

[FIDA REVISED ADMINISTRATIVE ORDER NO. 1, July 30, 1999]

REVISED RULES AND REGULATIONS TO GOVERN LICENSING, BALING, TAGGING, MARKING, INSPECTION, CERTIFICATION AND SHIPMENT OF PHILIPPINE COMMERCIAL FIBERS

Pursuant to Section 8 of Executive Order No. 709 dated July 27, 1981, and Executive Order No. 116 dated January 30, 1987 creating the Fiber Industry Development Authority to promote the integrated growth and development of the natural fiber industry (except cotton) in all its aspects, the revised rules and regulations to govern licensing of industry participants and baling, tagging, marking, inspection, certification and shipment of Philippine commercial fibers are hereby promulgated for the information and guidance of all concerned.

CHAPTER I **Definition of Terms**

SECTION 1. Terms Used — as used in these rules and regulations, the following words or terms shall be construed as indicated herein:

1. **"Abaca"** — refers to the commercial fiber extracted from the plant known scientifically as *musa testiles*;
2. **"Authority"** — refers to the Fiber Industry Development Authority;
3. **"Administrator"** — shall refer to the Head of the Fiber Industry Development Authority (FIDA);
4. **"Bale"** — refers to the volume and manner of packing the fiber traded commercially as prescribed in Chapter III, Section 4 hereof;
5. **"Buying Station"** — shall refer to the establishment buying for and supplying fibers to mother company, whether a GBE, a processor or a trader;
6. **"Complaint"** — refers to the sworn written statement charging a person, corporation, partnership or association with an offense and subscribed to by the complainant or by his/her duly authorized representative;
7. **"Fiber"** — shall refer to any indigenous fiber derived from plants or from animals, such as hairs, feathers, and silk. It shall be denominated and interpreted according to its common and commercial significance and not its scientific nomenclature;

8. **"Fiber Industry"** — shall refer to the commercial production or culture, marketing, grading, baling, processing or manufacturing of fibers, including such activities as are related thereto;
9. **"Finished" or "Semi-Finished Products"** — shall refer to any article of commodity which contains 25% or more commercial fibers in weight or volume;
10. **"Foreign Matter"** — shall include, but not limited to, dust, dirt, plastic, stone which are extraneous or foreign to fiber;
11. **"GBE"** — shall refer to a firm engaged in buying, grading/baling and selling commercial fibers for domestic and/or foreign consumption fully equipped with the required equipment, facilities, and manpower;
12. **"GBE-Processor"** — refers to a firm engaged in buying, grading/baling and selling commercial fibers for domestic and/or foreign consumption fully equipped with the required equipment, facilities, and manpower and at the same time processing/manufacturing fibers or semi-finished fiber-based into finished product including converters of semi-finished or finished fiber-based products into another form;
13. **"Grade"** — shall refer to the designation of fiber quality according to the established government standard thereof;
14. **"Inspection"** — shall refer to the process of verifying the conformity of baled fibers with established government standard on grading, tagging, marking, pressing and weight measurement of fiber bales;
15. **"Inspector"** — refers to the FIDA inspector or any other FIDA personnel duly authorized to inspect fibers;
16. **"Local Trader"** — shall refer to any person, juridical or natural, engaged purely in buying and selling fibers for domestic consumption;
17. **"Loose Fibers"** — refers to the unclassified, unbaled, unbundled, and uninspected fiber;
18. **"Order"** — refers to the FIDA Administrative Order;
19. **"Person"** — shall refer to any natural or juridical person such as corporation, partnership, single proprietorship or association, cooperative, including foundation or any group of persons having common interest;
20. **"Processor" or "Manufacturer"** — refers to industrial firm engaged in the processing or manufacturing of fibers or semi-finished fiber-based products into finished

products including converters of semi-finished or finished fiber-based products into another form;

21. **"Statement of Violation"** — shall refer to a written statement charging a person, corporation, partnership or association with an offense, duly signed by the deputized Enforcement Officer of the Region or Province where the offense was committed;

22. **"Station"** — municipality or city where the fiber establishment is located;

23. **"Trader-Exporter"** — shall refer to any person, juridical or natural, engaged in buying and selling commercial fibers either for domestic or foreign consumption.

SECTION 2. Abbreviations Used. — The following abbreviations used in this Order shall mean as indicated hereunder:

| | | |
|------------|---|-----------------------------------------|
| G.B.E. | > | Grading Baling Establishment |
| O.K. Bales | > | Inspected and Approved Bales |
| I.C. Bales | > | Inspected and Condemned Bales |
| C.C.N. | > | Classifier's Control Number |
| I.C.N. | > | Identification Control Number of Fiber |
| Inspector | | |
| FIDA | > | Fiber Industry Development Authority |
| A.O. | > | FIDA Administrative Order |
| R.O. | > | FIDA Regional Office |
| P.T.F. | > | Permit to Transfer Fibers |
| A.T.E. | > | Authority to Export |
| C.C. | > | Commodity Clearance |
| P.C.F.I. | > | Primary Certificate of Fiber Inspection |

CHAPTER II

Licensing

SECTION 1. Person Required to Secure License . — Any person engaged in any of the following activities is required to register and secure a license with the Authority:

1. Grading and baling whether for domestic or foreign consumption;
2. Buying and selling commercial fibers for domestic and/or for foreign consumption;
3. Buying fibers for their mother companies;
4. Processing/manufacturing fibers into semi-finished or finished fiber-based or finished fiber products whether for domestic or foreign consumption;
5. Converting semi-finished or finished fiber products into other forms;

6. Classifying commercial fibers at grading baling establishments (GBE's), Class A Traders, or at processing or manufacturing plants.

SECTION 2. Application for Original License. — An applicant shall secure an application form prescribed by the Authority and shall file the same at the FIDA Provincial Office having jurisdiction over the area.

GBEs or processors operating in more than one area or with two or more branches, shall secure a license for each area of operation. In case of buying stations of a mother company, each shall secure a separate license.

A fiber trader who puts up a separate bodega for his fiber trading in another region shall secure a separate license from the region where the bodega is situated.

SECTION 3. Requirements for the Issuance of Licenses . — Upon filing of the duly accomplished application form, the applicant must comply with the following:

1. Documentary Requirements — Submit authenticated copies of the following:

a. Corporation

- (1) SEC Registration Certificate
- (2) Company profile with complete list of officers
- (3) Tax Clearance
- (4) Mayor's Permit

b. Partnership

- (1) SEC Registration Certificate
- (2) Tax Clearance
- (3) Mayor's Permit

d. Cooperative

- (1) Certificate of Registration by the Cooperative Development Authority (CDA)
- (2) Tax Clearance
- 3) Mayor's Permit
- (4) Company profile with complete list of officers

In case of a buying station, certification from concerned mother company that such station is its authorized buyer.

e. Classifiers

- (1) Certificate of good moral character by the Barangay Captain of the barangay where he resides
- (2) He must have passed the practical examination on fiber

classification and grading
given by the Authority

- (4) Company profile with complete list of officers

c. Sole Proprietorship

- (1) Certificate of Registration by the Bureau of Trade Regulation and Consumer Protection (optional for trader applicants in far-flung barangays)
- (2) Tax Clearance
- (3) Mayor's Permit

2. **Equipment, Facilities and other Requirements:** Each establishment must have in its bodega the following equipment, facilities and other requirements

a. Grading Baling Establishments (GBEs)

- (1) One [1] metric weighing device with certificate of periodic calibration by the LGU or by the Municipal and/or City Treasurer's Office;
- (2) At least one [1] baling press;
- (3) For abaca, a minimum floor area of 850 square meters for classification work and storage. For other fibers, any area sufficient to fill customary classification and storage requirements maybe considered adequate;
- (4) A necessary storage space with segregating partition for other commodities in case the same are also stored in the same warehouse; and
- (5) At least one [1] licensed classifier

b. Buying Stations

- (1) Certification from mother company that such buying station is under it;
- (2) At least one [1] metric weighing device with certificate of periodic calibration by the LGU or by the Municipal and/or City Treasurer's office;
- (3) Sufficient storage space for fibers with segregating partition in case other commodities are also stored in the same warehouse.

c. Trader-Exporters

- (1) At least one [1] metric weighing device with certificate of periodic calibration by the LGU or by the Municipal and/or City Treasurer's Office;