



COOPERATIVE DEVELOPMENT AUTHORITY

827 Aurora Blvd., Service Road, Brgy. Immaculate Concepcion, Cubao, 1111 Quezon City, Philippines
cda.gov.ph helpdesk@cda.gov.ph CDA Philippines



International Year
of Cooperatives

Cooperatives Build a Better World

MEMORANDUM CIRCULAR 2025 - 02 Series of 2025

SUBJECT : REVISED GUIDELINES ON THE SUBMISSION OF REQUIRED REPORTS AND PRESCRIBING THE REQUIREMENTS FOR THE ISSUANCE OF A CERTIFICATE OF COMPLIANCE (COC) AND THE GROUNDS FOR THE NON-ISSUANCE, SUSPENSION AND REVOCATION OF COC

Pursuant to the rule-making power of the Authority under RA 11364, otherwise known as the Cooperative Development Authority Charter of 2019, the following Guidelines is hereby issued.

SECTION 1. TITLE

This Guidelines shall be known as the **“Revised Guidelines on the Submission of Required Reports and Prescribing the Requirements for the Issuance of a Certificate of Compliance (COC) and the Grounds for the Non-issuance, Suspension and Revocation of COC.”**

SECTION 2. LEGAL BASES

Article 53 of RA No. 9520; Rule 8 of the Revised IRR; Section 4(a), (g), (h) of RA No. 11364; and DOF-DTI Joint Administrative Order 001-2023, including any amendments thereto.

SECTION 3. SCOPE

This Guidelines shall cover all cooperatives registered with the Authority except CSF Cooperatives.

SECTION 4. OBJECTIVES

1. To prescribe the requirements for the issuance of a Certificates of Compliance (COC); and
2. To specify the grounds for the non-issuance, suspension or revocation of COC.

SECTION 5. DEFINITION OF TERMS

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

1. **Authority** - refers to the Cooperative Development Authority.

2. **Calendar Year** - refers to the one (1) year period that begins on January 1 and ends on December 31.
3. **Certificate of Compliance (COC)** - refers to the certificate issued to the cooperative after complying with the rules and regulations being implemented by the Authority.
4. **Fiscal Year** - refers to the operating cycle of business operations and activities of a cooperative, covering a twelve (12) month period as provided in the by-laws of the cooperative. The calendar year may be adopted as the fiscal year.
5. **Legitimate Purpose** - refers to any purpose that is not contrary to law, morals, good customs, public order or public policy.
6. **Newly Registered Cooperative** - refers to a cooperative with less than one (1) year of operation from the date of its registration as of December 31 of the preceding year.
7. **Suspension** - refers to temporarily invalidating the issued COC of the cooperative.
8. **Revocation** - refers to the official cancellation of the issued COC.

SECTION 6. PURPOSES OF A CERTIFICATE OF COMPLIANCE (COC)

A COC shall be issued for any of the following purposes:

1. To affirm the cooperative's compliance with the submission of required reports as prescribed by the Authority;
2. To secure a Certificate of Tax Exemption (CTE) and to avail incentives and privileges set forth under Articles 60 and 61 of RA 9520, other related laws and issuances of government Agencies;
3. To avail of local tax exemption privileges and secure permits and licenses prescribed under the provisions of the RA7160 or Local Government Code of 1991 and subsequent amendments thereto;
4. To comply with the requirements for accreditation as CDA training provider; and;
5. Such other legitimate purposes it may serve.

SECTION 7. REQUIREMENTS FOR THE ISSUANCE OF CERTIFICATE OF COMPLIANCE

The following reports are required to be submitted for the issuance of a COC:

7.1 For Primary Cooperatives, Federations, Cooperative Banks, and Insurance Cooperatives

1. Cooperative Annual Progress Report (CAPR) with the following attachments:
 - a. Financial Statements audited by a CDA-accredited external auditor, which consists of the following:
 1. Statement of Management Responsibility signed by the Chairman and Treasurer
 2. Auditor's Report/Opinion
 3. Statement of Representation
 4. Statement of Financial Condition
 5. Statement of Operation
 6. Statement of Changes in Equity
 7. Statement of Cash Flows
 8. Notes to Financial Statements
 - b. List of Officers and Mandatory Training Undertaken/ Completed;
 - c. Social Audit Report including its program of activities pursuant to its socio-civic goals;
 - d. Performance Audit Report; and
 - e. Semi-annual Report on Mediation and Conciliation .
2. Annual Tax Incentive Report (ATIR) and Annual Benefits Report (ABR) for cooperatives issued with CTE
3. Sworn Statement of Cooperative officers affirming their adherence to the provisions of RA 9520 and the provisions of CDA MC 2024-16 (Annex A)
4. Certificate of Compliance (COC) fee of P100.00

7.2 For Electric Cooperatives

1. Cooperative Annual Progress Report (CAPR) with the following attachments:
 - a. Financial Statements audited by a CDA- accredited external auditor (same as 7.1.1a);
 - b. List of Officers and Mandatory Trainings Undertaken/ Completed;

- c. Social Audit Report including its program of activities pursuant to its socio-civic goals;
 - d. Performance Audit Report;
 - e. Semi-annual Report on Mediation and Conciliation;
 - f. List of Member-Consumer-Owners (MCO) issued with Share Capital Certificate
2. Annual Tax Incentive Report (ATIR) and Annual Benefits Report (ABR) for cooperatives issued with CTE only
 3. Sworn Statement of Cooperative officers affirming their adherence to the provisions of RA 9520 and the provisions of CDA MC 2024-16 (Annex A)
 4. Certificate of Compliance (COC) fee of P100.00

7.3 For Union of Cooperatives

1. Cooperative Annual Progress Report (CAPR) with the following attachments:
 - a. Financial Statements audited by a CDA- accredited external auditor, which consist of the following;
 1. Statement of Management Responsibility signed by the Chairman and Treasurer
 2. Auditor's Report/Opinion
 3. Statement of Representation
 4. Statement of Financial Condition
 5. Statement of Receipts and Disbursements,
 6. Statement of Changes in Fund Balance
 7. Statement of Cash Flows
 8. Notes to Financial Statements
 - b. List of Officers and Mandatory Trainings Undertaken/ Completed;
 - c. Social Audit Report including its program of activities pursuant to its socio-civic goals;
 - d. Performance Audit Report (Governance and Management Audit Report only);
 - e. Semi-annual Report on Mediation and Conciliation;
2. Annual Tax Incentive Report (ATIR) and Annual Benefits Report (ABR) for cooperatives issued with CTE
3. Sworn Statement of Cooperative officers affirming their adherence to the provisions of RA 9520 and the provisions of CDA MC 2024-16 (Annex A)

4. Certificate of Compliance (COC) fee of P100.00

7.4 For Newly Registered Cooperatives

For newly registered cooperatives, the initial COC shall be automatically issued together with the Certificate of Registration valid until April 30 of the immediately succeeding year.

For the immediately succeeding year, these cooperatives shall be required to submit the following:

1. Cooperative Annual Progress Report (CAPR) with the following attachments:
 - Financial Status Reports signed by the Audit Committee and the Chairman of the Cooperative , which consist of the following:
 - Statement of Financial Condition (Annex B)
 - Statement of Operation (Annex C)
2. Annual Tax Incentive Report (ATIR) and Annual Benefits Report (ABR) for cooperatives issued with CTE
3. Sworn Statement of Cooperative officers affirming their adherence to the provisions of RA 9520 and the provisions of CDA MC 2024-16 (Annex A)
4. Certificate of Compliance (COC) fee of P100.00

SECTION 8. SUBMISSION OF THE REQUIRED REPORTS BY THE COOPERATIVES USING FISCAL YEAR OTHER THAN THE CALENDAR YEAR

All cooperatives whose fiscal year ends on a date other than December 31 as stated in their By-Laws shall submit the required reports within 120 calendar days from the end of the Calendar Year.

With regard to the Audited Financial Statement (AFS) requirement, the cooperative shall submit the latest AFS as of the reporting year.

SECTION 9. ONLINE SUBMISSION OF REQUIRED REPORTS

A. For CY 2024 Reports

All types and categories of Cooperatives except primary micro cooperatives shall submit the requirements enumerated in Section 7 of this Guidelines through the Cooperative Assessment Information System (CAIS). Newly registered cooperative shall likewise submit the requirements enumerated in Section 7.5 of this Guidelines through CAIS.

Primary cooperatives categorized as micro shall submit the required simplified reports using the prescribed Google Form in the Online Services (Submission of Reports) tab in the CDA Website.

The hard copies of the Audited Financial Statement shall be submitted to the Authority or may be uploaded through the Google Form that can be accessed under the same tab to expedite the evaluation of the submitted reports.

B. For CY 2025 Reports Onwards

The requirements enumerated in Section 7 of this Guidelines shall be submitted online through the Authority's new Reporting System.

The Audited Financial Statements (AFS) shall be uploaded by all cooperatives upon submission of other required reports in the system.

After a successful submission, the cooperative shall receive a confirmation email that their submission has been received and will be subject for evaluation.

In exceptional circumstances, the cooperative may coordinate with the nearest CDA Extension Offices to facilitate the submission of the required reports.

SECTION 10. PERIOD FOR SUBMISSION OF REPORTS AND PENALTY FOR LATE SUBMISSION

All registered cooperatives shall submit/file with the Authority the aforementioned reports through the Authority's Online Reporting System within 120 days after the close of the calendar year.

Failure to file the required reports as enumerated in Section 7 of this Guidelines within the prescribed period shall subject the accountable officers to a fine of Php 100.00/per day of delay.

SECTION 11. NON-SUBMISSION OF REQUIRED REPORTS

If a cooperative fails to submit the required reports, the Authority shall, within fifteen (15) days from the expiration of the prescribed period for submission, send a Notice of Non-Submission of Required Reports, stating its non-compliance and the commensurate penalties that will be imposed until such time that the cooperative has complied with the requirements.

SECTION 12. REPORTS WITH DEFICIENCY

All submitted reports shall be subject to evaluation of the Authority. If there are findings, a Notice of Deficiency shall be sent to the cooperative's official email address for Correction/compliance.

The cooperative shall comply with the findings within fifteen (15) calendar days from the receipt of the notice. Non-compliance within the said period shall mean non-submission of required reports and the monetary penalty of One Hundred Pesos (Php100.00) per day of delay shall be imposed after the lapse of the 15-day period until compliance or submission of complete reports.

SECTION 13. ISSUANCE OF SCO

All cooperatives that failed to submit the required reports, including those that submitted incomplete reports and failed to comply with the noted deficiencies, until June 30 of the current year, shall be issued SCO within the month of July of the current year thru mail, personal service or electronic means.

If the cooperative files an answer, submit the required reports and the corresponding penalties, if applicable, within fifteen (15) days from receipt of the Show Cause Order, the SED/SES shall, within ten (10) working days cause the lifting of the SCO and issue the corresponding COC.

If the cooperative fails to file an answer, submit the required reports and pay the corresponding penalties, if applicable or still not able to fully and substantially comply with the order, the CDA, shall commence the proceedings for revocation of the Authority to Operate as such in accordance with Art 53 of RA 9520.

SECTION 14. WAIVER OF COMPLIANCE WITH THE REQUIRED REPORTS

The submission of the reports may be waived in case of total destruction/loss of records and reports due to *force majeure* or fortuitous events subject to the following requirements:

1. Certification issued by the Local Government Unit (LGU) or Barangay or through their respective local Disaster Risk Reduction Management Council (DRRMC) where the principal office of the cooperative is located stating the occurrence of such force majeure or fortuitous event;
2. Letter of application for relief in the submission of regulatory requirements signed by the Chairperson and/or the General Manager of the cooperative; and

3. **Damage Assessment Report.**

The concerned Extension Office shall evaluate the submitted requirements and shall endorse it to the CDA Board of Directors through the Supervision and Examination Division for approval. Once approved, the COC shall be issued to the cooperative, unless there is a ground for its non-issuance other than the non-submission of required reports. In which case, the COC shall only be issued upon showing of proof that the ground/s for non-issuance is no longer existing.

SECTION 15 . ISSUANCE AND VALIDITY OF COC

A. For CY 2025 COC

Upon approval of the submitted required reports and payment of corresponding fees, the Authority shall release the COC in either of the following manner:

1. Personally, through the CDA Head Office or Extension Office; or
2. Through registered mail or courier services

B. For CY 2026 COC Onwards

Upon approval of the submitted required reports and payment of corresponding fees, the cooperative will receive an email notification that the COC is available for printing. Then the cooperative can print the e-certificate of compliance.

The COC hereby issued shall be valid and effective until April 30 of the succeeding year unless earlier suspended or revoked for cause.

SECTION 16. UNSUBMITTED REPORTS FOR THE PREVIOUS YEAR/S

Reports for previous year/s except for the Audited Financial Statements shall no longer be required to be submitted, however, payment of corresponding monetary penalties for a maximum 1-year period shall be required. COC covering those years shall no longer be issued.

The cooperative is still required to submit the comparative Audited Financial Statement for the last two (2) years preceding the current reporting period.

SECTION 17. GROUNDS FOR NON-ISSUANCE OF A CERTIFICATE OF COMPLIANCE

The cooperative will receive an email notification of the non-issuance of COC on any of the following grounds, after evaluation by the SED/SES:

1. Non-submission of the required reports;
2. Any significant discrepancies between the encoded online reports and the uploaded copies in portable document format (PDF) of the Audited Financial Statements.
3. Non-payment of monetary penalties for late or non-submission of required reports except micro cooperatives;
4. Non-settlement of the monetary and non-monetary obligations to the Authority, such as but not limited to unliquidated grants/loans unless an arrangement on the settlement has been made/approved;
5. Willful failure to comply with the mandatory trainings for officers in accordance with Rule 7, Section 5 of the Revised IRR of RA No. 9520 and CDA MC No. 2015-09 and their subsequent amendments;
6. The cooperative has two or more sets of Board of Directors claiming to be the legitimate officers of the cooperative and the dispute becomes the subject of a verified complaint filed with the Authority;
7. The cooperative has been issued with a Show Cause Order (SCO);
8. The cooperative is undergoing dissolution proceedings;
9. The cooperative has been issued with Cease-and-Desist Order (CDO);
10. The previous COC has been suspended or revoked and the grounds/s for such suspension or revocation has not been complied with.
11. The cooperative has not complied with an order or directive to comply with the examination or investigation findings or other directives;
12. The cooperative has failed to comply with the provision of the guidelines on the Standard Chart of Accounts (SCA), Philippine Financial Reporting Framework for Cooperatives (PFRF), Remittance and Utilization of Cooperative Education and Training Fund (CETF), Utilization of Cooperative Development Fund (CDF) and other issuances of the Authority as a result of inspection, and
13. The cooperative or any of its Officers have been found to have incurred any act or omission in violation of Articles 45, 48 and 49 of RA 9520 and other acts or omissions which constitute conflict of interest as stated in CDA

Memorandum Circular No. 2024-16 (“Reiteration of the Prohibitions Under Articles 45, 48 and 49 of Republic Act No. 9520”) dated July 1, 2024.

The Authority, upon receipt of proof that the ground/s has/have already been addressed/complied with, shall issue the COC.

SECTION 18. GROUNDS FOR SUSPENSION OF THE CERTIFICATE OF COMPLIANCE

Any of the following shall be a ground for the suspension of a COC:

1. The cooperative has two or more sets of Board of Directors claiming to be the legitimate officers of the cooperative and the dispute becomes the subject of a verified complaint filed with the Authority and competent court;
2. The cooperative has been issued with a Show Cause Order (SCO);
3. The cooperative has been issued with an Order to Comply based on the examination or investigation findings and failed to comply with such, despite notices from the Authority;
4. The cooperative has been issued with a Cease-and-Desist Order (CDO);
5. The cooperative has not complied with the undertaking/arrangement on the settlement of monetary and non-monetary obligations to the Authority as referred in Nos. 3 and 4 of Section 16 hereof;
6. Non-action within the prescribed period to address any material findings in the analysis of Audited Financial Statement;
7. The cooperative failed to comply with the issuances of the Authority.
8. The cooperative or any of its Officers have been found to have incurred any act or omission in violation of Articles 45, 48 and 49 of RA 9520 and other acts or omissions which constitute conflict of interest as stated in CDA Memorandum Circular No. 2024-16 (“Reiteration of the Prohibitions Under Articles 45, 48 and 49 of Republic Act No. 9520”) dated July 1, 2024.

SECTION 19. PROCEDURES IN THE SUSPENSION AND EVENTUAL REVOCATION OF A CERTIFICATE OF COMPLIANCE

The following are the procedures in the suspension of an issued COC:

1. The Administrator, for Insurance Cooperatives, or the Regional Director, for cooperatives under EO's jurisdiction , after due process, shall issue Order of Suspension of COC either thru registered mail, e-mail or personal delivery, stating therein the ground/s for suspension and directives for the cooperative to comply/respond;
2. Within ten (10) calendar days from the receipt of the order of suspension, the cooperative shall submit a response detailing its actions and proof of compliance to the Authority's directives;
3. Upon receipt of the cooperative's response, the Authority shall review the merit of the cooperative's actions and proof of compliance.
 - a. If meritorious, an Order Lifting the Suspension of the COC shall be issued to the cooperative.
 - b. If the response was not satisfactory, an Order of Revocation of COC shall be issued.
4. In case the order was issued at the regional level, the Administrator and RSES Deputy Administrator shall be provided with a copy of the said order.

SECTION 20. INTERVENTIONS TO FACILITATE COMPLIANCE OF COOPERATIVES WITH SPECIAL CONCERNS

The Regional Extension Offices shall provide technical assistance or interventions to cooperatives with special concerns or difficulties (i.e. ELCAC with internet issue, PWDs, IPs, farmers, and fisherfolks) to help them comply with the Authority's directive/requirements in relation to Section 17 of this Guidelines.

SECTION 21. AUTOMATIC REVOCATION OF A CERTIFICATE OF COMPLIANCE

In addition to the instance mentioned in Section 19 of this Guidelines, the COC is automatically revoked in any of the following instances:

1. The cooperative was issued an Order of Dissolution;
2. Revocation or Cancellation of Certificate of Registration;
3. The cooperative was dissolved by order of a competent court.

SECTION 22. POSTING/PUBLICATION OF REVOKED COCs

A public notification on the Revocation of COC shall be posted in the CDA website and other CDA official social media sites.

The CDA Extension Office shall post the List of Cooperatives with revoked COCs in conspicuous place within its office premises.

A copy of the Order of Revocation shall be furnished to other concerned government agencies, financial institutions and other entities, as may be deemed proper.

SECTION 23. EFFECTS OF NON-ISSUANCE, SUSPENSION OR REVOCATION OF COC

During the period for which cooperative has not been issued with COC or the COC is suspended or revoked, the following shall be the consequences;

A. TO THE COOPERATIVE

1. No Certification of whatever nature shall be issued endorsing the cooperative to avail of the privileges, benefits or programs and projects from CDA or other agencies; and
2. Tax exemption privileges and application for renewal of Certificate of Tax Exemption may be adversely affected;

B. TO THE ACCOUNTABLE OFFICERS

The cooperative, through the Board of Directors, or the General Assembly, in case the majority of the Board of Directors are the offender, shall initiate the imposition of the following sanctions to the accountable officers:

1. Barred from continuing as officers of the primary cooperatives;
2. Barred from continuing as officers of the secondary/tertiary cooperatives;
3. Disqualified to be elected or appointed in the concerned primary/secondary/tertiary cooperative for the immediately succeeding two (2) consecutive years;
4. Barred from continuing as officers of CDCs, RCOs, SAOs, NAC or other cooperative organizations where the cooperative is affiliated or a member; and
5. Shoulder the payment of the cooperative's fine of php 100.00 per day of delay, in the case of non-issuance of COC due to non-submission of reports; and
6. Shoulder the payment of tax and other penalties imposed by BIR and other agencies as a result of the non-issuance, suspension and revocation of COC.

SECTION 24. INFORMATION DISSEMINATION

All Extension Offices of the Authority shall cause the widest dissemination of this Guidelines to ensure compliance.

SECTION 25. MONITORING AND REPORTING

The CDA Head Office and Extension Offices shall maintain a database for the proper monitoring of the implementation of these guidelines. There shall be regular monitoring of the strict adherence to these guidelines and establish a systematic feedback mechanism, and evaluate, address, and report implementation and policy issues that may arise.

SECTION 26. REPEALING CLAUSE

This Guidelines repeals Memorandum Circular No. 2022-19, dated July 12, 2022, and other related issuances which are inconsistent herewith.

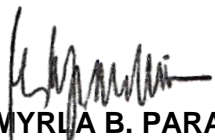

SECTION 27. EFFECTIVITY

This Memorandum Circular shall take effect immediately upon publication in the Official Gazette or newspaper of general circulation and filing of the copy with the Office of the National Administrative Register (ONAR).

Approved pursuant to Board Resolution No. 074, Series of 2025 dated February 12, 2025.

Issued this 25th day of February 2025.

For the Board of Directors:


ASEC. MYRLA B. PARADILLO
CIC-Chairperson


SWORN STATEMENT

We, the undersigned Board of Directors, officers, or committee members of (insert name of cooperative) with office address at _____, do solemnly swear that as directors, officers, or committee members, we are fully aware of and committed to abiding by the provisions set forth in Article 45 concerning the Liability of Directors, Officers, and Committee Members, Article 48 addressing the Disloyalty of a Director, and Article 49 pertaining to the Illegal Use of Confidential Information under Republic Act No. 9520 or the Philippine Cooperative Code of 2008.

We understand that any violation of the aforementioned articles may lead to administrative, civil, and criminal liabilities. With full awareness of the legal consequences, we pledge to uphold the principles of integrity, loyalty, and confidentiality in the performance of our duties, recognizing the gravity of the penalties stipulated in the law and issuance of the Cooperative Development Authority for any breach of these responsibilities.

We have hereunto affixed our signatures above printed name and competent identification card, this day of _____, 20__ at _____.

_____	_____
_____	_____
_____	_____
_____	_____

SUBSCRIBED AND SWORN to me before this ____ day of _____, 20__ at _____, the affiants exhibited to me their competent identification cards as indicated below their names.

NOTARY PUBLIC

Doc. No. _____
Page No. _____
Book No. _____
Series of _____

FINANCIAL STATUS REPORT

NAME OF COOPERATIVE : _____

ADDRESS: _____

REGISTRATION NO. _____

TIN _____

CONTACT NUMBER _____

EMAIL ADDRESS _____

STATEMENT OF FINANCIAL CONDITION

For the _____ months ending, _____, _____

ASSETS	
Cash	
Loans Receivable	
Accounts Receivable	
Investments	
Inventories	
Prepayments	
Properties and Equipment	
Intangible Assets	
Other Assets	
TOTAL ASSETS	

LIABILITIES AND MEMBERS' EQUITY	
Current Liabilities	
Long Term Liabilities	
Other Liabilities	
TOTAL LIABILITIES	
Paid-up Capital	
Donations and Grants	
Stutory Funds	
Undivided Net Surplus	
TOTAL MEMBERS' EQUITY	
TOTAL LIABILITIES AND MEMBERS' EQUITY	

Audited by:

Approved by

Audit Committee

Chairman

(for newly registered coop)

FINANCIAL STATUS REPORT

NAME OF COOPERATIVE : _____

ADDRESS: _____

REGISTRATION NO. _____

TIN _____

CONTACT NUMBER _____

EMAIL ADDRESS _____

STATEMENT OF OPERATION

For the _____ months ending, _____, _____

Gross Revenues	
Sales of Goods	
Sales of Services	
Income from Credit Operations	
Total Revenues	
Cost of Sales/Services	
Cost of Sales	
Cost of Services	
Total Cost of Sales/Services	
Gross Revenues	
Less Expenses	
Finance Cost	
Administrative Coste	
Total Expenses	
Net Surplus/(Loss)	
Allocation for:	
Reserve Fund	
Optional Fund	
CETF	
Community Development Fund	

Audited by:

Audit Committee

Approved by

Chairman