

PRESS RELEASE

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Gov't sets up Coco Levy Asset Registry

Pursuant to its mandate under Republic Act (RA) No. 11524, the government has set up the Coco Levy Asset Registry to monitor the status of the assets, including their fruits, acquired through the multibillion-peso coconut levy fund.

RA 11524 created the Trust Fund Management Committee (TFMC) to oversee the utilization and management of the Coconut Farmers and Industry Trust Fund (CFITF), and mandated it to draft the implementing rules and regulations (IRR) to effectuate the same.

The TFMC eyes the Asset Registry to serve as the repository of information and records of Coconut Levy Assets.

Based on the IRR published in a newspaper of general circulation, the Bureau of the Treasury (BTr), as TFMC Secretariat, is required to establish the Coco Levy Asset Registry.

The Registry is one of the innovations introduced by the government to ensure that the management of the CFITF is "equipped with checks and balances."

The Registry will contain separate records for both Cash and Non-Cash Coco Levy Assets while further classifying them into those already declared with finality to belong to the government and those continuing to be subject of litigation.

"It is now the task of the Trust Fund Management Committee to properly manage the coconut levy trust fund, which is estimated at 75 billion pesos, so that it serves our strategic development goals," Finance Secretary Carlos Dominguez III said during the first meeting last June 17 of the TFMC, which he chairs.

Required to be regularly updated, the Asset Registry shall serve as the TFMC's records of all information related to the Coco Levy Assets, which shall be based on the initial inventory submitted by the Presidential Commission on Good Government (PCGG).

The PCGG, in compliance with RA 11524, has submitted an initial inventory of Coco Levy Assets to the TFMC estimated to be worth P113.88 Billion consisting of cash, shares of stock, holding and trading companies, as well as their subsidiaries.

In its report to the TFMC, the TFMC Secretariat highlighted that some of the assets in the PCGG inventory are still under dispute in various courts such as the Sandiganbayan, Supreme Court, and the Regional Trial Courts (RTCs).

The TFMC Secretariat also reported to the TFMC the position of the PCGG that its initial inventory is "by no means complete." Based on this report, the TFMC called for continuous updating of the Registry.

The IRR of RA 11524 requires the PCGG to submit to the TFMC periodic reports containing updates on the status of the coco levy assets.

RA 11524 also requires the Commission on Audit (COA) to audit the PCGG inventory “to determine the completeness of the PCGG inventory, establish the reasonableness of asset valuation, trace the flow of the Coconut Levy Funds, and to determine compliance with pertinent laws, rules and regulations on the reconveyance of the Coconut Levy Assets.”

The COA is required to submit its audit report to the TFMC within one (1) year from the submission on the PCGG inventory.

To ensure the timely privatization of non-cash coco levy assets, the Department of Justice (DOJ) was tasked to review the status of the assets currently under litigation.

The BTr was also directed to ensure that all assets already declared with finality to belong to the government are reconveyed to the Republic as required by RA 11524.

Dominguez, who was elected TFMC Chairman, said that the next steps to be undertaken by the TFMC should be to ensure that it performs its functions with “transparency, accountability and prudence.”

The TFMC also includes Budget Secretary Wendel Avisado and Justice Secretary Menardo Guevarra as members.

During the meeting, Finance Undersecretary Antonette Tionko was named as the CFITF Portfolio Manager, and National Treasurer Rosalia de Leon as head of the TFMC Secretariat.

The passage of RA 11524 and the issuance of its IRR mark the end of the long wait of the coconut farmers as coco levy funds can now be utilized to implement projects, programs and activities that will benefit them and their families.

“After many years of intense political debate, it was only during the Duterte administration that the Coco Levy Law was finally enacted. This marks a promise fulfilled by the President who, in his 2019 SONA (State of the Nation Address), vowed to return these funds taken arbitrarily from the pockets of Filipinos back to its true owner,” Dominguez said during the meeting.

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Source: <https://www.dof.gov.ph/govt-sets-up-coco-levy-asset-registry/>