

CDA's Response to COVID 19 Pandemic





Mr. RAY R. ELEVAZO, CESE, MNSA
Executive Director III

OUTLINE of PRESENTATION

- I. State of Cooperatives
- II. Initiatives while on ECQ/MECQ
- III. Comprehensive Action Plan to Mitigate COVID 19

STATE OF COOPERATIVES

CO-OPS STATISTICS

As of December 2019

OPERATING CO-OPS	18,851
NEWLY REGISTERED	1,377
REPORTING	11,939
NON-REPORTING	5,265

CATEGORY	REPORTING COOPS	MEMBERSHIP	EMPLOYMENT
LARGE	668	8.3 million	226,700
MEDIUM	2,033	1.9 million	95,100
SMALL	3,173	0.8 million	46,600
MICRO	6,065	0.5 million	144,800
TOTAL	11,939	11.6 million	513,100

INITIATIVES WHILE ON ECQ/MECQ

SUMMARY OF MEMO CIRCULARS

MC 2020-03 | Regulatory Relief for Cooperatives in view of Proclamation 922 (March 11)

MC 2020-04 | Amendment to MC 2020-03 (March 23)

MC 2020-05 | Extension of Deadline of Submission of Annual Tax Incentives Report of Coops to the Authority due to COVID 19 Pandemic (April 6)

MC 2020-06 | Amendment and Supplement to MC Nos 2020-04 and 05, Further Extending the Deadline for Submission of Required Reports of Coops to the Authority due to the COVID 19 Pandemic (May 5)

SUMMARY OF MEMO CIRCULARS

MC 2020-07 | Extension of Period of Validity of Certificate of Compliance (COC) for CY 2019 (May 6)

MC 2020-08 | Accreditation of Cooperative External Auditors and Cooperative Training Providers during Community Quarantine Period (May 13)

MC 2020-10 | Guidelines on the Conduct of General Assembly Meetings of Federations, Unions and Cooperative Banks Through Videoconferencing (May 29)

SUMMARY OF MEMORANDA & OPEN LETTERS

Memorandum | Joint Statement of DOH, DILG, and DOT on Public Gatherings (March 3)

Announcement | Alternative Work Arrangements of CDA Employees to the Current State of Public Health Emergency as of March 17, 2020 (March 17)

Memorandum | Extension of Name Reservation (March 18)

Announcement | Update on Alternative Work Arrangements of CDA Employees in Response to the Current State of Public Health Emergency (March 20)

Open Letter to Agriculture Cooperatives and Cooperatives Engaged in Agriculture

SUMMARY OF MEMORANDA & OPEN LETTERS

Memorandum | Utilization of CDF, Optional Fund, GRF and Release of ISCPR, Loans and Other Assistance to Cooperative Members (March 26)

Memorandum | Compliance with Section 4(AA) of RA 11469, Otherwise known as the Bayanihan to Heal as One Act (April 2)

Memorandum | Operation of Credit Cooperative during ECQ (May 1)

March 3, 2020 - On General Assemblies

Reiteration of the Joint Statement of DOH and DOT assuring everyone that it is safe to organize and attend public gatherings, meetings and festivities as long as precautionary measures are observed.

March 11, 2020
MC 2020-03

**REGULATORY RELIEF FOR
COOPERATIVES IN VIEW OF
PROCLAMATION NO. 922**

REGULATORY RELIEF:

In the light of the above-stated Proclamation No. 922:

- (1) Cooperatives are hereby allowed to postpone their scheduled general assembly meeting and election of officers for a period of three (3) months from the effectivity of this Circular or until such time that State of Public Health Emergency is lifted, whichever comes first.

REGULATORY RELIEF:

In the light of the above-stated Proclamation No. 922:

(2) Incumbent officers shall be on hold-over capacity until such time that a general assembly meeting and election of officers are conducted.

REGULATORY RELIEF:

In the light of the above-stated Proclamation No. 922:

3. Pending the conduct of general assembly meeting, the cooperative shall operate on a reenacted budget.

REGULATORY RELIEF:

In the light of the above-stated Proclamation No. 922:

Cooperatives which opt to postpone their general assembly meeting and election of officers under this Circular shall be relieved from the following:

1. Conduct of general assembly meeting and election;
2. Conduct of community programs or activities involving a large crowd;
3. Findings of CDA for the following violations:
 - a) Non-presentation to the general assembly of the required reports;
 - b) Non-approval of the development/ annual plan.

REGULATORY RELIEF:

In the light of the above-stated Proclamation No. 922:

REQUIREMENTS TO AVAIL REGULATORY RELIEF:

- Letter informing CDA Central Office/Extension Office concerned of the postponement of the General Assembly, signed by the Chairperson and/or the CEO/GM of the cooperative;
- Board Resolution requesting availment of the regulatory relief.

REGULATORY RELIEF:

In the light of the above-stated Proclamation No. 922:

In case the postponed general assembly meeting will later on be conducted, the Authority shall be informed of any changes in the submitted reports within five (5) days after the conduct of the said general assembly.

REGULATORY RELIEF:

In the light of the above-stated Proclamation No. 922:

APPLICABILITY PERIOD.

The availment of regulatory relief shall cover **ONLY** the operations of the cooperatives for calendar year **2019**.

March 17, 2020

- Alternative Work Arrangement of CDA Employees in Response to the Current State of Health Emergency.
- Skeletal Workforce-Work From Home in the CO/ Majority WFH in the ROs.

March 18, 2020 MEMORANDUM

Applications for registration of cooperatives, which name reservations have expired, or will expire on or before April 12, 2020, will still be accepted even after the said date.

March 23, 2020

OPEN LETTER TO AGRICULTURAL COOPERATIVES

Suggesting that agricultural products be available online at affordable and reasonable prices for domestic consumption.

March 23, 2020
MC 2020-04

**AMENDMENT TO MC 2020-03, ENTITLED
“REGULATORY RELIEF FOR
COOPERATIVES IN VIEW OF
PROCLAMATION NO. 922**

MC 2020-04

REQUIREMENT:

The cooperative shall submit a letter, through email, informing the CDA Central Office/Extension Office concerned of the postponement of the General Assembly, signed by the Chairperson and/or the CEO/GM of the cooperative.

MC 2020-04

SUBMISSION OF REQUIRED REPORTS

The deadline for submission of required reports is on **June 15, 2020.**

MC 2020-04

- In case the cooperative conducted its General Assembly after June 15, 2020, the Authority shall be informed of any changes in the submitted reports within five (5) days after the conduct of the said general assembly

March 26, 2020 MEMORANDUM

**UTILIZATION OF CDF, OPTIONAL FUND,
GRF AND RELEASE OF ISCPR, LOANS
AND OTHER ASSISTANCE TO
COOPERATIVE MEMBERS**

1. **Early distribution of ISCPR will be allowed, subject to adjustments**, when necessary and to explore alternative means to distribute the ISCPR so as to ensure that the distribution process observes the enhanced community quarantine for COVID-19 under the guidance of local authorities and observing strict physical distancing.

2. Cooperatives are strongly encouraged to utilize their Community Development Fund (CDF), which under Article 86 (3) of R.A. No. 9520, shall not be less than three per centum (3%) of their net surplus, for projects or activities that will benefit the community where the cooperative operates. These projects or activities are those identified and included in the approved Social Development Plan with the exception, however, of those undertaken in response to the COVID-19 pandemic to reinforce prevention and control actions of the government.

March 26, 2020
MEMORANDUM

3. The Optional Fund, which under Article 86 (4) of R.A. No. 9520, **shall not exceed seven per centum (7%), may also be utilized by the cooperative, if warranted by the circumstances, for the benefit of its members and employees.**

This, however, must later on be confirmed by the General Assembly.

4. If the cooperative chooses not to use its Optional Fund or if the same is not sufficient for the intended aid purpose, **additional fund assistance may be charged to direct expenses.**
5. **Accumulated Reserve Fund**, Article 86 (1)(a) of the same Act is clear that same **shall be used for the stability of the cooperative and to meet net losses in its operations.**

Thus, in the event that the cooperative incurs a loss during the year on account of this crisis, only then may the Reserve Fund be used to absorb this loss.

- 6. Emergency or calamity loans at interest-free or minimal rates of interest may be extended to enable the members to meet their needs, subject to the lending policies of the cooperative.

- 7. Cooperative-owned vehicles and properties may be made available for use by members of the cooperative or community especially during emergency situations, in coordination with local government units.

April 2, 2020
Memorandum

**COMPLIANCE WITH SECTION 4 (AA) OF
REPUBLIC ACT NO. 11469, OTHERWISE
KNOWN AS THE BAYANIHAN TO HEAL
AS ONE ACT**

All cooperatives duly registered by the Authority which provide credit and other lending services are considered “Covered Institutions” under Section 2.01(a), Rule II of the Implementing Rules and Regulations of the above-quoted Section 4(aa) of R.A. No. 11469 and are reminded to **strictly comply with Republic Act No. 11469, otherwise known as the “Bayanihan to Heal As One Act,”** particularly Section 4(aa) which provides:

“SECTION 4. Authorized Powers. – Pursuant to Article VI, Section 23 (2) of the Constitution, the President is hereby authorized to exercise powers that are necessary and proper to carry out the declared national policy.

- The President shall have the power to adopt the following temporary emergency measures to respond to crisis brought by the pandemic.

- (aa) Direct all banks, quasi-banks, financing companies, lending companies, and other financial institutions, public and private, including the Government Service Insurance System, Social Security System and Pag-ibig Fund, to **implement a minimum of a thirty (30)-day grace period for the payment of all loans**, including but not limited to salary, personal, housing, and motor vehicle loans, as well as credit card payments, **falling due within the period of the enhanced Community Quarantine without incurring interests, penalties, fees, or other charges**. Persons with multiple loans shall likewise be given the minimum thirty (30)-day grace period for every loan;"

Corollary thereto, Section 6 of the same Act provides as follows:

“SECTION 6. Penalties. – In addition to acts or omissions already penalized by existing laws, the following offenses shall be punishable with imprisonment of two (2) months or a fine of not less than Ten thousand pesos (P10,000.00) but not more than One million pesos (P1,000,000.00), or both, such imprisonment and fine, at the discretion of the court:

(e) Refusal to provide thirty (30)-day grace periods provided under Section 4;

Provided, however, That if the offender is a corporation, association, partnership or any other juridical person, the penalty shall be imposed upon the president, directors, managers, managing partners, as the case may be, who participated in the commission of the offense or who shall have knowingly permitted or failed to prevent the commission of the same.

- If the offender is an alien, he shall, in addition to the penalties herein prescribed, be deported without further proceedings: Provided, further, That if the offender is a public official or employee, he shall, in addition to the penalties prescribed herein, suffer perpetual or temporary absolute disqualification from office, as the case may be.”
- The Law was enacted on March 25, 2020

April 6, 2020

MC NO. 2020-05

**EXTENSION OF DEADLINE OF
SUBMISSION OF ANNUAL TAX
INCENTIVES REPORT (ATIR) OF
COOPERATIVES TO THE AUTHORITY
DUE TO THE COVID-19 PANDEMIC**

Considering the existence of a national emergency arising from the Coronavirus Disease 2019 (COVID-19) situation and in line with the extension granted by the BIR on the filing of Annual Income Tax Returns until May 15, 2020, the following guidelines are hereby issued:

1. All cooperatives issued with CTE are given up to May 30, 2020 to submit their ATIR for transactions covering the calendar year 2019.
2. Cooperatives which adopt fiscal year as their accounting period are given 15 days from the deadline of the filing of Annual Income Tax Return to the BIR to submit their ATIR.

3. Cooperatives must still follow the procedural guidelines provided for under Section 4 of CDA Memorandum Circular No. 2019-06, in consonance with Rule II, Section 2 of the DOF-CDA-BIR Joint Administrative Order No. 1-2019, requiring all registered cooperatives which were issued a Certificate of Tax Exemption (CTE) and availed of tax incentives to submit to CDA their ATIR.

May 1, 2020 MEMORANDUM

OPERATION OF CREDIT COOPERATIVES DURING ECQ

Extending the information that credit cooperatives are allowed to work or operate on skeleton workforce in the areas currently under Enhanced Community Quarantine (ECQ)

Section 2, 4 (g) of the Omnibus Guidelines for the Implementation of Community Quarantine in the Philippines, as approved and recommended by IATF under Resolution No. 30, S. 2020, dated April 29, 2020, and confirmed and adopted under Section 3 of Executive Order No. 112, dated April 30, 2020, “Imposing an Enhanced Community Quarantine in High Risk Geographic Areas of the Philippines and a General Community Quarantine in the Rest of the Country from 01 to 15 May 2020, Adopting the Omnibus Guidelines on the Implementation Thereof, and for Other Purposes”

May 5, 2020

MEMO CIRCULAR NO. 2020-06

AMENDMENT AND SUPPLEMENT TO MC NOS. 2020-04 AND 2020-05, FURTHER EXTENDING THE DEADLINE FOR SUBMISSION OF REQUIRED REPORTS AND ANNUAL TAX INCENTIVES REPORTS OF COOPERATIVES TO THE AUTHORITY DUE TO THE COVID-19 PANDEMIC

Amended the following MCs to **extend submission of annual reports to JUNE 30, 2020**

- MC 2020-04, AMENDMENT TO MEMORANDUM CIRCULAR NO. 2020-03, ENTITLED REGULATORY RELIEF FOR COOPERATIVES IN VIEW OF PROCLAMATION NO. 922; and
- MC 2020-05, EXTENSION OF DEADLINE OF SUBMISSION OF ANNUAL TAX INCENTIVES REPORT (ATIR) OF COOPERATIVES TO THE AUTHORITY DUE TO THE COVID-19 PANDEMIC

● **CDA Required Reports**

After online submission using the Cooperative Annual Progress Report Information System (CAPRIS), all duly signed reports may be submitted through any of the following means:

- Personally
- Through registered mail or courier services; or
- Through electronic mail (email)

● Annual Tax Incentives Reports

- The soft copy in excel format shall also be submitted to the email of CDA Regional Offices.
- Hard copies, however, may be submitted in the same manner as the CDA required reports.

In submitting reports through email, the following conditions must be met:

1. Reports must be scanned in a portable document format (PDF)
2. The email should contain a declaration by the authorized representative of the cooperative that the documents submitted are authentic and that the hard copies shall be submitted to the Authority within the prescribed period.
3. It shall be understood however, that the person(s) whose signature(s) appears in the documents submitted shall be held accountable under the appropriate provisions of the Code.

- After evaluation of completed reports and payment of the COC fee of One hundred pesos (P100.00), the Certificate of Compliance (COC) shall be sent via email to the cooperative.
- Payment of COC may be done through Landbank Link.biz portal.
- The original copy of the COC may be claimed at the CDA Office upon lifting of the ECQ.

March 5, 2020

MC NO. 2020-07

**EXTENSION OF PERIOD OF VALIDITY
OF CERTIFICATE OF COMPLIANCE
(COC) ISSUED FOR CY 2019**

- In line with the pronouncement made by President Rodrigo R. Duterte extending the period of Enhanced Community Quarantine (ECQ) in Metro Manila, among others, until May 15, 2020, together with the issuances of the Authority extending the deadline for submission of reports, all **Certificates of Compliance issued by the Authority which expired on April 30, 2020, shall still be considered valid and subsisting until June 30, 2020.**

May 13, 2020
MC 2020-08

**ACCREDITATION OF COOPERATIVE
EXTERNAL AUDITORS AND
COOPERATIVE TRAINING PROVIDERS
DURING THE COMMUNITY QUARANTINE
PERIOD**

Application for accreditation of external auditors and training providers.

- a) Applicants may submit their applications and the corresponding documents to the CDA Regional Offices through E-MAIL;
- b) Scanned copies of the documents must be sent to the CDA Regional Office emails

Conduct of mandatory training for cooperative officers.

- a) The accredited cooperative training providers (ATPs) may conduct trainings online or through virtual format;
- b) ATPs may choose to adopt web-based trainings, webinars or other available virtual platforms, or a combination of virtual and homework, whichever is/are most effective in the delivery of trainings for cooperative officers.

- c) ATPs shall still comply with the required contents and minimum number of hours per training by submitting documentary evidence proving compliance thereto.
- d) ATPs shall submit periodic reports through the CDA Regional Offices' email addresses.

As to the other requirements, CEAs and ATPs may refer to the following MCs:

- MC 2019-10: Revised Guidelines on the Accreditation of Cooperative External Auditors;
- MC 2015-10: Revised Guidelines on the Accreditation of Cooperative Training Providers; and
- MC2015-09: Revised Guidelines Implementing the New Training Requirements of Cooperative Officers.

MAY 20, 2020
MC 2020-10

**GUIDELINES ON THE CONDUCT OF
GENERAL ASSEMBLY MEETINGS OF
FEDERATIONS, UNIONS AND
COOPERATIVE BANKS THROUGH
VIDEOCONFERENCING**

MAY 2, 2020
MC 2020-10

These guidelines shall serve as:

1. Regulatory relief for covered cooperatives who failed to conduct their regular GA meetings because of the community quarantine and which bylaws do not provide for videoconferencing as a mode to conduct their Gas;
2. Regulatory relief for covered coops which have conducted their GA prior to the imposition of the community quarantine but intend to conduct special GA meeting during the said period through videoconferencing, even if not provided in their bylaws; or
3. General guide and authority for coops who may want to amend their bylaws to include the conduct of their Gas through videoconferencing pending the approval of the said amendment

MAY 2, 2020
MC 2020-10

REQUIREMENTS

1. Letter to the Central Office (CO) or Regional Office (RO) containing the following:
 - Request to conduct the GA Meeting through videoconferencing during the community quarantine period;
 - Total number of members;
 - Quorum requirement;
 - Agenda; an
 - Statement certifying that items No. 11.0 of the Circular are taken into account

MAY 2, 2020
MC 2020-10

2. Board Resolution resolving to request from the Authority that its cooperative be allowed to avail of the regulatory relief. For this purpose, the meeting of the BOD may be conducted through videoconferencing, even if not included in the bylaws or policies of the cooperative, but subject to the rules or sending of notices, quorum and voting requirements as provided for in the bylaws.

These requirements shall be sent to the email addresses of the CDA CO and ROs

- GUIDELINES FOR CDA OPERATIONS DURING THE ECQ, GCQ, AND THE NEW NORMAL
- INFORMATION DISSEMINATION INTENDED FOR BUSINESS REHABILITATION OF COOPERATIVES AND SOCIAL AMELIORATION OF COOP MEMBERS

National government agencies' programs that will help cooperatives cope with the pandemic:

- DOLE TUPAD AND CAMP PROGRAM
- DA ALPAS COVID 19 PROGRAM
- DA-ACPC P1-B loan facility for 'Plant, Plant, Plant
- DTI - Enterprise Rehabilitation Financing facility under the Pondo sa Pagbabago at Pag-asenso (Covid19 ERF P3)
- DTI-Livelihood Seeding Program – Negosyo sa Barangay (LSP-NSB)
- LANDBANK I-RESCUE Lending Program

MEMBERSHIP IN INTER-AGENCY BODIES

- **CDA IS A MEMBER OF IATF-Task Group on Food Security**
- **CDA IS A MEMBER OF THE BALIK PROBINSYA PROGRAM COUNCIL under Executive Order 114**

INITIAL PROGRAMS LAUNCHED TO
RESPOND AGAINST COVID 19
WHICH ARE REPORTED UNDER
THE WEEKLY BAYANIHAN REPORT
TO THE OFFICE OF THE
PRESIDENT THRU DTI

COOPERATIVE DEVELOPMENT PROGRAM

- Cooperative Supply and Value Chain Readiness Program
- CBMIS and Website List of Coops Operating along Food Essentials, Money Remittance and Banking.
- Coop participation in DA Kadiwa Centers, LGU initiated Market Outlets, on-line Marketing Projects.
- Coop Bayanihan Program

COOPERATIVE REGULATORY PROGRAM

- Regulatory Relief and Ease in Cooperative Registration Program

CDA COMPREHENSIVE ACTION PLAN AGAINST COVID: TO Fight, Mitigate the Effects of COVID 19 and in Transition to the New Normal

- I GENERAL ADMINISTRATION SERVICES**
- II KOOP BALIK PROBINSYA PROGRAM (KBPP)**
- III KOOP BAYANIHAN PROGRAM**
- IV INFORMATION AND ADVOCACY ON SAFETY
AND HEALTH PROTOCOLS AGAINST COVID-19**
- IV COOPERATIVE REGULATORY RELIEF
PROGRAM**
- VI COOPERATIVE SUPPLY AND VALUE CHAIN
PROGRAM**

Supply & Value Chain Preparedness Program through the Co-op Business Matching Information System (CBMIS)

No. of coops officially enrolled/ registered in the CBMIS nationwide	530 coops as of end Dec. 2019
5,197 cooperatives open & provided products and services to members, non-members, communities during this time of National Health Emergency.	7,437,335 Co-op members served 2123,774 Non-members served

For this purpose, "non-members" would mean Front-liners (uniformed personnel, medical staff/personnel, doctors, barangay watchmen, volunteers), Local Community Residents, and other individuals not a member of any cooperative.

Koop Bayanihan Program

1,909 coops that assisted frontline personnel/clinics/hospitals/ health facilities during this COVID-19 pandemic.	² 59,578 Non-members served 2 hospitals and 52 LGUs served
4,118 coops extended/provided assistance in terms of CASH	P930,746,477 million cash disbursed/distributed 772,486 members served ² 82,325 non-members served
2,678 coops extended/provided assistance in terms of GOODS, FOOD PACKS & PPEs	P384,491,032 M worth of goods, food packs & PPEs 776,457 members served ² 17,603 non-members served

Koop Bayanihan Program

664 coops extended/provided assistance in terms of VOLUNTARY ACTIVITIES (free transportation, medical assistance, shelter, etc.)	² 77,850 beneficiaries served with an approx. non-cash assistance amounting to P1,857,099 6 LGUs benefited
1,596 Coops Utilized/distributed COMMUNITY DEVELOPMENT FUND for the community	P332,827,528 M 844,271 members served ² 12,601 non members served 96 barangays served
690 Coops distributed Interest on Capital and Patronage Refund to members	P1,739,968,760 B 618,804 members served
1,136 Coops Utilized/distributed Other funds for assistance to members and non-members	P554,076,853 M 201,160 members served ² 2,122 non-members served 9,342 local community residents and 4 LGUs.

CDA-DA PARTNERSHIP ON KADIWA CENTER

101 coops linked with the Kadiwa Market Centers or Kadiwa Order System to supply, deliver, distribute and/or market agricultural products	
97 coops with financial transactions monitored under the KADIWA program	P35,451,465 M 26,370 local community residents served
150 coops involved in other initiatives outside of the KADIWA program including financial transactions.	P3,396,698 M worth of transactions outside of the KADIWA system.

CDA's RESPONSE TO COVID 19 PANDEMIC



Stay safe!



 @CDAPhilippines

 www.cda.gov.ph