

PRESIDENTIAL DECREE NO. 232

CREATING A PHILIPPINE COCONUT AUTHORITY

WHEREAS, the Coconut Industry has attained magnitudes that necessitate a more concerted effort at integrating the diffused efforts currently being exerted towards its development;

WHEREAS, the global perspective on international fats and oil supply situation indicates a need for developing other industrial and food uses of coconut through a more purposeful and integrated research activity;

WHEREAS, the present stage of the development of the coconut and other palm oils in the country is generally characterized by relatively low yields and quality that could be substantially improved given the necessary support from concomitant development activities such as research extension work, marketing and the strengthening of credit institutions;

WHEREAS, the economic well-being of a major part of the population depends to a large extent on the viability of the industry and its improvement in the areas of production, processing and marketing;

WHEREAS, the industry needs an intensive, extensive and sustained foreign trade promotion effort in order that its position in markets abroad will be maintained and enhanced;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution as Commander-in-Chief of all the Armed Forces of the Philippines, pursuant to Proclamation No. 1081, dated 21 September 1972 as amended by Proclamation No. 1104, dated 17 January 1973 and General Order No. 1, dated 22 September 1972, as amended, in order to effect the desired and necessary changes and reforms in the social and economic structure of our society, do hereby





**Decree** the creation of a Philippine Coconut Authority, as follows:

**SECTION 1. Declaration of Policy.** -- It shall be the policy of the state to promote accelerated growth and development of the coconut and other palm oils industry so that the benefits of such growth shall accrue to the greatest number, and to provide continued leadership and support in the integrated development of the Industry.

**SECTION 2. Purposes and Objectives.** -- The Authority shall have the following purposes and objectives:

a. To promote the accelerated development of the coconut and other palm oils industry in all its aspects;

b. To provide general directions for the steady and orderly development of the industry;

c. To achieve vertical integration of the coconut industry so that coconut farmers become participants in and beneficiaries of the development and growth of the coconut industry.

**SECTION 3. Powers and Functions.** -- To carry out the purposes and objectives mentioned in the preceding section, the Authority, through its Board as hereinafter constituted, is hereby vested with the following powers, in addition to those transferred to it under Section 6 of this Decree:

a. To formulate and adopt a general program of development for the coconut and other palm oils industry;

b. To evaluate the existing policies, programs and projects of all agencies and instrumentalities having to do with industry development and to integrate and coordinate the various facets of such activities into the approved general development program;





- c. To recommend to the President of the Philippines and, upon his approval, to effect the integration of agencies charged with the prosecution of certain aspects of industry development with the view of attaining efficiency and effectiveness in implementation of the general program;
- d. To supervise, coordinate and evaluate the activities of all agencies charged with the implementation of the various aspects of industry development, and to allocate and/or coordinate the release of public funds in accordance with approved development programs and projects;
- e. To regulate the marketing and export of coconut products and by-products, as well as those of other palm oils, including the establishment of quotas thereon, whenever the national interest so requires;
- f. To receive and administer funds provided by law; to draw, with the approval of the President, funds from existing appropriations as may be necessary in support of its program, and to accept donations, grants, gifts and assistance of all kinds from international and local private foundations, associations or entities, and to administer the same in accordance with the instructions or directions of the donor or, in default thereof, in the manner it may in its discretion determine;
- g. To borrow the necessary funds from local and international financing institutions, and to issue bonds and other instruments of indebtedness, subject to existing rules and regulations of the Central Bank, for the purpose of financing programs and projects deemed vital and necessary for the early attainment of its goals and objectives;
- h. To formulate and recommend for adoption credit policies affecting production, marketing and processing of coconut and other palm oils;





i. To formulate and recommend for adoption by other agencies and instrumentalities, such programs and projects as are necessary to accelerate industry development;

j. To enter into, make and execute contracts of any kind as may be necessary or incidental to the attainment of its purposes and, generally, to exercise all the powers necessary to achieve the purposes and objectives for which it is organized.

**SECTION 4. Governing Board.** -- The Authority shall be governed by a Board of eleven members, who shall meet as often as necessary, composed of:

a. Three representatives at-large of the private sector, to be appointed by the President, who shall have recognized competence in the many facets of the industry and be leaders of the industry acknowledged by both the government and private sector members of the coconut community;

b. The Chairman, National Science Development Board;

c. The Undersecretary of Agriculture and Natural Resources;

d. The Undersecretary of Trade;

e. The President, Philippine Coconut Producers Federation;

f. The Chairman, United Coconut Associations of the Philippines;

g. The Chairman, of the Board, Coconut Investment Company;

h. The Director, Bureau of Plant Industry;

i. The Director, Bureau of Agricultural Extension.




A Chairman shall be designated by the President from among the members of the Board. The Board shall elect a Vice-Chairman who shall assume the functions of the Chairman, whenever the latter is absent or incapacitated, and an Executive Committee of five from among its members, to which it may delegate such of its powers as it deems fit.

**SECTION 5. Management.** -- The management of the Authority shall be vested in an Administrator, to be appointed by the Board, who shall have the following powers and duties:

- a. To direct and manage the affairs and business of the Authority, in accordance with policies and plans enunciated by the Board;
- b. To recommend and, upon approval by the Board, to establish and maintain an organization with specific functions and responsibilities for each operating unit;
- c. To appoint and fix the number, with the approval of the Board, of such officials and employees of the Authority as may be necessary for the proper discharge of its functions and responsibilities, and with the approval likewise of the Board, to remove, suspend and otherwise discipline, for just cause, any subordinate personnel thereof;
- d. To prepare and submit thirty days after the close of each fiscal year an annual report to the President, and such periodic reports of activities as may be required from time to time; and
- e. To perform such other duties as may be designed to him by the Board from time to time.

**SECTION 6. -- Abolished Agencies and Transitory Provisions.** - The Coconut Coordinating Council (CCC), the Philippine Coconut Administration (PHILCOA) and the Philippine Coconut Research Institute (PHILCORIN) are hereby abolished and their powers and functions transferred to the Philippine Coconut Authority, together with all their respective appropriations,





funding from all sources, equipment and other assets, and such personnel as are necessary; Provided, that personnel separated from the service hereby shall have the same rights and privileges accorded to other government employees separated as a result of implementation of the Integrated Reorganization Plan; Provided, further, that the Authority, through its Board, shall effect the transfers herein provided in a manner that will insure the least disruption of on-going programs and projects; Provided, finally, that in the period prior to the actual assumption of duties by the Board and its functioning as such, all officers and employees of the abolished agencies shall continue to exercise all their functions and discharge all their duties and responsibilities until ordered otherwise by the Board of the Authority, except that the Board of the PHILCORIN and the PHILCOA as well as the Council itself, shall immediately cease to exist upon the effectivity of this Decree, and their functions shall be exercised in the interim by the Chairman, of the National Science Development Board in the case of the PHILCORIN and by the Secretary of Agriculture and Natural Resources in the case of the PHILCOA and the CCC, with their incumbent Director, Chairman-General Manager and Executive Director, respectively, as executive officers.

SECTION 7. For purposes of coordinating plans and policies, in accordance with Part II, Chapter IV, Article III, Par. 2 of the Integrated Reorganization Plan, the Authority shall be attached to the Department of Agriculture and Natural Resources.

SECTION 8. Repealing Clause. -- All laws, executive and administrative orders, rules and regulations inconsistent with the foregoing provisions are hereby repealed or amended accordingly.

SECTION 9. Separability Clause. -- If any provision of this Decree is held unconstitutional, the same shall apply only to that provision and the remainder hereof remains valid.

SECTION 10. Effectivity. -- This Act shall take effect immediately.

Done in the City of Manila, this 30th day of June in the year of Our Lord, nineteen hundred and seventy-three.

By the President:

  
ROBERTO V. REYES

Assistant Executive Secretary