

**DENR Administrative Order  
No. 99-45  
November 05, 1999**

**SUBJECT : Rules and Regulations on the Sale and Farming of Saltwater Crocodile (*Crocodylus porosus*).**

Pursuant to the provisions of Executive Order No. 192 of 1987, in compliance with the Government's commitments to the Convention in International Trade on Endangered Species of Flora and Fauna (CITES) and the Convention of Biological Diversity (CBD), in pursuit of the DENR's mandate to promote the socio-economic wellbeing of the Filipino people through the introduction of crocodile farming industry and transfer of related technologies, and in order to ensure equitable-sharing of benefits derived from the country's biological resources particularly from crocodiles, the following rules and regulations on the sale and farming of Saltwater Crocodiles (*Crocodylus porosus*) from Crocodile Farming Institute (CFI) are hereby promulgated for the information and guidance of all concerned.

**SECTION 1.  
OBJECTIVES**

This Administrative Order shall have the following objectives:

- 1.1 To promote the crocodile farming industry in the country as the Department's contribution to the upliftment of the socio-economic well-being of the Filipino people;
- 1.2 To develop local capability on Saltwater Crocodile farming through the transfer of technology generated by the CFI especially on Saltwater Crocodile;

- 1.3 To promote conservation and sustainable use of Saltwater Crocodile and ensure equitable-sharing of benefits derived from said resource; and,
- 1.4 To generate revenues that will help sustain all activities of CFI towards the conservation of the two species of crocodiles namely, *Crocodylus mindorensis* and *Crocodylus porosus* and enhancement of crocodile farming technology in the Philippines.

## **SECTION 2. DEFINITION OF TERMS**

For the purpose of this Order, the following terms shall be construed to mean as:

- a. BFAD – Bureau of Food and Drugs
- b. By-product or derivative – any part taken or substance extracted from crocodile, in raw or processed form. This includes stuffed crocodile.
- c. CFI – Crocodile Farming Institute located at Puerto Princesa City, Palawan. This is a DENR-managed project established in 1986 whose functions are to conserve the two species of crocodiles (i.e. *Crocodylus porosus* and *Crocodylus mindorensis*) and to promote socio-economic well being of Filipino communities through the development and introduction of suitable crocodile farming technology.
- d. CITES – Convention on International Trade in Endangered Species of Flora and Fauna; a treaty among countries, including the Philippines, that regulates the international trade of wild flora and fauna on the basis of a system of permits and certificates, which are issued when certain conditions are met and which have to be presented when consignments of specimens leave or enter a CITES-member country;
- e. Cooperator – an individual of Filipino citizenship or entity, company or organization owned by Filipinos who has been

- pre-qualified and selected to acquire, thru sale, captive-bred saltwater crocodiles from CFI; authorized to use crocodiles purchased from or registered with CFI commercially; and has executed a Crocodile Sale and Farming Agreement with the DENR thru CFI and NRDC;
- f. Crocodile Breeding – propagating or producing crocodiles in captivity through the technology developed by CFI;
  - g. Crocodile Sale and Farming Agreement – an agreement entered into by and between the DENR, thru CFI and NRDC, and the Cooperator covering the sale and farming of *Crocodylus porosus* from CFI.
  - h. Culled breeder – a non-performing or uproductive breeder;
  - i. DENR – Department of Environment and Natural Resources created by virtue of Executive Order No. 192 of 1987;
  - j. DIT – Department of Trade and Industries
  - k. Farm – an area, including the facilities thereat developed by a Cooperator for rearing, breeding and maintenance of Saltwater Crocodiles in captivity;
  - l. Farming – rearing and breeding of Saltwater Crocodiles for commercial uses and other puposes;
  - m. Hatching – young crocodile of less than 0.5 in length;
  - n. Harvest – process or act of gathering and taking the crocodiles from their enclosure for slaughter and leather production purposes;
  - o. NMIC – National Meat Inspection Commission;
  - p. NRDC – Natural Resources Development Corporation, a government owned and controlled Corporation, attached to the DENR and chartered under Executive Order No. 786;
  - q. PAWB – Protected Areas and Wildlife Bureau, a staff bureau of the DENR mandated to manage and conserve the biological diversity of the Philippines;
  - r. Processing – procedure by which skin is treated for preservation, tensile strength and fashion until manufacturing stage and other derivatives are obtained to include hygienic removal and preservation of edible parts of human consumption;

- s. Progeny – the crocodile produced in the Farm through breeding operations;
- t. Sale – the act of selling *Crocodylus porosus* for an agreed price.
- u. Sustainable utilization/sustainable use – the use/utilization of a biological resource in a way and at a rate that does not lead to the long-term decline of such resource, thereby maintaining its potential to meet the needs and aspirations of present and future generations.

### **SECTION 3. BASIC CONDITIONS**

The sale and farming of *Crocodylus porosus* from CFI shall be governed by the following conditions:

- 3.1 CFI shall sell only captive-bred hatchlings of Saltwater Crocodile (*Crocodylus porosus*);
- 3.2 Sale shall be limited to Cooperators who met the requirements and undergone the screening process specified under Section 4 hereof;
- 3.3 The sale shall only be effected upon execution of a Crocodile Sale and Farming Agreement by and between the DENR (through CFI and NRDC) and the Cooperator;
- 3.4 The price per crocodile shall be determined by CFI based on the prevailing rate in the international market and cost incurred in the maintenance of the crocodiles for sale;
- 3.5 All Cooperators shall be encouraged to breed crocodiles to sustain the crocodile farming industry. This undertaking shall be subject to conditions stipulated under Section 7 hereof;
- 3.6 Proceeds of sale shall be administered by NRDC in accordance with Section 9 of this Order;
- 3.7 The handling, transport and trade of *Crocodylus porosus* and/or by-products or derivatives therefrom shall be subject to national and international policies, rules and regulations.

## **SECTION 4. GENERAL REQUIREMENTS AND PROCEDURES**

### 4.1 Public Notification and Invitation

The CFI shall, through mass media, issue a public notification on the availability of *Crocodylus porosus* for sale and farming purposes. Such notification must include an invitation to interested parties to submit, on set deadline, the requirements enumerated in Section 4.2

### 4.2 Submission of Requirements

Interested parties must submit a Letter of Intent to the DENR through CFI, together with the following documents:

- 4.2.a A detailed proposal based on the guidelines prepared by CFI. The proposal must include the Site Development Plan and Location Map of the proposed farm, indicating among others, the access road, source of water and feed, and nearest landmark;
- 4.2.b Municipal and Barangay/City Clearances stating the approval of said Local Government Units in the establishment and operation of a crocodile farm in their area;
- 4.2.c Proof of lease or ownership of the land;
- 4.2.d Certified true copies of the latest Income Tax Return (ITR) and Assets and Liabilities;
- 4.2.e SEC Registration and Articles of Incorporation and By-laws for Corporation; or Certificate from the Cooperative Development Authority (CDA) for Cooperative; or Articles of Partnership for Business Partners; or Community Residence Certificate for individual applicant;
- 4.2.f Annual Local Weather Report from PAGASA for the last five (5) years; and,

4.2.g Environmental Compliance Certificate or ECC (to be submitted by applicants who have passed the final screening process)

#### 4.3 Initial Screening of Applications

The CFI and PAWB shall undertake initial screening of applications to determine if the applicant(s) has/have satisfied the requirements stipulated under Section 4.2. The screening shall include inspection of the proposed farm site to assess its suitability, taking into consideration the site's accessibility and location of food and water sources.

Initial screening must be done within thirty (30) days after the deadline for submission of applications. Thereafter, the CFI shall prepare a list of pre-qualified applicants for deliberation and final selection of Cooperators.

#### 4.4 Final Screening and Selection of Cooperators

The CFI and PAWB shall undertake final screening of applications based on the selection criteria developed by CFI (Annex "A"). The final screening process shall be limited to pre-qualified applicants as determined under Section 4.3.

The applicant must have a minimum score of 80% to qualify as Cooperator. Qualifiers shall be ranked according to their scores. In case of tie, lots will be drawn to break the tie. The applicant who has previously qualified as Cooperator but had not been considered as a result of the lots drawn shall be given priority in the next selling period/batch. All Cooperators shall be notified in writing by CFI immediately after the selection process is completed.

#### 4.5 Seminar-Training of Cooperators

The Cooperators and one of their technical staff shall be required to undergo a 2-week seminar-training on crocodile handling, rearing, breeding and maintenance, at the cost of the Cooperators. Provided that, prior to the training, the trainees shall sign a waiver relieving the DENR-CFI from any liability in case of injury and/or death of the trainees, and/or damage and/or loss of personal property of the trainees during their stay at CFI.

A Certificate of Completion shall be awarded to each participant.

#### 4.6 Submission of Environmental Compliance Certificate (ECC)

The Cooperator shall submit to CFI the Environmental Compliance Certificate (ECC) obtained in accordance with the existing policies, rules and regulations.

#### 4.7 Farm Inspection and Acceptance

The CFI shall undertake farm inspection to determine if the facilities constructed thereat are in accordance with the designs, specifications and standards set by CFI. If said facilities are found in order, a Certificate of Acceptance shall be issued by CFI to the Cooperator. Otherwise, the Cooperator must undertake necessary modifications/renovations based on CFI's findings.

#### 4.8 Execution of the Crocodile Sales and Farming Agreement

The Cooperator shall execute a Crocodile Sale and Farming Agreement with the DENR, thru CFI and NRDC, upon compliance with all requirements and payment of the full amount due in cash or managers check for the purchase of the

crocodiles. The said Agreement must include all applicable and appropriate provisions of this Order (Annex “B”).

## **SECTION 5. DISPERSAL OF CROCODILES**

Dispersion of crocodiles to the Cooperators shall be governed by the following:

- 5.1 CFI shall be the sole source of crocodiles, it being the only CITES-registered commercial breeding facility for crocodiles in the country;
- 5.2 Each Cooperator can avail of a minimum of 50 and a maximum of 200 hatchlings per year, depending on the availability of stock at CFI and capability of the Cooperator;
- 5.3 Hatchling to be dispersed shall be implanted with microchip transponders only by CFI;
- 5.4 Transport of crocodiles from CFI, Puerto Princesa City, Palawan to the Cooperator’s Farm shall be accompanied by the following:
  - 5.4.1 A copy of the Crocodile Sales and Farming Agreement together with the Official receipt from the NRDC endorsing payment of the crocodiles purchased;
  - 5.4.2 Health Certification issued by the Bureau of Animal Industry thru its Provincial Quarantine Office in Puerto Princesa City, Palawan; and
  - 5.4.3 Wildlife Transport Permit issued by the PENRO or CENRO of Puerto Princesa City, Palawan.
- 5.5 Crates for the transport of crocodiles shall be provided by the Cooperator at CFI compound at least three (3) days before the transport of crocodiles;
- 5.6 A CFI representative shall accompany and assist in the actual transport of the hatchlings. Said CFI representative shall stay in the Farm for five (5) days to monitor the health condition of



the hatchlings. All mortalities incurred within the said period not attributed to the negligence of the Cooperator, as attested by the CFI representative, shall be replaced by CFI. Subject to availability of stock, replacement should be made within ten (10) days upon receipt of mortality report by CFI;

- 5.7 All deliveries, including replacements, should be properly recorded and acknowledged by the Cooperator/duly authorized representative;
- 5.8 All expenses to be incurred in connection with the transport of crocodiles, including board and lodging but excluding travelling expenses and per diems of the CFI representative who accompanied and assisted in the transport, shall be borne by the Cooperator.

## **SECTION 6. MAINTENANCE OF CROCODILES**

- 6.1 The Cooperator shall assume full responsibility in the maintenance of crocodiles acquired from CFI. Such responsibility shall start immediately upon receipt of crocodiles by the Cooperator at the Farm;
- 6.2 The Cooperator shall also assume full responsibility in case of intentional release or accidental escape of crocodile from the Farm. In case of such incident, the Cooperator shall immediately inform CFI and exert all efforts to locate and retrieve the missing crocodile;
- 6.3 The CFI shall develop and distribute to the Cooperators a Manual on the maintenance of the crocodiles in captivity for guidance. This Manual shall include guidelines on food requirements, feeding frequency, sanitation and hygiene, air and water temperature requirements and management, disease screening and monitoring, record keeping, handling, and rearing, among others;
- 6.4 The CFI shall also provide crocodile husbandry forms to the Cooperator for proper record management.

## **SECTION 7. BREEDING OF CROCODILES**

Breeding of Saltwater Crocodiles by the Cooperator shall be governed by the following:

- 7.1 The cooperator/duly authorized representative must undergo training on crocodile breeding at CFI. The training shall include aspects on breeder management, crocodile nutrition, egg collection, incubation of the eggs, hatchling care, water management, among others. A Certificate of Completion shall be awarded by CFI after the training program has been completed by the Cooperator;
- 7.2 The breeding operation shall be subject to a Wildlife Farm Permit to be issued by PAWB upon submission by the Cooperator of the following:
  - 7.2.a Duly accomplished and notarized Application Form (sample attached as Annex “C”); and,
  - 7.2.b True copy of the Crocodile Sales and Farming Agreement.
- 7.3 The Cooperator has the option to sell crocodile progenies produced in the Farm to other accredited Cooperator(s), or utilize the same for leather production purposes, or other purposes, upon prior written clearance by the DENR thru PAWB. Provided that, the Cooperator shall retain not less 5% of its stock as breeder stock for at least 2 consecutive breeding season;
- 7.4 All progenies to be produced by the Cooperator must be registered with CFI. For this purpose, the Cooperator shall, within one (1) month after each breeding season, submit Production Reports following the form prescribed by CFI;
- 7.5 The Cooperator shall, upon hatching, clip tail scutes in accordance with the CFI-prescribed tail tagging system;

- 7.6 The CFI shall implant microchip transponders to all surviving progenies within one (1) year from the date of hatching, at the cost of the Cooperator. It shall maintain a record/list of crocodiles and their corresponding microchip transponder numbers, and provide the Cooperator with a copy of said list for information, reference and monitoring purposes;
- 7.7 Sale/disposition of progenies shall also be in accordance with existing national and international regulations;
- 7.8 Culling of the breeders shall be first approved by CFI. Culled breeders may be used as display, slaughtered or sold to DENR-accredited institutions following approval from CFI and PAWB.

## **SECTION 8. HARVEST OF CROCODILES**

- 8.1 Harvest of crocodiles shall be done by batches in such a way that the 1<sup>st</sup> batch of dispersed crocodiles shall be the first to be harvested;
- 8.2 Harvesting shall be done within the last quarter of the third year, reckoned from the date of actual dispersal of the crocodiles to the Cooperators;
- 8.3 The crocodiles shall only be harvested by the Cooperator in the presence of authorized personnel/representative of CFI with PAWB and/or concerned DENR Regional Office.
- 8.4 Harvested crocodiles shall only be slaughtered in Government-accredited dressing plant. The Cooperator must submit to the DENR, thru CFI, the proof of Government accreditation of said dressing plant at least thirty (30) days prior to harvest. Slaughter of crocodiles shall be done only by CFI-trained butchers;
- 8.5 Once slaughtered, the microchip transponder implants shall be retrieved by CFI for cross-checking with CFI identification records;

- 8.6 Crocodiles skins shall be marked by PAWB using CITES tags. PAWB shall maintain a record of marked skins and their corresponding CITES tags, copy furnished CFI;
- 8.7 Commercial traders/buyers of skin, meat and other by-products or derivatives from slaughtered crocodiles must possess proper permits issued by the concerned Philippine Government agency(ies), i.e., BFAD, DIT, and NMIC;
- 8.8 Meat and other by-products shall be packed in containers individually labelled, with the following data provided: corresponding CITES tag number, source of crocodile (i.e. name of farm where harvested), and date of harvest.
- 8.9 A representative from CFI and/or other DENR-authorized representative shall be allowed to monitor the processing and sale of the crocodile skin and other by-products or derivatives;
- 8.10 After each harvest and disposal of crocodile skin and other by-products or derivatives, the CFI, in coordination with the Cooperator shall submit to DENR-PAWB a report containing the following information, among others:
  - i) Exact number and identification of crocodiles harvested.
  - ii) Name, address and owner of the slaughter house and tannery used by the Cooperator;
  - iii) Volume/quantity of skin processed and meat produced;
  - iv) Volume/quantity of skin and meat disposed/sold; and,
  - v) Name and address of buyer(s)/traders and kind of products & quantity bought by each buyer.
- 8.11 The PAWB and/or concerned DENR Regional Offices shall maintain a record of all permits/clearances granted to the Cooperator in connection with the sale of crocodile, its skin and other by-products or derivatives, copy furnished CFI.

**SECTION 9.**  
**ADMINISTRATION OF PROCEEDS OF SALE**

- 9.1 Proceeds of sale of crocodile for CFI shall be deposited in a special account to be established by NRDC. The fund shall be designated as the “Crocodile Development and Management Account fund”. This Fund shall be administered by the NRDC in trusts for CFI;
- 9.2 NRDC shall receive ten percent (10%) of the total revenues generated from the sale of crocodile by CFI. The remaining ninety percent (90%) shall be used to finance development and conservation activities of CFI for *Crocodylus mindorensis* and *Crocodylus porosus*;
- 9.3 A Memorandum of Agreement shall be executed by and between the DENR and NRDC to establish the sharing, custody and disbursement of funds provided in this Section.

**SECTION 10.**  
**MONITORING**

- 10.1 A Technical Extension Team (TET) shall be created to undertake the following:
- 10.1.1 Monitor health condition of the crocodiles quarterly.
  - 10.1.2 Collect data on the growth development/measurements as often as necessary;
  - 10.1.3 Conduct quarterly inventory of crocodiles in the farms;
  - 10.1.4 Monitor/supervise the harvest of crocodiles;
  - 10.1.5 Whenever practicable, monitor also the processing of skin and disposal of processed skin, meat and other crocodile parts or by-products;
  - 10.1.6 Provide technical assistance as may be requested by the Cooperator.

- 10.2 The TET shall be composed of representatives from CFI, PAWB and concerned DENR Regional/Field Offices;
- 10.3 The TET shall submit monitoring reports to the CFI and PAWB Directors within ten (10) days after each monitoring trip;
- 10.4 All expenses incurred by the TET members shall be chargeable against the fund of their respective offices.

## **SECTION 11. RESEARCH**

As part of the continuing research and development, the CFI thru its Research Division shall conduct researches on crocodiles at the farm sites after prior notice to the Cooperator. Priority research areas include growth and development, feed consumption and conversion rate, and health aspects. The Cooperator shall assist in the conduct of research, particularly in terms of recording necessary data, and other aspects that would enhance their capability to rear and manage crocodiles in captivity. Innovations to be introduced by Cooperators must have prior clearance from CFI.

Reading methods and technological innovations that will be generated during the farming operations shall be properly documented and integrated with the research results for the improvement of farming technology on *Crocodylus porosus*. The analysis of data shall be done by the CFI and results may be published in scientific journals and bulletins. Co-authorship on published materials shall be shared by CFI with the Cooperators that provided assistance in generating the data.

**SECTION 12.**  
**LIMITATIONS/RESTRICTIONS**

- 12.1 Sale or transfer of ownership or location of crocodiles by the Cooperator shall not be made without proper notification and clearance from the DENR thru CFI;
- 12.2 Sale of live crocodiles by the Cooperator, unless in accordance with Section 8 of this Order, is strictly prohibited;
- 12.3 Any biological or genetic specimens, parts, by-products or derivatives from Saltwater Crocodiles purchased from CFI or bred in the Cooperator's Farm, shall not be shipped out of the country without prior clearance from the DENR thru PAWB and CFI;
- 12.4 Cooperators are not allowed to collect from the wild or acquire crocodiles from any other sources or through any other means, except as provided for in this Order.

**SECTION 13.**  
**PENALTY CLAUSE**

Violation of any of the terms and conditions in this Order by the Cooperator shall result to automatic cancellation of the Crocodile Sales and Farming Agreement as well as the Wildlife Farm Permit and confiscation of the crocodiles in favor of the Philippine Government without prejudice to the application of other appropriate measures as provided for under Customs Laws, Executive Order No. 247 and other applicable laws.

**SECTION 14.**  
**EFFECTIVITY**

This Order takes effect fifteen (15) days after one publication in two dailies of national circulation. This Order revokes DAO 98-64 dated 14 October 1998 and other Orders, Circulars, Memoranda or portions thereof, inconsistent herewith.

**(Sgd.) ANTONIO H. CERILLES**  
Secretary

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