PCA, in consultation with the stakeholders, has formulated a national complementary development program for the palm oil industry, which includes **PLANTING** and **REPLANTING PROJECTS** to increase local oil palm hectareage and production with high quality planting materials to attain self sufficiency in the supply of palm oil product;

WHEREAS, to attain the foregoing objectives, there is a need for the registration and accreditation of suppliers of planting materials to ensure that only the best quality and productive seedlings/planting materials may be used for the development projects;

NOW THEREFORE, the following rules and regulations are hereby promulgated:

SECTION 1. DEFINITION OF TERMS

- a) **Oil Palm Nursery** – any establishment engaged in the propagation of oil palm seedlings obtained locally or through importation, which is intended for sale or other forms of disposal.

Accredited nursery is a nursery that is certified by PCA to have established the capability and capacity to propagate high quality planting materials sufficient for ~~at least~~ ^{at least} 1000 planting hectareage and for the purpose of

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supplying the same by sale or other forms conveyance as planting materials for the planting and replanting projects under these rules and regulations.

- b) **Nursery Inspection Agreement**- a written agreement between the PCA and the nursery applicant whereby the latter or the nursery operator shall allow the PCA inspection team to enter the nursery premises to inspect and verify compliance with the requirements or prescribed guidelines in the production and propagation of high quality planting materials.
- c) **Registration** is the official recording and initial recognition of a person, partnership, firm or juridical entity intending to establish an oil palm nursery as prerequisite prior to commercial propagation, sale or distribution of such planting materials for whatever purpose.
- d) **Accreditation** is a recognition certified by and granted by the accreditation body of the PCA to a registered nursery operator who meets the requirements and qualifications of an accredited nursery as defined in paragraph 1 (a) of this rules.
- e) **Council** refers to the Philippine Palm Oil Development Council, Incorporated, or PPDCI, herein recognized by the PCA as a private association representing the general stakeholders of the palm oil industry.
- f) **Oil Palm Nursery Cycle** the oil palm nursery operation period beginning from the setting of germinated seeds up to the distribution of the seedlings for planting, which period, however, does not exceed 14 months from sowing;
- g) **F1 planting materials** are those that grow from seeds taken from the mother palms which have been pollinated by artificial means using pollens from desirable male palms, which bear the desirable characteristics of the parent materials.

F2 planting materials are those which are derived from the fruits of F1 palms which when planted will produce plants bearing recessive or undesirable characteristics or traits, such as but not limited to low or zero fruit yield.
- h) **Lethal Yellowing Disease** is a disease of coconut and oil palm, which is caused by a transmissible phytoplasma that kills the coconut, or oil palm.
- i) **Pedigree** refers to the genetic origin of a planting material, which is more specifically defined by the physical characteristics of the material, such as fruit form and color, or by the record of the DNA profile of the variety, if available.
- j) **High quality planting materials** refer to those planting materials the reproductive and physiological characteristics of which reveal their desirability for planting. Parameters of desirability include, among others,

predictable or expected fresh fruit bunch yield, oil yield, Oil Extraction Rate (OER), Kernel Extraction Rate (KER), height increase per year, fatty acid contents, iodine value, precocity or earliness of bearing, male and female flower census.

SECTION 2. APPLICATION FOR PCA REGISTRATION/ ACCREDITATION

The following may apply for registration and / or accreditation:

- a) Individuals or Sole Proprietors whose business names are duly registered with the Department of Trade and Industry;
- b) Partnerships or Corporations duly registered with the Securities and Exchange Commission;
- c) Cooperatives duly registered with the Cooperatives Development Authority; and
- d) Associations registered with the Bureau of Rural Workers / Department of Labor and Employment.

SECTION 3. FILING OF APPLICATIONS FOR REGISTRATION AND/OR ACCREDITATION

- a) The application for registration or accreditation, in such form prescribed by the PCA, shall be filed with the PCA Provincial Office, which has jurisdiction over the place where the proposed or existing nursery is located.
- b) The PCA Provincial Manager shall acknowledge the filing and receipt of the application and ensure that same is fully accomplished with all the supporting documents attached thereto, and immediately endorse the same to the Regional Manager of the Regional Office.
- c) The Regional Manager; upon receipt of the provincial endorsement shall immediately notify the applicant for the execution of the Nursery Inspection Agreement.
- d) The applicant shall pay a non-refundable registration fee of Twenty-five thousand pesos (P25, 000.00) to the Philippine Coconut Authority;
- e) The Regional Manager shall order the PCA inspection and accreditation team, to visit and inspect the proposed or existing nursery within three (3) days from the signing of the Nursery Inspection Agreement;



- f) The Certificate of Registration and/or Accreditation shall be issued, or action thereon shall be taken by the Regional Manager, with due notice to the applicant within twenty four (24) hours from receipt of the report and recommendation/s of the inspection and accreditation team.

SECTION 4. REQUIREMENTS FOR PCA REGISTRATION AND/OR ACCREDITATION

A. New Nursery Operator-Applicant

- A.1 A new applicant shall submit the following documents to the PCA Provincial Office having jurisdiction over the location of the proposed nursery:
- a. DTI Certificate (Business name), Articles of Partnership or Incorporation, and By-laws;
 - b. City or Municipal Business Permit issued by the Mayor;
 - c. Business Plan or Project Feasibility Study;
 - d. Rated capacity, by month and year, of the proposed nursery in terms of number of seedlings or planting materials grown and hectareage allocation;
 - e. Location map of the proposed nursery site which should be located within an oil palm plantation, or in area reasonably near an oil palm plantation either existing or to be developed;
 - f. Name/s and address/es of the supplier/s, the variety and source of the oil palm germinated seeds whether of local or foreign origin;
 - g. Certificate issued by PCA or PCA-accredited training institution certifying that the personnel of the nursery or to be employed thereat have been trained in oil palm nursery operations and management.
 - h. Duly signed Nursery Inspection Agreement between the applicant and the PCA.
- A.2 An Accreditation Certificate, duly approved and signed by the PCA Regional Manager, may be issued after satisfaction of the following requirements or conditions:
- a. The proposed nursery site was duly inspected by the accreditation team of PCA;



- b. The proposed nursery project is located within an oil palm plantation or in an area reasonably near an oil palm plantation either existing or to be developed as indicated in the submitted location map;
- c. The nursery has a plantable seedling production capacity sufficient to supply an area of not less than 300 hectares a year.
- d. There are qualified and trained personnel employed in the nursery as shown by the training certificates issued by PCA or PCA accredited training institution.

B. Existing Nursery Operators

Within six months from the publication of this Order in newspapers of general circulation, individuals or entities that have existing oil palm nurseries shall register with the PCA under these rules. Nurseries intending to supply planting materials for the planting and replanting programs shall further be accredited under these rules prior to distribution of planting materials or participation in the oil palm planting and replanting program.

SECTION 5. VALIDITY OF REGISTRATION AND ACCREDITATION CERTIFICATES AND RENEWAL

The Certificate of Registration/Accreditation shall be valid only for one year of the calendar period from January 1 to December 31, provided, however, that applications are allowed to be filed not later than January 15 of the current year.

Applications for renewal of registration and/or accreditation may be filed by the nursery operator upon payment of the Registration Fee of Twenty Five Thousand Pesos (P25,000.00). The PCA shall reserve its right to conduct the inspection as provided in paragraph 3 (A.2) of these rules.

SECTION 6. CANCELLATION OF REGISTRATION OR ACCREDITATION CERTIFICATE

The PCA shall suspend or cancel the Certificate of Registration/Accreditation when upon investigation conducted by the PCA, the nursery operator or his representative has been found to have violated any provision of these rules and regulations, or has been found through verification that the nursery operator has misrepresented any data or information, or has not otherwise complied with the requirements or conditions in the Certificate or Nursery Inspection Agreement.

Cancellation or suspension of certificates under this paragraph shall be subject to the following implementation procedures:



- a) Notice of suspension or cancellation shall be sent to the applicant within seven (7) days from receipt of inspection report;
- b) A non complying operator shall be given 30 days within which to comply with the requirements indicated in the inspection report; and
- c) After the lapse of 30 days from receipt of notice by the operator without having complied with the aforesaid requirement shall cause the issuance of notice of cancellation of the Certificates of Registration or Accreditation, which shall be effective upon receipt by the operator.

Provided, however, that operators with cancelled Certificates of Registration/Accreditation under this section shall be meted with the sanctions stipulated in the Nursery Inspection Agreement including confiscation and destruction of inferior planting materials.

SECTION 7. GENERAL PROVISIONS

- a) Imported oil palm planting materials are prohibited from being diverted to any place other than the designated place of consignment or destination specified in the import permit or other shipment documents.
- b) Propagation of oil palm planting materials for commercial production coming from seeds of existing F1 palms is absolutely prohibited and subject to the sanctions under these rules.
- c) To protect the coconut and oil palm industry, the PCA and the Bureau of Plant Industry shall not allow importation of oil palm planting materials from countries where Lethal Yellowing or other diseases are known to exist.
- d) Only oil palm nursery operators registered with and accredited by PCA shall be allowed to propagate and sell seedlings to prospective oil palm planters for commercial planting. These nursery operators shall display their PCA Registration /Accreditation Certificates in a conspicuous place in their nursery sites. They shall also put up **signboards** in their nurseries indicating the:
 - Name of oil palm nursery operator;
 - Source of oil palm seeds/seedlings;
 - Area of the nursery and rated seedling production capacity; and
 - Variety of oil palm seedlings.
- e) In the Nursery Inspection Agreement, the following shall be agreed and stipulated, among others:
 - 1) Culling rate of not less than 15%
 - 2) Free access to and out of nursery premises by PCA and
 - 3) Summary confiscation of inferior planting materials



SECTION 8. ENFORCEMENT AND MONITORING

The PCA shall coordinate the efforts and initiatives of the national and local government agencies or units, the Philippine Palm Oil Development Council, and the oil palm planter / farmer sectors to ensure the strict implementation of this Order. The PCA may also call on any Department, Bureau, Attached Agency, or law enforcement units or agents of government for assistance in the enforcement of any provision of this Order, or in the discharge of its functions under these rules.

SECTION 9. SANCTIONS.

Any person or entity found to have violated any of the provisions of these Rules and Regulations shall after due notice and hearing, be subject to the following administrative sanctions:

1. Cancellation or suspension of the Certificates of Registration or Accreditation; and, or
2. Fine of not more than P 20,000.00 and / or imprisonment of not more than five (5) years in accordance with the penal provisions of P.D. 1468.

PCA officers or personnel found to have violated any provision of these Rules and Regulations shall be subject to sanctions provided by the Civil Service laws, rules and regulations.

SECTION 10. REPEALING CLAUSE.

All orders, circulars, rules and regulations inconsistent with the provisions of this Administrative Order are hereby amended, modified or repealed accordingly.

SECTION 11. EFFECTIVITY.

This Order shall take effect after fifteen (15) days immediately from date of publication in a newspaper of general circulation.

ISSUED this 23rd of June, 2004, at Diliman, Quezon City.


DANILO M. CORONACION
Administrator

Approved and Confirmed by the Governing Board
per Board Resolution No. 014-2004
dated June 23, 2004.