

1 DEPARTMENT CIRCULAR NO. _____
2 Series of 2018

3
4 SUBJECT : **GUIDELINES ON THE REGISTRATION OF AGRICULTURAL AND FISHERIES**
5 **MACHINERY MANUFACTURERS, FABRICATORS, ASSEMBLERS, DISTRIBUTORS,**
6 **DEALERS, IMPORTERS AND EXPORTERS AND THEIR PRODUCTS**

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8 Pursuant to Sections 20 and 24 of Republic Act No. 10601, otherwise known as the Agricultural and
9 Fisheries Mechanization Law and its Implementing Rules and Regulations, this Guidelines on the
10 registration of agricultural and fisheries machinery manufacturers, fabricators, assemblers, distributors,
11 dealers, importers and exporters and their products is hereby promulgated and issued by the Bureau of
12 Agricultural and Fisheries Engineering (BAFE) to implement the provisions of the said Act, for the guidance
13 and information of all concerned.

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15 **ARTICLE I**
16 **GENERAL PROVISIONS**

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18 **SECTION 1. Objective**

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20 This Circular sets the guidelines and procedures of the BAFE on the Registration of Agricultural and
21 Fisheries Machinery Manufacturers, Fabricators, Assemblers, Distributors, Dealers, Importers and
22 Exporters (MFADDIE) and their products. It aims to regulate the businesses engaged in the manufacture,
23 fabrication, assembly, distribution, importation and exportation of agricultural and fisheries machinery.
24 Specifically, it aims to meet the following:

- 25
- 26 a. Prevent the proliferation of MFADDIE committing any misconduct in selling agricultural and
27 fisheries machinery;
 - 28 b. Establish a national registry of agricultural and fisheries MFADDIE and machinery supplied in
29 the market;
 - 30 c. Secure fair trade practices among MFADDIE and end-users;
 - 31 d. Provide opportunities for business growth; and
 - 32 e. Safeguard the interest of the consumers.
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34 **SECTION 2. Scope**

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36 This Guidelines shall cover the registration of agricultural and fisheries machinery MFADDIE and their
37 products. It shall include the issuance of permit to operate (PTO) to MFADDIE and certificate of product
38 registration (CPR).

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40 **SECTION 3. Definition of Terms**

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42 For the purpose of this Circular, the following definitions are hereby adopted:

- 43
- 44 a. **Agricultural and Fisheries Machinery** – refers to machinery and equipment for the production,
45 post-production, harvesting, processing, storage, manufacture, preserving, transporting and
46 distribution of agricultural and fisheries products and by-products. It includes, but not limited to,
47 tractors and their attachments, power tillers, seeders, transplanters, windmills, harvesting
48 machines, crop protection and maintenance equipment, irrigation equipment and accessories,
49 greenhouses and other thermal conditioning equipment, livestock equipment, fishery equipment,
50 slaughtering equipment, meat/fishery and crop processing equipment, postharvest machines such
51 as milling machines, dryers, threshers and fiber extraction machines (Source: D.C. 05, Series of
52 2017)
 - 53 b. **Applicant** – refers to natural or juridical person engaged in the business of manufacturing,
54 fabrication, assembly, distribution, dealing, importation and exportation of agricultural and
55 fisheries machinery
 - 56 c. **Assembler** – refers to any entity involved in the assembly using individual parts and components
57 for the production of agricultural and fisheries machinery to be offered in the market
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- d. **Authorized Representative (AR)** – refers to the person/s duly authorized by the applicant who is an organic personnel of the company who will be the primary point of contact for all matters relating to the application for the issuance of Permit to Operate and Certificate of Product Registration
 - e. **Certificate of Product Registration** – refers to the certificate issued for the products reported to the BAFE
 - f. **Compliance Certificate** - certificate issued by BAFE which guarantees that the agricultural and fisheries machinery conforms with PNS/PAES
 - g. **Dealer** – refers to an authorized representative of distributors and/or manufacturers to supply, trade, sell and service agricultural and fisheries machinery to end-users (PNS/PAES 192:2016)
 - h. **Distributor** – refers to any trading entity authorized by foreign or local suppliers and/or manufacturers to distribute agricultural and fisheries machinery to dealers (PNS/PAES 192:2016)
 - i. **Establishment** – refers to an entity, partnership, company, corporation or cooperative engaged in the business of manufacturing, fabrication, assembly, distribution, dealing, importation and exportation of agricultural and fisheries machinery
 - j. **Holder** – refers to any entity that is duly authorized by BAFE to manufacture, fabricate, assemble, distribute, deal, import and export agricultural and fisheries machinery
 - k. **Importer/Exporter** – refers to any trading entity involved in the business of importing or exporting of agricultural and fisheries machinery from/to any point outside the Philippines either for its own use or for trading purposes
 - l. **Inspection** – refers to all field activities being undertaken by the BAFE for purposes of evaluating and checking the facilities of an establishment
 - m. **Manufacturer/Fabricator** – refers to any manufacturing entity involved in the production of agricultural and fisheries machinery
 - n. **Permit to Operate** – refers to the privilege granted to any MFADDIE that have passed the review, inspection and evaluation conducted by BAFE and is allowed to engage in a particular line of activity which include manufacturing, fabrication, assembly, distribution, dealing, importation and exportation of agricultural and fisheries machinery
 - o. **Product** – agricultural and fisheries machinery offered by individual agricultural and fisheries machinery MFADDIE;
 - p. **Regional Agricultural Engineering Division (RAED)** – refers to the division of the Department of Agriculture – Regional Field Office authorized to assist the Department of Agriculture – Bureau of Agricultural and Fisheries Engineering (DA – BAFE) in the enforcement / implementation of the provisions of this Circular.
 - q. **Registration** – refers to all the processes involved in the review, evaluation, inspection, validation and approval of documents and facilities for the purpose of legalizing the business operations to manufacture, fabricate, assemble, distribute, deal, import and export of agricultural and fisheries machinery
 - r. **Standards Regulation and Enforcement Division (SRED)** – refers to the division authorized by the DA – BAFE Engineering to enforce / implement the provisions of this Circular.

ARTICLE II
DUTIES AND RESPONSIBILITIES

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SECTION 4. Duties and Responsibilities of the Bureau of Agricultural and Fisheries Engineering and DA – Regional Agricultural Engineering Division

SECTION 4.1 The BAFE shall have the following functions:

- Review and evaluate all applications for the registration and issuance of Permit to Operate to agricultural and fisheries machinery manufacturers, fabricators, assemblers, distributors, dealers, importers and exporters (MFADDIE) and Certificate of Product Registration for their products sold;
- Conduct on-site inspection and validation of all applications prior to the issuance of PTO and CPR;
- Issue PTO and CPR to applicants who comply with all the requirements for registration;
- Conduct surveillance monitoring to establishments of PTO holders;
- Maintain a registry of all MFADDIE and PTO holders and their products; and
- Perform other duties and functions relevant to the registration and issuance of PTO to MFADDIE of agricultural and fisheries machinery.

SECTION 4.2 The DA-RAED Standards Regulations and Enforcement Section (SRES) shall have the following functions:

- Initially evaluate applications for renewal of PTO to MFADDIE of agricultural and fisheries machinery within their respective regions before forwarding the applications to BAFE;
- Assist the BAFE in the conduct of site inspection and validation;
- Monitor the performance of all PTO holders within their respective regions;
- Perform other duties and functions relevant to the issuance of PTO to MFADDIE of agricultural and fisheries machinery.

**ARTICLE III
REQUIREMENTS FOR REGISTRATION**

All manufacturers, fabricators, assemblers, distributors, dealers, importers and exporters of agricultural and fisheries machinery shall register with the BAFE and apply for the issuance of Permit to Operate (PTO) and Certificate of Product Registration (CPR).

The application for PTO is **classification-** and location-specific. Establishments which are engaged in different lines of activity or maintain other branches in other locations shall be required to register its branches separately and pay the corresponding fees.

SECTION 5 Requirements for Registration of Establishment (Initial)

5.1 Individual (Sole Proprietorship)

- a. Certified photocopy of the Certificate of Business Name Registration

5.2 Corporation/Partnership/Association

- a. Certified photocopy of the Certificate of Registration issued by the Securities and Exchange Commission (SEC);
- b. Article of Incorporation and By-laws and all amendments thereto

5.3 Common Requirements for Both Individual (Sole Proprietorship) and Corporation/Partnership/Association

- a. Duly accomplished Application Form;
- b. Certified photocopy of Business/Mayor’s Permit from the city/municipality where the establishment is located for the current year;
- c. Sketch of location map of the establishment;
- d. Official receipt of payment;
- e. Additional Requirements pursuant to PD 1586 also known as The Philippine EIS System and its Implementing Rules and Regulations, DENR AO No. 30 Series of 2003, Memorandum Circular 2014-005, and Memorandum Circular 2015-0003
 - i. For establishments (manufacturer) under Category A and B: Photocopy of Environmental Compliance Certificate (ECC);
 - ii. For establishments under Category D: Photocopy of Certificate on Non Coverage (CNC).

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SECTION 6 Requirements for Registration of Establishment (Renewal)

6.1 Requirements for Both Individual (Sole Proprietorship) and Corporation/Partnership/Association

- a. Duly accomplished Application Form;
- b. Photocopy of previously issued PTO;
- c. Certified photocopy of Business/Mayor’s Permit from the city/municipality where the establishment is located for the current year;
- d. Official receipt of payment

SECTION 7 Requirements for Product Registration (Initial and Renewal)

- a. List and technical description of product lines (as per Annex A)
- b. Compliance Certificate
- c. Additional requirements for importers
 - Certificate of Accreditation issued by the Bureau of Domestic Trade (BDT) of the Department of Trade and Industry (DTI)
 - Certificate of Origin from Country of Manufacture;
 - Distributorship Agreement

SECTION 8 Facilities and Equipment Requirements

Facilities/equipment as prescribed in Annex B are hereby required to be owned and/or rented by the establishment concerned as pre-requisite to the registration and issuance of PTO.

**ARTICLE IV
PROCESSING OF APPLICATION FOR REGISTRATION OF AGRICULTURAL AND FISHERIES
MACHINERY MANUFACTURERS, FABRICATORS, ASSEMBLERS, DISTRIBUTORS,
DEALERS, IMPORTERS AND EXPORTERS AND THEIR PRODUCTS**

SECTION 9 Filing of Application

All new applications for PTO and/or product registration will be accepted any time of the year. All applications for registration shall be made in writing and shall be accomplished in forms provided by the BAFE. The accomplished application form together with the documentary requirements be submitted to the BAFE for review and evaluation.

Applications for renewal of PTO and/or product registration shall be filed three (3) months before the date of expiration of the permit to the RAED.

Applications for PTO and product registration can be done simultaneously. However, no certificate of product registration shall be issued to non PTO holders.

SECTION 10 Review and Evaluation Process

BAFE shall check the completeness and veracity of documents submitted based on the Checklist of Requirements. Only complete and valid documents will be accepted and processed during the application. Incomplete or falsified documents shall not be accepted.

SECTION 11 Period of Processing

For new applications

- *Receipt and initial evaluation of submitted documents* 1.5 hours
- *Conduct of on-site inspection and evaluation (optional)* 16 hours
- *Preparation of IER* 4 hours

- 237 • *Final review by the SRED-Chief and BAFE Director* 4 hours
- 238 • *Issuance of PTO and Certificate of Product Registration* 18 minutes
- 239 • *Release of approved PTO* 10 minutes

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241 **For applications for renewal**

- 242 • *Receipt and initial evaluation of submitted documents* 1.5 hours
- 243 • *Conduct of on-site inspection and evaluation (optional)* 16 hours
- 244 • *Preparation of IER* 4 hours
- 245 • *Final review by the SRED-Chief and BAFE Director* 4 hours
- 246 • *Issuance of PTO and Certificate of Product Registration* 18 minutes
- 247 • *Release of approved PTO* 10 minutes

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249 **SECTION 12 On-Site Inspection and Evaluation**

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251 The on-site inspection and evaluation shall be conducted by BAFE in the establishment prior to the issuance
252 of Permit to Operate and Certificate of Product Registration.

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254 The result of on-site inspection and evaluation shall form part of the documentary requirements prior to
255 the final review of the application and issuance of PTO and certificate of product registration.

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257 **SECTION 13 Approval/Denial of Application**

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259 Upon evaluation of the application, the SRED through its Division Chief shall recommend the
260 approval/denial of the registration to the BAFE Director.

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262 In case of denial of application, the BAFE shall notify the applicant in writing stating the grounds of denial.

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264 The decision of the Director approving or denying the application shall be final.

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266 **SECTION 14 Surveillance Monitoring**

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268 After the grant of PTO and CPR, the establishment shall be subjected to monitoring any time of the year to
269 ensure their continued compliance with the conditions of the registration to be conducted by BAFE, with
270 or without prior notice.

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272 **ARTICLE V**
273 **PERMIT TO OPERATE AND CERTIFICATE OF PRODUCT REGISTRATION**

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275 **SECTION 15 Issuance of Permit to Operate and Certificate of Product Registration**

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277 Upon evaluation, verification, inspection and approval of the application and payment of the corresponding
278 fee, a **Permit to Operate (PTO)** and **Certificate of Product Registration (CPR)** shall be issued by the
279 BAFE Director. The PTO shall be placed conspicuously in the place of business readily visible to the public.

280
281 The PTO shall include the following information:

- 282 a. Name and location of establishment;
- 283 b. Classification of establishment;
- 284 c. BAFE Registration number of the establishment;
- 285 d. Validity of the PTO;
- 286 e. Signature of the BAFE Director

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288 The Certificate of Product Registration shall include the following information:

- 289 a. The name and address/es of the establishment;
- 290 b. The establishment registration number;
- 291 c. The list of products registered;
- 292 d. The date of issuance and expiration of registration; and
- 293 e. Signature of the BAFE Director

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295 In case the PTO/CPR is lost or destroyed, the applicant may request for a certified true copy to BAFE upon
296 payment of the prescribed fee.

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298 If and when at any time of the year the business operations of the establishment ceases, the registration fee
299 paid shall not be refunded.

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301 In considering the application for renewal, the BAFE shall ascertain the continued compliance of the
302 establishment with the rules and regulations stipulated in this Circular.

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304 **SECTION 16 Validity Period of PTO and CPR**

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306 The following criteria sets the validity period of PTO and CPR:

	Validity
For MFADDIE engaged in the business for greater than or equal to five (5) years	3 years
For MFADDIE engaged in the business for less than five (5) years	1 year

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308 **SECTION 17 Amendments to Registration**

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310 In case of any change in the circumstances described in the application such as change of name of the
311 establishment, change of location/address, change of ownership, etc., proper notification through writing
312 shall be sent to the BAFE Director who shall require a new application to be filed for the registration of the
313 establishment. The original copy of the PTO and CPR previously issued under the name of the former
314 establishment shall be surrendered to the BAFE.

315
316 **SECTION 18 Closure of Establishment and Cancellation of PTO**

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318 The PTO holder shall notify BAFE on the closure of establishment and cancellation of PTO through a Notice
319 of Cease of Operation. No person or entity shall engage in any or all lines of activity stated in this Circular
320 with cancelled PTO.

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322 **SECTION 19. Suspension, Revocation, Withdrawal or Cancellation**

323
324 Permit to Operate (PTO) and Certificate of Product Registration (CPR) issued under this Guidelines may be
325 suspended, revoked, withdrawn or cancelled due to any of the following grounds:

- 326
327 a. The holder made false statements in connection with the application of the PTO and/or CPR; and
328 b. The holder violates any of the provisions of this Guidelines.

329
330 A Notice of Violation shall be sent to the holder stating the grounds for the contemplated action. An appeal
331 on the notice shall only be accepted within ten (10) working days upon the receipt of the notice. The appeal
332 shall be subjected to the evaluation of BAFE.

333
334 In case of suspension, a motion for reconsideration in lifting the suspension shall be submitted to BAFE.
335 The BAFE shall send a Lifting Notice to the holder once the motion for reconsideration is approved. On the
336 other hand, a notice on revocation, withdrawal or cancellation of the PTO/CPR shall be sent to the holder
337 that does not comply with the violated acts within the period as deemed appropriate by BAFE.

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339 The holder who have been suspended for three times on any of the grounds stated in Section 23 shall result
340 to an automatic revocation, withdrawal or cancellation of the PTO/CPR.

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342 **ARTICLE VI**
343 **COMPLIANCE OF AGRICULTURAL AND FISHERIES MACHINERY TO STANDARDS**

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345 **SECTION 20 Compliance of Registered Products to Standards**

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347 All applicants shall provide a copy of Compliance Certificate (CC) for each of the product to be registered to
348 BAFE.

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350 Pending the issuance of Compliance Certificate for agricultural and fisheries machinery as implemented
351 under of the Department Circular No ___ Series of 2018, submission of said certification for product
352 registration is waved.

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354 **SECTION 21 Registry of MFADDIE and their Products**

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356 The BAFE shall keep national registry of manufacturers, fabricators, assemblers, and importers and
357 complete list of all agricultural and fisheries machinery products registered. Likewise, the regional registry
358 shall be kept by the respective DA RFO RAED-SRES. The registry shall be for purpose of information
359 generation and monitoring only.

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361 **SECTION 22 Fees and Charges**

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

366 The following fees and charges shall be collected:

- 367
368 Application Fee
369 Issuance Fee (New)
370 Issuance Fee (Renewal)
371 Change of Circumstance
372 Certified True Copy of PTO / CPR

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374 A separate guidelines relative to the issuance of PTO and CPR detailing the schedule of fees and charges
375 will be issued by BAFE.

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377 **ARTICLE VII**
378 **FINAL PROVISIONS**

379 **SECTION 23. Prohibited Acts**

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381 The BAFE shall impose penalties after due notice and hearing to any of the following justifiable grounds:
382 a. Commission of fraud and misrepresentation in the filing of the application and its operations;
383 b. Failure to comply with the standard requirements herein provided in this Circular and other laws;
384 c. Giving permission of the use of PTO to non-holder of the permit;
385 d. Manufacture, fabricate, distribute, sale, offer for sale of any agricultural and fisheries machinery
386 without valid, withdrawn, suspended or cancelled PTO and CPR;
387 e. Refusal to give access to/copying of required documents to the BAFE during the on-site inspection
388 and validation of the establishment's premises;
389 f. Continuous manufacturing, fabrication, assembly, distribution, dealing, importing and exporting
390 of agricultural and fisheries machinery but fails to file an application for renewal;
391 g. Non-display of PTO in a conspicuous place in the establishment;
392 h. Commit any misconduct in selling agricultural and fisheries machinery.

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394 **SECTION 24. Penalties and Sanctions**

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396 **24.1 Penalties**

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

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403 In case of cancelled PTO and blacklisting, the applicant may re-apply after two (2) years and upon
404 compliance to all the requirements stated in this Circular.

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406 **24.2 Sanctions**

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

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411 a. Issuance of a cease and desist order;

412 b. Cancellation, revocation or withdrawal of PTO/CPR or suspension of the validity;

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415 **SECTION 25 *Separability Clause***

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

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420 **SECTION 26 *Repealing Clause***

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422 All existing Circulars, rules and regulations, or parts thereof, in conflict with, or inconsistent with any
423 provisions of this Regulation are hereby repealed or modified accordingly.

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425 **SECTION 27 *Effectivity***

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

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431 Approved and promulgated this _____ day of _____ 2018.

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435 **EMMANUEL F. PIÑOL**

436 Department of Agriculture

437 Secretary