

## **PRESS RELEASE**

**01/07/21**

### **Coco Levy Law IRR now in effect**

With the implementing rules and regulations (IRR) of Republic Act (RA) No. 11524 being published in a newspaper of general circulation last June 10, the IRR of RA 11524 is now in effect.

RA No. 11524 mandated the Philippine Coconut Authority to craft and submit the Coconut Farmers and Industry Development Plan (CFIDP) to the President for his approval.

It also created the Trust Fund Management Committee (TFMC), composed of Finance Secretary Carlos Dominguez, Budget Secretary Wendel Avisado and Justice Secretary Menardo Guevarra, to oversee the management and utilization of the Coconut Farmers and Industry Trust Fund (CFITF).

During the TFMC's inaugural meeting, Dominguez, who was elected TFMC Chairman, said that, "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 also highlighted the numerous checks and balances imposed to ensure proper utilization of coco levy funds. Among these are the following: (1) establishment of the Coconut Levy Asset Registry which shall serve as the repository of all information related to Coconut Levy Assets and shall be periodically updated, and (2) monitoring the status of disbursements of Implementing Agencies in relation to CFIDP.

"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," Dominguez said during the meeting.

The TFMC also noted the transfer of P10 Billion to the CFITF as initial capitalization pursuant to RA 11524, and the submission by PCGG of its initial inventory currently estimated to amount to P113.88 Billion.

According to the Bureau of the Treasury (BTr), who serves as the Trust Fund Management Committee Secretariat[2], some of the assets in the PCGG inventory remain to be subject of various cases.

The BTr also stressed the position of the PCGG that its initial inventory is "by no means complete, "resulting to the call of the TFMC for the continuous update of the Asset Registry.

The Commission on Audit (COA) is mandated by RA 11524 to audit the PCGG Inventory "to determine the completeness of said inventory, establish the reasonableness of the 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 and/or Funds to the Republic."

As part of ensuring that the management of the CFITF is performed with transparency, accountability and prudence, the TFMC has directed for a continuous update on the status of the Coco Levy Assets, with the BTr being mandated to ensure that all coco levy assets declared with finality to belong to the government be transferred in the name of the Republic of the Philippines.

Meanwhile, the Department of Justice (DOJ) shall be responsible for the review of the status of assets under litigation to ensure their timely privatization as required by RA No. 11524.

Finance Undersecretary Antonette Tionko was designated as the CFITF Portfolio Manager, while National Treasurer Rosalia de Leon was assigned as head of the TFMC Secretariat.

-oOo-

Source: <https://www.dof.gov.ph/coco-levy-law-irr-now-in-effect/>