

COOPERATIVE DEVELOPMENT AUTHORITY

827 Aurora Blvd., Service Road, Brgy. Immaculate Conception Cubao, 1111 Quezon City Phillippines CENTER

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MEMORANDUM CIRCULAR NO. 2024-18
Series of 2024

JUL 3 0 2024

EGISTEN 24 0 8 0 6

CNAR Registration

BY: HM

SUBJECT

AMENDMENT TO SECTIONS 3, 5, 6, AND 7 OF MEMORANDUM CIRCULAR NO. 2024-13 RE: GUIDELINES ON THE GRANT OF AGRI-MACHINERY TO MICRO AND SMALL AGRICULTURAL COOPERATIVES

To facilitate further the overall success of the mechanization program for micro and small agricultural cooperatives, Sections 3, 5, 6, and 7 of Memorandum Circular No. 2024-13 are hereby amended to read as follows:

FROM	TO / ACTION	
Section 3 - Qualified Beneficiaries	н	
xxx		
Item 4		
Rice and/or corn production is provided in the Articles of Cooperation of the Cooperative with a Certificate of Accreditation issued by the CDA; Not in default or delay in liquidating public funds and properties received from CDA and other government agencies.	Removed item as its documentary requirements are already reflected in Section 5(5) of the Amended Guidelines.	
Item 6		
When there are more than 10 qualified applicants for the agri machinery, a first-come-first-serve basis shall be	When there are more than 10 qualified applicants for the agri machinery, a first-come-first-serve basis shall be applied.	

When there are more than 10 qualified applicants for the agri machinery, a first-come-first-serve basis shall be applied. Therefore, the first 10 applicants to comply with and satisfy the minimum requirements shall be the beneficiaries of the agri machinery. Suppose a cooperative that is included in the tentative list of cooperative beneficiaries is disqualified. In that case, it is in the discretion of the Regional Director to replace said cooperative that satisfies the minimum qualifications stated herein.

When there are more than 10 qualified applicants for the agri machinery, a first-come-first-serve basis shall be applied. Therefore, the first 10 applicants to comply with and satisfy the minimum requirements shall be the beneficiaries of the agri machinery. Suppose a cooperative in the tentative list of cooperative beneficiaries is disqualified, it is the discretion of the Regional Director to replace said cooperative with another agricultural cooperative that is not in the tentative list but satisfies the qualifications stated herein.

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(02) 8721-5324

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ID 9105070733

Section 5. Documentary Requirements for the Release of Grant

XXX Insertion as Item 5

Additional requirement

Artícles and Bylaws of the Cooperative that show its classification of the business engagement of the cooperative. In the event that the classification is not reflected therein, a certification signed by the cooperative secretary under a board resolution that the cooperative or at least 30% of its members are engaged in rice/corn activities such as production, processing, trading, and marketing

Section 6. Procedures for the release of agri-machinery

XXX

Item 2

If found eligible to be a recipient, the CDA REO shall submit the list/names of cooperatives to the CDA Board through the Administrator and the Agriculture Cluster Head, for Board's consideration and approval. The approval shall be supported with a Board Resolution;

If found eligible to be a recipient, the CDA REO shall submit the list/names of cooperatives to the CDA Board through the Administrator and the Agriculture Cluster Head, for the Board's information and reference.

Item 3

Upon receipt of the Board Resolution, the CDA REO shall require the cooperative to submit the documents. Once completed, the CDA REO shall prepare a Memorandum of Agreement (MOA) and Deed of Donation and Acceptance (DDA) between the CDA and the cooperative;

Thereafter, the CDA REO shall require the cooperative to submit the documents. Once completed, the CDA REO shall prepare a Memorandum of Agreement (MOA) and Deed of Donation and Acceptance (DDA) between the CDA and the cooperative;

Section 7. Recording of the Release of the Agri-Machinery

XXX

PPE	xx	
CASH NT MDS		хх
To record the acquisition of agri-machinery		

Subsidies-others	xx	
PPE		xx
To record the release of agri-machinery to the cooperative beneficiary		

This Circular will take effect immediately following the completion of its publication in the Official Gazette or newspaper of general circulation.

Approved per BOD Resolution No			427	dated _	June 4, 2024	
Issued this	8th	day of July, 2024.				

FOR THE BOARD OF DIRECTORS,

USEC JOSEPH B. ENCABO Chairman



COOPERATIVE DEVELOPMENT AUTHORITY

827 Aurora Blvd., Service Road, Brgy. Immaculate Conception Cubao, 1111 Quezon City, Philippines



CDA REGIONAL OFFICE

FINANCIAL AND TECHNICAL EVALUATION OF COOPERATIVE

Requirements	Yes	No	Remarks
Copy of the Certificate of Registration issued by CDA to the applicant cooperative			
Copy of Valid Certificate of Compliance	_		To the term of the second seco
3. Audited Financial Statements for the past three (3) years preceding the date of project implementation. For cooperatives which have been in operation for less than three (3) years, financial report/s for the years it has been in operation.			
 4. Cooperative Profile namely: a. Organizational Chart or Governance Structure; and b. List of officers and members with their complete names, date of birth (if known and registered), complete address, and contact numbers, if available 			
5. If the recipient of financial assistance is from another department or agency, the applicant shall show proof coming from other government agencies that such cooperative has liquidated, in accordance with government accounting and auditing rules and regulations, all funds transfer due for liquidation. If the cooperative Applicant has received public funds prior to its application, a certificate of good standing from the government agency or agencies from which it has received such public funds, specifically stating that the cooperative has liquidated, in accordance with COA regulations, all fund transfers due for liquidation			
6. A sworn affidavit of the Secretary of the cooperative that none of its cooperators, organizers, directors, or officials is an agent of or related by consanguinity or affinity up to the fourth civil degree to the officials of the Authority authorized to process and/or approve the accreditation, the MOA and the release of funds. Relationships of this nature shall automatically disqualify the cooperative applicant from being accredited.			
7. The cooperative has undergone social preparation from the CDA (For every program or project to be implemented by the CDA, a social preparation shall be conducted. Needs Assessment and Evaluation of the proposed programs and projects should be made in consultation with the cooperative beneficiary)			
Certificate of Accreditation from CDA			
Other pertinent documents as may be deemed necessary and applicable to the cooperative-applicant			

Evaluated by:	Reviewed by:	Approved by:

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MEMORANDUM OF AGREEMENT

KNOW ALL PERSONS BY THESE PRESENTS:
This Memorandum of Agreement entered into this day o20 at Philippines by and between:
The COOPERATIVE DEVELOPMENT AUTHORITY EXTENSION OFFICE, a government agency created by virtue of Republic Act No 11364 with principal office address are herein
represented by its Regional Director, herein referred to as the CDA,
and
The, a duly organized cooperative and existing by virtue of Republic Act No. 9520 with office address atrepresented by its incumbent Chairman, hereinafter referred to as the Cooperative .
The CDA and Cooperative may hereinafter be referred to individually as "Party" or collectively as "Parties".
WITNESSETH
WHEREAS, the CDA is mandated by the Constitution to promote the viability and growth of the cooperatives as instruments of equity, social justice, and economic development.
WHEREAS, the CDA Board of Directors hereby authorizes the Regional Director of the Extension Office to represent the CDA in this agreement by virtue of a Board Resolution No;
WHEREAS, the Board of Directors of the Cooperative hereby authorized its (Position), (Name), to represent the cooperative in this agreement by virtue of the Board Resolution No.
WHEREAS, the Cooperative which belongs to the micro category of cooperatives is a registered cooperative and is indeed in need of a portable 2-in-1 Corn Mill combined Rice Mill with 10 KVA Generator Set being a producer and/or into enterprises on rice and/or corn.
WHEREAS, the Articles and Bylaws of the Cooperative indicates its classification of the business engagement of the cooperative. In the event that the classification is not reflected therein, a certification signed by the cooperative secretary under a board resolution that the cooperative or at least 30% of its members are engaged in rice/corn activities such as production, processing, trading, and marketing;

Office of the Chairman: (02) 8721-5325

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties

do hereby agree and bind themselves to the following terms and conditions:

Office of the Administrator : (02) 8721-5324 Office of the Administrator : (02) 8721-0633 Officer of the Day : (02) 8725-3764





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1. RESPONSIBILITIES OF THE PARTIES

- 1.1 The CDA shall have the following responsibilities:
 - 1.1.1 Release and distribute agri-machinery to qualified micro agricultural cooperatives approved by the CDA Board;
 - 1.1.2 Record the issuance of the agri-machinery appropriately in the books of CDA:
 - 1.1.3 Facilitate the conduct of the turn-over ceremony of the agri machinery at the same time orientation and demonstration on the operation and maintenance of the agri-machinery that will be conducted by the supplier to the machine operators and officers of the cooperative beneficiaries;
 - 1.1.4 Create a Technical Working Group for this purpose both in the regional level and from the Head Office;
 - 1.1.4 Evaluate, monitor, and assess the utilization of the agri-machinery issued to the qualified cooperative beneficiaries through the concerned CDA Regional Extension Office annually or as the need arise and shall provide the Monitoring and Evaluation Report form to the Cooperative.
- 1.2 The Cooperative shall have the following responsibilities:
 - 1.2.1 Receive and use the agri-machinery issued to them for the improvement of their business operation and other related cooperative activities;
 - 1.2.2 Ensure the maintenance of the agri-machinery to keep it in good condition following the supplier's tips as discussed during the conducted orientation and product demonstration on the operation and maintenance of the machine;
 - 1.2.3 Send at least one (1) person in charge of the operation of the agrimachinery together with the cooperative officers available to attend the turn-over ceremony of the machine at the same time orientation and demonstration on the operation and maintenance of the agrimachinery;
 - 1.2.4 Record the receipt of the agri-machinery issued by the CDA in the inventory of the **Cooperative**;
 - 1.2.5 The obligations of the Cooperative shall survive even after the termination of this Agreement.

- 1.2.6 That, for purposes of monitoring the implementation of the program relative to the donation, the Cooperative shall submit the annual monitoring and evaluation report to CDA every end of the calendar year;
- 1.2.7 That the Cooperative shall not dispose of the agri-machinery for a period of 5 years;
- 1.2.8 That if the CDA found that the Cooperative committed misrepresentation or fraud in the documents it submitted for the grant, it shall be held liable in accordance with the existing laws and shall return the agri-machinery to CDA and if the same is not possible it shall pay the equivalent amount thereof:
- 1.2.9 That the agri-machinery shall be reflected in the journal of the cooperative and in its succeeding Financial Statements;
- 1.2.10 That the Cooperative shall have an Internal Policy or Operation Policy as to the operation of the machinery indicating the following areas: Name of Operator, Time used, Fees charged to members, Fees charged to non-member (if any), proceeds of rental fees, Operational cost, and Maintenainance Cost:
- 1.2.11 That it is the responsibility of the Cooperative to pick up the machinery from the Regional Office or the site where the CDA Regional Office store the machinery to the cooperative warehouse or the latters' area of storage of the machinery:
- 1.2.12 Revocation shall be enforced in case of violation on the part of the cooperative as to the utilization of the machinery which may arise during the monitoring and have the machinery transferred to another qualified cooperative.

2. FORCE MAJEURE

2.1. Either Party shall not be liable for its failure to comply with the obligations under this Agreement due to a fortuitous event, provided that the Party invoking the fortuitous event is not negligent or in delay

3. SETTLEMENT OF DISPUTES

3.1. The Parties make every effort to resolve amicably by negotiations any disagreement or dispute arising between them under this Agreement. Any disputes arising from the implementation of this Agreement shall be submitted to arbitration, in accordance with Republic Act No. 876 (Arbitration Law) and Republic Act No. 9285 (Alternative Dispute Resolution Act of 2004). The Parties may agree in writing to resort to alternative modes of dispute resolution by mutual agreement.

4. AMENDMENT/MODIFICATION OF MOA

4.1. The **Parties** hereto may, upon mutual consent, amend or modify this Agreement, in writing at any time through addendum duly signed and executed by both **parties**.

5. EFFECTIVITY AND TERMINATION

5.1. This Agreement shall take effect upon signing hereof by the **Parties** and shall remain valid and binding **during the implementation of the program** unless earlier terminated by either of the **Party**. Either **Party** may terminate this Agreement, by serving a written notice of termination to the other **Party**, at least thirty (30) days prior to the effective date of termination.

that the control of t	les have hereunto signed this Agreement this, Philippines
COOPERATIVE DEVELOPMENT AUTHORITY	COOPERATIVE BENEFICIARY
By:Regional Director	By:Authorized Signatory
SIGNED IN TH	E PRESENCE OF:
WITNESS	WITNESS





COOPERATIVE DEVELOPMENT AUTHORITY REGION EXTENSION OFFICE

ACKNOWLEDGEMENT RECEIPT

QUANTITY	UNIT	DESCRIPT	ION	DATE ACQUIRED	AMOUNT
RECEIVED E	BY		ISSUED BY	er ind many committee comm	
SIGNATURE OVER PRINTED NAME		SIGNATURE OVER PRINTED NAME			
Position or D	esignati	on/Office	Position or Des	ignation/Office	
Date			Date		

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DEED OF DONATION AND ACCEPTANCE

This Deed of Donation and Acceptance is executed by:

The COOPERATIVE DEVELOPMENT AUTHORITY			
EXTENSION OFFICE, a government agency created by virtue of Republic Act No.			
11364 with principal office address at			
herein			
represented by its Regional Director, herein referred to as the DONOR ,			
-in favor of-			
The , a duly organized			
cooperative and existing by virtue of Republic Act No. 9520 with office address at represented by its incumbent Chairman			
by virtue of a board resolution, hereinafter referred to as			
the DONEE.			
The CDA and Cooperative may hereinafter be referred to individually as "Party" or collectively as "Parties".			
WITNESSETH			
That the DONOR , being the agency in charge of the development, registration and regulation of cooperatives under Republic (RA) Act No. 11364 is mandated to promote the viability and growth of cooperatives as instruments of equity, social justice and sustainable economic development;			
That the DONEE is a CDA registered Micro/Small cooperative engaged in agriculture and is in need of agri machinery <u>(name/type of equipment to be donated)</u> being a producer and/or into enterprises on <u>(kind of agri products)</u> ;			
That it is provided in certification issued by the the Articles and Bylaws of the DONEE indicates its classification of the business engagement of the cooperative. In the event that the classification is not reflected therein, a certification signed by the cooperative secretary under a board resolution that the cooperative or at least 30% of its members are engaged in rice/corn activities such as production, processing, trading, and marketing;			
That the DONEE shall comply with the obligations set forth in the Memorandum of Agreement signed last by the DONOR and the DONEE ;			
That revocation shall be enforced in case of violation on the part of the DONEE on the utilization of the machinery which may arise during the monitoring and have the machinery transferred to another qualified cooperative;			

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with a corresponding penalty charged to the DONEE: THAT FOR AND IN CONSIDERATION of the foregoing, the DONOR voluntarily and freely gives, transfers, and conveys by way of donation to the DONEE for the above-stated purpose the _____ (name/type of equipment to be donated) ____ and the DONEE will be responsible for the proper handling of the agri-machinery; IN WITNESS WHEREOF, the Parties have hereunto signed this Deed of Donation this ____ day of ______, Philippines. COOPERATIVE DEVELOPMENT AUTHORITY COOPERATIVE BENEFICIARY By: ______Regional Director By: _____Authorized Signatory SIGNED IN THE PRESENCE OF: WITNESS WITNESS ACCEPTANCE: The DONEE hereby ACCEPTS and receives the donation made in its favor by the DONOR representing _____ and expresses its appreciation and gratitude for the liberality and generosity of the DONOR. IN WITNESS WHEREOF, the DONOR and DONEE enter into and sign this Deed of Donation and Acceptance this ___day of ______, 20_ in COOPERATIVE DEVELOPMENT **COOPERATIVE BENEFICIARY** AUTHORITY By: _____Authorized Signatory Regional Director SIGNED IN THE PRESENCE OF: WITNESS WITNESS

That the DONEE is prohibited from selling the agri-machinery awarded to them

REPUBLIC OF THE PHILIPPINES)				
ACKNOWLEDGEMENT				
BEFORE ME , a Notary Public personally appeared the follow	c for and in ving who exhibited to me their proof o	, Philippines, fidentities indicated below:		
Name Name of Donor Name of Donee	ID/Passport No.	Date and Place Issued		
acknowledged to me that the institutions they respectively Acceptance consisting of	ame person who executed the for same is their free and voluntary ac represent. This instrument refers to pages, including this page whereo ties and their instrumental witnesses.	t and deed and that of the abDeed of Donation and n this Acknowledgement is		
WITNESS MY HAND AND NO	OTARIAL SEAL, on the date and pla	ace first mentioned.		
	Notary	Public		
Doc. No Page No Book No Series of 20				

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