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MEMORANDUM CIRCULAR NO. 2026-09
Series of 2026

SUBJECT: INTERIM GUIDELINES IN THE FILING OF MOTION FOR RECONSIDERATION OF CANCELLED COOPERATIVES

RATIONALE

CDA Memorandum Circular No. 2024-09 was implemented to provide reprieve to cooperatives who have pending involuntary dissolution cases by virtue of an Amnesty Program for Revival of Dissolved cooperatives or Revitalization of Non-Compliant cooperatives thereby making it easier for them to regain compliant status otherwise not available or not provided under existing regulations.

The said Program took effect from May 17 to November 30, 2024. Despite the massive information dissemination and conduct of orientation to implement the program, only a handful of cooperatives covered have applied and been granted amnesty. As provided in the Transitory and Miscellaneous Provisions of the Circular, "all cooperatives covered have only until November 30, 2024 to file their respective applications, otherwise, an Order of Cancellation shall forthwith be issued."

In order to address this concern and provide for a uniform guideline in the filing of MR or Appeal of cancelled cooperatives, the Omnibus Rules of Procedures shall be amended. In the meantime, and in view of the mounting requests and pleas from the cooperative sector affected, this Interim Guidelines is issued.

LEGAL BASES

Section 4 (a) R.A. No. 11364 - Develop and formulate, in consultation with the cooperative sector and other concerned institutions, appropriate regulations, standards, rules, orders, guidelines and/or circulars to implement this Act and Republic Act 9520 to ensure the effective and sound operation of cooperatives.

Section 4 (q) R.A. No. 11364 – Order the suspension or cancellation of the Certificate of Registration of cooperatives and/or the revocation of the Letter of Authority and/or Certificate of Authority to establish and operate satellite or branch offices, respectively, after due notice and hearing for noncompliance with lawful orders, rules and regulations of the Authority, including the ACBL of the cooperative subject to the conditions as defined in the implementing rules and regulations (IRR) of this Act.

Section 4, Rule XIV, IRR of R.A. No. 11364 – The Authority shall formulate its internal rules of procedure for the implementation of this Rule.

Rule VIII, Article IX (Cancellation of Certificate of Registration), Section 3(5), Omnibus Rules of Procedures of CDA – Cancellation by the Authority of the Certificate of Registration of the cooperative. This shall take effect immediately upon issuance of the Order of Cancellation.

Item D (Transitory and Miscellaneous Provisions), Section 1, CDA Memorandum Circular 2024-09 – All cooperatives covered by this Circular have only until November 30, 2024 to file their respective applications, otherwise, an Order of Cancellation shall forthwith be issued for all pending cases on record.

COVERAGE

These Guidelines shall only apply to cancelled cooperatives that have been issued an Order of Cancellation starting from December 2024.

Excluded from coverage are cooperatives whose cancellation has become final and executory prior to the effectiveness of CDA MC 2024-09 and those who are cancelled after undergoing voluntary dissolution.

GENERAL GUIDELINES

Section 1. GROUNDS FOR FILING THE MOTION FOR RECONSIDERATION

1. Substantial compliance to the Show Cause Order and deficiencies thereat;

2. Non-receipt of Show Cause Order or any other Orders relating to the cancellation of the Certificate of Registration; or

3. Circumstances That May Also Warrant Reconsideration

   Subject to the submission of substantial evidence, the following circumstances may likewise justify the grant of reconsideration, provided that the cooperative has acted in good faith:

   a. The cooperative continues to operate and serve its members despite the issuance of a dissolution order, with no intent to violate existing cooperative laws and the issuances of the Cooperative Development Authority (CDA);
   b. Delay or failure to comply with reportorial requirements due to force majeure, natural calamities, or serious economic disruption;
   c. Documentary or procedural lapses which are not substantial and can be remedied within a reasonable time;
   d. Any other analogous situations that would warrant equitable relief and the promotion of cooperative development in accordance with law.

4. Within thirty (30) calendar days from the effectivity of this Circular, the cooperative may move for reconsideration of such order, resolution, or decision on any of following the grounds:

   a. The findings of fact in the said decision, order, or resolution are not supported by substantial evidence;
   b. The conclusions stated therein are contrary to law and jurisprudence;

c. Newly discovered evidence (as defined by the rules of court and/or jurisprudence)

The motion for reconsideration shall be filed in two(2) original copies together with proof of service of a copy thereof upon the adverse party. Only one (1) Motion for Reconsideration shall be allowed for each party.

In cases where a Motion for Reconsideration is based on multiple grounds, the reckoning date for the filing thereof shall be determined from the latest date of occurrence or discovery of the ground invoked. Accordingly, the reglementary period shall be counted from the later date applicable to any of the grounds cited, provided that such ground is supported by substantial evidence and properly alleged in the Motion.

Section 2: DOCUMENTARY REQUIREMENTS

1. Verified Motion for Reconsideration specifically alleging the grounds relied upon;

2. Minutes of General Assembly Meeting with Attendance Sheet duly approved by at least a majority vote of the members present and constituting a quorum authorizing the filing of the MR and the authorized signatory to the same.

3. Proof of substantial compliance to the grounds of cancellation as indicated in the Show Cause Order and/or Deficiency Notice/s with an Affidavit of Undertaking that the deficiencies shall be completed within a period of forty–five (45) calendar days from filing of the MR.

   In the case of violation of Art. 53 (multiple years of non-submission of reports), only the preceding Fiscal Year's full annual report shall be required and all the comparative Audited Financial Statement. If there is a monetary penalty for the delay, only the payment of corresponding assessment for a maximum 1-year period shall be required;

4. Proof of non-receipt of Show Cause Order or any other Orders relating to the cancellation of the Certificate of Registration, if applicable. If the Authority does not have any documentation showing the order was refused or returned due to failure to deliver (RTS), the cooperative may request from Philpost a Certification that no delivery has been made to that effect, and submit such Certification as proof.

5. Proof of payment of Filing Fee of Three Hundred Pesos (P300.00) and assessed monetary penalties, if applicable.

Section 3: PROCESSING AND EVALUATION OF THE MOTION FOR RECONSIDERATION

1. Upon receipt of the MR with complete documentary requirements and the supporting documents, the CDA Regional Extension Office having jurisdiction over the cooperative filing the MR shall immediately assess the sufficiency of the documents submitted as to form and completeness of the documentary requirements prescribed in Section 2 hereof before requiring the payment of filing fee using a pro forma Checklist;

2. If the Motion for Reconsideration is found not sufficient in form and/or substance, or the cooperative fails to comply with the requirements despite notice and opportunity to correct the deficiencies, including those stated in the undertaking, the MR shall be outrightly dismissed.

3. If the Motion for Reconsideration (MR) is found sufficient as to form and completeness, the same shall be evaluated within a period of forty (40) working days as to its merit. If found meritorious, the CDA REO shall issue an Evaluation Letter informing the cooperative of the acceptance of the MR and granting the cooperative the remaining period, as stated in Section 2(3) hereof, to complete the committed compliance with the noted deficiencies.

4. If the cooperative is able to complete the deficiencies within the remaining period after filing of the MR, the CDA REO shall issue a Resolution recalling the Order of Cancellation, otherwise, the Resolution shall deny the MR; and

5. If evaluation reveals that the same is not meritorious, the CDA REO shall issue a Resolution denying the MR.

Section 4: EFFECT OF GRANT OF THE MOTION FOR RECONSIDERATION

1. The cooperative shall be issued with a Certificate of Compliance (COC) valid until April 30 of the following year subject to compliance with the CDA existing rules and regulations.

2. All Notices and Advisories issued declaring the cooperative as cancelled shall be replaced with the Status as Compliant.

SECTION 5. EFFECT OF THE DENIAL OF THE MOTION FOR RECONSIDERATION

The Resolution denying the Motion for Reconsideration may be appealed within fifteen (15) calendar days from its service upon the cooperative through electronic mail and registered mail sent to its registered principal office address, as indicated in its latest Articles of Cooperation and Bylaws on file with the concerned CDA Regional Extension Office. Provided further that the Resolution denying the MR shall be final and executory after the lapse of said period.

If the cooperative is represented by counsel, service to counsel shall be deemed proper notice and service to the cooperative concerned. No second Motion for Reconsideration or any other pleading shall be entertained.

Section 6: APPEAL OF THE RESOLUTION DENYING MOTION FOR RECONSIDERATION

Decisions, resolutions, or final orders of the CDA Regional Offices that completely dispose of the case may be appealed to the CDA Board within fifteen (15) calendar days from receipt thereof. An appeal shall be taken by:

a. Filing a Notice of Appeal to the Regional Extension Office;

b. Furnishing copies of said Notice of Appeal together with the Appellant's Memorandum together with the attachments to opposing party/ies, counsel/s, and CDA HO; and

c. Payment of appeal fee amounting to three hundred pesos (Php 300) and legal research fee amounting to ten pesos (Php 10) following the approved schedule of fees where the decision/resolution was issued.

The Notice of Appeal shall be filed with the Regional Director/Administrator that rendered the decision appealed within fifteen (15) calendar days from receipt of the order of dismissal. The notice of appeal shall indicate the parties to the appeal, the judgment or final order or part thereof appealed from, and state the material dates showing the timeliness of the appeal. Within five (5) working days from receipt of the notice of the appeal, the CDA Regional Office shall transmit the notice of appeal and records of the case to the CDA Board, copy furnished the Legal Affairs Service of the CDA Head Office.

An appeal shall be deemed perfected upon full compliance with the foregoing requirements. Failure to comply with any of these requirements within the reglementary period shall be a ground for dismissal of the appeal.

Provided further, decisions of the CDA Board shall be appealable directly to the Court of Appeals in accordance with Section 3, Rule XII of the Implementing Rules and Regulations of Republic Act No. 11364.

Section 7: TRANSITORY PROVISIONS

1. Pending the final resolution of the MR, the cooperatives concerned are not allowed to continue operating since it has no valid COC, and consequently no valid business permit.

2. The List of Cancelled cooperatives based on CDA MC 2024-09 including the list of cooperatives which were cancelled beginning December 2024 shall be published in the CDA Website and all other social media sites. The 30-day period to file a Motion for Reconsideration shall then be counted from the publication thereof. After the lapse of the period, all Orders of Cancellation shall be deemed final, executory and unappealable.This shall apply on the grounds under Section 2, Items (1),(2), (3), and (5). No Motion for Reconsideration shall be entertained.

3. All pending cases before the Authority shall be automatically remanded to the Regional Extension Office for evaluation, with the cooperative concerned being duly informed to ensure compliance with the Guidelines. Nonetheless, the CDA Head Office may evaluate the matter.

4. The Order of Cancellation (OC) shall become final and executory by operation of these Rules upon the failure of the cooperative to file a verified Motion for Reconsideration or Appeal within fifteen (15) days from receipt thereof, reckoned from the later date of receipt through electronic mail or personal service, registered mail, or accredited courier, whichever comes later.

   This provision shall apply to all orders of cancellation issued after the lapse of 30-day period from the publication of this MC or the lapse of thirty (30) days from the publication of the list of cancelled cooperatives.

5. Upon effectivity of the amended Omnibus Rules of Procedures of CDA, these guidelines shall be deemed superseded accordingly.

Section 8. FINALITY OF THE ORDER OF CANCELLATION

No separate Notice of Finality of the Order of Cancellation shall be issued by the Authority as a matter of course. A Notice of Finality shall be issued only upon the written request of other regulatory or government agencies requiring confirmation of the finality of the Order of Cancellation.

For purposes of clarity, the absence of a Notice of Finality shall not affect the finality, executory character, or enforceability of the Order of Cancellation once the reglementary period has lapsed without the filing of a substantial Motion for Reconsideration or Appeal.

Motions, Petitions and similar pleadings filed after thirty (30) days period shall be considered mere scrap paper, hence shall not be acted upon by the Authority

Section 9. PRESUMPTION OF REGULARITY IN THE PERFORMANCE OF OFFICIAL FUNCTIONS

For purposes of these Rules, the service of the Order of Cancellation (OC) upon the cooperative through its official email address and/or registered principal office address, as appearing in the records of the Authority, shall enjoy the presumption of regularity in the performance of official functions. Such service shall be deemed valid, effective, and complete, unless proven otherwise by clear and convincing evidence.

The burden of proving non-service or improper service shall rest upon the movant or appellant. In cases where the physical copy of the Show Cause Order (SCO) or Order of Cancellation (OC) is returned to sender (RTS) by the post office, service of subsequent issuances, including the OC, shall no longer be effected through the same mode. In such instances, service shall be made exclusively through electronic means, using the cooperative's official email address on record, and such service shall be deemed sufficient and binding.

Failure of the cooperative to update or maintain a valid official email address or registered principal office address in the records of the Authority shall not prejudice the validity of service duly made in accordance with this Section.

Section 10. APPEARANCES

An attorney appearing for a party is presumed to be properly authorized for that purpose. A non-lawyer may appear before the Authority pursuant to Rule 138 Section 34 of the Rules of Court, if:

(a) he or she represents himself or herself as party to the case of his or her cooperative.

(b) he or she represents the primary cooperative, federation or union or its members; provided that he or she shall be made to present written proof that he or she is an authorized representative of the primary cooperative, federation or union

Appearances may be made orally or in writing. In both cases, the complete office address shall be made of record and the adverse party or his counsel/representative properly advised. Any change in the address of counsel/representative should be filed with the record of the case and furnished to the adverse party or counsel.

Section 11. APPLICATION OF OPERATIVE FACT DOCTRINE

Consistent with the Operative Fact Doctrine, the actual existence and implementation of these Guidelines, prior to their repeal, amendment, or declaration of invalidity by a competent authority, shall be recognized as an operative fact producing legal consequences that cannot be unjustly disregarded.

Accordingly, acts performed, decisions made, and rights acquired in good faith pursuant to these Guidelines shall remain valid, effective, and binding, notwithstanding such repeal, amendment, or declaration of invalidity. The subsequent determination of invalidity shall not prejudice or impair vested rights, completed transactions, or lawful acts undertaken in reliance on these Guidelines, insofar as equity and justice so require.

Section 12. SEPARABILITY CLAUSE

If any part or provision of this Circular is declared invalid or unconstitutional, the remaining provisions not affected thereby shall continue to be in full force and effect.

Section 13: EFFECTIVITY

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

Approved per Board Resolution No. 176, s-2026 dated April 22, 2026.

Issued this 4th day June 2026, Quezon City.

For the CDA Board of Directors:

USEC. ALEXANDER B. RAQUEPO
Chairperson