

NATIONAL ORGANIC AGRICULTURE BOARD

National Organic Agriculture Program, Department of Agriculture, Elliptical Rd., Diliman, Quezon City



NATIONAL ORGANIC AGRICULTURE BOARD

Resolution No. 02
Series of 2024

APPROVING THE IMPLEMENTING GUIDELINES FOR THE ORGANIC LARGE RUMINANT DISPERSAL PROGRAM

WHEREAS, Section 2 of Republic Act No. 10068 or the Organic Agriculture Act of 2010, as amended by Republic Act No. 11511, declares the policy of the State to promote, propagate, develop further, and implement the practice of organic agriculture in the Philippines;

WHEREAS, Section 5 of R.A. 10068, as amended, established the National Organic Agriculture Program (NOAP);

WHEREAS, Section 6 of R.A. 10068, as amended, created the National Organic Agriculture Board (NOAB) as the policy-making body that shall provide direction and general guidelines for the implementation of the NOAP;

WHEREAS, local production of cattle beef and carabeef at 185,000 MT CWE is below the national demand which is estimated at 277,000 MT CWE; while 99% of the dairy requirements of the country is imported from other countries. To address the shortage, the NOAP, in coordination with the BAI and the LGUs, will undertake a cattle and carabao dispersal program beginning 2024;

WHEREAS, the NOAP through the BAI will support interested LGUs who want to avail of the dispersal program; the LGUs will identify qualified beneficiaries who shall raise and breed the animals in an organic production system;

WHEREAS, the NOAP drafted the guidelines for the implementation of the organic cattle and carabao dispersal program;

WHEREAS, this set of guidelines provides the criteria of qualified LGUs/beneficiaries, documentary requirements, mechanics of implementation, and the roles and responsibilities of key stakeholders of the dispersal program;

WHEREAS, this set of guidelines also provides the funding sources and the monitoring and evaluation system of the program;

WHEREAS, presented to the Board during its 19 January 2024 special meeting is the draft circular on the guidelines for the implementation of the large ruminant dispersal program of NOAP;

WHEREAS, the NOAB discussed and approved the guidelines, to include the recommendations and agreements during the meeting;

NOW, THEREFORE, this Board, by virtue of the power vested in it by R.A. 10068, as amended, has **RESOLVED**, as it is hereby **RESOLVED**, to approve the implementing guidelines for the large ruminant dispersal program of NOAP;



NATIONAL ORGANIC AGRICULTURE BOARD

National Organic Agriculture Program, Department of Agriculture, Elliptical Rd., Diliman, Quezon City



RESOLVED FURTHER, that a copy of this Board Resolution and the corresponding Draft Memorandum Circular entitled, "IMPLEMENTING GUIDELINES FOR THE ORGANIC LARGE RUMINANT DISPERSAL PROGRAM" be forwarded to the Office of the Agriculture Secretary for the issuance of the corresponding Circular;

APPROVED AND ADOPTED this 19th day of January 2024 via hybrid platform in Quezon City, Philippines by the following NOAB members present:

USEC. ZAMZAMIN L. AMPATUAN

Chairperson

Department of Agriculture (DA)

Date signed: 01-31-24

ASEC. ELIZABETH N. LOPEZ DE LEON

Vice - Chairperson
Permanent Representative
Department of the Interior and Local
Government (DILG)
Date signed: ______

DIR. LUCIENNE S. PULGAR

Permanent Representative
Department of Agrarian Reform (DAR)
Date signed: _____

DIR. JUANITO T. BATALON

Permanent Representative
Department of Science and Technology
(DOST)

Date signed: 01-28-24

USEC. BEVERLY LORRAINE C. HO,
MPH

Permanent Representative Department of Health (DOH) Date signed: ____

ASEC, LEONILA T. BALUYUT

Permanent Representative
Department of Trade and Industry
(DTI)

Date signed:



NATIONAL ORGANIC AGRICULTURE BOARD

National Organic Agriculture Program, Department of Agriculture, Elliptical Rd., Diliman, Quezon City



DEP. DIR. GEN. ROSANNA A. URDANETA

Permanent Representative
Technical Education and Skills
Development Authority (TESDA)
Date signed: _____

att.

COMM. RHODEX P. VALENCIANO

Representative, Indigenous Farmers National Commission on Indigenous Peoples (NCIP)

Date signed: 01 - 91 - 24

MR. GABRIEL A. ARUBIO

MR. CODYNEL D ISEDENIA

Representative, Visayas Small Farmers Aklan Provincial Organic Producers Association (APOPA)

Date signed: 01-80-24

MR. MAEL JETHEL J. KAPUNAN

Representative, Mindanao Small Farmers Peoples Action for Liberal Agriculture Industry (PALAI), Inc.

Date signed: 0-30 - 24

MS. AIMEE LOO PAREDES

andande

Representative, Non-Government Organizations

Cares Channels, Inc.

Date signed: 01 - 49 - 24

MS. DONNA LAO-PADRE

DR, NOEL B, LUMBO

Representative, Agricultural Colleges and Universities

University of the Philippines Los Baños

Date signed: 01 - 28 - 24



NATIONAL ORGANIC AGRICULTURE BOARD

National Organic Agriculture Program, Department of Agriculture, Elliptical Rd., Diliman, Quezon City



HON. ROMMEL C. ARNADO

Representative, National Organization of
Local Government Units
League of Organic Agriculture
Municipalities, Cities and Provinces of
the Philippines
Date signed: 0/ - 24 - 24

MR. ROPOLFO/F. CORTEZ, JR.

Representative, National Association of PGS Groups
Participatory Guarantee System (PGS)

Participatory Guarantee System (PGS)
Pilipinas

Date signed: 01-46-24

Attested by:

DIR BERNADETTE F. SAN JUAN, CESO II

NOAB Secretary

Date signed: 02-01-24



NATIONAL ORGANIC AGRICULTURE BOARD



National Organic Agriculture Program, Department of Agriculture, Elliptical Rd., Diliman, Quezon City

NATIONAL ORGANIC AGRICULTURE BOARD

Resolution No. <u>02</u> Series of 2024

APPROVING THE IMPLEMENTING GUIDELINES FOR THE ORGANIC LARGE RUMINANT DISPERSAL PROGRAM

WHEREAS, Section 2 of Republic Act No. 10068 or the Organic Agriculture Act of 2010, as amended by Republic Act No. 11511, declares the policy of the State to promote, propagate, develop further, and implement the practice of organic agriculture in the Philippines;

WHEREAS, Section 5 of R.A. 10068, as amended, established the National Organic Agriculture Program (NOAP);

WHEREAS, Section 6 of R.A. 10068, as amended, created the National Organic Agriculture Board (NOAB) as the policy-making body that shall provide direction and general guidelines for the implementation of the NOAP;

WHEREAS, local production of cattle beef and carabeef at 185,000 MT CWE is below the national demand which is estimated at 277,000 MT CWE; while 99% of the dairy requirements of the country is imported from other countries. To address the shortage, the NOAP, in coordination with the BAI and the LGUs, will undertake a cattle and carabao dispersal program beginning 2024;

WHEREAS, the NOAP through the BAI will support interested LGUs who want to avail of the dispersal program; the LGUs will identify qualified beneficiaries who shall raise and breed the animals in an organic production system;

WHEREAS, the NOAP drafted the guidelines for the implementation of the organic cattle and carabao dispersal program;

WHEREAS, this set of guidelines provides the criteria of qualified LGUs/beneficiaries, documentary requirements, mechanics of implementation, and the roles and responsibilities of key stakeholders of the dispersal program;

WHEREAS, this set of guidelines also provides the funding sources and the monitoring and evaluation system of the program;

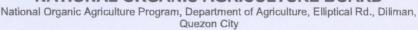
WHEREAS, presented to the Board during its 19 January 2024 special meeting is the draft circular on the guidelines for the implementation of the large ruminant dispersal program of NOAP;

WHEREAS, the NOAB discussed and approved the guidelines, to include the recommendations and agreements during the meeting;

NOW, THEREFORE, this Board, by virtue of the power vested in it by R.A. 10068, as amended, has **RESOLVED**, as it is hereby **RESOLVED**, to approve the implementing guidelines for the large ruminant dispersal program of NOAP;



NATIONAL ORGANIC AGRICULTURE BOARD





RESOLVED FURTHER, that a copy of this Board Resolution and the corresponding Draft Memorandum Circular entitled, "IMPLEMENTING GUIDELINES FOR THE ORGANIC LARGE RUMINANT DISPERSAL PROGRAM" be forwarded to the Office of the Agriculture Secretary for the issuance of the corresponding Circular;

APPROVED AND ADOPTED this 19th day of January 2024 via hybrid platform in Quezon City, Philippines by the following NOAB members present:

USEC. ZAMZAMIN L. AMPATUAN

Chairperson

Department of Agriculture (DA)

Date signed: 01-31-24

ASEC. ELIZABETH N. LOPEZ DE LEON

Vice - Chairperson
Permanent Representative
Department of the Interior and Local
Government (DILG)
Date signed: _____

DIR. LUCIENNE S. PULGAR

Permanent Representative
Department of Agrarian Reform (DAR)
Date signed: _____

DIR. JUANITO T. BATALON

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Department of Science and Technology
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USEC. BEVERLY LORRAINE C. HO,
MPH

Permanent Representative
Department of Health (DOH)
Date signed: _____

ASEC. LEONILA T. BALUYUT

Permanent Representative Department of Trade and Industry (DTI)

Date signed: _____



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National Organic Agriculture Program, Department of Agriculture, Elliptical Rd., Diliman, Quezon City



DEP. DIR. GEN. ROSANNA A. URDANETA

Permanent Representative
Technical Education and Skills
Development Authority (TESDA)
Date signed: _____

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COMM. RHODEX P. VALENCIANO

Representative, Indigenous Farmers National Commission on Indigenous Peoples (NCIP)

Date signed: 01- 31-24

MR. GABRIEL A. ARUBIO

Representative, Luzon Small Farmers
Yakap at Halik Multi-Purpose
Cooperative Cavite
Date signed: __O/ - 3O - 24_

MR. CODYNEL D. ISEDENIA

Representative, Visayas Small Farmers Aklan Provincial Organic Producers Association (APOPA)

Date signed: 01-30-24

MR. MAEL JETHEL J. KAPUNAN

Representative, Mindanao Small Farmers

Peoples Action for Liberal Agriculture
Industry (PALAI), Inc.
Date signed: 01 - 30 - 24

MS. AIMEE 1000 PAREDES

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Representative, Non-Government Organizations

Cares Channels, Inc.

Date signed: 01 - 29 - 24

MS. DONNA LAO-PADRE

Representative, Private Sector Lao Integrated Farms, Inc. Date signed: <u>0/- 26 - 24</u> DR. NOEL B. LUMBO

Representative, Agricultural Colleges and Universities

University of the Philippines Los Baños

Date signed: _ 0/ - 28 - 24



NATIONAL ORGANIC AGRICULTURE BOARD

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HON. ROMMEL C. ARNADO

Representative, National Organization of
Local Government Units
League of Organic Agriculture
Municipalities, Cities and Provinces of
the Philippines

Date signed: 01 - 27 - 24

MR. RODOLFOF. CORTEZ, JR.

Representative, National Association of PGS Groups

Participatory Guarantee System (PGS)
Pilipinas

Date signed: 01 - 26 - 24

Attested by:

DIR BERNADETTE F. SAN JUAN, CESO II

NOAB Secretary

Date signed: <u>62 - 0/ - 24</u>



Republic of the Philippines OFFICE OF THE SECRETARY

Elliptical Road, Diliman 1100 Quezon City +63(2) 8928-8741 to 64 and +63(2) 8273-2474

MEMORANDUM CIRCULAR

No. __ Series of __

SUBJECT: IMPLEMENTING GUIDELINES FOR THE ORGANIC LARGE RUMINANT

DISPERSAL PROGRAM

I. RATIONALE

Section 2 of Republic Act No. 10068 (RA 10068) or the Organic Agriculture Act of 2010, as amended by Republic Act No. 11511 (RA 11511), declared that it is the policy of the State to promote, propagate, develop further, and implement the practice of organic agriculture in the Philippines.

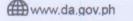
As amended, section 5 of RA 10068 established the National Organic Agriculture Program (NOAP). The NOAP aims to promote and commercialize organic farming practices, cultivate and adopt production and processing methods that have already been developed, or are to be developed, conduct continuing research and upgrading thereof, assist in the capacity building of farmers and the education of consumers thereon, and provide assistance to local government units (LGUs), peoples' organizations, non-government organizations, and other stakeholders who are practicing and promoting organic agriculture.

Currently, local production of cattle beef and carabeef is 185,000MT CWE while the national demand is estimated at 277,000MT CWE (2.36kg per capita at 117M population). Given this data, there is a shortage of 92,000MT CWE for 2023. This shows that there is room for local beef production (Source: Office of Agricultural Affairs, Manila, 2023). Similarly, the country imports 99% of its dairy requirements due to insufficient domestic production to meet the demand. (Source: USDA Foreign Agricultural Service "Philippines: Dairy and Products Annual" dated October 20, 2022).

To address the gaps, the NOAP in coordination with the Bureau of Animal Industry (BAI) and the Local Government Units (LGUs) will undertake a cattle and carabao dispersal program.

The provisions under this Memorandum Circular aim to lay down the criteria, rules, and procedures to avail of the organic large ruminant dispersal program.

II. DESCRIPTION OF THE PROJECT





Under the program, the NOAP through the BAI shall support interested LGUs in implementing a large ruminant (cattle and carabao) dispersal program in their areas. The selection of animals for distribution will be determined by the requests from the Local Government Units (LGUs). The LGUs will identify qualified recipients based on the set criteria. The recipients shall raise and breed the animals in an organic production system. The recipients shall pay 70% of the market value, which the LGU will utilize to procure animals that will be dispersed to the next in-line-qualified recipients.

III. ELIGIBLE PARTNERS/BENEFICIARIES

A. Direct Partners - The Local Government Units should:

- 1. Have an Organic Agriculture (OA) ordinance consistent with the DA-Department of the Interior and Local Government (DA-DILG) Joint Memorandum Circular (JMC) No. 1, series of 2022, entitled "Revised Guidelines on the Roles and Responsibilities of Local Government Units (LGUs) in the Implementation of the National Organic Agriculture Program (NOAP) pursuant to Republic Act No. 10068, as amended by Republic Act No. 11511, and its Implementing Rules and Regulations;"
- 2. Have an established Organic Agriculture Program for at least one (1) year;
- 3. Have local budget allocation for organic agriculture;
- 4. Willing to provide dedicated knowledgeable personnel for the dispersal program;
- 5. Willing to provide veterinary and insemination services for the animal stocks;
- 6. Willing to provide a holding area for unclaimed animal stocks;
- 7. Willing to provide marketing and value-adding services such as slaughtering and milk processing services consistent with the Philippine National Standard on Organic Agriculture (PNS on OA);
- 8. Willing to sponsor training for farmer-beneficiaries; and
- 9. Prioritize Indigenous Cultural Communities (ICCs), if any, in their areas.

B. Indirect Beneficiaries - The Farmer Recipients should:

- 1. Have an established forage area equivalent to the PNS on OA;
- 2. Attend training on the raising of organic large ruminants; and
- 3. Provide housing for the animal as a counterpart.

IV. DOCUMENTARY REQUIREMENTS

- 1. Letter of Intent addressed to the BAI Director, through the DA Regional Field Offices (DA-RFOs);
- 2. Dispersal plan;
- 3. Photos of beneficiaries and proposed forage areas;
- 4. Affidavit certifying that the listed recipients are validated and evaluated as qualified according to the criteria set in the guidelines;
- 5. Copy of Local Ordinance on organic agriculture consistent with the provisions of DA-DILG JMC No.1, s.2022;

- 6. Sanggunian Resolution indicating the following:
 - a. Support for the dispersal program; and
 - b. Authorizing the Local Chief Executive (LCE) to enter into an agreement with the BAI and DA-RFO;
- 7. List of personnel to be involved and project focal; and
- 8. A picture with the address of the holding area.

V. MECHANICS OF IMPLEMENTATION

- 1. The National Organic Agriculture Program (NOAP) discusses the project on the dispersal program with candidate recipient LGUs;
- 2. The LGU shall submit a letter of intent addressed to the BAI Director through the DA-RFOs, together with the other documentary requirements;
- 3. The DA-RFO shall forward the letter of intent together with the documentary requirements to BAI;
- 4. The assigned BAI personnel, together with the assigned DA RFO personnel, shall evaluate the submitted documents and conduct site validation;
- 5. The assigned BAI personnel, together with the assigned DA RFO personnel, shall deliberate on the applications and submit the result and recommendation to the BAI director;
- 6. The BAI Director may approve or deny the application. Due to budget constraints, the BAI will have to prioritize qualified LGUs up to the number that the budget would allow;
- 7. The LGUs whose applications are denied may re-apply once the unsatisfied criteria are fully addressed;
- 8. If the qualified LGUs decide to appeal their non-inclusion they may appeal in writing to the National Organic Agriculture Board (NOAB). The NOAB will deliberate and decide on the matter. The decision of the NOAB is final.
- 9. The BAI Director, DA-RFO Regional Executive Director (RED), and LGU Local Chief Executive shall execute a tripartite Memorandum of Agreement (MOA) once the application is approved;
- 10. The LGU and the farmer recipient shall also execute a MOA which includes a provision on the replacement process in case of death, and specifications of the housing for the animal stocks;
- 11. The LGU shall sponsor training for farmer-beneficiaries;
- 12. The BAI together with the Bureau of Agriculture and Fisheries Standards (BAFS), shall provide technical assistance to farmer beneficiaries;
- 13. For dairy milk production, the National Dairy Authority (NDA) or the Philippine Carabao Center (PCC) shall provide technical assistance;
- 14. The LGU shall assist and monitor farmer recipients to develop their forage area in preparation for the delivery of the animal stock;
- 15. The BAI shall procure upgraded cattle and carabaos that are at least 18 months of age, all female; These shall be procured by lots and delivered on-site;
- 16. The BAI shall coordinate with the LGU on the delivery date of the stocks;
- 17. The LGUs will require the farmer recipients to be present on the designated date and venue of the delivery;
- 18. The delivered animals shall be covered by insurance and standard warranty;
- 19. Renewal of insurance shall be taken cared of by owners specified in the certificate of ownership;

- 20. The BAI shall inspect and the LGU shall accept the animal according to the specifications;
- 21. Should there be instances of unclaimed animals by their designated farmer recipients, the LGU shall keep the animals until they are claimed or delivered and will be responsible for the animals while they are under their care;
- 22. Failure by the recipients to claim their animals within one (1) week from the date of the delivery shall result in forfeiture. The LGU may then reassign the animals to the next-in-line beneficiaries.
- 23. In case the animal dies while in the LGU's care, the LGU shall process the warranty or insurance claim whichever is applicable.
- 24. The stocks received shall include certification named after the LGU;
- 25. The farmer recipients shall sign an acceptance form from the LGU as proof of receipt of the animals;
- 26. The LGU shall submit the acceptance form from the farmer recipients to BAI through the DA-RFO;
- 27. The LGU shall provide periodic veterinary and insemination services to the recipient; the LGU shall have a written animal health program in place;
- 28. The LGU shall conduct site visits to monitor the operation of the farm and submit a quarterly and annual monitoring report to BAI through the DA-RFO;
- 29. The DA-RFO, BAI, NOAP, and NOAB may likewise conduct spot-checking on the beneficiaries;
- 30. In case the dispersed animal does not produce offspring within two (2) years, the LGU shall reclaim and replace the animals;
- 31. Should the animals die due to the recipient's fault, as verified by a competent authority, the recipient should pay back the LGUs 70% of the market value and will be blacklisted from accessing interventions under the Organic Agriculture Program;
- 32. For the sustainability of the dispersal project, the recipient shall be obligated to pay 70% cash equivalent of the market value to the LGU within three (3) years;
- 33. The LGU shall facilitate the transfer of ownership of the animal stocks to the farmer beneficiary through the issuance of a Transfer Certificate of Ownership once the 70% cash equivalent of the market value is settled;
- 34. The LGU shall utilize the funds to procure animals that meet the specifications provided by the BAI;
- 35. Upon monitoring and audit of the financial records of the project of the LGU, BAI shall order the return of misappropriated funds to the project within one (1) year. Failure to do so will result in blacklisting of the LGU from all NOAP projects for three (3) years;
- 36. The LGU shall provide marketing assistance including processing or slaughtering services:
- 37. The LGU shall establish a slaughterhouse dedicated to organic animals once a sufficient population of animals is achieved or establish slaughter protocol in compliance with the PNS on OA;
- 38. Should there be no existing slaughterhouse in the LGU in which the protocol can be applied, it shall coordinate with other LGUs or other privately owned slaughterhouses which has the facility;
- 39. The LGU shall provide a facility for the processing of milk produced by the farmer-beneficiaries;

- 40. The BAI shall prepare and submit to NOAP semestral, annual, midterm, and terminal reports after five (5) years of project implementation;
- 41. The NOAP shall consolidate and analyze all submitted reports from BAI; and
- 42. The NOAP shall provide recommendations for the improvement of the operation of the dispersal program;

VI. ROLES OF KEY STAKEHOLDERS

A. Bureau of Animal Industry (BAI)

- 1. Lead in the evaluation of the documentary requirements;
- 2. Lead in the conduct of site validation;
- 3. Lead in the conduct of deliberation;
- 4. The BAI Director may approve or deny the application;
- 5. Notify the LGUs of the result of the site validation and deliberation;
- 6. Draft and execute a tripartite MOA with the DA-RFO and LGU;
- 7. Facilitate procurement of animal stocks with animal insurance;
- 8. Coordinate with the LGU on the delivery date of the stocks;
- 9. Conduct on-site technical inspection of the delivered stocks;
- 10. Issue Property Transfer Report (PTR) to LGUs;
- 11. Provide technical assistance to farmer recipients;
- 12. Develop and provide reporting forms;
- 13. Lead in the conduct of spot-checking for the monitoring of operations of the dispersal program;
- 14. Require the LGU to return misappropriated funds; and
- 15. Submit semestral, annual, midterm, and terminal reports and findings to NOAP for enhancement/termination of the project.

B. Department of Agriculture - Regional Field Offices (DA-RFOs)

- 1. Receive and review the letter of intent, together with other documentary requirements, from the LGUs and endorse them to BAI;
- 2. Participate in the evaluation of the documentary requirements;
- 3. Assist in the conduct of site validation of the LGUs;
- 4. Participate in the conduct of deliberation;
- 5. Undertake tripartite MOA with BAI and LGU;
- 6. Assist BAI and LGU in the conduct of training for farmers;
- 7. Participate in the conduct of spot-checking for the monitoring of operations of the dispersal program; and
- 8. Submit semestral, annual, midterm, and terminal reports and findings to NOAP for enhancement/termination of the project.

C. Local Government Units (LGUs)

- 1. Submit a letter of intent with the documentary requirements;
- 2. Undertake tripartite MOA with DA-RFO and BAI;
- 3. Draft and execute a MOA with the farmer recipient;
- 4. Open a special bank account dedicated to the project;
- 5. Assist and monitor farmer recipients to develop their forage area;

- 6. Hire and/or assign personnel needed for the program;
- 7. Require the farmer recipients to be present on the designated date and venue of the delivery;
- 8. Provide a holding area for the unclaimed animal stocks;
- 9. Receive the unclaimed animal stocks and be responsible for them until these are turned over to the farmer recipients;
- 10. Reassign the animals to the next-in-line beneficiaries should the animals remain unclaimed after one (1) week from the date of the delivery;
- 11. Process applicable warranty or insurance claim in case of death of the animals while in the holding area;
- 12. Submit the acceptance form from the farmer recipients to BAI through the DA RFO;
- 13. Issue a journal entry voucher signed by the accountant;
- 14. Facilitate the renewal of insurance of the animal stocks, as long as the certificate of ownership is under the LGU;
- 15. Sponsor training for farmer-beneficiaries;
- 16. Provide extension, veterinary, and insemination services;
- 17. Immediately act on the reports from farmer beneficiaries;
- 18. Reclaim and replace the animals in case the dispersed animal does not produce offspring within two (2) years;
- 19. Require the farmer-beneficiaries to pay back 70% of the market value in case the animals die out of the recipient's fault;
- 20. Establish a slaughterhouse dedicated to organic animals once a sufficient population of animals is achieved or establish slaughter protocol in compliance with the PNS on OA;
- 21. Coordinate with other LGUs or other privately owned slaughterhouses which has the facility should there be no existing slaughterhouse in the LGU in which the protocol can be applied;
- 22. Provide marketing and value-adding services such as slaughtering or milk processing services as applicable;
- 23. Facilitate the transfer of ownership of the animal stocks to the farmer beneficiary through the issuance of a Transfer Certificate of Ownership once the 70% cash equivalent of the market value is settled;
- 24. Shall utilize the funds received from the farmer-recipients to procure animals;
- 25. Return the funds to the project in case of misappropriation; and
- 26. Conduct site visits to monitor the operation of the farm and submit quarterly and annual reports to DA-RFO and BAI.

D. Farmer Beneficiaries

- 1. Provide the housing and establish the forage area for the stocks;
- 2. Attend training organized for the project;
- 3. Undertake MOA with the LGU;
- 4. Receive and sign an acceptance form from the LGU upon receipt of the animals;
- 5. Raise the animals following the organic production system;
- 6. Commit to secure organic certification under PGS from the DA BAFS or any accredited OCB within three (3) years;

- 7. Report to LGUs any concerns that may affect the project;
- 8. Pay back the LGUs 70% of the market value in case of death of the animals; and
- 9. Pay the 70% cash equivalent of the market value to the LGU within three (3) years.

E. National Organic Agriculture Program

- 1. Oversee the overall implementation of the dispersal program;
- 2. Discusses the project on dispersal program with candidate recipient LGUs;
- 3. Participate in the conduct of spot-checking for the monitoring of operations of the dispersal program;
- 4. Submit to NOAB the letter of appeal received from the LGU;
- 5. Consolidate and analyze all submitted reports from BAI; and
- 6. Provide recommendations for the improvement of the operation of the dispersal program.

F. National Organic Agriculture Board

- 1. Participate in the conduct of spot-checking for the monitoring of operations of the dispersal program;
- 2. Deliberate and decide on the letter of appeal received from the LGU through NOAP; and
- 3. Review and evaluate the recommendation for the continuation or termination of the program.

G. BUREAU OF AGRICULTURE AND FISHERIES STANDARDS

1. Provide technical assistance to LGUs and farmer beneficiaries on organic production systems for large ruminants and PGS Accreditation and Certification.

H. NATIONAL DAIRY AUTHORITY

1. Provide technical assistance to LGUs and farmer beneficiaries for dairy milk production and processing.

I. PHILIPPINE CARABAO CENTER

1. Provide technical assistance to LGUs and farmer beneficiaries for dairy milk production and processing.

VII. MONITORING AND EVALUATION

Monitoring shall be done at the local, regional, and national levels. The LGU shall conduct site visits and submit quarterly and annual monitoring reports. Likewise, the BAI and the DA-RFO shall conduct intermittent site visits to validate the reports

submitted by the LGUs. The BAI and the DA-RFO shall submit annual reports and project evaluations at the end of the five (5) years of implementation.

VIII. FUNDING SOURCE

The funding for the project shall be charged primarily to the NOAP Fund. The LGUs, other DA Units, and government agencies may also provide financial and other support to the program for greater impact.

IX. AMENDMENTS

Amendments to these guidelines may be made after prior consultations with all stakeholders and upon approval of the National Organic Agriculture Board (NOAB).

X. EFFECTIVITY

This Memorandum Circular shall take effect immediately upon publication in The Official Gazette or in a newspaper of general circulation, and its filing with the University of the Philippines Law Center - Office of the National Administrative Register (ONAR).

Done this __ day of ____, 20_ in Quezon City.

FRANCISCO TIU LAUREL, JR. Secretary