



Department Circular No. 19
Series of 2018

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

Pursuant to Sections 31 and 32 of the Republic Act No. 10601 otherwise known as the Agricultural and Fisheries Mechanization (AFMech) Law of 2013 and its Implementing Rules and Regulations (IRR), and Section 7 of Department Circular (DC) 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 Certificate of Conformity (CC) for Agricultural and Fisheries Machinery is hereby promulgated and issued for information and compliance of government offices, private sector, farmers and fisherfolk. The Certificate of Compliance stipulated in DC 05, Series of 2017 will also be known as "Certificate of Conformity".

**ARTICLE I
GENERAL PROVISIONS**

SECTION 1. Objectives

This Guidelines provides information and guidance on the issuance and enforcement of CC. The certificate will ensure the conformance of agricultural and fisheries machinery to the Philippine National Standards / Philippine Agricultural Engineering Standards (PNS/PAES) or other relevant standards identified by the Bureau of Agricultural and Fisheries Engineering (BAFE). Specifically, this Guidelines aims to provide assurance to consumers, industries and other stakeholders that the machinery conforms to the specified requirements in their respective PNS/PAES or other relevant standards identified by the BAFE and the PNS/PAES for the Guidelines on After-Sales Service. It intends to facilitate trade, fair competition and consumer acceptance of the machinery.

SECTION 2. Scope

This Guidelines will cover the policies and mechanisms in the issuance and enforcement of CC for agricultural and fisheries machinery with PNS/PAES or other relevant standards identified by BAFE. Likewise, this Guidelines will also cover the conformance of all agricultural and fisheries machinery to the PNS/PAES for the Guidelines on After-Sales Service.

SECTION 3. Definition of Terms

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

- a. **Agricultural and Fisheries Machinery** – refers to machinery and equipment used for the production, harvesting, processing, storage, manufacture, preserving, transporting and distribution of agricultural and fisheries products
- b. **Applicant** – a natural or juridical entity engaged in the manufacturing, fabrication, assembly or importation of agricultural and fisheries machinery
- c. **Authorized Representative** - refers to a natural or juridical entity duly authorized by the applicant who is tasked to be the primary point of contact for all matters relating to the application for the issuance of Certificate of Conformity

- d. Certificate of Conformity (CC) – certificate issued by the BAFE which guarantees that the agricultural and fisheries machinery conforms with PNS/PAES or other relevant standards identified by BAFE and the PNS/PAES for the Guidelines on After-Sales Service
- e. Holder – dealer, distributor, importer and exporter (DDIE) authorized by the primary holder to use the CC in the selling of agricultural and fishery machinery
- f. On-site Evaluation – refers to inspection activities undertaken by BAFE, in coordination with Regional Agricultural Engineering Division (RAED) and Local Government Unit (LGU) as applicable, for purposes of verification, validation and ascertain all statements made and documents submitted
- g. 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 (ABE) in the practice of agricultural and biosystems engineering profession
- h. Primary Holder – entity which is indicated in the CC that may either be a manufacturer, fabricator, assembler or importer
- i. Surveillance Assessment – random testing and evaluation of machinery to assess the consistency of the certified agricultural and fisheries machinery to the requirements and after-sales service stated in PNS/PAES after the issuance of CC
- j. Test Report (TR) – narrative report showing the description, specifications, performance and conditions of the machine, method of test used, result of test as well as the photograph of the machine

ARTICLE II DUTIES AND RESPONSIBILITIES

SECTION 4. Duties and responsibilities of BAFE, Testing and Evaluation Accreditation Advisory Committee (TEAAC), Regional Field Offices – Regional Agricultural Engineering Division (RFO-RAED) and Local Government Unit (LGU)

The BAFE shall undertake the following functions:

- a. Review the completeness of the documentary requirements submitted by the applicants located in the National Capital Region (NCR);
- b. Review the veracity and authenticity of all the documentary requirements submitted by the RFO-RAEDs;
- c. Issue approved/denied CC;
- d. Conduct on-site evaluation and surveillance assessment on the operation and after-sales service of agricultural and fisheries machinery;
- e. Ensure the availability of the registry of all compliant and non-compliant machinery for public viewing; and

- f. Issue suspension, revocation, withdrawal and cancellation of CC.

The TEAAC which was created under Section 4 of DC No. 05, Series of 2017, shall undertake the following functions:

- a. Review and recommend the issuance or denial of CC; and
- b. Review and recommend the suspension, revocation, withdrawal or cancellation of CC.

RFO-RAED shall undertake the following functions:

- a. Accept applications and review the completeness of the documentary requirements submitted within their respective regions;
- b. Assist BAFE in the conduct of on-site evaluation and surveillance assessment, if necessary; and
- c. Monitor the compliance of all CC primary holder and holder within their respective regions.

The LGU shall undertake the following functions:

- a. Assist BAFE and RFO-RAED in the conduct of on-site evaluation and surveillance assessment, if necessary;
- b. Assist BAFE and RFO-RAED in the monitoring and enforcement of the CC within their respective cities/municipalities; and
- c. Perform other duties and functions relevant to the issuance of CC for agricultural and fisheries machinery.

Other concerned agencies and offices may be requested to perform duties and responsibilities relative to the recommendation of the issuance of CC for agricultural and fisheries machinery when deemed necessary.

ARTICLE III ISSUANCE OF CERTIFICATE OF CONFORMITY (CC)

SECTION 5. PNS/PAES and Other Related Standards Covered by CC

Annex A provides the list of existing PNS/PAES that should be adopted as technical regulations for the implementation of CC.

For newly developed and updated PNS/PAES, its enforcement will commence six (6) months after the receipt by the Bureau of Agriculture and Fisheries Standards (BAFS) of the notice from the Department of Trade and Industry – Bureau of Product Standards (DTI-BPS) on the approval of the new/updated PNS/PAES, and subsequent notification of BAFS to BAFE.

The updated list of PNS/PAES adopted as technical regulations shall be posted in the website of BAFE for public viewing.

Section 6. Application Procedures and Requirements

- All applicants shall secure CC application form from BAFE or RFO-RAED.

- Applicants located in the regions shall submit their application to their respective RFO-RAED while applicants located in the NCR shall submit their application directly to BAFE. Applicants located in the ARMM may submit their application to the nearest RFO-RAED.
- RFO-RAED shall conduct initial review on the completeness of the application and documentary requirements submitted to their office and shall only endorse the complete applications to the BAFE Secretariat.
- BAFE shall likewise check the completeness of the documents submitted to the bureau.
- BAFE shall review the veracity and authenticity of all the complete applications submitted.
- An on-site evaluation may be conducted by BAFE, in coordination with the respective RAED and/or LGU as applicable.
- The bureau shall evaluate the results of testing issued by AMTEC or any accredited testing centers and the results of the on-site evaluation and shall submit the evaluation report to the TEAAC for its review and recommendation.
- TEAAC shall recommend to BAFE the issuance of CC for machinery.
- BAFE shall conduct a final review on the recommendation of TEAAC and shall notify the applicant on the issuance of approved CC.
- An applicant shall receive the certification upon payment of the application and issuance fee as stipulated in the Schedule of Fees and Charges to be promulgated by BAFE and shall be included in the list of compliant certification registry.
- For denied certification, BAFE shall notify the applicant on the ground/s for denial of the issuance of CC and the machinery shall be included in the registry of denied certification.

The cross functional flowchart for the application procedures (new and renewal) for the issuance of CC is shown in Annex B.

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. Any Government Issued Identification Card; and
- b. Special Power of Attorney or Board Resolution

6.1 New Application

For new applications, the following documents shall be submitted:

- a. Duly accomplished application form (Annex C);
- b. Business Permit;
- c. Certificate of Distributorship/Dealership (if applicable);
- d. Operator's Manual;

- e. Certificate of Free Sale/Registration or equivalent documentary requirement indicating the country of manufacture (for imported agricultural and fisheries machinery); and
- f. Authenticated Copy of TR issued by UPLB-AMTEC or accredited testing center.

6.2 Renewal

For renewal, the following documents shall be submitted:

- a. Certified True Copy of Previously Issued CC;
- b. Duly accomplished application form (Annex C); and
- c. Authenticated Copy of TR issued by UPLB-AMTEC or any accredited testing center.

Renewal of CC should be filed prior to the expiration date and as specified in the issued certificate. BAFE shall ascertain that the applicant for renewal continuously complies with the requirements set in the PNS/PAES or other relevant standards identified by BAFE, as well as the PNS/PAES for the Guidelines on After-Sales Service and the requirements set herein. Inability of the primary holder to file a renewal will be subjected to surcharges as provided in this Guidelines to be promulgated by BAFE for the Schedule of Fees and Charges.

For complete applications and valid documentary requirements, the CC shall be issued by BAFE within 20 working days (excluding transit period from RFOs to BAFE and on-site evaluation period).

Section 7. Certificate of Conformity (CC)

Rule 31.3 of the AFMech Law and its IRR prescribes that "The agricultural and fishery machinery is considered duly certified when it is registered with BAFE". Thus, CC is also considered as a product registration of the agricultural and fisheries machinery.

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

The CC shall form part of the requirements during the government procurement of agricultural and fisheries machinery and be verified during the process of post qualification.

7.1 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 or other relevant standards identified by BAFE;
- 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 D.

7.2 Utilization of CC

The primary holder has the right to allow its network of DDIEs to use its CC provided that their information are included in the 'Authority to Use the CC' (Annex E) to be submitted to BAFE.

Likewise, the primary holder shall submit a modified Authority to Use the CC whenever there is a change in the list of authorized holders. Only those DDIEs indicated in the Authority to Use the CC shall be considered as holders.

The primary holder and holders 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 holders who committed any misconduct as stated in the provisions of this Guidelines. No primary holder or holders can use the CC if it has been suspended, revoked, withdrawn or cancelled.

The primary holder may request for a certified true copy of the CC for reissuance to 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 or the holder shall provide a copy of the CC to all procuring entities. Only those holders of CC shall be allowed to join in the government procurement.

7.3 Procedures for the Change in Circumstance and Closure of Establishment or Discontinuance of the Business

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 within 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.

The primary holder shall also notify BAFE on the closure of the establishment or discontinuance of the business. The holder authorized by the said primary holder may only engage in the selling of the remaining agricultural and fisheries machinery provided that the CC is still valid.

7.4 Exemption

All agricultural and fisheries machinery without PNS/PAES or any relevant standards as identified by BAFE shall temporarily be exempted from the issuance of CC pending the

formulation of PNS/PAES. If deemed necessary, CC holder may request for the Certificate of Exemption upon submission of a letter request to BAFE.

SECTION 8. Implementation of Certificate of Conformity (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 unless otherwise deemed necessary by BAFE.

The phases of implementation are as follows:

8.1 Phase I

Agricultural and fisheries machinery with rated power of 90 hp and above including its attachment, and engines with rated power of less than 7 hp shall be issued with CC starting on the first year of the implementation of this Guidelines.

8.2 Phase II

Agricultural and fisheries machinery covered in Phase I, those machinery with rated power between 25 hp to 89 hp including its attachment, and engines with rated power of 7 hp and above shall be issued with CC on the second year of the implementation of this Guidelines.

8.3 Phase III

All agricultural and fisheries machinery not covered in Phases I and II shall be issued with CC on the fourth year of the implementation of this Guidelines.

On the fourth year of implementation, all agricultural and fisheries machinery with existing PNS/PAES adopted by BAFE as technical regulations shall be required to apply for the issuance of CC.

SECTION 9. Validity

The CC shall have the same validity with the submitted Test Report (TR) 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 re-evaluation of BAFE. A new application shall be submitted for those modified machinery whose performance has been affected.

SECTION 10. 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 or other relevant standards identified by BAFE 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 two (2) times on any of the grounds stated in Section 14 shall result to an automatic revocation, withdrawal or cancellation of the CC.

A primary holder with revoked, withdrawn or cancelled CC may reapply for the issuance of CC one (1) year after the revocation, withdrawal or cancellation issued by BAFE.

SECTION 11. 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:

11.1 Conformity Certification Registry

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

11.2 Registry of Denied Certification

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

11.3 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 or other relevant standards identified by BAFE 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 12. 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. Issuance Fee (New);
- b. Issuance Fee (Renewal);
- c. Change of Circumstance of the Primary Holder; and
- d. 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 13. Surveillance Assessment and Records Keeping

The Surveillance Assessment shall be done periodically to assess the consistency of the certified agricultural and fisheries machinery to the requirements and after-sales service stipulated in the PNS/PAES or other relevant standards after the grant of CC.

The BAFE will craft a scheme / protocol for the detailed conduct of surveillance assessment of agricultural and fisheries machinery.

A separate record relative to the inventory, sales and distribution of the certified agricultural and fisheries machinery shall be maintained by the primary holder and the holders and be made available for inspection of BAFE at all times.

ARTICLE V TERMS AND CONDITIONS OF THE CERTIFICATE OF CONFORMITY (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 or other relevant standards identified by BAFE 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 person or 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 authority to take the following actions:

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

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 and shall commence once BAFE issued a Memorandum Circular on its full institutionalization. Three (3) copies of this Guidelines shall be sent to the University of the Philippines Law Center.

Approved and promulgated this 18th day of December 2018.

EMMANUEL F. PIÑOL
Secretary