



Republic of the Philippines  
Department of Agriculture  
**PHILIPPINE FIBER INDUSTRY DEVELOPMENT AUTHORITY**  
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7 February 2023

**MEMORANDUM**

No. 035

**To :** Regional Directors/Officers-In-Charge

**Attention :** Regulatory Unit Heads  
Fiber Inspectors  
Licensing Officers  
Provincial Fiber Officers  
Other Authorized Personnel to Issue Permits/Certificates

**From :** OIC, Executive Director

**Subject :** Avoid Red-Tagging or Geographical Labeling of Areas with Daratex or MSP Fibers and Reiteration of Protocol in the Issuance of Various Permits and Certificates

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The following issues and concerns had been raised by the internal and external stakeholders of PhilFIDA, to wit:

1. Some traders are complaining about red-tagging or geographical labeling of areas with a source of daratex and other MSP fibers. Allegedly, there are Fiber Inspectors absolutely declaring the fiber sourced from these municipalities/cities/provinces as daratex or MSP without having conducted an actual inspection of fibers. Thus, traders were forced to stop buying fibers produced in these areas which eventually aggravated the plight of farmers particularly those producing genuine abaca fiber. As a result, the farmers or traders were forced to engage in fiber re-routing or misdeclaration of the district of production.
2. Issuance of blank or incompletely filled-up Permits to Transport Fiber (PTF), Certificate of Fiber Inspection (CFI), and other regulatory forms. Some traders took the opportunity to use these forms in illegal activity such as selling the PTF to other traders delivering spurious fibers.
3. Non-inspection of fiber prior to loading and issuance of PTF and CFI. Unscrupulous traders have a chance to load item/s that are different from what is stated in the PTF or CFI.

In connection with this, all concerned officials and employees are hereby directed to observe and strictly implement/enforce the following:

1. Cease and desist on red-tagging or geographical labeling of municipalities/cities/provinces with daratex or MSP fiber production. Absolute declaration of fiber as daratex or MSP based on district of production without actual inspection of fiber is biased and strictly prohibited. Determination of the kind of fiber, its classification, and its grades must be based on the actual inspection.
2. Avoid issuance of blank and/or incompletely filled-up PTF or CFI. The entry that appears in the duly filled-up PTF/CFI must be in accordance with the fiber to be shipped. Avoid misdeclaration of fiber, if it is daratex or MSP, it should appear in the PTF/CFI as daratex or MSP, not abaca fiber. Mandatory inspection of fibers prior to the issuance of PTF or CFI is a must. It is hereby reiterated to follow the protocol on the issuance of PTF and CFI and to strictly enforce Chapter IV of the Administrative Circular No. 12 series of 2020.

The AC No. 12 s. 2020 defines the power of the Regional Director/Officers-In-Charge in the implementation of fiber quality standards and trade regulations. As such, the RDs/OICs had vested power to issue, suspend, and cancel licenses as well as to impose penalties on erring licensed trading/processing establishments. Thus, you are hereby enjoined to address the illegal activities of some traders/processors in your area of jurisdiction, especially if it is a threat to the fiber industry. Likewise, you are directed to personally conduct regular monitoring and evaluation of trader/processor establishments. The compliance of these licensees depends on the level of your enforcement.

Kindly submit a quarterly report to the Office of the Executive Director through the Regulatory Division, the list of traders penalized for violations of AC No. 12 s. 2020 and other related issuances. The deadline for submission is on or before the 10<sup>th</sup> day of the succeeding month of every quarter.

**FOR STRICT COMPLIANCE.**

  
**ANNRAY VILLOTA RIVERA, MMNSA**  
OIC, Executive Director