



COOPERATIVE DEVELOPMENT AUTHORITY

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1180-149



MEMORANDUM CIRCULAR 2024- 02 Series of 2024

TO: ALL CONCERNED

SUBJECT: AMENDED GUIDELINES FOR THE CREATION, ORGANIZATION, SUPERVISION, AND MONITORING OF LABORATORY COOPERATIVES

Pursuant to Section 6, Article XII, of the 1987 Constitution, Article 26 (3) of RA 9520 and Rule 6 of the Revised Rules and Regulations Implementing Certain and Special Provisions of RA 9520 and **Sec. 4 (e) of RA 11364**, the Authority hereby prescribes the following **amended** Guidelines governing laboratory cooperatives.

Section 1. Title.

This Memorandum shall be known as the "**Amended Guidelines for the Creation, Organization, Supervision, and Monitoring of Laboratory Cooperatives.**"

Section 2. Statement of Policy and Objectives

The Cooperative Development Authority (CDA) is statutorily mandated to promote the viability and growth of cooperatives as an instrument of social justice and economic development in pursuance of Section 15, Article XII of the 1987 Philippine Constitution.

In line with the foregoing policy, the Authority recognizes the valuable contributions of Guardian Cooperatives in the socio-economic development of minors through the organization of Laboratory Cooperatives and to prepare them for membership in regular cooperatives; hence, this Guidelines.

Section 3. Scope and Coverage

This Guidelines shall apply to all Laboratory Cooperatives recognized by the Authority under RA 9520 and its Revised Implementing Rules and Regulations.

Section 4. Definition of Terms

As used in this Guidelines, the following terms shall mean:

1. **Affiliation** – refers to the act of being formally connected or joined by a Laboratory Cooperative to a Guardian Cooperative;



2. **Area of Operation** – refers to the area where the Guardian Cooperative operates and where the members come from as provided for in its Articles of Cooperation and By-Laws or where the members of the laboratory cooperatives come from as provided under their manual of operation;
3. **Articles of Cooperation** –refers to the Articles of Cooperation of the Guardian Cooperative registered under RA 9520 and which includes a registered amendment thereof;
4. **Authority** – refers to the Cooperative Development Authority;
5. **By-Laws** –refers to the By-Laws of the Guardian Cooperative registered under RA 9520 and which includes any registered amendment thereof;
6. **Certificate of Recognition** –refers to the certificate duly issued by the Authority to the Laboratory Cooperative upon compliance with all the requirements set forth in these guidelines. It serves as conclusive evidence that the Authority duly recognizes the Laboratory Cooperative as an affiliate of the Guardian Cooperative;
7. **Guardian Cooperative** – refers to a duly registered cooperative with which a Laboratory Cooperative is affiliated;
8. **Minor** – refers to an individual aged six to seventeen (6-17) years old;
9. **Laboratory Cooperative** – refers to a cooperative duly recognized by the Authority formed and managed primarily by minors and affiliated with another registered cooperative called the Guardian Cooperative; and
10. **Youth Cooperative** refers to a primary cooperative organized by individuals whose ages range between eighteen (18) and thirty-five (35) years old.

Section 5. Jurisdiction

All applications for the recognition of laboratory cooperatives shall be filed with the Extension Office, which has jurisdiction over the Guardian Cooperative.

Section 6. Organization of Laboratory Cooperative

A guardian cooperative may assist in organizing a laboratory cooperative of fifteen (15) or more minors, including students or out-of-school minors, who are Filipino Citizens. The prospective laboratory cooperative shall be affiliated with a guardian cooperative within or nearest their area of operation.

Section 7. Purposes of Laboratory Cooperatives

A laboratory cooperative shall be organized for any or all of the following purposes:

1. To serve as the training ground for its members to prepare them for membership in regular cooperatives through activities such as but not limited to the following:
 - a) Holding of parliamentary affairs;
 - b) Visiting credit or financial service cooperatives, banks, and other educational trips.
2. To teach the values of thrift and savings mobilization among its members.
3. To instill cooperative values, principles, financial discipline, business/entrepreneurial skills, and leadership skills among its members.
4. To promote and advocate Filipino social and cultural values, financial, education, ecological awareness, and sustainable development.

Section 8. Affiliation

A Laboratory Cooperative shall be affiliated with a duly registered cooperative, the Guardian Cooperative, whose articles of cooperation and by-laws shall provide acceptance of the responsibilities as a guardian cooperative.

A Laboratory Cooperative primarily composed of students from a particular school may affiliate with the school's cooperative, if any, or select a cooperative within its area of operation.

If the laboratory cooperative is composed primarily of out-of-school minors, it shall be affiliated with a cooperative within or nearest its area of operation.

Section 9. Documentary Requirements for the Recognition of Laboratory Cooperative

The Guardian Cooperative shall submit the following documentary requirements to the Authority for the issuance of a Certificate of Recognition:

1. Resolution of the Board of Directors of the Guardian Cooperative accepting its responsibility and liability as Guardian of the Laboratory Cooperative.
2. Manual of Operations as specified in Section 11.

Existing cooperatives intending to have an affiliate laboratory cooperative shall be required to amend their Articles of Cooperation and By-Laws to comply with the foregoing requirements.

Section 10. Amendment on the Certificate of Recognition.

In case of an amendment to the name and address of either the Guardian or the Laboratory Cooperative, the Guardian Cooperative shall submit the following documentary requirements for the issuance of a new Certificate of Recognition:

1. Resolution of the Guardian Cooperative Board of Directors relative to the name or address amendments; and
2. The original copy of the Certificate of Recognition previously issued by the Authority.

Section 11. Manual of Operation

The Guardian Cooperative shall submit a Manual of Operations for the Laboratory Cooperative, which shall include but not be limited to the following:

1. The name of the Laboratory Cooperative;
2. The purposes for which it is organized relative to Section 7;
3. The kinds, qualifications, rights, duties, and responsibilities of members and the procedure to be followed in the termination of membership;
4. The area of operation and the postal addresses of Laboratory Cooperative;
5. The common bond of membership;
6. The organizational structure of the Laboratory Cooperative, which shall likewise indicate the officer/s of the Guardian cooperative tasked to supervise/oversee/monitor the Laboratory Cooperative;
7. Duties and responsibilities of officers of the Laboratory Cooperative;
8. The rules and procedures on the agenda, time, place, and manner of calling, convening, conducting meetings, quorum requirements, voting systems, and other matters relative to the business affairs of the officers and general assembly;
9. The rate of interest on savings and deposits of the members of the Laboratory Cooperative, under the prevailing rate of the Guardian Cooperative;

10. Duties and Responsibilities of the Guardian Cooperative;
11. The policies on the financial operations/dealings between the Guardian Cooperative and the Laboratory Cooperative; and
12. Other matters incident to the purposes and activities of the cooperative.

Section 12. Name of Laboratory Cooperative

The name of the Laboratory Cooperative shall include "Laboratory Cooperative of (Name of Guardian Cooperative)."

Section 13. Issuance of Certificate of Recognition

The Authority shall issue a Certificate of Recognition within the period prescribed in the citizen's charter upon compliance with all the requirements set forth in these Guidelines. It serves as conclusive evidence that the Authority duly recognizes the Laboratory Cooperative as an affiliate of the Guardian Cooperative, which shall remain valid unless such recognition has been revoked or canceled earlier.

Issuing the Certificate of Recognition does not bestow upon a Laboratory Cooperative a juridical personality.

Section 14. Duties and Responsibilities of the Guardian Cooperative

The following shall be the duties and responsibilities of the Guardian Cooperative over the Laboratory Cooperative:

1. Formulate, adopt, implement, and monitor the programs, plans, and activities appropriate for the education and training of the Laboratory Cooperative members concerning the Laboratory Cooperative's purposes, as specified under Section 7;
2. Supervise the conduct of Officers and General Assembly meetings of the Laboratory Cooperative;
3. Represent the Laboratory Cooperative in its dealings and transactions with third parties when the capacity to contract is required;
4. Formulate, adopt, and implement internal control policies and procedures on the funds, savings, and deposits of the Laboratory Cooperative;
5. Prepare, keep, and maintain the list of members of the Laboratory Cooperative;

6. Submit an annual report on the activities and economic operations of the Laboratory Cooperative;
7. Maintain separate subsidiary ledgers, passbooks of members, financial statements, and other accountable forms; and
8. Adopt and implement a systematic procedure in the collection of savings and deposits.

Section 15. Liability of the Guardian Cooperative

The Guardian Cooperative shall be liable for any violations committed in the operation of the Laboratory Cooperative.

Section 16. Election of Officers of the Laboratory Cooperative

The set of officers of the Laboratory Cooperative shall be in accordance with the organizational structure of the Laboratory Cooperative, as prescribed by the Guardian Cooperative. The Guardian Cooperative shall prescribe the election guidelines governing the election of officers.

Section 17. Termination of Membership

The following shall be the causes for termination of membership in a laboratory cooperative:

1. Upon reaching the age of eighteen (18) years old;
2. Such other causes may be provided for in the By-Laws of the Guardian Cooperative and the Manual of Operations for the Laboratory Cooperative;

Section 18. Option of Member who Reaches the Age of Majority

Any member who reaches the age of eighteen years (18) old has the option to join the Guardian Cooperative by signifying their intention to become a member upon compliance with all the requirements for membership.

Section 19. Supervision by a Guardian Cooperative

A Guardian Cooperative may supervise one (1) or more laboratory cooperatives.

Section 20. Effect of Dissolution of Guardian Cooperative.

The dissolution of the Guardian Cooperative shall result in the revocation of the Certificate of Recognition of the Laboratory Cooperative. However, in such a case, the

Laboratory Cooperative can become affiliated with another Guardian Cooperative by complying with the requirements set forth in these guidelines.

Section 21. Separability Clause

If any provisions of these guidelines are declared null and void or unconstitutional, the other provisions not affected shall continue to be in force and effect.

Section 22. Repeal

All previous circulars and guidelines issued by the Authority which are inconsistent with these Guidelines are repealed or modified accordingly.

Section 23. Effectivity.

These amended guidelines shall take effect after fifteen (15) days following the completion of its publication in the Official Gazette and filing of the copy thereof with the Office of the National Administrative Register (ONAR).

Approved by the CDA Board of Directors pursuant to Resolution No. 872, s-2023 dated December 5, 2023.

Issued this 5th day of January, 2024

For the Board of Directors
By:

USEC. JOSEPH B. ENCABO
Chairman

