

## **ASEC Villanueva pays working visit to Central Luzon cooperatives amidst COVID-19 pandemic**

REGION 3 – CDA Finance Cluster Head Assistant Secretary Vidal D. Villanueva III personally extended his gratitude and garnered feedbacks from cooperatives who voluntarily rendered Cooperative Social Services during the pandemic in his various visits to coops in Central Luzon.

The Assistant Secretary, along with CDA Region 3 Director Marieta P. Hwang and respective Provincial Cooperative Development Specialists (PCDS) Mr. John Troy P. Sunga (Bataan), Ms. Eufrocina F. Yu (Bulacan) and Ms. Elizabeth T. Acayan (Zambales) visited a total of seven (7) cooperatives, namely: IWAHORI Multipurpose Cooperative, Watchlife Workers Multipurpose Cooperative, Abucay Multipurpose Cooperative in Bataan, Caniogan Credit and Development Cooperative, Ligas Kooperatiba sa Pagpapaulad, and St. Martin of Tours Credit and Development Cooperative in Bulacan, and Mother Rita Multipurpose Cooperative in Zambales.

Asec. Villanueva expressed his gratitude to all cooperatives that extended assistance and services during the pandemic by utilizing their Community Development Fund (CDF) and other fund sources to help their cooperative members, frontliners, and communities that were directly affected by COVID-19. Their vital role to complement the government's efforts in implementing the Bayanihan to Heal as One Act was immensely appreciated.

As part of the agenda, the Finance Cluster Head also sought feedback and response from cooperatives pertaining to regulatory reliefs issued by CDA. Asec. Villanueva inquired about their strategies on how they were able to cope and operate, particularly with the presence of government restrictions on travel, movement of people, and business operations to ensure the public's health and safety during the implementation of the community quarantine.

### **Extension of 30-day Grace Period**

Asec. Villanueva, Dir. Hwang, and the assigned PCDS reiterated the CDA issuance on the "Automatic Extension of the 30-day Grace Period for Loans with Principal and/or Interest Falling Due Within the Period of Enhanced Community Quarantine (ECQ), Modified Enhanced Community Quarantine (MECQ) or General Community Quarantine (GCQ)" dated May 27, 2020. All cooperatives shall further implement another 30-day extension after the ECQ period as stated in the "Bayanihan to Heal as One Act" to all loans with principal and/or interest falling due within the said periods without incurring interest, penalties, fees, and other charges.

### **CDF Utilization**

Full utilization of the Community Development Fund during the health crisis was also proposed in response to BIR and DOF's call to tap the potential of cooperatives in contributing to nation-building. The Assistant Secretary then suggested dividing the CDF into two (2) components – 70% shall be dedicated to more tangible and measurable infrastructure projects (ie. Barangay Health Centers, Day Care Centers, and Senior Citizen Centers, among others) while the remaining 30% shall be allocated for social services.

## **Prioritize Poorest Communities**

Asec. Villanueva encouraged cooperatives to choose their beneficiaries wisely by prioritizing the poorest areas/barangays in their community. He likewise suggested for coops to adopt more concrete development projects that they can sustain for 3-5 years to ensure a lasting impact on the community.

## **Membership to Coop Union and Federation**

He recommends joining a Cooperative Union that will take care of the cooperative's advocacies and a Federation that will focus on the business aspect of the cooperative. Asec. Villanueva suggests having a Memorandum of Agreement (MOA) established between a primary coop and a Union/Federation where they will remit their Cooperative Education and Training Fund (CETF). A CDA Memorandum and its Guidelines will be discussed regarding this matter.

**Below are the highlights of discussion during Asec. Villanueva's visit to the cooperatives:**

- **IWAHORI Multipurpose Cooperative (Bataan)**

Iwahori MPC started as Iwahori Employees Credit Cooperative in 1991, a small credit cooperative with 29 cooperators which membership was exclusive to employees of Iwahori Phils., Inc., a gas lighter manufacturing company inside the Bataan Economic Zone. As of today the Iwahori MPC has 5,348 Members with an asset size of more than Php 400 Million.



Since the start of the community quarantine, 91 members joined the Cooperative but unfortunately 71 members terminated their membership due to the Covid-19 pandemic.

Last May 13, 2020, the Board decided to postpone the General Assembly which was set by March 15, 2020 due to the pandemic.

The following are the Cooperative Social Services rendered by Iwahori MPC:

- Php 1,000 cash assistance per member, amounting to Php 5.314 Million from their Optional Fund
- Early distribution of ISCPR, amounting to Php 14.02 Million from their 2019 Net Surplus
- 5 cavans of rice provided to every barangay of Mariveles, with a total amount of Php 168,500 from the cooperative's CDF
- Salaries and Hazard Pay for its 30 employees, amounting to Php574,000 from their Optional Fund
- Php25,000 cash donation to the Provincial Government of Bataan from their CDF

- **Watchlife Workers Multipurpose Cooperative (Bataan)**

Watchlife Workers Multipurpose Cooperative was founded on February 5, 2005 by nine (9) members who were working at Mitsumi Philippines, Inc., a Japanese company that produces electronic gadgets. It started with a *paluwagan* system that led to twenty-five (25) cooperators investing half of their salaries to eventually come up with an initial capital of Php 175,000. It was then registered with the Cooperative Development Authority (CDA) on August 6, 2006. The main purpose of the cooperative is to uplift the living conditions of members who are experiencing difficult times due to the end of globalization. As of today, Watchlife Workers has 5,000 Members with an asset size of Php 273 Million. Majority of the members are from Mitsumi Philippines Inc.



Watchlife MPC postponed their General Assembly which was set on March 29, 2020.

During the Lockdown, the cooperative conducted a survey to its members if it was possible to do a GA Webinar. However, among the recipients, only 12 members agreed with the conduct of an Online General Assembly. The Cooperative continuously operates Money Transfer (Western Union) that is open to the public.

In 2018, the Cooperative acquired an 895-square meter lot in Poblacion, Mariveles. The initial idea was to construct a 6-storey building-condominium complex with a proposed budget plan of 100 Million. Asec. Villanueva challenged the management of Watchlife Workers MPC to push thru with its plan of constructing its own building, and that in 50 years the proposed building will be their legacy to the community.

The following are the Cooperative Social Services rendered by Watchlife Workers MPC:

- Rice relief and Php 1,000 Cash Assistance to its members, amounting to Php 5 Million from their Optional Fund
- Full Salaries, Php 3,000 Cash Assistance, Vitamin C, and Free Transportation and Lodging for its employees from their Optional Fund
- Php 25,000 Donation to the Provincial Government of Bataan from their CDF
- 1-month supply of Vitamin C provided to members, employees, and frontliners
- Meals and snacks handed out to frontliners and barangay checkpoints

- **Abucay Multipurpose Cooperative (Bataan)**

The cooperative was founded in 1998 by Ms. Anna Dominguez Santiago, wife of the former Mayor of Abucay, Bataan. The founders wanted the cooperative to represent the Town of Abucay, hence its name. The main objective of AMPC is to help improve the quality of life of its members through Livelihood Programs.

As of today, Abucay MPC has 6,000 Members with an asset size of Php 600 Million.

The Board decided to postpone the General Assembly which was originally set by March 29, 2020.

Currently, the cooperative has a 5-year Partnership Contract with a Call Center Company that needs more than 6,000 Call Center Agents by the end of June 2020. The cooperative assured their partner that all agents are required to be a member of AMPC.

The following are the Cooperative Social Services rendered by AMPC:

- 500 bags of rice subsidy to their members in need, amounting to Php 1 Million from their Optional Fund;
- Donation of grocery items worth Php 5,000 to BCCDC Relief Operations from their CDF;
- Distribution of 200 food packs worth Php 200 and Php 300 to frontliners in Abucay and Leyte, amounting to Php 200,000 of their CDF; and
- Donation of 25 sacks of rice (with 25 kgs each) to the Provincial Government of Bataan, amounting to Php 25,625 from their Optional Fund.



Mr. Lino Obana inquired about putting up a foundation, but Asec. Villanueva politely discouraged the idea of establishing a foundation because it will deplete the purpose of the cooperative and might cause unhealthy competition with the existing cooperative.

#### • **Canioagan Credit and Development Cooperative (Bulacan)**

The cooperative started with an initial paid-up capital of Php 3,600 and 21 member-cooperators. At present, Canioagan Credit and Development Cooperative already has a paid-up capital amounting to Php 148,180,000 with 42,493 members from Malolos City and its branches. The cooperative currently has 11 branches located in Baliwag, Calumpit, Guiguinto (2 branches), Hagonoy, Plaridel, Pulilan, Sta. Maria, SJDM, and Meycauayan in Bulacan and in Apalit, Pampanga.



The following are the Cooperative Social Services rendered by Canioagan Credit and Development Cooperative:

- Distribution of food packs and rice relief to 11,500 members, amounting to Php 4,025,000 charged to CDF;
- Donation of rice sacks to selected barangays in Malolos City; and
- Extension of Calamity Loans to affected members.

As most cooperatives only utilized their CDF on Social Services, Asec. Villanueva recommended adopting a community project for 3-5 years. The cooperative vowed to include this in its Development Plan.

- **Ligas Kooperatiba sa Pagpapaulad (Bulacan)**

This cooperative located in Malolos City in Bulacan started with an initial paid-up capital of Php 15,800 with only 40 members. Thirty-four years later, Ligas Kooperatiba sa Pagpapaulad now has Php 279,555,332 paid-up capital with a total of 12,720 members. It has a total of 11 branches, with 6 branches in Bulacan --- Baliwag, San Miguel, Marilao, Malolos City, and Guiguinto (2 branches) in Bulacan, 2 branches in Bataan --- Dinalupihan and Balanga City, 1 branch in Apalit, Pampanga, and 1 branch in Gapan City, Nueva Ecija.

The cooperative's General Assembly was postponed indefinitely, while the officers continuously function in a "hold-over" capacity until the conduct of the next GA and Election of Officers. They also implemented a moratorium on loans which were due during the period of March 15-May 31, 2020 to be paid from June 30-July 31, 2020 without incurring interest.

The following are the Cooperative Social Services rendered by Ligas Kooperatiba sa Pagpapaulad:

- Distribution of 10 kilos rice relief per member, amounting to Php 3,092,496; and
- Donation of 5 cavans of rice subsidy to nearby barangays in Bulacan charged to CDF.

Asec. Villanueva recognized the management of LKBP and challenged them to step-up their recruitment so that people will also be spared from borrowing from loan sharks with extremely high interest rates and strict terms of collection. The Finance Cluster Head recognizes LKBP's potential in helping protect the poor and vulnerable as well as those with low levels of financial literacy from predatory loans and schemes.

- **St. Martin of Tours Credit and Development Cooperative (Bulacan)**

The 50-year old cooperative started with only Php 250 initial paid-up capital and 15 member-cooperators. Now, it already has a total paid-up capital of Php 558,818,280 with 56,031 members and a total asset of Php 2,318,670,115. It has 11 branches located in Bulacan --- Bocaue (3 branches), Guiguinto, Baliuag, Meycauayan City, Sta. Maria, and San Miguel, 2 branches in Nueva Ecija --- Cabanatuan City and Guimba, and one in Orani in Bataan. It offers loans, savings, and insurance services to its members and clients.

The following are the Cooperative Social Services rendered by St. Martin of Tours Credit and Development Cooperative:

- Cash assistance to its members, with a total amount of Php 10,532,100 from the Optional Fund;
- Early distribution of ISCPR, amounting to Php 25,633,769.17 Interest on Share Capital and Php 10,995,392.86 Patronage Refund;



- Early release of 1-month Senior Members' Pension, amounting to Php 137,000 from the coop's Social Fund;
- Release of Calamity Loan worth Php 4,504,000 from the Operating Fund;
- Distribution of rice cavans and Personal Protective Equipment (PPEs), amounting to Php 502,000 charged to CDF;
- Cash availability through the coop's ATMs;
- Information and Awareness Campaign on COVID-19 through FB posts and announcements posted in nearby branches;
- Release of 2 months full salary for employees with hazard pay and early release of half of their 13<sup>th</sup> month pay, amounting to Php 6,927,270 from their Operating Fund;
- Provision of full vaccine, Vitamin C, hygiene kits, and COVID-19 protocol equipment/supplies, amounting to a total of Php 354,905 from the Operating Fund;
- Free transportation and service for its employees, with a budget of Php 80,000 from the Operating Fund; and
- Distribution of Php 5,000 worth of financial assistance for 41 outsourced staff, with a total of Php 205,000 from the Operating Fund.

The Assistant Secretary commended the cooperative for its good management and set of officers. He also recognized its loan portfolio as well as its proper integration of data services. Asec. Villanueva furthermore challenged the coop to recruit more members, to identify its target population and encourage members to patronize their products more.

- **Mother Rita Multipurpose Cooperative (Zambales)**

Upon the declaration of the National Health Emergency, Mother Rita Multipurpose Cooperative temporarily shortened its working hours. An alternative work schedule was implemented, opening only on an MWF schedule from 8:00 am to 3:00 pm which lasted for two (2) weeks. However, since the cooperative's financial services are vital to its members and to the community, the coop opened its doors from Monday to Friday, 8:00 am to 4:00 pm, on a skeletal work force. This was also in response to DSWD's request for the coop to provide financial access for 4Ps beneficiaries through POS to cater pay-outs. Members and the community may withdraw money from the coop's ATMs.



During this difficult situation, one of the Board of Directors resigned for the reason that he can no longer perform his duties due to his age (70y/o). Nonetheless, the remaining board of Directors constituting a quorum filled up the vacancy by appointment as what was prescribed in the cooperative's by-laws.

Mother Rita Multipurpose Cooperative rendered social services through the Distribution of relief food packs, alcohol, and face masks to members and front liners charged to CDF and other fund sources (ie. donations from coop staff, officers, and their relatives).