

**SUBJECT: NATIONAL GUIDELINES ON THE ISSUANCE OF COMPLIANCE
CERTIFICATE FOR AGRICULTURAL AND FISHERIES MACHINERY**

Pursuant to Sections 31 and 32 of the Agricultural and Fisheries Mechanization (AFMech) Law of 2013 and its Implementing Rules and Regulation, and Section 7 of Department Circular No. 5, Series of 2017, also known as the National Guidelines on Testing and Evaluation of Agricultural and Fisheries Machinery, this Guidelines on the issuance of Compliance Certificate (CC) for agricultural and fisheries machinery is hereby promulgated and issued for guidance and information of government offices, private sectors, farmers and fisherfolks.

**ARTICLE I
GENERAL PROVISIONS**

SECTION 1. Objectives

This Guidelines provides information and guidance on the issuance of CC for agricultural and fisheries machinery to ensure its conformance to the Philippine National Standards / Philippine Agricultural Engineering Standards (PNS/PAES). Specifically, the guidelines aims to provide assurance to consumers, industries and other stakeholders that the machinery conforms to the specified requirements in their respective PNS/PAES and the PNS/PAES for After-Sales Service. It shall facilitate trade, fair competition and consumer acceptance of the machinery.

SECTION 2. Scope

The guidelines will cover the policies and mechanisms in the issuance of CC for agricultural and fisheries machinery with PNS/PAES. Likewise, this Guidelines will also cover the conformance of all agricultural and fisheries machinery to the PNS/PAES for After-Sales Service.

SECTION 3. Definition of Terms

For the purpose of this Circular, the following definitions shall apply:

- a. Agricultural and Fisheries Machinery – refers to machinery used for the production, harvesting, processing, storage, manufacture, preserving, transporting and distribution of agricultural and fisheries products
- b. Applicant – a natural or juridical person engaged in the manufacturing, fabrication or importation of agricultural and fisheries machinery
- c. Assembler – refers to any entity involved in the assembly of various parts and components for the production of agricultural and fisheries machinery to be offered in the market
- d. Authorized Representative - refers to the person/s duly authorized by the applicant who is an organic personnel of the company and is tasked to be the

- primary point of contact for all matters relating to the application for the issuance of Compliance Certificate
- e. Compliance Certificate (CC) – certificate issued by BAFE which guarantees that the agricultural and fisheries machinery conforms with PNS/PAES
 - f. Dealer – refers to an entity authorized by distributors and/or manufacturers to supply, trade, sell and service agricultural and fisheries machinery to end-users
 - g. Distributor – refers to any trading entity authorized by foreign or local suppliers and/or manufacturers to distribute agricultural and fisheries machinery to dealers
 - h. Holder – assembler, dealer, distributor, importer and exporter (ADDIE) authorized by the primary holder to use the CC in the selling of agricultural and fishery machinery
 - i. Importer/Exporter – refers to any trading entity involved in the business of importing or exporting of agricultural and fisheries machinery from or to any point outside the Philippines either for its own use or for trading purposes
 - j. Manufacturer/Fabricator – refers to an entity involve in the manufacture/fabrication of agricultural and fisheries machinery
 - k. On-site Evaluation – refers to the field activities undertaken by Bureau of Agricultural and Fisheries Engineering (BAFE) for purposes of inspection of agricultural and fisheries machinery before the issuance of CC
 - l. Philippine National Standard (PNS) / Philippine Agricultural Engineering Standards (PAES) – standards used for the preparation and monitoring of specifications and test and evaluation of machine and equipment performance and serve as technical reference by all agricultural and biosystems engineers in the practice of agricultural and biosystems engineering profession
 - m. Primary Holder –company which is indicated in the CC that may be a manufacturer or fabricator
 - n. Retailer - over-the-counter sellers of agricultural and fisheries machinery
 - o. Test Report (TR) – narrative report showing the description, performance and conditions of the machine, method of test used, result of test as well as the photograph of the machine
 - p. Surveillance Assessment - random testing and evaluation of machinery to assess conformance to performance requirements and after-sales service stated in PNS/PAES

ARTICLE II

DUTIES AND RESPONSIBILITIES

SECTION 4. BAFE, Testing and Evaluation Accreditation Advisory Committee (TEAAC), DA – Regional Agricultural Engineering Division (DA-RAED) and Local Government Unit (LGU)

The BAFE shall undertake the following functions:

- a. Review the completeness and authenticity of the documentary requirements submitted by the applicants. Conduct validation for subsequent approval/denial of all applications for CC of agricultural and fisheries machinery;
- b. Approve/Deny the issuance of CC;
- c. Issue CC to applicants who comply with all the requirements;
- d. Conduct surveillance assessment and on-site evaluation on the operation and after-sales service;
- e. Ensure the availability of the registry of all compliant and non-compliant machinery for viewing; and
- f. Perform other duties and functions relevant to the issuance of CC for agricultural and fisheries machinery.

The TEAAC which was created under DC No. 05, Series of 2017, shall undertake the following functions:

- a. Review and recommend the issuance and denial of CC;
- b. Review and recommend the suspension, revocation, withdrawal or cancellation of CC; and
- c. Perform other duties and functions relevant to the issuance of CC for agricultural and fisheries machinery.

DA-RAED shall undertake the following functions:

- a. Provide assistance for the acceptance and initial evaluation of application within their respective regions;
- b. Assist BAFE in the conduct of surveillance assessment and on-site evaluation on the operation and after-sales service of all applicants;
- c. Monitor the compliance of all CC primary holder and holder within their respective regions; and

- d. Perform other duties and functions relevant to the issuance of CC for agricultural and fisheries machinery.

The LGU shall undertake the following functions:

- a. Assist BAFE and DA- RAED in the conduct of surveillance assessment and on-site evaluation on the operation and after-sales service of all applicants;
- b. Assist BAFE and DA-RAED in the monitoring of the compliance of all CC primary holder and holder within their respective cities/municipalities; and
- c. Perform other duties and functions relevant to the issuance of CC for agricultural and fisheries machinery.

**ARTICLE III
ISSUANCE OF COMPLIANCE CERTIFICATE (CC)**

SECTION 5. Application Procedures and Requirements

All applicants shall secure CC application form from BAFE or DA-RAED. All accomplished applications shall be submitted to the BAFE Secretariat or to their respective DA-RAED for initial evaluation of application. The DA-RAED shall submit the evaluated applications to the BAFE Secretariat. Only those applications with complete and valid documents shall be processed and evaluated. The screened applications shall be forwarded to the TEAAC for their review and recommendation to the BAFE. The BAFE may conduct on-site evaluation on the operation of all applicants if deemed necessary, final review on the applications and issue the approval to compliant machinery. In case of denied certification, the BAFE shall notify the applicant through a letter indicating the grounds for denial. For approved certification, BAFE shall notify the applicant on the schedule of the release of CC. The applicant shall pay the prescribed fee prior to the issuance of CC. The cross functional flow chart for the application procedures is shown in Annex A.

Authorized representative/s, on behalf of the applicant, may also file an application for the issuance of CC provided that they will submit the following:

- a. Company Identification Card; and
- b. Special Power of Attorney or Board Resolution

Importers can only apply if the foreign manufacturers refuse to apply for CC.

5.1 New Application

For new applications, the following documents shall be submitted:

- a. Duly accomplished application form (Annex B);
- b. Certificate of Distributorship/Dealership (if applicable)

- c. Certificate of Free Sale/Registration or equivalent documentary requirement indicating the country of origin (for imported agricultural and fisheries machinery)
- d. Authenticated Copy of Test Report (TR) issued by UPLB-AMTEC or accredited testing center; and
- e. Other documents as deemed necessary

5.2 Renewal

For renewal, the following documents shall be submitted:

- a. Certified True Copy of Previously Issued CC;
- b. Duly accomplished application form (Annex B);
- c. Authenticated Copy of TR issued by UPLB-AMTEC or accredited testing center; and
- d. Other documents as deemed necessary

Renewal of CC shall be filed one (1) month before the expiration of the CC. BAFE shall ascertain that the applicant for renewal continuously complies with the requirements set in the PNS/PAES, as well as the PNS/PAES for After-Sales Service and the requirements set herein.

Section 6. Compliance Certificate (CC)

The BAFE shall issue the CC to agricultural and fisheries machinery with existing PNS/PAES. For those agricultural and fisheries machinery with prime mover, the CC shall be issued specifically to the brand/model of the machine and prime mover which are indicated in the TR.

Only agricultural and fisheries machinery granted with CC shall be allowed to be procured and sold in the market. Only primary holder or holder of CC shall be allowed to join in the government procurement.

6.1 Contents of CC

The CC shall contain the following information:

- a. Name and Address of the company;
- b. Name of agricultural/fisheries machinery;
- c. Photograph of the machine;

- d. Brand/Model of the machinery;
- e. Brand/Model/Name and Address of Manufacturer of the engine (if applicable);
- f. Reference PNS/PAES;
- g. CC number;
- h. Date of issuance and validity of the certificate; and
- i. Signature of the BAFE Director.

The template of the CC is shown in Annex C.

6.2 Utilization of CC

The primary holder has the right to allow its network of ADDIE the use of CC provided that their information are included in the Authority to Use the CC (Annex D) to be submitted to BAFE. Only those ADDIE indicated in the Authority to Use the CC shall be considered as holder.

The primary holder and the holder shall continuously comply with the requirements set herein. Hence, primary holder shall assume full responsibility on the utilization of CC. The primary holder shall be held liable for the holder who sells machinery which does not conform with the PNS/PAES as proven during the conduct of surveillance assessment or the holder that have committed any misconduct as stated in the provisions of this Guidelines. No primary holder or holder can use the CC if it has been suspended, revoked, withdrawn or cancelled.

The primary holder shall request for a certified true copy of the CC for the holder upon payment of the prescribed fee to BAFE. Each holder shall have a certified true copy of the CC. Further, the primary holder and the holder shall provide a copy of the CC to the procuring entity of the offered agricultural and fisheries machinery in the market.

6.3 Procedures for Change in Circumstance

Should there be a change in circumstance provided by the primary holder in the application, such as change of name of company, change of address, change of ownership, etc., the primary holder shall notify the BAFE through writing in five (5) working days before effecting changes. Any change in circumstances shall require a new application for the issuance of CC. The original copy of the previously issued CC shall be surrendered to BAFE.

6.4 Exemption

All agricultural and fisheries machinery without PNS/PAES shall temporarily be exempted from the issuance of CC pending the formulation of PNS/PAES.

SECTION 7. Implementation of Compliance Certificate (CC) by Phase

The implementation of the issuance of CC shall be by phase. Agricultural and fisheries machinery that are not covered under the approved phasing shall not require CC otherwise deemed necessary.

The phases of implementation is as follows:

7.1 Phase I

All engines and agricultural and fisheries machinery with rated power 90 hp and above including its attachment shall be issued with CC starting at the first year of the implementation of the guidelines.

7.2 Phase II

Agricultural and fisheries machinery covered in Phase I and those with rated power between 25 hp to 89 hp including its attachment shall be issued with CC at the third year of the implementation of the guidelines.

7.3 Phase III

All agricultural and fisheries machinery not covered in Phases I and II shall be issued with CC at the fifth year of the implementation of the guidelines.

During the fifth year of implementation, all agricultural and fisheries machinery with existing PNS/PAES shall be required to apply for the issuance of CC. However, various machinery may be required for the application and issuance of CC earlier than the abovementioned phasing of implementation as deemed appropriate by BAFE.

SECTION 8. Validity

The CC shall have the same validity with the submitted Test Report issued by the UPLB-AMTEC or any accredited testing center.

Any modification in the design of the certified agricultural and fisheries machinery shall be subjected to the evaluation of BAFE. A new application shall be required for those machinery that undergo modification which have effect on the performance.

SECTION 9. Suspension, Revocation, Withdrawal or Cancellation

The CC issued under this Guidelines may be suspended, revoked, withdrawn or cancelled due to any of the following grounds:

- a. The agricultural and fisheries machinery fails to conform with PNS/PAES during surveillance assessment;
- b. The primary holder made false statements in connection with the application of the CC; and
- c. The primary holder or holder violates any of the provisions of this Guidelines.

A Notice of Violation shall be sent to the primary holder stating the grounds for the contemplated action. An appeal on the notice shall only be accepted within five (5) working days upon the receipt of the notice. The appeal shall be subjected to the evaluation of BAFE.

In case of suspension, a motion for reconsideration in lifting the suspension shall be submitted to BAFE by the primary holder. The BAFE shall send a Lifting Notice to the primary holder once the motion for reconsideration is approved. On the other hand, a notice on revocation, withdrawal or cancellation of the CC shall be sent to the primary holder that does not comply with the violated acts within the period as deemed appropriate by BAFE.

A primary holder who has been suspended for three times on any of the grounds stated in Section 14 shall result to an automatic revocation, withdrawal or cancellation of the CC.

SECTION 10. Certification Registry

BAFE shall ensure that the name, TR number and CC number of the evaluated machinery is available for viewing in the official website of BAFE.

The BAFE shall maintain a registry of the following:

10.1 Compliant Certification Registry

List of all compliant agricultural and fisheries machinery that shall be included in the certification registry.

10.2 Registry of Denied Certification

List of all non-compliant agricultural and fisheries machinery that shall be included in the registry of denied certification.

10.3 Registry of Machinery with Pending Cases

List of all suspended agricultural and fisheries machinery that shall be included in the registry of machinery with pending cases.

Denied application for the issuance of CC shall be listed in the registry of denied certification. However, it may be reclassified and transferred to the compliant certification registry once it conforms with PNS/PAES and has passed the evaluation of

BAFE.

Removal of the machinery from the certification registry shall be undertaken by BAFE upon the expiration of the CC and in accordance with the grounds stipulated in Section 14 of this Guidelines or any other grounds recommended by TEAAC and approved by BAFE.

SECTION 11. Fees and Charges

Collection of all fees and charges shall be paid at the BAFE cashier. Fees and charges may be subjected to changes, as deemed necessary. The fees and charges collected are non-refundable and subject to the usual government accounting and auditing rules and regulations.

The following fees and charges shall be collected:

- a. Application Fee;
- b. Issuance Fee (New);
- c. Issuance Fee (Renewal);
- d. Change of Circumstance of the Primary Holder; and
- e. Certified True Copy of CC

A separate guidelines relative to the issuance of CC detailing the schedule of fees and charges shall be issued by BAFE.

ARTICLE IV SURVEILLANCE ASSESSMENT AND RECORDS KEEPING

SECTION 12. Surveillance Assessment and Records Keeping

The Surveillance Assessment shall be done periodically to ensure that the agricultural and fisheries machinery continuously conforms to the performance requirements and after-sales service stipulated in the PNS/PAES after the grant of the CC. Surveillance Assessment Report shall be copy furnished to the primary holder and holder.

A separate record (i.e. inventory of the certified agricultural and fisheries machinery and distribution report) exclusively for certified agricultural and fisheries machinery shall be maintained by the primary holder and the holder and be made available for inspection at all times.

ARTICLE V TERMS AND CONDITIONS OF THE COMPLIANCE CERTIFICATE (CC)

The primary holder shall assume full responsibility for the contemplated action of the holder. Further, the primary holder or holder shall:

- a. Ensure that the certified agricultural and fisheries machinery conforms to its respective PNS/PAES and PNS/PAES for After-Sales Service during the conduct of surveillance assessment; and
- b. Give access to the BAFE on the agricultural and fisheries machinery manufactured or stored for the purpose of surveillance assessment, checking of records and other related documents.

ARTICLE VI FINAL PROVISIONS

SECTION 14. Prohibited Acts

No person shall engage in procuring or selling of agricultural and fisheries machinery unless duly certified by BAFE and issued with CC. Further, it is unlawful for any person to manufacture, distribute, fabricate, assemble, import, export, supply, deal of any agricultural and fisheries machinery covered by CC:

- a. under a fake, withdrawn, suspended, revoked or cancelled CC; and
- b. who continues to produce or sell machinery in the market but fails to file an application for renewal.

SECTION 15. Penalties and Sanctions

15.1 Penalties

Any entity who shall violate any provision of this Guidelines shall, upon conviction be subject to a fine of not less than One thousand pesos (Php1,000.00) but not more than Ten thousand pesos (Php10,000.00) or imprisonment of not less than two (2) months but not more than one (1) year, or both, upon the discretion of the court and/or other applicable penalties imposed under the AFMech Law.

15.2 Sanctions

This provision shall take effect upon the enactment of this Guidelines. The BAFE Director or his/her duly authorized representative has the power to take the following actions:

- a. Issuance of a cease and desist order;
- b. The recall, replacement, seizure, forfeiture or condemnation of the agricultural and fisheries machinery that is not duly certified;
- c. Cancellation, revocation or withdrawal of CC or suspension of the validity;
- d. Withholding of CC; and

SECTION 16. Separability Clause

Should any provision of this Guidelines or any thereof be declared invalid, the other provisions, so far as they are separable, shall remain in force and effect.

SECTION 17. Repealing Clause

All existing circulars, rules and regulations, or parts thereof, in conflict with, or inconsistent with any provisions of this Guidelines are hereby repealed or modified accordingly.

SECTION 18. Effectivity

This Guidelines shall take effect upon approval of the DA Secretary and fifteen (15) days after its publication in a newspapers of general circulation. Three (3) copies of this Guidelines shall be sent to the University of the Philippines Law Center.

Approved and promulgated this ____ day of ____ 2018.

EMMANUEL F. PIÑOL
Secretary

References:

- DAO No. 02:2007 - Defining the Responsibilities and Liabilities of Manufacturers, Importers, Traders, Wholesalers, Distributors, Retailers, Service Providers and or their Agents, with Regard to Product/Services covered by the Philippine Standard Certification Mark Schemes and Prescribing Penalties for Violation Thereof (2007)
- DC No. 5: 2007 - National Guidelines on Testing and Evaluation of Agricultural and Fisheries Machinery (2017, June 6)
- R.A. 10601; Agricultural and Fisheries Mechanization Law and its Implementing Rules and Regulations (2013, June)
- ISO 17065:2012 - Conformity assessment – Requirements for bodies certifying products, processes and services (2012)
- ISO 17067:2014 – Conformity assessment – Fundamentals of product certification and guidelines for product certification schemes (2014)