



Republic of the Philippines
OFFICE OF THE PRESIDENT
COOPERATIVE DEVELOPMENT AUTHORITY

5th Flr., Ben-Lor Bldg., 1184 Quezon Ave., Quezon City

February 9, 1994

Memorandum Circular
No. 94-004

TO : ALL AREA COOPERATIVE DIRECTORS
DEPARTMENT DIRECTORS
DIVISION CHIEFS AND
TECHNICAL OPERATIONS STAFF

SUBJECT : MEMORANDUM OF AGREEMENT BETWEEN THE COOPERATIVE
DEVELOPMENT AUTHORITY AND THE DEPARTMENT OF
INTERIOR AND LOCAL GOVERNMENT - NATIONAL
RECONCILIATION AND DEVELOPMENT COUNCIL

The Cooperative Development Authority in its effort to contribute to the attainment of national security, peace and reconciliation entered into a Memorandum of Agreement with the Department of Interior and Local Government - National Reconciliation and Development Council in order to give full support to the reintegration of rebel returnees into the mainstream of society.

Under the said Memorandum of Agreement, DILG and CDA agreed to jointly promote cooperativism as an instrument of social justice, equity and economic development, a requisite to peace and national security. Likewise, as amended the MOA will benefit not only the rebel returnees but the residents of the seven (7) peace zones otherwise known as Special Development Areas (SDA) as follows:

1. Sagada Demilitarized Zone
Sagada Mountain Province
2. Bangibo Peace Zone
Bangibo, Malibcong, Abra
3. New Alimodian Peace Zone
Tulunán, North Cotabato
4. Bituan Zone of Life
Tulunán, North Cotabato

5. Miatub Peace Zone
Tulunan, North Cotabato
6. Nabundagan Peace Zone
Tulunan, North Cotabato
7. Cantomanyog Peace Zone
Candoni, Negros Oriental

In view of the foregoing, in the interest of public service and in the name of national security, peace and reconciliation, all concerned officers and staff of the Cooperative Development Authority are instructed to coordinate and cooperate in this joint effort and provide necessary technical assistance to NRDC for the effective implementation of the MOA. You are also required to submit the list of registered cooperatives among rebel returnees in your area as well as quarterly progress and monitoring reports to assess the effectivity of the implementation of said agreement.

Enclosed is a copy of the CDA-DILG Memorandum of Agreement, Addendum No. 1 to the MOA, Joint Special Order No. 1-93 dated December 1, 1993, Implementing Guidelines and NRDC Resolution No. 11-93.

For strict compliance.


EDNA E. ABERILLA
Chairperson

21/10/93

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This MEMORANDUM OF AGREEMENT, made and entered into by and between:

The DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT, a duly created government agency under the Executive Branch of the government with principal address at FNCC Complex, EDSA Corner Reliance Street, Mandaluyong, Metro Manila, represented herein by its Secretary and Chairman of the National Reconciliation and Development Council (NRDC) Hon. RAFAEL M. ALUNAN III hereinafter referred to as "NRLG".

and

The COOPERATIVE DEVELOPMENT AUTHORITY, a government agency created and existing under and by virtue of Republic Act No. 6939 with principal address at 5th Floor, Ben-Lor Building, 1184 Quezon Avenue, Quezon City, herein represented by its Chairperson, Hon. EDNA E. ABERILLA, hereinafter referred to as "CIA".

WITNESSETH

WHEREAS, the Medium-Term Philippine Development Plan adopted by the government for 1993-1998 seeks to implement an improved program for National Reconciliation through a more responsive and productive scheme for rebel returnees;

WHEREAS, 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, equity and social justice;

WHEREAS, the National Reconciliation and Development Program was established to coordinate and integrate the program, projects and efforts of the government entities, non-government organizations and the private sector concerning projects, programs and activities aimed at attaining national reconciliation, peace, and progress;

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WHEREAS, the NRDP aims to uproot the main causes of insurgency, poverty, injustice and corruption, by giving rebels a chance to lay down their arms and start a new life within the fold of the law and society by giving them alternatives and more opportunities for development and self-employment;

WHEREAS, the CDA is tasked to promote the growth and development of cooperativism throughout the country as instruments of equity, social justice and economic development;

NOW THEREFORE, for and in consideration of the foregoing premises, and the mutual covenants hereinafter set forth, the parties have agreed as they do hereby agree, to jointly implement the National Reconciliation and Development Program to attain a peaceful resolution to the insurgency problem and to undertake the following:

SECTION I. THE NATIONAL RECONCILIATION AND DEVELOPMENT PROGRAM

The program was constituted as a priority program of the government by virtue of Executive Order 103 dated December 24, 1986. It is an integrated approach to the insurgency problem focusing on effecting necessary socio-economic reforms in depressed communities and providing assistance to rebel returnees to hasten their assimilation into the mainstream of society;

SECTION II. COMMON OBLIGATIONS OF PARTIES:

1. Identify groups of rebel returnees who need assistance in the organization of cooperatives;
2. Assist the rebel returnees in the identification of appropriate projects based on available resources and technology in the area;
3. Assist the cooperatives of rebel returnees to become viable economic enterprises;
4. Cause the organization of a Task Force specifically tasked with the following responsibilities:
 - a. To formulate implementing guidelines in conformity with the stipulation of this agreement;
 - b. To designate, orient / train and supervise personnel assigned in the project in line with the agreement;

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- c. To prescribe and recommend systems, procedures and specific activities for the different phases of the implementation of this agreement;
- d. To provide registered cooperatives' among rebel returnees with appropriate technical, consultancy and management assistance and in the sourcing of funds for the coop project;
- e. To periodically review, monitor and evaluate the implementation of the agreement as a basis for strengthening of the program;
- f. To recommend the necessary measures or amendments for further strengthening of this agreement;

SECTION III. OBLIGATION OF THE NATIONAL RECONCILIATION AND DEVELOPMENT COUNCIL:

1. Conduct training/seminar on the mechanics of the implementation of the National Reconciliation and Development Program;
2. Provide the CDA with the list of rebel returnees based on their area of operation;
3. Provide financial assistance to cooperatives organized by rebel groups based on technical feasibility and viability of the project;
4. Assist CDA in the monitoring, evaluation and supervision of assisted projects as well as ensure sustainability of said projects.

SECTION IV. OBLIGATIONS OF THE CDA

1. Designate a CDS II assigned in the province as coordinators;
2. Coordinate closely with the NRDC in the training and supervision of the beneficiaries of NRDP;
3. Assist the rebel groups in the organization/registration of cooperatives;
4. Assist cooperatives in the identification/packaging of appropriate projects;

5. Provide technical assistance, trainings, consultancy and other forms of assistance to ensure growth and development of the cooperatives;
6. In coordination with NRDC, CDA shall conduct evaluation and supervision of assisted projects.

SECTION V. AMENDMENT

The parties hereto may upon mutual consent, amend, modify and revise the agreement at any time through amendment addendum signed by both parties.

SECTION VI. EFFECTIVITY

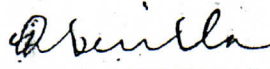
This AGREEMENT shall take effect upon its signing thereof unless sooner terminated by written agreement of both parties.

IN WITNESS WHEREOF, the parties have hereunto set their hands at Mandaluyong, Metro Manila, Philippines this 7th day of March, 1992.

DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT
(NATIONAL RECONCILIATION AND
DEVELOPMENT COUNCIL)


RAFAEL M. ALUNAN III
Secretary

COOPERATIVE DEVELOPMENT
AUTHORITY


EDNA E. ABERILLA
Chairperson

W I T N E S S

ADDENDUM NO. 1
TO THE
MEMORANDUM OF AGREEMENT
BETWEEN
THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT
AND
THE COOPERATIVE DEVELOPMENT AUTHORITY
FOR THE
PROGRAM'S EXPANSION OF BENEFICIARIES

Whereas, the Department of the Interior and Local Government, as represented by Secretary and NRDC Chairman RAFAEL M. ALUNAN III, has an existing agreement with the Cooperative Development Authority, as represented by CDA Chairperson EDNA E. ABERILLA, which was signed on March 8, 1993, hereinafter referred to as the Memorandum of Agreement (MOA):

Whereas, based on the existing MOA, both parties agreed to jointly implement the National Reconciliation and Development Program to attain a peaceful resolution to the insurgency problem, by giving the rebel returnees (RRs), the Program's prime beneficiary, alternatives and more opportunities for development and self-employment;


Whereas, Section II of the MOA contains the common obligation of both parties, the NRDC-DILG and the CDA, to the RRs;

Whereas, Sections III and IV of the MOA specifically define the obligation of the NRDC-DILG and the CDA, respectively, to the Rebel Returnees (RRs);

Whereas, the NRDC was tasked to implement development assistance to the seven (7) peace zones/special development areas (SDAs);

Now, therefore, for and in consideration of the above premises and the covenants hereinafter set forth, the parties do hereby agree to supplement the aforesaid Memorandum of Agreement, with this Addendum No.1 as follows:

1. That the implementation of the Program's development assistance shall be expanded to cover qualified beneficiaries, including communities under the Special Development Areas (SDAs) and the Integrated Area Development (IAD) programs.




2. That the obligations of the NRDC and the CDA, and jointly by both parties as contained in Sections I, II and III of the MOA, shall now cover all concerned and qualified beneficiaries instead of only the RRs;
3. That this Addendum shall be considered as and forming part of the original MOA aforementioned and that all terms and conditions of the original MOA not in conflict with these Addendum No.1 shall remain in force and considered as incorporated herein; and
4. That the Addendum No.1 to the original MOA shall become binding to both parties upon approval of the authorities concerned.

IN WITNESS WHEREOF, the parties have hereunto set their hands this _____ day of _____ at Mandaluyong, Metro Manila.

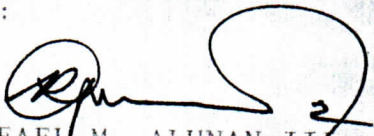
COOPERATIVE
DEVELOPMENT
AUTHORITY

NATIONAL RECONCILIATION
AND DEVELOPMENT COUNCIL/
DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT

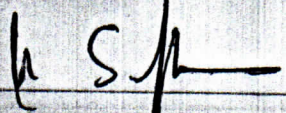
BY:


EDNA E. ABERILLA
Chairperson

BY:


RAFAEL M. ALUNAN III
Secretary DILG and
Chairman, NRDC

WITNESSES



CDA Administrator

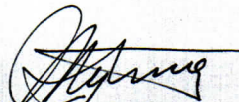
ACKNOWLEDGEMENT
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REPUBLIC OF THE PHILIPPINES)
CITY OF CITY OF MANILA)

BEFORE ME, a Notary Public for and in the City of CITY OF MANILA, this 12th day of January 1994, personally appeared RAFAEL M. ALUNAN VII with Community Tax Certificate No. 11343562 issued on March 8, 1993 at Pasig, Metro Manila in his official capacity as Secretary of the Department of the Interior and Local Government, and EDNA E. ABERILLA with Community Tax Certificate No. 10779139 issued on February 26, 1993 at San Juan, Metro Manila, in her official capacity as Chairperson of the Cooperative Development Authority, both known to me to be the same persons who executed the foregoing ADDENDUM NO. 1 OF THE ORIGINAL AGREEMENT and they acknowledged to me that the same in their own true and voluntary act and deed for and in behalf of the parties they represent.

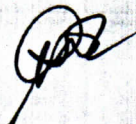
This instrument consisting of three (3) pages including this page on which the ACKNOWLEDGEMENT is written and duly signed by the contracting parties and their instrumental witnesses.

IN WITNESS HEREOF, I have hereunto affixed my signature and seal;


MANUEL Y HUNG SR
NOTARY PUBLIC
UNTIL DEC. 31, 1995
TR NO. 1762179
ISSUED ON 1-4-94
OFFICE AT B.C.

Doc. No. 131 :
Page No. 29 :
Book No. II :
Series of 1994 :





ACKNOWLEDGMENT

Republic of the Philippines)
CITY OF MANILA) S.S

Before me, a Notary Public for and in the CITY OF MANILA
this day of March, 1993 personally appeared:

NAME	RES. CERT. NO.	DATE & PLACE ISSUED
1. HON. RAFAEL M. ALUNAN III	4769126	July ,1992, Manila
2. MS. EDNA E. ABERILLA	11109643	June ,1992, Makati

Known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged to me that the same as well the free and voluntary act and deed of the principals they represent. This instrument consisting of five (5) pages including this page refers to a Memorandum of Agreement and signed by the parties and two (2) witnesses on each and every page thereof.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Notarial Seal at the place and on the date first above written.

J. J. J.
NOTARY PUBLIC
UNTIL DECEMBER 31, 1994
PTR 1038963 Ma 1-14-93

Doc. No. 182
Page No. 37
Book No. 11
Series of 1993

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National Reconciliation and Development Council

JOINT SPECIAL ORDER

N U M B E R : 1-93

D A T E : 1 December 1993

In the interest of public service and to intensify the efforts towards national security, peace and reconciliation, the Technical Committee on Cooperative Development is hereby created at the national level and shall be constituted as follows:

Chairman - Atty. Alberto A. Bernardo
Executive Director/NRDC

Co-Chairman - Brig. Gen. Arcadio S. Lozada, (Ret)
Administrator/CDA

Members:

Mr. Candelario L. Verzosa, Jr. - Executive Director/CDA

Atty. Rogelio Madriaga - Director II LRD/CDA

Ms. Ma. Lyra S. Estaris - Project Manager I /NRDC

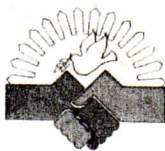
The above-named officials shall perform the following duties and responsibilities:

1. Promote cooperativism to alleviate poverty in our country.
2. Serve as a two-way conduit for assistance requested by and extended to qualified beneficiaries pursuant to the Memorandum of Agreement between DILG-NRDC and the CDA.
3. Provide assistance in the conduct of trainers training at the regional and provincial/city level to promote cooperatives ideology as an alternative socio-economic agenda.
4. Recommend/endorse request for financial assistance of cooperatives for qualified beneficiaries.
5. Supervise the performance of the Project Coordinators and Project Officers at the provincial/city level.

DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT
PNCC Bldg., EDSA corner Reliance St.
Mandaluyong, Metro Manila

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6. Prescribe and recommend systems, procedures and specific activities for the different phases of the implementation of the Agreement.
7. Coordinate/arrange for appropriate technical, consultancy and management assistance to the cooperatives of qualified beneficiaries.
8. Conduct periodic review, monitoring and evaluation of the implementation of this agreement with a view to strengthening of the cooperative and hasten its progress.

In the performance of their respective duties and responsibilities, they shall be allowed travelling expenses and per diem, subject to the usual accounting and auditing rules and regulations. Provided further that the expense for CDA personnel and staff shall be charged to CDA, while in the case of other personnel the same shall be charged to NRDC, subject, however, to the availability of funds and to the usual auditing and accounting rules and regulations. Likewise, activities such as consultation, meetings, trainings and any such activities designed to facilitate and/or enhance the implementation of the MOA shall be charged to the lead agency, the NRDC.

For immediate compliance.

COOPERATIVE
DEVELOPMENT
AUTHORITY

By:

EDNA E. ABERILLA
Chairman

DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT/
NATIONAL RECONCILIATION AND
DEVELOPMENT COUNCIL

By:

RAFAEL M. ALUNAN III
Secretary, DILG
Chairman, NRDC

IMPLEMENTING GUIDELINES

of the

MEMORANDUM OF AGREEMENT

between

THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT

and

THE COOPERATIVE DEVELOPMENT AUTHORITY

I. BACKGROUND INFORMATION

We are living in one of the most critical times of our history as a nation.

The current situation needs independent initiatives which are voluntary, democratic and conducive to the freest possible conditions. Interventions from various groups should be made available only when necessary and only when requested. In this regard, cooperativism offers alternative socio-economic arrangements for those who decide to assimilate into the mainstream of society. Rechanneling of efforts from armed struggle to productive and peaceful means of cooperatives offers an option for peace. Cooperatives empower self-respecting and cause-oriented groups and enable them to work for the common good.

II. LEGAL BASIS

The following lay the foundation and the legal basis of this act.

1. The National Reconciliation and Development Program as embodied in Executive No. 103 dated December 24, 1986 was established to coordinate and integrate the program, projects and efforts of the government entities, non-government organizations and the private sector concerning national reconciliation as envisioned by the Philippine Development Plan. Under its new concept duly approved by NRDC Resolution No. 1-93 dated May 18, 1993 which shift emphasis from a largely military to civilian approach in favor of socio-economic development focusing poverty alleviation.

2. The Medium Term Development Plan and its accompanying strategy as contained in Philippines 2000 which have been adopted by the national government to achieve the twin objectives of international competitiveness and people empowerment.
3. The Cooperative Code of the Philippines (RA 6939) which declared it the 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, equity and social justice.
4. The Local Government Units as embodied in Executive Order No. 96 are enjoined to contribute in the promotion, organization and development of cooperatives.
5. The National Reconciliation and Development Council (NRDC) and the Cooperative Development Authority (CDA) signed a Memorandum of Agreement (MOA) on 8 March 1993 agreeing to extend their full support in the implementation of the NRDP Program of activities. Both parties have agreed to pursue reconciliation and development efforts for the program beneficiaries by promoting people participation and empowerment through cooperativism.

III. GOALS:

These guidelines are formulated to promote national peace, security and development through promotion of cooperatives based on the norms, culture and traditions of the Filipino people. Specifically, they are intended:

1. to achieve genuine peace and reconciliation through cooperativism;
2. to coordinate and integrate the programs, projects, activities and efforts of government entities and various sectors towards the attainment of national reconciliation, peace and progress;
3. to uproot the main causes of internal conflicts by giving the beneficiaries the chance to start a new life within the folds of the law and society by giving them alternatives and more opportunities for development and self-employment;

4. to provide viable economic activities for beneficiaries that will hasten their assimilation to the mainstream of society and prepare them to become viable entrepreneurs of the countryside;
5. to promote democratic values and attitude through cooperativism among the beneficiaries.

IV. DEFINITION OF TERMS:

As used in this implementing guidelines, the following terms are defined as follows:

1. Program Beneficiaries:

- a. Rebel Returnee - armed/unarmed insurgent who rejoined the mainstream of society of his own free will and duly certified as such by the local Authentication Processing Committee or by the NRDC Secretariat.
- b. Residents of Special Development Areas (SDAs) - residents of former areas of conflicts who still experience underdevelopment resulting from economic dislocation and consequent stagnation of their communities.
- c. Residents of areas covered by the Integrated Area Development (IAD) programs - residents of areas to be defined by NRDC as covered by the IAD. Under the IAD, support infrastructures, other community-managed livelihood projects and human resource development shall be undertaken in an integrated manner. IAD involves a multi-sectoral approach highlighted by community participation in development planning and management.

2. Cooperative - a duly registered association of persons with a common bond of interest, who have voluntarily joined together to achieve a lawful common social or economic end, making equitable contributions to the capital required and accepting a fair share of risks and benefits of the undertaking in accordance with universally accepted principles.

3. Universally accepted principles refer to the cooperative principles adhered to worldwide by cooperatives.
4. Registration of Cooperatives - means the operative act of the Cooperative Development Authority in granting juridical personality to a proposed cooperative and is evidenced by a Certificate of Registration.
5. Cooperative Code of the Philippines (RA 6938) - The specific law governing cooperatives all over the country.
6. Cooperative Development Authority (CDA) - A government instrumentality created by RA 6939 to promote the viability and growth of cooperatives as instruments of equity, social justice and economic development in fulfillment of the mandate in Section 15, Article XII of the 1987 Philippine Constitution.
7. National Reconciliation and Development Program (NRDP) - is an inter-agency undertaking which was created under Executive Order No. 103 dated December 24, 1986 to coordinate and integrate the program, projects and efforts of the government entities, non-government organizations and the private sector concerning national reconciliation. Pursuant to NRDC Resolution No. 1-93 dated May 18, 1993 its emphasis has shifted from a largely military to civilian approach in favor of socio-economic development.
8. National Reconciliation and Development Council (NRDC) - is the governing body of the Program, composed of the respective Secretaries of the government departments so designated pursuant to Executive Order 103. As such, it provides the overall direction in the formulation of needed Program policies, coordinates its implementation, monitoring and evaluation, and guides the resolution of problems and issues confronting same.
9. NRDC Secretariat - created by Section 6 of Executive Order No. 103 to handle the administrative, operational and technical activities of the Council; prepare plans and programs for the consideration of the Council; supervise, direct and monitor for the Council the

implementation of approved policies, plans and programs; and undertake liaisoning and coordination of activities and services with appropriate government agencies and non-government organizations.

10. Regional Reconciliation and Development Council (RRDC) - each composed of regional representatives of the members of the NRDC and responsible for the coordination of NRDP at the regional level.
11. Local Reconciliation and Development Councils (LRDC) - each composed of all participating agencies at the provincial, municipal and city levels and responsible for the coordination, planning, implementation, monitoring, and evaluation of the NRDP at their respective levels. In addition, these local councils are responsible for information dissemination, as well as enlistment and solicitation of NGO/PO participation in the Program.

V. PROGRAM COMPONENTS

1. Promotion, Organization, Registration, and Development of Cooperatives

An active multi-media promotional campaign shall be made to introduce the cooperatives ideology as an alternative socio-economic agenda. Beneficial features, advantages and developmental strengths of cooperatives shall be the main focus.

Organization, registration and development of cooperatives shall be undertaken in coordination with NGOs, PVOs and all government agencies. Concerned beneficiary groups shall be assisted in the organization, documentation and registration of their cooperatives.

Development activities shall be espoused by the concerned cooperative with the assistance of agencies concerned, GOs, NGOs, and PVOs. Projects shall be designed based on available technology and resources.

2. Financial Assistance

Beneficiaries will be provided opportunities to avail of credit assistance in order to finance livelihood projects. Credit assistance shall be made available to those who are members of the cooperative. Successful beneficiaries shall be further assisted in securing funds for the expansion of their project.

3. Training Assistance

Assistance in upgrading the capability of participating beneficiaries is a key component of this program. This assistance shall include value transformation, enterprise development and technology-specific trainings.

4. Technical Assistance

To ensure proper implementation of the program, consultancy services will be made available upon request of the beneficiary group. Assistance shall be in the form of technology, management, bookkeeping, community organizing, marketing assistance, legal assistance, etc.

5. Coordination/Linkages/Networking

Coordinated/synchronized efforts shall be encouraged for sustained development process. Linkaging/networking in terms of technology, raw material sourcing and marketing of products shall be systematized.

6. Monitoring, Supervision and Evaluation

The program performance shall be assessed from time to time to identify problems which may arise as well as focus on weak areas that need improvement. Periodic evaluation shall be carried at the provincial, regional and national levels.

VI. GENERAL POLICIES

1. All Rebel Returnees should be certified as qualified beneficiary under the new

program. Said certification is based on the authentication report of the Local Authentication Processing Committee or the NRDC Secretariat.

2. A beneficiary who willfully and voluntarily abides by and adheres to the principles of cooperatives may, upon compliance with the requirements for membership, undergo the necessary pre-membership training required by a duly registered cooperative and accepted as member with all the rights and privileges inherent thereto.
3. Beneficiaries desiring to voluntarily group together, upon compliance with the requirements set forth by the Cooperative Code of the Philippines and the rules and regulations promulgated by the Cooperative Development Authority, may organize and register as a cooperative.
4. In places where the number of beneficiaries is not enough to form a cooperative, the beneficiary may apply for membership in an existing cooperative in the community. Should this be the case, a beneficiary desiring to avail of the benefits due him may, upon request of the cooperative of which he is a member, be eligible for equal benefits accorded to a beneficiary, subject to the viability of his project.
5. Financial assistance shall be made available to beneficiaries upon presentation/approval of a viable project proposal and the submission of necessary documents, copies of the certificate of registration, by-laws, articles of cooperation and the masterlists of members as well as the list of accountable officers.
6. Whenever practical, financial assistance shall be released directly to the conduit of the cooperative to avoid unnecessary interventions that may adversely affect or delay the implementation of the cooperative project.

program. Said certification is based on the authentication report of the Local Authentication Processing Committee or the NRDC Secretariat.

2. A beneficiary who willfully and voluntarily abides by and adheres to the principles of cooperatives may, upon compliance with the requirements for membership, undergo the necessary pre-membership training required by a duly registered cooperative and accepted as member with all the rights and privileges inherent thereto.
3. Beneficiaries desiring to voluntarily group together, upon compliance with the requirements set forth by the Cooperative Code of the Philippines and the rules and regulations promulgated by the Cooperative Development Authority, may organize and register as a cooperative.
4. In places where the number of beneficiaries is not enough to form a cooperative, the beneficiary may apply for membership in an existing cooperative in the community. Should this be the case, a beneficiary desiring to avail of the benefits due him may, upon request of the cooperative of which he is a member, be eligible for equal benefits accorded to a beneficiary, subject to the viability of his project.
5. Financial assistance shall be made available to beneficiaries upon presentation/approval of a viable project proposal and the submission of necessary documents, copies of the certificate of registration, by-laws, articles of cooperation and the masterlists of members as well as the list of accountable officers.
6. Whenever practical, financial assistance shall be released directly to the conduit of the cooperative to avoid unnecessary interventions that may adversely affect or delay the implementation of the cooperative project.

7. Interventions into the internal affairs of the cooperative shall be minimal and only when called for or requested invoking the principle of subsidiarity pursuant to the Cooperative Code of the Philippines. However, the visitorial power of the CDA and NRDC shall not be construed as intervening into the affairs of the cooperative. Periodic visits and assessments of the projects shall also not be construed as intervening into the affairs of the cooperative and shall be made to determine the progress of the project, identify problems and the possible solutions. In case of conflicts that need resolution, the provisions of the Cooperative Code shall be exhausted before settlement in a court of competent jurisdiction.
8. All rules and regulations of the Cooperative Code of the Philippines and all such memoranda, circulars promulgated by the CDA for cooperatives in general shall be applicable to the cooperatives organized under this special arrangement.
9. Aside from the financial assistance provided by the NRDC to beneficiaries, they shall be assisted in seeking financial assistance from other sources to finance projects that will enhance the development of the cooperative.
10. Technical assistance in the form of trainings, technology transfer, organizational management, bookkeeping and all other activities that will enhance capability and will strengthen the organization shall be provided by the agencies concerned.

VII. GENERAL PROCEDURES

1. Organization, Documentation, Registration of the Cooperatives
 - 1.1 Qualifications of a potential member
 - a. of legal age
 - b. residing and/or working in the proposed area of operation of the cooperative

- c. has pledged to undertake the responsibilities of membership
- d. has completed the prescribed pre-membership cooperative education program
- e. will use or anticipate to use the services of the cooperative
- f. can present Certification from NRDC Secretariat or local Authentication Processing Committee that he/she is a qualified beneficiary of the Program.

1.2 Organization, documentation and registration of the cooperative

- a. a pre-organizational seminar shall be held for a group whose number must not be less than 15, wherein the group will decide on:
 - a.1 type of cooperative
 - a.2 name of the cooperative
 - a.3 services of the cooperative
 - a.4 election of officers
 - a.5 ratification of articles of cooperation and by-laws
- b. Documents shall be prepared in compliance and in accordance with RA 6939
- c. Said cooperative shall be registered with the proper CDA Extension Office and will be issued the Certificate of Registration upon compliance with the requirements set forth by the Cooperative Development Authority.

2. Operationalization of the Cooperative

- 2.1. Immediately upon the organization of the cooperative, the Board of Directors shall set policies of implementation for ratification by its members.
- 2.2. Training assistance designed to improve the capability of the cooperative towards management of services and business of the cooperative shall be

programmed. This will include business management entrepreneurial development, technical trainings, bookkeeping and accounting, etc.

2.3. Financial assistance shall be extended to cooperatives upon submission of the project proposal with the proof of viability thereof together with its socio-economic justifications. The cooperative must fill up the required loan application form and will submit the following documents:

- a. Xerox copy of Certificate of Registration, by-laws and articles of cooperation.
- b. Resolution of the general assembly and the Board of Directors requesting for financial assistance.

3. Supervision monitoring, follow-up and evaluation of Cooperative Operation

3.1. Designation of Project Coordinator. A Cooperative Development Specialist II of the CDA assigned in the province shall be designated as Project Coordinator in addition to his present duties and responsibilities. Specifically, he/she shall

- a. Assist in the organization, documentation and review of documents for registration of the cooperative for beneficiaries;
- b. Coordinate/establish linkages with other GOs, NGOs, Cooperative Unions/Federations and Cooperative Councils on the conduct of training programs and other assistance;
- c. Assist the cooperatives for the appropriate identification and packaging of project proposals for submission to the NRDC Secretariat and/or other sources

of funds, recognized NGOs, Cooperative Unions/Federations and Cooperative Councils or individuals;

- d. Facilitate consultation between the cooperative and the NRDC Project Officer who shall recommend and endorse the projects for financial assistance and release of funds; and
- e. Facilitate coordination between the cooperative and the NRDC Project Officer regarding the supervision, monitoring and evaluation of assisted projects. Based on official findings, the project may be recommended for expansion or termination by the cooperative and the NRDC Secretariat.

3.2. Designation of Project Officer - the NRDC Secretariat in coordination with the LGU shall designate a Project Officer to be assigned in the province and shall perform the following:

- a. Provide the CDA with authenticated list of beneficiaries in their own area of operation. Such list shall include basic information on the individual beneficiary as the Christian/registered name, aliases, age, date of birth, place of birth, sex, civil status, number of dependents, and other vital information;
- b. Assist the CDA Project coordinator in facilitating and conducting of trainings and activities that will hasten the rehabilitation/assimilation of the beneficiary to the mainstream of society;
- c. Assist the beneficiary in the identification of appropriate projects based on available resources in the area and in sourcing of funds;

- d. Provide the necessary protection and legal assistance to the beneficiary whenever necessary;
- e. Jointly and in coordination with the cooperative shall monitor, evaluate and supervise assisted projects;
- f. Submit monthly reports to the Technical Committee. Such reports shall include accomplishments, activities conducted including the name and number of clientele served, problems encountered, solutions undertaken, comments and recommendation.
- g. Together with the NGO Cooperative Unions/Federations and Cooperative Councils and/or accredited consultant assisting the cooperative shall evaluate project proposals, recommend and endorse the same to the NRDC Secretariat and/or other fund sources for appropriate financial assistance;
- h. Recommend cooperatives for continuing support and financial assistance.

3.3 The Technical Committee shall conduct semestral/annual evaluation of the program and shall recommend measures to further strengthen the program.

3.4 To facilitate the reintegration of the beneficiary into the mainstream of society, existing cooperatives may admit him/her as member, upon compliance with requirements and submission of certification by the local Authentication Processing Committee or the NRDC Secretariat to the qualified beneficiaries.

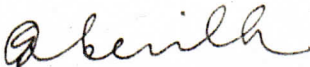
4. Information Dissemination - The NRDC and the CDA shall disseminate this implementing guidelines to their respective field offices, other GOs, NGOs and the cooperative sector.



5. Effectivity - These guidelines shall take effect immediately upon signing of the respective head of offices of DILG and CDA.

For guidance and strict compliance.

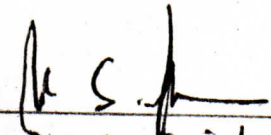
COOPERATIVE DEVELOPMENT
AUTHORITY

DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT/
NATIONAL RECONCILIATION AND
DEVELOPMENT COUNCIL


EDNA E. ABERILLA
Chairman

 2
RAFAEL M. ALUNAN III
Secretary, DILG & 
Chairman, NRDC

WITNESSES


CDA Administrator

OBSOLETE