



Republic of the Philippines
OFFICE OF THE PRESIDENT
Department of Finance
COOPERATIVE DEVELOPMENT AUTHORITY
827 Aurora Boulevard, Immaculate Conception, Cubao, Quezon City, Philippines
Tel. No. (02)7255510;Tel/Fax (02)7258536

MEMORANDUM CIRCULAR NO. 2011-22

Series of 2011

TO : ALL CONCERNED

SUBJECT : GUIDELINES ON POST REFERENDUM ACTIVITIES IN THE REGISTRATION OF ELECTRIC COOPERATIVES WITH CDA

DATE : 05 OCTOBER 2011

Section 1. Legal Basis. Pursuant to Articles 127, 128, Chapter XVII of Republic Act No. 9520, otherwise known as the Philippine Cooperative Code of 2008, and CDA MC No. 2010-10, the following are the **“Guidelines on Post Referendum Activities in the Registration of Electric Cooperatives with the Cooperative Development Authority (CDA).”**

Section 2. Coverage. This guidelines shall cover the post referendum activities in the registration of EC's which seek to register with CDA through referendum in accordance with RA 9520, its implementing rules and regulations (Rule 6), and Memorandum Circular No. 2010-10.

Section 3. Definition of Terms. The following terms shall be defined as follows in order to govern and have a uniform interpretation as mentioned in these guidelines:

- a. **Ad-Hoc Election Committee** – refers to a body created by the member-consumers petitioners for the purpose of conducting a Member-Initiated Referendum composed of not less than 3 but not more than 5 designated member-consumers in good standing in every district, whose functions shall be limited to the distribution of survey forms, conduct of referendum, canvass and reporting the result of the referendum to the General Assembly or to the Board of Directors (BOD), whichever is applicable.
- b. **Certificate of Registration** - refers to the documents issued by the Authority under its official seal evidencing the registration of granting juridical personality to an Electric Cooperative and entitlement to the rights and privileges under the Code.
- c. **Code** - refers to Republic Act No. 9520 otherwise known as the Philippine Cooperative Code of 2008.
- d. **Cooperative Development Authority (CDA) or Authority** - refers to government agency created under Republic Act No. 6939, mandated to undertake development, registration, regulation and supervision of all cooperatives under the Code.
- e. **Electric Cooperative or “EC”**- refers to one organized for the primary purpose of undertaking power generation, utilizing renewable energy sources, including hybrid

- f. **Incumbent Board of Directors** – refers to the existing board of directors of the electric cooperative prior to its registration with CDA pursuant to this Guidelines and MC 2010-10.
- g. **Incumbent Election Committee** – refers to the existing election committee of the electric cooperative prior to its registration with CDA pursuant to this Guidelines and MC 2010-10.
- h. **Interim Board of Directors** – refers to the body created upon the refusal of the incumbent BOD to submit the requirements for registration of the electric cooperative to the CDA, composed of the members of the AD HOC Election Committee which should not be less than five (5). In the event that the composition of the AD HOC Election Committee which conducted the referendum is less than five (5), the AD HOC Election Committee shall appoint additional two (2) members coming from the member-consumers in good standing.
- i. **Member- Consumer**- refers to a person either natural or juridical, adhering to the principles set forth in the Code and in the Articles of Cooperation and By- laws of the Electric Cooperative of which he/ she is entitled to all the rights and privileges thereof.
- j. **Member-Consumer in Good Standing**- refers to a regular member who is updated in the payment of monthly bills, has complied with all the requisites for membership, possesses all the qualifications and none of the disqualifications provided in the Cooperative by- laws as ascertained by the Board of Directors.
- k. **Referendum**- refers to a mechanism of securing and the approval of the general membership of an Electric Cooperative on issues affecting its registration, operation and management.
- l. **Registration**- refers to the operative act of the Authority granting juridical personality to an Electric Cooperative and is evidenced by a Certificate of Registration issued by the Authority.
- m. **Post Referendum Activities** – refers to the necessary activities to be undertaken by the electric cooperative in order to comply with the requirements for registration and the mandatory activities after the issuance of the certificate of registration.
- n. **Transition Committee** – refers to the body composed of the members of the Interim Board of Directors, which may include any member of the incumbent BOD who express/es their written manifestation to join said committee constituted within thirty days (30) from the registration of the electric cooperative.

Section 3. Documentary Requirements. The following are the requirements for the registration of electric cooperatives which shall be submitted in four (4) copies to the Authority:

1. Certified true copy of the board resolution certifying the result of the vote approved through a referendum approving the registration of the cooperative with the Authority in compliance with Article 128;
2. Certified copy of Articles of Cooperation and By-laws;
3. Duly audited financial statements for the past two (2) immediately preceding years;
4. List of names of incumbent Board of Directors and their addresses certified by the Board Secretary and attested to by the Chairperson, or the interim BOD as the case may be;
5. Sworn Statement of the Treasurer, or the interim BOD as the case may be, of the authorized share capital, the subscribed share capital of the members, and the amount of paid-up share capital of members and the amount of paid-up share capital received by the Treasurer, to be submitted within six (6) months from the registration;
6. Surety Bond of Accountable Officers handling funds, properties and sureties; and
7. Registration fee as prescribed by the Authority.

Section 4. Jurisdiction. Application for registration of electric cooperative shall be filed in the CDA Extension Office which has jurisdiction over said electric cooperative however, if said electric cooperative opted to register with the CDA Central Office and the same has been processed and approved by the CDA Central Office such registration shall be forwarded to the CDA Extension Office where the cooperative is located and the same extension office shall assume jurisdiction over said cooperative.

Section 5. Procedure for Registration.

Upon approval of the member-consumers by way of referendum for the registration of the electric cooperative to the CDA, the following shall be undertaken:

- a. **Board initiated.** The requirements for the registration and supporting documents including the result of the referendum shall be submitted by the incumbent BOD in four (4) copies in accordance with the jurisdiction for registration of electric cooperatives as prescribed in Section 4 herein. However, in the event that the incumbent BOD fails or refuses to submit the requirements within thirty (30) days from the conduct of the referendum, any member-consumer/s of the electric cooperative may submit the same to the CDA.
- b. **Member-consumer initiated referendum.** The incumbent BOD shall submit the requirements for registration to the CDA. In case of the failure of the incumbent BOD to submit such requirements within thirty (30) days from the conduct of the referendum, the same, including the resolution, shall be made and submitted by the interim BOD which shall facilitate the registration of the electric cooperative with the CDA.

Section 6. Creation of a Transition Committee. Upon the issuance of the certificate of registration , a transition committee is hereby created composed of the members of the Interim Board of Directors, which may include any member of the incumbent BOD who express/es their written manifestation to join said committee within thirty days (30) from the registration of the electric cooperative.

Section 7. Powers of the Transition Committee.

1. To convene, conduct, facilitate and ensure that all activities related to the smooth transition and turn-over of the operations and management of the electric cooperative shall be undertaken, including the mandatory calling of an organizational meeting/general assembly within three (3) months from the issuance of the certificate of registration.
2. To conduct election in accordance with the CDA prescribed election guidelines for electric cooperatives within ninety (90) days from the issuance of the certificate of registration, if applicable
3. To perform any and all powers necessary for the effective implementation of their mandate.

Section 8. Term of Office of the Incumbent BOD.

- a. **Board-initiated referendum and the requirements submitted by the Incumbent BOD.**

In the event that the requirements for registration with the CDA in accordance with the result of the Board-initiated referendum was submitted by the Incumbent BOD, the members of the Incumbent BOD has the option to continue serving the term of office for which they were elected.

- b. **Board-initiated referendum and the requirements submitted by the member-consumer in good standing.**

In the event that the requirements for registration with the CDA in accordance with the result of the BOD initiated referendum was submitted by the member-consumer in good standing, the members of the BOD shall be elected during the organizational meeting/general assembly to be conducted by the incumbent election committee.

- c. **Member-consumer initiated referendum and the requirements for registration were submitted by the Incumbent BOD.**

In the event that the requirements for registration with the CDA in accordance with the result of the member-consumer initiated referendum was submitted by the Incumbent BOD,

the members of the Incumbent BOD have the option to continue serving the term of office for which they were elected.

- d. **Member-consumer initiated referendum and the requirements for registration were submitted by the Interim board.**

In the event that the requirements for registration with the CDA in accordance with the result of the member-consumer initiated referendum was submitted by the Interim BOD, the members of the BOD shall be elected during the organizational meeting/general assembly to be conducted by the transition committee in accordance with Section 7 herein.

Section 9. Treatment of the Results of the Referendum.

If the result of the referendum was for the registration of the electric cooperative with the CDA, such result shall be final and executory and not subject to any appeal/protest;

Any electric cooperative which conducted the referendum and have failed to obtain the required vote necessary for its registration with CDA is not precluded to conduct another referendum for such purpose but in no case shall it be earlier than six (6) months from the conduct of the last referendum.

Section 10. Separability Clause. If for any reason, any section, sentence, word or term of these Guidelines is held to be unconstitutional, such part not affected by such declaration shall remain in full force and effect.

Section 11. Effectivity. These guidelines shall take effect fifteen (15) days from publication and submission to the Office of National Administrative Registry (ONAR).

Approved per CDA Board of Administrators Resolution No. 326, s2011 dated October 6, 2011 at Calamba, Laguna.

FOR THE BOARD OF ADMINISTRATORS


EMMANUEL M. SANTIAGUEL, Ph. D.
Chairman



**EXCERPTS FROM THE
MINUTES OF REGULAR MEETING
OF THE CDA BOARD OF ADMINISTRATORS HELD ON OCTOBER 6, 2011
Makiling Highlands Resort, Calamba, Laguna**

PRESENT:

Hon. Emmanuel M. Santiaguero, Ph.D.	- Chairman/Presiding Officer
Hon. Felicitas S. Acosido, Ph. D.	- Administrator
Hon. Manuel C. Lapeña	- Administrator
Hon. Pendatun B. Disimban	- Administrator
Hon. Paisalin P.D. Tago	- Administrator
Hon. Irma A. Villanueva	- Administrator

ABSENT:

Hon. Nelson B. Alindogan	- Administrator
Dir. Orlando R. Ravanera	- Acting Executive Director

RESOLUTION NO. 326, s-2011

Upon motion of Adm. Felicitas S. Acosido and duly seconded by Adm. Pendatun B. Disimban, be it **RESOLVED** as it is hereby **RESOLVED** to *approve the Guidelines on Post Referendum Activities in the Registration of Electric Cooperatives with CDA.*

APPROVED.

xxx


xxx

xxx

This is to certify that the foregoing is true and correct from the minutes of the CDA Board of Administrators' Regular Meeting.


MARY GRACE I. CINCO
Acting Board Secretary IV

ATTESTED:


EMMANUEL M. SANTIAGUEL, Ph.D.
Chairman