DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT
COOPERATIVE DEVELOPMENT AUTHORITY

Joint Memorandum Circular No. ___2019-01___

January 21, 2019

TO : **ALL PROVINCIAL GOVERNORS, CITY AND MUNICIPAL MAYORS, PUNONG BARANGAYS, DILG REGIONAL DIRECTORS, ARMM REGIONAL GOVERNOR, AND ALL OTHERS CONCERNED**

SUBJECT : **COOPERATIVE PROMOTION, ORGANIZATION, AND DEVELOPMENT IN LOCAL GOVERNMENT UNITS**

1.0 Background

1.1. Republic Act No. 9520, or the Philippine Cooperative Code of 2008, provides that it is the declared policy of the State to foster the creation and growth of cooperatives as a practical vehicle for promoting self-reliance and harnessing people power towards the attainment of economic development and social justice.

Toward this end, the Government and all its branches, subdivisions, instrumentalities, and agencies shall ensure the provision of technical guidance, financial assistance and other services to enable said cooperatives to develop into viable and responsive economic enterprises and thereby bring about a strong cooperative movement that is free from any conditions that might infringe upon the autonomy or organizational integrity of cooperatives.

1.2. Pursuant to the Local Government Code of 1991, the delivery of basic services to the public has been transferred to local government units, including the support to the development of cooperatives in their respective areas in accordance with state policies on cooperatives.

1.3. Local autonomy provides for the LGU to establish as accountable, efficient, and dynamic organizational structure and operating mechanism that will meet the priority needs and service requirements of its communities. The capabilities of the LGUs shall be enhanced to participate actively in the implementation of national programs and projects including those of the cooperatives.

2.0 Purpose

2.1. The purpose of the policy is to provide guidance to all concerned on cooperative promotion, organization, and development by local government units.

3.0 Policy Content and Guidelines

3.1. Roles of Local Government Units

3.1.1. By virtue of the provisions set in the Local Government Code of 1991 and the Philippine Cooperative Code of 2008, the Department enjoins all local

government units, through the local chief executives, to perform the following powers and functions in cooperative promotion, organization, and development:

3.1.1.1. Formulate Local Cooperative Development Plan consistent with the National Development Plan and the Philippine Cooperative Medium-term Development Plan, to be incorporated in the Comprehensive Development Plan (CDP) and Annual Investment Plan (AIP) of the Local Government Units (LGUs);

3.1.1.2. Ensure the provision of technical guidance, financial assistance and other services to develop cooperatives into viable and responsive economic enterprises;

3.1.1.3. Promote the organization of cooperative and support their development within their areas of jurisdiction;

3.1.1.4. Appoint the local cooperative officer to take charge of the office for the development of cooperatives;

3.1.1.5. Establish partnership and collaboration in the sharing of cooperative information and implementation of cooperative development plans and programs with the CDA being the lead government agency on cooperative promotion, development and regulation;

3.1.1.6. Assist the cooperatives in the preparation of registration documents and mandatory reports;

3.1.1.7. Provide training for the development of cooperatives; however, provision of mandatory training in accordance with guidelines as prescribed by the CDA;

3.1.1.8. Initiate and implement a localized program for cooperatives promotion and development in line with the national policy on cooperatives within their jurisdiction; and

3.1.1.9. Provide such information as required by the CDA in relation to its research projects.

3.1.2. Local government units, through their respective LCEs, may also perform the following functions:

3.1.2.1. Establish a Local Cooperative Development Office;

3.1.2.2. Designate a Cooperative Development Officer, in the event that the LGU lacks the necessary requisites to appoint the same;

3.1.2.3. Identify cooperatives-related best practices for possible replication by other LGUs;

3.1.2.4. Identify ways to collaborate, consolidate, or coordinate efforts, services, and resources with other LGUs relative to cooperative promotion, organization, and development;

3.1.2.5. Enter into Memoranda of Agreement with the CDA, through its extension offices, to fully implement the rules and regulations herein, and for other purposes not inconsistent with either the Cooperative Code or the Local Government Code; and

3.1.2.6. Perform such other functions contributory to cooperative promotion, organization, and development, as may be deemed necessary by the LGU, as long as it is not contrary to existing laws, rules and regulations.

3.2. The Cooperative Development Authority shall perform the following roles:

3.2.1. Provide information to the LGU on the policies and standards that have been formulated by the CDA concerning cooperatives;

3.2.2. Assist the LGU in the development of cooperatives in their locality;

3.2.3. Coordinate the efforts of the government, government financing institutions, private sector, cooperative sector, and other LGUs for a more effective and systematic cooperation between and among them; and

3.2.4. Provide the LGU with the list and status of cooperatives registered within their jurisdiction.

3.3. Dissemination

3.3.1. All DILG Regional Directors and CDA Extension Office Directors are hereby directed to cause the widest dissemination of this Joint Memorandum Circular.
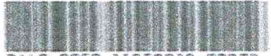
4.0 References

4.1. Republic Act No. 7160 or the Local Government Code of 1991
4.2. Republic Act No. 9520 or the Philippine Cooperative Code of 2008

5.0 Effectivity

5.1. This Joint Memorandum Circular shall take effect immediately.

EDUARDO M. AÑO
S e c r e t a r y , DILG

DILG-OSEC 11052018-02629

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