

Department of Agriculture  
National Organic Agriculture Program



# #OKsaOA

**COMPENDIUM OF ORGANIC  
AGRICULTURE LAWS AND ISSUANCES  
VOLUME I**





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National Organic Agriculture Program

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# **REPUBLIC ACT NO. 10068**

“Organic Agriculture Act of 2010”

**MGA BATAS REPUBLIKA**  
**[REPUBLIC ACTS]**

S. No. 3264  
H. No. 7066

Begun and held in Metro Manila, on Monday, the twenty-seventh day of July, two thousand nine

[REPUBLIC ACT NO. 10068]

AN ACT PROVIDING FOR THE DEVELOPMENT AND PROMOTION OF ORGANIC AGRICULTURE IN THE PHILIPPINES AND FOR OTHER PURPOSES

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

**SECTION 1. Title.**—This Act shall be known as the “Organic Agriculture Act of 2010”.

**SEC. 2. Declaration of Policy.**—It is hereby declared the policy of the State to promote, propagate, develop further and implement the practice of organic agriculture in the Philippines that will cumulatively condition and enrich the fertility of the soil, increase farm productivity, reduce pollution and destruction of the environment, prevent the depletion of natural resources, further protect the health of farmers, consumers and the general public, and save on imported farm inputs. Towards this end, a comprehensive program for the promotion of community-based organic agriculture systems which include, among others, farmer-produced purely organic fertilizers such as compost, pesticides and other farm inputs, together with a nationwide educational and promotional campaign for their use and processing, as well as the adoption of organic agricultural system as a viable alternative shall be undertaken.

The State recognizes and supports the central role of the farmers, indigenous people and other stakeholders at the grassroots in this program.

**SEC. 3. Definition of Terms.**—For purposes of this Act, the following terms shall be defined as follows:

(a) *Organic* refers to the particular farming and processing systems, described in the standards and not in the classical chemical sense. The term “organic” is synonymous in other languages to “biological” or “ecological”. It is also a labeling term that denotes products considered organic based on the Philippine National Standards for organic agriculture.

(b) *Organic agriculture* includes all agricultural systems that promote the ecologically sound, socially acceptable, economically viable and technically feasible production of food and fibers. Organic agriculture dramatically reduces external inputs by refraining from the use of chemical fertilizers, pesticides and pharmaceuticals. It also covers areas such as, but not limited to, soil fertility management, varietal breeding and selection under chemical and pesticide-free conditions, the use of biotechnology and other cultural practices that are consistent with the principles and policies of this Act, and enhance productivity without destroying the soil and harming farmers, consumers and the environment as defined by the International Federation of Organic Agriculture Movement (IFOAM): *Provided*, That the biotechnology herein referred to shall not include genetically modified organisms or GMOs.

(c) *Organic production system* is a system designed to:

- (1) enhance biological diversity within the whole system;
- (2) increase solid biological activity;
- (3) maintain long-term solid fertility;
- (4) recycle wastes of plant and animal origin in order to return nutrients to the land, thus minimizing the use of nonrenewable resources;
- (5) rely on renewable resources in locally organized agricultural systems;

(6) promote the healthy use of soil, water and air as well as minimize all forms of pollution thereto that may result from agricultural practices;

(7) develop and promote the use of biotechnology in agriculture;

(8) handle agricultural products with emphasis on careful processing methods in order to maintain the organic integrity and vital qualities of the product at all stages; and

(9) become established on any existing farm through a period of conversion, the appropriate length of which is determined by site-specific factors such as the history of the land, and type of crops and livestock to be produced.

(d) *Conversion period* refers to the time between the start of the organic management and the certification of crops, animal husbandry or aquaculture products as organic.

(e) *Biodegradable wastes* refer to organic matter for compost/organic fertilizer for the organic cultivation, farming of foods crops and include discards segregated farm nonbiodegradable wastes coming from the kitchen/household (leftovers, vegetables and fruit peelings and trims, fish/fowl, cleanings, seeds, bones, softpaper used as foods wrap and the like), yard or garden (leaves, grasses, weeds and twigs), market (wilted, decayed or rotten vegetables and fruits, fish/fowl cleanings, bones) and farm wastes (grass clippings, dead or decayed plants, leaves, fruits, vegetables, branches, twigs and the like).

(f) *Ecologically-sound* refers to a state, quality or condition of a product, practice, system, development mode, culture, environment and the like, in accord with the 1987 Philippine Constitution, and as expounded in the above definition of organic agriculture.

(g) *Commercialization* is a process of introducing a new agricultural and fishery technology either as product, process or service that has undergone the intensive

innovative activities of assessment, promotion and transfer for economic benefit.

(h) *Certification* is the procedure by which official certification bodies or officially recognized certification bodies provide written or equivalent assurance that foods or food control systems conform to requirements.

(i) *Accreditation* is the procedure by which a government agency having jurisdiction formally recognizes the competence of an inspection and/or certification body to provide inspection and certification services.

(j) *First party certification* is defined as when the certification criteria and rules are set and monitored/enforced by the producer or company itself.

(k) *Second party certification* is defined as when the certification criteria and rules are set by buyers or industry organizations.

(l) *Third party certification or independent certification* is defined as when a firm requires that its suppliers meet a certain standard and requests an independent organization that is not involved in the business relationship to control the compliance of the suppliers.

(m) *Organic food establishment* refers to an entity, whether local or foreign, that produces fresh or processed organic food.

(n) *Organic input establishment* refers to an entity, whether local or foreign, that produces inputs acceptable for organic agriculture.

SEC. 4. *Coverage.*—The provisions of this Act shall apply to the development and promotion of organic agriculture and shall include, but not limited to, the following:

(a) Policy formulation or regulation, registration, accreditation, certification and labeling on organic agriculture;

(b) Research, development and extension of appropriate, sustainable environment and gender-friendly organic agriculture;

(c) Promotion and encouragement of the establishment of facilities, equipment and processing plants that would accelerate the production and commercialization of organic fertilizers, pesticides, herbicides and other appropriate farm inputs, and

(d) Implementation of organic agricultural programs, projects and activities, including the provision and delivery of support services with focus on the farmers and other stakeholders.

**SEC. 5. National Organic Agricultural Program.**—There is hereby established a comprehensive organic agricultural program through the promotion and commercialization of organic farming practices, cultivation and adoption of production and processing methods which have already been developed, or to be developed, continuing research upgrading thereof, the capacity building of farmers and the education of consumers thereon, the extension of assistance to local government units (LGUs), peoples, organizations (POs), nongovernment organizations (NGOs) and other stakeholders including individuals and groups who are practicing and promoting these methods as well as those who are willing to do other pertinent activities, and documentation and evaluation of the program.

**SEC. 6. National Organic Agricultural Board (NOAB).**—To carry out the policy and the program provided in this Act, there is hereby created a NOAB which shall be the policy-making body and shall provide direction and general guidelines for the implementation of the National Organic Agricultural Program. The NOAB shall be attached to the Department of Agriculture (DA).

The NOAB shall ensure the full participation of POs, NGOs and the general public through coordination and consultative mechanisms such as, but not limited to, public hearings, meetings and joint projects.

**SEC. 7. Composition of the NOAB.**—The NOAB shall consist of:

(a) The Secretary of Agriculture, or his duly authorized permanent representative, with a rank of Undersecretary, as Chairperson;

(b) The Secretary of the Interior and Local Government, or his duly authorized permanent representative, as Vice Chair;

(c) The Secretary of Science and Technology, or his duly authorized permanent representative;

(d) The Secretary of Environment and Natural Resources, or his duly authorized permanent representative;

(e) The Secretary of Education, or his duly authorized permanent representative;

(f) The Secretary of Agrarian Reform, or his duly authorized permanent representative;

(g) The Secretary of Trade and Industry, or his duly authorized permanent representative;

(h) The Secretary of Health, or his duly authorized permanent representative;

(i) Three (3) representatives from the small farmers; and

(j) A representative each from the NGOs involved in sustainable agriculture for at least three (3) years; agricultural colleges and universities; and private sector or agribusiness firms; as members.

The designated aforementioned representatives of the various departments shall be occupying positions not lower than a bureau director level and shall be on a coterminous basis.

The representatives of small; farmers and NGOs, and of agricultural colleges and universities, shall be chosen by the Secretaries of Agriculture and Science and Technology, respectively, from among nominees submitted to the agency concerned by their respective national organizations. These representatives must be conversant in organic agriculture and

committed to the policies and programs provided under this Act.

The existing National Organic Agriculture Board created pursuant to Executive Order No. 481 shall continue to function until the new NOAB created herein has been constituted pursuant to Section 8 hereof.

**SEC. 8. Organization of the NOAB.**—Within sixty (60) working days from the effectivity of this Act, the national organizations of small farmers, of NGOs and of agricultural colleges and universities shall submit their respective nominees to the Secretary of Agriculture and the Secretary of Science and Technology, as the case may be, who shall evaluate the qualifications of the nominees and appoint the most qualified members to the NOAB.

The Chairperson shall call the members of the NOAB, or a majority thereof if not all have been designated, to a meeting to organize themselves and prescribe its rules and procedures for the attainment of the objectives of this Act. A majority of all the members of the NOAB shall constitute a quorum.

The NOAB shall also determine its budget, including travel expenses, allowances and *per diems* of its nongovernment members when attending official NOAB meetings or attending to matters assigned to them subject to accounting and auditing rules and regulations.

**SEC. 9. Powers and Functions of the NOAB.**—The NOAB shall have the following powers and functions:

(a) Formulate policies, plans, programs and projects to develop and promote organic agriculture, production, processing and trade;

(b) Oversee the successful implementation of the National Organic Agricultural Program;

(c) Identify sources of financing to expand organic agriculture;

(d) Monitor and evaluate the performance of programs for appropriate incentives;

(e) Undertake measures for the international recognition of local certification of organic products;

(f) Call upon any government agency to carry out and implement programs and projects identified by the NOAB;

(g) Call upon private sectors, POs and NGOs and the academe to provide advice on matters pertaining to organic agriculture and conduct of capability-building initiatives to farmers, producers, extension workers, consumers and other stakeholders in agriculture sector in coordination with the Agricultural Training Institute;

(h) Submit annual and other periodic reports to the President Secretary of the DA and Congress of the Philippines through the Congressional Oversight Committee on Agricultural and Fisheries Modernization (COCAFAM);

(i) Promulgate such rules and regulations and exercise such other powers and functions as may be necessary to carry out effectively the purposes and objectives of this Act; and

(j) Perform such other functions as may be necessary for its effective operations and for the continued enhancement, growth or development of organic agriculture.

**SEC. 10. The Bureau of Agriculture and Fisheries Product Standards (BAFPS) of the DA.**—The BAFPS of the DA shall be strengthened and empowered in terms of establishing functional divisions and incremental staffing to serve as the national technical and administrative secretariat of the NOAB with the member agencies providing additional staff support as the need arises.

**SEC. 11. Functions, Duties and Responsibilities of the BAFPS.**—The BAFPS, in addition to its existing functions and responsibilities shall perform the following functions, duties and responsibilities for purposes of this Act:

(a) Implement organic agriculture programs and projects approved by the NOAB;

(b) Update the NOAB on the status of the programs, projects and activities undertaken for the development and promotion of organic agriculture;

(c) Create effective networking with the various stakeholders involved in organic production; and

(d) Perform such other functions, duties and responsibilities as may be necessary to implement this Act and as directed by the NOAB.

**SEC. 12. *Work Plan.***—In line with the National Organic Agricultural Program, the BAFPS shall submit to the Board for approval the following:

(a) A plan of bringing the program down to the grassroots, utilizing available personnel and facilities on the local level and those of LGUs;

(b) A pattern of cooperation and mutual assistance with LGUs, POs and NGOs, which will maximize people empowerment and participatory approaches to program formulation, implementation and monitoring; and

(c) A schedule of short-term, medium-term all long-term targets on research and development, marketing, trade promotion/initiatives, capacity building, among others.

**SEC. 13. *Organic Agriculture and Protection of the Environment.***—The NOAB shall constantly devise and implement ways and means not only of producing organic fertilizers and other farm inputs and needs on the off the farm but also of helping to alleviate the problems of industrial waste and community garbage disposal through appropriate methods of sorting, collecting and composting. The BAFPS shall conduct continuing studies, with consultations among the people and officials involved as well as POs and NGOs, in order to advise local governments, from the barangay to the provincial level, on the collection and

disposal of garbage and waste in such a way as to provide raw materials for the production of organic fertilizer and other farm inputs.

**SEC. 14. *Local Executive Committees.***—Every provincial governor shall, insofar as practicable, form a provincial technical committee, and which shall, in coordination with and assistance of the BAFPS/DA-Regional Field Units (RFUs) implement activities in line with the National Organic Agricultural Program within each province.

Every municipal mayor shall likewise, insofar as practicable, form a municipal technical committee for purposes of implementing activities in line with the National Organic Agricultural Program within each municipality.

A local government unit that intends to shift its area of responsibility to organic agriculture must ensure that local industries have been adequately informed and consulted and that a viable plan to ensure supply for vulnerable industries is in place.

The governors shall monitor implementation of and compliance with this Act within their respective jurisdictions.

**SEC. 15. *Accreditation of Organic Certifying Body.***—The BAFPS is hereby designated and authorized to grant official accreditation to organic certifying body or entity. The BAFPS is tasked to formulate the necessary rules and procedures in the accreditation of organic certifying body: *Provided*, That there shall be at least one (1) accredited organic certifying body each in Luzon, Visayas and Mindanao or in case of only one (1) organic certifying body is accredited, it shall have at least one (1) satellite office or processing unit each in Luzon, Visayas and Mindanao.

**SEC. 16. *Registration of Organic Food and Organic Input Producers.***—All organic food and input establishments must register with the director, BAFPS, registration under this section shall begin within ninety (90) days of the enactment of this Act. Each such registration shall be submitted to the director through an electronic portal and

shall contain such information as the director by guidance may determine to be appropriate. Such registration shall contain the following information:

(a) The name, address and emergency contact information of each organic food or input establishment that the registrant owns or operates;

(b) The primary purpose and business activity of each organic food or input establishment, including the dates of operation if the organic food establishment is seasonal;

(c) A list of the organic food or input produced and corresponding brand names;

(d) For organic food establishment, the name, address and contact information of the organic food certifying body that certified the organic products sold by the company;

(e) An assurance that the registrant will notify the director of any change in the products, function or legal status of the domestic food establishment (including cessation of business activities) not later than thirty (30) days after such change; and

(f) For organic input producers, a list of materials used in the production of each particular input.

**SEC. 17. Labeling of Organic Produce.**—The label of organic produce shall contain the name, logo or seal of the organic certifying body and the accreditation number issued by the BAFPS. Only third party certification is allowed to be labeled as organically produced.

**SEC. 18. Retailing of Organic Produce.**—Retail establishments or stores of organic produce shall designate a separate area to display the organic produce to avoid mixing it with non-organic produce.

**SEC. 19. Availability of Trading Post for Organic Inputs.**—Local chief executives shall establish, as far as practicable, at least one (1) trading post for organic inputs for every LGU in their area of jurisdiction.

**SEC. 20. Research, Development and Extension.**—The Bureau of Agricultural Research (BAR), as the lead agency, shall coordinate with the other agencies of the DA, the Department of Agrarian Reform (DAR), the Department of Science and Technology (DOST), the Department of Education (DepED), the Department of the Interior and Local Government (DILG), the strategic agricultural-based state universities and colleges (SUCs) including private organizations, to develop, enhance, support and consolidate activities and related technologies for the formulation and implementation of a unified and integrated organic agriculture RDE plans and programs from the national to the field level. The organic agriculture RDE plans and programs shall include, but not be limited to, the following:

(a) Research, development and commercialization of appropriate, innovative and viable organic agricultural technologies;

(b) Nationwide promotion of developed and commercially viable biodegradable farm wastes and by-products through various extension strategies to accelerate the production, use and distribution of organic fertilizers; and

(c) Conduct research for market development, policy formulation, regulation and certification.

**SEC. 21. Creation of Organic Agriculture RDE Network.**—An organic agriculture RDE network shall be organized by the BAR, composed of research and educational institutions, LGUs, nongovernment agencies and the recognized association of organic fertilizer manufacturers and distributors, agricultural engineers, agriculturists, soil technologists, farmers group and/or associations.

**SEC. 22. RDE Centers.**—National, regional and provincial organic R and D and extension centers shall be organized, established and integrated as a major component of the existing RDE centers of the DA, the DOST, the DENR, SUCs and the LGUs. These will be strengthened and

enhanced to spearhead the integrated program to develop and promote organic agriculture throughout the country.

**Sec. 23. Organic Agriculture in the Formal and Non-formal Sectors.**—The National Government, through the DepED and in coordination with concerned government agencies, NGOs and private institutions, shall strengthen the integration of organic agriculture concerns in school curricula at all levels.

**SEC. 24. Incentives.**—The government shall extend incentives for the production and propagation of organic farm inputs by maximizing their use in all government and government-supported agricultural production, research and demonstration programs. Incentives shall also be provided to farmers whose farms have been duly certified as compliant to the Philippine National Standard (PNS). Further, the DA may give cash reward in recognition of the best organic farm in the country. The DA, the DAR, the DOST, the DILG, the Department of Trade and Industry (DTI), the DepED, the Department of Finance (DOF), the Land Bank of the Philippines (LBP), and other government lending and non-lending institutions shall also assist organic input producers and organic farmers through the provision of adequate financial, technical, marketing, and other services and resources. These include, but shall not be limited to, the following:

(a) Exemption from the payment of duties on the importation of agricultural equipment, machinery and implements as provided under Republic Act No. 9281, which amends Republic Act No. 8435 or the Agriculture and Fisheries Modernization Act (AFMA);

(b) Identification by LGUs of local taxes that may be offered as incentives to organic input production and utilization;

(c) Provision of preferential rates and special window to organic input producers and users by the LBP;

(d) Subsidies for certification fees and other support services to facilitate organic certification;

(e) Zero-rated value-added tax (VAT) on transactions involving the sale/purchase of bio-organic products, whether organic inputs or organic produce; and

(f) Income tax holiday and exemption for seven (7) years, starting from the date of registration of organic food and organic input producers on all income taxes levied by the National Government.

The tax incentives shall be given only to purely organic agriculture entities/farmers and shall be subject to the accreditation of the BAFPS and periodic reporting by the BAFPS to the DOF: *Provided*, That the said incentives shall be available only to micro, small and medium enterprises as defined under Section 3 of Republic Act No. 9501 or the Magna Carta for Micro, Small and Medium Enterprises.

**Sec. 25. Appropriations.**—The sum of Fifty million pesos (Php 50,000,000.00) and the existing budget for the promotion of organic farming of the DA is hereby appropriated for the initial year of implementation of this Act. Thereafter, such amounts as may be necessary for the continuous operation of the NOAB and the implementation of the program shall be included in the annual General Appropriations Act (GAA).

The NOAB is hereby authorized to solicit and accept assistance or facilities in the form of grants from individuals and entities here and abroad, and to utilize these funds and resources for purposes of this Act, subject to the usual budget, accounting and auditing rules and regulations.

**Sec. 26. Penal Provision.**—Any person who willfully and deliberately:

(a) obstructs the development or propagation of organic agriculture, or the manufacture, production, sale or use of organic agricultural inputs;

(b) refuses without just cause to extend the support and assistance required under this Act; and

(c) mislabels or claims that the product is organic when it is not in accordance with

the existing standards for Philippine organic agriculture or this Act shall, upon conviction, be punished by imprisonment of not less than one (1) month nor more than six (6) months, or a fine of not more than Fifty thousand pesos (₱50,000.00), or both, at the discretion of the court. If the offender is a corporation or a juridical entity, the official who ordered or allowed the commission of the offense shall be punished with the same penalty. If the offender is in the government service, he shall, in addition, be dismissed from office.

**SEC. 27. *Implementing Rules and Regulations.***—The NOAB shall adopt rules and regulations to implement the provisions of this Act within ninety (90) days from the effectivity of this Act and submit the same to the COCAFm for review and approval. In the drafting of the implementing rules and regulations, the DOF shall be consulted in connection with the tax incentives provided under Section 24 hereof.

**SEC. 28. *Annual Report.***—The NOAB shall render an annual report to both Houses of Congress on the accomplishment of the program. A review on the viability of the program shall be made by the concerned agencies after three (3) years of its implementation.

**SEC. 29. *Congressional Oversight Committee.***—The COCAFm shall be the congressional oversight committee for purposes of this Act. The COCAFm shall review and approve the implementing rules and regulations of this Act and also perform the following functions:

- (a) Monitor and ensure the proper implementation of this Act;
- (b) Review the proper implementation of the programs on organic agriculture and the use of its funds;
- (c) Review the performance of the NOAB; and
- (d) Such other functions it deems necessary.

**SEC. 30. *Separability Clause.***—If any provision of this Act is declared invalid or

unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

**SEC. 31. *Repealing Clause.***—All laws, presidential decrees, executive orders, presidential proclamations, rules and regulations or parts thereof contrary to or inconsistent with this Act are hereby repealed or modified accordingly.

**SEC. 32. *Effectivity.***—This Act shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation in the *Official Gazette*, whichever comes first.

Approved, April 06, 2010

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# **IMPLEMENTING RULES AND REGULATIONS**

“Organic Agriculture Act of 2010”

## **IMPLEMENTING RULES AND REGULATIONS FOR REPUBLIC ACT NO. 10068 (Philippine Organic Agriculture Act of 2010)**

*Pursuant to the provisions of Section 27 of Republic Act No. 10068, otherwise known as the "Organic Agriculture Act of 2010", the Department of Agriculture hereby adopts and promulgates the following rules and regulations:*

### **Section 1 Title**

This Administrative Order (AO) shall be known as the Implementing Rules and Regulations (IRR) of Republic Act (RA) 10068, otherwise known as the "Organic Agriculture Act of 2010".

### **Section 2 Declaration of Policy**

These IRR are issued pursuant to the policies declared under RA 10068, to wit: "It is hereby declared the policy of the State to promote, propagate, develop further and implement the practice of organic agriculture in the Philippines that will cumulatively condition and enrich the fertility of the soil, increase farm productivity, reduce pollution and destruction of the environment, prevent the depletion of natural resources, further protect the health of farmers, consumers and the general public, and save on imported farm inputs. Toward this end, a comprehensive program for the promotion of community-based organic fertilizers such as compost, pesticides and other farm inputs, together with a nationwide educational and promotional campaign for the use and processing, as well as the adoption of organic agricultural system as a viable alternative shall be undertaken.

The State recognizes and supports the central role of the farmers, indigenous people and other stakeholders at the grassroots of the program.

Rule 2.1 Organic agricultural systems further promote the development of related community-based industries, namely organic agriculture, prime habitat and eco-tourism, among others. These communities provide clean, safe, nutritious and sufficient food, water, air and health conducive environments. Organic agriculture enhances food sovereignty and substantially contributes to food security.

Rule 2.2. Organic agricultural systems, in its goal to reduce environmental pollution and ecosystem destruction and, prevent the depletion of natural resources, shall endeavor to promote the low carbon development path and its strategies.

Rule 2.3. Organic agriculture boosts community resiliency to disaster risks and climate change vulnerabilities caused by anthropogenic factors (climatic vulnerabilities and changes induced by human interventions) and naturally induced hazards and, contributes to risk reduction.

Rule 2.4. The State shall likewise recognize the importance of consumers and other vulnerable stakeholders of the organic farming system at the national and grassroots level.

### **Section 3 Definition of Terms**

For purposes of these IRR, the following terms shall be defined as follows:

“Accreditation” is the procedure by which BAFPS as mandated by NOAB, formally recognizes the competence of an inspection and/or certification body to provide inspection and certification services for all organic products.

“Agribusiness firm” refers to various businesses involved in organic food and non-food production, including farming and contract farming, inputs supply, farm machinery, wholesale and distribution, processing, marketing, and retail sales.

“Alternative Learning System (ALS)” is a parallel learning system to provide a viable alternative to the existing formal educational instruction. It encompasses both the non-formal and informal sources of knowledge and skills.

“Bio-organic products” refer to products obtained from organic farming and processing methods.

“Biological processing” refers to the use of microorganisms and their enzymes in processing biological matter.

“Certification” is the procedure by which official certification bodies or officially recognized certification bodies provide written or equivalent assurance that foods or food control systems conform to requirements or standards of the NOAB.

“Certification body” refers to a body which is responsible for verifying that a product sold or labeled as “organic” is produced processed, prepared, handled and imported according to relevant guidelines.

“Certification mark” refers to a certification body’s sign, symbol or seal that identifies product(s) as being certified according to the rules

of a program operated by that certification body and approved by the accreditation authority.

“Climate Change” refers to a change in climate that can be identified by changes in the mean and/or variability of its properties and that persists for an extended period typically decades or longer, whether due to natural variability or as a result of human activity

“Commercialization” is a process of introducing a new agricultural and fishery technology either as product, process or service that has undergone the intensive innovative activities of assessment promotion and transfer for economic benefit.

“Consumer” refers to persons and families purchasing and receiving goods in order to meet their personal needs.

“Conversion period” refers to the time between the start of the organic management and certification of crops, animal husbandry or aquaculture products as organic.

“Conventional” means any material, production or processing practice that is not certified organic or organic “in-conversion”.

“Department” refers to the Department of Agriculture.

“Disaster” refers to a serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses and impacts, which exceeds the ability of the affected community or society to cope using its own resources. Disasters are often described as a result of the combination of: the exposure to a hazard; the conditions of vulnerability that are present; and insufficient capacity or measures to reduce or cope with the potential negative consequences. Disaster impacts may include loss of life, injury, disease and other negative effects on human, physical, mental and social well-being, together with damage to property, destruction of assets, loss of services, social and economic disruption and environmental degradation.

“Disaster Risk” is the potential disaster losses in lives, health status, livelihood, assets and services, which could occur to a particular community or a society over some specified future time period.

“Disaster Risk Reduction and Management” is the systematic process of using administrative directives, organizations, and operational skills and capacities to implement strategies, policies and improved coping capacities in order to lessen the adverse impacts of hazards and the possibility of disaster. Prospective disaster risk reduction and management refers to risk reduction and management activities that address and seek to avoid the development of new or increased

disaster risks, especially if risk reduction policies are not put in place.

“Ecologically-sound” refers to a state, quality, or condition of a product, practice, system, development mode, culture, environment and the like, in accord with the 1987 Philippine Constitution, and as expounded in the above definition of organic agriculture.

“Faith-based organization” refers to the organizations and other aggregations that are involved in assisting their church outreach engagements and in addressing the religious, socio-economic and welfare needs of its constituency.

“First party certification” is defined as when the certification criteria and rules are set and monitored/enforced by the producer or company itself.

“Formal Education” is the systematic and deliberate process of hierarchically structured and sequential learning corresponding to the general concept of elementary, secondary and tertiary levels of schooling including education for those with special needs. At the end of each level, the learner needs a certification in order to enter or advance to the next grade/year level.

“Food Safety” refers to the assurance that food will not cause harm to the consumer when it is prepared and/or eaten according to its intended use.

“Genetically Modified Organisms (GMOs)” refers to organisms that possess a novel combination of genetic materials obtained through the use of modern bio-technology.

“Good Manufacturing Practice (GMP)” refers to the part of quality assurance which ensures that products are consistently produced and controlled to the quality standards appropriate for their intended use as required by registration and marketing authorization.

“Food sovereignty” refers to ownership and control and, management of the food supply chain (i.e. from seeds/stocks up to its final products and by-products)

“Hazard Analysis Critical Control Points (HACCP)” refers to a system which identifies, evaluates, and controls hazards which are significant for food safety.

“Inspection” refers to the examination of food or systems for control of food, raw materials, processing, and distribution including in-process and finished product testing, in order to verify that they conform to the requirements. For organic food, inspection includes the examination of the production and processing system.

“Labeling” refers to any written, printed or graphic matter that is present on the label, accompanies the food, or is displayed near the food including that for the purpose of promoting its sale or disposal.

“Livestock” means any domestic and domesticated animal including bovine (buffalo and bison), ovine, porcine, caprine, equine, poultry and bees raised for food or in the production of food. The products of hunting or fishing of wild animals shall not be considered part of this definition.

“Low carbon development path” refers to growth that integrates positive impact on environment, minimizes if not eliminates green house gas emissions, taking into account long term sustainability.

“Informal Education” is a lifelong process of learning by which every person acquires and accumulates knowledge, skill, attitudes and insights from daily experiences at home, at work, at play and from life itself.

“Micro, Small and Medium Enterprises (MSMEs)” refer to any business activity or enterprise engaged in industry, agribusiness and/ or services, whether single proprietorship, cooperative, partnership or corporation whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity’s office, plant and equipment are situated, must have falling under the following categories:

Micro: not more than P3,000,000

Small: P3,000,001 – P15,000,000

Medium: P15,000,001 – P100,000,000

“Non-biodegradable wastes” refer to anything that cannot be degraded by biological processes (metals, plastics, glass, etc)

“Non-Formal Education” is any organized systematic educational activity carried outside the framework of the formal system to provide selected types of learning to a segment of the population.

“Non-Government Organization (NGO)” refers to any non-profit, voluntary citizens’ group which is organized on a local, national or international level. It is a legally constituted organization created by natural or legal persons that operates independently from any government. In the cases in which NGOs are funded totally or partially by governments, the NGO maintains its non-governmental status by excluding government representatives from membership in the organization.

“OA” shall refer to the Organic Agriculture.

“OAA” shall refer to the Organic Agriculture Act of 2010.

“Organic” refers to the particular farming and processing systems, described in the standards and not in the classical chemical sense. The term “organic” is synonymous in other languages to “biological” or “ecological”. It is also a labeling term that denotes products considered organic based on the Philippine National Standards for organic agriculture.

“Organic agriculture” includes all agricultural systems that promote the ecologically sound, socially acceptable, economically viable and technically feasible production of food and fibers. Organic agriculture dramatically reduces external inputs by refraining from the use of chemical fertilizers, pesticides and pharmaceuticals. It also covers areas such as but not limited to, soil fertility management, varietal breeding and selection under chemical and pesticide-free conditions, the use of biotechnology and other cultural practices that are consistent with the principles and policies of this Act, and enhance productivity without destroying the soil and harming farmers, consumers and the environment as defined by the International Federation of Organic Agriculture Movement (IFOAM): Provided, That the biotechnology herein referred to shall not include genetically modified organisms or GMOs.

“Organic food establishment” refers to an entity whether local or foreign, that produces fresh or processed organic food.

“Organic inputs” are organic materials necessary for organic agriculture production and processing such as seeds, plant protection and pest management products, compost and fertilizers, feeds, processing aids which are used to comply with the requirements of organic agriculture standards

“Organic input establishment” refers to an entity, whether local or foreign, that produces inputs acceptable for organic agriculture.

“Organic input-producer” refers to an entity, whether local or foreign, that produces inputs compliant with the Philippine National Standards for Organic Agriculture

“Organic production system” is a system designed to: (1) enhance biological diversity within the whole system; (2) increase soil biological activity; (3) maintain long-term soil fertility; (4) recycle wastes of plant and animal origin in order to return nutrients to the land, thus minimizing the use of nonrenewable resources; (5) rely on renewable resources in locally organized agricultural systems; (6) promote the healthy use of soil, water and air as well as minimize all forms of pollution thereto that may result from agricultural practices;

(7) develop and promote the use of biotechnology in agriculture; (8) handle agricultural products with emphasis on careful processing methods in order to maintain the organic integrity and vital qualities of the product at all stages; and (9) become established on any existing farm through a period of conversion, the appropriate length of which is determined by site-specific factors such as the history of the land, and type of crops and livestock to be produced.

“People’s Organization (POs)” – are community-based, mass membership organizations, that are either Securities and Exchange Commission (SEC), or any Government Agency empowered by law or policy to register and/or accredit POs and other similar aggregations, registered or existing but not registered, with a set of by-laws adopted through a membership assembly and duly elected officials. POs are either sectoral or multi-sectoral alliance pursuing a common goal and established to secure benefits for their membership and articulate aims and objectives in the general development discourse.

“Pesticides” as referred to in the law shall mean botanical or biological plant protection products which are substances intended as disinfectant and/or for preventing, destroying, attracting, repelling, or controlling any pest or disease including unwanted species of plants or animals during the production, storage, transport, distribution and processing of food, agricultural commodities or animal feeds; provided that these do not refer to synthetic petrol based pesticides

“Private/business sector” - key actor in the realm of the economy where the central social concern and process is the mutually beneficial production and distribution of goods and services to meet the physical needs of human beings. The private sector comprises of private corporations, enterprises, individual businesses, among others.

“Processing Aid” means any substance or material, not including apparatus or utensils, and not consumed as a food ingredient by itself, intentionally used in the processing of raw materials, foods or its ingredients, to fulfill a certain technological purpose during treatment or processing and which may result in the non-intentional but unavoidable presence of residues or derivatives in the final product.

“Resiliency” is the ability of a system, community or society exposed to hazards to resist, absorb, accommodate and recover from the effects of a hazard in a timely and efficient manner, through the preservation and restoration of its essential basic structures and functions.

“Risk” is the combination of the probability of an event and its negative consequences.

“Risk reduction” is the concept and practice of reducing disaster risks through systematic efforts to analyze and manage the causal factors of disasters, including reduced exposures to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events.

“Second party certification” is defined as when the certification criteria and rules are set by buyers or industry organizations.

“Small farmer” refers to natural persons dependent on small-scale subsistence farming and fishing activities as their primary source of income and/or whose sale, barter or exchange of agricultural products do not exceed a gross value of One Hundred Eighty Thousand pesos (PhP 180,000.00) per annum based on 1992 constant prices; Provided, that the small farmer holds and cultivates not more than 3 hectares of agricultural land.

“Sustainable development” is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two (2) key concepts: (1) the concept of “needs,” in particular, the essential needs of the world’s poor, to which overriding priority should be given; and (2) the idea of limitations imposed by the state of technology and social organizations on the environment’s ability to meet present and future needs. It is the harmonious integration of a sound and viable economy, responsible governance, social cohesion and harmony, and ecological integrity to ensure that human development now and through future generations is a life-enhancing process.

“Third party certification or independent certification” is defined as when a firm requires that its suppliers meet a certain standard and requests an independent organization that is not involved in the business relationship to control the compliance of the suppliers.

“Vulnerabilities” is defined as the characteristics and circumstances of a community, system or asset that make it susceptible to the damaging effects of a hazard. Vulnerability may arise from various physical, social, economic, and environmental factors such as poor design and construction of buildings, inadequate protection of assets, lack of public information and awareness, limited official recognition of risks and preparedness measures, and disregard for wise environmental management.

“Vulnerable stakeholders” are those that face higher exposure to disaster risk and poverty including, but not limited to, women, youth, children, elderly, differently-abled people, and indigenous/ethnic minorities.

## **Section 4 Coverage**

The provisions of this Act shall apply to the development and promotion of organic agriculture and shall include, but not limited to, the following: (a) Policy formulation on regulation, registration, accreditation, certification and labeling on organic agriculture; (b) Research, development and extension of appropriate sustainable environment and gender-friendly organic agriculture; (c) Promotion and encouragement of the establishment of facilities, equipment and processing plants that would accelerate the production and commercialization of organic fertilizers, pesticides, herbicides and other appropriate farm inputs; and (d) Implementation of organic agricultural programs, projects and activities, including the provision and delivery of support services with focus on the farmers and other stakeholders.

Rule 4.1 BAFPS shall formulate and/or update organic agriculture standards which would cover crops, livestock and aquaculture, organic production, processing and labeling adopting the Department's protocols for standards formulation and adoption taking into account participatory approaches and emphasis on transparency and accountability. Processing of organic produce shall consider quality and safety assurance systems such as Good Manufacturing Practices (GMP), Hazards Analysis Critical Control Points (HACCP), etc.

Rule 4.2 All standards adopted shall, as far practicable, be disseminated in Quad Media (i.e. radio, TV, broadsheet and internet based-social networks) but must at least be posted in a dedicated website, including the local government units' (LGUs) information mechanisms, and shall be amended regularly when there are valid grounds for such revisions.

Rule 4.3. A strategic and sustainable organic agriculture investment plan for support facilities, equipment and processing plants shall be formulated based on the need of such facilities in local communities.

Rule 4.4 Commercialization of biological and organic inputs such as fertilizers or biological plant nutrition, plant/livestock/aquaculture protection and pest management products shall be promoted and encouraged taking into consideration the indigenous knowledge, local resources and practices and the science and technology based approaches in the communities. Such products shall comply with the requirements of the updated and/or reformulated standards/criteria of the Philippine National Standards for Organic Agriculture.

Rule 4.5 The National Organic Agriculture Board (NOAB) shall

formulate the guidelines for the implementation of multi-sectoral (LGUs, NGOs, small organic farmers organizations, academe, RDE institutions, consumers and business groups) monitoring protocols to track the promotion and delivery of OAA support services and its implementation by the local chief executives (LCEs) at the provincial and city/municipal levels.

Rule 4.6 The NOAB and its appropriate TWGs shall continuously review all existing government (NGAs, legislative and LGUs) issuances, policies and programs affecting the implementation of the OAA and update recommendations to harmonize its provisions to further strengthen these IRRs consistent with the provisions of this Act.

## **Section 5 National Organic Agriculture Program (NOAP)**

There is hereby established a comprehensive organic agricultural program through the promotion and commercialization of organic farming practices, cultivation and adoption of production and processing methods which have already been developed, or to be developed, continuing research and upgrading thereof, the capacity building of farmers and the education of consumers thereon, the extension of assistance to local government units (LGUs), people's organizations (POs), non-government organizations (NGOs) and other stakeholders including individuals and groups who are willing to do other pertinent activities, and documentation and evaluation of the program

Rule 5.1 The NOAB through the Bureau of Agriculture and Fisheries Product Standards (BAFPS) shall call upon all government agencies and instrumentalities, including the LGUs, academe, NGOs, Small Farmers Organizations (OSFO)/Organic Farmers Organizations (OFOs), and RDE institutions, to submit their respective annual and long term OA plans taking into consideration climate change impact and mitigation, with emphasis on adaptation (e.g low carbon development path), disaster risk reduction and management, gender sensitive development, site specific ecosystem-based for consolidation and integration into a comprehensive National Organic Agriculture Program (NOAP). Such NOAP formulated by said agencies shall observe the principle of bottom-up, multi-disciplinary and multi-sectoral participatory planning, monitoring and evaluation system.

Rule 5.2 In formulating a comprehensive organic agriculture program, due consultation with the stakeholders shall be undertaken for purposes of ownership, legitimacy, transparency and accountability

and, following the principles of inclusivity and subsidiarity.

Rule 5.3 A rolling six year NOAP with the corresponding annual physical targets (e.g. area, population [i.e.livestock, poultry, aquaculture], volume of production and processing, agroforestry, market size, first, second, third party certified farms, and number of organic agriculture adopters) and budgetary requirements (by sources of funds: GAA, IRA, LGU development fund, EDF, ODA, ACEF, and private sector investment) shall be submitted to the Board for approval. The consolidated six year program must include projects identified by the LGUs, NGOs and OSFOs/organic farming organizations and must be reviewed, monitored and evaluated periodically.

Rule 5.4 A separate and distinct line budget item for organic agriculture in the GAA shall be allocated for the planning, implementation, monitoring and evaluation of the National Organic Agriculture Program (NOAP) and the operation of the NOAB. The DA, NOAB member agencies, concerned departments, GOCCs, GFIs, and LGUs are encouraged to allocate funds from their annual budget (GAA, IRA, LGU development fund, EDF, ODA, ACEF, etc. and private sector investment).

Rule 5.5 The implementation of the Organic Agriculture Program shall be focused on areas where delivery of support services is not adequately responded to, especially to farmers in marginal farm and coastal lands, in ancestral domains and agrarian reform areas subject to the prioritization criteria to be established by the NOAB. The implementation of small farm holding certification with an Internal Control System shall be intensified in areas where organic farms are contiguous and the farmers are adopting the same farming system.

Rule 5.6 The NOAB through its Chairman shall forge MOAs with the Leagues of Provinces, Cities/Municipalities and other concerned sources of ODA funds and negotiate with the members of the Congress (Senate and the House of Representatives) for fund sources for planning, implementation, monitoring and evaluation of the NOAP.

Rule 5.7 The DA and DTI must develop and institutionalize the promotion of local and international trade fairs, market promotion and matching activities with the active participation of LGUs, NGOs, NSAs, Academe, RDE Institutions, organic farmer organizations, consumer, business groups and multi-stakeholder (environment and climate change advocates and agrarian reform communities) networks to push organic products in the local and international markets as

outlined in the Comprehensive NOAP. Likewise, the consumption of organic products in the country shall be encouraged and promoted.

Rule 5.8 A NOAP progress monitoring and program benefit monitoring and impact evaluation of key organic programs, plans and projects shall be undertaken within three (3) years subject to the guidelines that will be developed by the NOAB. A separate and distinct TWG/Taskforce shall be created for this purpose.

## **Section 6 National Organic Agriculture Board (NOAB)**

To carry out the policy and the program provided in this Act, there is hereby created a NOAB which shall be the policy-making body and shall provide direction and general guidelines for the implementation of the National Organic Agricultural Program. The NOAB shall be attached to the Department of Agriculture (DA).

The NOAB shall ensure the full participation of POs, NGOs and the general public through coordination and consultative mechanisms such as, but not limited to, public hearings, meetings and joint projects.

Rule 6.1. The NOAB shall create Technical Working Group (TWG) and Task Forces as the need arises, taking into account balanced representation from the stakeholders at the national and regional levels, working in partnership with the DA Regional Field Units (DA-RFUs), NGAs, RDEs, LGUs and CSOs in order to expedite the planning, budget formulation, implementation, monitoring, and evaluation of various projects and activities. In all these TWG/TFs, the consumer group or coalition of organic products organizations' representation shall be ensured.

Rule 6.2 The criteria, guidelines and functions of the TWG and Task Forces shall be established by the NOAB with due consultation with the concerned OAA stakeholders for purposes of legitimacy, transparency and accountability, following the principle of inclusivity.

Rule 6.3. The TWG or Task Forces or lead implementing agency shall submit periodic accomplishment and annual reports to the NOAB and/or oral report on the status of the program/project implementation before the members of the NOAB.

Rule 6.4 A Quad Media - Information Education and Communication (Quad -IEC) mechanism shall, as far practicable, be established to disseminate the accomplishment report and relevant information on

the status of the programs and project implementation of the TWG and Task Forces. Accomplishment and monitoring reports shall be made accessible to the public through a dedicated website or any other media, including the LGUs' information mechanisms.

## **Section 7      Composition of the NOAB**

The NOAB shall consist of: (a) The Secretary of Agriculture, or his duly authorized permanent representative, with a rank of Undersecretary, as Chairperson; (b) The Secretary of Interior and Local Government, or his duly authorized representative, as Vice-Chair; (c) The Secretary of Science and Technology, or his duly authorized permanent representative; (d) The Secretary of Environment and Natural Resources, or his duly authorized permanent representative; (e) The Secretary of Education, or his duly authorized permanent representative; (f) The Secretary of Agrarian Reform, or his duly authorized permanent representative; (g) The Secretary of Trade and Industry, or his duly authorized permanent representative; (h) The Secretary of Health, or his duly authorized permanent representative; (i) Three (3) representatives from the small farmers; and (j) A representative each from the NGOs involved in sustainable agriculture for at least three (3) years; agricultural colleges and universities; and private sector or agribusiness firms; as members.

The designated aforementioned representatives of the various departments shall be occupying positions not lower than a bureau director level and shall be on a coterminous basis.

The representatives of small farmers and NGOs, and of agricultural colleges and universities, shall be chosen by the Secretaries of Agriculture and Science and Technology, respectively, from among nominees submitted to the agency concerned by their respective national organizations. These representatives must be conversant in organic agriculture and committed to the policies and programs provided under this Act.

The existing National Organic Agriculture Board created pursuant to Executive Order No. 481 shall continue to function until the new NOAB created herein has been constituted pursuant to Section 8 hereof.

Rule 7.1. The BAFPS and DOST shall come-up with the criteria for the selection of nominees for the three (3) representatives from the small farmers, NGOs, and private sector or agribusiness firms organizations, agricultural colleges and universities respectively,

subject to the approval of the NOAB. They shall likewise provide the deadline of submission of the aforementioned list of nominees.

Rule 7.2. The nomination of the small farmers, NGOs and private sector representatives shall be done through a broad consultation with the stakeholders, using their own selection process, in the three (3) major islands of the country. The list of nominees selected by the small farmers, NGOs and private sector representatives shall be submitted promptly to the Secretary of the DA in accordance with the deadline provided by the BAFPS and DOST, otherwise, the DA Secretary has the authority to select the aforementioned representatives.

Rule 7.3. The Secretary of DA shall appoint the members of the Board from the private sector, small farmers, NGOs, and agribusiness firms while the representative from the academe (i.e. SUCs and private HEIs) shall be appointed by the DOST from a list of 3 nominees for each category.

Rule 7.4. The existing NOAB created under EO 481 shall cease to function after the creation of the new NOAB.

Rule 7.5. An appointed member of the Board shall serve for a single term of three (3) years and cannot be reappointed for another term. Should a private sector or academe member of the Board fail to complete his/her term, the concerned Secretary shall appoint a successor from the same organization the private sector or academe represents. The successor shall only serve the unexpired portion of the uncompleted term.

Rule 7.6 A representative from small farmers shall be a member of a duly registered [and/or recognized by any government agencies] farmer organization, cooperative, federation and/or coalition organized for the purpose of promoting and practicing organic agriculture. One representative each shall come from Luzon, Visayas, and Mindanao. All small farmer representatives must always belong to different organizations or associations, a coalition of which shall be treated as one organization for purposes of this prohibition.

Rule 7.7 NGO's nominating a representative must be duly registered, nationally representing the NGO interests with proven track record for at least three years on sustainable agriculture.

Rule 7.8 A representative from the private sectors or agribusiness firms must be predominantly engaged in organic farming, processing,

trading of organic inputs and products.

## **Section 8 Organization of the NOAB**

Within sixty (60) working days from the effectivity of this Act, the national organization of small farmers, of NGOs and of agricultural colleges and universities shall submit their respective nominees to the Secretary of Agriculture and the Secretary of Science and Technology, as the case may be, who shall evaluate the qualifications of the nominees and appoint the most qualified members to the NOAB.

The Chairperson shall call the members of the NOAB, or a majority thereof if not all have been designated, to a meeting to organize themselves and prescribe its rules and procedures for the attainment of the objectives of this Act. A majority of all the members of the NOAB shall constitute a quorum.

The NOAB shall also determine its budget, including travel expenses, allowances and per diems of its non-government members when attending official NOAB meetings or attending to matters assigned to them subject to accounting and auditing rules and regulations.

Rule 8.1 The NOAB shall hold quarterly meetings and special meetings when necessary. The presence of at least eight (8) including the chairperson of the NOAB shall constitute a quorum. In all cases, the presence of the Chairperson or his duly authorized representative shall be required.

Rule 8.2 Members of the Board sending representatives, not the duly authorized permanent or official alternate representative, to meetings shall be considered absent. Such representatives may participate in the deliberations during the meeting but is not entitled to vote.

Rule 8.3 Whenever the exigencies of the service demand as determined and certified by the Chairperson and the NOAB, the NOAB cannot be convened to a meeting for any valid reason, the Director of the BAFPS, is hereby authorized to submit via referendum, any matter for resolution and concurrence of a majority of the NOAB members or their duly designated representatives.

Rule 8.4 The chairperson and members of the NOAB shall be entitled to honoraria and other allowable emoluments as may be fixed by the NOAB for every meeting actually attended, subject to existing laws, rules and regulations.

Rule 8.5 The NOAB Secretary coming from the BAFPS as designated by the Chairperson shall keep all records relative to the meetings of the NOAB. He/she shall head the Secretariat and shall be responsible for administrative requirements of the NOAB. The NOAB Secretary shall be entitled to honoraria similar to that of the members of the NOAB.

Rule 8.6 Proceedings of the NOAB meetings and important issues and developments including the LGUs' information mechanisms shall be made available in a dedicated website and disseminated through quad-media.

## **Section 9 Powers and Functions of the NOAB**

The NOAB shall have the following powers and functions: (a) Formulate policies, plans, programs and projects to develop and promote organic agriculture, production, processing and trade; (b) Oversee the successful implementation of the National Organic Agricultural Program; (c) Identify sources of financing to expand organic agriculture; (d) Monitor and evaluate the performance of programs for appropriate incentives; (e) Undertake measures for the international recognition of local certification of organic products; (f) Call upon any government agency to carry out and implement programs and projects identified by the NOAB; (g) Call upon private sectors, POs and NGOs and the academe to provide advice on matters pertaining to organic agriculture and conduct of capability-building initiatives to farmers, producers, extension workers, consumers and other stakeholders in agriculture sector in coordination with the Agricultural Training Institute; (h) Submit annual and other periodic reports to the President, Secretary of the DA and Congress of the Philippines through the Congressional Oversight Committee on Agricultural and Fisheries Modernization (COCAFAM); (i) Promulgate such rules and regulations and exercise such other powers and functions as may be necessary for its effective operations and for the continued enhancement growth or development of organic agriculture.

Rule 9.1 The Board in coordination with other concerned agencies shall provide technical and networking assistance to expedite the processing of applications of locally accredited certifying bodies for international recognition. Such assistance shall include, but not limited to, proper endorsement of applications to the appropriate accrediting bodies.

Rule 9.2 The ATI shall immediately adopt existing guidelines for

the accreditation of the relevant extension service providers (ESPs) on organic agriculture, provided such ESPs have juridical status and have been duly registered with appropriate regulatory bodies, as sole proprietors, cooperatives, associations and corporations, and the funding thereof will be sourced from the DA and other government agencies. Such accreditation guidelines shall be submitted to the Board for final review and approval.

Rule 9.3 Only accredited extension service providers shall be tapped by the government for related group capacity building and on organic farming technologies training without prejudice to non-accredited organizations who have been conducting training prior to the passage of this Act. An individual service provider may be tapped for organic agriculture farming technologies and related trainings provided that he is either a member of the extension service provider or appropriately endorsed by such.

Rule 9.4 The ATI shall continuously undertake appraisal and evaluation of the capability and competence of accredited extension service providers.

Rule 9.5 The ATI shall encourage, support and provide continuous lifelong learning of all organic technologies and practices.

## **Section 10 BAFPS**

The BAFPS of the DA shall be strengthened and empowered in terms of establishing functional divisions and incremental staffing to serve as the national technical and administrative secretariat of the NOAB with the member agencies providing additional staff support as the need arises.

Rule 10.1 The Bureau is hereby authorized to submit its plantilla positions for the creation of an Organic Agriculture Division. This division shall be completed within a period of one (1) year from adoption of these rules.

## **Section 11 Powers, Duties and Responsibilities of the BAFPS**

The BAFPS, in addition to its existing functions and responsibilities shall perform the following functions, duties and responsibilities for purposes of this Act: (a) Implement organic agriculture programs and projects approved by the NOAB; (b) Update the NOAB on the status of the programs, projects and activities undertaken for the development and promotion of organic agriculture; (c) Creative

effective networking with the various stakeholders involved in organic production; and (d) Perform such other functions, duties and responsibilities as may be necessary to implement this Act and as directed by the NOAB.

Rule 11.1 A prior review and update of all existing government issuances, policies and programs shall be undertaken by the BAFPS to harmonize and strengthen them to be consistent with the provisions of this Act. Any recommendations made by the BAFPS shall be immediately forwarded to the NOAB for proper action.

Rule 11.2 A comprehensive NOAP shall be prepared consisting of the activities identified by concerned agencies subject to the approval of the NOAB.

Rule 11.3 Coordination among agencies and the NOAB shall be established to monitor the implementation of the activities outlined in the NOAP. The monitoring and evaluation mechanisms that will be put in place shall be participatory in nature to reach the grassroots level.

## **Section 12 Work Plan**

In line with the National Organic Agricultural Program, the BAFPS shall submit to the Board for approval the following:

- (a) A plan of bringing the program down to the grassroots, utilizing available personnel and facilities on the local level and those of LGUs;
- (b) A pattern of cooperation and mutual assistance with LGUs, POs and NGOs, which will maximize people empowerment and participatory approaches to program formulation, implementation and monitoring; and
- (c) A schedule of short-term, medium-term and long-term targets on research and development, marketing, trade promotion/initiatives, capacity building, among others.

Rule 12.1 The NOAB, shall formulate institutional mechanisms and arrangements that will ensure the effective implementation of the Work and Financial Plan and further assist BAFPS in carrying out the plan in a most expeditious, efficient and cost-effective manner. This must be achieved through effective coordination and networking among appropriate national government agencies and the LGUs as well as the existing network of organic producers and their support organizations including the small farmers/OSFOs, OFOs, agrarian reform beneficiaries, landless farm workers and indigenous peoples.

Rule 12.2 The Work and Financial Plan shall include provisions for organic conversion farming, the protection of organic farms from land conversion, pollution and environmental contamination and degradation.

Rule 12.3 The formulation of the work and financial plan shall ensure the interest of the organized consumer groups through their active participation and involvement in the formulation of the Work Plans.

### **Section 13 Organic Agriculture and the Protection of the Environment**

The NOAB shall constantly devise and implement ways and means not only of producing organic fertilizers and other farm inputs and needs on and off the farm but also of helping to alleviate the problems of industrial waste and community garbage disposal through appropriate methods of sorting, collecting and composting. The BAFPS shall conduct continuing studies, with consultations among the people and officials involved as well as Pos and NGOs, in order to advise local governments, from the barangay to the provincial level, on the collection and disposal of garbage and waste in such a way as to provide raw materials for the production of organic fertilizer and other farm inputs.

Rule 13.1 The policies and principles as embodied in the OAA shall be institutionalized in the MTPDP as a major framework for agricultural, rural and sustainable development.

Rule 13.2 The adoption of organic agriculture through the implementation of NOAP projects and activities shall consider strategies to promote the low carbon development path. Provisions for "Carbon Credits" in accordance with the Kyoto Protocol and other guidelines issued by the NOAB shall be established.

Rule 13.3 Organic Agriculture promotion and related activities should at all times consider strategies for ecological stewardship.

Rule 13.4 The DA and the NOAB shall identify protected areas legislated as such under the National Integrated Protected Areas System Act (NIPAS Act) and areas adjacent to water tributaries delineated as Organic Agriculture Zones in coordination with the proper government agency. Water resource users through institutional arrangements should be tapped to protect and develop these Organic Agriculture Zones.

Rule 13.5 Programs and activities for the application, practice and

adoption of organic agriculture throughout the country shall give due recognition and importance to reforestation activities and undertakings.

Rule 13.6 Organic agriculture programs, projects and activities shall give focus on the proper disposal and recycling of wastes involving the local waste management of LGUs, entrepreneur and private entities for the production of organic fertilizer in accordance with the Ecological Solid Waste Management Act and the Sanitation Code of the Philippines.

Rule 13.7 Organic agriculture activities, programs, and projects shall also focus on resource consciousness within the framework of ecological resource management, such that resources usually considered as waste will be used best to promote organic farming as well as to conserve, protect, and enhance diminishing and degraded natural resources through the Ecology Center System. Households, farms and the respective barangays with the support of the municipal/ city and provincial government will seriously and thoroughly carry out waste prevention and waste sorting and segregation at sources, recycling and composting to prevent garbage dumpsites and terminate burning resulting in (a) the production of compost for organic fertilizer form the source, particularly the households and farms, and by the farmers themselves; (b) replenishment of diminishing resources such as the forests through the establishment of seedling banks in the barangay ecology center nurseries using the seeds collected from households and farms; (c) prevention of raw materials extraction with the promotion of recycling; and (d) arrest of further degradation and pollution of the environment which work against organic farming and contribute to global warming and climate change.

Rule 13.8 The DA, with the cooperation of the DENR and the LGUs, should ensure the mitigation of seepages and run-offs from dumpsites and mining activities pursuant to the guidelines and standards outlined in the OAA, and consistent with these rules and all other related enactments.

Rule 13.9 Policies related to organic agriculture recognizes the principles that polluters must pay in accordance with this Act and the Clean Air and Clean Water Acts. Guidance on providing comprehensive air and water pollution control policies and giving more concern on the prevention of air pollution through proper delegation should be given priority. The DA shall ensure that the roles and responsibilities of the LGUs, POs, NGOs, as well as the academe, should be identified.

A local government unit that intends to shift its area of responsibility to organic agriculture must ensure that local industries have been adequately informed and consulted and that a viable plan to ensure supply for vulnerable industries is in place.

The governors shall monitor implementation of and compliance with this Act within their respective jurisdictions.

Rule 14.1 In coordination with the League of Cities, Municipalities, and Provinces, the BAFPS shall prepare an OA program that will directly benefit the grassroots.

Rule 14.2. The DA shall assist the local chief executives of LGUs in organizing the provincial/municipal/city Technical Committee on Organic Agriculture (LTC/OA) which may be composed, among others, of members similar to that of the NOAB, with an additional member representing the consumer group, if any and the SB member representing the agriculture sector or organized according to the needs of the LGU. The said technical committee shall be chaired by the local chief executive. Representation of NGOs, academe, private business, and small farmers shall be drawn through their own processes of selection.

Rule 14.3 The said technical committee shall review, consolidate and endorse local organic agriculture plans, programs, projects and activities (as a component of the NOAP) to the NOAB through the TWGs and follow-through their implementation at their levels. The Organic Agriculture Plan shall form part of the Local Development Plan, local development investment program and annual investment plan.

Rule 14.4 The Local Government Units (LGUs) as front liners in the implementation of the program shall pass, provincial and/or city/municipal ordinances and/or resolutions as appropriate, thereby specifying the participatory and bottom-up approach to grassroots organic agricultural programs and projects and subsequently approving and adopting the Provincial, Municipal or City Organic Agriculture Program and/or elaborating the National Organic Agricultural Program as a strategy in addressing concerns on food security, environment, health and wellness and poverty alleviation through their Sanguniang Bayan/Panlungsod/Panlalawigan, and appropriating funds for the purpose.

Rule 14.5 The Department of Agriculture shall instruct the regional

field offices to provide assistance to the local technical committees, work closely with the OA stakeholders, be responsible for integrating the regional organic agriculture plans, programs, project budgetary requirements and in monitoring organic agriculture project implementation in the region. The regional office shall be responsible for designating a focal person.

Rule 14.6 The DA shall request the other appropriate Departments to likewise designate focal persons to serve as counterpart to the DA Organic Agriculture focal person.

## **Section 15 Accreditation of Organic Certifying Body**

The BAFPS is hereby designated and authorized to grant official accreditation to organic certifying body or entity. The BAFPS is tasked to formulate the necessary rules and procedures in the accreditation of organic certifying body: Provided, That there shall be at least one (1) accredited organic certifying body each in Luzon, Visayas and Mindanao or in case of only one (1) organic certifying body is accredited, it shall have at least one (1) satellite office or processing unit each in Luzon, Visayas and Mindanao.

Rule 15.1 There shall be a transition period of two (2) years for the mandatory implementation of the 3rd Party certification. During the transition period, the 1st Party and 2nd Party, the community based and participatory guarantee systems side by side with 3rd Party Certification shall be recognized. Thereafter, the provisions of the OAA, particularly Section 17 thereof, as well as these rules, shall be in full force and effect.

Rule 15.2 The guidelines, rules and procedures for accreditation of local and international certifying bodies shall be revisited prepared and updated by Technical Working Group chaired by BAFPS for approval by the NOAB. Such guidelines shall be reviewed regularly by the NOAB.

Rule 15.3 For local certifying body, the herein attached rules and procedures shall be complied with. In addition, application as CB shall be processed within thirty (30) calendar days upon submission of completed documents.

Rule 15.4 BAFPS is authorized to organize an accreditation committee subject to the approval of the NOAB to be composed of concerned agencies and department, organic small farmers organizations, OFOs, NGOs, consumer groups, academe, and the private sector, whose sole

function is to evaluate and approve the accreditation of certifying bodies.

Rule 15.5 Accreditation guidelines, rules and procedures shall be disseminated through Quad Media – IEC and posted in its dedicated website, including the LGUs’ information mechanisms.

## **Section 16 Registration of Organic Food and Organic Input Producers**

All organic food and input establishments must register with the director, BAFPS, registration under this section shall begin within ninety (90) days of the enactment of this Act. Each such registration shall be submitted to the director through an electronic portal and shall contain such information as the director by guidance may determine to be appropriate. Such registration shall contain the following information:

- (a) The name, address and emergency contact information of each organic food or input establishment that the registrant owns or operates;
- (b) The primary purpose and business activity of each organic food or input establishment; including the dates of operation if the organic food establishment is seasonal;
- (c) A list of the organic food or input produced and corresponding brand names;
- (d) For organic food establishment, the name, address and contact information of the organic food certifying body that certified the organic products sold by the company;
- (e) An assurance that the registrant will notify the director of any change in the products, function or legal status of the domestic food establishment (including cessation of business activities) not later than thirty (30) days after such change; and
- (f) For organic input producers, a list of materials used in the production of each particular input.

Rule 16.1 Applications for registration shall be subjected to a validation process by BAFPS.

Rule 16.2 All organic input suppliers shall register with the BAFPS within sixty (60) days after effectivity of this IRR, without prejudice to their compliance with the policies and guidelines (i.e. licensing, product testing, etc.) of concerned competent regulatory agencies.

Rule 16.3 The registration of organic products and inputs which are currently with the Fertilizer and Pesticide Authority (FPA) shall

continue to be valid until the expiration of said license. Thereafter, registration of such products shall be done by BAFPS.

Rule 16.4 All organic seeds and planting materials which are currently registered in the National Seed Certification Board/Bureau of Plant Industry shall be re-evaluated by the BAFPS, consistent with the provisions of this Act and the PNS. However, these products and inputs shall continue to be valid until the expiration its license. Thereafter, registration of such products shall be done by BAFPS.

Rule 16.5 All organic livestock, poultry and aquaculture stocks which are currently registered with the BAI and the Bureau of Fisheries and Aquatic Resources mandated to give licenses and accreditation shall be re-evaluated by the BAFPS, consistent with the provisions of this Act and the PNS. However, these products and inputs shall continue to be valid until the expiration its license. Thereafter, registration of such products shall be done by BAFPS.

Rule 16.6 The FPA, NSCB, BPI, BAI and BFAR shall review and recast their licensing requirements and procedures for OA products and inputs, to be consistent with the provisions of this Act. The DA and the Food and Drug Administration (FDA), however, shall draft their own joint guidelines on the regulation of “processed organic food.”

Rule 16.7 Community based/Small farmers organic inputs and products shall be recognized by the BAFPS through the LTC/OA.

Rule 16.8 BAFPS shall publish fees for licensing, certification and registration.

## **Section 17 Labeling of Organic Produce**

The label of organic produce shall contain the name, logo or seal of the organic certifying body and the accreditation number issued by the BAFPS. Only third party certification is allowed to be labeled as organically produced.

Rule 17.1 Consistent with Rule 15.1 and its guidelines, rules, and procedures, there shall be a transition period of two years for this provision to be fully implemented. During this period, labeling of organic products shall be based on 1st, 2nd, and 3rd Party Certifications.

Rule 17.2 The DA and other member Departments of the NOAB, including related government agencies, with support from the LGUs,

shall conduct a sustained and massive National and Community Based Quad Media IEC to promote and advocate OA farming systems adoption and accreditation during the transition period. In addition, capacities and resource capabilities of organic stakeholders shall be given full support and technical assistance.

Rule 17.3 In relation to this provision, the guidelines, rules, and procedures for labeling shall be developed by BAFPS through consultation and substantive participation of OA stakeholders. Thereafter, these guidelines, rules, and procedures shall be disseminated through Quad Media – IEC and posted in its dedicated website, including the LGUs' information mechanisms.

Rule 17.4 This provision shall be implemented without prejudice to the provisions of the Consumer Act of the Philippines.

## **Section 18 Retailing of Organic Produce**

Retail establishments or stores of organic produce shall designate a separate area to display the organic produce to avoid mixing it with non-organic produce.

Rule 18.1 Guidelines, rules, procedures for retailing of organic products shall be immediately formulated by NOAB through the TWG/TF, and BAFPS. These shall be undertaken through a consultative multi-agency and multi-stakeholders (LGUs, NGOs, academe, small farmers organizations, OFOs, consumer, retailers, and other organic agri-business groups) participatory processes.

Rule 18.2 Retail establishments such as supermarkets, malls and similar establishments shall specifically designate an area where organic products are conspicuously displayed. Mixing non-organic and organic products is not allowed. Only products verified and certified as organic in accordance with Rules 15.1, 16.1, 17.1 and 18.1, shall be displayed in the organic section and labeled as such.

Rule 18.3 IEC materials and collaterals attesting to the advantages of consuming organic foods should be placed in said retail establishments.

Rule 18.4 The LGUs shall establish dedicated stalls in the public markets and organize a special market day for organic products.

## **Section 19 Availability of Trading Posts for Organic Inputs**

Local chief executives shall establish, as far as practicable, at least

one (1) trading post for organic inputs for every LGU in their area of jurisdiction.

Rule 19.1 Provided that the establishment of a trading post for organic inputs is feasible, the Local Government Units (LGUs), on their own, shall establish such trading post.

Rule 19.2 Organic inputs to be sold in the trading posts must comply with the standard specifications established by the NOAB through BAFPS and as outlined by these rules.

## **Section 20 Research, Development and Extension**

The Bureau of Agricultural Research (BAR), as the lead agency, shall coordinate with the other agencies of the DA, the Department of Agrarian Reform (DAR), the Department of Science and Technology (DOST), the Department of Education (DepED), the Department of Interior and Local Government (DILG), the strategic agriculture-based state universities and colleges (SUCs) including private organizations, to develop, enhance, support and consolidate activities and related technologies for the formulation and implementation of a unified and integrated organic agriculture RDE plans and programs from the national to the field level. The organic agriculture RDE plans and programs shall include, but not be limited to, the following: (a) Research, development and commercialization of appropriate, innovative and viable organic agricultural technologies; (b) Nationwide promotion of developed and commercially viable biodegradable farm wastes and by-products through various extension strategies to accelerate the production, use and distribution of organic fertilizers; and; (c) Conduct research for market development, policy formulation, regulation and certification.

Rule 20.1 The BAR shall create and/or strengthen a Unit that will handle the overall planning, coordination, implementation and monitoring of the Organic Agriculture Research Program following the bottom up participatory planning approach. Corresponding budget shall be allocated for the creation, planning, implementation, monitoring, and evaluation of aforesaid Unit.

Rule 20.2 BAR shall establish and maintain a database and information system on Organic Agriculture Research and Development Program. It shall likewise coordinate with other agencies on data and information on Organic Agriculture that will form part of the system.

Rule 20.3 An inter-agency committee shall immediately be created

and chaired by BAR with members from concerned departments (i.e. DAR, DOST, DepED, CHED, DILG, DoE), SUCs, alternative learning institutions, NGO research service providers, organic small farmer organizations and cooperatives, and other Higher Education Institutions (HEIs) that will oversee the implementation and monitoring of national RDE programs on organic agriculture and provide relevant recommendations during the implementation process to the NOAB.

Rule 20.4 A mechanism that enhances the consultation process with small farmers taking into account their needs and priorities for research shall be established by the inter-agency committee with the aim of making research more community responsive, appropriate and friendly to small organic farmers/practitioners.

Rule 20.5 A mechanism should be established ensuring that conduct of R&D activities are based on sound scientific process, community indigenous knowledge, systems and practices (IKSP), and eventually facilitate organic farms to produce products compliant with the Philippine National Standards for Organic Agriculture.

## **Section 21 Creation of the Organic Agriculture RDE Network**

An organic agriculture RDE network shall be organized by the BAR, composed of research and educational institutions, LGUs, nongovernment agencies and the recognized association or organic fertilizer manufacturers and distributors, agricultural engineers, agriculturists, soil technologists, farmers group and/or associations.

Rule 21.1 The NOAB, in collaboration with BAFPS, BAR and PCARRD shall serve as the data information center and shall integrate and disseminate these data through electronic and other means to interested stakeholders through the existing RDE Organic Network website.

Rule 21.2 The BAR of the DA and PCARRD of DOST through their RDE network shall identify, prioritize and implement through its collaborating agencies research projects and related activities on organic agriculture while the BPI, PhilMech and such other agencies shall primarily focus its assistance on the development of organic farming systems pursuant to their organizational mandates. The ATI, RFUs, LGUs, organic small farmer organizations and NGOs providing RDE services, in close partnership with local and community-based service providers, shall undertake technology transfer and related extension activities.

Rule 21.3 The DA and other research agencies, SUCs, alternative learning institutions and other Higher Education Institutions (HEIs) are encouraged to go into co-financing agreements with the private sector and Official Development Assistance providers (ODAs) in the conduct of research, development and extension activities provided that the terms and conditions of the agreements are beneficial to the country.

## **Section 22 RDE Centers**

National, regional and provincial organic R&D and extension centers shall be organized, established and integrated as a major component of the existing RDE centers of the DA, the DOST, the DENR, SUCs and the LGUs. These will be strengthened and enhanced to spearhead the integrated program to develop and promote organic agriculture throughout the country.

Rule 22.1 National, regional, provincial, community based organic learning/training centers shall be established building on and or strengthened from existing RDE centers.

Rule 22.2 National, regional, provincial and Organic Research and Extension Programs shall be formulated, organized, planned, implemented, integrated and strengthened from existing research and extension programs of the RDE centers of the DA, DOST, DENR, SUCs, LGUs and organic farming community based learning/training centers.

## **Section 23 Organic Agriculture in the Formal and Non-formal Sectors**

The National Government, through the DepEd, with its mandate and in coordination with concerned government agencies, NGOs and private institutions, shall strengthen the integration of organic agriculture concerns in school curricula at all levels.

Rule 23.1 The Department of Education together with the Department of Agriculture, shall jointly:

Rule 23.1.1 Central Office:

a. Incorporate the philosophy and principles of organic agriculture, its importance, techniques and skills on the practice of organic agriculture in the basic education curriculum and alternative learning system (ALS) curriculum preferably translated in Filipino and other local languages.

- b. In consultation with organic agriculture practitioners and/or experts, include in their development of teacher training programs a module that would enhance competencies of teachers in the management and instructional delivery of philosophy and principles of organic agriculture, its importance, techniques and skills on the practice of organic agriculture;
- c. Include organic farming as one module under the ALS livelihood programs for out-of-school youth (OSY) and adult learners;
- d. Include in their development of textbooks, learning and instructional materials philosophy and principles of organic agriculture its importance, techniques and skills on the practice of organic agriculture;
- e. In partnership with DA and other concerned departments and institutions, develop information, education and communication (IEC) materials on organic agriculture that can be easily understood by students and parents;
- f. Establish linkages with DA and NOAB member agencies, other concerned government agencies, LGUs, NGOs, organic farmer organizations and other concerned stakeholders, and media partners for a nationwide promotion, adoption and practice of organic agriculture.

#### 23.1.2 Regional Offices:

- a. Include in their regular planning, monitoring and evaluation of Divisions' activities the integration of organic agriculture in the Divisions' educational planning and implementation of school and ALS curriculum. The Regional Offices shall likewise include in their conduct M&E, the Divisions' training of teachers and mobile teachers on organic agriculture, localization of instructional and learning materials to include philosophy and principles of organic farming, implementation of ALS programs on organic farming, organic agriculture-advocacy activities and others;
- b. Include in their provision of support services to the Divisions, technical and financial assistance for the Divisions' implementation of organic agriculture-related activities;

#### 23.1.3 Division Offices:

- a. In partnership with the Provincial, City and Municipal agriculturists, the DepEd Division Offices shall include in its implementation the training programs for teachers and mobile teachers, development of training modules on organic agriculture, its importance, techniques and skills in the practice of organic agriculture;
- b. Encourage schools and community learning centers (only when appropriate) to establish organic gardens in their areas where children student and learners could practice organic farming;

c. Include in their provision of support to the schools/community learning centers, technical assistance in the schools' implementation of organic agriculture and related activities;

#### 23.1.4 Schools:

a. Schools are encouraged to promote, develop and adopt a holistic program on organic agriculture farming systems and ensure its implementation;

b. Encourage school heads to establish organic gardens that shall showcase organic farming technologies. Schools in urban areas are encouraged to practice organic urban farming technologies;

c. Schools shall offer organic foods in their canteens to enhance consumption of safe, healthy and nutritious food;

d. Assign one schoolteacher/mobile teacher preferably the Technology and Livelihood Teacher Coordinator to serve as a focal person on organic agriculture. The focal person shall act under the supervision of the School Head under the guidance of the school governing board;

e. Strengthen linkages with the community, LGUs, local government offices, NGOs, small farmers, organic farmers' organizations, and media partners to implement advocacy strategies that will promote organic farming technologies such as among others regular competitions on Best Practices on Organic Agriculture; exposure or field trips to local organic farms;

f. Tap organic agriculture practitioners and/or experts in organic agriculture to serve as guest lecturers;

Rule 23.2 The Department of Education, through its Secretary, shall issue a Department Order that will detail the implementation and provision of budgetary support for these provisions of the IRR.

Rule 23.3 The NOAB shall call upon the CHED, TESDA and other educational institutions to institutionalize the integration of organic agriculture concerns in their curricula and other operational activities consistent with the provisions of this IRR.

## **Section 24 Incentives**

The government shall extend incentives for the production and propagation of organic farm inputs by maximizing their use in all government and government-supported agricultural production, research and demonstration programs. Incentives shall also be provided to farmers whose farms have been duly certified as compliant to the Philippine National Standards (PNS). Further, the DA may give cash reward in recognition of the best organic farm in the country. The DA, the DAR, the DOST, the DILG, the Department of Trade and

Industry (DTI), the DepEd, the Department of Finance (DOF), the Land Bank of the Philippines (LBP), and other government lending and non-lending institutions shall also assist organic input producers and organic farmers through the provision of adequate financial, technical, marketing and other services and resources.

- (a) Exemption from the payment of duties on the importation of agricultural equipment, machinery and implements as provided under Republic Act No. 9281, which amends Republic Act No. 8435 or the Agriculture and Fisheries Modernization Act (AFMA);
- (b) Identification by LGU of local taxes that may be offered as incentives to organic input production and utilization;
- (c) Provision of preferential rates and special window to organic input producers and users by the LBP;
- (d) Subsidies for certification fees and other support services to facilitate organic certification;
- (e) Zero-rated value-added tax (VAT) on transactions involving the sale/purchase of bio-organic products, whether organic inputs or organic produce; and
- (f) Income tax holiday and exemption for seven (7) years, starting from the date of registration of organic food and organic input producers on all income taxes levied by the National Government.

Rule 24.1 In line with the provisions of this Act, the Department of Finance, Bureau of Internal Revenue and other government financing institutions are called upon to review and align their existing guidelines or issue new ones with a view of granting incentives and other benefits to the organic agriculture farming system.

Rule 24.2 The concerned agencies shall issue their respective guidelines for the proper implementation of the provisions of this Act.

Rule 24.3 The following incentives shall be given only to organic agriculture entities/farmers registered with BAFPS and those which are classified as micro, small and medium enterprises. The BAFPS shall annually provide the Department of Finance list of qualified entities/farmers and enterprises, among others.

Rule 24.4 The Local Government Units are encouraged to provide incentives to organic input production either through reduction of amount of local taxes, fees, and charges imposed or exemption on business taxes. The LGUs through its Sanggunian shall determine the incentives, the amount and duration of exemption to be granted.

Rule 24.5 The LGUs together with GFIs shall put up and provide

guarantee funds for small organic farmers, artisanal fisherfolks and indigenous peoples.

Rule 24.6 Duly certified organic farms shall be provided subsidy of the total certification cost subject to the guidelines of the NOAB.

Rule 24.7 Subsidy shall be granted only to organic farmer producers whose products are intended for local market. For products intended for the export market, subsidy shall be given only to MSMEs, indigenous people and agrarian reform beneficiaries.

Rule 24.8 The validity of the certification is for one (1) year. The subsidy may be availed of for 3 times subject to annual renewal of application.

Rule 24.9 Only farms which have complied with the organic agriculture standards as evidenced by the actual inspection report shall be entitled to subsidy. In case of denial of the application and upon proof of non-compliance of the “must be” complied requirements of the standard, the farmer applicant shall bear the cost of certification.

Rule 24.10 Group certification for contiguous farms adopting the same farming system shall be encouraged.

Rule 24.11 In case of funding constraints, small land and aquaculture farms, MSMEs, indigenous people, ARBs shall be accorded the top priority for the granting of the subsidy.

Rule 24.12 Certified farms found violating the terms and conditions of the certification agreement shall no longer be entitled to subsequent subsidy. If there is an appeal, said farms, shall after verification and show proof of compliance, shall be eligible for subsidy.

Rule 24.13 The cost of recertification shall be valid only for two applications. Thereafter, a socialized subsidy based on the farmers income, farm size and crops grown shall be granted. A detailed guideline for socialized subsidy shall be set by the Board.

Rule 24.14 The cost of certification and related expenditures of individual farms entitled to subsidy should be less than 10% of the market price of the estimated total organic produce. For group certification, it should not be less than 5% of the market price.

Rule 24.15 The certification cost charged by the duly accredited certifier shall include the application and processing fees and other

reasonable related costs such as traveling expenses and per diems of inspectors stationed within the major island of the country where the farm to be inspected is situated.

Rule 24.16 The certification cost, in case of many certifiers, shall fall within an appropriate range considering substantial variations in certification cost.

Rule 24.17 The subsidy shall be paid directly to the certifier upon certification of the inspected farm.

Rule 24.18 The certifier must conduct inspection only in areas where they are qualified and deputized as reflected in their manual of operations.

Rule 24.19 The certifier must notify BAFPS at least seven (7) working days prior to a scheduled inspection before conducting the actual inspection. A notice to proceed shall be transmitted within three (3) days after notification.

Rule 24.20 The availment of the abovementioned incentives shall be subject to evaluation of BAFPS in coordination with or through joint efforts with the concerned agencies implementing the particular incentives availed of.

24.21 The BAFPS, BIR and BLGF-DOF shall, within six (6) months from issuance of this IRR, formulate the guidelines of this provision upon due consultation with concerned organic farming stakeholders. This guideline shall outline provisions wherein businesses can avail the incentives particularly the zero rated vat for bio-organic products and income tax holidays.

24.22 Organic farms shall be covered under the Philippine Crop Insurance Corporation (PCIC) guidelines and policies.

## **Section 25 Appropriations**

The sum of Fifty million pesos (PhP 50,000,000.00) and the existing budget for the promotion of organic farming of the DA is hereby appropriated for the initial year of implementation of this Act. Thereafter, such amount as may be necessary for the continuous operation of the NOAB and the implementation of the program shall be included in the annual General Appropriations Act (GAA).

The NOAB is hereby authorized to solicit and accept assistance or facilities in the form of grants from individuals and entities here and abroad, and to utilize these funds and resources for purposes of this Act, subject to the usual budget, accounting and auditing rules and regulations.

Rule 25.1 Funds shall be allocated out of the 50M appropriation to support the coordination, implementation, and monitoring and evaluation, of the research, development and extension activities on Organic Agriculture Program.

Rule 25.2 The DA shall thereafter allocate the amount of at least 2% of its annual budget for the implementation of the Organic Agriculture Programs.

## **Section 26 Penal Provisions**

Any person who willfully and deliberately: (a) obstructs the development or propagation of organic agriculture, or the manufacture, production, sale or use of organic agricultural inputs; (b) refuses without just cause to extend the support and assistance required under this Act; and (c) mislabels or claims that the product is organic when it is not in accordance with the existing standards for Philippine organic agriculture or this Act shall, upon conviction, be punished by imprisonment of not less than one (1) month nor more than six (6) months, or a fine of not more than Fifty thousand pesos (P50,000.00), or both, at the discretion of the court. If the offender is a corporation or a juridical entity, the official who ordered or allowed the commission of the offense shall be punished with the same penalty. If the offender is in the government service, he shall, in addition, be dismissed from office.

## **Section 27 Implementing Rules and Regulations.**

The NOAB shall adopt rules and regulations to implement the provisions of this Act within ninety (90) days from the effectivity of this Act and submit the same to the COCAFm for review and approval. In the drafting of the implementing rules and regulations, the DOF shall be consulted in connection with the tax incentives provided under Section 24 hereof.

## **Section 28 Annual report**

The NOAB shall render an annual report to both House of Congress on the accomplishment of the program. A review on the viability of the program shall be made by the concerned agencies after 3 years of

implementation.

Rule 28.1 Annual reports, to include the work accomplishments and financial statements shall be submitted to OA stakeholders and shall be disseminated in Quad Media and posted in a dedicated website, including the LGUs' information mechanisms.

Rule 28.2 The COA report on this regard shall also be disseminated in Quad Media and posted in a dedicated website, including the LGUs' information mechanisms

## **Section 29 Congressional Oversight Committee**

The COCAFAM shall be the congressional oversight committee for purposes of this Act. The COCAFAM shall review and approve the implementing rules and regulations of this Act and also perform the following functions:

- (a) Monitor and ensure the proper implementation of this Act;
- (b) Review the proper implementation of the programs on organic agriculture and the use of its funds;
- (c) Review the performance of the NOAB; and
- (d) Such other functions it deems necessary.

Rule 29.1 This IRR shall recommend the participation of concerned OA stakeholders, such as but not limited to small farmers, NGOs, academic and private sector, in the COCAFAM as observers to contribute to review and further recommend enhancements to this Act, its strategies, programs, plans and budget.

## **Section 30 Separability Clause**

If any section or provision of these Rules and Regulations is held or declared unconstitutional or invalid by a competent court, the other sections or provisions hereof shall continue to be in force as if the sections or provisions so annulled or voided had never been incorporated herein.

## **Section 31 Repealing Clause**

All Rules and Regulations or parts of said rules and regulations of pertinent laws inconsistent with these Rules and Regulations are hereby revised, amended, modified and/or superseded as the case may be by these Rules and Regulations.

**Section 32 Effectivity**

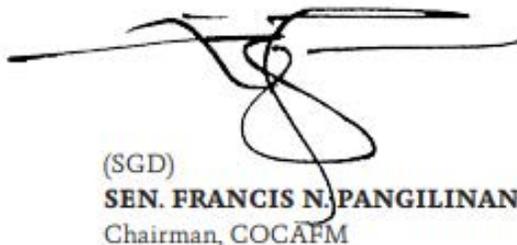
These Implementing Rules and Regulations shall take effect fifteen (15) days from the date of its publication in the Official Gazette or in at least two (2) newspapers of general circulation. The UP Law Center's Office of National Administrative Register shall be provided copy of this IRR.

October 4, 2010, Department of Agriculture, Diliman, Quezon City



**PROCESO J. ALCALA**  
Secretary

**APPROVED BY THE CONGRESSIONAL OVERSIGHT COMMITTEE ON  
AGRICULTURE & FISHERIES MODERNIZATION (COCAFAM)  
THIS 31<sup>st</sup> DAY OF JANUARY 2011**



(SGD)  
**SEN. FRANCIS N. PANGILINAN**  
Chairman, COCAFAM

# **Republic Act No. 11511**

**“An Act Amending Republic Act No. 10068”**

S. No. 1318

H. No. 6878

Republic of the Philippines  
Congress of the Philippines

Metro Manila

Eighteenth Congress

Second Regular Session

Begun and held in Metro Manila, on Monday, the twenty-seventh day of July, two thousand twenty.

[ REPUBLIC ACT NO. 11511 ]

AN ACT AMENDING REPUBLIC ACT NO. 10068 OR THE ORGANIC AGRICULTURE ACT OF 2010

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. Section 2 of Republic Act No. 10068, otherwise known as "An Act Providing for the Development and Promotion of Organic Agriculture in the Philippines and for Other Purposes", is hereby amended, to read as follows:

"SEC. 2. *Declaration of Policy.* - It is hereby declared the policy of the State to promote, propagate, develop further and implement the practice of organic agriculture in the Philippines that will cumulatively condition and enrich the fertility of the soil, increase farm productivity and farmers' incomes, reduce pollution and destruction of the environment, prevent the depletion of natural resources, encourage the participation of indigenous

organic farmers in promoting their sustainable practices, further protect the health of farmers, consumers, and the general public, save on imported farm inputs and promote food self-sufficiency. Towards this end, a comprehensive program for the promotion of community-based organic agriculture systems which include, among others, farmer-produced organic soil amendments, bio-control agents and other farm inputs, together with a nationwide educational and promotional campaign for their use and processing shall be established.

Likewise, a nationwide educational and awareness campaign among consumers on the benefits of consuming organic products to boost local production of organic food and non-food products, as well as the adoption of organic agricultural system as a viable alternative shall be undertaken.

x x x.”

SEC. 2. Section 3 of Republic Act No. 10068 is hereby amended, to read as follows:

“SEC. 3. *Definition of Terms.* – For purposes of this Act, the following terms shall be defined as follows:

x x x

(c) *Organic production system* is a system designed to:

(1) Enhance biological diversity within the whole system;

(2) Increase soil biological activity;

(3) Maintain long-term soil fertility;

x x x;

(h) *Certification* is the procedure by which a government agency or an organic certifying body (OCB) provides written or equivalent assurance that farms, or production and processing systems, conform to organic standards as mandated in this Act.

(i) *Accreditation* is the procedure by which a government agency having jurisdiction formally recognizes the competence of an OCB to provide inspection and certification services. This shall be solely and exclusively exercised by the designated agency or agencies in this Act, pursuant to the mandates stated herein.

X X X.

(o) *Inspection* is the examination of farms, food and non-food products, food control systems, raw materials, processing, distribution and retailing, including in-process and finished product testing, in order to verify that they conform to the requirements for being organic. Inspection includes the examination of the production and processing systems.

(p) *Organic bio-control agents* refer to organisms and their associated metabolites as well as naturally occurring substances that control pests and diseases. These are classified as botanicals, macrobials, microbials, and semiochemicals.

(q) *Organic Certifying Body (OCB)* refers to a legal entity accredited by a government agency to perform inspection and certification activities. It is responsible for verifying that a product sold or labeled as "organic" is produced, processed, prepared, or handled according to relevant guidelines.

(r) *Organic soil amendments* refer to all the products within the scope of the Philippine national standard, i.e. organic fertilizers, compost/soil conditioner, microbial inoculants, and organic plant supplements that are added to the soil to improve its physical properties.

(s) *Participatory Guarantee System (PGS)* refers to a locally-focused quality assurance system which is developed and practiced by people actually engaged in organic agriculture. It is built on a foundation of trust, social network and knowledge exchange. It is used to certify producers and farmers as actual and active practitioners of organic agriculture.

(t) *PGS group* refers to a legal association or cooperative of registered farmer members and other stakeholders in a participatory guarantee system.

(u) *Core PGS group* refers to the basic grouping unit in the PGS.

(v) *Participatory Organic Certificate* refers to a documentary proof that a core PGS group is compliant with the requirements, standards and norms of organic farming/agriculture. It shall be issued by a government agency or by an authorized OCB, after the conduct of an investigation and certification activity on the application for certification by the core PGS group. It shall have a validity of three (3) years.

(w) *Small farmer/fisherfolk* refers to those utilizing not more than five (5) hectares of land for the single purpose of, or a combination of the following purposes for, agricultural crop production, including rice and corn, aquaculture, and poultry/livestock raising: *Provided*, That poultry/livestock raising shall not have more than the following:

- Poultry – 1,000 poultry layers or 5,000 broilers
- Swine/native pigs – 10 sow level or 20 fatteners
- Cattle – 10 fatteners or 5 breeders
- Dairy – 10 milking cows
- Goat, sheep and other small ruminants – 50 heads
- Other animals permitted to be raised, the limits of which are to be determined by the National Organic Agriculture Board (NOAB).

(x) *Organic value chain* refers to agriculture-related activities that put farmers, processors, distributors and consumers within a system that produces, processes, transports, markets and distributes organic agricultural products.”

SEC. 3. Section 4 of Republic Act No. 10068 is hereby amended, to read as follows:

“SEC. 4. *Coverage.* – The provisions of this Act shall apply to the development and promotion of organic agriculture and shall include, but not limited to, the following:

x x x

(c) Promotion and encouragement of the establishment of facilities, equipment and processing plants that would accelerate the production and commercialization of organic fertilizers, bio-control agents, organic soil amendments and other appropriate farm inputs; and

(d) Implementation of organic agricultural programs, projects and activities, including the provision and delivery of support services with focus on the farmers, prioritizing small farmers/fisherfolk and their organizations and other stakeholders.”

SEC. 4. Section 7 is hereby amended, to read as follows:

“SEC. 7. *Composition of the NOAB.* – The NOAB shall consist of the following members:

x x x

(d) The Director General of the Technical Education and Skills Development Authority, or his/her duly authorized permanent representative;

(e) The Secretary of Agrarian Reform, or his/her duly authorized permanent representative;

(f) The Secretary of Trade and Industry, or his/her duly authorized permanent representative;

(g) The Secretary of Health, or his/her duly authorized permanent representative;

(h) Three (3) representatives from the small farmers;

(i) One (1) representative from the NGOs involved in organic agriculture for at least three (3) years;

(j) One (1) representative from agricultural colleges and universities;

(k) One (1) representative from the private sector in the organic value chain;

(l) One (1) representative from the national association of PGS groups, to be chosen from among and by themselves: *Provided*, That the representative is a small farmer;

(m) One (1) representative from a national organization of local government units (LGUs) actually engaged in organic agriculture; and

(n) One (1) qualified representative from the indigenous organic farmers.

x x x

The representatives of small farmers and NGOs, and of agricultural colleges and universities, shall be chosen by the Secretaries of Agriculture and Science and Technology, respectively, from among nominees submitted to the agency concerned by their respective national organizations. These representatives must represent their respective organizations at least from the provincial level, actually and actively practicing and promoting organic agriculture practices, be conversant in organic agriculture and committed to the policies and programs provided under this Act. The three (3) seats given to small farmers shall be chosen from the crops and livestock sectors, which will have two (2) seats and one (1) seat, respectively.

An appointed/elected member of the board can only serve a single term of three (3) years, without reappointment. Should the member fail to complete his/her term, the replacement or successor shall only serve the unexpired portion of the term.

x x x.”

SEC. 5. Section 8 is hereby amended, to read as follows:

“SEC. 8. *Organization of the NOAB.* –

x x x

The Chairperson shall call the members of the NOAB, or a majority thereof if not all have been designated, to a meeting to organize themselves and prescribe its rules and procedures for the attainment of the objectives of this Act. A majority of all the members of the NOAB shall constitute a quorum. The NOAB shall meet at least once every quarter after its constitution.

x x x.”

SEC. 6. Sections 10 and 11 of Republic Act No. 10068 are hereby repealed and a new Section 10 is hereby inserted, to read as follows:

“SEC. 10. *National Organic Agriculture Program - National Program Coordinating Office (NOAP-NPCO).* – To manage the effective implementation of the National Organic Agriculture Program, the Department of Agriculture (DA), Office of the Secretary, shall be strengthened and empowered in terms of establishing a functional office, to be known as the National Organic Agriculture Program – National Program Coordinating Office (NOAP–NPCO). It shall serve as the planning and administrative secretariat of the NOAB, and as the coordinating office of the Program.”

SEC. 7. Section 12 of Republic Act No. 10068 is hereby amended and renumbered as Section 11 of this Act, to read as follows:

“SEC. 11. *Work Plan.* – In line with the National Organic Agriculture Program, the NOAP–NPCO shall submit to the Board for approval the following:

x x x.”

SEC. 8. A new Section 12 is hereby inserted after the new Section 11, to read as follows:

“SEC. 12. *Bureau of Agriculture and Fisheries Standards (BAFS)*. – The BAFS of the DA shall be restructured, strengthened and empowered to support the objectives of this Act. It shall provide technical assistance to the NOAB and the NOAP–NPCO. The BAFS, in addition to its existing functions and responsibilities, shall perform the following functions, duties and responsibilities for purposes of this Act:

(a) Formulate and update standards relevant to organic agriculture;

(b) Issue accreditation to OCBs;

(c) Conduct inspections on compliance of PGS groups with the Philippine National Standards (PNS) for organic agriculture, and publish at least once a year the list of compliant PGS groups;

(d) Issue registration of organic inputs, such as organic soil amendments and organic bio-control agents;

(e) Issue registration of integrated organic farms with multiple commodities/production and of organic input producers;

(f) Rule on the appeal of farm/farmowner on decisions made by OCBs and the concerned municipal/city PGS groups on inspection and certification issues; and

(g) Perform such other functions, duties and responsibilities as may be necessary to implement this Act.”

SEC. 9. Section 15 of Republic Act No. 10068 is hereby amended and renumbered as Section 13 of this Act, to read as follows:

“SEC. 13. *Accreditation of OCB*. – The BAFS is hereby designated and authorized to grant official accreditation to an OCB or entity. The BAFS is tasked to formulate the necessary rules and

procedures in the accreditation of OCBs performing third-party certification, or granting certification as part of the PGS: *Provided*, That there shall be at least one (1) accredited OCB, performing third-party certification, each in Luzon, Visayas and Mindanao, or in case of only one (1) OCB performing third-party certification is accredited, it shall have at least one (1) satellite office or processing unit each in Luzon, Visayas and Mindanao.”

SEC. 10. A new Section 14 is hereby inserted, to read as follows:

“SEC. 14. *Participatory Guarantee System (PGS)*. –

(a) *Basic Principles*. The PGS shall be the mechanism by which small farmers/fisherfolk, their farms/associations/cooperatives shall be certified as engaged in organic agriculture and as producers of organic agriculture products. The participatory organic certification from a government agency or OCBs, organized in accordance with this Act, shall be promoted and accepted. The products certified through the PGS shall be traded only in the domestic market, unless covered by an international certification or a mutual recognition agreement.

An association or group under the PGS shall adhere to the PNS for organic agriculture.

Further, associations or groups under the PGS shall adopt the following features and characteristics:

(i) Existence of organic agriculture norms conceived by the organic agriculture stakeholders, norms that are appropriate to smallholder agriculture;

(ii) Grassroots organization: the participatory certification should be perceived as a result of a social dynamic, based on the active participation of all stakeholders;

(iii) Existence of principles and values that enhance the livelihoods and well-being of farming families and promote organic agriculture;

(iv) Documented management systems and procedures;

(v) Provision of mechanisms to verify farmer's compliance to established norms;

(vi) Provision of mechanisms for supporting farmers to produce organic products and be certified as organic farmers, which shall include field advisors, newsletters, farm visits, web sites, among others;

(vii) Existence of a bottom-line document, such as a farmer's pledge, that shall state his/her agreement to the established norms;

(viii) Introduction or use of seals or labels providing evidence of organic status; and

(ix) Existence of a clear and previously defined set of recommendations and measures against farmers who fail to comply with standards.

(b) *Legal Personality.* The core PGS group shall be registered with the municipality/city where the PGS group is predominantly located. It shall secure a mayor's permit from said municipality/city, possession of which shall suffice as proof of registration and the grant of legal personality, which however shall be limited only to PGS transactions.

The national organization of LGUs actually engaged in organic agriculture shall also secure a legal personality for purposes of accreditation by the BAFS.

Any other OCB shall secure a mayor's permit from the municipality/city where it intends to operate and possession of which shall suffice to grant them legal personality for purposes of accreditation by the BAFS.

(c) *Certification.* The BAFS shall provide the guidelines for the certification of farms, pursuant to the provisions of this Act.

A farm/farmowner applying for certification as an organic agriculture practitioner shall join a PGS group in the same municipality/city where his/her farm is located, or with a PGS group in a municipality/city within the same province to which he/she, as the farmowner, regularly interacts or conducts business with.

The farm/farmowner shall apply for a participatory organic certificate with a core PGS group of the PGS group where the farm belongs; or with a national organization of LGUs initiating organic agriculture practices, a member of which is the municipality/city where the PGS group is located; or with any private group or organization actually engaged in organic agriculture and operating in that municipality/city; any of which is accredited as an OCB.

The decision of any of the abovementioned OCBs shall be appealable to the BAFS: *Provided*, That the BAFS shall rule on the appeal within thirty (30) days from its receipt. Otherwise, the appealed decision shall be considered reversed.

The withdrawal of membership in the PGS group shall mean forfeiture of the privilege for the farm/farmowner to use the participatory organic certificate.

In case a member of the core PGS group representing a farm applies for renewal of certification with the same core PGS group, the member of the core PGS group must inhibit himself/herself before the application for renewal can be considered.

(d) *Accreditation*. The BAFS shall provide the guidelines for accreditation.

A registered core PGS group shall apply for accreditation with the BAFS. A core PGS group shall be accorded accreditation by the BAFS only if it has at least five (5) members, coming from different farms within the municipality/city or within the province, certified and actually practicing organic agriculture. The BAFS shall extend technical and

financial support to a core PGS group in its application for accreditation.

For purposes of this section, the BAFS is hereby authorized to certify five (5) individual farms as a core PGS group: *Provided*, That once such core PGS group is accredited to certify, it can subsequently certify as organic agriculture compliant other core PGS groups: *Provided, further*, That the authorization to certify shall be deemed revoked when the core membership becomes less than five (5) or any of the minimum five (5) member farms becomes noncompliant to organic agriculture standards.

A national organization of LGUs actually initiating or engaged in organic agriculture; or any private group or organization actually engaged in organic agriculture, as direct farm producer, as a promoter/advocate of the ways, methods and principles of organic agriculture, or as a marketer of organic agriculture produce; may also apply for accreditation as an OCB.

The BAFS shall issue its decision on the application for accreditation by a core PGS group or any qualified entity applying for accreditation within sixty (60) days from the submission of the complete requirements. Failure to render decision within such period shall be deemed an approval of the application for accreditation as an OCB. The BAFS shall not charge any application fee.

(e) *Organizational Levels.*

(1) *The Core PGS Group.* Every core PGS group should have at least five (5) members, composed of farmers from a combination of both the crops and livestock sectors. It may add to its membership farmers from other sectors in agriculture, NGOs, people's organizations, buyers of organic agriculture products, suppliers of organic inputs, among others, who all live or operate within the province and regularly interact with the concerned PGS group.

Each core PGS group shall have the following duties and responsibilities:

(i) Develop an understanding of the organic standards;

(ii) Make sure farm practices are compliant;

(iii) Make a pledge that they understand and adhere to the organic standards;

(iv) Conduct inspection and certification activities of member farms. At least a majority of the members of the core PGS group who joined in the actual inspection and certification activity should sign on the truthfulness of the findings of the inspection and certification activity;

(v) Recommend which farms will be certified;

(vi) Initiate key field trainings for farmer-members and residents in their locality to promote organic agriculture;

(vii) Attend municipal/provincial PGS meetings and share information;

(viii) Take actions on defaults/noncompliance as per sanction guidelines to be provided by the BAFS, OCBs and municipal/city PGS groups; and

(ix) Assist defaulting and noncompliant members to regain certification status.

(2) *Municipal/City PGS Group.* The municipal/city PGS group shall be composed of the following: 1) one (1) representative for each core PGS group in the municipality/city; and 2) one (1) representative from a regional agricultural state university or college (SUC) or local private agricultural educational institution: *Provided,* That there should be at least two (2) core PGS groups in the municipality/city before a municipal/city PGS group can be established.

The municipal/city PGS group shall conduct its business and affairs based on the majority decision of the members present, after having secured a quorum.

The municipal/city PGS group shall have the following powers, duties and responsibilities:

(i) Together with the BAFS, develop or update and implement the PGS, as provided in this Act;

(ii) Ensure that compliant farmer members continue to comply with all the requirements of the applicable PNS for organic agriculture and relevant regulatory requirements;

(iii) Maintain a registry of core PGS groups operating within its area of jurisdiction, which shall be forwarded to the BAFS on year-end for the latter's national database;

(iv) Together with the OCB involved in the inspection and certification activity, and in coordination with the BAFS, issue participatory organic certificate and the "PGS guaranteed organic" label/mark to compliant small farmer/fisherfolk and/or their farm/association/cooperative; and

(v) Submit regularly to the BAFS a list of certified small farmer/fisherfolk and/or their farm/association/cooperative.

In case a municipal/city PGS group has yet to be established, the BAFS, in coordination with the LGU concerned, shall assume the powers, duties and responsibilities of this group.

(3) *Provincial and National PGS group.* It shall be the option of the PGS groups to form their aggrupation at the provincial and national levels. They shall receive the financial and technical assistance, support and guidance of the departments in the NOAB and the DA-BAFS in this regard. The provincial governments shall encourage and support the formation and activities of these PGS groups in the different provinces, cities and municipalities within their jurisdiction.

(f) *Promotion.* The NOAB shall actively promote, search and recognize associations or groups that have been practicing organic agriculture through the PGS, in accordance with this Act. The NOAB shall ensure that each province in the country has a PGS group. Every PGS group shall conduct trainings and promote organic agriculture.

(g) *Training and Inspection.* The Agricultural Training Institute (ATI) shall, in close coordination with the BAFS, make available the required training program on organic agriculture standards and processes for PGS groups applying for BAFS accreditation. The BAFS shall conduct random inspections to ensure that PGS groups are all compliant with the PNS for organic agriculture. The BAFS shall keep a record of compliant PGS groups in the country and shall publish a list of such compliance at least once a year.

(h) *Incentives.* Any small farmer/fisherfolk or their farms/associations/cooperatives engaged in organic agriculture or any organic input producer, certified by its core PGS group or any OCB, accredited under this section, to be compliant for a period of five (5) years, without any offense or infraction, shall be eligible for a full government subsidy of the cost for an international certification for one (1) year: *Provided*, That they shall export their products. Further, so long as the same entities maintain their status of compliance, they shall be invited and given, for free, prime location in any government agency-initiated or sponsored trade and business marketing gathering of Filipino products, for the purpose of displaying and selling their own organic products.”

SEC. 11. Section 13 of Republic Act No. 10068 is hereby renumbered as Section 15.

SEC. 12. Section 14 of Republic Act No. 10068 is hereby amended and renumbered, to read as follows:

“SEC. 16. *Local Executive Concerns.* – Every provincial governor shall, insofar as practicable x x x.

x x x

x x x

Local government units shall coordinate with the DA-Bureau of Plant Industry for the establishment and/or strengthening of local organic seed centers in order to increase farmers' adoption to organic agriculture.

The municipalities and cities are hereby enjoined to enact ordinances that shall protect organic farming zones and organic farming practices.

x x x."

SEC. 13. Section 16 of Republic Act No. 10068 is hereby repealed and replaced with a new Section 17, to read as follows:

"SEC. 17. *Registration of Organic Producers, Produce, Inputs, and Organic Processed Food.* – The BAFS of the DA shall be responsible for the registration of integrated organic farms and organic inputs such as organic soil amendments and organic bio-control agents. The Bureau of Plant Industry (BPI) of the DA shall be responsible for the registration of organic seeds, planting materials, and crops.

Further, the Bureau of Animal Industry (BAI) of the DA shall be responsible for the registration of organic apiculture farms, livestock and poultry and its feeds. The Bureau of Fisheries and Aquatic Resources (BFAR) of the DA shall be responsible for the registration of organic fisheries and aquaculture resources and organic aquaculture feeds.

The BAFS, BPI, BAI, and BFAR of the DA shall come up with a single unified set of rules and regulations for the registration of organic produce and inputs.

The Food and Drug Administration (FDA) of the Department of Health (DOH) shall be responsible for the product registration of organic processed food. It shall formulate its rules and regulations for the registration of organic pre-packaged and processed food."

SEC. 14. Section 17 of Republic Act No. 10068 is hereby amended and renumbered, to read as follows:

"SEC. 18. *Labeling of Organic Produce.* – The label of organic produce shall contain the name, logo or seal of the OCB and the accreditation number issued by the BAFS. The organic label/mark shall

also include the trade name, as defined by pertinent domestic property rights laws, and the address of origin of the produce.

Products which are certified and guaranteed by third-party organic certification system and the PGS shall be allowed to be labelled and sold as organic.”

SEC. 15. Section 18 of Republic Act No. 10068 is hereby renumbered accordingly.

SEC. 16. Section 19 of Republic Act No. 10068 is hereby repealed and a new section is inserted, to read as follows:

“SEC. 20. *Market Development and Trade Promotion.* – The agribusiness and marketing assistance service of the DA, in collaboration with other relevant agencies, shall develop and implement market development and trade promotion programs for organic agriculture, including, but not limited to, the following:

(a) Development of marketing agenda for organic agriculture;

(b) Establishment, ensuring sustainability and monitoring of organic trading posts and stalls/outlets: *Provided*, That these trading posts and stalls/outlets are strategically located in an area such as in the public market and in other centers of trading and local business activities;

(c) Development of market information system;

(d) Promotion of organic food, non-food and input products; and

(e) Facilitation of market matching activities.”

SEC. 17. Sections 20 to 24 of Republic Act No. 10068 are hereby renumbered accordingly.

SEC. 18. Section 25 of Republic Act No. 10068 is hereby amended and renumbered, to read as follows:

“SEC. 26. *Appropriations.* ₱ x x x.

The Department of Budget and Management shall include annually in the President's program

of expenditure for submission to and approval by Congress One billion pesos (P1,000,000,000.00) for the promotion and development of the national Organic Agriculture Program, allocated as follows:

Thirty-five percent (35%) for shared facilities;

Twenty-five percent (25%) for seeds development/planting materials and animals distribution and feeds for aquaculture, soil amendments and bio-control agents;

Twenty percent (20%) for extension and training;

Five percent (5%) for socialized credit;

Five percent (5%) for small scale irrigation system;

Five percent (5%) for research and development; and

Five percent (5%) for marketing and promotion.

x x x."

SEC. 19. Section 26 is hereby amended and renumbered, to read as follows:

"SEC. 27. *Penal Provisions and Other Penalties.* - Any person who willfully and deliberately:

x x x

(c) mislabels or claims that the product is organic when it is not in accordance with the existing standards for Philippine organic agriculture or this Act shall, upon conviction, be punished by imprisonment of not less than one (1) month nor more than six (6) months, or a fine of not more than Fifty thousand pesos (P50,000.00), or both, at the discretion of the court. If the offender is a corporation or a juridical entity, the official who

ordered or allowed the commission of the offense shall be punished with the same penalty. If the offender is in the government service, he/she shall, in addition, be dismissed from office: *Provided*, That any OCB found to have issued a certification to a farm or producer established to be not compliant with any of the PNS for organic agriculture or with the provisions of this Act, shall be penalized by the BAFS as follows:

(1) First offense. Written warning.

(2) Second offense. Suspension of accreditation."

SEC. 20. Section 27 of Republic Act No. 10068 is hereby amended and renumbered as Section 28, to read as follows:

"SEC. 28. *Implementing Rules and Regulations.* - The NOAB shall adopt rules and regulations to implement the provisions of this Act within ninety (90) days from the effectivity of this Act and submit the same to the COCAF. In the drafting of the implementing rules and regulations, the Department of Finance (DOF) shall be consulted in connection with the tax incentive provided under Section 25 hereof."

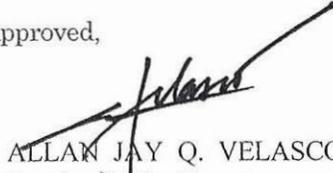
SEC. 21. Sections 28 to 32 are hereby renumbered accordingly.

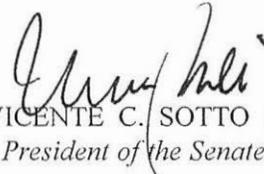
SEC. 22. *Separability Clause.* - If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

SEC. 23. *Repealing Clause.* - All laws, presidential decrees, executive orders, presidential proclamations, rules and regulations or parts thereof contrary to or inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 24. *Effectivity.* - This Act shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation or in the *Official Gazette.*

Approved,

  
LORD ALLAN JAY Q. VELASCO  
*Speaker of the House  
of Representatives*

  
VICENTE C. SOTTO III  
*President of the Senate*

This Act which is a consolidation of Senate Bill No. 1318 and House Bill No. 6878 was passed by the Senate of the Philippines on October 13, 2020 and the House of Representatives in a special session on October 16, 2020.

  
JOCELM BIGHANI C. SPIN  
*Secretary General  
House of Representatives*

  
MYRA MARIE D. VILLARICA  
*Secretary of the Senate*

Approved: DEC 23 2020





RODRIGO ROA DUTERTE  
*President of the Philippines*

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REPUBLIC OF THE PHILIPPINES  
PRRD 2016 - 016237

**Implementing Rules  
and Regulations of  
Republic Act No. 11511**

**Subject: Implementing Rules and Regulations of Republic Act No. 10068 as amended by Republic Act No. 11511, otherwise known as “Amendment to Organic Agriculture Act of 2010” (IRR of Organic Agriculture Act as amended by RA No. 11511)**

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Pursuant to the provisions of Section 28 of Republic Act No. 10068, as amended by Republic Act No. 11511, the member agencies of the National Organic Agriculture Board hereby adopt and promulgate the following Rules and Regulations:

Section 1. *Title* – An Act Amending Republic Act No. 10068 or the Organic Agriculture Act of 2010.

Rule 1.1. This Joint Memorandum Circular shall be known as the Implementing Rules and Regulations of Republic Act No. 10068 as amended by Republic Act No. 11511, otherwise known as “Amendment to Organic Agriculture Act of 2010”, hereinafter referred to as the “IRR of Organic Agriculture Act as amended by RA No. 11511.”

Rule 1.2. The provisions of the amended Republic Act No. 10068 are reproduced herein for reference purposes followed by the corresponding Rules and Regulations of each Section.

Rule 1.3. The RA No. 11511 was published on January 5, 2021 and subsequently took effect on January 21, 2021.

Section 2. *Declaration of Policy* – It is hereby declared the policy of the State to promote, propagate, develop further and implement the practice of organic agriculture in the Philippines that will cumulatively condition and enrich the fertility of the soil, increase farm productivity and farmers’ incomes, reduce pollution and destruction of the environment, prevent the depletion of natural resources, encourage the participation of indigenous organic farmers in promoting their sustainable practices, further protect the health of farmers, consumers, and the general public, save on imported farm inputs and promote food self-sufficiency. Towards this end, a comprehensive program for the promotion of community-based organic agriculture systems which include, among others, farmer-produced organic soil amendments, bio-control agents and other farm inputs, together with a nation-wide educational and promotional campaign for their use and processing shall be established.

Likewise, a nationwide educational and awareness campaign among consumers on the benefits of consuming organic products to boost local production of organic food and non-food products, as well as the adoption of an organic agricultural system as a viable alternative shall be undertaken.

The State recognizes and supports the central role of the farmers, indigenous people and other stakeholders at the grassroots of this program.

- Rule 2.1. Organic agricultural systems further promote the development of related community-based industries, namely organic agriculture, prime habitat and ecotourism, among others. These communities provide clean, safe, nutritious and sufficient food, water, air and health conducive environments. Organic agriculture enhances food sovereignty and substantially contributes to food security.
- Rule 2.2. Organic agricultural system, in its goal to reduce environmental pollution and ecosystem destruction and, prevent the depletion of natural resources, shall endeavor to promote the low carbon development path and its strategies.
- Rule 2.3. Organic agriculture boosts community resilience to disaster risks and climate change vulnerabilities caused by anthropogenic factors (climatic vulnerabilities and changes induced by human interventions) and naturally induced hazards and contributes to risk reduction.
- Rule 2.4. The State shall likewise recognize the importance of indigenous organic farmers, consumers and other vulnerable stakeholders of the organic farming system at the national and grassroots levels.

Section 3. *Definition of Terms.* – For the purposes of this Act, the following terms shall be defined as follows:

- (a) *Organic* refers to the particular farming and processing systems, described in the standards and not in the classical chemical sense. The term “organic” is synonymous in other languages to “biological” or “ecological”. It is also a labeling term that denotes products considered organic based on the Philippine National Standards for organic agriculture.
- (b) *Organic agriculture* includes all agricultural systems that promote the ecologically sound, socially acceptable, economically viable and technically feasible production of food and fibers. Organic agriculture dramatically reduces external inputs by refraining from the use of chemical fertilizers, pesticides and pharmaceuticals. It also covers areas such as, but not limited to, soil fertility management, varietal breeding and selection under chemical and pesticide-free conditions, the use of biotechnology and other cultural practices that are consistent with the principles and policies of this Act, and enhance productivity without destroying the soil and harming farmers, consumers and the environment as defined by the International Federation of Organic Agriculture Movement (IFOAM): *Provided*, That the biotechnology herein referred to shall not include genetically modified organisms or GMOs.
- (c) *Organic production system* is a system designed to:
- (1) Enhance biological diversity within the whole system;
  - (2) Increase soil biological activity;

- (3) Maintain long-term soil fertility;
  - (4) Recycle wastes of plant and animal origin in order to return nutrients to the land, thus minimizing the use of nonrenewable resources;
  - (5) Rely on renewable resources in locally organized agricultural systems;
  - (6) Promote the healthy use of soil, water and air as well as minimize all forms of pollution thereto that may result from agricultural practices;
  - (7) Develop and promote the use of biotechnology in agriculture;
  - (8) Handle agricultural products with emphasis on careful processing methods in order to maintain the organic integrity and vital qualities of the product at all stages; and
  - (9) Becomes established on any existing farm through a period of conversion, the appropriate length of which is determined by site-specific factors such as the history of the land, and the type of crops and livestock to be produced.
- (d) *Conversion period* refers to the time between the start of organic management and the certification of crops, animal husbandry or aquaculture products as organic.
- (e) *Biodegradable wastes* refer to organic matter for compost/organic fertilizer for the organic cultivation, farming of food crops and include discards segregated farm non-biodegradable wastes coming from the kitchen/household (leftovers, vegetables and fruit peelings and trims, fish/fowl cleanings, seeds, bones, soft paper used as food wrap and the like), yard or garden (leaves, grasses, weeds and twigs), market (wilted, decayed or rotten vegetables and fruits, fish/fowl cleanings, bones) and farm wastes (grass clippings, dead or decayed plants, leaves, fruits, vegetables, branches, twigs and the like).
- (f) *Ecologically sound* refers to a state, quality or condition of a product, practice, system, development mode, culture, environment and the like, in accord with the 1987 Philippine Constitution, and as expounded in the above definition of organic agriculture.
- (g) *Commercialization* is a process of introducing a new agricultural and fishery technology either as product, process or service that has undergone the intensive innovative activities of assessment, promotion and transfer for economic benefit.
- (h) *Certification* is the procedure by which a government agency or an organic certifying body (OCB) provides written or equivalent assurance that farms, or production and processing systems, conform to organic standards as mandated in this Act.
- (i) *Accreditation* is the procedure by which a government agency having jurisdiction formally recognizes the competence of an OCB to provide inspection and certification services. This shall be solely and exclusively

exercised by the designated agency or agencies in this Act, pursuant to the mandates herein.

- (j) *First-party certification* is defined as when the certification criteria and rules are set and monitored/enforced by the producer or company itself.
- (k) *Second-party certification* is defined as when the certification criteria and rules are set by buyers or industry organizations.
- (l) *Third-party certification* or *independent certification* is defined as when a firm requires that its suppliers meet a certain standard and requests an independent organization that is not involved in the business relationship to control the compliance of the suppliers.
- (m) *Organic food establishment* refers to an entity, whether local or foreign, that produces fresh or processed organic food.
- (n) *Organic input establishment* refers to an entity, whether local or foreign that produces inputs acceptable for organic agriculture.
- (o) *Inspection* is the examination of farms, food and non-food products, food control systems, raw materials, processing, distribution and retailing, including in-process and finished product testing, in order to verify that they conform to the requirements for being organic. Inspection includes the examination of the production and processing systems.
- (p) *Organic bio-control agents* refer to organisms and their associated metabolites as well as naturally occurring substances that control pests and diseases. These are classified as botanicals, macrobials, microbials, and semiochemicals.
- (q) *Organic Certifying Body (OCB)* refers to a legal entity accredited by a government agency to perform inspection and certification activities. It is responsible for verifying that a product sold or labeled as "organic" is produced, processed, prepared, or handled according to relevant guidelines.
- (r) *Organic soil amendments* refer to all the products within the scope of the Philippine national standard, i.e. organic fertilizers, compost/soil conditioner, microbial inoculants, and organic plant supplements that are added to the soil to improve its physical properties.
- (s) *Participatory Guarantee System (PGS)* refers to a locally-focused quality assurance system that is developed and practiced by people actually engaged in organic agriculture. It is built on a foundation of trust, social network and knowledge exchange. It is used to certify producers and farmers as actual and active practitioners of organic agriculture.
- (t) *PGS group* refers to a legal association or cooperative of registered farmer members and other stakeholders in a participatory guarantee system.
- (u) *Core PGS group* refers to the basic grouping unit in the PGS.

- (v) *Participatory Organic Certificate* refers to a documentary proof that a core PGS group is compliant with the requirements, standards and norms of organic farming/agriculture. It shall be issued by a government agency or by an authorized OCB, after the conduct of an investigation and certification activity on the application for certification by the core PGS group. It shall have a validity of three (3) years.
- (w) *Small farmer/fisherfolk* refers to those utilizing not more than five (5) hectares of land for the single purpose of, or a combination of the following purposes for, agricultural crop production, including rice and corn, aquaculture, and poultry/livestock raising: *Provided*, that poultry/livestock raising shall not have more than the following:
- Poultry – 1,000 poultry layers or 5,000 broilers
  - Swine/native pigs – 10 sow level or 20 fatteners
  - Cattle – 10 fatteners or 5 breeders
  - Dairy – 10 milking cows
  - Goat, sheep and other small ruminants – 50 heads
  - Other animals permitted to be raised, the limits of which are to be determined by the National Organic Agriculture Board (NOAB).
- (x) *Organic value chain* refers to agriculture-related activities that put farmers, processors, distributors and consumers within a system that produces, processes, transports, markets and distributes organic agricultural products.

Rule 3.1. In addition to the terms and definition provided for by the amended RA No. 10068, the following terms shall be defined as follows:

- (a) *Agribusiness firm* refers to various businesses involved in organic food and non-food production, including farming and contract farming, inputs supply, farm machinery, wholesale and distribution, processing, marketing, and retail sales.
- (b) *Alternative Learning System (ALS)* is a parallel learning system to provide a viable alternative to the existing formal educational instruction.
- (c) *Appeal* is the request by applicant, candidate or certified entity for reconsideration of any adverse decision related to its desired certification or accreditation status. Adverse decisions include refusal to accept an application, refusal to proceed with an inspection or audit, changes in certification or accreditation scope, decisions to deny, suspend or revoke certification and any other action that impedes the attainment of certification or accreditation.
- (d) *Biopiracy* refers to the illegal acquisition of indigenous knowledge and biological materials with the goal of capitalizing them or when indigenous materials are used for a profit with little or no compensation or recognition to indigenous peoples.

- (e) *Climate Change* refers to a change in climate that can be identified by changes in the mean and/or variability of its properties and that persists for an extended period typically decades or longer, whether due to natural variability or as a result of human activity.
- (f) *Consumer* refers to persons and families purchasing and receiving goods in order to meet their personal needs.
- (g) *Complaint* is the expression of dissatisfaction, other than appeal, by any individual or organization to accredited OCBs, relating to the activities of that body or a certified entity, where a response is expected.
- (h) *Department* refers to all departments involved in the implementation of the NOAP.
- (i) *Disaster* refers to a serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses and impacts, which exceeds the ability of the affected community or society to cope using its own resources. Disasters are often described as a result of the combination of the following: exposure to hazards, conditions of vulnerability that are present, and insufficient capacity or measures to reduce or cope with the potential negative consequences. Disaster impacts may include loss of life, injury, disease and other negative effects on human, physical, mental and social well-being, together with damage to property, destruction of assets, loss of services, social and economic disruption and environmental degradation.
- (j) *Disaster Risk* is the potential disaster losses in lives, health status, livelihood, assets and services, which could occur to a particular community or a society over some specified time in the future.
- (k) *Disaster Risk Reduction and Management* is the systematic process of using administrative directives, organizations, and operational skills and capacities to implement strategies, policies and improved coping capacities in order to lessen the adverse impacts of hazards and the possibility of disaster. Prospective disaster risk reduction and management refer to risk reduction and management activities that address and seek to avoid the development of new or increased disaster risks, especially if risk reduction policies are not put in place.
- (l) *Domestic market* refers to the market reach of a PGS guaranteed organic produce and product, wherein the producer may directly link with consumers or indirectly through an intermediary. PGS groups are locally relevant and shall promote food self-sufficiency within the community.

- (m) *Food Safety* refers to the assurance that food will not cause harm to the consumer when it is prepared and/or eaten according to its intended use.
- (n) *Food security* refers to a situation/state where all people have physical, social, and economic access to sufficient, safe, and nutritious food that meets their food preferences and dietary needs for an active and healthy life.
- (o) *Food self-sufficiency* means the ability to meet consumption needs, particularly for staple food crops, from own production rather than by buying or importing.
- (p) *Food sovereignty* refers to ownership and control and management of the food supply chain (i.e. from seeds/stocks up to its final products and by-products).
- (q) *Formal Education* refers to the systematic and deliberate process of hierarchically structured and sequential learning corresponding to elementary, secondary, technical-vocational education and training, and higher education.
- (r) *Genetically Modified Organisms (GMOs)* refer to organisms that possess a novel combination of genetic materials obtained through the use of modern biotechnology.
- (s) *Indigenous peoples (IP)* refers to a group of people or homogenous societies identified by self-ascription and ascription by others, who have continuously lived as an organized community on communally bounded and defined territory, and who have, under claims of ownership since time immemorial, occupied, possessed and utilized such territories, sharing common bonds of language, customs, traditions and other distinctive cultural traits, or who have, through resistance to political, social and cultural inroads of colonization, non-indigenous religions and culture, become historically differentiated from the majority of Filipinos.
- (t) *Indigenous organic farmers* refer to practitioners of the indigenous organic farming practices regardless of ascription/affiliation/aggregation to Indigenous Cultural Communities
- (u) *Indigenous organic farming practice* refers to a system of traditional farming methods and techniques without intervention from entities outside their community that are being practiced by the indigenous people.
- (v) *Informal Education* is a lifelong process of learning by which every person acquires and accumulates knowledge, skill, attitudes and insights from daily experiences at home, at work, at play and from life itself.

- (w) *Integrated organic farm* refers to a production system practicing a combination of any two or more scopes defined in the applicable current Philippine National Standards for organic agriculture (crop production, animal production, inputs, beekeeping, special products, processed products, and aquaculture).
- (x) *Labeling* refers to any written, printed or graphic matter that is present on the label, accompanies the food, or is displayed near the food including that for the purpose of promoting its sale or disposal.
- (y) *Livestock* means any domestic and domesticated animal including bovine (buffalo and bison), ovine, porcine, caprine, equine, poultry and bees raised for food or in the production of food. The products of hunting or fishing of wild animals shall not be considered part of this definition. For the purposes of this Act, it shall include aquaculture which refers to fishery operations involving the breeding and farming of fish and other fishery species in fresh, marine and brackish water areas.
- (z) *Low carbon development path* refers to growth that integrates positive impact on the environment, minimizes if not eliminates greenhouse gas emissions, taking into account long term sustainability.
- (aa) *Mislabeled* refers to an act of deliberate and intentional misinterpretation of food and products, including its ingredients and packaging; or false or misleading statements made about a product for economic gain.
- (bb) *Monitoring* refers to activities to verify compliance of organic producers/operators, produce and products with the regulatory requirements of concerned agencies. These activities may also include among others adverse events reporting, product safety update reporting, collection and testing of organic produce and products in the market.
- (cc) *Non-biodegradable wastes* refer to anything that cannot be degraded by biological processes (metals, plastics, glass, etc.).
- (dd) *Non-Formal Education* is any organized systematic educational activity carried outside the framework of the formal system to provide selected types of learning to a segment of the population. This shall cover learning outcomes derived from professional development in the practices of profession which leads to qualifications.
- (ee) *Non-Government Organization (NGO)* refers to any non-profit, voluntary citizens' group which is organized on a local, national or international level. It is a legally constituted organization created by a natural or legal person that operates independently from any government. In the cases in which NGOs are funded

totally or partially by governments, the NGO maintains its non-governmental status by excluding government representatives from membership in the organization.

- (ff) *OA* shall refer to Organic Agriculture.
- (gg) *OAA* shall refer to the Organic Agriculture Act of 2010.
- (hh) *Official Accreditation* refers to the accreditation provided by the Bureau of Agriculture and Fisheries Standards (DA-BAFS) to qualified OCBs.
- (ii) *Organic Agriculture Areas* refers to certified organic areas which practice a holistic production management system involving the promotion and enhancement of the agro-ecosystem health, including biodiversity, biological cycles, and soil biological activity; these are areas that emphasizes the use of management practices over the use of off-farm inputs; and utilizes cultural, biological, and mechanical methods as opposed to synthetic materials.
- (ji) *Organic inputs* are organic materials necessary for organic agriculture production and processing such as seeds, plant protection and pest management products, compost and fertilizers, feeds, processing aids which are used to comply with the requirements of applicable current Philippine National Standards (PNS) for organic agriculture (OA).
- (kk) *Organic input producer* refers to an entity, whether local or foreign, that produces inputs compliant with the applicable current PNS for OA.
- (ll) *Organic non-food products* refer to agriculture and fishery products that are not used directly for food consumption such as feeds, fiber, tea bags.
- (mm) *Organic operator* refers to an individual or a business enterprise that is responsible for the production, processing, manufacturing, distribution, wholesale, retail, trade, importation of organic agriculture products meets, and continues to meet, the applicable current PNS for OA and regulatory requirements, on which the certification is based.
- (nn) *Organic agriculture practitioner* refers to stakeholders practicing organic agriculture in accordance with the applicable current PNS for OA.
- (oo) *Organic pre-packaged food* refers to processed food produced according to applicable current PNS for OA, made up in advance in a container, labeled and ready for sale to the consumer, or for catering purposes, or for further processing, or for institutional use only compliant with current regulations issued by the Department of Health - Food and Drug Administration (DOH-FDA).

- (pp) *Organic Processed food* refers to food compliant with applicable current PNS for OA that have been substantially altered by the application of physical, chemical, or biological processes such as, but not limited to, heating, smoking, curing, maturing, drying, marinating, extraction, extrusion and a combination of those processes intended to produce food.
- (qq) *Organic processed and pre-packaged food* refers to food compliant with applicable current PNS for OA that have been subjected to, but not limited to, heating, smoking, curing, maturing, drying, marinating, extraction, extrusion and a combination of those processes intended to produce food, packaged and labeled compliant with the applicable regulations issued by DOH-FDA.
- (rr) *Organic produce* refers to any agricultural produce that is produced according to applicable current PNS for OA or gathered from nature, and/or handled with post-harvest management.
- (ss) *Organic product* refers to a product that has been processed, pre-packaged, and handled in compliance with applicable current PNS for OA.
- (tt) *People's Organization (POs)* are community-based, mass membership organizations, that are either Securities and Exchange Commission (SEC), or any government agency empowered by law or policy to register and/or accredit POs and other similar aggregations, registered or existing but not registered, with a set of by-laws adopted through a membership assembly and duly elected officials. POs are either sectoral or multi-sectoral alliance pursuing a common goal and established to secure benefits for their membership and articulate aims and objectives in the general development discourse.
- (uu) *Private/business sector* refers to a key factor in the realm of the economy where the central social concern and process is the mutually beneficial production and distribution of goods and services to meet the physical needs of human beings. The private sector comprises private corporations, enterprises, individual businesses, among others.
- (vv) *Processing Aid* means any substance or material, not including apparatus or utensils, and not consumed as a food ingredient by itself, intentionally used in the processing of raw materials, foods or its ingredients, to fulfill a certain technological purpose during treatment or processing and which may result in the non-intentional but unavoidable presence of residues or derivatives in the final product.
- (ww) *Registry of Core PGS groups* refers to the list of core PGS groups operating within its area of jurisdiction, accredited by DA-BAFS. This shall include certified

individual farms as core PGS groups and accredited PGS groups.

- (xx) *Retail establishment* refers to an entity principally engaged in the sale of commodities or goods for consumption to the general public; it includes those that are classified as formal and informal establishments including online merchants.
- (yy) *Risk* is the combination of the probability of an event and its negative consequences.
- (zz) *Risk reduction* is the concept and practice of reducing disaster risks through systematic efforts to analyze and manage the causal factors of disasters, including reduced exposures to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events.
- (aaa) *Surveillance* refers to a set of activities including office and witness audits, except reassessment, to monitor continued compliance of accredited OCBs with the requirements for accreditation.
- (bbb) *Sustainable practice* refers to a system of agricultural farming methods and techniques that allow farmers and fisherfolks to meet production demand without compromising the natural availability of resources.
- (ccc) *Third-party OCB* refers to an independent legal entity not engaged in organic production accredited by DA-BAFS to perform inspection and certification of organic management systems.
- (ddd) *Vulnerabilities* refer to the characteristics and circumstances of a community, system or asset that make it susceptible to the damaging effects of a hazard. Vulnerabilities may arise from various physical, social, economic, and environmental factors such as poor design and construction of buildings, inadequate protection of assets, lack of public information and awareness, limited official recognition of risks and preparedness measures, and disregard for wise environmental management.
- (eee) *Vulnerable stakeholders* are those that face higher exposure to disaster risk and poverty including, but not limited to, women, youth, children, elderly, differently-abled people, and indigenous/ethnic minorities.

Section 4. *Coverage* – The provisions of this Act shall apply to the development and promotion of organic agriculture and shall include, but not limited to, the following:

- (a) Policy formulation on regulation, registration, accreditation, certification and labeling on organic agriculture;

- (b) Research, development and extension of appropriate sustainable environment and gender-friendly organic agriculture;
- (c) Promotion and encouragement of the establishment of facilities, equipment and processing plants that would accelerate the production and commercialization of organic fertilizers, bio-control agents, organic soil amendments and other appropriate farm inputs; and
- (d) Implementation of organic agricultural programs, projects and activities, including the provision and delivery of support services with the focus on farmers, prioritizing small farmers/fisherfolks and their organization and other stakeholders.

Rule 4.1. The coverage of this Act enumerated herein shall be considered in the development of the National Organic Agriculture Program (NOAP) under Section 5 (*National Organic Agricultural Program*).

Section 5. *National Organic Agricultural Program* - There is hereby established a comprehensive organic agricultural program through the promotion and commercialization of organic farming practices, cultivation and adoption of production and processing methods which have already been developed, or to be developed, continuing research and upgrading thereof, the capacity building of farmers and the education of consumers thereon, the extension of assistance to local government units (LGUs), peoples' organizations (POs), non-government organizations (NGOs) and other stakeholders including individuals and groups who are practicing and promoting these methods as well as those who are willing to do other pertinent activities, and documentation and evaluation of the program.

Rule 5.1. The National Organic Agriculture Board (NOAB), through the National Organic Agriculture Program - National Program Coordinating Office of the Department of Agriculture (NOAP-NPCO), shall call upon all concerned government agencies and instrumentalities, including the LGUs, academe, NGOs, organic small farmers/fisherfolks organizations, and research and development and extension (RDE) institutions, to submit their respective annual and long term OA plans taking into consideration climate change impact and mitigation, with emphasis on adaptation, disaster risk reduction and management, gender-sensitive development, site-specific ecosystem-based for consolidation and integration into a comprehensive NOAP.

Rule 5.2. The NOAP operating units shall support the establishment of organic agriculture hubs, which shall act as a business integrator that will supply the organic inputs, shall provide farm services, as well as the consolidation and the marketing of the produce of organic farmers/fisherfolks in every organic agriculture activity.

Rule 5.3. The NOAB, through the NOAP-NPCO and in collaboration with concerned agencies, shall develop a national communication strategy to increase the awareness of the consumers on the benefits of consuming organic products to boost local

production of organic food and non-food products, as well as the adoption of an organic agricultural system as a viable alternative.

- Rule 5.4. The Bureau of Agricultural Research of the DA (DA-BAR) and in partnership with the Department of Science and Technology (DOST), National Commission on Indigenous Peoples (NCIP), state universities and colleges (SUCs), and NGOs shall support the documentation and promotion of indigenous organic farming practices.
- Rule 5.5. The NOAP-NPCO and other concerned government agencies shall provide technical and financial assistance to LGUs, SUCs, NGOs, and POs in establishing community-based organic agriculture systems.
- Rule 5.6. The Agribusiness and Marketing Assistance Service of the DA (DA-AMAS) and other concerned agencies, shall develop and undertake a nationwide educational and awareness campaign among consumers on the benefits of consuming organic products to boost local production of organic food.
- Rule 5.7. The Department of Agriculture (DA) and Department of Trade and Industry (DTI) shall develop and institutionalize the promotion of local and international trade fairs, market promotion and matching activities with the active participation of LGUs, NGOs, national government agencies (NGAs), academe, RDE institutions, organic farmer organizations, consumer, business groups and multi-stakeholder (environment and climate change advocates and agrarian reform communities) networks to push organic products in the local and international markets as outlined in the NOAP. Likewise, the consumption of organic products in the country shall be encouraged and promoted.
- Rule 5.8. The NOAP shall be comprehensive, strategic and sustainable, and formulated, taking into consideration the coverage of this Act under Section 4 (*Coverage*), following the principles of bottom-up, multi-disciplinary and multi-sectoral participatory planning, and monitoring and evaluation system. Due consultation with the stakeholders shall be undertaken for purposes of ownership, legitimacy, transparency and accountability and, following the principles of inclusivity and subsidiarity.
- Rule 5.9. The implementation of the NOAP shall be focused on areas where delivery of support services is not adequately responded to, especially to farmers in marginal farm and coastal lands, in ancestral domains and agrarian reform areas subject to the prioritization criteria to be established by the NOAB. The implementation of small farm holding certification with an Internal Control System shall be intensified in areas where organic farms are contiguous and the farmers are adopting the same farming system.

- Rule 5.10. The NOAP shall provide assistance such as but not limited to equipment, facilities, and scholarships to educational institutions to strengthen the integration of organic agriculture in their curricula.
- Rule 5.11. A separate and distinct line budget item for organic agriculture in the General Appropriations Act (GAA) shall be allocated for the planning, implementation, monitoring, and evaluation of the NOAP including the operation of the NOAB. All agencies involved in the implementation of the NOAP shall allocate funds in accordance with Section 26 (*Appropriations*) of this Act.
- Rule 5.12. Other NOAB member agencies, concerned departments, government-owned and controlled corporations (GOCCs), government financial institutions (GFIs), and LGUs shall allocate funds from their annual budget (GAA, Internal Revenue Allotment, LGU development fund, Economic Development Fund, Official Development Assistance, Agricultural Competitiveness Enhancement Fund, etc. and private sector investment) in support to the implementation of the NOAP. These agencies shall report to the NOAB on their fund allocation for organic agriculture activities.
- Rule 5.13. The NOAB through its Chairman shall forge Memorandum of Agreements (MOAs) with the Department of Interior and Local Government (DILG) on behalf of the LGUs for fund sources for planning, implementation, monitoring and evaluation of the NOAP.
- Rule 5.14. The NOAB, through the NOAP-NPCO, shall conduct results-based monitoring and evaluation regularly to ensure the expeditious, efficient, and cost-effective implementation of the NOAP.
- Rule 5.15. A NOAP program-benefit monitoring and impact evaluation of key organic programs, plans, and projects shall be undertaken subject to the guidelines that will be developed and adopted by the NOAB.
- Rule 5.16. The NOAB, through the NOAP-NPCO, shall maintain a dedicated website to NOAP. All organic agriculture-related information and databases from the member's departments, agencies, bureaus, research institutions, and LGUs shall be linked to the NOAP website.

Section 6. *National Organic Agricultural Board (NOAB)* – To carry out the policy and the program provided in this Act, there is hereby created a NOAB which shall be the policy-making body and shall provide direction and general guidelines for the implementation of the National Organic Agricultural Program. The NOAB shall be attached to the Department of Agriculture (DA).

The NOAB shall ensure the full participation of POs, NGOs, and the general public through coordination and consultative mechanisms such as, but not limited to, public hearings, meetings and joint projects.

- Rule 6.1. The NOAB shall exercise its powers and functions in accordance with Sections 8 (*Organization of the NOAB*) and 9 (*Powers and Functions of the NOAB*) of this Act.
- Rule 6.2. The DA through the NOAP shall provide a dedicated office for the NOAB and other logistics to facilitate the Board's functions.
- Rule 6.3. The NOAB shall involve the participation of relevant stakeholders to ensure transparency, accountability, and inclusivity.

Section 7. *Composition of the NOAB* – The NOAB shall consist of the following members:

- (a) The Secretary of Agriculture, or his duly authorized permanent representative, with a rank of Undersecretary, as Chairperson;
- (b) The Secretary of the Interior and Local Government, or his duly authorized permanent representative, as Vice Chair;
- (c) The Secretary of Science and Technology or his duly authorized permanent representative;
- (d) The Director General of the Technical Education and Skills Development Authority, or his/her duly authorized permanent representative;
- (e) The Secretary of Agrarian Reform, or his/her duly authorized permanent representative;
- (f) The Secretary of Trade and Industry, or his/her duly authorized permanent representative;
- (g) The Secretary of Health, or his/her duly authorized permanent representative;
- (h) Three (3) representatives from the small farmers;
- (i) One (1) representative from the NGOs involved in organic agriculture for at least three (3) years;
- (j) One (1) representative from agricultural colleges and universities;
- (k) One (1) representative from the private sector in the organic value chain;
- (l) One (1) representative from the national association of PGS Groups, to be chosen from among and by themselves: *Provided*, That the representative is a small farmer;
- (m) One (1) representative from a national organization of local government units (LGUs) actually engaged in organic agriculture; and
- (n) One (1) qualified representative from the indigenous organic farmers.

The designated aforementioned representatives of the various departments shall be occupying positions not lower than a bureau director level and shall be on a coterminous basis.

The representatives of small farmers and NGOs, and of agricultural colleges and universities, shall be chosen by the Secretaries of Agriculture and Science and Technology, respectively, from among nominees submitted to the agency concerned by their respective national organizations. These representatives must represent their respective organizations at least from the provincial level, actually and actively practicing and promoting organic agriculture practices, be conversant in organic agriculture and be committed to the policies and programs provided under this Act. The three (3) seats given to small farmers shall be chosen from the crops and livestock sectors, which will have two (2) seats and one (1) seat, respectively.

An appointed/elected member of the board can only serve a single term of three (3) years, without reappointment. Should the member fail to complete his/her term, the replacement or successor shall only serve the unexpired portion of the term.

Rule 7.1. The DA through the NOAP-NPCO shall formulate the criteria and the guidelines for the selection of the following non-government members of the NOAB: (a) three (3) small farmer representatives, (b) one (1) representative from a national organization of LGUs actually engaged in organic agriculture, (c) one (1) representative from NGO, (d) one (1) representative from a national organization of Participatory Guarantee System (PGS) groups, and (e) one (1) representative from the private sector in the organic value chain. The selection criteria and guidelines for the said representations shall be reviewed and approved by the NOAB.

Rule 7.2. The small farmer representatives are mandated to comprise one (1) seat from the livestock sector and two (2) seats from the crop sector. Provided that the three (3) major islands of the country are still represented. Provided further that the aquaculture sector shall be considered in the livestock sector.

Rule 7.3. The representative from the national organization of LGUs actually engaged in organic agriculture must be: (a) registered in the Securities and Exchange Commission (SEC) for at least five (5) years and with an organizational medium to long term strategic OA development program; (b) must comprise of at least three (3) members legally implemented under the municipal and/or city-wide organic agriculture plan; (c) recognized by the local and international authorities on organic agriculture.

Rule 7.4. The DOST shall formulate the criteria and the guidelines for the selection of the academe representative, subject to the approval of the NOAB.

Rule 7.5. The NCIP shall facilitate the nomination of the indigenous organic farmer representative to the NOAB. In the absence of a qualified nominee, the NCIP shall represent the sector to the NOAB.

- Rule 7.6. The list of nominees shall be submitted to the Secretary of the DA and DOST in accordance with the deadline provided. The Secretary of DA shall appoint the members of the Board from small farmers, the national organization of LGUs actually engaged in organic agriculture, NGOs, the national organization of PGS groups, and private sector in the organic value chain, while the representative from the academe (i.e. SUCs and private higher education institutions) shall be appointed by the DOST.
- Rule 7.7. An appointed member of the Board shall serve for a single term of three (3) years and cannot be reappointed for another term. Should a private sector or an academe member of the Board fail to complete his/her term, the concerned Secretary shall appoint the second rank nominee, provided that the nominee met the minimum requirements. Otherwise, the Secretary shall appoint a successor from the same organization which the private sector or academe represents. The successor shall only serve the unexpired portion of the uncompleted term.
- Rule 7.8. The incumbent members of the NOAB shall continue to serve their term provided in this Act. Provided that, positions that are vacant by virtue of this Act shall be accordingly filled and shall also serve the unexpired portion of the incumbent's term.
- Rule 7.9. The concerned government agencies shall designate their permanent representatives and alternate representatives with a rank no less than Director IV. These representatives shall serve on a coterminous basis.

Section 8. *Organization of the NOAB* – Within sixty (60) working days from the effectivity of this Act, the national organizations of small farmers, of NGOs and of agricultural colleges and universities shall submit their respective nominees to the Secretary of Agriculture and the Secretary of Science and Technology, as the case may be, who shall evaluate the qualifications of the nominees and appoint the most qualified members to the NOAB.

The Chairperson shall call the members of the NOAB, or a majority thereof if not all have been designated, to a meeting to organize themselves and prescribe its rules and procedures for the attainment of the objectives of this Act. A majority of all the members of the NOAB shall constitute a quorum. The NOAB shall meet at least once every quarter after its constitution.

The NOAB shall also determine its budget, including travel expenses, allowances and per diems of its non-government members when attending official NOAB meetings or attending to matters assigned to them subject to accounting and auditing rules and regulations.

- Rule 8.1. Within sixty (60) working days from the effectivity of this IRR, the national organization of PGS groups, the national organization of LGUs actually engaged in organic agriculture, and indigenous organic farmers shall submit their respective nominees to the Secretary of Agriculture, in accordance with the guidelines approved by the NOAB.

- Rule 8.2. The NOAB shall establish Rules of Procedure (Manual of Operations) in its operations and establishments of Technical Working Groups (TWGs) and Task Forces (TFs) including roles and responsibilities to exercise general coordination of its work. The Rules of Procedure of the NOAB shall apply, *mutatis mutandis*, to TWGs, TFs, and ad hoc committees.
- Rule 8.3. The NOAB shall hold quarterly meetings and special meetings when necessary. The presence of at least nine (9) including the chairperson of the NOAB shall constitute a quorum. In all cases, the presence of the chairperson or his duly authorized official permanent representative shall be required.
- Rule 8.4. Government agencies shall be allowed to send their authorized representatives to the NOAB with a rank not lower than Director IV. However, other representatives not duly appointed by the Secretary shall not be considered to constitute a quorum.
- Rule 8.5. The NOAB shall create its TWGs where the technical concerns on organic agriculture development and promotion will be tackled. Government agencies may designate their technical representatives who are knowledgeable on organic agriculture and other related concerns. The membership in the TWGs and TFs shall be approved by the NOAB.
- Rule 8.6. The NOAB shall be entitled to other allowable emoluments for every meeting actually attended, subject to existing accounting and auditing rules and regulations and other relevant statutes.
- Rule 8.7. The Director of the NOAP-NPCO shall serve as the NOAB Secretary and shall keep all records relative to the meetings of the NOAB.

Section 9. *Powers and Functions of the NOAB* – The NOAB shall have the following powers and functions:

- (a) Formulate policies, plans, programs and projects to develop and promote organic agriculture, production, processing and trade;
- (b) Oversee the successful implementation of the National Organic Agricultural Program;
- (c) Identify sources of financing to expand organic agriculture;
- (d) Monitor and evaluate the performance of programs for appropriate incentives;
- (e) Undertake measures for the international recognition of local certification of organic products;
- (f) Call upon any government agency to carry out and implement programs and projects identified by the NOAB;
- (g) Call upon private sectors, POs and NGOs and the academe to provide advice on matters pertaining to organic agriculture and conduct of capability-building initiatives to farmers, producers, extension

workers, consumers and other stakeholders in the agriculture sector in coordination with the Agricultural Training Institute;

- (h) Submit annual and other periodic reports to the President, Secretary of the DA and Congress of the Philippines through the Congressional Oversight Committee on Agricultural and Fisheries Modernization (COCAFAM);
- (i) Promulgate such rules and regulations and exercise such other powers and functions as may be necessary to carry out effectively the purposes and objectives of this Act; and
- (j) Perform such other functions as may be necessary for its effective operations and the continued enhancement, growth or development of organic agriculture.

Rule 9.1. The NOAB and its appropriate TWGs shall continuously review all existing government (NGAs, legislative, and LGUs) issuances, policies, and programs affecting the implementation of the OAA and update recommendations to harmonize its provisions to further strengthen these IRRs consistent with the provisions of this Act.

Rule 9.2. The NOAB shall formulate the guidelines for the implementation of multi-sectoral (LGUs, NGOs, organic small farmers/fisherfolks' organizations, academe, RDE institutions, consumers and business groups) monitoring protocols to track the promotion and delivery of OAA support services and their implementation by the local chief executives (LCEs) at the provincial and municipal/city levels.

Rule 9.3. The NOAB, in coordination with concerned agencies, shall undertake measures for the international recognition of Philippine organic produce and products which include harmonization of the national organic certification schemes.

Rule 9.4. The NOAB shall establish guidelines for the provision of technical and financial assistance to eligible certified and guaranteed organic operators or their farms/associations/cooperatives for international certification in accordance with this Act.

Rule 9.5. The NOAB shall develop guidelines for the provision of assistance to organic agriculture practitioners for the laboratory analyses of produce, inputs and products to ensure and maintain compliance with the applicable current Philippine National Standards (PNS) for organic agriculture (OA) and other regulatory requirements.

Rule 9.6. The NOAB and its member departments shall ensure the implementation of the provisions of this Act. The member departments shall ensure that other activities relevant to their mandates and jurisdictions in line with the provisions of this Act are acted upon.

Rule 9.7. The NOAB shall coordinate with other concerned government agencies to institutionalize organic agriculture programs at the

local level through the formulation of a framework for a food self-sufficiency program. The framework shall provide the strategic plans of action in eliminating malnutrition and hunger, bringing unity and responsibilities between the community and the LGU, educating the community on the importance of practicing organic farming and sustainable agriculture, and generating food and income from the establishment of backyard organic gardens and community organic farms.

- Rule 9.8. Upon approval by the NOAB, the DILG, in coordination with other concerned agencies, shall issue relevant guidelines to LGUs in the implementation of the provisions of this Act.
- Rule 9.9. The NOAB, through the NOAP-NPCO, in coordination with DA-AMAS and DTI, shall lead the development of an organic agriculture industry profile.
- Rule 9.10. The Department of Agrarian Reform (DAR) shall maintain a database of Agrarian Reform Beneficiaries Organizations engaged in organic agriculture and formulate a roadmap in accordance with the comprehensive NOAP.
- Rule 9.11. The NOAB shall call upon other public Standards Development Organizations to develop standards related to organic produce and products covered by their respective mandates.
- Rule 9.12. The NOAB shall collaborate with the DTI to establish mechanisms for notification and reporting of third-party certification bodies or entities conducting conformity assessment activities in the country for organic produce and products intended for export. These certification bodies or entities shall provide relevant information as may be required by the NOAB.
- Rule 9.13. The NOAB, in collaboration with concerned agencies, shall craft and harmonize existing rules and regulations on registration of organic produce and products' brand names and business names, including online merchants to include with substantiation for 'organic' labeling/ brand names in accordance with their respective mandates.
- Rule 9.14. The NOAB, when necessary, may call upon the cooperation of other government agencies to effectively and efficiently carry out and implement its identified programs and projects.

Section 10. *National Organic Agriculture Program - National Program Coordinating Office (NOAP-NPCO)* – To manage the effective implementation of the National Organic Agriculture Program, the Department of Agriculture (DA), Office of the Secretary, shall be strengthened and empowered in terms of establishing a functional office, to be known as the National Organic Agriculture Program – National Program Coordinating Office (NOAP – NPCO). It shall serve as the planning and administrative secretariat of the NOAB, and as the coordinating office of the Program.

- Rule 10.1. The NOAB, as attached to the DA, shall be supported by the NOAP-NPCO in the performance of its duties and responsibilities, particularly in spearheading the implementation of RA No. 10068 as amended by RA No. 11511.
- Rule 10.2. To effectively implement the NOAP, the NOAP-NPCO shall facilitate the adoption of policies, plans, projects, and programs for the development and promotion of organic agriculture at the grassroots level.
- Rule 10.3. The NOAP-NPCO is empowered to determine and create its organizational structure including its plantilla position requirements in order to perform its functions to achieve the objectives of this Act.
- Rule 10.4. At the minimum, the NOAP-NPCO shall be headed by a Director to be appointed by the President. He/she shall be assisted by a deputy director. The NOAP-NPCO shall have at least three (3) divisions, namely the 1. Secretariat and Policy Development Division, 2. Planning and Project Development Support Division, and 3. Advocacy, Coordination, and Administrative Division.
- Rule 10.5. The interim NOAP-NPCO is authorized to submit its proposed plantilla positions to the Department of Budget and Management (DBM) within one hundred eighty (180) days upon the adoption of this IRR and prior approval by the NOAB. The DBM shall promptly act within the deadline stipulated under the Code of Conduct of the government employees by the Civil Service Commission.
- Rule 10.6. The NOAP-NPCO plantilla positions shall be completed within one (1) year from the approval of the said plantilla positions by the DBM.
- Rule 10.7. The DA Regional Field Offices (DA-RFOs) shall be strengthened with the creation of the NOAP Regional Program Coordinating Office (NOAP-RPCOs), consisting of at least five (5) additional plantilla positions under the Field Operations Division, to assist in the implementation of the NOAP in their respective regions. The DA-RFOs shall perform the following functions and responsibilities with respect to the implementation of the NOAP:
- 10.7.1. Gather policy recommendations from regional stakeholders;
  - 10.7.2. Disseminate policies and regulations to regional stakeholders;
  - 10.7.3. Assist regional stakeholders in preparing their plans, including the organic agriculture roadmaps and organic agribusiness plans;
  - 10.7.4. Monitor compliance to policies and regulations in their regions;

- 10.7.5. Prepare annual budget for organic agriculture program responsive to the needs of their regional stakeholders;
  - 10.7.6. Implement and monitor organic agriculture programs and projects in their region;
  - 10.7.7. Promote organic agriculture in their regions, including the conduct of regional Organic Agriculture Achievers' Awards, the conduct of Organic Agriculture Month, and consumer awareness;
  - 10.7.8. Provide assistance in the organic agriculture certification process within their regions;
  - 10.7.9. Assist in the capacity development of LGUs and farmers' associations concerning organic agriculture;
  - 10.7.10. Submit reports and data required by the NOAP;
  - 10.7.11. Participate in NOAP assessments;
  - 10.7.12. Conduct field validation of organic agriculture enterprises;
  - 10.7.13. Participate in the identification of priority and basic organic agriculture commodities of the different localities in their region; and
  - 10.7.14. Maintain a registry of organic agriculture practitioners in their region.
- Rule 10.8. Pending the approval of the DBM, the existing NOAP-NPCO and the NOAP regional focal persons shall continue to perform their current functions as interim NOAP-NPCO and NOAP-RPCOs, respectively.
- Rule 10.9. The Integrated Laboratory Divisions (ILDs) of the DA-RFOs and laboratories of concerned DA Regulatory Agencies and SUCs shall be upgraded and capacitated to assist in the implementation of the provisions of this Act.
- Rule 10.10. All NOAP implementing agencies of the DA shall modify its existing structure and staffing pattern, if appropriate, for the provision of the required manpower complement in order to perform its function.
- Section 11. *Work Plan* – In line with the National Organic Agriculture Program, the NOAP-NPCO shall submit to the Board for approval the following:
- (a) A plan of bringing the program down to the grassroots, utilizing available personnel and facilities on the local level and those of LGUs;

- (b) A pattern of cooperation and mutual assistance with LGUs, POs and NGOs, which will maximize people empowerment and participatory approaches to program formulation, implementation and monitoring; and
- (c) A schedule of short-term, medium-term and long-term targets on research and development, marketing, trade promotion/initiatives, capacity building, among others.

**Rule 11.1.** The NOAB shall formulate institutional mechanisms and arrangements that will ensure the effective implementation of the Work and Financial Plan and further assist NOAP-NPCO in carrying out the plan in a most expeditious, efficient, and cost-effective manner. This must be achieved through effective coordination and networking among appropriate NGAs and the LGUs as well as the existing network of organic producers and their support organizations including the small farmers/fisherfolks, agrarian reform beneficiaries, landless farmworkers, and indigenous peoples.

**Section 12.** *Bureau of Agriculture and Fisheries Standards (BAFS)* – The BAFS of the DA shall be restructured, strengthened and empowered to support the objectives of this Act. It shall provide technical assistance to the NOAB and the NOAP-NPCO. The BAFS, in addition to its existing functions and responsibilities, shall perform the following functions, duties and responsibilities for purposes of this Act:

- (a) Formulate and update standards relevant to organic agriculture;
- (b) Issue accreditation to OCBs;
- (c) Conduct inspections on compliance of PGS groups with the Philippine National Standards (PNS) for organic agriculture, and publish at least once a year the list of compliant PGS groups;
- (d) Issue registration of organic inputs, such as organic soil amendments and organic bio-control agents;
- (e) Issue registration of integrated organic farms with multiple commodities/production and of organic input producers;
- (f) Rule on the appeal of farm/farm owner on decisions made by OCBs and the concerned municipal/city PGS groups on inspection and certification issues; and
- (g) Perform such other functions, duties and responsibilities as may be necessary to implement this Act.

**Rule 12.1.** The DA-BAFS shall be restructured, strengthened and empowered, and shall be authorized to submit plantilla position requirements for its National Office and create Regional Field Units (RFUs) to ensure that the additional functions, duties, and responsibilities as provided in this Act are effectively and efficiently carried out.

- Rule 12.2. To institutionalize DA-BAFS at the regional level, each DA-BAFS RFU shall have at least five (5) plantilla positions headed by a Supervising Science Research Specialist and shall be responsible for the following:
- 12.2.1. Provide technical and administrative support, including but not limited to the provision of manpower, for the implementation of DA-BAFS accreditation, registration, and monitoring and labeling enforcement;
  - 12.2.2. Pre-assess applicants for core PGS group and PGS farm member certification and endorse qualified operators to DA-BAFS National Office;
  - 12.2.3. Assist applicants and serve as enquiry point of registration and accreditation;
  - 12.2.4. Coordinate with regional and private laboratories the sampling and testing of samples collected during the monitoring;
  - 12.2.5. Assist on handling appeals and complaints relative to the implementation of organic agriculture regulations at the regional level;
  - 12.2.6. Submit lists, updates, and reports to the DA-BAFS National Office on matters of organic agriculture regulations; and
  - 12.2.7. Coordinate with the DA-RFOs and concerned regional offices all activities relative to the promotion of standards and regulations.
- Rule 12.3. The Standards Development Division, Technical Services Division, and Laboratory Services Division of the DA-BAFS shall be strengthened and capacitated through incremental staffing to provide support to Organic Agriculture Division (OAD) in carrying out additional functions, duties and responsibilities provided by this Act.
- Rule 12.4. In view of strengthening the DA-BAFS as a competent authority for organic agriculture, the DA-BAFS shall have an Assistant Director to assist the Director of DA-BAFS in overseeing the regulatory functions, and development and promotion of standards relevant to organic agriculture. It shall be appointed by the President of the Philippines.
- Rule 12.5. The OAD shall be headed by the Chief Science Research Specialist with Supervising Science Research Specialist.
- 12.5.1. The existing Organic Agriculture Accreditation Section shall be renamed as Accreditation Section to perform the functions, duties and responsibilities in accordance with Sections 13 (*Accreditation of OCB*) and 14 (*Participatory Guarantee System*) of this Act. It

shall have two units: 1. Third-party Organic Certifying Body (OCB) Unit covering domestic and international OCBs, and 2. Participatory Guarantee System Unit wherein the manpower complement shall be provided from the dissolved NOAB Secretariat Section. The Accreditation Section shall ensure that the organic certification schemes and accreditation requirements are aligned and harmonized with international standards.

12.5.2. The existing Organic Agriculture Registration Section shall be renamed as Registration Section and shall be responsible for the registration of integrated organic farms, and organic inputs such as organic soil amendments and organic bio-control agents consistent with Section 17 (*Registration of Organic Producers, Produce, Inputs, and Organic Processed Foods*) of this Act.

12.5.3. The existing Organic Agriculture Networking Section shall be renamed as Monitoring and Labeling Enforcement Section and shall be responsible for the verification of continued compliance by organic operators with standards and regulations relevant to DA-BAFS' regulatory functions in accordance with Sections 17 (*Registration of Organic Producers, Produce, Inputs, and Organic Processed Foods*), 18 (*Labeling of Organic Produce*) and 19 (*Retailing of Organic Produce*) of this Act. This Section shall also be responsible for handling appeals and complaints relevant to DA-BAFS regulatory functions.

Rule 12.6. The DA-BAFS shall formulate and/or update organic agriculture standards of fresh, primary and postharvest which would cover crops, poultry and livestock, and fish and fishery products including its labeling and production practices, as necessary. Production and postharvest processing of organic produce shall comply with applicable on-farm food safety standards, guidelines, and codes of practice.

Rule 12.7. All standards adopted shall, as applicable, be disseminated in any available media.

Rule 12.8. The DA-BAFS shall formulate the necessary policies and guidelines for the handling of appeals and complaints of PGS groups and their clients, subject to the approval of the NOAB.

Rule 12.9. The DA-BAFS shall provide technical assistance to the NOAB and NOAP-NPCO relevant to its functions, duties, and responsibilities provided in this Section, to support the implementation of programs and projects identified by the NOAB. The DA-BAFS shall submit quarterly reports to the NOAB through the NOAP-NPCO.

Section 13. *Accreditation of OCB* – The BAFS is hereby designated and authorized to grant official accreditation to an OCB or entity. The BAFS is tasked to formulate the necessary rules and procedures in the accreditation of OCBs performing third-party certification, or granting certification as part of the PGS: *Provided*, That there shall be at least one (1) accredited OCB, performing third-party certification, each in Luzon, Visayas and Mindanao, or in case of only one (1) OCB performing third-party certification is accredited, it shall have at least one (1) satellite office or processing unit each in Luzon, Visayas and Mindanao.

Rule 13.1. The DA-BAFS shall be authorized to accredit OCBs or entities that shall perform certification and inspection of organic management systems in accordance with the applicable current PNS for OA and relevant regulations.

Rule 13.2. The DA-BAFS shall review and revise, as appropriate, existing guidelines, rules, and procedures for the accreditation of OCBs. Likewise, DA-BAFS shall develop policies and guidelines for the accreditation of Core PGS groups or any qualified entity applying for accreditation, and related activities such as handling complaints and appeals relating to the operations of accredited PGS groups. These policies and guidelines shall be subjected to the approval of the NOAB.

Rule 13.3. The DA-BAFS shall create a TWG tasked to evaluate the results of inspections and assessments, to recommend decisions for accreditation to the DA-BAFS Director. The TWG shall be composed of individuals competent in organic agriculture, fisheries, inputs, environment, quality infrastructure, and relevant standards and regulations. The TWG members tapped as inspectors or assessors for the purposes of Section 13 (Accreditation of OCB), shall not be part of the evaluation process to avoid conflict of interest.

Rule 13.4. If there is only one (1) accredited third-party OCB in the country or only one (1) accredited third-party OCB for a particular scope, it shall maintain a satellite office or processing unit, either a physical office or in the form of an authorized OCB personnel, each based in Luzon, Visayas, and Mindanao.

Rule 13.5. The DA-BAFS shall issue accreditation certificates valid for five (5) years, subject to annual surveillance audits.

Rule 13.6. All organic certificates issued by the accredited OCBs shall be valid for three (3) years, subject to annual inspections.

Rule 13.7. The DA-BAFS shall maintain and publish the list of accredited OCBs, and shall ensure that the list is periodically updated.

Rule 13.8. Accreditation policies and guidelines shall be made available to the public through DA-BAFS website and other means of communication.

Rule 13.9. The DA-BAFS and the Philippine Accreditation Bureau (PAB) of the DTI (DTI-PAB), as the National Accreditation Body of the country, shall strengthen its collaboration to ensure effective implementation of the accreditation of OCBs such as, but not

of which shall suffice as proof of registration and the grant of legal personality, which however shall be limited only to PGS transactions.

The national organization of LGUs actually engaged in organic agriculture shall also secure a legal personality for purposes of accreditation by the BAFS.

Any other OCB shall secure a mayor's permit from the municipality/city where it intends to operate and possession of which shall suffice to grant them legal personality for purposes of accreditation by the BAFS.

- (c) *Certification.* The BAFS shall provide the guidelines for the certification of farms, pursuant to the provisions of this Act.

A farm/farm owner applying for certification as an organic agriculture practitioner shall join a PGS group in the same municipality/city where his/her farm is located, or with a PGS group in a municipality/city within the same province to which he/she, as the farm owner, regularly interacts or conducts business with.

The farm/farm owner shall apply for a participatory organic certificate with a core PGS group of the PGS group where the farm belongs; or with a national organization of LGUs initiating organic agriculture practices, a member of which is the municipality/city where the PGS group is located; or with any private group or organization actually engaged in organic agriculture and operating in that municipality/city; any of which is accredited as an OCB.

The decision of any of the abovementioned OCBs shall be appealable to the BAFS: *Provided*, That the BAFS shall rule on the appeal within thirty (30) days from its receipt. Otherwise, the appealed decision shall be considered reversed.

The withdrawal of membership in the PGS group shall mean forfeiture of the privilege for the farm/farm owner to use the participatory organic certificate.

In case a member of the core PGS group representing a farm applies for renewal of certification with the same core PGS group, the member of the core PGS group must inhibit himself/herself before the application for renewal can be considered.

- (d) *Accreditation.* The BAFS shall provide the guidelines for accreditation.

A registered core PGS group shall apply for accreditation with the BAFS. A core PGS group shall be accorded accreditation by the BAFS only if it has at least five (5) members, coming from different farms within the municipality/city or within the province, certified and actually practicing organic agriculture. The BAFS shall extend technical and financial support to a core PGS group in its application for accreditation.

For purposes of this Section, the BAFS is hereby authorized to certify five (5) individual farms as a core PGS group: *Provided*, that once such core PGS group is accredited to certify, it can subsequently certify as organic agriculture compliant other core PGS groups: *Provided, further*, That the authorization to certify shall be deemed revoked when the core

membership becomes less than five (5) or any of the minimum five (5) member farms becomes noncompliant to organic agriculture standards.

A national organization of LGUs actually initiating or engaged in organic agriculture; or any private group or organization actually engaged in organic agriculture, as direct farm producer, as a promoter/advocate of the ways, methods and principles of organic agriculture, or as a marketer of organic agriculture produce; may also apply for accreditation as an OCB.

The BAFS shall issue its decision on the application for accreditation by a core PGS group or any qualified entity applying for accreditation within sixty (60) days from the submission of the complete requirements. Failure to render a decision within such period shall be deemed an approval of the application for accreditation as an OCB. The BAFS shall not charge any application fee.

3) *Organizational Levels.*

(1) *The Core PGS Group.* Every core PGS group should have at least five (5) members, composed of farmers from a combination of both the crops and livestock sectors. It may add to its membership farmers from other sectors in agriculture, NGOs, people's organizations, buyers of organic agriculture products, suppliers of organic inputs, among others, who all lives or operate within the province and regularly interact with the concerned PGS group.

Each core PGS group shall have the following duties and responsibilities:

- (i) Develop an understanding of the organic standards;
- (ii) Make sure farm practices are compliant;
- (iii) Make a pledge that they understand and adhere to the organic standards;
- (iv) Conduct inspection and certification activities of member farms. At least a majority of the members of the core PGS group who joined in the actual inspection and certification activity should sign on the truthfulness of the findings of the inspection and certification activity;
- (v) Recommend which farms will be certified;
- (vi) Initiate key field trainings for farmer-members and residents in their locality to promote organic agriculture;
- (vii) Attend municipal/provincial PGS meetings and share information.
- (viii) Take actions on defaults/noncompliance as per sanction guidelines to be provided by the BAFS, OCBs and municipality/city PGS groups; and
- (ix) Assist defaulting and non-compliant members to regain certification status.

- (2) *Municipal/City PGS Group.* The municipal/city PGS group shall be composed of the following: 1) One (1) representative for each core PGS group in the municipality/city; and 2) One (1) representative from a regional agricultural state university or college (SUC) or local private agricultural educational institution: *Provided*, that there should be at least two (2) core PGS groups in the municipality/city before a municipal/city PGS group can be established.

The municipal/city PGS group shall conduct its business and affairs based on the majority decision of the members present, after having secured a quorum.

The municipal/city PGS group shall have the following powers, duties and responsibilities:

- (i) Together with the BAFS, develop or update and implement the PGS, as provided in this Act;
- (ii) Ensure that compliant farmer members continue to comply with all the requirements of the applicable PNS for organic agriculture and relevant regulatory requirements;
- (iii) Maintain a registry of core PGS groups operating within its area of jurisdiction, which shall be forwarded to the BAFS on year-end for the latter's national database;
- (iv) Together with the OCB involved in the inspection and certification activity, and in coordination with the BAFS, issue participatory organic certificate and the "PGS Guaranteed Organic" label/mark to compliant small farmer/fisherfolk and/or their farm/association/cooperative; and
- (v) Submit regularly to the BAFS a list of certified small farmer/fisherfolk and/or their farm/association/cooperative.

In case a municipal/city PGS group has yet to be established, the BAFS, in coordination with the LGU concerned, shall assume the powers, duties and responsibilities of this group.

- (3) *Provincial and National PGS group.* It shall be the option of the PGS groups to form their aggrupation at the provincial and national levels. They shall receive the financial and technical assistance, support and guidance of the departments in the NOAB and the BAFS in this regard. The provincial governments shall encourage and support the formation and activities of these PGS groups in the different provinces, cities and municipalities within their jurisdiction.
- (f) *Promotion.* The NOAB shall actively promote, search and recognize associations or groups that have been practicing organic agriculture through the PGS, in accordance with this Act. The NOAB shall ensure that each province in the country has a PGS group. Every PGS group shall conduct training and promote organic agriculture.

- (g) *Training and Inspection.* The Agricultural Training Institute (ATI) shall, in close coordination with the BAFS, make available the required training program on organic agriculture standards and processes for PGS groups applying for BAFS accreditation. The BAFS shall conduct random inspections to ensure that PGS groups are all compliant with the PNS for organic agriculture. The BAFS shall keep a record of compliant PGS groups in the country and shall publish a list of such compliance at least once a year.
- (h) *Incentives.* Any small farmer/fisherfolk or their farms/associations/cooperatives engaged in organic agriculture or any organic input producer, certified by its core PGS group or any OCB, accredited under this section, to be compliant for a period of five (5) years, without any offense or infraction, shall be eligible for a full government subsidy of the cost for an international certification for one (1) year: *Provided*, that they shall export their products. Further, so long as the same entities maintain their status of compliance, they shall be invited and given, for free, prime location in any government agency-initiated or sponsored trade and business marketing gathering of Filipino products, for the purpose of displaying and selling their own organic products.
- Rule 14.1. The PGS group shall strive for a collective commitment to a set of principles reflected through actions that demonstrate measurable compliance with the organic principles. The PGS group shall recognize and ensure the involvement of different stakeholders in its design, implementation, and day-to-day operations as integral to its overall effectiveness and credibility.
- Rule 14.2. The PGS group shall promote the availability and accessibility of guaranteed organic produce and products within the community. PGS guaranteed organic produce and products shall be primarily marketed within the municipality/city or province wherein the producer may directly link with the consumers or indirectly through an intermediary.
- Rule 14.3. The DA-BAFS shall develop policies and guidelines for the establishment and operation of the PGS groups.
- Rule 14.4. Minimum requirements for organic certification under the PGS shall be based on the applicable current PNS for OA.
- Rule 14.5. The DA-BAFS shall develop policies and guidelines for the accreditation of core PGS groups or any qualified entity applying for accreditation, and related activities such as certification procedure, issuance of certification decision, and handling of complaints and appeals relating to the operations of accredited PGS groups. These guidelines shall be subjected to the approval of the NOAB.
- Rule 14.6. The DA-BAFS shall certify five (5) individual farms selected by the PGS group to form the core PGS group, and endorsed by the municipal/city local technical committee for organic agriculture (LTC OA). In the absence of a municipal/city LTC OA, the endorsement shall be made by the office of the municipal/city LCE. The endorsement shall be used by DA-BAFS for certification purposes.

- Rule 14.7. The issuance of accreditation decision by DA-BAFS shall be within sixty (60) days from the submission of the complete requirements. However, this shall exclude the compliance period of the applicant to resolve assessment findings.
- Rule 14.8. The accredited core PGS group can subsequently certify other core PGS groups located within the same municipality/city or province for the purposes of accreditation by DA-BAFS.
- Rule 14.9. The accredited core PGS group shall be authorized to issue Participatory Organic Certificate to its farmer member following completion of the inspection and certification activities to the compliant farmer member. The compliant farmer member shall be authorized to use the Philippine PGS Guaranteed Organic mark.
- Rule 14.10. All core PGS group representatives of municipal/city PGS group shall be from accredited core PGS group. The municipal/city PGS group shall ensure that representations from accredited core PGS groups and regional agricultural state university or college or local private agricultural educational institutions are competent in carrying out their powers, duties, and responsibilities.
- Rule 14.11. The Support Sector (academic and research institutions, LGUs, financial institutions, and civil society organizations (CSO)) shall encourage the formation and support the operations of PGS groups within their locality through the provision of technical and financial assistance. These sectors may be represented in the PGS group within their locality.
- Rule 14.12. The PGS groups may form into a provincial and national aggrupation and provide technical support to their farmer members.
- Rule 14.13. The NOAB through its member departments shall develop policies and guidelines for the provision of financial and technical assistance to encourage the formation and support of the activities of the PGS groups.
- Rule 14.14. The Agricultural Training Institute of the DA (DA-ATI) and Technical Education and Skills Development Authority (TESDA), in close coordination with DA-BAFS, shall develop and implement training programs relevant to standards, guidelines, and procedures for the establishment and operations of PGS groups.
- Rule 14.15. The NOAB, in coordination with concerned agencies, shall develop policies and guidelines for the availing of subsidy for international organic certification schemes in accordance with the provisions of Section 25 (*Incentives*) of this Act.

Section 15. *Organic Agriculture and the Protection of the Environment* – The NOAB shall constantly devise and implement ways and means not only of producing organic fertilizers and other farm inputs and needs on and off the farm but also of helping to alleviate the problems of industrial waste and community garbage

disposal through appropriate methods of sorting, collecting and composting. The BAFPS shall conduct continuing studies, with consultations among the people and officials involved as well as POs and NGOs, in order to advise local governments, from the barangay to the provincial level, on the collection and disposal of garbage and waste in such a way as to provide raw materials for the production of organic fertilizer and other farm inputs.

Rule 15.1. The NOAB, in coordination with the National Waste Management Commission, shall issue guidelines for the inclusion by the LGUs in their respective local Solid Waste Management Plan, appropriate programs, projects, and activities on the utilization of local wastes, for the production of organic fertilizer in accordance with the current applicable PNS for OA.

Rule 15.2. The DA through its concerned agencies shall include mechanisms for the implementation of this provision.

15.2.1. The Bureau of Animal Industry of the DA (DA-BAI) shall include appropriate mechanisms to ensure mitigation of seepages and run-offs from farm waste including animal waste from abattoir.

15.2.2. The Bureau of Soils and Water Management of the DA (DA-BSWM) and ILDs of the DA RFOs shall assist the organic agriculture stakeholders for the analysis of produce and inputs.

15.2.3. The BAFPS, now DA-BAFS per RA No. 10601, otherwise known as "Agriculture and Fisheries Mechanization (AFMech) Law of 2013", shall review and update, as deemed necessary, the National List of Permitted Substances for Organic Agriculture that shall serve as the basis of the LGUs in the collection and disposal of garbage and waste as a source of raw materials for the production of organic fertilizer and other farm inputs.

15.2.4. The NOAB through its member departments shall mandate their concerned agencies with research functions to conduct continuing studies with the primary objective of identifying and promoting alternative uses of industrial waste and community garbage taking into consideration the provisions of the PNS for OA.

Section 16. *Local Executive Concerns* – Every provincial governor shall, insofar as practicable, form a provincial technical committee, and which shall, in coordination with and assistance of the BAFPS/DA-Regional Field Units (RFUs), implement activities in line with the National Organic Agricultural Program within each province.

Every municipal mayor shall likewise, insofar as practicable, form a municipal technical committee for purposes of implementing activities in line with the National Organic Agricultural Program within each municipality.

A local government unit that intends to shift its area of responsibility to organic agriculture must ensure that local industries have been adequately informed and consulted and that a viable plan to ensure supply for vulnerable industries is in place.

Local government units shall coordinate with the DA-Bureau of Plant Industry for the establishment and/or strengthening of local organic seed centers in order to increase farmers' adoption of organic agriculture.

The municipalities and cities are hereby enjoined to enact ordinances that shall protect organic farming zones and organic farming practices.

The governors shall monitor implementation of and compliance with this Act within their respective jurisdictions.

**Rule 16.1.** The chief executives of the LGUs, in coordination with and assistance of the DA-RFOs, shall establish a multi-sectoral provincial/municipal/city LTC OA, within their respective jurisdictions composed of the following:

16.1.1. LCE;

16.1.2. Committee Chairperson on Agriculture;

16.1.3. Municipal/City Local Government Operations Officer (M/CLGOO);

16.1.4. Council Committee Chairperson on Finance;

16.1.5. Chairperson of a barangay actually engaged in organic agriculture;

16.1.6. Three (3) representatives from the small farmers associations representing crops, livestock and fisheries, and preferably certified organic;

16.1.7. One (1) representative from the agribusiness sector or registered cooperative actually engaged in organic agriculture;

16.1.8. One (1) representative from the CSOs actually engaged in organic agriculture;

16.1.9. One (1) representative from the consumer group, whenever applicable;

16.1.10. One (1) representative from the academe sector, whenever applicable; and

16.1.11. One (1) representative from indigenous peoples' organizations, whenever applicable.

**Rule 16.2.** The representation of NGOs, academe, private business, and small farmers in the LTC OA shall be drawn through their own processes of selection and in consultation with the concerned stakeholders to ensure participatory process and transparency.

**Rule 16.3.** LTC OA shall elect its chairperson, vice-chairperson, and secretary.

- Rule 16.4. For every LTC OA established, the Provincial and the Municipal/City Agriculture Officer, together with their OA focal person, shall serve as the technical and administrative secretariat of the committee.
- Rule 16.5. The representatives from LGU shall be entitled to one (1) vote casted by the highest official or his/her authorized representative.
- Rule 16.6. The provincial LTC OA shall be composed of the chairpersons of the municipal/city LTC OA or their authorized representatives, and other relevant representations as identified by the provincial LTC OA.
- Rule 16.7. The provincial and municipal/city LTC OA shall establish a collaboration mechanism for the development, review, consolidation, and endorsement of the organic agriculture program, in line with the NOAP. The provincial LTC OA shall assist the municipal/city LTC OA in the implementation of the organic agriculture program, and monitor and evaluate the implementation of the program in their respective jurisdictions.
- Rule 16.8. The LTC OA shall be responsible for the development, review, consolidation, and endorsement of the organic agriculture program, in line with the NOAP. They shall monitor and evaluate the implementation of the program in their respective jurisdictions.
- Rule 16.9. The LGUs shall promulgate appropriate provincial and/or municipal/city ordinance or resolutions that shall promote the participatory and bottom-up approach to grassroots organic agricultural programs and projects in their respective jurisdictions, in accordance with the provisions of this Act, appropriating funds for the purposes thereof.
- Rule 16.10. The LGUs, in coordination with their LTC OA, shall encourage the formation and support of the operations of municipal/city PGS groups within their locality through the provision of technical and financial assistance.
- Rule 16.11. The LGUs through their LTC OA shall coordinate with the Bureau of Plant Industry of the DA (DA-BPI) and other concerned agencies for the establishment and/or strengthening of seed banks for indigenous varieties including national campaigns for the protection and preservation of indigenous and traditional crop varieties.
- Rule 16.12. The LGUs through their LTC OA shall develop a local OA industry profile that shall form part of the national OA industry profile to be developed by the NOAB.
- Rule 16.13. The LGUs through their LTC OA shall issue an ordinance for the monitoring and regulation of organic produce and products sold within its respective jurisdiction.
- Rule 16.14. The LGUs shall also ensure the implementation of relevant provisions under Sections 14 (*Participatory Guarantee System*),

19 (*Retailing of Organic Produce*), 20 (*Market Development and Trade Promotion*), and 25 (*Incentives*) of this Act, and other directives from the NOAB. The LGUs are encouraged to propose plantilla positions to support the implementation of these functions including the promotion and development of organic agriculture in their respective jurisdictions.

**Section 17.** *Registration of Organic Producers, Produce, Inputs, and Organic Processed Food* – The BAFS of the DA shall be responsible for the registration of integrated organic farms and organic inputs such as organic soil amendments and organic bio-control agents. The Bureau of Plant Industry (BPI) of the DA shall be responsible for the registration of organic seeds, planting materials, and crops.

Further, the Bureau of Animal Industry (BAI) of the DA shall be responsible for the registration of organic apiculture farms, livestock and poultry and its feeds. The Bureau of Fisheries and Aquatic Resources (BFAR) of the DA shall be responsible for the registration of organic fisheries and aquaculture resources and organic aquaculture feeds.

The BAFS, BPI, BAI, and BFAR of the DA shall come up with a single unified set of rules and regulations for the registration of organic produce and inputs.

The Food and Drug Administration (FDA) of the Department of Health (DOH) shall be responsible for the product registration of organic processed food. It shall formulate its rules and regulations for the registration of organic pre-packaged and processed food.

**Rule 17.1.** The NOAB, in close collaboration with DA-BAFS, DA-BPI, DA-BAI, DA-BFAR, and other DA Regulatory Agencies, as deemed necessary, shall develop a single unified set of rules and regulations for the registration and monitoring of organic producers, produce, products, and inputs covering local and imported products consistent with the provisions of this Act.

**Rule 17.2.** Monitoring of registered organic producers, produce, products, and inputs shall be coordinated with the concerned regional offices.

**Rule 17.3.** Concerned DA regulatory agencies shall establish and manage a database of registered organic operators, produce, and products within their purview. The database shall be linked to the dedicated website of the NOAP.

**Rule 17.4.** The DOH-FDA shall review and revise, as deemed necessary, their existing rules and regulations on the registration of organic pre-packaged and processed food in accordance with applicable provisions of Section 18 (*Labeling of Organic Produce*) of this Act. The DOH-FDA shall also be responsible for the monitoring activities of registered pre-packaged and processed food, and maintenance of a database.

**Section 18.** *Labeling of Organic Produce* – The label of organic produce shall contain the name, logo or seal of the OCB and the accreditation number issued by the BAFS. The organic label/mark shall also include the trade name, as defined by

pertinent domestic property rights laws, and the address of origin of the produce.

Products that are certified and guaranteed by a third-party organic certification system and the PGS shall be allowed to be labeled and sold as organic.

- Rule 18.1. Only produce and products that are certified and guaranteed by DA-BAFS' accredited OCBs shall be labeled as organic accompanied by appropriate mark, and sold upon registration with concerned regulatory agencies.
- Rule 18.2. The NOAB, in collaboration with concerned DA, DOH, and DTI agencies, as deemed necessary, shall develop policies and guidelines for the labeling of organic produce and products in accordance with the provisions of this Act.
- Rule 18.3. The label of organic produce and products certified by DA-BAFS' accredited OCBs shall indicate the "Philippine Organic" mark and shall contain at least the following information: trade name, third-party OCB accreditation number, OCB logo or seal, and other labeling requirements of the concerned regulatory agency.
- Rule 18.4. The label of organic produce and products guaranteed by DA-BAFS' accredited PGS groups shall indicate the "Philippine PGS Guaranteed Organic" mark and shall contain at least the following information: trade name, PGS group accreditation number, PGS group logo or seal, and other labeling requirements of the concerned regulatory agency.
- Rule 18.5. The "Philippine Organic" mark and "Philippine PGS Guaranteed Organic" mark shall appear only on organic certificates and on the label of all certified or guaranteed produce and products.
- Rule 18.6. The DA-BAFS shall create and register the "Philippine Organic" mark and "Philippine PGS Guaranteed Organic" mark with the Intellectual Property Office of the Philippines.
- Rule 18.7. The DA, DOH, and DTI agencies shall conduct monitoring within their purview, in coordination with concerned LGUs, as deemed necessary, in accordance with the provisions of Sections 17 (*Registration of Organic Producers, Produce, and Products*), 18 (*Labeling of Organic Produce*) and 19 (*Retailing of Organic Produce*) of this Act.
- Rule 18.8. The concerned DA, DOH, and DTI agencies shall cooperate to warn the public against the mislabeled organic produce and products within their purview through advisories. These advisories shall be linked to the dedicated website of the NOAP.
- Rule 18.9. The LGUs, in coordination with the DILG, shall monitor and enforce regulations relative to the organic produce and product sold within its respective jurisdiction, in accordance with the applicable regulations and laws.

Section 19. *Retailing of Organic Produce* – Retail establishments or stores of organic produce shall designate a separate area to display the organic produce to avoid mixing it with non-organic produce.

Rule 19.1. The NOAB shall call upon concerned DA, DILG, DOH, and DTI agencies, to develop or update, as deemed necessary, policies and guidelines relevant to the retailing of organic produce and products including the display of information, education and communication (IEC) materials, within the purview of the respective agencies, and in accordance with the provisions of this Act and other existing applicable laws. The policies and guidelines shall be subjected to the approval of the NOAB.

Rule 19.2. Retail establishments shall specifically designate an area where organic produce and products are conspicuously displayed. Retailing of organic produce and products including its handling shall be in accordance with the applicable current PNS for OA to prevent commingling. Only certified organic produce and products shall be displayed in the organic section and labeled as such.

Section 20. *Market Development and Trade Promotion* – The agribusiness and marketing assistance service of the DA, in collaboration with other relevant agencies, shall develop and implement market development and trade promotion programs for organic agriculture, including, but not limited to, the following:

- (a) Development of marketing agenda for organic agriculture;
- (b) Establishment, ensuring sustainability and monitoring of organic trading posts and stall/outlets: *Provided*, that these trading posts and stall/outlets are strategically located in an area such as in the public market and other centers of trading and local business activities;
- (c) Development of market information system;
- (d) Promotion of organic food, non-food and input products; and
- (e) Facilitation of market matching activities.

Rule 20.1. The NOAB through its concerned TWG shall develop the framework and process for the development of the short, medium, and long-term marketing agenda.

Rule 20.2. The DA-AMAS and DTI, in coordination with other concerned agencies, shall develop and update short, medium, and long term marketing agenda for organic agriculture, when necessary. The marketing agenda shall be developed following the NOAB approved framework and process and shall be based on the results of market-related researches and consultation with concerned stakeholders, subject to the approval of the NOAB.

Rule 20.3. The DA-AMAS, through the DA-RFO's Agribusiness and Marketing Assistance Divisions, shall conduct inventory and status of DA-funded organic agriculture trading posts and make necessary recommendations for each, particularly its possible integration to the organic agriculture hubs.

- Rule 20.4. The NOAB shall form partnerships with concerned agencies and organizations to develop and implement digital systems and mechanisms for forecasting demand and monitoring supply/production, connecting both sellers and producers in a unified platform.
- Rule 20.5. The NOAP-NPCO, in coordination with DA-AMAS and DTI, shall lead the development of an organic agriculture industry profile.
- Rule 20.6. The DA-AMAS, and DTI including their regional offices, shall conduct and participate in local and/or international trade fairs and exhibits in order to promote organic food, non-food, and input products.
- Rule 20.7. The marketing interventions shall cover the provision of trading capital, capacity building on enterprise development, post-harvest, value-adding, and logistics equipment and facilities.
- Rule 20.8. The NOAP shall only fund projects and/or activities listed in the short, medium, and long-term marketing agenda.
- Rule 20.9. The LGUs, with the assistance of the DA-RFOs, shall facilitate activities to promote organic produce and products, including the regular conduct of special market day for certified produce and products.

Section 21. *Research, Development and Extension* – The Bureau of Agricultural Research (BAR), as the lead agency, shall coordinate with the other agencies of the DA, the Department of Agrarian Reform (DAR), the Department of Science and Technology (DOST), the Department of Education (DepED), the Department of the Interior and Local Government (DILG), the strategic agricultural-based state universities and colleges (SUCs) including private organizations, to develop, enhance, support and consolidate activities and related technologies for the formulation and implementation of a unified and integrated organic agriculture RDE plans and programs from the national to the field level. The organic agriculture RDE plans and programs shall include, but not limited to, the following:

- (a) Research, development and commercialization of appropriate, innovative and viable organic agricultural technologies;
  - (b) Nationwide promotion of developed and commercially viable biodegradable farm wastes and by-products through various extension strategies to accelerate the production, use and distribution of organic fertilizers; and
  - (c) Conduct research for market development, policy formulation, regulation and certification.
- Rule 21.1. The DA-BAR, in coordination with the Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development of the DOST (DOST-PCAARRD), with the assistance of the NOAP, shall strengthen the unified and integrated Organic Agriculture Research, Development and Extension (OA RDE) Agenda responsive to the needs of the stakeholders along the value chain. The OA RDE Agenda shall include research on the

gaps along the value chain to generate technologies and policy recommendations for the implementation of the provisions of this Act.

- Rule 21.2.** The DA-BAR shall strengthen its existing organization and management to effectively and efficiently handle the overall planning, coordination, implementation, and monitoring of the national OA RDE program. The DA-BAR as the lead agency shall ensure the corresponding budget to effectively carry out its following functions and responsibilities under this Act:
- 21.2.1. Review and update its existing rules and procedures (e.g. guidelines on the provision of OA funds for the implementation of the national OA RDE program) within 180 days upon the effectivity of the IRR, thereafter, upon the instruction of the NOAB;
  - 21.2.2. Review and update the OA RDE Agenda, in consultation with research institutions and relevant stakeholders, to be consistent with the OA Roadmap and provisions of this Act;
  - 21.2.3. Enhance the monitoring and evaluation system of the funded research projects in accordance with the OA RDE Agenda;
  - 21.2.4. Ensure dissemination of research results for the formulation of policies relevant to market development, regulation and certification, and development and updating of relevant PNS for OA;
  - 21.2.5. Update and maintain the established database and information system on the national OA RDE program to be linked to the NOAP website; and
  - 21.2.6. Strengthen coordination with other agencies for the timely exchange of relevant data and information on OA researches.
- Rule 21.3.** The DA-BAR and DOST-PCAARRD shall strengthen their mechanism for the consultation process with concerned stakeholders to ensure that the researchers are more community-responsive, appropriate, and friendly to organic small farmers/fisherfolks.
- Rule 21.4.** The NOAB, in coordination with the concerned agencies, shall encourage the conduct of research relevant to the indigenous knowledge and practices and its mainstreaming, thereafter, while ensuring its protection against biopiracy, and provide necessary funds, in compliance with the existing rules and regulations, and applicable laws.
- Rule 21.5.** The DA-ATI, in close coordination with DA-BAR, shall develop a mechanism to identify the appropriate extension services that will massively promote the technologies generated, in accordance with relevant rules under Section 24 (*Organic*

*Agriculture in the Formal and Non-Formal Sectors*), subject to the approval of the NOAB.

Rule 21.6. Likewise, extension activities to be supported by the NOAP shall be relevant to organic agriculture stakeholders in respective localities. In this regard, DA-ATI Regional Training Centers and LGUs shall collaborate to develop an extension agenda for organic agriculture stakeholders in their respective localities.

Section 22. *Creation of Organic Agriculture RDE Network* – An organic agriculture RDE network shall be organized by the BAR, composed of research and educational institutions, LGUs, nongovernment agencies and the recognized association of organic fertilizer manufacturers and distributors, agricultural engineers, agriculturists, soil technologist, farmers group and/or associations.

Rule 22.1. The DA-BAR shall formally establish and strengthen the OA RDE Network. This OA RDE Network shall be composed of institutions known for their involvement in organic agriculture. The Network shall closely collaborate with Regional Research, Development and Extension Network (RRDEN) and Regional Agriculture, Aquatic, and Natural Resources Research and Development Consortia (RAANRRDC) to facilitate sharing and exchange of research results and technologies for wider dissemination.

Rule 22.2. The NOAP, through DA-BAI, DA-BFAR, DA-BPI, DA-BSWM, DA-Phi, and such other research institutions, shall primarily focus its assistance on the development of organic agricultural systems pursuant to their organizational mandates.

Rule 22.3. The DA-RFOs, DA-ATI, and LGUs, organic small farmers/fisherfolk organizations and NGOs providing RDE services, in close partnership with local and community-based service providers, shall undertake technology transfer and related extension activities.

Rule 22.4. The OA RDE Network and the NOAB shall explore the possibility of partnerships with international organizations to promote cooperation in areas of mutual benefit and interest in support of the implementation of the OA RDE Agenda.

Section 23. *RDE Centers* – National, regional and provincial organic R&D and extension centers shall be organized, established and integrated as a major component of the existing RDE centers of the DA, the DOST, the DENR, SUCs and the LGUs. These will be strengthened and enhanced to spearhead the integrated program to develop and promote organic agriculture throughout the country.

Rule 23.1. The established national and regional organic research, development, and extension (RDE) centers shall be continually strengthened and capacitated to implement the integrated OA program of their respective areas for further promotion and development of OA technologies. These RDE Centers shall be tapped to form part of the OA RDE Network.

- Rule 23.2. The RDE Centers shall submit annual reports to the NOAB following the report template to be provided.
- Rule 23.3. The DA regional and national laboratories, and the laboratories of SUCs and other research institutions shall be strengthened and capacitated through the upgrading of facilities, capacitating technical personnel, and streamlining of laboratory analysis methods employed in testing organic agriculture produce and products, in support to the implementation of this Act.

Section 24. *Organic Agriculture in the Formal and Non-formal Sectors* – The National Government, through the DepEd and in coordination with concerned government agencies, NGOs and private institutions, shall strengthen the integration of organic agriculture concerns in school curricula at all levels.

Rule 24.1. The DepEd with assistance from ATI and TESDA, shall jointly:

24.1.1. Central Office:

- 24.1.1.1. Incorporate the philosophy and principles of organic agriculture, its importance, techniques and skills on the practice of organic agriculture in the basic education curriculum and Alternative Learning System (ALS) curriculum preferably translated in Filipino and other local languages.
- 24.1.1.2. In consultation with organic agriculture practitioners and/or experts, include in their development of teacher training programs a module that would enhance competencies of teachers in the management and instructional delivery of philosophy and principles of organic agriculture, its importance, techniques and skills on the practice of organic agriculture;
- 24.1.1.3. Include organic farming as one module under the ALS livelihood programs for out-of-school youth (OSY) and adult learners;
- 24.1.1.4. Include in their development of textbooks, learning and instructional materials philosophy and principles of organic agriculture its importance, techniques and skills on the practice of organic agriculture;
- 24.1.1.5. In partnership with DA and other concerned agencies and institutions, develop IEC materials on organic agriculture that can be easily understood by students and parents;

24.1.1.6. Establish linkages with DA and NOAB member departments, other concerned agencies, LGUs, NGOs, organic farmer organizations and other concerned stakeholders, and media partners for a nationwide promotion, adoption and practice of organic agriculture.

24.1.2. Regional Offices:

24.1.2.1. Include in their regular planning, monitoring and evaluation of Divisions' activities the integration of organic agriculture in the Divisions' educational planning and implementation of school and ALS curriculum. The Regional Offices shall likewise include in their conduct of M&E, the Divisions' training of teachers and mobile teachers on organic agriculture, localization of instructional and learning materials to include philosophy and principles of organic farming, implementation of ALS programs on organic agriculture, organic agriculture-advocacy activities and others;

24.1.2.2. Include in their provision of support services to the Divisions, technical and financial assistance for the Divisions' implementation of organic agriculture-related activities;

24.1.3. Division Offices:

24.1.3.1. In partnership with the Provincial, Municipal/City agriculturists, the DepEd Division Offices shall include in its implementation the training programs for teachers and mobile teachers, development of training modules on organic agriculture, its importance, techniques and skills in the practice of organic agriculture;

24.1.3.2. Encourage schools and community learning centers (only when appropriate) to establish organic gardens in their areas where children student and learners could practice organic farming;

24.1.3.3. Include in their provision of support to the schools/community learning centers, technical assistance in the schools' implementation of organic agriculture and related activities;

24.1.4. Schools:

- 24.1.4.1. Schools are encouraged to promote, develop and adopt a holistic program on organic agriculture farming systems and ensure its implementation;
- 24.1.4.2. Encourage school heads to establish organic gardens that shall showcase organic farming technologies. Schools in urban areas are encouraged to practice organic urban farming technologies;
- 24.1.4.3. Schools shall offer organic foods in their canteens to enhance the consumption of safe, healthy and nutritious food;
- 24.1.4.4. Assign one school teacher/mobile teacher preferably the Technology and Livelihood Teacher Coordinator to serve as a focal person on organic agriculture. The focal person shall act under the supervision of the School Head under the guidance of the school governing board;
- 24.1.4.5. Strengthen linkages with the community, LGUs, local government offices, NGOs, small farmers/fisherfolks, organic farmers'/fisherfolks' organizations, and media partners to implement advocacy strategies that will promote organic farming technologies such as among others regular competitions on Best Practices on Organic Agriculture; exposure or field trips to local organic farms;
- 24.1.4.6. Tap organic agriculture practitioners and/or experts in organic agriculture to serve as guest lecturers;

Rule 24.2. The DepEd, through its Secretary, shall issue a Department Order that will detail the implementation and provision of budgetary support for these provisions of the IRR.

Rule 24.3. The NOAB shall call upon the CHED, TESDA and other educational institutions to institutionalize the integration of organic agriculture concerns in their curricula and other operational activities consistent with the provisions of this IRR.

Rule 24.4. The TESDA shall ensure that the NOAB and the DA-ATI are in mutual agreement prior to the approval of any competency standards or training regulations relevant to organic agriculture. The NOAB shall endorse to the TESDA Board the competency standards or training regulations for approval.

- 24.4.1. TESDA shall review the existing training regulations (TRs), competency assessment tools (CATs) and

assessment fees (AFs) on Organic Agriculture Production National Certificate (NC) II.

24.4.2. TESDA shall develop TRs, CATs and AFs for required, new and emerging skills on organic agriculture, both at the national and local (area-based) levels.

Rule 24.5. The TESDA shall issue National Certification on Organic Agriculture to competent individuals.

Rule 24.6. The DA-ATI shall review and revise, as appropriate, existing guidelines for the accreditation of the relevant extension service providers (ESPs) on organic agriculture, provided such ESPs have juridical status and have been duly registered with appropriate regulatory bodies, as sole proprietors, cooperatives, associations and corporations, and the funding thereof will be sourced from the DA and other government agencies. Such accreditation guidelines shall be subjected to the approval of the NOAB.

24.6.1. Only accredited OA ESPs shall be tapped by the government for related group capacity building and organic farming technologies training without prejudice to non-accredited organizations who have been conducting training prior to the passage of this Act. An individual service provider may be tapped for organic agriculture technologies and related training provided that he is either a member of the ESP or appropriately endorsed by such.

24.6.2. The DA-ATI shall continuously undertake appraisal and evaluation of the capability and competence of accredited OA ESPs.

24.6.3. The DA-ATI shall encourage, support and provide continuous learning of all organic agriculture technologies and practices.

Section 25. *Incentives* – The government shall extend incentives for the production and propagation of organic farm inputs by maximizing their use in all government and government-supported agricultural production, research and demonstration programs. Incentives shall also be provided to farmers whose farms have been duly certified as compliant with the Philippine National Standard (PNS). Further, the DA may give cash rewards in recognition of the best organic farm in the country. The DA, the DAR, the DOST, the DILG, the Department of Trade and Industry (DTI), the DepED, the Department of Finance (DOF), the Land Bank of the Philippines (LBP), and other government leading and non-leading institutions shall also assist organic input producers and organic farmers through the provision of adequate financial, technical, marketing, and other services and resources. These include, but shall not be limited to, the following:

- (a) Exemption from the payment of duties on the importation of agricultural equipment, machinery and implements as provided under Republic Act No. 9281, which amends Republic Act No. 8435 or the Agriculture and Fisheries Modernization Act (AFMA);

- (b) Identification by LGUs of local taxes that may be offered as incentives to organic input production and utilization;
- (c) Provision of preferential rates and special window to organic input producers and users by the LBP.
- (d) Subsidies for certification fees and other support services to facilitate organic certification;
- (e) Zero-rated value-added tax (VAT) on transactions involving the sale/purchase of bio-organic products, whether organic inputs or organic produce; and
- (f) Income tax holiday and exemption for seven (7) years, starting from the date of registration of organic food and organic input producers on all income taxes levied by the National Government.

The tax incentives shall be given only to purely organic agriculture entities/farmers and shall be subject to the accreditation of the BAFPS and periodic reporting by BAFPS to the DOF: *Provided*, That the said incentives shall be available only to micro, small and medium enterprises as defined under Section 3 of Republic Act No. 9501 or the Magna Carta for Micro, Small and Medium Enterprises.

- Rule 25.1. The incentives enumerated in this Section shall exclude item (e) zero-rated value-added tax (VAT) on transactions involving the sale/purchase of bio-organic products, whether organic inputs or organic produce, in accordance with the provisions of Republic Act No. 10963 otherwise known as "Tax Reform For Acceleration And Inclusion (TRAIN) Act."
- Rule 25.2. The NOAB, in collaboration with concerned agencies, shall develop guidelines for the provision of incentives to ensure that the beneficiaries of incentive programs are qualified in accordance with the provisions of this Act.
- Rule 25.3. Small farmers/fisherfolks, indigenous people, agrarian reform beneficiaries (ARBs), including cooperatives and micro, small and medium enterprises (MSMEs), shall be prioritized in the provision of incentives in accordance with the provisions of this Act.
- Rule 25.4. Full subsidies for all organic certification schemes including international certification shall be granted to small farmers in accordance with the guidelines approved by the NOAB. Provided that international third-party certification subsidy shall only be given to qualified PGS groups per item (h) of Section 14 (*Participatory Guarantee System*) of this Act.
- Rule 25.5. Registered organic operators shall be covered under the programs of DA Agricultural Credit Policy Council (ACPC), DA Philippine Crop Insurance Corporation (PCIC), and Land Bank of the Philippines (LBP), subject to the policies and guidelines of the agencies.

- Rule 25.6. The DA-BAFS shall ensure that the lists of certified and registered organic operators are updated regularly and available on its website which shall be linked to the NOAP website.
- Rule 25.7. The Department of Finance (DOF), other concerned agencies and GFIs are called upon to develop or update, as deemed necessary, guidelines in accordance with the provisions of this Act and other existing applicable laws, within sixty (60) days upon the effectivity of this IRR.
- Rule 25.8. The NOAP-NPCO with the assistance of DA-BAFS and other concerned regulatory agencies shall submit lists of certified and registered organic operators to the DOF for the purposes of this Section.

Section 26. *Appropriations* – The Department of Budget and Management shall include annually in the President’s program of expenditure for submission to and approval by Congress One Billion Pesos (Php 1,000,000,000.00) for the promotion and development of the national Organic Agriculture Program, allocated as follows:

- Thirty- five percent (35%) for shared facilities;
- Twenty-five percent (25%) for seeds development/planting materials and animal’s distribution and feeds for aquaculture, soil amendments and biocontrol agents;
- Twenty percent (20%) for extension and training;
- Five percent (5%) for socialized credit;
- Five percent (5%) for small scale irrigation system;
- Five percent (5%) for research and development; and
- Five percent (5%) for marketing and promotion.

The NOAB is hereby authorized to solicit and accept assistance or facilities in the form of grants from individuals and entities here and abroad, and to utilize these funds and resources for purposes of this Act, subject to the usual budget, accounting and auditing rules and regulations.

- Rule 26.1. The DBM shall include annually in the President’s program of expenditure for submission to and approval by Congress One Billion Pesos (Php 1,000,000,000.00) for the promotion and development of the NOAP.
- Rule 26.2. The NOAP shall only fund projects included in the LGUs OA investment plans or roadmaps as well as in other OA plans approved by the NOAB.
- Rule 26.3. All other programs of the concerned agencies, particularly the DA banner programs, shall supplement the NOAP by way of convergence of interventions to NOAP beneficiaries and partners.
- Rule 26.4. All LGUs must allocate at least 50% of their overall agriculture budget to support the NOAP, subject to relevant rules and regulations, and other existing applicable laws.
- Rule 26.5. The NOAB shall allocate funds according to the following

- 26.5.1. Thirty-five percent (35%) for shared facilities;
- 26.5.2. Twenty-five percent (25%) for seeds development/planting materials and animal's distribution and feeds for aquaculture, soil amendments and biocontrol agents;
- 26.5.3. Twenty percent (20%) for extension and training;
- 26.5.4. Five percent (5%) for socialized credit;
- 26.5.5. Five percent (5%) for small scale irrigation system;
- 26.5.6. Five percent (5%) for research and development; and
- 26.5.7. Five percent (5%) for marketing and promotion.

Rule 26.6. The NOAB is hereby authorized to solicit and accept assistance or facilities in the form of grants from individuals and entities here and abroad, and to utilize these funds and resources for purposes of this Act, subject to the usual budget, accounting and auditing rules and regulations.

Rule 26.7. In addition to the prescribed budget for NOAP programs and projects, the DBM shall provide the budget for personnel services and operating expenses of the NOAB and NOAP for the effective and efficient implementation of the NOAP.

Rule 26.8. The DBM shall augment the regular funds of the DA-BAFS, DA-BAI, DA-BFAR, DA-BPI, and other regulatory agencies in order to implement their regulatory functions as provided in this Act and its IRR.

Section 27. *Penal Provisions and Other Penalties* - Any person who willfully and deliberately:

- (a) obstructs the development or propagation of organic agriculture, or the manufacture, production, sale or use of organic agricultural inputs;
- (b) refuses without just cause to extend the support and assistance required under this Act;
- (c) mislabels or claims that the product is organic when it is not in accordance with the existing standards for Philippine organic agriculture or this Act shall, upon conviction, be punished by imprisonment of not less than one (1) month nor more than six (6) months, or a fine of not more than Fifty thousand pesos (P50,000.00), or both, at the discretion of the court. If the offender is a corporation or a juridical entity, the official who ordered or allowed the commission of the offense shall be punished with the same penalty. If the offender is in the government service, he shall, in addition, be dismissed from office: *Provided*, that any OCB found to have issued a certification to a farm or producer established to be not compliant with any of the PNS for organic agriculture or with the provisions of this Act, shall be penalized by the BAFS as follows:

- (1) First offense. Written warning.
- (2) Second offense. Suspension of accreditation.

Rule 27.1. Competent authorities or as directed by the NOAB shall develop specific policies and guidelines to further implement the penal provisions and other penalties of this Act.

Rule 27.2. Any person found to have deliberately sold mislabeled produce and products or with false claims shall be penalized by the concerned competent authorities as provided in this Act and other existing applicable laws.

Rule 27.3. Any OCB found to have issued a certification to a farm or producer established to be non-compliant with the applicable current PNS for OA or with the provisions of this Act, shall be penalized by the DA-BAFS, as per the guidelines approved by the NOAB.

Rule 27.4. Any certified organic operator found to be non-compliant with the applicable current PNS for OA shall be subjected to revocation of their organic certificate by the concerned OCB, as per the guidelines approved by the NOAB.

Section 28. *Implementing Rules and Regulations* – The NOAB shall adopt rules and regulations to implement the provisions of this Act within ninety (90) days from the effectivity of this Act and submit the same to the COCAF. In the drafting of the implementing rules and regulations, the Department of Finance (DOF) shall be consulted in connection with the tax incentive provided under Section 25 hereof.

Rule 28.1. The NOAB shall submit the approved IRR within ninety (90) days from the effectivity of this Act to the COCAF.

Section 29. *Annual Report* – The NOAB shall render an annual report to both Houses of Congress on the accomplishment of the program. A review on the viability of the program shall be made by the concerned agencies after three (3) years of its implementation.

Rule 29.1. Annual reports, to include the work accomplishments and financial statements shall be submitted to OA stakeholders and shall be disseminated in Quad Media and posted on a dedicated website, including the LGUs' information mechanisms.

Rule 29.2. The Commission on Audit (COA) report on this regard shall also be disseminated in Quad Media and posted on the NOAP website, including the LGUs' information mechanisms.

Section 30. *Congressional Oversight Committee* – The COCAF shall be the congressional oversight committee for purposes of this Act. The COCAF shall review and approve the implementing rules and regulations of this act and also perform the following functions:

- (a) Monitor and ensure the proper implementation of this Act;

- (b) Review the proper implementation of the programs on organic agriculture and the use of its funds;
- (c) Review the performance of the NOAB; and
- (d) Such other functions it deems necessary.

Rule 30.1. The COCAFAM shall review and monitor the implementation of this IRR.

Section 31. *Separability Clause* – If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

Rule 31.1. If any section or provision of this IRR is held or declared unconstitutional or invalid by a competent court, the other sections or provisions hereof shall continue to be in force as if the sections or provisions so annulled or voided had never been incorporated herein.

Section 32. *Repealing Clause* – All laws, presidential decrees, executive orders, presidential proclamations, rules and regulations or parts thereof contrary to or inconsistent with this Act are hereby repealed or modified accordingly.

Rule 32.1. All Rules and Regulations or parts of said rules and regulations of pertinent laws inconsistent with this IRR are hereby revised, amended, modified and/or superseded as the case may be by these Rules and Regulations.

Section 33. *Effectivity* – This Act shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation or in the Official Gazette.

Rule 33.1. This IRR shall take effect fifteen (15) days from the date of its publication in the Official Gazette or in at least two (2) newspapers of general circulation. The UP Law Center's Office of National Administrative Register shall be provided a copy of this IRR.

APPROVED ON \_\_\_\_\_ AT \_\_\_\_\_ NATIONAL  
CAPITAL REGION, PHILIPPINES, BY THE FOLLOWING MEMBERS:



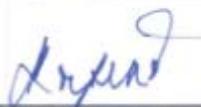
**WILLIAM D. DAR, PhD**  
Secretary  
Department of Agriculture  
Date signed: \_\_\_\_\_



**ATTY JOHN R. CASTRICIONES**  
Secretary  
Department of Agrarian Reform  
Date signed: \_\_\_\_\_



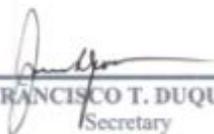
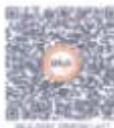
**ALLEN A. CAPUYAN**  
Chairperson  
National Commission on Indigenous Peoples  
Date signed: \_\_\_\_\_



**ISIDRO S. LAPEÑA, PHD., CSEE**  
Secretary  
Technical Education and Skills Development Authority  
Date signed: \_\_\_\_\_



**EDUARDO M. AÑO**  
Secretary  
Department of Interior and Local Government  
Date signed: \_\_\_\_\_



**FRANCISCO T. DUQUE III**  
Secretary  
Department of Health  
Date signed: \_\_\_\_\_



**FORTUNATO T. DE LA PEÑA**  
Secretary  
Department of Science Technology  
Date signed: \_\_\_\_\_



**RAMON M. LOPEZ**  
Secretary  
Department of Trade and Industry  
Date signed: \_\_\_\_\_



Noted by:



**DIR. BERNADETTE F. SAN JUAN, CESO II**  
NOAB Secretary  
Date signed: \_\_\_\_\_

# **MEMORANDUM CIRCULAR NO. 20**

**PARTICIPATORY GUARANTEE SYSTEM-  
ORGANIC CERTIFYING BODIES**



Republic of the Philippines  
**OFFICE OF THE SECRETARY**  
Elliptical Road, Diliman  
1100 Quezon City

**MEMORANDUM CIRCULAR**

No. 20  
Series of 2021

**SUBJECT : IMPLEMENTING GUIDELINES ON THE PROVISION OF INCENTIVES FOR PARTICIPATORY GUARANTEE SYSTEM – ORGANIC CERTIFYING BODIES (PGS-OCBs)**

**I. RATIONALE**

The National Organic Agriculture Program (NOAP) has been providing third-party organic agriculture certification assistance since 2017. This assistance is done on a reimbursement basis and the farm is eligible for assistance for the renewal of certification for up to three (3) times. Thereafter, the farms are expected to shoulder their certification renewal cost.

This assistance helped increase the number of certified organic farms, albeit not sustainable due to the high cost of third party certification including renewal fees. Thus, Republic Act 11511, or the amended Organic Agriculture Act of 2010, included the Participatory Guarantee System (PGS) in its amendment as an alternative to the third party certification system. The PGS certification system will allow our organic agriculture producers to legally label and sell their produce as organic.

Under Section 25 of the Organic Agriculture Act, as amended by Republic Act 11511 stated that states that the government shall assist organic input producers and organic farmers through the provision of adequate financial, technical, marketing, and other services and resources including subsidies for certification fees and other support services to facilitate organic certification. Further, as provided under the Implementing Rules and Regulations of RA 11511, small farmers/fisherfolks, along with indigenous people, agrarian reform beneficiaries (ARBs), including cooperatives and micro, small and medium enterprises (MSMEs), shall be prioritized in the provision of incentives in accordance with the provisions of the Act.

The provisions under this Memorandum Circular discuss the rules and procedures for the provision of incentives for the Participatory Guarantee System-Organic Certifying Body (PGS-OCB).

**II. DEFINITION OF TERMS**

For the purposes of this Memorandum Circular, the following terms are defined as follows:

- (a) *Organic Certifying Body (OCB)* refers to a legal entity accredited by a government agency to perform inspection and certification activities. It is responsible for verifying that a product sold or labeled as “organic” is produced, processed, prepared, or handled according to relevant guidelines.

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- (b) *Participatory Guarantee System – Organic Certifying Body (PGS-OCB)* refers to organic certifying bodies duly accredited by the Bureau of Agriculture and Fisheries Standards;
- (c) *Small farmer/fisherfolk* refers to those utilizing not more than five (5) hectares of land for the single purpose of, or a combination of the following purposes for, agricultural crop production, including rice and corn, aquaculture, and poultry/livestock raising: *Provided*, that poultry/livestock raising shall not have more than the following:
- Poultry – 1,000 poultry layers or 5,000 broilers
  - Swine/native pigs – 10 sow level or 20 fatteners
  - Cattle – 10 fatteners or 5 breeders
  - Dairy – 10 milking cows
  - Goat, sheep and other small ruminants – 50 heads
  - Other animals permitted to be raised, the limits of which are to be determined by the National Organic Agriculture Board (NOAB).

### III. COVERAGE AND SCOPE OF ASSISTANCE

The provision of cash incentives shall be accessible to qualified PGS-OCBs as assistance to support their operation. The Program shall provide cash incentives amounting to three thousand pesos (P3,000.00) to PGS-OCBs for every small farmers certified or consolidated group of small gardeners consisting of at least three (3) hectares. Further, only small farmers certified by the PGS-OCBs will be counted in the provision of cash incentives.

The provision of cash incentives to PGS-OCBs shall be based on the evaluation and assessment of the DA-RFOs in accordance with the requirements herein set forth.

### IV. ELIGIBLE BENEFICIARIES/PARTNERS

The Program may only provide cash incentives to PGS-OCBs accredited by the Bureau of Agriculture and Fisheries Standards (BAFS), which are qualified for assistance under this Memorandum Circular. PGS-OCBs shall enter into a Memorandum of Agreement (MOA) with the Department of Agriculture – Regional Field Offices (DA-RFOs) for the provision of cash incentives to PGS-OCBs.

### V. DOCUMENTARY REQUIREMENTS

#### A. APPLICATION FOR INCENTIVES

1. Letter of Intent addressed to the Regional Executive Director;
2. Application form provided by the NOAP;
3. Accreditation certificate from BAFS;
4. PGS Manual of Operations;
5. Valid business permit.

#### B. CLAIM FOR INCENTIVES

1. Photocopy of PGS certificate issued to farming household;

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2. Land title or any valid document with an indicated measurement of land;
3. Farm profile and farm map;
4. Any instrument of authority of the farmer over the farm being certified as PGS;
5. Photo of farm inspections with geographic coordinates/geotagged farms;
6. Field inspection report;

## **VI. MECHANICS OF IMPLEMENTATION**

1. The DA-RFO and NOAP-NPCO shall conduct an information caravan on the provision of cash incentives to potential PGS-OCBs;
2. Proponents shall submit their Letter of Intent addressed to the Regional Executive Director and application form to the DA-RFOs;
3. DA-RFOs shall conduct the evaluation and assessment of the proposal and documentary requirements;
4. The approved proposal shall be covered with a Memorandum of Agreement (MOA) with the DA Regional Field Office specifying the roles and responsibilities of the parties. The MOA shall also indicate the maximum area to be certified for the year based on DA-RFO budget;
5. Cash incentives will only be provided a year following the application for cash incentive assistance and based on actual areas certified;
6. The DA-RFOs shall allocate a budget for incentive for PGS-OCB certification;
7. Deadline for submission of claims is every October of the year.

## **VII. ROLES AND RESPONSIBILITIES OF THE PARTIES**

The parties under the Memorandum of Agreement are the PGS-OCBs, DA-RFOs and NOAP-NPCO. Below are the roles and responsibilities of the parties respectively:

### **A. PGS-OCBs**

1. Submits letter of intent with list of targeted organic farms/areas and application form provided by the NOAP to DA-RFO to apply for the provision of incentives for PGS-OCBs;
2. Undertakes planning on the expansion and development of PGS organic agriculture per province together with the DA-RFOs and OA stakeholders;
3. Maintains and submits to DA-RFOs and BAFS an annual directory of PGS certified farms and farmers;
4. Submits all documentary requirements for the approval of the provision of incentives;
5. Issue receipt for incentives received.

### **B. DA-RFOs**

1. Undertakes information campaign for the provision of cash incentives in their respective regions;
2. Together with PGS-OCBs and other OA stakeholders, undertakes planning on the expansion and development of PGS organic agriculture per province;
3. Accepts applications from PGS-OCBs and endorses them to the NOAP for further assessment and evaluation;



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4. Enter into a MOA with the PGS-OCBs whose applications are approved;
5. Releases the incentives to the PGS-OCBs whose applications are approved;
6. Monitors the operation of the PGS-OCBs and PGS farms by conducting site visitation; and
7. Conduct monitoring and evaluation of the provision of incentives for PGS-OCBs in their region.

**C. NATIONAL ORGANIC AGRICULTURE PROGRAM (NOAP)**

1. Undertakes information campaign with the DA-RFOs on the provision of cash incentives in the regions;
2. Monitor the implementation of provision of cash incentives to PGS-OCBs, as well as provide analysis on the operations of the PGS-OCBs.

**VIII. MONITORING AND EVALUATION**

The DA-RFOs shall monitor the implementation of the provision of incentives for PGS-OCBs using unified planning and monitoring tools and templates, and submit quarterly reports to the NOAP-NPCO. The NOAP-NPCO, together with BAFS shall consolidate the reports from the DA-RFOs annually and evaluate the implementation of the provision of incentives for PGS-OCBs.

Further, the NOAP-NPCO shall provide an annual consolidated report to the National Organic Agriculture Board (NOAB) for their information.

**IX. FUNDING SOURCE**

Funding for the provision of incentives shall be charged primarily to the National Organic Agriculture Program Fund. Local Government Units (LGUs) are likewise encouraged to allocate funds as assistance for the PGS Certifications of their farmer or fisherfolk constituents.

**X. EFFECTIVITY CLAUSE**

This Guideline shall take effect immediately upon signing and shall supersede other issuances inconsistent herewith.

Done this 22nd day of September, 2021.

  
**WILLIAM D. DAR, PhD**  
Secretary



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# **DEPARTMENT CIRCULAR. 02**

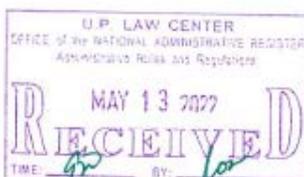
PARTICIPATORY GUARANTEE SYSTEM-  
ORGANIC CERTIFYING BODIES



Republic of the Philippines  
OFFICE OF THE SECRETARY  
Filinvest Road, Alabang  
1200, Quezon City

**DEPARTMENT CIRCULAR**

No. 02  
Series of 2022



**SUBJECT: GUIDELINES FOR THE OPERATION OF PARTICIPATORY GUARANTEE SYSTEM (PGS) GROUPS AS ORGANIC CERTIFYING BODIES (OCBs)**

**WHEREAS**, Republic Act No. 10068 (RA No. 10068), otherwise known as the Organic Agriculture Act of 2010, was enacted to provide for the development and promotion of organic agriculture in the Philippines and for other purposes;

**WHEREAS**, Republic Act No. 11511 (RA No. 11511), an Act amending the Organic Agriculture Act of 2010, reaffirms the policy of the State to promote, propagate, develop further and implement the practice of organic agriculture in the Philippines;

**WHEREAS**, RA No. 11511 amended the provisions of RA No. 10068 by adding a new section (Section 14) on Participatory Guarantee System (PGS), which provides the basic principles, legal personality, certification, accreditation, organizational levels, promotion, training and inspection of, and incentives for PGS groups;

**WHEREAS**, Rule 14.3 of Section 14 of the IRR of RA No. 10068 as amended by RA No. 11511, mandates BAFS to *develop guidelines that will set out the principles, characteristics, composition, organization and procedures for the establishment and operation of PGS groups.*

**IN VIEW THEREOF**, this Circular provides the *Guidelines for the Operation of Participatory Guarantee System (PGS) Groups as Organic Certifying Bodies (OCBs).*

- Section 1. **Objective.** This Circular aims to guide groups in operating a Participatory Guarantee System (PGS) for organic certifying bodies (OCBs) to ensure consistency of operation and delivery of services.
- Section 2. **Scope.** This Circular shall cover all PGS groups represented by the core PGS groups that intend to operate and apply for accreditation as OCBs.
- Section 3. **Definition of terms.** As used in this Circular, the following terms shall be understood to have the meaning correspondingly provided below:
  - 3.1. *Appeal* refers to a written request by a farmer-member, candidate or certified farmer-member for reconsideration of an adverse decision made by the PGS group related to their desired certification status.

*NOTE Adverse decisions include, but not limited to, refusal to accept an application, refusal to proceed with the peer review, changes in certification scope, decisions to deny, suspend or revoke certification, and any other action that impedes the attainment of certification.*

- 3.2. *Capability building activities* refer to activities for learning and development that will enhance the skills and knowledge of a person. These include activities, such as but not limited to training, formal and informal meetings, peer reviews or group discussions, and evaluations of the PGS initiative and its processes.
- 3.3. *Certification* refers to a procedure by which a government agency or an accredited organic certifying body (OCB)/core PGS group provides written or equivalent assurance that farms, or production and processing systems, conform to organic standards.
- 3.4. *Committee review* refers to a process whereby a committee evaluates the submitted peer review reports and issues certification decisions.
- 3.5. *Complaint* refers to a written expression of dissatisfaction by any person or organization to the competent authority and/or accredited core PGS group relating to its activities and operations.
- 3.6. *Conversion period (or transition period)* refers to the time between the start of organic management and certification of the crop or animal production system or site as organic.
- 3.7. *Core PGS group* refers to the basic grouping unit in the PGS with at least 5 farmers whose farms shall have a combination of crops and livestock (per item (y) of Rule 3.1 of the Implementing Rules and Regulations of the amended Organic Agriculture Act of 2010) production certified organic by BAFS within the municipality, city or province. It may add to its membership farmers from other sectors in agriculture, NGOs, people's organizations, buyers of organic agriculture products, suppliers of organic inputs, among others, who all live or operate within the province and regularly interact with the concerned PGS group.
- 3.8. *Domestic market* refers to market reach of PGS guaranteed products, which denotes national or regional borders or locality (e.g., provincial, municipal or barangay level), wherein farmers may directly link with consumers or indirectly through an intermediary. PGS groups are locally relevant and shall promote food self-sufficiency within the community.
- 3.9. *Impartiality* refers to the presence of objectivity. Objectivity is understood to mean that conflicts of interest do not exist or are resolved so as not to adversely influence the activities of the body. Other terms that are useful in conveying the element of impartiality are independence, freedom from

conflicts of interest, freedom from bias, freedom from prejudice, neutrality, fairness, open-mindedness, even-handedness, detachment, and balance.

- 3.10. *Internal Standard* refers to a document approved by consensus by the PGS group, which can be repeatedly used to provide rules, guidelines, or characteristics of a product, process, or production method fit for their purpose.
- 3.11. *In-conversion period* refers to a labeling term that denotes produce and products of plants that are obtained through production and/or processing in accordance with organic agriculture in the conversion period intended to market as food.
- 3.12. *Organic Certifying Body (OCB)* refers to a legal entity accredited by a government agency to perform inspection and certification activities. It is responsible for verifying that a product sold or labeled as 'organic' is produced, processed, prepared, or handled according to relevant guidelines.
- 3.13. *Participatory Guarantee System (PGS)* refers to a locally-focused quality assurance system which is developed and practiced by people actually engaged in organic agriculture. It is built on a foundation of trust, social network, and knowledge exchange. It is used to certify producers and farmers as actual and active practitioners of organic agriculture.
- 3.14. *Participatory Organic Certificate (POC)* refers to a documentary proof that a core PGS group or a farmer member of the accredited PGS group is compliant with the requirements, standards, and norms of organic farming/agriculture. It shall be issued by a government agency or by an authorized OCB, after the conduct of an investigation and certification activity on the application for certification by the core PGS group. It shall have a validity of three (3) years.
- 3.15. *Peer review* refers to a process where farmer members assess the compliance of production practices of their peers to the internal standards and procedures set by the PGS group; also refers to farm inspection.
- 3.16. *PGS group* refers to a legal association or cooperative of registered farmer-members and other stakeholders in a Participatory Guarantee System.
- 3.17. *Self-review* refers to a process by which a farmer-member assesses his/her own farming practices using the internal standards and procedures set by the PGS group.
- 3.18. *Small farmer/fisherfolk* refers to those utilizing not more than five (5) hectares of land for the single purpose or, of a combination of the following purposes for, agricultural crop production, including rice and corn.

aquaculture, and poultry/livestock raising: *Provided*, That poultry/livestock raising shall not have more than the following:

- Poultry - 1,000 (layers) or 5,000 (broilers)
- Swine/native pigs - 10 (sow) or 20 (fatteners)
- Cattle - 10 (fatteners) or 5 (breeders)
- Dairy - 10 milking cows
- Goat, sheep, and other small ruminants - 50 heads

3.19. *Stakeholders* refers to the collective term for all involved in the establishment, operation, and maintenance of a Participatory Guarantee System. It includes the following:

- 3.19.1. *Primary stakeholders* refer to farmers, processors, traders, and consumers with the highest level of involvement in the PGS activities.
- 3.19.2. *Supplier groups* refer to the groups that supply inputs, machineries, equipment, and packaging materials.
- 3.19.3. *Support sectors* refer to the academic and research institutions, government agencies (LGAs/LGUs/NGAs), financial institutions, NGOs, and people's organizations (POs) sectors that offer technical and/or financial support.

Section 4. **Key Elements of Participatory Guarantee System (PGS).** The PGS group shall embody and embrace the following key elements:

- 4.1. **Shared vision.** All stakeholders shall have the shared vision in ensuring the integrity of the organic produce and products through compliance with applicable current Philippine National Standards (PNS) for organic agriculture and relevant regulations (Annex A).
- 4.2. **Participation.** All primary stakeholders shall actively engage in the establishment and operation of PGS embodying the principle of collective responsibility to ensure organic integrity. This collective responsibility is reflected through:
  - 4.2.1. shared ownership of the PGS by engaging in all steps, starting with the development process;
  - 4.2.2. shared understanding of how the system works; and
  - 4.2.3. direct communication between and among all stakeholders.

Active engagement of primary stakeholders helps shape the integrity-based approach in the development of trust. The involvement and

participation of supplier groups and support sectors may be dependent on their interest and/or responsibility.

- 4.3. **Transparency.** The principle of transparency encompasses the openness of the system, involvement of relevant stakeholders, and accessibility of all information. The transparency of the system shall be demonstrated through:
  - 4.3.1. involvement of all stakeholders in the development of internal standards and documented procedures;
  - 4.3.2. conduct of activities to ensure in-depth understanding of how the PGS works; and
  - 4.3.3. establishment of policies and procedures for documentation, dissemination, and accessibility of information to all relevant stakeholders.
- 4.4. **Trust.** The PGS group shall have policies and procedures that will demonstrate trust and build confidence in all its stakeholders. Building of trust shall be demonstrated through:
  - 4.4.1. documented self-review of the farmer based on the frequency set in the procedures of the PGS group (sample self-review and peer review form as provided in Annex B.4), understanding standards, recordkeeping, and documented self-declaration (sample Farmer's Pledge is provided in Annex B.2);
  - 4.4.2. accomplished membership agreement between the stakeholders and the PGS group (sample membership agreement is provided in Annex B.3); and
  - 4.4.3. documented peer review process within the PGS group, as indicated in Clause 5.3.2 of this Circular.
- 4.5. **Horizontality.** The PGS group shall have policies and procedures to ensure that all its relevant stakeholders, regardless of gender, have equal rights, responsibility and accountability in maintaining the integrity, quality and safety of organic produce and products. The level of accountability of a stakeholder depends on the level of review process they are involved in.
- 4.6. **Learning Process.** The PGS group shall have regular capability building activities to ensure that primary stakeholders fully understand the internal standards and procedures, thereby maintaining the integrity of organic produce and product and enhancing the credibility of the PGS. The PGS group shall ensure that its capability building activities are:
  - 4.6.1. documented and records of its conduct are maintained;
  - 4.6.2. led by competent resource person(s);

- 4.6.3. regularly participated by all primary stakeholders;
- 4.6.4. accessible to other stakeholders such as support sectors and supplier groups; and
- 4.6.5. regularly assessed to ensure continual improvement of the activities.

Section 5. **Features and Characteristics of PGS Group.** The PGS group shall have the following features and characteristics:

- 5.1. **Legal personality.** The PGS group, as represented by the core PGS group, shall secure a Mayor's permit from the municipality where the PGS group is predominantly located or regularly interact or conduct business with, as proof of legal personality.
- 5.2. **Clearly defined standards that are consistent with the requirements of applicable current Philippine National Standards (PNS)**
  - 5.2.1. The PGS group shall either develop its internal standards that are consistent with the minimum requirements of the applicable current PNS for organic agriculture and relevant regulations or adopt the applicable current PNS for organic agriculture and relevant regulations as its internal standards.
  - 5.2.2. The internal standards may be translated into local languages to ensure understanding and appreciation of stakeholders.
  - 5.2.3. The list of applicable current PNS for organic agriculture and relevant regulations is provided in Annex A.
- 5.3. **Clearly defined, transparent, and documented management systems and procedures.** The PGS group shall develop and approve its Manual of Operations, which contains the documented management systems and procedures, in a participatory, democratic, and transparent manner appropriate for its situations. The Manual of Operations may also be translated in its local language to ensure implementability and adaptability. The Manual of Operations may be in any format or media, preferably digital. This must be safely stored, accessible, and retrievable, whenever necessary.

The PGS group shall have the following documented management systems and procedures included in the Manual of Operations:

- 5.3.1. *Structure and Organization of a PGS Group.* The PGS group must have a documented organizational structure with clear delineation of roles and responsibilities consistent with Clause 5.4 of this Circular to ensure its effective implementation.

- 5.3.1.1. The PGS group shall establish a procedure for application for membership which includes orientation on the internal standards, and policies and procedures. The farmer-members of the PGS group must be utilizing not more than five (5) hectares of land for the single purpose or, of a combination of, agricultural crop production, including rice and corn, aquaculture, and poultry/livestock raising.
- 5.3.1.2. The PGS group shall establish a procedure for the creation of the committees and the selection of its members that will ensure impartiality and balanced representation in each level of the PGS group structure. At the minimum, the PGS group shall be organized into the following committees:
  - 5.3.1.2.1. Management Committee shall manage the effective implementation of the PGS as guided by a Manual of Operations. The Committee shall spearhead the development of its Manual of Operations and shall be responsible for the issuance of POC based on the certification decision of the Certification Committee. The PGS group shall determine the composition of the Committee.
  - 5.3.1.2.2. Peer Review Committee shall carry out the inspection (Clause 5.3.4.3), monitoring (Clause 5.3.4.6) of farmer members, and recommend decisions to the Certification Committee. This Committee shall be composed of at least five (5) members of the core PGS group.
  - 5.3.1.2.3. Certification Committee shall check the completeness of peer review outputs, assess the severity of noncompliance (NC), define corrections and corrective actions, and validate recommendations submitted by the Peer Review Committee. The Certification Committee shall issue certification decisions and recommend to the Management Committee the issuance of the POC, and enforce sanctions for NC, as necessary. The members of the Committee shall

serve as 'certification officers'. The Committee shall be composed of at least three (3) competent certification officers from primary stakeholders that are not involved in the peer review process.

5.3.1.2.4. Appeals Committee shall receive, evaluate, and make decisions on appeals and complaints, and be accountable for safeguarding the impartiality with respect to the appeals and complaints. The Committee shall provide recommendations to the appropriate committee for further deliberations and decisions. The Committee shall be composed of at least three (3) competent representatives from stakeholders that are not involved in the peer review and certification processes. The PGS group shall ensure that there is no conflict of interest among the members of the Appeals Committee.

5.3.2. *Resource Requirements.* The PGS group shall ensure sufficient financial and manpower resources to organize and maintain its Committees, and to support a functional PGS that assures compliance of individual farmer-members in an objective, consistent, and transparent manner.

5.3.2.1. Financial Resources Sustainability. The PGS group shall ensure that it has sufficient financial resources for the sustainability of its operations.

5.3.2.2. Human Resources. The PGS group shall ensure that its farmer-members and members of the committees are competent to carry out the roles and responsibilities.

5.3.2.2.1. Competence Criteria

5.3.2.2.1.1. All stakeholders should be knowledgeable in internal standards that are consistent with the minimum requirements of the applicable current PNS for organic agriculture and relevant regulations. Knowledge is

typically gained through experience and/or training.

- 5.3.2.2.1.2. All stakeholders should have appropriate training with respect to organic agriculture, food, processing, local trade, specific production areas, and applicable current PNS for organic agriculture and other regulatory requirements. The requirements may vary based on the roles and responsibilities of the member and the scope.
- 5.3.2.2.1.3. The members of the Management Committee should have sufficient knowledge on the documented management systems and procedures of the group, applicable current PNS for organic agriculture and relevant regulations.
- 5.3.2.2.1.4. The PGS group shall ensure a sufficient number of competent peer reviewers and certification officers depending on the size of membership of the group. This shall ensure that the participatory certification process is carried out in a timely, efficient, and consistent manner. To ensure competence of the peer reviewers and certification officers, they shall have the following minimum qualifications:
  - a. Knowledgeable on the internal standards of the PGS group or certified as organic practitioner;
  - b. Participated (as observer) in at least 1 peer review of the accredited core PGS

- group or inspection by BAFS;
- c. Knowledgeable on the group's operations and procedures; and
- d. Attended at least 2 trainings on applicable current PNS for organic agriculture

*NOTE: The sufficient number of the peer reviewers and certification officers is recommended to be at least 30% of the total farmer-members*

The PGS group may increase the number of members of the core PGS group if they have met the minimum qualifications.

- 5.3.2.2.1.5. Farmer-members should be an organic practitioner and have sufficient knowledge on internal standards that are consistent with the minimum requirements of the applicable current PNS for organic agriculture and relevant regulations, and of the PGS group's internal policies procedures. Sufficiency of knowledge may be determined through observations, interviews, and review of records (e.g., training certificates, proof of participation, accomplished self-review form, etc.).

#### 5.3.2.2.2. Maintaining and Monitoring of Competence

- 5.3.2.2.2.1. The PGS group shall ensure maintenance of competence of members directly involved in the participatory certification process by identifying training needs at the entry level and

the internal standards, policies, and procedures of the PGS group.

- 5.3.2.2.3.3. Activities. Capability building activities can be outsourced or organized by the PGS group. The PGS group shall ensure that resource persons (either internal or external to the group) are competent.

- 5.3.3. *Certification Activities.* The PGS group shall cover the certification and other relevant activities of its farmer-members implementing the internal standards that are consistent with the minimum requirements of the applicable current PNS for organic agriculture and relevant regulations.

The scope of the participatory certification shall include crop production, animal production, aquaculture production, processing of organic produce, special products (i.e., wild harvest, mushroom production) agricultural input production (i.e., organic soil amendments, organic biocontrol agents, feeds, seeds, and planting materials).

The requirements and procedures for maintenance of participatory certification status of the farmer-members are, likewise, covered by this procedure.

The details of the participatory certification process are provided in Clause 5.3.4 (Process Requirements). The participatory certification process shall have the following minimum activities:

- 5.3.3.1. The PGS Group, through its Peer Review Committee shall ensure that review of documents, planning, preparatory activities, and specification of requirements (i.e., requirements listed in Annexes A and D) are carried out prior to the conduct of peer review.
- 5.3.3.2. The PGS group, through its Peer Review Committee, shall carry out activities to determine the level of compliance of the farmer-member through peer review, laboratory testing, if deemed necessary, and monitoring.
- 5.3.3.3. The results of the peer review, laboratory testing, if applicable, and monitoring shall be reviewed by the

Certification Committee to evaluate the level of compliance as evidenced by the data obtained during the peer review, and to establish whether the requirements of the internal standards that are consistent with the minimum requirements of the applicable current PNS for organic agriculture and relevant regulations, are met.

- 5.3.3.4. The Certification Committee shall decide on certification based on the results of the peer review.
  - 5.3.3.5. The PGS group shall, likewise, establish procedure for granting, maintaining, suspending, and revoking of certification.
  - 5.3.3.6. The PGS group shall issue a Participatory Organic Certificate (POC) and the terms and conditions on the use of the PGS group's mark or seal, and the Philippine PGS Guaranteed Organic mark.
  - 5.3.3.7. The PGS group, through its Peer Review Committee, shall conduct annual monitoring of its certified farmer members to ensure their continued compliance with the internal standards, policies, and procedures.
  - 5.3.3.8. The PGS group shall ensure impartiality all throughout the participatory certification process.
- 5.3.4. *Process Requirements.* The PGS group shall have defined requirements for its functions and certification process.
- 5.3.4.1. The PGS group shall take into consideration explicitly the following aspects as applicable: retroactive recognition of conversion period, separation and inspection of non-organic production units, parallel/split production, and wild collection.
  - 5.3.4.2. Application for certification. When accepting an application, the Management Committee shall ensure availability of all background information of the farmer-member, and whether another PGS group has issued denial of certification to the said farmer applicant. The PGS group shall review the submitted documents to verify the completeness and veracity of the information provided by the farmer-member. At the minimum, the PGS group shall require the farmer applicant to submit the following:

- a. Accomplished application form;
- b. Signed farmer's pledge;
- c. Farm map, and profile including practices; and
- d. Self-review on the status of their farm (Self-review form in Annex B.4).

5.3.4.3. Peer Review. At least three (3) farmer-members from the core PGS group shall participate in the conduct of the peer review. A peer reviewer shall inhibit themselves during the review of their own farm. The conduct of peer review shall be based on Manual of Operations. The peer review shall include the following:

5.3.4.3.1. interviews with farmer-members and relevant individuals to collect and verify the information provided by the farmer applicant in the accomplished self-review form;

5.3.4.3.2. visits to facilities, fields, and storage units, which may also include visits to non-organic production units to assess the production, processing and handling system, and identify areas of risk to organic integrity; and identification of location coordinates of inspected farms;

5.3.4.3.3. review of records and accounts to verify flow of goods (e.g., production/sales reconciliation on farms, input/output reconciliation and the traceability in processing and handling facilities); and

5.3.4.3.4. should there be any reported changes on the internal standards, policies, and procedures, verify that changes have been effectively implemented, and that correction and corrective measures have been taken.

5.3.4.4. Certification Committee Review. The Certification Committee review shall include review of the results of peer review, laboratory analysis, if there is any, and other evidence of compliance, and issuance of a certification decision based on the results of the review. Every Certification Committee review shall be documented indicating the date and place of review, name of certification officers, and the results of the

review. A certification officer shall inhibit themselves during the evaluation of their own farm.

#### 5.3.4.5. Granting and Maintaining the Certification

5.3.4.5.1. Upon full compliance of all certification requirements, the Management Committee shall issue the POC based on the decision of the Certification Committee, to the farmer-member valid for three (3) years from the date of issuance.

5.3.4.5.2. The POC shall contain, at the minimum, the following information:

- a. name of farmer-member;
- b. name of farm;
- c. farm address;
- d. farm code;
- e. farm size;
- f. scope of certification;
- g. list of commodities and annual estimated volume per commodity;
- h. PGS group's logo;
- i. Philippine PGS Guaranteed Organic mark; and
- j. validity of certificate.

5.3.4.5.3. The PGS group shall not issue POC to farmer-members under the in-conversion period.

5.3.4.6. **Monitoring.** The PGS group shall conduct annual peer review and other monitoring activities (e.g., farm visit, produce/product sampling for analysis, etc.) within the validity of the POC to ensure the continued compliance of certified farmer-members with the internal standards, policies, and procedures.

#### 5.3.4.7. Renewal of Certification

5.3.4.7.1. For renewal application, the PGS group through the Management Committee shall ensure the availability of farmer member's updated documents such as completed application form, accomplished self-review form, farm records, farm map, and other relevant documents.

- 5.3.4.7.2. The farmer-member applying for renewal of certification shall undergo peer review (Clause 5.3.4.3) and committee review (Clause 5.3.4.4) prior to the issuance of renewed POC (Clause 5.3.4.5).
- 5.3.4.7.3. In case a member of the core PGS group representing a farm applies for renewal of certification with the same core PGS group, the member of the core PGS group must inhibit himself/herself before the application for renewal can be considered.
- 5.3.4.8. Suspension and Revocation of Certification
  - 5.3.4.8.1. The PGS group shall refer to the Catalogue of Sanctions issued by BAFS. The withdrawal of membership in the PGS group shall mean forfeiture of the privilege for the farm/farm owner to use the participatory organic certificate.
  - 5.3.4.8.2. The PGS group shall specify the conditions and requirements for discontinuation of use and return of certification documents, and any other action if the certification is suspended or revoked.
  - 5.3.4.8.3. The decision to suspend or revoke the certification is appealable to the PGS group and may be elevated to the BAFS, in case of any of the following:
    - 5.3.4.8.3.1. If the PGS group fails to provide resolution or take action on the appeal within 30 days; or
    - 5.3.4.8.3.2. If the appellant substantiates their dissatisfaction with the action taken by the PGS group.
- 5.3.4.9. Handling of Complaints and Appeals
  - 5.3.4.9.1. The PGS group shall have a documented procedure to receive, evaluate and make decisions on complaints and appeals.

- 5.3.4.9.2. The PGS group, through the Appeals Committee, shall gather and verify all necessary information to progress the complaint or appeal to a decision.
- 5.3.4.9.3. The PGS group shall communicate the decision of the Appeals Committee to the complainant or the appellant.
- 5.3.4.9.4. The Appeals Committee shall record and track complaints and appeals, as well as actions undertaken to resolve them.
- 5.3.4.9.5. Complaints beyond the activities and operations of the PGS group shall be handled by the Management Committee.
- 5.3.4.10. Sanctions. The PGS group shall impose appropriate sanctions to members who are found violating the group's internal standards, policies, and/or procedures consistent with Annex C (Classification of Findings and Timeline of Implementation of Corrections and Corrective Action Plan) of this Circular.
- 5.3.4.11. Traceability of produce or products per farmer-member. The PGS group shall have a traceability system and regular product flow monitoring for organic produce and products of its certified farmer-members.
- 5.3.4.12. Reporting
  - 5.3.4.12.1. The PGS group shall establish a procedure for a timely reporting of its farmer-members of relevant information such as but not limited to, volume of production of each commodity, sales, market reach, and updates or changes in their organic management.
  - 5.3.4.12.2. The PGS group shall ensure timely reporting and submission of relevant information to BAFS as indicated in Annex D (Report Template) of this Circular.
- 5.3.4.13. Changes affecting PGS group
  - 5.3.4.13.1. The PGS group shall ensure that changes such as new or revised requirements that affect the members are communicated to

- all. The PGS group shall verify the implementation of the changes by its members and shall take actions required by the group.
- 5.3.4.13.2. The PGS group shall consider other changes affecting the certification process, including new applicable PNS for organic agriculture and relevant regulations, if any.
- 5.3.4.13.3. Changes affecting the structure of the PGS group such as changes in the membership of the committees, shall be communicated to all members and to the BAFS.
- 5.3.4.14. Regular Assembly. The PGS group shall hold regular assembly to identify areas for improvement, which may include, but not limited to, revision of Manual of Operations. Areas for improvement may be gathered from peer reviews or group discussions, evaluations, feedback, and results of BAFS' audit(s).
- 5.3.4.15. Promotion. The PGS group shall conduct regular activities to promote organic agriculture in the community.
- 5.3.5. *Records management.* The PGS group shall have policies and procedures for the maintenance of information necessary for the verification of production, storage, processing, purchase, and sales; and other relevant documentation to provide adequate inspection trails and traceability of organic produce and/or products. PGS records shall include the following:
  - a. Accomplished Application Forms (Annex B.1)
  - b. Signed Farmer's Pledges (Annex B.2);
  - c. Signed Membership agreements (Annex B.3);
  - d. Records generated from peer review and certification activities (e.g., accomplished self-review and peer review form, accomplished certification decision form, and other documents that provide evidence of compliance);
  - e. Database (as indicated in the Report Template in Annex D);
  - f. Accomplished Appeals Decision Forms and records generated from verifying the filed appeals and complaints; and
  - g. Other records deemed necessary by the group.

## 5.4. Clearly defined roles and responsibilities of stakeholders

### 5.4.1. *Primary stakeholders*

5.4.1.1. The primary stakeholders (i.e., farmers, processors, traders, and consumers) shall have the highest involvement in the development of internal standards, policies, procedures, and information dissemination activities. Involvement of primary stakeholders includes:

5.4.1.1.1. Directly engage in peer review, certification, and monitoring activities;

5.4.1.1.2. Comply with internal standards, policies, and procedures;

5.4.1.1.3. Provide assistance to other stakeholders;

5.4.1.1.4. Provide valuable management expertise to the group; and

5.4.1.1.5. Perform such other functions as deemed necessary by the group.

5.4.1.2. The primary stakeholders shall include the core PGS group which is primarily composed of farmer-members selected by the group. The core PGS group shall have the following roles and responsibilities:

5.4.1.2.1. Develop an understanding of the internal standards;

5.4.1.2.2. Ensure compliance to internal standards, policies, and procedures;

5.4.1.2.3. Make a pledge that they understand and commit to adhere to the internal standards, policies, and procedures of the PGS group;

5.4.1.2.4. Conduct peer review and certification activities of farmer-member;

5.4.1.2.5. Submit complete, accurate, concise and clear record of the peer review signed by the majority of the peer reviewers;

- 5.4.1.2.6. Recommend farms for certification to Certification Committee;
  - 5.4.1.2.7. Initiate key field trainings for farmer-members and residents in their locality to promote organic agriculture;
  - 5.4.1.2.8. Take actions on noncompliances consistent with Annex C (Classification of Findings and Timeline of Implementation of Corrections and Corrective Action Plan) of this Circular;
  - 5.4.1.2.9. Assist noncompliant farmer-members to regain and maintain certification status: Provided that the member of the core PGS group is not involved during the peer review; and
  - 5.4.1.2.10. Attend municipal/provincial PGS meetings and share information as instructed.
- 5.4.2. *Supplier groups.* The supplier groups (i.e., suppliers of inputs, machineries, equipment, and packaging materials) shall ensure that their produce or products are compliant with the applicable current PNS for organic agriculture and relevant regulations. Likewise, they shall be involved in the PGS activities as determined by the PGS group.
- 5.4.3. *Support sectors.* The support sectors (i.e., academic and research institutions, financial institutions, NGOs, POs) shall support the operations of the PGS group through provision of technical and/or financial assistance. Likewise, they may be involved in the PGS activities as determined by the PGS group aligned with their interest.
- 5.5. **PGS group's logo**
- 5.5.1. Upon issuance of POC, the certified farmer-member shall be allowed to use the PGS group's logo accompanied by the Philippine PGS Guaranteed Organic mark to indicate organic status.
  - 5.5.2. The PGS group shall establish policies and procedures to control the use and display of their logo, including the discontinuance of its use. The PGS group's logo may be subjected to registration, which is handled by the Intellectual Property Office of the

Philippines (IPOPIL) to protect its integrity from misuse by other entities outside the PGS group.

5.5.3. The PGS group shall take appropriate actions against incorrect or misleading use of certificates, Philippine PGS Guaranteed Organic mark, and PGS group's logo.

- Section 6. **Annexes.** All normative annexes of this Circular are required for compliance while informative annexes are provided as reference documents that may be adopted or improved by the group.
- Section 7. **Separability Clause.** If any provision of this Circular be declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.
- Section 8. **Repealing Clause.** All prior issuances, rules, regulations, or part thereof which are inconsistent with this Circular are hereby revoked, amended, or modified accordingly.
- Section 9. **Amendments.** This Circular shall be reviewed as deemed necessary by the BAFS and/or the NOAB. Revisions shall take into consideration significant changes due to legal, market, or standards development.
- Section 10. **Effectivity.** This Circular shall take effect after fifteen (15) days following the completion of its publication in the Official Gazette or a newspaper of general circulation and its filing with the National Administrative Register of the University of the Philippines Law Center.

Done this 28th day of April 2022.

Approved by:

  
WILLIAM D. DAR, Ph.D.  
Secretary

DEPARTMENT OF AGRICULTURE  
in replying pls cite this code  
For Signature: 9-04-22-0194  
Received - 06/11/2022 11:10 AM

**Annex A**  
(Normative)

**List of Philippine National Standards (PNS) and Regulations  
Relevant to Organic Agriculture**

- I. The Philippine National Standards (PNS) for organic agriculture, against which the organic production and its products are evaluated, are the current version of the following standards:

<b>PNS Title</b>	<b>Description</b>
PNS for Organic Agriculture	This Standard specifies the minimum requirements for organic agriculture covering the following scopes, namely: (a) conversion; (b) crop production; (c) animal production; (d) beekeeping; (e) processing; (f) special products; (g) labeling and consumer information; and (h) traceability.
PNS for Organic Aquaculture	This Standard establishes the guidelines for the operation of organic aquaculture in different aquatic environments (fresh, brackish and marine) and the production of quality fishery products that are safeguarded from contamination of harmful and toxic chemical substances and use of artificial ingredients, from pre-production to marketing to enhance food safety for human consumption and to provide options to consumers/markets.
PNS for Organic Soil Amendments	This Standard applies to organic fertilizers, compost / soil conditioner, microbial inoculants, and organic plant supplements.
PNS for Organic biocontrol agents – Microbials and botanicals – Minimum data requirements	This Standard specifies the minimum data requirements for the safety assessment of organic biocontrol agents, specifically for microbials and botanicals.
PNS for Organic Milled Rice - Code of Practice	This standard establishes a system within organic agriculture mainly for post-production operations of organic milled rice, <i>Oryza sativa L.</i>
PNS for Organic Aquaculture feeds	This Standard applies to the formulation and preparation of nutritionally adequate complete organic aquaculture feeds or <i>aquafeeds</i> , either farm-made or

PNS Title	Description
	commercial, for culture of aquatic animals such as fish and crustacean. This also covers organic <i>aquafeeds</i> that are custom-mixed, organic feed ingredients and additives, and other feed products claimed organic.
PNS for Code of Practice for the Production of Organic Soil Amendments	This Code covers the general practices for the production of organic soil amendments in order to achieve the minimum requirements specified under the Philippine National Standard for Organic Soil Amendments. Emphasis is made on how to minimize contamination from microbiological, physical, and chemical hazards in accordance with the relevant provisions under the Philippine National Standard for Organic Agriculture.

- II. The relevant regulations for organic agriculture that must be complied with by the PGS group are the following:

Regulations Title	Description
Department Circular No. 09, Series of 2020--National List of Permitted Substances for Organic Agriculture	This Circular provides the National List of Permitted Substances for Organic Agriculture. The use of the National List shall be in combination with the applicable current PNS relevant to organic agriculture.
Guidelines for the Accreditation of core PGS groups and its Operations as Organic Certifying Bodies	This Circular provides the requirements and procedures for the accreditation of core PGS groups by the Bureau of Agriculture and Fisheries Standards.

Any PNS for organic agriculture and regulations relevant to organic agriculture that will be developed after effectivity of this Circular shall become a normative document for the PGS group to refer to and comply with unless the purpose of the regulations is otherwise not necessary for the PGS group. The BAFS shall provide public announcement on the effectivity of these new regulations, accordingly.

## Annex B (Informative)

### Sample PGS Forms

#### B.1. Membership Application Form

*Note: This form is provided as a reference document that may be adopted or improved by the group.*

<b>B.1. Membership Application Form</b>			
<i>(Note: This form is provided as a reference document that may be adopted or improved by the group.)</i>			
Date of application (MM/DD/YY): _____			
<b>I. Classification of membership</b> (Please check whichever is applicable)			
<b>Primary Stakeholders:</b> <input type="checkbox"/> Farmer <input type="checkbox"/> Processor <input type="checkbox"/> Trader <input type="checkbox"/> Consumer	<b>Support Sectors:</b> <input type="checkbox"/> Academic <input type="checkbox"/> Financial Institution <input type="checkbox"/> NGO <input type="checkbox"/> PO <input type="checkbox"/> Others	<b>Supplier Group:</b> <input type="checkbox"/> Planting Materials <input type="checkbox"/> Inputs <input type="checkbox"/> Machinery/ Equipment	
<b>II. Applicant's Information</b>			
Name of Applicant:			
Sex: (Optional)	<input type="checkbox"/> Female	<input type="checkbox"/> Male	Date of birth: (MM/DD/YY)
Please check all that applies:	<input type="checkbox"/> Person with disability <input type="checkbox"/> Member of Indigenous Peoples Community <input type="checkbox"/> Senior citizen		
Contact number:			
Address:			
Name of organization or affiliation, if applicable:			
I agree that I will undergo the process for membership which includes attending the orientation and relevant training. I will cooperate and fulfill the obligations including financial, if necessary.			
_____		_____	
Signature of Applicant		Date signed	
Received by:			
_____		_____	
Authorized PGS group representative		Date of receipt	
<b>PRIVACY STATEMENT</b>			
The (PGS Group Name) is committed to protect and respect your personal data. We recognize our responsibilities and our data subject's right under the Republic Act No. 10173, also known as the Data Privacy Act of 2012.			
<b>PRIVACY CONSENT</b>			
By filling out this form, you have read and understood the Group's Data Privacy Statement and expressed your consent for (PGS Group Name) to collect, store, use, share, process and update your personal information.			

## B.2. Membership Agreement

*Note: This form is provided as a reference document that may be adopted or improved by the group.*

### KNOW ALL MEN BY THESE PRESENTS:

This Agreement is made and entered into by and between:

**[name of member]** with principal address within the municipality/city of **[name of municipality/city]**, hereinafter referred to as the **Member**,

and

The **[name of PGS group]** represented herein by their respective **PGS Core Group Members** hereinafter referred to as the first party, "**[PGS group]**".

### WITNESSETH:

- A. That the **Member** of the **[PGS Group]** shall adhere to the roles and responsibilities as *(check whichever is applicable)*:

- |                          |   |
|--------------------------|---|
| <input type="checkbox"/> | Primary Stakeholder (farmer, processor, trader, consumer) |
| <input type="checkbox"/> | Supplier Group  |
| <input type="checkbox"/> | Support Sector  |

A.1. That as a primary stakeholder:

1. Have the highest involvement in the development and implementation of internal standards, policies and procedures, and conduct of information dissemination activities. Involvement of primary stakeholders includes:
  - a. Make a pledge that they understand and commit to adhere to the Manual of Operations (internal standards, and policies and procedures) of the PGS group;
  - b. Directly engage in the day-to-day operations of their PGS, particularly in the peer review, certification, and monitoring of other farms and farmers;
  - c. Participate in the capability building activities;
  - d. Provide assistance to other stakeholders;
  - e. Provide valuable management expertise to the group; and
  - f. Perform such other functions as deemed necessary by the group.

A.2. That as a Supplier Group member:

1. Ensure that their produce or products are compliant with the applicable current PNS and relevant regulations;
2. Make a pledge that they understand and commit to adhere to the internal standards and procedures of the PGS group;
3. Participate in the capability building activities; and
4. Be involved in the PGS activities and perform other functions as determined by the PGS group.

A.3. That as a Support Sectors member:

1. Support the operations of the PGS group through provision of technical and/or financial assistance;
2. Make a pledge that they understand and commit to adhere to the internal standards and procedures of the PGS group; and
3. Be involved in the PGS activities and perform other functions as determined by the PGS group.

A. That the **PGS group** shall adhere to the following responsibilities to the Member:

1. Ensure involvement of the Member in the development of internal standards, policies, and procedures;
2. Ensure that the Member has adequate knowledge, understanding, and skills to implement organic agriculture according to the internal standards set/adopted by the PGS group through various capability building activities such as key field trainings for farmer members and residents in their locality to promote organic agriculture;
3. Provide relevant information to all stakeholders;
4. Ensure that the Member obtains and maintains PGS certified status according to the PGS group's shared vision through the principles of participation, trust, horizontality, and transparency;
5. Assist Member to maintain and regain certification status; and
6. Take appropriate action against incorrect or misleading use of certificates and mark or seal.

## II. TERMINATION CLAUSE

This Membership Agreement shall remain in effect until terminated by either or both parties in formal writing, subject to the policies and procedures of the PGS group.

## III. EFFECTIVITY

This Membership Agreement shall take effect immediately upon signing of both parties.

In witness whereof, the parties have signed this Membership Agreement at \_\_\_\_\_ this \_\_\_\_\_ day of [month, year].

Signed by:

Authorized PGS Group Representative  
*(Signature over printed name)*

Member  
*(Signature over printed name)*

Signed in the presence of:

Witness  
*(Signature over printed name)*

### B.3. Farmer's Pledge

Note: This form is provided as a reference document that may be adopted or improved by the group.

#### B.3. Farmer's Pledge

Note: This form is provided as a reference document that may be adopted or improved by the group.

Name:	
ID Code:	
Address:	

I, the undersigned, accepts to become a member of the Participatory Guarantee System (PGS) group [name of the group]. I promise to adhere to the PGS groups internal standards, and policies and procedures. **With this, I swear that:**

1. I will adhere to the internal standards, policies, and procedures set by the group to acquire and maintain organic certification status.
2. I will NOT use synthetic pesticides such as insecticides, herbicides, fungicides, fertilizers, chemically treated or genetically modified seeds or substances and materials not listed in the National List of Permitted Substances for Organic Agriculture.
3. I will maintain the integrity of my organic production system and ensure that there shall be no commingling and contamination with uncertified produce and products during storage, processing, transport and sale.
4. I will work with my fellow farmers and attend Regular Assemblies, meetings and other capability building activities to expand and share my knowledge of the standards, policies, procedures, and organic production technologies.
5. I will advertise, label, and sell my produce and products as organic only when they have undergone a participatory certification process and issued with a Participatory Organic Certificate (POC).
6. I will comply with the policies on the use of the group's logo, and the Philippine PGS Guaranteed Organic Mark.
7. I will allow the peer reviewers, certification committee members, relevant authorities (i.e., BAFS, DA Regulatory Agencies) to access the premises of my farm for the purposes of inspection, audit, and related procedures.
8. I will report all non-compliances to the internal standards, policies, and procedures found on my farm (including unintentional) to the PGS group.
9. I will uphold my responsibilities and accountability as a member of the primary stakeholders of the PGS group.
10. I will exercise my right to vote, and right to be elected in the key positions of the PGS group.
11. I will perform the duties I agreed to be assigned to me and endeavour to uphold them with utmost confidence and impartiality.
12. All information I have provided is correct and accurate, and I will keep my information up to date.

\_\_\_\_\_  
Farmer Member  
(Signature over printed name)

\_\_\_\_\_  
Authorized PGS Group  
Representative  
(Signature over printed name)

Place	
Date Time	

## B.4. Self-Review and Peer Review Form

*Note: This form is provided as a reference document that may be adopted or improved by the group.*

Self-Review and Peer review Form (Sample)

<b>Reference Standards</b>		
Date of Self review		
Peer reviewer(s) assigned		
<b>Date of Peer Review</b>	<b>Details of Peer Review Activity</b>	<b>Remarks</b>
Proposed duration of next peer review: (Date)		
Reason(s):		
Are there specific issues requiring immediate action of the FPO group and/or members.		

To be filled out by the farmer/producer during self-review				To be filled out by the peer reviewer	
Direction: Please provide information that not applicable or N/A wherever necessary.				Direction: Please put [ ] for completed/fulfilled, [X] for non-compliance. NA for not applicable.	
Date conducted				<b>Evaluation</b>	
Farmer's Name				<b>Findings</b>	
Farm Address					
Postal/zip code					
<b>I. Organic production and activities</b>					
Activities		Direction: Please check box (if applicable)			
Farm Production	Crop production (not covered by 77 items in table)			Aquaculture	
	Animal production (not covered by 77 items in table)			Bioprocessing	
	Special Products (not covered by 77 items in table)			Mushroom production	
Post-harvest and animal processing					
Processing/inputs production					

Organic and Materials					
Trading and Distribution					
<b>II. Commodities and Quantities for Certification</b>					
Commodity	Area (ha)	Estimated quantity of Commodity per unit (Define unit)	Details of the estimate (Rate the estimated quantity)		
<b>III. Farm Description</b>					
<b>A. Crop Production</b>					
Plot No.	Crop Area/Zone	Cultivar(s)	Brief Description (Include all management practices implemented, present or to be applied to this crop/zone/area)		
<b>B. Seed Production</b>					
Commodity	Quantity of seed or planting material (seed, other means)	Brief description of seeds or planting material source			
<b>Soil fertility management and use of organic fertilizers</b>					
Lot No.	Area(s) used	Amount used (kg/ha)	Details of Application		
<b>Other Management Practices of use</b>					
Management Practice			Brief Description		

Pest Management Practices				
Plot No.	Pest Problem Encountered	Insect Description <small>(Indicate the insecticide(s) used if any)</small>		
<b>B. Animal Parasitism</b>				
Animal Species	Parasite Density	Actual Number of Animals on Site	Number of Days Animals Released	Number of Days for Infestation to subside
Description of animal housing:				
Description of weekly management practices:				
Wound and Infection Treatment				
Type of Animal	Feeding Method	Species/Strain	Number and source of Stock from which cut	
Antemal Nutrition				
Animal Species	Feeding stuff/food ingredients used	Origin and Status	Amount	

Description of feeding systems for each animal species:				
Description of feeding rates of feed ingredients per animal species per experimental period or appropriate ration of various types and sources.				
Animal Health				
Animal Species and type of disease or pest	Veterinary Drug Used	Dosage used and Duration of Treatment	Withdrawal period observed	Date of last administration of the veterinary drug
Description of procedures for drug resistance testing (if applicable)				
Description of sanitation practices for animals regularly used in trials, after infection, etc.				
Description of disease recording practices and recording of treatments.				
C. Fertilizer and Pesticide Use				
Description of each system for production:				

Description of monitoring activity				
List down available documents and records of activities, findings, observations and measures of control activities				
<b>D. Post harvest and storage operations</b>				
Post-harvest activities	Location of activities	Person responsible	Description of activities	
Waters used for irrigation				
Description of existing and existing procedures for facilities, tools, equipment, and/or requirements				
Description of post-harvest activities in the field				
Description of water management				
All information/ data provided is correct and accurate to the best of my knowledge.				
Name and signature of data collector				
Date and time				
<b>Post Harvest Report</b>				
(To be filled up by the user/producer)				
Summary of findings				
Recommendations				

## B.5. Committee Review Form

*Note: This form is provided as a reference document that may be adopted or improved by the group.*

### B.5. Committee Review Form

*Note: This form is provided as a reference document that may be adopted or improved by the group.*

ID Code:	Name of farmer member:		
Farm:			
Farm Address:			
Name of Peer Reviewer(s):			
Date of Peer Review:		Time:	
Purpose:			
<input type="checkbox"/> New/Renewal application		<input type="checkbox"/> Monitoring	

#### Summary of Findings:

Finding(s)	Classification (Major / Minor/Adminis- trative)	Corrections and corrective action taken	Date Closed

*\*Use additional sheets if necessary.*

Remarks: (Commendable findings, Opportunities for improvement)

--

**Committee Decision:**

*For Application (New and Renewals)*

**Approved**

**Disapproved\***

*For Monitoring*

**Verified Continued Compliance**

**Verified with Non-compliance(s)**

**Suspended\***  
for \_\_\_\_\_ months.

**Revoked\***

**Other sanction(s), if applicable:**  
\_\_\_\_\_

Reason(s) for disapproval/suspension/revocation:

\*The applicant or farmer member may appeal for these decisions.

SIGNED:

\_\_\_\_\_  
Chair, Certification Committee

Committee member (if)

Date

Received by

\_\_\_\_\_  
Name and Signature  
Farmer Member

\_\_\_\_\_  
Date

## B.6. Sample Participatory Organic Certificate

Note: This form is provided as a reference document that may be adopted or improved by the group.

[PGS Group's Mark or Seal]  
[PGS GROUP NAME]  
[Address of the PGS Group]  
[Contact Details]

[Certificate Number]

*This Participatory Organic Certificate is issued to:*

**[NAME OF FARMER MEMBER]**  
[Farmer/Producer Code]  
[Address of the farmer and farm]

*with the following commodities (produce and products):*

<i>List of Commodity</i>	<i>Approximate Volume of Production per Year</i>	<i>Area (in ha)</i>

*The [PGS group name] attests to have peer reviewed the above-mentioned farmer member and its above-mentioned commodities, and have found in accordance with the internal standards, policies and procedures of the group.*

Date of Issuance: **DD Month YYYY (e.g. 24 October 2022)**

Date of Expiry: **DD Month YYYY (e.g. 23 October 2025)**

**[Philippine PGS  
Guaranteed  
Organic Mark]**  
*(optional)*

*This certificate is in force until its validity expires, provided that the above-mentioned farmer member continues to comply with the internal standards, policies and procedures of the group. Based on the annual monitoring that the PGS group performs, this certificate is updated and kept into force. Terms and conditions apply. Any alterations to this certificate will render the certificate invalid.*

\_\_\_\_\_  
Chair/President, Management Committee

Date: \_\_\_\_\_

### *Terms and Conditions:*

- Approved status gives the farmer member the right to use the group's mark or seal and the 'Philippine PGS Organic Guaranteed' mark during the period of validity of its approved organic certification.*
- The mark shall always accompany the logo or name of the PGS Group and its accreditation number and may appear only on organic certificate issuances, and on all certified products under its approved scope/s.*
- In case of disapproval the farmer member has the right to appeal to the Appeals Committee within 2 weeks upon receipt of this decision.*
- The farmer member and their farm shall be subjected to annual monitoring of continued compliance (peer review).*
- Renewal process may start six months prior to the expiration date.*

## B.7. Appeals and Complaint Form

Note: This form is provided as a reference document that may be adopted or improved by the group.

### B.7. Appeals and Complaint Form

Note: This form is provided as a reference document that may be adopted or improved by the group.

#### Part I. Filing of Appeal/Complaint. (To be filled up by the Complainant/Appellant.)

ID Code (if applicable):	Date:
Name of Complainant/Appellant:	Time:

#### For Appeal:

Nature of Appeal:	<input type="checkbox"/> Denied Certification <input type="checkbox"/> Suspension/revocation of Certificate <input type="checkbox"/> Other (e.g. Peer Review Findings)
Narrative: <i>(Note: Attach additional justification for the appeal or complaint, and the corresponding evidence)</i>	
Requested action:	

#### For Complaints:

Date and Time of Incident:	
Subject of Complaint:	
Summary of Complaint/Issue:	
Requested Action:	

**Part 2. Committee Decision.** *(To be filled in by Appeals Committee Representative)*

Action(s) Taken:

**Committee Decision**

Approved requested action

Disapproved requested action *due to the following reasons:*

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*In lieu of the requested action, the following is/are the action(s) to be taken:*

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Signed:

\_\_\_\_\_  
Chair, Appeals Committee

\_\_\_\_\_  
Committee Member(s).

**Annex C**  
(Normative)

**Classification of findings and timeline for implementation of corrections and corrective action plan**

**1. Purpose**

This document provides clarification and guidance on the classification of findings and the severity of potential non-compliances (NCs) arising from audits, defines the timeline required to close NCs, and verification of implementation of compliance plan by PGS group's farmer members.

**2. Classification of findings**

According to its severity, all findings shall be classified as *major*, *minor*, or *administrative* in line with the definitions below:

**2.1. Major Noncompliance**

A systemic failure or significant deficiency - either as a single incident or a combination of a number of similar incidents - in part of the quality system, or the lack of implementation of such a part, governed by applicable standards. A number of NCs identified against one requirement of the relevant standards can represent a total breakdown of the system and thus be considered a major NC.

**2.2. Minor Noncompliance**

An isolated or sporadic lapse in the content or implementation of procedures or records which could reasonably lead to a systemic failure or significant deficiency of the system if not corrected. If a pattern of minor NCs occurs over successive assessments, it may represent a systemic failure or significant deficiency of the system and a major NC shall be issued.

**2.3. Administrative Non-compliance**

An act (action or omission) that violates the membership agreement.

**Table A.** Classification of findings and possible scenario, and corresponding sanction

Classification of NC	Findings	Possible Scenario	Sanctions
Major (standards)	Clear violation of internal standards	Use of GMOs and prohibited substances	Revocation of certification until corrective

Classification of NC	Findings	Possible Scenario	Sanctions
	Validated fraudulent activities	Use of PGS group's mark or seal and/or Philippine PGS Guaranteed Organic mark on products not certified	action(s) are implemented
	Repeated and/or multiple minor non-compliances	Three (3) or more minor non-compliances associated with the same requirement or issue could demonstrate a systemic failure	
Minor (standards)	Poor recordkeeping	No receipts of purchased inputs	To be determined by the PGS group
	Mismanagement of the field	Improper waste disposal	
	Failure to observe BAFS rules on the use of "Philippine PGS Guaranteed Organic" mark.	Use of the "Philippine PGS Guaranteed Organic" mark on tarpaulins	
Administrative	Breach of Membership agreement	Missing attendance to required field day or activity	To be determined by the PGS group
	Repeated and/or multiple administrative non-compliances		

### 3. Sanction

The PGS group shall adopt this guide for the classification of findings to determine the appropriate sanction(s) for the findings as agreed by the group.

#### **4. Timeline for Implementation of Corrective Action Plan**

Timelines to implement appropriate action(s) to demonstrate compliance shall become effective after the closing meeting has been held and the Peer Review Results have been acknowledged by the farmer member.

- 4.1. Minor NC shall be fully addressed and compliance demonstrated within a period up to 12 months.
- 4.2. Major NC identified during peer review and other monitoring activities shall be fully addressed and compliance demonstrated within a period up to 3 months.
- 4.3. In cases where the Peer Review Committee concludes that the major NC(s) identified creates a risk to the integrity of the certification, the member may be required to implement action(s) to correct and demonstrate compliance immediately or within a period of less than 3 months.
- 4.4. The implementation of the actions might take more time depending on the severity of the NC. In such cases, the corrective action plan must include any temporary measures or controls necessary to mitigate the risk until the permanent corrective action is implemented.
- 4.5. A Major NC is automatically raised in the event of non-completion of the approved corrective action plan.
- 4.6. Major NC identified in an initial peer review, or during a peer review process for extension of certification scope, preclude recognition being recommended or the scope from being extended.
- 4.7. Extensions of timelines beyond 12 months for minor NC, and 3 months for major NC shall be subject to the approval of the PGS group or its appropriate committee.
- 4.8. A farmer member may only appeal an NC raised by the peer review within the period as determined by the PGS group.



# **MEMORANDUM**

# **CIRCULAR. 48**

**GUIDELINES ON THE ESTABLISHMENT  
OF COMPOSTING FACILITIES FOR  
BIODEGRADABLE WASTES (CFBW)**

**MEMORANDUM ORDER**

No. 48  
Series of 2022

**SUBJECT: GUIDELINES ON THE ESTABLISHMENT OF COMPOSTING FACILITIES FOR BIODEGRADABLE WASTES (CFBW)**

**I. RATIONALE**

The Republic Act (RA) 10068 or the Organic Agriculture Act of 2010 was enacted in 2010, as amended by R.A. No. 11511, to promote and develop organic agriculture in the Philippines. Section 4 (c) of this Act states the promotion and encouragement of the establishment of facilities, equipment and processing plants that would accelerate the production and commercialization of organic fertilizers, bio-control agents, organic soil amendments and other appropriate farm inputs. This Act supports protection of the environment through sustainable agricultural practices and paved the way for the creation of the National Organic Agriculture Program (NOAP) as one of the DA Banner Programs.

The establishment of a Composting Facility for Biodegradable Wastes (CFBW) through the Bureau of Soils and Water Management (BSWM) in coordination with the Department of Agriculture - Regional Field Offices (DA-RFOs) is a project in support of the implementation of the NOAP which aims to alleviate the problem on the utilization of biodegradable wastes<sup>1</sup> and by-products.

This technological intervention intends to provide means of converting biodegradable wastes into organic compost products that could be used by organic practitioners in the production of rice, corn, high-value crops such as fruits and vegetables, and other crops.

**II. COVERAGE AND SCOPE**

The guidelines shall cover the requirements and processes for the evaluation and approval of request for CFBWs to eligible beneficiaries/partners, project implementation, monitoring, and evaluation, as well as the conduct of capacity development on the establishment of CFBW all over the country.

The provision of composting facilities to eligible recipients shall be based on the evaluation and assessment of the DA-RFO and ESWM - Soil and Water Area Coordinators (SWAC) in accordance with the purpose and requirements stated herein.

<sup>1</sup> Biodegradable Wastes refer to organic matter for compost/ organic fertilizer for the organic cultivation, farming of food crops and includes discards/segregated farm non-biodegradable wastes coming from the kitchen/household (leftovers, vegetables and fruit peelings and trims, fish/fowl cleanings, seeds, bones, soft paper used as food wrap and the like), yard or garden (leaves, grasses, weeds and twigs) market (wilted, decayed or rotten vegetables and fruits, fish/fowl cleanings, bones) and farm wastes (grass clippings, dead or decayed plants, leaves, fruits, vegetables, branches, twigs and the like). Section 3 (e) of RA 10068, as amended by RA 11511.

### III. ELIGIBLE BENEFICIARIES/PARTNERS

Any of the following entities may be granted CFBW:

- Registered and accredited Civil Society Organization (CSO)<sup>2</sup> advocating organic farming with priority to Participatory Guarantee System (PGS) Groups;
- Local Government Units (LGUs) provided they could present a program for organic agriculture;
- State Universities and Colleges (SUCs) offering a curriculum/subject in organic agriculture; and
- Other government agencies advocating organic farming.

### IV. QUALIFICATIONS OF PROPONENTS AND SITE

A. The qualified recipient should meet the following requirements:

- Must be capable of providing a counterpart (i.e. labor, operation and maintenance cost, land, shed, farm supplies and tools, and/or fencing) for the composting facility; and
- Must be willing to undergo training on compost production and facility management of CFBW.

B. The proposed CFBW site should meet the following requirements:

- Must have an area of at least 200 square meters for the compost production area;
- Must have a source of water and electricity;
- Must have a sufficient source of agricultural residues, animal manure, household/kitchen waste, and other indigenous biodegradable materials with a minimum volume of at least 1 metric ton per week;
- Accessible to all types of transport/hauling vehicle;
- No issue on peace and order condition;
- No right-of-way issue; and
- Should not be located in geo-hazard and flood-prone areas.

### V. DOCUMENTARY REQUIREMENTS

The proponent must be compliant with the following requirements:

- Letter of Intent addressed to the DA-Regional Executive Director (RED), stating the following:
  - Justification or explanation for the need and appropriateness of the facility;
  - Commitment to shoulder the cost of operation and maintenance of the requested facility; and
  - Name and qualifications of the designated operator.
- Proof of land ownership, lease agreement/usufruct by the proponent on the site where the facility will be established;
- Board Resolution/Sanggunian Resolution authorizing the Chairman/President of the Organization/Local Chief Executive (LCE) to enter into an agreement with the DA:

<sup>2</sup> Civil Society Organization refer to domestic corporation, organization, association, labor organization, workers' association, farmers' organization or cooperative, expressing the interest and values of their members or others based on socio-economic, ethical, cultural and equitable considerations, duly registered with the Secretary and Exchange Commission (SEC), Cooperative Development Authority (CDA), Department of Labor and Employment - Bureau of Rural Workers (DOLE-BRW), or similar legitimate CSO as defined in this guidelines (Source: A0 No. 13 Series of 2020, Section 2, Definition of Terms, 2.5 CSO)



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4. Photos of existing/new shed to accommodate the new facility (i.e. may be made of indigenous materials); and
5. Members'/Beneficiaries Registry of the association/cooperative following the attached template in Annex A.

## VI. MECHANICS OF IMPLEMENTATION

1. The candidate recipient shall submit a letter of intent addressed to the DA-Regional Executive Director (DA-RED);
2. The DA-RFO through the Organic Agriculture Focal and BSWM-SWAC shall conduct evaluation and assessment of the application and documentary requirements of the candidate recipient;
3. The DA-RFO through the Organic Agriculture Focal and BSWM-SWAC shall conduct site validation and prepare a report and recommendation to the RED;
4. The DA-RED shall approve the request of qualified recipients;
5. The DA-RFO through the Organic Agriculture Focal shall submit the list of qualified recipients to the BSWM for the delivery of the unit;
6. The BSWM Director and DA-RED shall execute a tripartite Memorandum of Agreement (MOA) with the qualified recipient specifying the detailed arrangement on the establishment of the facility;
7. The BSWM through Organic Agriculture Program (OAP) and SWAC together with DA-RFO shall facilitate the delivery of CFBW to qualified recipients;
8. The BSWM shall issue a Property Transfer Report to the qualified recipient upon delivery of the unit with warranty and after-sales service certificate issued by the supplier;
9. On-site demonstration and training will be conducted by the technology and equipment supplier in coordination with BSWM and DA-RFO prior to the operation of the composting facility for biodegradable wastes;
10. The BSWM-OAP shall conduct training on compost production and facility management of CFBW to qualified recipients within a month after the delivery of the facility;
11. The recipients shall operate the CFBW and record their operations;
12. The recipients shall submit a monthly production report and status of the machine/facility to the DA-RFO;
13. The DA-RFO through the Organic Agriculture Focal and BSWM-SWAC shall quarterly conduct monitoring of the composting facility and submit reports to BSWM-OAP and National Organic Agriculture Program - National Program Coordinating Office (NOAP-NPCO); and
14. The BSWM-OAP together with the NOAP-NPCO shall submit an annual accomplishment report to the National Organic Agriculture Board (NOAB).

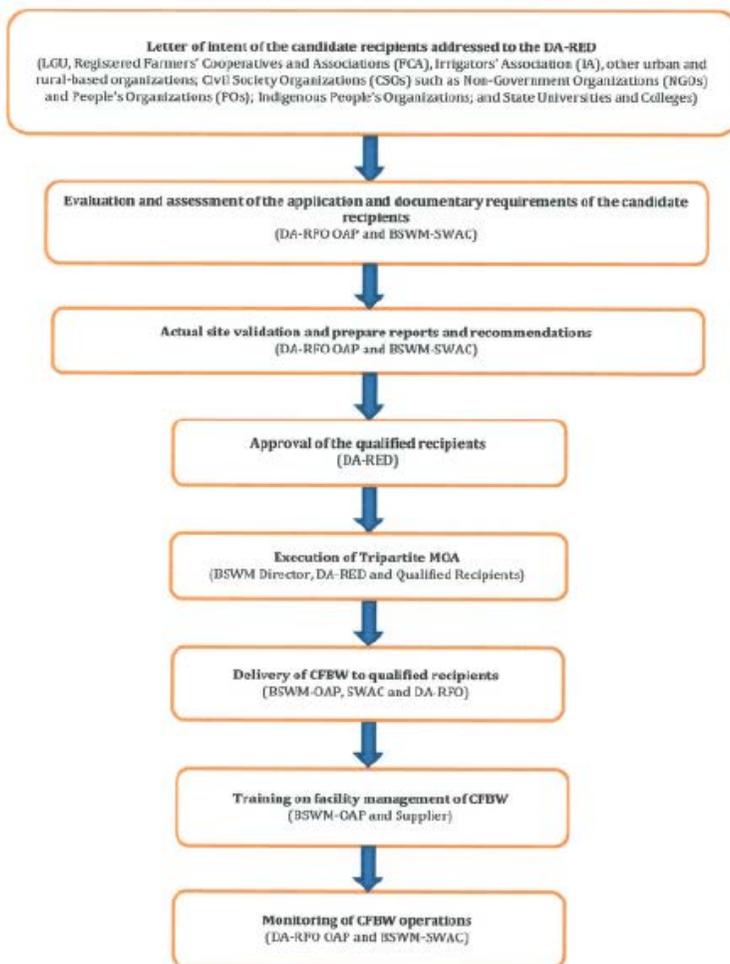


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### PROCESS FOR APPLICATION AND APPROVAL



## VII. ROLE OF KEY STAKEHOLDERS

The key stakeholders in the establishment of CFBW are the NOAP-NPCO, BSWM, DA-RFO, and the CFBW recipients/beneficiaries. For the smooth implementation of this project, the key stakeholders shall perform their roles:

- A. National Organic Agriculture Program - NPCO**
1. Allocate funds for the provision of the CFBW;
  2. Develop and provide unified planning and monitoring tools and templates for dissemination to BSWM, DA-RFO, and proponents;
  3. Monitor, consolidate, and analyze the reports from DA-RFO and BSWM; and
  4. Prepare an annual accomplishment report to be submitted to the NOAB.
- B. Bureau of Soils and Water Management - OAP and SWAC**
1. Lead the implementation of the establishment of CFBW;
  2. Execute a tripartite MOA with DA-RFO and qualified recipients specifying the detailed arrangements during the establishment of the facility;
  3. Facilitate the procurement of CFBWs;
  4. Facilitate the delivery of CFBW to qualified recipients;
  5. Execute property transfer report to qualified recipients;
  6. Ensure the warranty and after-sales service certificate should be provided to the recipient upon delivery;
  7. Facilitate on-site demonstration training by the supplier/contractor prior to the operation of the composting facility;
  8. Include in the Terms of Reference (TOR) that the supplier must conduct a training on compost production and facility management of CFBW;
  9. Review the quarterly reports submitted by the DA-RFO and submit reports to NOAP-NPCO;
  10. Report annually to the NOAB on the progress and status of the distribution of the CFBW equipment; and
  11. Develop a recall/termination/re-assignment protocol for composting facilities that are declared as non-operational or unutilized.
- C. Department of Agriculture - Regional Field Office**
1. Identify and conduct initial assessment of interested CFBW beneficiaries;
  2. Conduct evaluation of the documentary requirements submitted by the candidate recipient;
  3. Conduct actual site validation and prepare report and recommendation to the RED;
  4. Submit list of qualified recipients to BSWM for the delivery of unit;
  5. Execute a tripartite MOA with BSWM and qualified recipients specifying the detailed arrangements during the establishment of the facility;
  6. Consolidate and review submitted monthly, quarterly and annual status reports from the recipients and make necessary recommendations and report to BSWM and NOAP-NPCO in case of non-functional units;
  7. Conduct quarterly monitoring of the composting facility and submit reports to BSWM and NOAP-NPCO; and
  8. Facilitate recovery of the unit in case of termination of the project with the recipient and re-assign the facility to the qualified recipient.
- D. Beneficiary/Recipient**
1. Submit letter of intent address to the Regional Executive Director of the DA Regional Field Office;
  2. Secure necessary documents for the establishment of CFBW as stated in these guidelines;



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3. Enter into a tripartite MOA with BSWM and DA-RFO specifying the detailed arrangements during the establishment of the facility;
4. Upon receipt of the unit, record in the books of account/property registry with the corresponding property number;
5. Attend training conducted by BSWM on compost production and facility management of CFBW;
6. Attend on-site demonstration and training conducted by the supplier in coordination with BSWM and DA-RFO prior to the operation of the composting facility for biodegradable wastes;
7. Maintain records on the utilization of the facility;
8. Submit monthly, quarterly and annual reports on the operation of the composting facility to DA-RFO;
9. Provide operation and maintenance costs of the facility;
10. Utilize the machine in accordance with its intended purpose; and
11. Allow and assist DA and other concerned agencies to perform an assessment of the machine or facility provided.

#### VIII. MONITORING AND EVALUATION

The DA-RFO through the Organic Agriculture Focal and BSWM-SWAC shall monitor the implementation of the establishment of CFBW using a unified planning and monitoring tool and templates, and submit quarterly reports to the BSWM-OAP and NOAP-NPCO. The BSWM-OAP together with NOAP-NPCO shall consolidate and evaluate the project implementation for further development and enhancement of the guidelines and shall submit an annual accomplishment report to the NOAB.

#### IX. PROJECT TERMINATION

The following are the grounds for the project termination:

- A. In case the recipient voluntarily decides to terminate the project, it shall notify in writing the Regional Executive Director stating the reasons/causes for the termination, not less than ninety (90) days prior to the date of its intended termination;
- B. The DA-RFO, in coordination with the BSWM, shall likewise have the right to terminate the project, after due notice to the recipient on any of the following grounds:
  - i. If the recipient fails to accomplish the desired outputs or violates the agreements in the signed MOA for two (2) consecutive years;
  - ii. The facility is found to be non-operational for 90 days due to bad faith, gross negligence, or misrepresentation of the recipient; or
  - iii. The project was repurposed.

In all cases, the DA-RFO and BSWM shall recover the facility and re-assign to another willing and qualified operator.

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#### X. FUNDING SOURCE

The source of funds for the project shall be through the General Appropriations of the National Organic Agriculture Program following the disbursement rules set by the Department of Budget and Management (DBM) and guided by government accounting and auditing rules and regulations.

#### XI. AMENDMENTS

Amendments to these Guidelines may be made upon review of the implementation and recommendations by the BSWM-OAP, DA-RFO and NOAP-NPCO, and subsequent endorsement by the NOAB for the approval of the Secretary.

#### XII. EFFECTIVITY

This Order shall take effect immediately upon signing and shall supersede other related issuances inconsistent herewith.

Done this 24<sup>th</sup> of June, 2022.

  
**WILLIAM D. DAR, Ph.D.**  
 Secretary



DA.CO-ASECO-BRF2020617-0007

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# **MEMORANDUM**

# **CIRCULAR. 03**

ORGANIC AGRICULTURE HUB OR “ORGANIK  
KONEK”



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1100 Quezon City

**MEMORANDUM CIRCULAR**

No. 03  
Series of 2021

**SUBJECT: IMPLEMENTING GUIDELINES FOR THE ESTABLISHMENT  
OF ORGANIC AGRICULTURE HUB OR "ORGANIK KONEK"**

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**I. RATIONALE AND DESCRIPTION OF THE PROJECT**

Ten years since the enactment of Republic Act No. 10068, "An Act Providing for the Development, Promotion and Commercialization of Organic Agriculture in the Philippines and for Other Purposes" or simply "Organic Agriculture Act of 2010", the development of the organic agriculture industry remained in the hands of smallholders with limited resources and production capacity, who usually operate independently, "Each for His Own." The growing popularity of the health benefits of organic products has challenged the few resourceful producers to invest and link with bigger markets but supply was too small compared to the demand. Based on Quarterly Assessments conducted by the National Organic Agriculture Program, small producers are constrained by limited supply of organic inputs, scarce farm labor and limited access to processing and marketing facilities and services. The limited supply of organic inputs imparts to the increasing price of organic products, thus many consumers prefer inorganic products. Lack of learning sites allotted for organic agriculture becomes a hindrance in enabling the farmers to convert their lands and venture into organic farming to provide organic products in the market. Consolidation of supply, provision of efficient facilities and services are key factors to upsurge production of quality produce and products with organic integrity.

The establishment of *Organik Konek*, also known as Organic Agriculture Hub, shall serve as a one-stop shop in a municipality or province that will address the mentioned challenges. It shall serve as a business integrator of organic farms, that is, producing and supplying organic inputs, providing farm services, as well as the consolidating and marketing of the produce of organic farms. Finally, *Organik Konek* may also function as an avenue for the implementation of Participatory Guarantee System (PGS).

The provisions under this Department Circular aim to lay down the criteria, rules, and procedures for the establishment, operation and monitoring of organic agriculture hubs, and specify the roles and responsibilities of parties in the implementation of this Guidelines.

**II. COVERAGE AND SCOPE OF INTERVENTIONS**

The facilities and components of each *Organik Konek*, as well as its scales of operation and phases of development, shall be based on the organic agricultural commodities of the regions, following consultation with its stakeholders. Each *Organik Konek* shall perform the following services and activities, e.g, production of agricultural inputs, farm services, agricultural technical services, consolidation of harvest and marketing, processing and value adding, training and capacity building. Other ancillary activities may likewise be undertaken by the organic agriculture hubs.

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Consequently, the National Organic Agriculture Program (NOAP), through its operating units, may provide appropriate assistance listed below to support the above purposes and functions of the Organic Agriculture Hub.

**A. SOCIAL PREPARATION, CAPACITY BUILDING AND INSTITUTIONAL DEVELOPMENT SUPPORT** (Trainings, Physical Office, Office Equipment, Operating Funds)

**B. PRODUCTION AND POST-HARVEST SUPPORT**

1. Crop Production (Fertilizer Facility, Concoction Facility, OA Laboratory, Seed Production, Nursery, Seed Dryer, Seed Processing, Seed Storage, Millers and Hullers, Solar/Bubble Dryers, Farm Production Machineries, Farm Sheds for Farm Machineries, Rainwater Harvester, Irrigation System)
2. Animal Production (Breeder and Animal Stocks, Feed Production, Silage Facility, Animal Transport, Animal Housing, Forage Development, Slaughter House, Dressing Plant)
3. Fisheries Production (Pond Construction, Breeder and Fingerlings, Feed Production, Feed Packaging, Fishery Processing, Fish Products Packaging and Fish Products Storage)

**C. MARKETING, LOGISTICS AND OTHER ANCILLARY SUPPORT**

1. Food Processing (Food Processing Structures, Food Processing Equipment and Food Packaging Supplies and Equipment)
2. Consolidation Areas (Cold Storage, Warehouse and Wholesale Selling Area)
3. Marketing and Logistics (Hauling Trucks, Small Transport, Motor Pool)
4. Trading Capital
5. Agri-Tourism (Demo Farms, Lodging Facilities, Function Halls, Showroom, Retail, Souvenirs and Restaurant).

**III. ELIGIBLE BENEFICIARIES/PARTNERS**

Only one organic agriculture hub may be established in a municipality or city. A provincial organic agriculture hub may likewise be established if the business operations so warrants.

Any of the following entities may establish and/or operate an organic agriculture hub.

- A. Civil Society Organizations (CSOs) such as Non-Government Organizations (NGOs), and People's Organizations (POs);
- B. Cooperatives or Rural Based Organizations;
- C. Indigenous People's Organizations;
- D. Local Government Units; and
- E. State Universities and Colleges.

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#### IV. DOCUMENTARY REQUIREMENTS

Proponents of organic agriculture hub are required to submit the following documents, or their equivalent, in their applications.

- A. Letter of intent to avail of the program addressed to the Regional Director of the Department of Agriculture (DA) of the region in the province or municipality where the proposed organic agriculture hub is to be established, and endorsed by the municipal or provincial local technical committee on organic agriculture (LTC);
- B. Certificate of Registration from the appropriate agency;
- C. Valid Business Permit;
- D. Internal Control System (ICS) manual on organic agriculture;
- E. Certified copy of the latest audited financial statement;
- F. Certified copy of local ordinance on organic agriculture;
- G. Certified list of current members and officers, including organizational chart signed by organization's board secretary;
- H. Board Resolution authorizing the Chairman/President of the Organization to enter into agreement with the DA;
- I. Business Plan of proposed business;
- J. Proof of land ownership by the proponent;
- K. Mortgage/Usufruct Agreement of the land in favor of DA-RFO;
- L. Affidavit of Undertaking that the lot to be used shall be dedicated for the sole use as organic agriculture hub and shall not be converted to any other purpose within twenty-five (25) years from its establishment;
- M. Certification from the Mines and Geo-Sciences Bureau (MGB) that the proposed site for the establishment of Organik Konek is Geo-hazard free;
- N. Memorandum of Agreement between proponent and DA-RFO containing terms and conditions in accordance with these guidelines.

#### V. MECHANICS OF IMPLEMENTATION

The DA-RFO and the NOAP-NPCO shall conduct an information caravan on the Program, including the format /template of business plan.

Interested entities may submit their application letters, together with the other documentary requirements to the DA-RFO, through their municipal local technical committees on organic agriculture.

The local technical committees, together with the DA-RFO and NOAP NPCO shall compose the screening committee, conduct a joint review of the business plans and select the entity to be endorsed to establish and/or operate the organic agriculture hub.

The report of the screening committee shall be submitted to the NOAB TWG for review, and for the appropriate recommendation to the NOAB. Upon approval of the application, the NOAB shall issue the corresponding resolution.

  
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## VI. CRITERIA FOR EVALUATION OF PROPONENTS

Proponents shall be shortlisted according to the (1) greatest number of small-hold organic agriculture farmers or fisher folks to be benefitted; (2) demonstrated plan for organic agriculture in the next three (3) years within their area of operation/influence; and (3) viability of proposed business operations.

## VII. ROLES OF THE KEY STAKEHOLDERS

The key stakeholders in the establishment of organic agriculture hubs are, the National Organic Agriculture Program Coordinating Office (NOAP-NPCO), Department of Agriculture Regional Field Offices (DA-RFOs), Local Technical Committees for organic agriculture, and the hub operators. For the smooth implementation of the organic agriculture hubs, the key stakeholders shall perform their respective roles as follows:

### A. Hub Proponent and/or Operators

1. Participates in the identification of priority and basic organic agriculture commodities in organic agriculture suited for their Municipality, Province or Region;
2. Participates in the identification of the challenges in organic agriculture in their municipality, province and region and submits a strategic plan addressing these challenges;
3. Prepares farm development plan for its proposed *Organik Konek*;
4. Prepares the budgetary requirement for its proposed *Organik Konek*;
5. Identifies and submits the list of farmers targeted to be members of the organic agriculture hub;
6. Submits a plan of expansion of organic agriculture in their locality;
7. Accountable for the disbursement of funds based on existing accounting and auditing rules and regulation;
8. Execute a mortgage/usufruct agreement in favor of DA-RFO if the lot is owned by the proponent where the organic hub structure is to be built;
9. Execute an Undertaking that the subject land be dedicated for sole use of organic agriculture and other related activities and shall not be used for any other purpose for a period of twenty five (25) years;
10. Provide an equity, in kind or in cash, amounting to ten percent (10%) of the total project cost.
11. Participates in all meetings called by the DA;
12. Ensures the proper maintenance of the facilities including the security of the area at all times;
13. Consolidates and markets harvests/produce and provides organic inputs for small organic agriculture farmers within their jurisdiction;
14. Allows DA personnel to observe staff, management committee, and board meetings; and;
15. Submits monthly, quarterly and annual reports of operation and finances to DA-RFO and NOAP-NPCO.

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16. Undertakes a management or lease agreement with the DA-RFO, LGU or SUC for the operation of *Organik Konek* when the organic hub is constructed in the property of the mentioned entities;
17. Hires competent/qualified staff for the operation of *Organik Konek*;
18. Submits the biodata of candidates for key positions in the *Organik Konek* to DA-RFO for review and comments;
19. Documents all processes and procedures in each unit and revises the draft manuals of operation.
20. Undertakes capacity building of organic stakeholders within its area of influence;
21. Responsible for the payment of monthly expenses for utilities (water and electricity);
22. Pays necessary dues, taxes, lease or rent as may be required from its proceeds regularly.

**Note:** *Government Proponents (LGUs and SUCs) may partner with cooperatives for the operations of the hub and specify roles in their agreement. In such case, operators will assume. (Roles no. 10 to 22 above)*

#### **B. Local Technical Committees**

1. Maintains and submits an annual directory of Organic Agriculture stakeholders in their respective localities to the DA-RFOs and NOAP-NPCO;
2. Identifies the priority and/or basic organic agriculture commodities in their respective localities;
3. Leads in the identification of the challenges in organic agriculture in their respective provinces and municipalities and submits a strategic plan addressing these challenges;
4. Orients the potential proponents on the establishment of the organic agriculture hub;
5. Brainstorms on the possible modes of operations and operators of the organic agriculture hub in their respective localities;
6. Conducts the initial review of the business plan submitted by the interested entities;
7. Participates in reviewing the business plans and in the selection of the entities to establish and/or operate the organic agriculture hub;
8. Endorses application of shortlisted entities to establish and/or operate the organic agriculture hub;
9. Monitors the operation of the organic agriculture hub by conducting site visitation;
10. Monitors and submits monthly report to DA-RFO and NOAP-NPCO on the status of the organic hub operation;

#### **C. Department of Agriculture – Regional Field Offices (DA-RFOs)**

1. Undertakes information campaign for *Organik Konek* in their respective region;
2. Together with the local technical committees and the NOAP-NPCO, selects the operators of *Organik Konek* in their region based on the criteria provided under this Guideline;

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3. Together with OA stakeholders' in their region, identifies the priority and basic organic agricultural commodities suited for their region and respective provinces;
4. Together with OA stakeholders' in their region, identifies the challenges in organic agriculture in their region and respective provinces and submits strategic plans addressing these challenges;
5. Assists the selected operators of *Organik Konek* in preparing the farm development plan of *Organik Konek*;
6. Assists the selected operator of *Organik Konek* in preparing the budget requirement for the *Organik Konek*;
7. Assists the selected operator of *Organik Konek* in the preparation of the plan of expansion of organic agriculture in their region;
8. Assists the selected operators of *Organik Konek* in the expansion of the operations and in networking with like-minded groups and allies;
9. Provides interventions and monitors the provision of interventions by other cooperating agencies to the operators of *Organik Konek*;
10. Provides technical support on the operation of the *Organik Konek*;
11. Provides area of appropriate size and location for the establishment of municipal/city *Organik Konek* in their research stations or other properties whenever legally allowed and technically viable;
12. Undertakes a management agreement with the operators of the *Organik Konek* in case the organic hub facility is constructed in its property;
13. Monitors the operation of the organic agriculture hub by conducting site visitation;
14. Leads in the consolidation of data in every *Organik Konek* in their respective regions; and;
15. Participates in the evaluation of the Program.

#### **D. National Program Coordinating Office (NPCO)**

1. Serves as the national headquarters for *the Organik Konek*;
2. Coordinates with other implementing agencies within and outside the DA concerning the Program, for greater impact;
3. Reviews and provides recommendations on the business plans of potential operators of *Organik Konek*;
4. Participates in the selection of organic agriculture hub operators;
5. Reviews and provides recommendations on the programming of the establishments of the various facilities in all proposed *Organik Konek*;
6. Monitors the delivery of interventions of all implementing agencies cooperating in each organic hub;
7. Monitors, consolidates and analyzes all relevant data from every DA-RFO and all established *Organik Konek* ;
8. Provides recommendations for the improvement of the operation of respective *Organik Konek*; and;
9. Takes the lead in the evaluation of the Program;
10. Initiate foreclosure/ take over proceedings where the proponent owns the land where the organic hub structure is built in case of project termination by the proponent without the consent of the NOAB or sufficient justification;

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### VIII. MONITORING AND EVALUATION

The NOAP-NCPO shall have access to daily transactions and data through the computerized systems installed in each unit of the *Organik Konek*. This information shall be summarized and analyzed by the NOAP-NCPO and shall be reported back to the hub operator as a guide for their operations.

The DA-AMADs shall conduct quarterly monitoring of the hub operation while submission of an annual report stating the annual accomplishment shall be submitted on January 15 of the following year. At the end of the 5th year of implementation, the hub operator shall be required to submit a terminal report following the agreed Project assessment/evaluation instrument and methodology. At the end of the five (5) year implementation, the DA-RFOs, through the Planning, Monitoring, and Evaluation Division shall submit its evaluation of the Project to the National Organic Agriculture Program (NOAP) and recommend for its continuation, enhancement or termination.

### VIII. FUNDING SOURCE

Funding for the Project shall be charged primarily to the National Organic Agriculture Program Fund. Other DA Units and government agencies may also provide financial and other support for a greater impact. LGUs and other local and international funding agencies may likewise provide additional support in cash or in-kind to the Project.

### IX. PROJECT TERMINATION CLAUSE

- A. Should the partner proponent desire to terminate the project, it shall first obtain the consent of the NOAB and concerned DA-RFO by filing a written notice one hundred eighty (180) days prior to the date of its intended termination;
- B. The DA-RFO shall, likewise, has the right to terminate the project after due notice to the partner proponent if the project, after evaluation, fails to accomplish the desired outputs and agreements based on the signed Memorandum of Agreement (MOA) or if the project was repurposed beyond its allowable scope by reason of the proponent's bad faith, gross negligence or misrepresentation.
- C. If the project termination is found to be caused by the proponent's bad faith, gross negligence or misrepresentation, the entity, the directors and key officers who are responsible shall be barred, from availing funding from the National Organic Agriculture Program or any other DA program, and from any subsequent commercial dealings with the DA for a period of ten (10) years from the time the order to ban/blacklist is issued, and the land, in case it is owned by the proponent where the organic hub is built, shall be immediately subject to foreclosure/take over proceedings.



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**OFFICE OF THE SECRETARY**  
Elliptical Road, Diliman  
1100 Quezon City

#### XI. AMENDMENTS

Amendments to these guidelines may be made after prior consultations with all program stakeholders and upon approval by the NOAB.

#### XII. EFFECTIVITY CLAUSE

These guidelines shall take effect immediately upon signing and shall supersede other issuances inconsistent herewith.

Effective this 25 day of March, 2021.

**WILLIAM D. DAR, PhD**  
Secretary  
Department of Agriculture



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# **MEMORANDUM CIRCULAR. 23**

ORGANIC AGRICULTURE HUB OR “ORGANIK  
KONEK”



Republic of the Philippines  
**OFFICE OF THE SECRETARY**  
Elliptical Road, Diliman  
1100 Quezon City

**MEMORANDUM CIRCULAR**

No. 23  
Series of 2022

**SUBJECT: AMENDMENTS TO MEMORANDUM CIRCULAR NO. 03, SERIES OF 2021 OR THE IMPLEMENTING GUIDELINES FOR THE ESTABLISHMENT OF ORGANIC HUB OR "ORGANIK-KONEK"**

For the effective implementation of Organic Hub or "Organik Konek" and to address the issues and concerns of the stakeholders, this Memorandum Circular is hereby issued.

**1. Section IV of MC 03, s.2021 is hereby repealed and amended, to read as follows:**

**IV. DOCUMENTARY REQUIREMENTS**

Proponents of organic agriculture hub are required to submit the following documents, or their equivalent, in their application.

1. Letter of Intent to avail of the program addressed to the DA- Regional Director;
2. Accomplished Business Plan (Refer to Annex A);
3. Accreditation Certificate of Civil Society Organization issued by the Department of Agriculture (DA Administrative Order No. 13, Series of 2020 as amended by DA AO No. 19, Series of 2020 and DA AO No. 13, Series of 2021);
4. Authenticated copy of the latest Articles of Incorporation or Articles of Cooperation, as the case maybe, showing the original incorporators/ organizers;
5. Secretary's certificate on the list of incumbent officers and members, and organizational chart;
6. Sworn Affidavit of the Secretary of the entities that none of its incorporators, organizers, directors or officials is an agent of or related by consanguinity or affinity up to the 4<sup>th</sup> civil degree to the officials/personnel of the National Organic Agriculture Board (NOAB), NOAB Technical Working Group (NOAB TWG), National Organic Agriculture Program- National Program Coordinating Office (NOAP-NPCO), DA-RFO Organic Agriculture Regional Screening Committee, or any personnel authorized to process and/or approve the proposal, the MOA, and the release of funds. Relationships of this nature shall automatically disqualify any entity from being granted the fund (Section 4.4.B of COA Circular No. 2007-001 and Section 2.1 of COA Circular No. 2012-001);
7. Board Resolution authorizing the Chairman/President of the organization to enter into an agreement with DA;
8. Certification of the Accountant of the organization that it has no unliquidated financial grant from the DA;
9. Audited Financial Reports for the past three years preceding the date of project implementation. For NGOs/POs in operation for less than three (3) years at the time of application, financial reports for the years in operation and proof of the previous implementation of similar projects (Section 2.1 of COA Circular No. 2012-001);



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10. Disclosure of other related business, if any;
11. Certificate of Registration from the appropriate agency (ex. SEC, CDA, among others);
12. Valid business permit;
13. Certificate from the Secretary/Accountant that the entity has equity equivalent to at least 20% of the total project cost;
14. Proof of land ownership, with no encumbrances, by the proponent, or usufruct agreement between owner of the land and the OA hub operator with updated receipt of payment of real property tax;
15. Affidavit of Undertaking that the lot owned by the proponent or with usufruct agreement shall be dedicated to the sole use as OA hub and shall not be converted to any purpose for the duration of 25 years from its establishment;
16. Certified copy of the local ordinance on organic agriculture program;
17. Letter of Commitment to support the implementation of the project from the Minister, Ministry of Agriculture, Fisheries and Agrarian Reform (MAFAR), for BARMM proponents; and
18. Internal Control System (ICS) Manual on Organic Agriculture.

**2. Section VII.A.10 of MC 03, s.2021 is hereby amended in accordance with COA Circular Nos. 2007-001 and 2012-001, requiring an equity of at least 20% of the total project cost:**

#### **VII. ROLES OF THE KEY STAKEHOLDERS**

x x x

10. Provide an equity of at least twenty percent (20%) of the total project cost in the form of either cash or in kind such as labor, land for the project site, facilities, equipment, and the like, for the use of the project.

**3. Section VIII Funding Source of MC 03, s.2021 is hereby renumbered and amended, to read as follows:**

#### **IX. FUNDING SOURCE AND BUDGET CAP**

x x x

The NOAB shall set an annual maximum amount of the grant fund in support of the Organik Konek project in order to meet the planned outcome of the Program, subject to availability of funds.

**4. A new Section X is hereby inserted, to read as follows:**

#### **X. MEMORANDUM OF AGREEMENT**

A Memorandum of Agreement (MOA) shall be undertaken once the project and the funding are approved. The sample guides in the preparation of Memorandum of





## ORGANIK KONEK BUSINESS PLAN OUTLINE

ANNEX A

### 1. Proponent Information

This section includes Organization's name, project title, address, contact person, designation, and contact number.

### 2. Situational Aspect/Rationale

This is an overview of the current situation in relation to the project. This may also include food sufficiency levels, problems, gaps, and opportunities that the project will address.

### 3. Objectives

This section describes the goal of the project in relation to addressing the problems/gaps and/or opportunities discussed in the situational analysis. The said objectives should be SMART (specific, measurable, achievable, realistic and time-bound).

### 4. Market Aspects

This section includes the current supply and demand situation in the city or municipality of the commodity/ies to be produced in the project as well as the potential/identified target market. This may also include information about the City or Municipality such as population, total agricultural land, organic area, and market players/competitors. The section should include the marketing plan and strategy such as distribution channels, advertising, and promotions (i.e agri-tourism site).

### 5. Technical Aspects

This section describes the project description by components including the operation flow and activities of the project (e.i production up to marketing), operating capacity, availability of the project site, specifications of machinery and facilities needed, volume of existing and projected production, specific outputs, and other technical aspects such as Detailed Engineering Design and Program of Works. Provide all assumptions used and attached as Annexes (i.e recovery rate, volume of raw materials, stocking density, crop production plan, etc.).

### 6. Financial Aspects

This should include the total project cost/budgetary requirements presented per source of funds using the table below.

Components/Line Item	Quantity (A)	Unit Cost (B)	Total Project Cost (PhP) (A x B)	Fund Sources	
				DA-NOAP	Other DA Unit

Also, a separate table must be presented showing the proponent's equity of not less than 20% of the total project cost using the table below.

Components/Line Item	Proponent's Counterpart		Total Counterpart
	Cash	In Kind	

Likewise, it will contain projected financial reports such as Income Statement, Cash Flow, and Balance Sheet with computation of the following financial indicators: Return on Investment (ROI), Benefit-Cost Ratio (BCR), Net Present Value (NPC) and Internal Rate of Return (IRR). These must be accompanied by computations in excel format with traceable formula.



## ORGANIK KONEK BUSINESS PLAN OUTLINE

### 7. Economic Aspects

This includes the projected improvements in the welfare of the beneficiaries and the country as a whole, such as an increase in farmers' income, jobs generated, savings on importation, and efficiency in operation.

### 8. Organizational/Institutional Arrangements

This includes the background of the organization/proponent and competitive advantages such as organic certifications, OA ordinance, and linkages with other government agencies and private partners. The mechanics of project implementation should be described in order to determine the specific duties, responsibilities, and activities of each of the key stakeholders.

### 9. Implementation Arrangements and Schedule

This includes the implementation strategies and implementation period. This also includes a Gantt Chart and Work and Financial Plan (WFP) presented below:

ACTIVITIES	IMPLEMENTATION PERIOD (YEAR/MONTH)				DA-NOAP FUNDS (A)	PROONENT COUNTERPART FUNDS (B)	FUNDS FROM OTHER SOURCES (C)	BUDGET (PHP) (A+B+C)
	Y/M <sub>1</sub>	Y/M <sub>2</sub>	Y/M <sub>3</sub>	Y/M <sub>n</sub>				

The WFP must be accompanied by computations submitted in excel format with traceable formula.

### 10. Sustainability and Risk Management Plan

This should include the activities and strategies that will support the continuity of the project. Likewise, identify the different risks that the organization may encounter (i.e. occurrence of pests and diseases, calamities that would affect production, and environmental concerns) and mitigating measures that could be applied if the risks occur.

**MEMORANDUM OF AGREEMENT**  
**BETWEEN**  
**DEPARTMENT OF AGRICULTURE -**  
**REGIONAL FIELD OFFICE (DA-RFO) \_\_\_\_**  
**AND**  
**(PROPONENT)**  
**FOR THE ESTABLISHMENT OF (PROJECT NAME)**  
**IN (LOCATION-BRGY, MUNICIPALITY, PROVINCE)**

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement is made and executed by and between:

The **DEPARTMENT OF AGRICULTURE - REGIONAL FIELD OFFICE** \_\_, a field office of the Department of Agriculture created under the laws of the Republic of the Philippines, with regional office address at \_\_\_\_\_ herein represented by \_\_\_\_\_, in his capacity as the Regional Executive Director of DA-RFO-\_\_\_\_\_, as authorized by NATIONAL ORGANIC AGRICULTURE BOARD (NOAB) Reso. No. \_\_\_\_\_, series of \_\_\_\_\_, both hereinafter-called the "**FIRST PARTY**";

-and-

\_\_\_\_\_, a cooperative/association, created under the laws of the Republic of the Philippines, with principal office address at \_\_\_\_\_ herein represented by \_\_\_\_\_ the \_\_\_\_\_, as authorized by Board Secretary Certificate dated \_\_\_\_\_, hereinafter referred to as the "**SECOND PARTY**"; (*as applicable*)

-or-

The Province/City/Municipality of \_\_\_\_\_, a political subdivision of the government created under Philippine laws, with office address at \_\_\_\_\_, herein represented by its Provincial/City/Municipal Governor/Mayor \_\_\_\_\_, as authorized by SP/SB Resolution No. \_\_\_\_\_ dated \_\_\_\_\_, hereinafter referred to as the "**SECOND PARTY**"; (*as applicable*)

**WITNESSETH:**

**WHEREAS**, RA 10068, as amended, otherwise known as "The Amended Organic Agriculture Act of 2010" established the National Organic Agriculture Program (NOAP) that seeks to promote, propagate, and implement further the practice of organic agriculture in the Philippines and contribute to the overarching goal of the Department of Agriculture (DA) in attaining food sufficiency and having prosperous farmers/fisherfolk;

**WHEREAS**, for the effective implementation of the Program, it introduced the establishment of organic agriculture hubs, also known as "Organik-Konek". In relation thereto, the DA issued Memorandum Circular No. 3 series 2021 or "The Implementing

Guidelines for the Establishment of Organic Agriculture Hubs or Organik-Konek”, Memorandum Circular No. \_\_\_ series 2022 and related issuances;

**WHEREAS**, the aim of the project is to provide shared facilities which shall serve as a one-stop shop in a city/municipality or province that will address the needs of organic farmers. It shall also serve as a business integrator of organic farms, that is, producing and supplying organic inputs, providing farm services, as well as consolidating and marketing the produce of organic farms. Finally, *Organik Konek* may also function as an avenue for the implementation of the Participatory Guarantee System (PGS);

**WHEREAS**, the (PROPONENT) expressed interest in establishing organic agriculture hubs and expanding the practice of organic agriculture in their areas;

**WHEREAS**, pursuant to National Organic Agriculture Board Resolution No. \_\_\_ series of \_\_\_\_, the SECOND PARTY has been qualified and approved as an organic agriculture hub operator in accordance with the criteria in DA Memorandum Circular No. 3 series 2021. (Copy of NOAB Resolution and approved project proposal are hereto attached as ANNEX "A" and "B", respectively and form an integral part hereof)

**WHEREAS**, pursuant to National Organic Board Resolution No. \_\_\_ series \_\_\_\_, the DA-RFO \_\_\_ Regional Executive Director \_\_\_\_\_, has been authorized to enter into and sign this Agreement for and on behalf of the National Organic Agriculture Board; (Copy of NOAB Resolution is hereto attached as ANNEX "C".);

**WHEREAS**, pursuant to Sangguniang \_\_\_\_\_ Resolution No. \_\_\_ series \_\_\_\_, the Provincial Governor/City/Municipal Mayor \_\_\_\_\_, has been authorized to enter into and sign this Agreement for and on behalf of the LGU of \_\_\_\_\_. (Copy of Sanggunian Resolution by the Province/City/Municipality of \_\_\_\_\_ is hereto attached as ANNEX "D"); *(as applicable)*

**WHEREAS**, pursuant to S.P.A./Board Secretary Certificate dated \_\_\_\_\_ executed by the, \_\_\_\_\_, its President \_\_\_\_\_ has been authorized to enter into and sign for and on behalf of the SECOND PARTY; (Copy of Board Secretary's Certificate of the Farmers cooperative/association is hereto attached as ANNEX "D"); *(as applicable)*

**NOW, THEREFORE**, for and in consideration of the foregoing premises and of the mutual covenants hereinafter contained, the parties hereby agree to the following terms and conditions:

## **I. RESPONSIBILITIES OF THE PARTIES**

### **A. OBLIGATIONS OF THE FIRST PARTY:**

#### **Phase One (Pre-Implementation Activities / Pre Construction)**

1. Ensure that the projects have been reviewed and have passed the criteria for the Project approval;
2. Require from the SECOND PARTY to designate a focal person for the organic agriculture hub project;
3. Ensure that all necessary legal and documentary requirements submitted by the SECOND PARTY to the FIRST PARTY are complete, true, correct and properly validated before this Memorandum of Agreement is signed;

4. Certify that the Work and Financial Plan submitted in support of the Project has been properly reviewed by the concerned Office and is found to be legally compliant;
5. Conducts the bidding procedure for this organic agriculture hub project pursuant to RA 9184 and its IRR;
6. Upon award of projects, shall ensure the posting of relevant information about the project pursuant to COA Circular 2013-004 which provides the general guidelines in information and publicity on programs/projects/activities of government agencies;
7. Ensures the SECOND PARTY shall secure a comprehensive insurance that shall include acts of God, calamities, and analogous situations, from a legitimate and accredited insurance company for the facilities, equipment, and other property of the organic hub project;
8. Ensure the SECOND PARTY, if not the owner of the land, has a usufruct agreement with the owner of the land, which terms and conditions are in accordance with DA MC No \_\_\_\_ series 2022 and subsequent related issuances;

### **Phase Two (Project Implementation / Construction)**

1. Together with the SECOND PARTY conduct inspection of the delivered project/item if in accordance with specifications and prepare inspection report;
2. Conduct periodic site inspection to monitor progress of project/construction and implementation and ensure that all the obligations of the SECOND PARTY have been accomplished, including the efficient utilization of the fund, in accordance with the Approved Business Plan and Work and Financial Plan as well as the timely submission of reports and accomplishments;
3. Require the SECOND PARTY to submit digital photos/videos of site works and proof of accomplishments;
4. Together with the SECOND PARTY, issue the certification of acceptance upon project completion/delivery;
5. Terminate this agreement, within ninety (90) days, upon due notice to the SECOND PARTY on grounds in relation to Title IV of this agreement. In which case, the SECOND PARTY shall subsequently be disqualified from applying for a project from NOAP and any other DA programs, for a period of ten (10) years from the date of disqualification, in addition to the institution of any legal action by the FIRST PARTY against the SECOND PARTY, where warranted;

### **Phase Three (Post-Implementation/Business Operation)**

1. Require the SECOND PARTY to designate a project leader to ensure the efficient and effective operation of the project;
2. Provide technical assistance, training and other capability-building activities to the SECOND PARTY;
3. Conduct quarterly monitoring/site visits of the SECOND PARTY's hub operation;
4. Require the SECOND PARTY to enter relevant data of the organic hub operations in the Organik Konek Management Information System;
5. Provide templates to the SECOND PARTY for the monthly and annual operations and accomplishment reports;

6. Require the SECOND PARTY to conduct regular maintenance and ensure security of the project site in accordance with National Building Code and existing environmental laws or ordinances;
7. Conduct mid-term assessment of the SECOND PARTY after three (3) years to measure sustainability of the project implementation based on the management aspect and financial capability;
8. At the end of the fifth (5th) year of implementation, submit an impact evaluation report of the SECOND PARTY's Project to the National Organic Agriculture Program (NOAP) and recommend its continuation, enhancement or termination;
9. Ensure that the SECOND PARTY observe the roles and responsibilities provided for in VII.A of DA-MC No. 3 Series 2021, attached hereto as ANNEX "A" and forms an integral part hereof, and subsequent related issuances.
10. Take-over or assign to another entity the organic hub operations of the SECOND PARTY in case of termination in Title IV of this agreement;
11. Shall execute Deed of Donation to the SECOND PARTY upon project delivery and acceptance of facilities, machineries and equipment, provided that these shall not be repurposed or used for activities other than for organic agriculture for a period of twenty-five (25) years, otherwise the donation shall be void;
12. In case of termination in Title IV and subsequent dissolution of the SECOND PARTY, record on the remaining assets as lien, in accordance with existing law, up to the extent of the unexpected or unutilized portion of the fund;

## B. OBLIGATIONS OF THE SECOND PARTY:

### **Phase One (Pre-Implementation Activities / Pre Construction)**

1. Submit to the FIRST PARTY the Organic Hub Project proposal. Present the proposal to all levels of the screening process;
2. Designate a focal person who shall be responsible for liaising and communicating with the FIRST PARTY;
3. Submit all the complete and necessary legal and documentary requirements to the FIRST PARTY before this Memorandum of Agreement is signed;
4. Submit Certification from the Chief Accountant of the FA/LGU that the Work and Financial Plan submitted has been properly reviewed and found to be legally compliant;
5. Submit to the FIRST PARTY all necessary documents relative to the conduct of the bidding of the Organic Hub project pursuant to RA 9184;
6. Upon award of projects, shall assist the FIRST PARTY in ensuring the posting of relevant information about the project pursuant to COA Circular 2013-004 which provides the general guidelines in information and publicity on programs/projects/activities of government agencies;
7. Secure a comprehensive insurance that shall include acts of God, calamities, and analogous situations from a legitimate and accredited insurance company for the facilities, equipment, and other property of the organic hub project;
8. Execute a usufruct agreement with the owner of the land, if the SECOND PARTY is not the owner of the land, whose terms and conditions are in accordance with DA MC No. \_\_\_ s. 2022 and subsequent related issuances;

## **Phase Two (Project Implementation / Construction)**

1. Together with the FIRST PARTY conduct inspection of the delivered project/item if in accordance with specifications and prepare inspection report;
2. Allow visitorial audits by FIRST PARTY and COA officials and personnel authorized to perform audits under a duly-issued special order during project implementation of this organic hub or before the project term ends;
3. Submit to the FIRST PARTY pre, during and implementation, digital photos/videos of site works and proof of accomplishments;
4. Together with the FIRST PARTY issue the Certification of Acceptance upon project completion/delivery;
5. Explain or justify within thirty (30) days from receipt of a show-cause order from the FIRST PARTY, why this agreement should not be terminated on the ground it defaulted or failed to complete the project, or violated a material provision of this agreement. If subsequently found guilty, the SECOND PARTY shall comply with the order of disqualification.

## **Phase Three (Post-Implementation/Business Operation)**

Designate a project leader to ensure effective and efficient operation of the project;

Participate in various trainings, capability building activities of the FIRST PARTY for the enhancement of organic hub operations;

Ensure unimpeded access by the FIRST PARTY to the project documents/site and other information deemed relevant in monitoring and evaluating the progress of the project;

Encode all relevant data of the organic hub operations in the Organik Konek Management Information System;

Submit monthly operations and annual accomplishment reports in accordance with the templates to be provided by the FIRST PARTY;

Conduct regular maintenance and provide security to the project site in accordance with National Building Code and existing environmental laws or ordinances;

Participate in the mid-term assessment of the FIRST PARTY to measure sustainability of the project implementation based on the management aspect and financial capability;

At the end of the fifth (5th) year of implementation, submit a project completion/status report to the FIRST PARTY following the agreed project assessment/evaluation instrument and methodology. The Report shall also state the full justification in case of below targets accomplishment;

Performs other roles and responsibilities provided for in VII.A of DA-MC No. 3 Series 2021, attached hereto as ANNEX "A" and forms an integral part hereof, and subsequent related issuances;

Accept and sign as beneficiary or as donee the Deed of Donation of the FIRST PARTY, all property to be used for the organic hub project;

Must not dispose of its remaining assets with a recorded lien by the FIRST PARTY without notice to the latter;

Provide Cost Center for each component of the hub to determine the profitability index of every operation;

Submit project accounting covering all activities of the organic agriculture hub and audited financial statement to determine the overall health of the enterprise.

Execute a Deed of Donation in favor of owner of the land immediately all immovables, including the building, after twenty five (25) years reckoned from the date of effectivity of this agreement, or purchase the land where the building used for the organic hub project is erected;

## II. RELEASE OF FUNDS

The approved project budget of \_\_\_\_\_ PESOS (Php \_\_\_\_\_) shall be released and disbursed in full amount to the SECOND PARTY subject to existing accounting and auditing rules. (Applicable to government agencies and LGUs)

The approved project budget of \_\_\_\_\_ PESOS (Php \_\_\_\_\_) shall be released and disbursed in tranches to the SECOND PARTY subject to the following schedule: (Applicable to FAs/Coops)

TRANCHE	DELIVERABLES	%	AMOUNT
FIRST	A.Upon signing of the MOA	15%	
SECOND	A.SECOND PARTY complied with applicable provisions found in I.B of this MOA; B.Upon completion of at least ten percent (10%) of project activities according to the Work and Financial Plan (WFP) of the Approved Business Plan (ABP) of the SECOND PARTY evidenced by the following documents: i. Progress Report duly-validated by the FIRST PARTY; and ii. Physical Accomplishment Report	35%	
THIRD	A.SECOND PARTY complied with applicable provisions found in I.B of this MOA; B.Completion of at least sixty (60%) of project activities according to the WFP of the ABP of the SECOND PARTY evidenced by the following documents: i. Progress Report duly-validated by the FIRST PARTY; and ii. Physical Accomplishment Report iii. Validation Report by DA-RFO	40%	
FOURTH	A.SECOND PARTY complied with applicable provisions found in I.B of this MOA; B.Completion of one hundred percent (100%) of project activities according to the WFP of the ABP of the SECOND PARTY evidenced by the following documents:	10%	

	i. Progress Report duly-validated by the FIRST PARTY, and ii. Physical Accomplishment Report iii. Final Validation Report by DA-RFO iv. Terminal Report by SECOND PARTY v. Certificate of Acceptance by FIRST PARTY		
	<b>TOTAL</b>	<b>100%</b>	<b>PhP</b>

### III. PROJECT COMMENCEMENT/MODIFICATION

This Memorandum of Agreement shall become effective for the period of two years, to commence upon receipt of funds and shall remain in force until the fund shall have been duly liquidated and upon fulfillment of the terms of the agreement. The above-named parties shall mutually agree upon any modifications to this Agreement in writing.

### IV. GROUNDS FOR TERMINATION

This Agreement may be terminated by the FIRST PARTY upon due notice to the SECOND PARTY on the following:

1. If the Agreement was obtained through fraud, misrepresentation or omission of facts at the time of application;
2. Failure to commence the project as based on their approved program of work and work and financial plan within one (1) month, without justifiable cause.
3. Withdrawal as organic hub operator by the SECOND PARTY for cause as provided in IX.A of DA-MC No. 3 Series 2021;
4. Violation of any of the conditions of, or failure to comply with, or perform the obligations as stipulated in the Agreement;
5. Violation of any provisions of pertinent guidelines, policies or applicable laws affecting the implementation of the project; and
6. Use of the project funds, structures, facilities, and equipment for activities not related to organic agriculture.

### V. TERMINATION PROCEDURE

The SECOND PARTY shall turn-over to the FIRST PARTY or its assigned entity, after conducting an inventory of all assets, i.e., land, building/facility/structure, vehicles, equipment, inventory, etc., of the organic hub project in case of termination in Title IV above of this agreement;

### VI. SETTLEMENT OF DISPUTES

All disputes, claims and controversies, arising from this agreement including but not limited to the interpretation and application of the provisions of this agreement shall be administratively settled or adjudicated in accordance with the provisions of Book IV Chapter 14 of the Administrative Code of the Philippines of 1987.

## VII. EFFECTIVITY

This Memorandum of Agreement shall take effect upon signing by the parties.

IN WITNESS WHEREOF, the parties have signed this Memorandum of Agreement at \_\_\_\_\_ this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

For the FIRST PARTY:

DA-REGIONAL FIELD OFFICE \_\_\_\_\_

\_\_\_\_\_  
DA-RFO\_\_ Regional Executive Director

For the SECOND PARTY:

\_\_\_\_\_  
Farmer Cooperative/Association

\_\_\_\_\_  
Representative

Signed in the presence of:

## ACKNOWLEDGMENT

Republic of the Philippines)  
\_\_\_\_\_)SS.

BEFORE ME, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, in \_\_\_\_\_,  
Philippines, personally appeared the following:

1. Name \_\_\_\_\_  
ID No. \_\_\_\_\_  
Date/Place Issued \_\_\_\_\_

2. Name \_\_\_\_\_  
ID No. \_\_\_\_\_  
Date/Place of Issue \_\_\_\_\_

Known to me and to me known to be the same person who executed the foregoing instrument for the offices/organizations they represent and acknowledged to me that the same is their free act and voluntary deed.

This instrument consisting of \_\_\_\_\_ ( ) pages, including this page whereon this acknowledgment is written, has been signed by the parties and their instrumental witnesses on each and every page thereof, sealed with my notarial seal.

**WITNESS MY HAND AND SEAL**, on the date, year and place first above written.

NOTARY PUBLIC

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of 2022

**MEMORANDUM OF AGREEMENT**  
**BETWEEN**  
**DEPARTMENT OF AGRICULTURE -**  
**REGIONAL FIELD OFFICE (DA-RFO) \_\_\_\_**  
**AND**  
**(PROPONENT)**  
**FOR THE ESTABLISHMENT OF (PROJECT NAME)**  
**IN (LOCATION-BRGY, MUNICIPALITY, PROVINCE)**

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement is made and executed by and between:

The **DEPARTMENT OF AGRICULTURE - REGIONAL FIELD OFFICE** \_\_, a field office of the Department of Agriculture created under the laws of the Republic of the Philippines, with regional office address at \_\_\_\_\_ herein represented by \_\_\_\_\_, in his capacity as the Regional Executive Director of DA-RFO-\_\_\_\_\_, as authorized by NATIONAL ORGANIC AGRICULTURE BOARD (NOAB) Reso. No. \_\_\_\_\_, series of \_\_\_\_\_, both hereinafter-called the "**FIRST PARTY**";

-and-

\_\_\_\_\_, a cooperative/association, created under the laws of the Republic of the Philippines, with principal office address at \_\_\_\_\_, herein represented by \_\_\_\_\_ the \_\_\_\_\_, as authorized by Board Secretary Certificate dated \_\_\_\_\_, hereinafter referred to as the "**SECOND PARTY**"; (*as applicable*)

-or-

The Province/City/Municipality of \_\_\_\_\_, a political subdivision of the government created under Philippine laws, with office address at \_\_\_\_\_, herein represented by its Provincial/City/Municipal Governor/Mayor \_\_\_\_\_, as authorized by SP/SB Resolution No. \_\_\_\_\_ dated \_\_\_\_\_, hereinafter referred to as the "**SECOND PARTY**"; (*as applicable*)

**WITNESSETH:**

**WHEREAS**, RA 10068, as amended, otherwise known as "The Amended Organic Agriculture Act of 2010" established the National Organic Agriculture Program (NOAP) that seeks to promote, propagate, and implement further the practice of organic agriculture in the Philippines and contribute to the overarching goal of the Department of Agriculture (DA) in attaining food sufficiency and having prosperous farmers/fisherfolk;

**WHEREAS**, for the effective implementation of the Program, it introduced the establishment of organic agriculture hubs, also known as "Organik-Konek". In relation

thereto, the DA issued Memorandum Circular No. 3 series 2021 or "The Implementing Guidelines for the Establishment of Organic Agriculture Hubs or Organik-Konek", Memorandum Circular No. \_ series 2022 and related issuances;

**WHEREAS**, the aim of the project is to provide shared facilities which shall serve as a one-stop shop in a city/municipality or province that will address the needs of organic farmers. It shall also serve as a business integrator of organic farms, that is, producing and supplying organic inputs, providing farm services, as well as consolidating and marketing the produce of organic farms. Finally, *Organik Konek* may also function as an avenue for the implementation of the Participatory Guarantee System (PGS);

**WHEREAS**, the (PROPONENT) expressed interest in establishing organic agriculture hubs and expanding the practice of organic agriculture in their areas;

**WHEREAS**, pursuant to National Organic Agriculture Board Resolution No. \_\_\_ series of \_\_\_\_, the SECOND PARTY has been qualified and approved as an organic agriculture hub operator in accordance with the criteria in DA Memorandum Circular No. 3 series 2021. (Copy of NOAB Resolution and project proposal are hereto attached as ANNEX "A" and "B", respectively and form an integral part hereof)

**WHEREAS**, pursuant to National Organic Board Resolution No. \_\_\_ series \_\_\_\_, the DA-RFO \_\_\_ Regional Executive Director \_\_\_\_\_, has been authorized to enter into and sign this Agreement for and on behalf of the National Organic Agriculture Board. (Copy of NOAB Resolution is hereto attached as ANNEX "C".);

**WHEREAS**, pursuant to Sangguninang \_\_\_\_\_ Resolution No. \_\_\_ series \_\_\_\_, the Provincial Governor/City/Municipal Mayor \_\_\_\_\_, has been authorized to enter into and sign this Agreement for and on behalf of the LGU of \_\_\_\_\_. (Copy of Sanggunian Resolution by the Province/City/Municipality of \_\_\_\_\_ is hereto attached as ANNEX "D"); *(as applicable)*

**WHEREAS**, pursuant to S.P.A./Board Secretary Certificate dated \_\_\_\_\_ executed by the, \_\_\_\_\_, its President \_\_\_\_\_ has been authorized to enter into and sign for and on behalf of the SECOND PARTY; (Copy of Board Secretary's Certificate of the Farmers cooperative/association is hereto attached as ANNEX "D"); *(as applicable)*

**NOW, THEREFORE**, for and in consideration of the foregoing premises and of the mutual covenants hereinafter contained, the parties hereby agree to the following terms and conditions:

## **I. RESPONSIBILITIES OF THE PARTIES**

### **A. OBLIGATIONS OF THE FIRST PARTY:**

#### **Phase One (Pre-Implementation Activities / Pre Construction)**

1. Ensure that the projects proposal of the FIRST PARTY has been reviewed and has passed the criteria for the organic agriculture hub project approval;
2. Require from the SECOND PARTY to designate a focal person for liaison, communication and coordination for the organic agriculture hub project;

3. Ensure all documentary requirements submitted by the SECOND PARTY to the FIRST PARTY are complete, true, correct and properly validated before this Memorandum of Agreement is signed;
4. Validate that the Work and Financial Plan (WFP) submitted by the SECOND PARTY of the organic agriculture hub project has been properly reviewed by the concerned Office and is found to be legally compliant;
5. Allocate and release, through the Chief Accountant of the FIRST PARTY, the amount as indicated in Article III on Disbursement of Funds; necessary for the implementation and installation of the project in accordance with the attached approved Work and Financial Plan (WFP) which is part of the Approved Business Plan (ABP) attached hereto as ANNEX "B" and made an integral part hereof;
6. Ensure the SECOND PARTY complies with existing COA rules and regulations on fund transfers;
7. The Chief Accountant of the FIRST PARTY shall ensure through certification that funds previously transferred to the SECOND PARTY has been liquidated post-audited and accounted for in the DA Books per COA Circular 2012-001;
8. Observe the bidding process of the SECOND PARTY to ensure compliance with RA 9184, and thereafter make a report thereon to the NOAB;
9. Ensures the SECOND PARTY shall secure a comprehensive insurance that shall include acts of God, calamities, and analogous situations, from a legitimate and accredited insurance company for the facilities, equipment, and other property of the organic hub project;
10. Ensure the SECOND PARTY, if not the owner of the land, has a usufruct agreement with the owner of the land, which terms and conditions are in accordance with DA MC No. \_\_\_\_ series 2022 and subsequent related issuances;

#### **Phase Two (Project Implementation / Construction)**

1. Together with the SECOND PARTY conduct inspection of the delivered project/item if in accordance with specifications and prepare inspection report;
2. Ensure that the SECOND PARTY begins organic hub project implementation within one (1) month from release of funds;
3. Conduct periodic site inspection to monitor progress of project/construction and implementation and ensure that all the obligations of the SECOND PARTY have been accomplished, including the efficient utilization of the fund, in accordance with the Approved Business Plan and Work and Financial Plan as well as the timely submission of reports and accomplishments;
4. Require the SECOND PARTY to submit digital photos/videos of site works and proof of accomplishments;
5. Ensure submission by the SECOND PARTY of the necessary supporting documents in liquidation reports
6. Ensure submission by the SECOND PARTY of the monthly financial reports, including Status of Funds certified correct by the latter's Chief Accountant;
7. Ensure compliance by the SECOND PARTY with existing COA rules and regulations on project fund/return;
8. Ensure the SECOND PARTY complies with COA Circular on returns/refunds (COA Circular No. 2012-001 s. 2012) to the FIRST PARTY due to unused project funds and disallowances;
9. After project completion, require submission by the SECOND PARTY of the Fund Utilization Report within thirty (30) days;
10. Together with the SECOND PARTY, issue the certification of acceptance upon project completion/delivery;
11. Terminate this agreement within ninety (90) days, upon due notice to the SECOND PARTY on grounds found in Title IV of this agreement. In which case, the SECOND PARTY shall subsequently be disqualified from applying for a

project from NOAP and any other DA programs, for a period of ten (10) years from the date of disqualification, in addition to the institution of any legal action by the FIRST PARTY against the SECOND PARTY, where warranted;

### **Phase Three (Post-Implementation / Business Operation)**

1. Require the SECOND PARTY to designate a project leader to ensure the efficient and effective operation of the project;
2. Provide technical assistance, training and other capability-building activities to the SECOND PARTY;
3. Conduct quarterly monitoring/site visits of the SECOND PARTY's hub operation;
4. Require the SECOND PARTY to enter relevant data of the organic hub operations in the Organik Konek Management Information System;
5. Provide templates to the SECOND PARTY for the monthly and annual operations and accomplishment reports;
6. Require the SECOND PARTY to conduct regular maintenance and ensure security of the project site in accordance with National Building Code and existing environmental laws or ordinances;
7. Conduct mid-term assessment of the SECOND PARTY after three (3) years to measure sustainability of the project implementation based on the management aspect and financial capability;
8. At the end of the fifth (5th) year of implementation, submit an impact evaluation report of the SECOND PARTY's Project to the National Organic Agriculture Program (NOAP) and recommend its continuation, enhancement or termination;
9. Ensure that the SECOND PARTY observe the roles and responsibilities provided for in VII.A of DA-MC No. 3 Series 2021, and related issuances;
10. Take-over or assign to another entity the organic hub operations of the SECOND PARTY in case of termination in Title IV of this agreement;
11. Shall execute Deed of Donation to the SECOND PARTY upon project delivery and acceptance of facilities, machineries and equipment, provided that these shall not be repurposed or used for activities other than for organic agriculture for a period of twenty-five (25) years, otherwise the donation shall be void;
12. In case of termination in Title IV and subsequent dissolution of the SECOND PARTY, record the remaining assets as lien, in accordance with existing law, up to the extent of the unexpected or unutilized portion of the fund.

## **B. OBLIGATIONS OF THE SECOND PARTY:**

### **Phase One (Pre-Implementation Activities / Pre Construction)**

1. Submit to the FIRST PARTY the organic agriculture hub project proposal. Present the proposal to all levels of the project evaluation process;
2. Designate a focal person who shall be responsible for liaising, communicating, and coordinating with the FIRST PARTY;
3. Submit all necessary documentary requirements to the FIRST PARTY before this Memorandum of Agreement is signed;
4. Submit a Certification from the Chief Accountant of the FAC/LGU that the Work and Financial Plan (WFP) of the organic agriculture hub project submitted to the FIRST PARTY has been properly reviewed and found to be legally compliant;
5. Issue Official Receipt (OR) in the name of the FIRST PARTY corresponding to the amount transferred and received;
6. Maintain separate savings/current accounts in the name of the SECOND PARTY for every organic agriculture hub project fund received from the FIRST PARTY;
7. Maintain a separate ledger for the amount received for the organic hub project;

8. Use the project funds received from the FIRST PARTY solely for the implementation of the organic hub project;
9. Keep and maintain accurate financial and accounting records for the organic hub project funds, in accordance with generally-accepted accounting and auditing principles;
10. Submit liquidation reports to the FIRST PARTY signed by the Chief Accountant of the SECOND PARTY, on previous fund transfers in compliance with COA Circular 2012-001;
11. Allow the FIRST PARTY to observe the bidding process pursuant to RA 9184; *(Note: This provision is applicable if SECOND PARTY is an LGU/SUC)*
12. Pursuant to COA Circular No. 2012-001, No. 2.1, the SECOND PARTY shall conduct a simple bidding or canvass in the procurement of any type of asset; *(Note: This provision is applicable if SECOND PARTY is a Farmers Association/Cooperative)*
13. Upon award of organic hub projects, shall post relevant information about the project pursuant to COA Circular 2013-004 which provides general guidelines in information and publicity on programs/projects/activities of government agencies;
14. Secure a comprehensive insurance that shall include acts of God, calamities, and analogous situations from a legitimate and accredited insurance company for the facilities, equipment, and other property of the organic hub project;
15. Execute a usufruct agreement with the owner of the land, if not the owner, whose terms and conditions are in accordance with DA MC No. \_\_s. 2022 and subsequent related issuances;

#### **Phase Two (Project Implementation / Construction)**

1. Together with the FIRST PARTY conduct inspection of the delivered project/item if in accordance with specifications and prepare inspection report;
2. Commence the organic hub project within one (1) month from the release of funds;
3. Notify and seek the written approval of the FIRST PARTY in case of any changes, delays or any concerns relating to the complete and effective implementation of the identified projects;
4. Allow visitorial audits by FIRST PARTY and COA officials and personnel authorized to perform audits under a duly-issued special order during project implementation of this organic or before the project term ends;
5. Submit to the FIRST PARTY pre, during and implementation, digital photos/videos of site works and proof of accomplishments;
6. Submit liquidation/reimbursement reports of funds release, in accordance with the approved Work and Financial Plan, including the necessary supporting documents to the DA;
7. Submit to the DA-RFO, a monthly report which should include Status of Funds duly certified as correct by the accountant concerned reflecting all the amounts spent/used for the project, broken down by project component and/or by the object of expenditure;
8. Return/refund to the FIRST PARTY the full amount released in any of the following cases:
  - a. Misappropriation of funds without prejudice to the filing of administrative and/or criminal charges as the circumstances may warrant;
  - b. Non-compliance with any provision stated in this agreement; and
  - c. Commission of any act inconsistent with or contrary to the spirit and avowed intent of this agreement;
9. Return/refund to the DA (a) any portion of the fund which remains unused after the completion of the project and (b) any disallowed amount after the financial audit pursuant to Section 4.9, COA Circular No. 2012-001 s. 2012,

10. Submit within thirty (30) days after the project completion, the Fund Utilization Report certified by its accountant and approved by the FIRST PARTY;
11. Together with the FIRST PARTY issue the Certification of Acceptance upon project completion/delivery;
12. Explain or justify, within thirty (30) days from receipt of a show-cause order from the FIRST PARTY, why this agreement should not be terminated on the ground it defaulted or failed to complete the project, or violated a material provision of this agreement. If subsequently found guilty, the SECOND PARTY shall comply with the order of disqualification.

### **Phase Three (Post-Implementation/Business Operation)**

1. Designate a project leader to ensure effective and efficient operation of the project;
2. Participate in various trainings, capability building activities of the FIRST PARTY for the enhancement of organic hub operations;
3. Ensure unimpeded access by the FIRST PARTY to the project documents/site and other information deemed relevant in monitoring and evaluating the progress of the project;
4. Encode all relevant data of the organic hub operations in the Organik Konek Management Information System;
5. Submit monthly operations and annual accomplishment reports in accordance with the templates to be provided by the FIRST PARTY
6. Conduct regular maintenance and provide security to the project site in accordance with National Building Code and existing environmental laws or ordinances;
7. Participate in the mid-term assessment of the FIRST PARTY to measure sustainability of the project implementation based on the management aspect and financial capability;
8. At the end of the fifth (5th) year of implementation, submit a project completion/status report to the FIRST PARTY following the agreed project assessment/evaluation instrument and methodology. The Report shall also state the full justification in case of below targets accomplishments;
9. Performs other roles and responsibilities provided for in VII.A of DA-MC No. 3 Series 2021, attached hereto as ANNEX "A" and forms an integral part hereof, and subsequent related issuances;
10. Turn-over to the FIRST PARTY or its assigned entity all assets, i.e., land, building/facility/structure, vehicles, equipment, inventory, etc., of the organic hub project including usufructuary right in case of termination in Title IV of this agreement; However, the new hub operator shall secure a new usufruct agreement with the owner of the land;
11. Accept and sign as beneficiary or as donee the Certificate of Turn-over, Transfer of Ownership or Deed of Donation, as the case may be, in the event of transfer, turn-over, or distribution of all property from the organic hub project donated by the FIRST PARTY; and
12. Must not dispose of its remaining assets with a recorded lien by the FIRST PARTY without notice to the latter.

## **II. RELEASE OF FUNDS**

The approved project budget of \_\_\_\_\_ PESOS (PhP \_\_\_\_\_) shall be released and disbursed in full amount to the SECOND PARTY subject to existing accounting and auditing rules. (Applicable to government agencies and LGUs)

The approved project budget of \_\_\_\_\_ PESOS (Php \_\_\_\_\_) shall be released and disbursed in tranches to the SECOND PARTY subject to the following schedule: (Applicable to FAs/Coops)

TRANCHE	DELIVERABLES	%	AMOUNT
FIRST	A. Upon signing of the MOA	15%	
SECOND	A. SECOND PARTY complied with applicable provisions found in I.B of this MOA; B. Upon completion of at least ten percent (10%) of project activities according to the Work and Financial Plan (WFP) of the Approved Business Plan (ABP) of the SECOND PARTY evidenced by the following documents: i. Progress Report duly-validated by the FIRST PARTY; and ii. Physical Accomplishment Report	35%	
THIRD	A. SECOND PARTY complied with applicable provisions found in I.B of this MOA; B. Completion of at least sixty (60%) of project activities according to the WFP of the ABP of the SECOND PARTY evidenced by the following documents: i. Progress Report duly-validated by the FIRST PARTY; and ii. Physical Accomplishment Report iii. Validation Report by DA-RFO	40%	
FOURTH	A. SECOND PARTY complied with applicable provisions found in I.B of this MOA; B. Completion of one hundred percent (100%) of project activities according to the WFP of the ABP of the SECOND PARTY evidenced by the following documents: i. Progress Report duly-validated by the FIRST PARTY; and ii. Physical Accomplishment Report iii. Final Validation Report by DA-RFO iv. Terminal Report by SECOND PARTY v. Certificate of Acceptance by FIRST PARTY	10%	
	<b>TOTAL</b>	<b>100%</b>	<b>Php</b>

### III. EFFECTIVITY

This Memorandum of Agreement shall become effective for the period of two years, to commence upon receipt of funds and shall remain in force until the fund shall have been duly liquidated and upon fulfillment of the terms of the agreement. The above-named parties shall mutually agree upon any modifications to this Agreement in writing.

### IV. TERMINATION

This Agreement may be terminated by the FIRST PARTY upon due notice to the SECOND PARTY on the following grounds:

1. If the Agreement was obtained through fraud, misrepresentation or omission of facts at the time of application;
2. Failure to commence the project within one (1) month from the disbursement of the fund;
3. Withdrawal as organic hub operator by the SECOND PARTY for cause as provided in IX.A of DA-MC No. 3 Series 2021;
4. Violation of any of the conditions of, or failure to comply with, or perform the obligations as stipulated in the Agreement;
5. Violation of any provisions of pertinent guidelines, policies or applicable laws affecting the implementation of the project; and
6. Use of the project funds, structures, facilities, and equipment for activities not related to organic agriculture.

### V. SETTLEMENT OF DISPUTES

All disputes, claims and controversies, arising from this agreement including but not limited to the interpretation and application of the provisions of this agreement shall be administratively settled or adjudicated in accordance with the provisions of Book IV Chapter 14 of the 1987 Administrative Code of the Philippines.

IN WITNESS WHEREOF, the parties have signed this Memorandum of Agreement at \_\_\_\_\_ this \_\_\_ day of \_\_\_\_\_, 20\_\_.

For the FIRST PARTY:

DA-REGIONAL FIELD OFFICE\_\_\_\_\_

\_\_\_\_\_  
DA-RFO\_\_Regional Executive Director

For the SECOND PARTY:

\_\_\_\_\_  
LGU/SUC

\_\_\_\_\_  
Representative

Signed in the presence of:

\_\_\_\_\_

### ACKNOWLEDGMENT

Republic of the Philippines)  
\_\_\_\_\_ )SS.

BEFORE ME, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, in \_\_\_\_\_,  
Philippines, personally appeared the following:

1. Name \_\_\_\_\_  
ID No. \_\_\_\_\_  
Date/Place Issued \_\_\_\_\_

2. Name \_\_\_\_\_  
ID No. \_\_\_\_\_  
Date/Place of Issue \_\_\_\_\_

Known to me and to me known to be the same person who executed the foregoing instrument for the offices/organizations they represent and acknowledged to me that the same is their free act and voluntary deed.

This instrument consisting of \_\_\_\_\_ (\_\_) pages, including this page whereon this acknowledgment is written, has been signed by the parties and their instrumental witnesses on each and every page thereof, sealed with my notarial seal.

**WITNESS MY HAND AND SEAL**, on the date, year and place first above written.

NOTARY PUBLIC

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of 2022

**THE PROVISION OF  
YOUTH SCHOLARSHIP  
GRANT ON ORGANIC  
FARMING**



**MEMORANDUM CIRCULAR**

No. 40  
Series of 2022

**SUBJECT : IMPLEMENTING GUIDELINES FOR THE PROVISION OF  
YOUTH SCHOLARSHIP GRANT ON ORGANIC FARMING**

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**Section I. Rationale and Program Description**

One way to promote organic agriculture, and thereby expand the system, is by provision of scholarships and trainings. The DA-Agricultural Training Institute (ATI) and Technical Education and Skills Development Authority (TESDA) implement several scholarship programs and trainings on agriculture, including organic agriculture. However, even with these programs, there are few entrants to the sector, especially among the youth. Hence, there is a need for a comprehensive approach in the provision of scholarship to include intensified and extensive hands-on training on farm, provision of start-up project support fund for the trainees, and mentoring during the implementation of enterprise project of the trainees.

This scholarship program is a highly specialized internship program designed to instill and develop in the trainees an appreciation and eagerness for organic agriculture and eventually adopt it as their source of income. It differs from other scholarship programs which provided tuition fee and stipend only. The program provides start-up support and mentoring for the implementation of their business plan. Thus, empowering the youth to become organic agripreneur.

Patterned after the internship program of the Korean Government wherein, there is 100% engagement of their scholars in agriculture sector after the training completion. The 21-month internship program for the youth aims to fully imbibe the "life of a farmer" and the organic practices. It comprises of 1) nine-month schooling and on-site training to the farm partners, and 2) one-year hands-on practice and implementation of proposed organic enterprise.

The program aims to provide all-out support to the trainees until their enterprises are established and made profit to ensure sustainability and to boost their morale. As they complete the program, they will stay as farmer by heart and mind.

The provisions under this Memorandum Circular are sanctioned and approved by the National Organic Agriculture Board (NOAB), and aim to lay down the criteria, rules, and procedures to avail the scholarship grant.

## Section II. Goals and Objectives

The program aims to contribute to the attainment of food sovereignty through ensuring the availability of healthy agricultural produce and products grown, raised and developed in a healthy and safe environment.

Primarily, the program aims to encourage the youth, develop and train them to become organic farmers and practitioners. Specifically, it aims to:

- equip the youth with knowledge and skills in organic agriculture practices;
- increase organic agriculture practitioners, and organic agriculture related enterprise;
- increase organic agriculture areas; and
- increase adopters of organic agriculture practices.

## Section III. Scope and Coverage

The program is a collaborative effort between the DA- NOAP and the DA- ATI and shall be implemented nationwide enjoining the youth. The program targets 150 youth, enjoining women, out-of-school youth, and degree holders, and 75 farm partners coming from different provinces practicing chemical-free and/or organic farming system, as beneficiaries.

For 21 months, the trainees will be given a monthly stipend while the farm partners will receive a mentoring fee. Towards the end of the 1<sup>st</sup> year-implementation, the start-up support will be released to the trainees for the implementation of their proposed organic enterprise under the supervision of farm partners. The start-up support will be used for all the materials and requirements of the trainees for his/her enterprise including site rental, planting materials, facilities, equipment, among others.

Considering that the trainees are still starting their businesses, they need monthly assistance for their food and other basis needs, thus a continuous monthly stipend and mentorship fee will be provided to the trainees and farm partners, respectively.

The grants will be given to 150 trainees and shall cover the following:

PARTICULARS	YEAR 1 (FY 2023)	YEAR 2 (FY 2024)	REMARKS
Farm Partners	75	75	• @1.0 hectare/ trainee x 150 trainees/ batch the project hopes to increase 150 OA adopters/ year and expand 150 hectares OA areas/ year; • 75 farms will be from different provinces and
Trainees per Farm	2	2	
Total Trainees	150	150	
Internship/Mentoring Fee	5,000.00	5,000.00	
Monthly stipend	5,000.00	10,000.00	

No. of Months	9	12	practicing chemical free/ organic farming system; • Graduates of BS agriculture and related courses or holders of NCII on OA are priority in selection of trainees
Start-up Support	150,000.00	-	
Monthly Cost	1,500,000.00	2,250,000.00	
Project Coordination and other MOOE	4,500,000.00		For the conduct of monthly monitoring, performance evaluation and insurances
<b>Annual Cost</b>	<b>40,500,000.00</b>	27,000,000.00	

There is a need to increase organic practitioners in every region, and the NOAP hopes to cater all interested applicants, as much as possible. However, due to the budget constraints, only 150 trainees can be accommodated to the allotted fund for this program during its first year of implementation.

#### Section IV. Definition of Terms

- a. *Youth* refers to those persons whose age ranges from eighteen (18) to thirty-five (35) years old;
- b. *Farm partner* refers to farmer/farmers' association/cooperative or other public institutions that will serve as an extension arm and will provide training on organic agriculture practices;
- c. *Internship* is a 9-month on-site training and learning program for skill development on organic agriculture in an organic or chemical-free farm;
- d. *Hands-on practice* is a year-long simulation, the implementation of proposed business plan applying the theories and practices learned during the internship.

#### Section V. Creation of Committees

To facilitate orderly screening of applicants and selection of qualified farm partners and trainees, a committee shall be created separately for the farm partners and trainees and shall be composed of the following:

##### A. Screening and Selection Committee for Farm Partners

- Chair : DA-ATI Partnership and Accreditation Division  
 Members : NOAP-National Program Coordinating Office (NPCO)  
 ATI-RTCs  
 DA-RFOs' Organic Agriculture Focal Person

### B. Screening and Selection Committee for Trainees

Chair	:	DA-ATI Career Development and Management Division
Members	:	NOAP-National Program Coordinating Office (NPCO) ATI-RTCs DA-RFOs' Organic Agriculture Focal Person

A Special Order shall be issued by the Secretary of the DA for the creation of these Committees.

### Section VI. Eligibility Criteria and Corresponding Documentary Requirements for Application

There are two key players in this program, classified as: a) farm partners; and b) trainees.

#### A. Farm Partners

Eligibility Criteria	Documentary Requirement
1. Farm operator/owner of certified organic or chemical-free farm, preferably LSA certified farm	Notarized Affidavit as owner/operator of an organic and/or chemical-free farm;  Learning Site for Agriculture (LSA) certification, if applicable
2. Must be in operation for at least one (1) year	Farm journal;  Financial statement for the previous year's operation
3. Has farm activities within the value chain either production, value adding, processing, or marketing	Farm layout;  Photos of farm and its facilities including accommodation areas;
4. Has basic farm tools, equipment or facilities needed for its operation	List and biodata of resource persons/trainers;
5. Has accommodation facility for at least two (2) trainees	
6. Has internship program plan from March to November within a year	Internship Program plan and design including performance evaluation and post-internship assessment
7. With good community standing and has no proven derogatory record	At least two (2) recommendations letter from a community leader (e.g. barangay captain, parish priest, school principal, civil society organization, farmers' cooperative or association)
8. Farm area is not part of military identified conflict zones	Certification from the respective AFP infantry division

9. Others	Letter of intent addressed to the DA-ATI Regional Director
	Bank account details, preferably LBP if available

#### B. Trainees

Eligibility Criteria	Documentary Requirement
<b>Youth</b>	
1. Age 18 to 35 years old at the time of application	Clear scanned copy of any valid government issued ID (indicating the date of birth)
2. Natural born Filipino citizen	
3. Interested to enter the agriculture industry, especially practice organic agriculture	Notarized Sworn Statement as proof of willingness and commitment to undertake organic agriculture-related activities/enterprises after the training;  Business Model Canvas (BMC)
4. Willingness to undertake 21-month internship and hands-on practice contract	
5. Physically and mentally fit	Medical certificate indicating "fit to work"
6. Has good community standing or moral character	At least two (2) recommendation letters from a community leader (e.g. barangay captain, parish priest, school principal, civil society organization, farmers' cooperative or association)
7. Others	Bank account details, preferably LBP if available
	Accomplished application form

### Section VII. Mechanics of Implementation and Procedures

#### A. Application, Selection and Evaluation Procedures for Trainees

##### 1. Application

The ATI-Regional Training Centers (RTCs) and the DA-Regional Field Offices (RFOs) shall conduct information caravan to raise awareness among the general public. Interested applicants for farm partners and trainees shall submit their application form to the ATI-RTCs along with the documentary requirements (Section VI). Submission of application can be done physically or via email. ATI-RTCs shall provide email addresses where the applicants can send their application and required documents.

## 2. Selection

All applications shall undergo screening process by the Screening and Selection Committee. The Committee shall assess and verify the completeness and accuracy of the documents submitted by the applicants.

One hundred fifty (150) trainees shall be selected among the applicants. All applicants shall undergo prioritization ranking based on the following criteria to select the target number of trainees:

### 2.1 Graduate of 4-year course

Criteria	25 points	20 points	15 points	10 points
Educational/training background on agriculture	Graduate of Bachelor's degree major in Organic Agriculture	Graduate of any Bachelor's degree related in Agriculture	Graduate of any related Bachelor's degree	Graduate of any Bachelor's degree
Farm Experience	More than 3 years	2 to 3 years	More than a year	Less than a year
Re-entry plan on the preferred production area (crop, livestock and poultry, fishery, and processing)	Complete operation, human resources, marketing and financial plan	Complete operation, marketing and financial plan	Complete operation and marketing plan	Complete operation plan
Availability of site for planned project	Site under the name of the immediate family of the trainee	Site under tenancy of the family	Site with written commitment for rent/usufruct to the trainee	Has no clear site for planned project

### 2.2 Out of school youth

Criteria	25 points	20 points	15 points	10 points
Educational/training background on agriculture	Graduate of TESDA vocational courses on agriculture	With NC II certification on organic agriculture	At least high school graduate and/or training certificate on organic agriculture	High school level
Farm Experience	More than 3 years	2 to 3 years	More than a year	Less than a year
Re-entry plan on the preferred production area	Complete operation, human	Complete operation, marketing	Complete operation and marketing plan	Complete operation plan

(crop, livestock and poultry, fishery, and processing)	resources, marketing and financial plan	and financial plan		
Availability of site for planned project	Site under the name of the immediate family of the trainee	Site under tenancy of the family	Site with written commitment for rent/usufruct to the trainee	Has no clear site for planned project

### 3. *Evaluation*

All applicants with complete documentary attachment shall be evaluated by the Screening and Selection Committee. The Committee shall then review and assess the submitted documents by the trainees.

#### 1. *Validation*

After checking the completeness of the documents, the Screening and Selection Committee shall validate its accuracy. Upon verification, the Screening and Selection Committee shall prepare the shortlist to be submitted to the DA-ATI Office of the Executive Director for approval.

### B. *Application, Accreditation and Evaluation Procedures for Farm Partners*

#### 1. *Application*

Simultaneous to the information caravan of the ATI- RTCs and the DA-RFOs, applicants for farm partner shall submit their application together with their documentary requirements (Section VI). Applicants may opt to submit their application physically or via email thru the provided email address/es of the ATI-RTCs.

#### 2. *Evaluation*

Evaluation of farm partners shall be based on the eligibility criteria (Section VI) and their proposed internship program plan and design. The internship program shall cover all aspects of organic agriculture practices of either crop, livestock and fishery production and processing.

All certified organic or chemical-free farms are encouraged to join the program. The Screening and Selection Committee shall assess the submitted documents of the applicants and select as many farm partners as they deem fit.

#### 3. *Validation*

Once evaluated, the Screening and Selection Committee shall validate the accuracy of all the documents submitted by the farm partners. Upon verification, shall provide a shortlist to the ATI Central Office for approval of the DA-ATI Executive Director.

### *C. Orientation and Contract/MOA Signing (c/o ATI)*

Upon approval of the qualified list of applicants for farm partners and trainees by the ATI Director, the Selection Committee shall prepare a Memoranda bearing the official list of farm partners and trainees and shall forward the same to the DA-RFOs and ATI-RTCs along with the templates of Memorandum of Agreement for the farm partners and Scholarship Contract, and the briefing materials for the conduct of orientation activity.

The ATI-RTCs shall inform the farm partners and trainees of their acceptance to the program and conduct a separate orientation for the farm partners and trainees to discuss the contents of the Memorandum of Agreement and Scholarship Service Contract prior to the start of the internship;

Respective ATI-RTCs and eligible farm partners shall enter into a Memorandum of Agreement for the conduct of the internship program.

The Scholarship Contract shall be duly signed by the scholar, the Regional Center Director and the ATI-RTC Head Accountant as witness.

### *D. Deployment*

Once all the contracts were signed and notarized, trainees shall be deployed according to the deployment plan designed by the Screening and Selection Committee. Cross-matching shall be based on the preferred organic enterprise of the trainees.

### *E. Release of Fund*

#### *1. Trainees*

Provision of financial assistance to the trainees shall be done once the Scholarship Contract is signed and notarized. The ATI-RTCs shall facilitate the payment of financial benefits of the trainees covering monthly stipend for and one-time enterprise support (Year 1) and monthly stipend (Year 2). It shall be directly deposited in the trainee's bank account.

Release of enterprise support shall be given in full amount during the third quarter of the internship program, once their BMC was approved by the Screening and Selection Committee.

The trainees shall submit supporting documents for the release of funds such as, but not limited to:

- Scholarship Contract;
- Photocopy of Bank Account;
- Photocopy of valid ID;
- Monthly reports/farm journal; and
- Approved BMC.

Additional documentary requirements for the provision of financial assistance to the trainees shall be included in the contract, if needed.

## *2. Farm Partners*

Release of internship fee shall be given to the farm partners after the Memorandum of Agreement was signed and notarized. The ATI-RTCs shall directly deposit the internship fee to the farm partners' bank account on a monthly basis for their supervision and mentorship of the trainees.

Release of funds to the farm partners shall be supported by the following, but not limited to:

- Memorandum of Agreement;
- Photocopy of Bank Account;
- Certificate of Accreditation; and
- Monthly report/farm journal.

Additional documentary requirements for the provision of financial assistance to the farm partners shall be included in the agreement, if needed.

## *F. Internship*

Once all the trainees are deployed in their respective farm partner, the internship shall commence. Farm partners shall train the trainees based on the approved internship plan by the Screening and Selection Committee. Trainees shall stay in the farm during their internship thus the farm partner shall provide them with accommodation.

## *G. Hand-on Practice*

After the 9-month internship, trainees shall implement their submitted BMC for another year which will serve as their hands-on practice. The farm partner shall supervise and continue their mentorship among the trainees.

## *H. Termination*

If the trainees discontinue the internship, all financial assistance shall be cut-off, especially the enterprise support. In case of reports of abuse or misbehavior on the part of either farm partners or trainees, the ATI and NOAP-NPCO shall investigate. Those found to be at fault after the investigation shall be severed from the program and will be blacklisted in all NOAP programs for a period of three (3) years.

## **Section VIII. Duties and Responsibilities**

The key players, including the implementing agencies, shall perform the following duties and responsibilities:

### *A. Farm Partners*

1. Submit a proposed internship program plan and design with your respective organic production, either crop, livestock, poultry, fishery, and processing, including performance evaluation and post-internship assessment;
2. Open a new bank account, preferably with LBP, or use an existing bank account under the name of the farm enterprise or owner/operator where the funds will be transferred. The said bank account shall strictly be used in the implementation of this scholarship grant program;
3. Issue an Acknowledgement Receipt or Official Receipt upon release of the financial assistance, whatever is available;
4. Conduct the internship program based on the approved internship program of the DA-ATI;
5. Provide suitable accommodation for the trainees and other materials needed during the internship;
6. Mentor and supervise the trainees during their hands-on practice;
7. Submit updates/reports to the DA-ATI based on the following timelines:
  - Monthly report on the trainees' activities and progress;
  - Midterm evaluation;
  - Evaluation after the internship and hands-on practice.
8. Notify in writing and seek approval from the DA-ATI in case of any changes, delay, or any concern affecting the conduct of internship program;
9. Ensure availability of documents and other information relevant for the monitoring and evaluation of the program; and
10. Report any emergency and/or issue at the farm and the trainees.

### *B. Trainees*

1. Open a new bank account, preferably with LBP, or use an existing bank account under the name of the farm enterprise or owner/operator where the funds will be transferred;
2. Participate and complete the internship program;
3. Apply the knowledge acquired in the internship program through the establishment of an organic agriculture enterprise based on the submitted BMC for a year;
4. Accomplish a daily farm journal;
5. Submit monthly accomplishment reports to the DA-ATI based on the following timelines:
  1. Notify in writing and seek approval from the DA-ATI in case of any changes, delay, or any concern affecting the establishment of the enterprise; and
  6. Ensure the availability of documents and other information relevant to the monitoring and evaluation of the internship and hands-on practice.

### *C. DA-ATI Central Office*

1. Develop briefing materials for the information caravan;
2. Serve as resource speaker during the information caravan, when needed;

3. Consolidate all the applications of trainees from ATI-RTCs through the Career Development and Management Division (CDMD);
4. Call and preside a meeting, through the CDMD, to evaluate all the applications based on the set criteria;
5. Prepare a shortlist of applicants, through the CDMD, for submission to and approval of the ATI Executive Director;
6. Forward the approved shortlist of applicants to ATI-RTCs;
7. Conduct cross-matching of trainees and farm partners for the deployment plan;
8. Manage the insurance of trainees during the whole duration of the program;
9. Aid during the review and assessment of BMCs;
10. Provide technical assistance during the monitoring activity;
11. Lead the investigation in case of reported misbehavior or abused among the farm partners and trainees; and
12. Oversee the overall implementation of the program.

#### D. *ATI-RTCs*

1. Lead the conduct of information caravan upon approval of the implementing guidelines;
2. Accept all the applications of trainees and prepare a list for submission to the ATI-CO;
3. Submit a database of LSAs to ATI-CO for the cross-matching of trainees and farm partners;
4. Inform eligible applicants of their acceptance to the program;
5. Conduct orientation and contract/MOA signing with the eligible trainees and farm partners;
6. Facilitate the deployment of trainees to their respective farm partner based on the deployment plan from ATI-CO;
7. Assist in the review and assessment of BMCs;
8. Release financial assistance to the farm partners and trainees;
9. Maintain constant communication with the trainees and farm partners and may conduct monthly meetings, via physical or online set-up at the time of the release of monthly allowance, as a form of reporting and assessment;
10. Lead the monitoring of farm partners' and trainees' activities thru site visitation; and
11. Provide assistance during investigation in case of reported misbehavior or abused among the farm partners and trainees.

#### E. *DA-RFOs*

1. Assist in the conduct of information caravan;
2. Submit a database of certified organic and/or natural or chemical-free farms to ATI-CO for the cross-matching of trainees and farm partners;
3. Validate and assess all the documents submitted by the farm partners and trainees;
4. Review, assess, and approve the BMC submitted by the trainees;
5. Assist in the monitoring activity of the program;

6. Join and participate in the investigation in case of reported misbehavior or abuse among the farm partners and trainees;
7. Involve trainees and farm partners in the Regional Organic Agriculture Congress after the program; and
8. Assist the trainees and farm partners to form or be a member of Participatory Guarantee System (PGS) groups after the program.

#### *F. NOAP – National Program Coordinating Office (NPCO)*

1. Review and approve briefing materials for the information caravan;
2. Participate in the information caravan as resource speaker, when needed;
3. Assist in the review and assessment of BMCs;
4. Join and participate in the site visitation of farm partners and trainees' organic enterprise, and in the monitoring activity;
5. Aid in the investigation in case of reported misbehavior or abused among the farm partners and trainees; and
6. Provide recommendations for the improvement of the internship program of the farm partners.

### **Section IX. Fund Source**

All expenses incurred in the implementation of this program including the provision of internship fee, stipend and honorarium shall be charged against the NOAP regular fund subject to existing government accounting and auditing rules and regulations and in compliance with Commission on Audit (COA) Circular No. 2012-001 and COA Circular No. 2016-002.

### **Section X. Monitoring and Performance Evaluation**

To monitor the implementation of the program, the farm partners shall submit monthly, midterm, year-end and other reports related to the implementation of the internship program and hands-on practice.

All reports shall be submitted to the ATI-RTCs and they shall ensure the trainees' and farm partners' compliance with their responsibilities and obligations set by the program.

The NOAP and DA-ATI shall review and evaluate the submitted reports of the farm partners and shall conduct regular monitoring thru farm visitation. The trainees and farm partners shall be profiled for future partnership and further provision of technical assistance that would help enhance and strengthen their organic agriculture-related enterprises.

### **Section XI. Supplementary Guidelines**

The Executive Director of the DA-ATI is hereby authorized to issue supplementary guidelines as it deemed necessary to facilitate the orderly implementation of the program

in their respective regions. Provided such shall be consistent with the provisions of this Memorandum Circular.

### **Section XII. Separability Clause**

If any part of this Memorandum is declared invalid, other parts or provisions thereof not so declared shall remain valid and subsisting.

### **Section XIII. 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 15<sup>th</sup> day of November, 2022 in Quezon City.

Domingo F. Panganiban  
Senior Underscretary



DA-CO-ASECO-BRF20221108-00025

**JOINT  
MEMORANDUM  
CIRCULAR**

DEPARTMENT OF AGRICULTURE AND  
DEPARTMENT OF INTERIOR AND LOCAL  
GOVERNMENT



**DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT  
DEPARTMENT OF AGRICULTURE**

**JOINT MEMORANDUM CIRCULAR NO. 01  
SERIES OF 2022**

**SUBJECT: 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**

**I. LEGAL BASIS**

Republic Act No. 10068, also known as the "Organic Agriculture Act of 2010," was amended by Republic Act No. 11511 on December 23, 2020. Section 2 of RA 10068, as amended, provides for the following, to wit:

*"It is hereby declared the policy of the State to promote, propagate, develop further and implement the practice of organic agriculture in the Philippines that will cumulatively condition and enrich the fertility of the soil, increase farm productivity and farmers' incomes, reduce pollution and destruction of the environment, prevent the depletion of natural resources, encourage the participation of indigenous organic farmers in promoting their sustainable practices, further protect the health of farmers, consumers and the general public, save on imported farm inputs and promote food self-sufficiency."*

The amended Organic Agriculture Act recognizes the pivotal role of Local Government Units (LGUs) in the implementation of the National Organic Agriculture Program (NOAP) especially at the grassroots level. The amendment, among others, encourages small farmers and fisherfolk to form Participatory Guarantee System (PGS) groups as a viable alternative to the otherwise current and costly third-party organic certification. It likewise provides farmers with subsidies and incentives for converting to and sustaining the practice of organic agriculture. Moreover, it provides technical assistance and support to the LGUs for the establishment and strengthening of local organic seed centers, distribution of organic seeds, planting materials, animals, and aquaculture for organic farm inputs. It prioritizes market development and trade promotions through organic livelihood projects agricultural digitalization and trade fairs.

The National Organic Agriculture Board (NOAB), the policy-making body of the National Organic Agriculture Program (NOAP), issued DA-DAR-DOH-DILG- DOST-DTI- TESDA-NCIP Joint Memorandum Circular No. 01, series of 2021, the Implementing Rule: and Regulations of RA 10068, as amended by RA 11511, otherwise known as 'Amendment to the Organic Agriculture Act of 2010' (IRR of the Organic Agriculture Act as amended by RA 11511), which took effect on March 15, 2022. Accordingly, the revised roles and

responsibilities of LGUs in the promotion and implementation of NOAP are laid-out in the said IRR.

Prior to the enactment of RA 11511, the Department of Agriculture (DA) and the Department of the Interior and Local Government (DILG) issued Joint Memorandum Circular (JMC) No. 1, Series of 2018 entitled "The Revised Joint Memorandum Circular on the Roles and Responsibilities of the Local Government Units (LGUs) in the Implementation of the National Organic Agriculture Program under Republic Act No. 10068, otherwise known as "Organic Agriculture Act of 2010". The JMC was issued on 31 May 2018.

With the amendment of RA 10068, this Circular is issued to revise DA-DILG JMC No. 1, Series of 2018.

The general objective of this Circular is to provide a framework by which the LGUs (provinces, cities, municipalities, and barangays) will implement the NOAP and the provisions of the amended Act and its implementing rules and regulations. It likewise provides the DILG with a guide with which it will supervise LGU compliance with this Circular.

## **II. PURPOSES**

1. To clarify and reiterate the roles and responsibilities of the LGUs in propagating and developing further and implementing the practice of Organic Agriculture (OA) in the Philippines.
2. To identify the role and responsibilities of the DA and the DILG in providing support to the LGUs for the implementation of the Organic Agriculture Act of 2010, as amended.
3. To encourage partnerships and alliances among various Government Agencies, League of Provinces, Cities and Municipalities of the Philippines, local and international organizations, and grassroots stakeholders in the full adoption and implementation of the Act, and in ensuring that local initiatives are consistent with national organic agriculture programs, rules, regulations and policies.

## **III. ROLES AND RESPONSIBILITIES OF LOCAL GOVERNMENT UNITS (LGUs)**

All local government units (provinces, cities, municipalities, and barangays) are encouraged to:

1. Submit to the DA, through the National Organic Agriculture Program-National Program Coordinating Office (NOAP-NPCO), long-term OA plans within ninety (90) days from effectivity of this Circular, taking into consideration climate change impact and mitigation, with emphasis on adaptation, disaster risk reduction and management, gender sensitive development, site specific ecosystem-based, for consolidation and integration into a comprehensive NOAP (*Section 5, Rule 5.1 and Section 15, Rule 15.1 of the IRR of RA 11511*);
2. In coordination with the NOAP-NPCO, formulate the short-, medium- and long-term comprehensive, strategic, and sustainable organic agriculture investment programs and development plans for family farms, municipalities and cities, and enact the appropriate local ordinances in support thereof;
3. Assist the DA-Regional Field Offices (DA-RFOs) in the monitoring of projects under OA and establish a database/template for accomplishment and monitoring reports in accordance with the DA-RFO template (*Section 9, Rule 9.2 of the IRR of RA 11511*);

4. Ensure that the prepared and approved OA development plan is aligned and integrated in the Provincial/City/Municipal framework for food self-sufficiency program (*Section 9, Rule 9.7 of the IRR of RA 11511*);
5. Submit an annual local organic agriculture industry profile (*Section 9, Rule 9.9 of the IRR of RA 11511*);
6. Encourage the formation of, and support the operations of Participatory Guarantee System (PGS) groups in their locality, through the provision of technical and financial assistance (*Section 14, Rule 14.11 and Section 16, Rule 16.10 of the IRR of RA 11511*);
7. Develop, review and enhance its local solid waste management plan that shall give focus on the proper disposal and recycling of local wastes for the production of organic fertilizers and other farm inputs in accordance with applicable existing Philippine National Standards for Organic Agriculture (PNS-OA) (*Section 15, Rule 15.1 and Rule 15.2.2 of the IRR of RA 11511*);
8. Consult with their local industries in the development of a contingency plan for industries affected by the implementation of the NOAP;
9. Establish and operationalize its Local Technical Committees on Organic Agriculture (LTC-OA) as provided for in Title VI herein (*Section 16, Rule 1 of RA 11511*);
10. Establish and/or strengthen its local organic seed banks for indigenous and traditional varieties, including farmer breed lines and locally adopted varieties, farmer seed bank, and conduct national campaigns for the protection and preservation of indigenous and traditional crop varieties as provided for in Title IX herein (*Section 16, Rule 11 of RA 11511*);
11. Monitor and regulate organic produce and products sold within its territorial jurisdictions (*Section 18, Rule 18.9 of RA 11511*);
12. Enact ordinances that protect organic farming zones and organic farming practices (*Section 16 of RA 11511*);
13. Promulgate appropriate ordinances that promote a participatory and bottoms up approach to grassroots organic agricultural programs and projects, and appropriate funds for the purpose (*Section 16, Rule 16.9 of the IRR of RA 11511*);
14. Promote organic produce and products, including the weekly conduct of a special market day for certified organic produce and products (*Section 20, Rule 20.9 of the IRR of RA 11511*);
15. Identify local taxes that may be offered as incentives for organic input production and utilization (*Section 25, item b of RA 11511*);
16. Allocate a minimum of fifty percent (50%) of their overall agriculture budget to support NOAP, subject to COA rules and regulations and other existing applicable laws (*Section 26, Rule 26.4 of the IRR of RA 11511*);
17. Allocate funds from their annual budget (General Appropriations Act, Internal Revenue Allotment, LGU Development Fund, Economic Development Fund, Official Development Assistance, Agricultural Competitiveness Enhancement Fund, etc. and private sector investment) in support to the implementation of the NOAP. The LGU

will report to the NOAB on their fund allocation for organic agriculture activities (*Section 5, Rule 5.12 of the IRR of RA 11511*);

18. Enforce the amended Act in their jurisdictions and immediately report penal violations to competent authorities (*Section 27 of RA 11511*);
19. Support organic livestock, poultry and fisheries production in collaboration with the LTC-OA.

#### **IV. DEVELOPMENT OF FOOD SELF-SUFFICIENCY FRAMEWORK, ORGANIC AGRICULTURE LOCAL INDUSTRY PROFILE, OA ROADMAPS AND PLANS**

In developing their food self-sufficiency framework, the LGUs shall incorporate the OA roadmap and plans, which in turn shall be based on the OA local industry profile. The LGUs shall coordinate with the DA-RFOs on the templates to be used for the OA local industry profile and OA roadmap and plans with a minimum period of three (3) years. The OA roadmap shall be mainstreamed in the Comprehensive Land Use Plan (CLUP), Comprehensive Development Plan (CDP) and Annual Investment Program (AIP) of the LGU. In this regard, the LGUs shall update their existing CLUP and CDP to incorporate the OA roadmap and plans. In the process of preparing the localized OA roadmaps, industries that will be negatively affected shall be consulted in order for them to make preparations, particularly concerning the sourcing out of raw materials for their industries (*Section 16 of RA 11511*).

The LGU shall formulate its framework for its food self-sufficiency program. The framework shall provide the strategic plans of action in eliminating malnutrition and hunger, bringing unity and responsibilities between the community and the LGU, educating the community on the importance of practicing organic farming and sustainable agriculture, and generating food and income from the establishment of backyard organic gardens and community organic farms (*Section 9, Rule 9.7 of the IRR of RA 11511*).

#### **V. MONITORING AND REPORTING OF LGUs**

The provincial governors shall monitor the implementation and progress of organic agriculture within their respective jurisdictions using templates and databases provided by DA-RFOs, and update their OA local industry profiles annually using these data. The annual OA local industry profile for the current year shall be submitted to the NOAB through the DA-RFO and NOAP-NPCO by the end of the first month of the following year.

All organic agriculture related information and databases from the member departments, agencies, bureaus, research institutions, and LGUs shall be linked to the NOAP website (*Section 5, Rule 5.16 of the IRR of RA 11511*). In this regard, the LGUs shall pass an ordinance on the creation of an organic agriculture registry and database.

All existing issuances, ordinance or resolutions relating to organic agriculture shall be submitted to the NOAB through the NOAP-NPCO through electronic e-mail (*Section 9, Rule 9.1 of the IRR of RA 11511*).

The LGUs shall coordinate with the DA, DOH, and DTI in the conduct of monitoring, as deemed necessary, in accordance with the provisions of Sections 17 (*Registration of Organic Producers, Produce, and Products*), 18 (*Labeling of Organic Produce*) and 19 (*Retailing of Organic Produce*) of the amended OA Act (*Section 18, Rule 18.7 of the IRR of RA 11511*).

The LGUs shall collaborate with the DA-Agricultural Training Institute - Regional Training Centers (ATI-RTCs) in developing an extension agenda for organic agriculture stakeholders in their respective localities (*Section 21, Rule 21.6 of the IRR of RA 11511*).

The LGUs shall allow the posting of OA annual reports, to include work accomplishments and financial statements, in its information mechanisms for information (*Section 29, Rule 29.1 of the IRR of RA 11511*).

## **VI. LOCAL TECHNICAL COMMITTEES ON ORGANIC AGRICULTURE (LTC-OA)**

As provided under Section 16 of RA 11511, the Local Chief Executives of the LGUs, in coordination and with the assistance of the DA-RFOs, shall establish, insofar as practicable, a multi-sectoral provincial/municipal/city LTC-OA within their respective jurisdiction. The roles, compositions, organizations and operations of the LTC-OA are as follows:

### **A. Roles of the Local Technical Committee on Organic Agriculture (LTC-OA)**

1. The provincial and city/municipal LTC-OA shall establish a collaborative mechanism for the development, review, consolidation, and endorsement of the organic agriculture program, in line with the National Organic Agriculture Program (NOAP) (*Section 16, Rule 16.7 of the IRR of RA 11511*);
2. The provincial LTC-OA shall assist the city/municipal LTC-OA in the implementation of the NOAP; and monitor and evaluate the implementation of the same in their respective jurisdictions (*Section 16, Rule 16.7 of the IRR of RA 11511*);
3. The LTC-OA shall be responsible for the development, review, consolidation, and endorsement of the short-, medium-, and long-term local organic agriculture program. They shall monitor and evaluate the implementation of the program in their respective jurisdictions (*Section 16, Rule 16.8 of the IRR of RA 11511*);
4. The LTC-OA shall support the promotion and formation of Participatory Guarantee System (PGS) groups (*Section 16, Rule 16.10 of the IRR of RA 11511*);
5. The LTC-OA shall develop a local OA industry profile within ninety (90) days from effectivity of this Circular (*Section 16, Rule 16.12 of the IRR of RA 11511*);
6. The LTC-OA shall assist in policy formulation, including the enactment of ordinances for the monitoring and regulation of organic produce and products sold within its respective jurisdiction (*Section 16, Rule 16.13 of the IRR of RA 11511*);
7. The LTC-OA shall supervise/oversee the organic livestock, poultry and fisheries program in their respective jurisdictions.

### **B. Composition of the LTC-OA**

#### **B.1 City/Municipal LTC-OA**

Within ninety (90) days from the effectivity of this Circular, the Local Chief Executives of the LGUs, in coordination and with the assistance of the DA-RFOs and other OA stakeholders, shall issue an Executive Order establishing a multi-sectoral city/municipal LTC-OA, within their respective jurisdictions composed of the following (*Section 16, Rule 16.1 of the IRR of RA 11511*):

- a. Local Chief Executive (LCE);
- b. Council Committee Chairperson on Agriculture;
- c. Council Committee Chairperson on Finance;

- d. Punong Barangay of a barangay in the city/municipality actually engaged in organic agriculture;
- e. Three (3) representatives from small farmer associations representing crops, livestock and fisheries, preferably certified organic;
- f. One (1) representative from the agribusiness sector or a registered cooperative actually engaged in organic agriculture;
- g. One (1) representative from CSOs actually engaged in organic agriculture;
- h. One (1) representative from consumer groups, whenever applicable;
- i. One (1) representative from the academe, whenever applicable; and
- j. One (1) representative from Indigenous People's organizations, whenever applicable;

## **B.2 Provincial LTC-OA**

The provincial LTC-OA shall be composed of all chairpersons of the city/municipality LTC-OA or their authorized representatives (*Section 16, Rule 16.6 of the IRR of RA 11511*).

## **C. Organization and Operation of LTC-OA**

The representation of NGOs, academe, private business, and small farmers in the city/municipal LTC-OAs shall be chosen through their own selection processes, and in consultation with concerned stakeholders to ensure participatory process and transparency (*Section 16, Rule 16.2 of the IRR of RA 11511*).

The LTC-OA shall elect its chairperson, vice-chairperson and secretary (*Section 16, Rule 16.3 of the IRR of RA 11511*).

For every LTC-OA established, the Provincial/City/Municipality Agriculture Officer, together with their OA focal persons, shall serve as the technical and administrative secretariat of the committee (*Section 16, Rule 16.4 of the IRR of RA 11511*).

The representatives from the LGUs shall be entitled to one (1) vote casted by the highest official or his/her authorized representative (*Section 16, Rule 16.5 of the IRR of RA 11511*).

The LTC-OA shall be responsible for the development, review, consolidation, and endorsement of the organic agriculture program in line with the NOAP. They shall monitor and evaluate the implementation of the program in their respective jurisdictions (*Section 16, Rule 16.8 of the IRR of RA 11511*).

## **VII. PROMOTION AND FORMATION OF PGS GROUPS**

The LGUs shall encourage the formation and provide support for the operations of PGS groups within their locality, through the provision of technical and financial assistance. (*Section 14 Rule 14.11 and Section 16 Rule 16.10 of the IRR of RA 11511*). The guidelines for the accreditation of Core PGS Groups and its operation as Organic Certifying Bodies (OCBs) are provided in DA Department Circular No. 03, series of 2022.

The LGUs shall facilitate the issuance of the mayor's permit to PGS groups and PGS farms, the possession of which shall grant them legal personality. The documentary requirements and periods for the issuance of such permit shall be in accordance with Joint Memorandum Circular No. 2019-001 series of 2019, or the Implementing Rules and

Regulations of RA 11032, otherwise known as "Ease of Doing Business and Efficient Government Service Delivery Act of 2018", and other relevant rules and regulations.

### **VIII. PRODUCTION OF ORGANIC FERTILIZERS**

The LGUs shall revisit and update its local solid waste management plan pursuant to RA 9003 (Ecological Solid Waste Management Act of 2000) and shall give focus on the proper disposal and recycling of local wastes for the production of organic fertilizers, in accordance with applicable current Philippine National Standards for Organic Agriculture (PNS-OA) (*Section 15, Rule 15.1 of the IRR of RA 11511*). In this regard, the LGUs shall amend their ordinance on solid waste management, within ninety (90) days from effectivity of this Circular, incorporating provisions on the production of organic fertilizers.

### **IX. LOCAL SEED BANKS**

The LGUs, through their LTC-OA, within ninety (90) days from effectivity of this JMC, shall coordinate with the DA-Bureau of Plant Industry (BPI) and other agencies for the establishment and/or strengthening of its local organic seed banks. These seed banks shall give special attention to plant varieties that are indigenous to the locality, including farmer breed lines and locally adopted varieties. The LGUs shall likewise undertake campaigns for the protection and preservation of indigenous and traditional crop varieties (*Section 16, Rule 16.11 of the IRR of RA 11511*).

Whenever possible and with the assistance from other agencies and organizations, the LGUs shall shoulder the costs of the establishment and maintenance of these seed banks and distribute the initial starter seeds and planting materials for free to their constituents. The LGUs shall maintain a record of recipients of seeds and planting materials, and monitor their production. In this regard, the LGUs shall pass an ordinance on the establishment, maintenance and management of its local seed banks.

### **X. ORGANIC LIVESTOCK, POULTRY, FISHERIES AND APIARY**

The LGUs shall endeavor to establish organic livestock programs and projects (including poultry, fish hatchery and bees) in collaboration with the LTC-OA. The LGUs shall allocate appropriate funds for programs and projects that will undertake animal, fingerling/breeder and bee dispersals for free to qualified small farmers who have undergone relevant training on organic livestock. However, they may charge minimal fees to beneficiaries who can afford the same for cost recovery. They shall also maintain a record of their recipients and shall conduct proper monitoring of their production. In this regard, the LGUs shall pass an ordinance or issue an executive order, within ninety (90) days from effectivity of this Circular, on the establishment, maintenance, management and monitoring of organic livestock, poultry and fisheries programs and projects.

### **XI. PROMOTION AND MARKETING OF ORGANIC PRODUCE AND PRODUCTS**

Whenever practicable, each LGU shall identify and provide an area where retail selling of OA produce and products may be made. Such retail outlets shall be located in areas where there is a high presence of foot-traffic. The LGUs shall likewise conduct and organize trade fairs where organic agriculture produce and products may be showcased.

The LGUs shall also maximize the use of digital platforms and e-commerce in promoting and marketing OA produce and products. They shall develop and institutionalize the promotion of local and international trade fairs, market promotion and matching activities with the DA and the DTI (*Section 5, Rule 5.7 of the IRR of RA 11511*).

## **XII. PROVISION OF INCENTIVES**

The LGUs shall provide any of the following as incentives to organic agriculture farmers or businesses:

1. Provide incentives to organic input production and utilization, such as exemption from payment of business registration tax. They shall assist the PGS groups and other qualified OA practitioners, within their jurisdictions, avail of subsidies, and other fiscal incentives under the amended OA Act (*Section 14 (h) of RA 11511*);
2. Enact ordinances that shall institutionalize a reward system for programs and activities that actively pursue organic agriculture, e.g. family gardens, communal gardens and *Gulayan sa Paaralan*;
3. Provide additional financial support for the recipients of scholarships, subject to the implementing guidelines issued by NOAB.

## **XIII. BUDGET FOR ORGANIC AGRICULTURE**

The LGUs shall allocate a portion of their overall agriculture budget to support organic agriculture, subject to COA rules and regulations and other existing applicable laws (*Section 26, Rule 26.4 of the IRR of RA 11511*).

## **XIV. ROLES AND RESPONSIBILITIES OF NATIONAL GOVERNMENT AGENCIES (NGAS)**

### **A. Department of the Interior and Local Government (DILG)**

1. Enjoin LGUs in the implementation of the provisions under this Circular as well as the RA 10068, as amended, and its IRR;
2. Capacitate LGUs, through the Local Government Academy (LGA), in order to ease compliance with the amended RA 10068, and its IRR;
3. Assist the DA in monitoring compliance by LGUs with the amended OA Act, its IRR and other issuances; and
4. Continue to create the environment to foster grassroots growth of organic agriculture in the LGUs.

### **B. Department of Agriculture (DA)**

1. Conduct information dissemination/caravan with the DA-RFOs on this Circular;
2. Prepare format to facilitate OA roadmap preparation and planning by the LGUs, and provide technical assistance on the facilitation of OA roadmap;
3. Provide OA reporting templates for LGUs; and
4. Provide financial and technical support, as necessary, to LGUs and other grassroots OA stakeholders.

**XV. COOPERATION WITH LGU LEAGUES**

All LGUs are encouraged to become members and collaborate with the League of Organic Agriculture Municipalities/Cities/Provinces of the Philippines (LOAMCP-PH) for sharing of OA experiences and best practices, as well as widen support in promoting organic agriculture.

**XVI. REPEALING CLAUSE**

All issuances, circulars, orders and memoranda, part or parts of which are inconsistent with any provisions of this Circular, are hereby repealed or modified accordingly.

**XVII. EFFECTIVITY**

This Joint Memorandum Circular shall take effect 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.

Issued this 19th day of December, 2022 in Quezon City, Philippines.

**BENJAMIN C. ABALOS, JR.**  
Secretary  
Department of the Interior and  
Local Government



**DOMINGO F. PANGANIBAN**  
Senior Undersecretary  
Department of Agriculture



DA-CO-ASECO-BRF20221125-00029

**DRAFT  
ORDINANCE  
ON ADOPTING  
ORGANIC  
AGRICULTURE**

**ORDINANCE NO. \_\_\_\_\_**  
Series of \_\_\_\_\_  
**PROVINCE OF \_\_\_\_\_**

**AN ORDINANCE INSTITUTIONALIZING, PROMOTING AND DEVELOPING ORGANIC AGRICULTURE IN THE PROVINCE OF \_\_\_\_\_, PROVIDING FUNDS THEREOF, AND FOR OTHER PURPOSES**

**CHAPTER I  
INTRODUCTORY PROVISIONS**

*Section 1. Short Title.* This ordinance shall be known as the "Province of \_\_\_\_\_ Organic Agriculture (OA) Ordinance of 2022."

*Section 2. Declaration of Policy and Principles.* It is hereby declared the policy of the State to promote, propagate, develop further and implement the practice of organic agriculture in the Philippines. It is also the duty of the local government to promote organic agriculture including the protection of organic areas and organic farming practices. Towards this end, the Provincial Government of \_\_\_\_\_ shall mainstream organic agriculture as one of the main agriculture practices in the Province, that will cumulatively condition and enrich the fertility of the soil, increase farm productivity and farmers' incomes, reduce pollution and destruction of the environment, prevent the depletion of natural resources, encourage the participation of indigenous organic farmers in promoting their sustainable practices, further protect the health of farmers, consumers, and the general public, save on imported farm inputs and promote food self-sufficiency. Likewise, the Province shall support the nationwide educational and awareness campaign among consumers on the benefits of consuming organic products to boost local production of organic food and non-food products.

*Section 3. Definition of Terms.* As defined in RA 10068, as amended by RA 11511, and used in this Ordinance, the terms below shall mean the following:

- a. *Organic* – refers to the particular farming and processing systems, described in the standards and not in the classical chemical sense. The term "organic" is synonymous in other languages to "biological" or "ecological". It is also a labeling term that denotes products considered organic based on the Philippine National Standards for Organic Agriculture;
- b. *Organic Agriculture* – includes all agricultural systems that promote ecologically sound, socially acceptable, economically viable and technically feasible production of food and fibers. Organic agriculture dramatically reduces external inputs by refraining from the use of chemical fertilizers, pesticides and pharmaceuticals. It also covers areas such as, but not limited to, soil fertility management, varietal breeding and selection under chemical and pesticide free conditions, the use of biotechnology and other cultural practices that are

consistent with the principles and policies of RA 10068, as amended by RA 11511, and enhance productivity without destroying the soil and harming farmers, consumers, and the environment as defined by the International Federation of Organic Agriculture Movements (IFOAM); Provided, that the biotechnology herein referred to shall not include genetically modified organisms or GMOs;

- c. *Organic Agriculture Areas* – refer to certified organic areas which practice a holistic production management system involving the promotion and enhancement of the agro-ecosystem health, including biodiversity, biological cycles, and soil biological activity; these are areas that emphasizes the use of management practices over the use of off-farm inputs; and utilizes cultural, biological, and mechanical methods as opposed to synthetic materials;
- d. *OA* – shall refer to organic agriculture;
- e. *Accreditation* - is the procedure by which a government agency having jurisdiction formally recognizes the competence of an inspection and/or certification body to provide inspection and certification services;
- f. *Biodiversity* – means the variability among living organisms from all sources, including, inter alia, terrestrial, marine, and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems;
- g. *Certification* - is the procedure by which official certification bodies or officially recognized certification bodies provide written or equivalent assurance that foods or food control systems conform to requirements;
- h. *Indigenous organic farmers* - refers to practitioners of the indigenous organic farming practices regardless of ascription/affiliation/aggregation to Indigenous Cultural Communities;
- i. *Indigenous organic farming practice* – refers to a system of traditional farming methods and techniques without intervention from entities outside their community that are being practices by the indigenous people;
- j. *Local Organic Seed Center* – refers to a repository facility or farm governed and managed by LGUs, wherein crops are grown for seed production and multiplication with a purpose of ensuring the accessibility and availability of the organic seeds and planting materials. The facility must follow practices and management in accordance with applicable Philippine National Standard on Organic Agriculture and be third-party certified;
- k. *Local Organic Seedbank* – refers to a repository facility or farm governed and managed by LGUs, whose function is to preserve seeds of the most adapted varieties in the community, including indigenous and crop varieties/cultivars and ensures its sustainability. All practices and management in this facility shall

be in accordance with applicable Philippine National Standard relevant to organic agriculture;

- l. *Marketing Assistance* – support that covers various aspects of marketing and promotions including establishment of trading posts or selling area, market matching, participation in trade fairs, logistics support, enrollment in digital marketing platforms, consumer education, provision of trading capital, provision of post-harvest and processing equipment and supplies, certifications and other legal documentations, and support for professional enterprise management, among others;
- m. *Naturally grown produce and products* – These are agricultural produce and products that are chemical free and applies the principles in organic agriculture but have not been issued organic certification;
- n. *Organic produce and products*– These are agricultural produce and products that applies the organic principles in its production system and have been certified as organic by organic certifying bodies accredited by the Bureau of Agriculture and Fishery Standards (BAFS);
- o. *Organic Certifying Body (OCB)* - refers to a legal entity accredited by a government agency to perform inspection and certification activities. It is responsible for verifying that a product sold or labeled as “organic” is produced, processed, prepared, or handled according to relevant guidelines;
- p. *Organic Seeds* – shall mean plant materials used for the production of food, forage, fibers, industrial crops, oil, flowers, grasses, herbs, and aquatic plants, including but not limited to, meristem, and clonal propagules such as tubers, corms, cuttings, and micro-propagated plantlets produced from certified organic farms or seeds produced in accordance with applicable Philippine National Standard relevant to Organic Agriculture;
- q. *Participatory Guarantee System (PGS)* – refers to a locally-focused quality assurance system which is developed and practiced by people actually engaged in organic agriculture. It is built on a foundation of trust, social network, and knowledge exchange, and used to certify producers and farmers as actual and active practitioners of organic agriculture;
- r. *PGS group* - refers to a legal association or cooperative of registered farmer members and other stakeholders in a participatory guarantee system;
- s. *Short, Medium, and Long-Term Plans* – For this particular case refers to plans of implementation that cover three (3), five (5) and (10) years, respectively;
- t. *Small Farmer/fisherfolk*- refers to those not utilizing more than five (5) hectares of land for the single purpose of, or a combination of the following purposes for, agricultural crop production, including rice and corn, aquaculture, and poultry/livestock raising. Provided, that poultry/livestock raising shall not have more than the following:

- Poultry-1000 poultry layers or 5,000 broilers
  - Swine/native pigs-10 sow level or fatteners or 5 breeders
  - Dairy 10 milking cows
  - Goat, sheep and other ruminants-50 heads
  - Other animals permitted to be raised, the limits of which are to be determined by the National Organic Agriculture Board (NOAB);
- u. *Traditional/Indigenous Varieties and Cultivars* – refers to food or non-food crops that have been selected and cultivated by local farmers over generations, usually well adapted to local environmental conditions and connected with local cultures and traditional customs;
- v. *Third-party Certification* – or independent certification is defined as when a firm requires that its suppliers meet a certain standard and requests an independent organization that is not involved in the business relationship to control the compliance of the suppliers;

*Section 4. Coverage.* This Ordinance covers the Province of \_\_\_\_\_, and all its component cities and municipalities.

## CHAPTER II

### PREPARATION OF ORGANIC AGRICULTURE PROFILE AND SHORT-, MEDIUM-, AND LONG - TERM ORGANIC AGRICULTURE PLANS

The Province, including all its component cities and municipalities, shall formulate their Short-, Medium-, and Long-Term Organic Agriculture Development Plans adopting the following principles: (a) consultative multi-sectoral planning; (b) recognition of rights of indigenous peoples; (c) primacy of small hold farms in local government assistance; (d) promotion of biodiversity; and (e) preservation of environment-friendly farming practices.

These Organic Agriculture plans and programs, shall include, but not limited to, the following: (a) priority organic agriculture commodities; (b) area per location; (c) shared facilities and capacities; (d) extension and capacity building; (e) organic agriculture certification; (f) marketing and promotion support; (g) research for development; (h) timelines; and (i) budgetary requirements.

*Section 5. C/MLGU Organic Agriculture Profiles.* All C/MLGUs within the Province of \_\_\_\_\_ shall prepare their respective organic agriculture profiles utilizing the data from the Registry System for Basic Sectors in Agriculture (RSBSA) in coordination with the DA-Regional Field Offices (DA-RFOs) and other templates to be provided by the National Organic Agriculture Program – National Program Coordinating Office (NOAP-NPCO).

*Section 6. Provincial Organic Agriculture Profile.* The Province shall consolidate the profiles of its component cities and municipalities and shall submit the consolidated profiles to their respective DA-RFOs and NOAP-NPCO for information and reference.

*Section 7. C/MLGU Short-, Medium- and Long-Term Organic Agriculture Plans.* All C/MLGUs within the Province of \_\_\_\_\_ shall prepare their respective short-, medium-, and long-term organic agriculture plans based on their OA profiles and template to be provided by the NOAP-NPCO. It shall be reviewed by the City/Municipal Local Technical Committee on Organic Agriculture (LTC-OA) and endorsed to the Province.

*Section 8. Provincial Organic Agriculture Short-, Medium- and Long-Term Plans.* The provincial short-, medium-, and long-term organic agriculture plans shall reflect the plans of the component cities and municipalities of the Province. The plan shall be submitted to the provincial LTC-OA for review and endorsement to their respective DA-RFOs and NOAP-NPCO for information and reference.

### CHAPTER III CREATION OF THE PROVINCIAL LOCAL TECHNICAL COMMITTEE ON ORGANIC AGRICULTURE (LTC-OA)

Section 16 of RA 10068, as amended by RA 11511, provides that every provincial governor shall, insofar as practicable, form a provincial technical committee on organic agriculture, and which shall, in coordination with and assistance of the Department of Agriculture, through the National Organic Agriculture Program – National Program Coordinating Office (NOAP-NPCO) and the DA Regional Field Offices (DA-RFOs), implement activities in line with the National Organic Agriculture Program in their provinces.

*Section 9. Provincial Local Technical Committee on Organic Agriculture (LTC-OA).* The provincial LTC-OA shall be composed of all chairpersons of the city/municipality local technical committees on organic agriculture or their authorized representatives.

The provincial LTC-OA shall elect its chairperson, vice-chairperson and secretary. The Office of the Provincial Agriculturist shall create a Provincial Technical Support Unit for organic agriculture which shall serve as the technical and administrative secretariat of the provincial LTC-OA.

*Section 10. Roles of the Provincial Local Technical Committee on Organic Agriculture (LTC-OA).* The provincial LTC-OA shall:

1. Establish a collaborative mechanism for the development, review, consolidation, and endorsement of the organic agriculture program, in line with the National Organic Agriculture Program.
2. Assist the city/municipal LTC-OA in the implementation of the NOAP; and monitor and evaluate the implementation of the same in their respective jurisdictions.
3. Be responsible for the development, review, consolidation, and endorsement of the short-, medium-, and long-term local organic agriculture program. They shall monitor and evaluate the implementation of the program in their respective jurisdictions.

4. Support the promotion and formation of Participatory Guarantee System (PGS) groups within their locality.
5. Develop a local OA industry profile that shall form part of the national OA industry profile.
6. Assist in policy formulation, including the enactment of ordinances for the monitoring and regulation of organic produce and products sold within its respective jurisdiction.
7. Supervise/oversee the organic livestock, poultry and fisheries program in their respective jurisdictions.

**CHAPTER IV  
CREATION AND COMPOSITION OF PROVINCIAL ORGANIC AGRICULTURE  
TECHNICAL WORKING GROUP**

*Section 11. Provincial Organic Agriculture Technical Working Group.* To assist the Provincial Government in the implementation of the programs and activities of the Province on organic agriculture, a Technical Working Group shall be created for organic agriculture and shall be composed of representatives from the following offices:

Chairperson	:	Provincial Agriculture Office
Vice-Chairperson	:	Provincial Planning Office
Members	:	Provincial Budget Office
		Provincial Engineering Office
		Provincial Veterinary Office
		Provincial Fisheries Office
		All city/municipal agriculture committee chairpersons in the province
		Provincial Indigenous Peoples' (IPs) representative (where applicable)
		Representative from organic agriculture farmers' and fishers' cooperatives and associations in the province
		Representative from agribusiness group operating within the province (where applicable)
		Representative from all agricultural colleges and universities operating within the Province (where applicable)

*Section 12. Roles and Responsibilities of the Provincial Organic Agriculture TWG.* The Provincial Organic Agriculture TWG shall:

- a. Assist the Governor in setting direction for the successful implementation of Provincial Organic Agriculture Program;
- b. Identify and recommend priority plans, programs and activities for the province; and
- c. Regularly conduct review and assessment of the Program for improvement.

CHAPTER V  
**PARTICIPATORY GUARANTEE SYSTEM (PGS) FORMATION,  
REGISTRATION, CERTIFICATION AND ACCREDITATION**

The Province, in coordination with the provincial LTC-OA, shall encourage the formation and support the operations of Participatory Guarantee System (PGS) groups within their locality through the provision of technical and financial assistance such as, but not limited to: (a) PGS Formation, Registration, Certification and Accreditation; (b) development of PGS Registry and Database; (c) promotion; (d) training; (e) inspection; and (f) incentives.

It shall be the option of the PGS Groups to form their aggrupation at the provincial and national levels. The provincial government shall encourage and support the formation and activities of these PGS Groups in the different cities and municipalities within their jurisdiction.

*Section 13. Formation and Registration.* The Province shall help identify farmers engaged in organic agriculture and encourage them to form core PGS groups. The LGU can assist on the issuance of mayor's permit, which shall be limited only to PGS transactions. Possession of said permit shall suffice as proof of registration and the grant of legal personality to PGS groups.

The Province shall also assist any other Organic Certifying Bodies (OCBs) to secure mayor's permit from the city/municipality where it intends to operate, possession of which shall suffice to grant them legal personality for purposes of accreditation by BAFS.

*Section 14. Certification.* The LGU shall provide technical and financial assistance to farms/farm owners applying for certification as an organic agriculture practitioner. The Province shall assist in terms of preparing the documents needed for the processing of application towards PGS certification.

*Section 15. Accreditation.* The Province shall provide technical and financial assistance to core PSG groups applying for accreditation with the DA-Bureau of Agriculture and Fisheries Standards (BAFS).

*Section 16. PGS Registry and Database.* The Province shall develop a PGS registry and database within its jurisdiction and update it regularly. The registry shall serve as the basis in the provision of technical and financial support from the Province, and as monitoring tool on the existing and functional PGS groups in the province.

*Section 17. Trainings.* The Province shall initiate the conduct of training and other capacity building and values formation activities, among the PGS groups to enhance and update their knowledge and skills on organic agriculture practices. The Province shall

coordinate with the DA-BAFS and DA – Agricultural Training Institute for the conduct of training program on organic agriculture standards and processes.

## CHAPTER VI PROMOTION OF ORGANIC AND NATURALLY-GROWN PRODUCE AND PRODUCTS

RA 10068, as amended, stated the need to undertake a nationwide educational and awareness campaign among the general public on the benefits of consuming organic products to boost local production of organic food and non-food products, as well as the adoption of an organic agricultural system as a viable alternative. The Act recognizes the crucial roles of local government units (LGUs) in the promotion of organic agriculture including the protection of organic areas and organic farming practices. As such, the Province, including all its component cities and municipalities, shall provide support for the promotion of organic and naturally grown produce and products.

The support measures for the promotion of organic and naturally grown produce and products, shall include but not limited to, the following activities: (a) Establishment of trading post or allocation of selling area; (b) Assistance on Market Information System and Digital Marketing; (c) Conduct of and/or participation in trade fairs and market matching activities; (d) Support to Organic Agriculture Certification and other documentations; (e) Provision of trading capital, shared facilities and post-harvest and processing equipment and supplies; (f) Support for professional enterprise management services; and (g) Consumer education.

*Section 18. Establishment of Organic Trading Posts/Selling Areas.* The Province shall establish organic trading posts and/or stalls/outlets. These areas shall be accessible to the general public and within areas with heavy foot traffic. The LGU shall also ensure that the trading posts and selling areas are strategically located in trading centers and local business activities for sustainability.

*Section 19. Consultation with OA stakeholders through the Provincial Local Technical Committee on Organic Agriculture (LTC-OA).* Organic farmers/fishers and other OA stakeholders shall be consulted on the proposed sites for organic trading posts or selling areas through the provincial LTC-OA.

*Section 20. Organic Agriculture Livelihood Program.* The Province shall support organic livelihood programs that serve as business integrators of organic farms producing and supplying organic inputs, providing farm services, as well as consolidating and marketing the produce of organic farms.

*Section 21. Market Information System.* The Province shall assist their organic farmers and fishers in establishing a market information system, enlisting all organic and naturally grown produce and products available in the Province. It shall serve as inventory and production monitoring, and shall be updated regularly.

*Section 22. Enrollment in Digital Marketing Platforms.* The Province shall assist their organic farmers and fishers in registering in digital marketing platforms. LGUs shall review and evaluate these platforms before the same can be endorsed to organic farmers and fishers.

*Section 23. Dedicated booths or selling areas for organic and naturally grown produce and products.* The Province shall include organic and naturally grown produce and products in the trade fairs they organize or participate in. These shall be accorded prime locations and separate from conventional produce and products so as to maintain its organic integrity. The LGUs are encouraged to provide support to the organic farmers and fishers through, but not limited to, provision of participation fees and travelling expenses, and logistics and manpower assistance.

*Section 24. Marketing Assistance.* The Province shall facilitate market matching activities and link organic and naturally grown farmers and fishers to possible buyers and markets, in addition to the conduct of and participation in trade fairs.

*Section 25.* The Province shall include in their marketing assistance to organic farmers and fishers the provision of trading capital, shared facilities and postharvest and processing equipment and supplies through a grant or loan as well as support for professional enterprise management services.

*Section 26. Celebration of Organic Agriculture Month.* Pursuant to Proclamation No. 1030, series of 2015, declaring the month of November as Organic Agriculture Month, the Province shall organize various activities to celebrate and intensively promote organic agriculture.

*Section 27. Conduct of Provincial Organic Agriculture Congress.* The Province shall conduct annual Provincial Organic Agriculture Congress, participated by all its cities and municipalities, to showcase organic and naturally grown produce and products as well as the farmers and fishers engage in organic agriculture.

*Section 28. Participation in the Regional Organic Agriculture Congress.* The Province shall participate in the annual Regional Organic Agriculture Congress, enjoining all its cities and municipalities, to attend, participate and feature organic and naturally grown produce and products as well as the farmers and fishers in their respective LGUs, if applicable.

*Section 29. Other Promotional Activities.* The Province shall likewise conduct weekly special market day for certified organic and naturally grown produce and products to further promote organic food, non-food and input products such.

*Section 30. Consumer Education* - The Province shall conduct consumer education activities through exhibits, quad media and face-to-face campaigns, especially during Organic Agriculture Month celebration.

CHAPTER VII  
**AVAILMENT OF TECHNICAL ASSISTANCE FOR THE ESTABLISHMENT AND/OR  
STRENGTHENING OF LOCAL ORGANIC SEED CENTERS AND  
LOCAL ORGANIC SEEDBANKS**

Section 16 of RA 10068, as amended, provides that the local government units (LGUs) shall coordinate with the Department of Agriculture – Bureau of Plant Industry (DA-BPI) for the establishment and/or strengthening of local organic seed centers/seedbanks, which shall include indigenous varieties, in order to increase farmers' adoption of organic agriculture and to protect and preserve indigenous and traditional crop varieties in their localities.

*Section 31. Identification of area/project site.* The Province, through the LTC-OA, shall identify area/site and provide the farm layout and location map of area/site of the proposed local organic seed center and/or seedbank.

*Section 32. Technical Assistance from DA.* The Province shall coordinate with the DA-BPI, through the DA RFOs, to avail of technical assistance for the establishment and/or strengthening of local organic seed center and/or seedbank in their locality.

*Section 33. Memorandum of Agreement.* The Province must enter into a Tripartite Agreement with DA-BPI and concerned DA-RFO stipulating the duties and responsibilities of all parties.

The Province must identify the priority commodities to be produced in the seed center/seedbank. It must also commit to undergo organic certification for their seed production in the Local Organic Seed Center. However, if they are going to establish a Local Organic Seedbank, the management practices in the facility should be in accordance with applicable Philippine National Standard relevant to Organic Agriculture.

*Section 34. Provision of Financial Support.* The Province shall provide financial support for the maintenance and operation of the local seed center / seedbank. It shall designate overall coordinator who will be in-charge of the seed center/seedbank.

CHAPTER VIII  
**ORGANIC AGRICULTURE REGISTRY AND DATABASE**

*Section 35. Organic Agriculture Registry and Database.* The Province of \_\_\_\_\_, and all its component cities and municipalities, shall adopt and populate the organic agriculture registry, in coordination with the DA-RFOs, and the database system to be provided by the NOAP-NPCO, and update these regularly every end of the month.

## CHAPTER IX MONITORING

*Section 36. Monthly, Quarterly and Annual Plan Monitoring.* The Governor, thru the Office of the Provincial Agriculturist - Technical Support Unit, shall monitor the implementation of the Province' Organic Agriculture Program, including those of its components cities and municipalities. Quarterly assessment shall be conducted in addition to the monthly reports. Annual report shall likewise be prepared and submitted to the concerned DA-RFOs and NOAP-NPCO.

*Section 37. Updating of Organic Agriculture Plans.* The short-, medium-, and long-term organic agriculture plans of the Province as well as its component cities and municipalities may be recalibrated or updated based on the realities of implementation. Nonetheless, these updated plans shall likewise be reviewed and endorsed by respective LTC-OAs.

*Section 38. Volume and Value of Trade.* The Province shall also monitor the volume and value traded of organic produce and products using the template to be provided by the National Organic Agriculture Program - National Program Coordinating Office (NOAP-NPCO).

## CHAPTER X FUNDING AND FINAL PROVISIONS

*Section 39. Submission of Organic Agriculture Plans.* All C/MLGUs shall submit their respective organic agriculture profile, short-, medium-, and long-term organic agriculture plans to the Province within six (6) months from the effectivity of this Ordinance. The Provincial Organic Agriculture plan shall be submitted to the NOAB thru the NOAP-NPCO and DA-RFOs within one (1) year from the effectivity of this Ordinance.

*Section 40. Funding Requirement.* An amount of \_\_\_\_\_ shall be allotted for the implementation of this Ordinance, subject to annual allocation as may be deemed necessary and requisite.

*Section 41. Transitory Provisions.* The provincial government shall be given six (6) months after publication of this Ordinance to comply with its the mandatory provisions. The Office of the Provincial Agriculturist is mandated to conduct monthly monitoring of the LGUs within its jurisdiction which have been found non-compliant to this ordinance until full compliance therein.

*Section 42. Separability Clause.* If any provision of this Ordinance is declared unconstitutional or illegal by a court, the same shall not affect the validity of the other provisions.

*Section 43. Repealing Clause.* Any or all ordinances, resolutions and/or issuances of the Province, which are inconsistent with this Ordinance are hereby repealed, amended, or modified accordingly.

*Section 44. Effectivity.* This ordinance shall take effect fifteen (15) days from its publication in a newspaper of general circulation in the Province.

DRAFT SAMPLE

**GUIDELINES ON THE  
IMPLEMENTATION OF  
ORGANIC AGRICULTURE  
LIVELIHOOD PROJECTS  
(OALP)**



## **MEMORANDUM CIRCULAR**

No. 45  
Series of 2022

**SUBJECT: GUIDELINES ON THE IMPLEMENTATION OF ORGANIC AGRICULTURE LIVELIHOOD PROJECTS (OALP)**

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### **I. RATIONALE AND DESCRIPTION OF THE PROJECT**

Organic agriculture production system is a promising solution to end hunger given that it heightened the promotion of human and environmental health while contributing to the country's goal of food security – having safe, nutritious, and affordable food available and accessible at all times. Organic agriculture promotes production of crops, animals and other products without the use of synthetic chemical fertilizers and pesticides, providing healthier food to the consumers and rejuvenating soil health.

However, farmers are constrained by limited supply of organic inputs, scarce farm labor and limited access to processing and marketing facilities and services.<sup>1</sup> The limited supply of organic inputs greatly contributes to the increasing price of organic products; thus, many consumers prefer inorganic products. Furthermore, lack of learning sites allotted for organic agriculture becomes a hindrance in enabling the farmers to convert their lands and venture into organic farming to provide organic products in the market.

There is a need to support organic agriculture not only for its economic potential but more so for the sustainability of agriculture. Consolidation of supply and provision of efficient facilities and services are key factors to upsurge production of quality produce and products with organic integrity. Livelihood support for its practitioners and advocates will boost their production.

Therefore, the DA National Organic Agriculture Program - National Program Coordinating Office (NOAP-NPCO) designs this project to strengthen and empower existing organic practitioners' and farmers' groups through the establishment of organic agriculture livelihood projects.

The livelihood project shall serve as a business integrator of organic farms, that is, producer and supplier of organic inputs, provider of farm services, as well as the consolidator and marketing arm of organic produce and products. The facilities and components of each organic agriculture livelihood project, as well as its scales of operation and phases of development, shall be based on the organic agricultural commodities of the proponent.

The provisions under this Department Circular aim to lay down the criteria, rules, and procedures to avail of organic agriculture livelihood projects.

### **II. COVERAGE AND SCOPE OF INTERVENTIONS**

The livelihood projects may perform any of the following services and activities, e.g. production of agricultural inputs, farm services, agricultural technical services, consolidation of harvest and marketing, processing and value adding, training and capacity

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<sup>1</sup> Based on Quarterly Assessments conducted by the National Organic Agriculture Program

building. Consequently, the NOAP, through its operating units, may provide appropriate assistance listed below:

A. SOCIAL PREPARATION, CAPACITY BUILDING AND INSTITUTIONAL DEVELOPMENT SUPPORT (Trainings/Capacity building activities, Office Equipment)

B. PRODUCTION AND POSTHARVEST SUPPORT

1. Crop Production (Fertilizer Facility, Concoction Facility, Seed Production, Nursery, Seed Dryer, Seed Processing, Seed Storage, Millers and Hullers, Solar/Bubble Dryers, Farm Production Machineries, Farm Sheds for Farm Machineries, Rainwater Harvester, Irrigation System)
2. Animal Production (Breeder and Animal Stocks, Feed Production, Silage Facility, Animal Hauler, Animal Housing, Forage Development, Slaughter House, Dressing Plant, Hatchery with Incubator)
3. Fisheries Production (Pond Construction, Breeder and Fingerlings, Feed Production, Feed Packaging, Fishery Processing, Fish Products Packaging and Fish Products Storage)

C. MARKETING, LOGISTICS AND OTHER ANCILLARY SUPPORT

1. Food Processing (Food Processing Structures, Food Processing Equipment and Food Packaging Supplies and Equipment)
2. Consolidation Areas (Cold Storage, Warehouse and Wholesale Selling Area)
3. Marketing and Logistics (Carts, Pedicabs, Hauling Trucks, Small Transport)
4. Solar Photovoltaic (PV) System or Solar Panel System (as an alternative to electricity)

The packages and cost parameters are presented in the following table:

Package	Amount	Description of Packages
Package A: Production-focused livelihood project	Up to PhP 5 Million	Will consist of capacity building; farm inputs, equipment, machinery and support facilities for the production of soil ameliorants, crops, livestock and fisheries; and marketing and logistics support
Package B: Postharvest and Processing-focused livelihood project	Up to PhP 5 Million	Will consist of capacity building; postharvest and processing equipment, machinery and facilities; food packaging supplies; and marketing and logistics support
Package C: Marketing and Logistics-focused livelihood project	Up to PhP 10 Million	Will consist of capacity building; supplies, equipment, machinery and facilities for marketing and logistic activities including transport vehicles; and digital marketing infrastructure and equipment

### III. ELIGIBLE BENEFICIARIES/PARTNERS

Any of the following entities are eligible beneficiaries:

- A. Certified Participatory Guarantee System (PGS) Groups;
- B. Registered Civil Society Organizations (CSOs) intending to become PGS groups;
- C. Indigenous People's Organizations; and
- D. Local Government Units (LGUs) with ordinance and programs on organic agriculture.

#### **IV. DOCUMENTARY REQUIREMENTS**

Proponents of organic agriculture livelihood projects are required to submit the following documents, or their equivalent, in their applications:

- A. Letter of Intent to avail of the program addressed to the DA - Regional Executive Director (DA-RED);
- B. Project proposal;
- C. Certificate of Registration from the appropriate agency (ex. SEC, CDA, BAFS, NCIP, DOLE among others);
- D. Sworn Affidavit of the Secretary of the entities that none of its incorporators, organizers, directors or officials is an agent of or related by consanguinity or affinity up to the 4th civil degree to the officials or any personnel authorized to process and/or approve the proposal, the MOA, and the release of funds. Relationships of this nature shall automatically disqualify any entity from being granted the fund (Section 4.4.8 of COA Circular No. 2007-001 and Section 2.1 of COA Circular No. 2012-001);
- E. Board Resolution authorizing the Chairman/President of the Organization to enter into an agreement with the DA;
- F. Valid Business Permit;
- G. Proof of land ownership, with no encumbrances, by the proponent, or usufruct agreement between the owner of the land and the proponent with updated receipt of payment of real property tax;
- H. Affidavit of Undertaking that the lot owned by the proponent or with usufruct agreement shall be dedicated to the sole use of the organic agriculture livelihood project and shall not be converted to any purpose for the duration of ten (10) years from its establishment;
- I. Certified copy of the local ordinance on organic agriculture program for LGU proponent;
- J. Letter of Commitment to support the implementation of the project from the Minister, Ministry of Agriculture, Fisheries and Agrarian Reform (MAFAR), for BARMM proponents; and
- K. Certificate from the Secretary/Accountant that the entity has equity equivalent to at least 20% of the total project cost.

#### **V. MECHANICS OF IMPLEMENTATION**

The Department of Agriculture Regional Field Offices (DA-RFOs) and the NOAP-NPCO shall conduct an information caravan on the project from among their list of organic agriculture farmer groups and local government units. Interested entities may submit their application letters, together with the other documentary requirements to the DA-RFOs. The application process flow is presented herein as *Annex 1*.

The DA-RFOs and NOAP-NPCO shall compose the screening committee, conduct a joint review of the project proposals and select the entity to be endorsed as recipient of organic agriculture livelihood projects. The report of the screening committee shall be submitted to the DA-RED for approval.

By virtue of NOAB Resolution No. 022, s.2022 re "Approving the Implementing Guidelines for the Organic Agriculture Livelihood Project (OALP)", the DA-RED shall have the authority to approve all livelihood project proposals not exceeding five million pesos only (PhP5,000,000). Any project exceeding five million pesos only (PhP5,000,000) shall be endorsed to the National Organic Agriculture Board (NOAB) for approval.

## **VI. MODALITY**

The livelihood project will be provided as a grant assistance. The approved request may be procured either by the concerned Regional Field Office or the beneficiary, depending on the preference of the RFO and assessment of the capability of the beneficiary to carry out the procurement. In case of procurement by the beneficiary, the following requirements must be met by the recipient to enable fund transfer:

- A. Creation of Bids and Awards Committee (BAC) by the beneficiary;
- B. Training certificate on government procurement by members of the BAC;
- C. Accreditation Certificate of Civil Society Organization issued by the Department of Agriculture (DA Administrative Order No. 13, Series of 2021);
- D. Authenticated copy of the latest Articles of Incorporation or Articles of Cooperation, as the case maybe, showing the original incorporators/organizers;
- E. Secretary's certificate on the list of incumbent officers and members, and organizational chart;
- F. Certification of the Accountant of the organization that it has no unliquidated financial grant from the DA;
- G. Audited Financial Reports for the past three years preceding the date of project implementation, financial reports for the years in operation and proof of the previous implementation of similar projects (Section 2.1 of COA Circular No. 2012-001); and
- H. Disclosure of other related business, if any.

The fund transfer will only be made when the requirements are complied with; the proposal has completed the review, deliberation and approval process; the site was validated; the proponents were assessed to confirm their readiness, capability to procure the necessary interventions and manpower complement to execute the project; and the Memorandum of Agreement (MOA) has been executed.

## **VII. CRITERIA FOR EVALUATION OF PROPONENTS**

Proponents shall be shortlisted according to the (1) greatest number of small-hold organic agriculture farmers or fisherfolks to be benefitted; (2) demonstrated plan for organic agriculture in the next three (3) years within their area of operation/influence; and (3) viability of proposed business operations.

## **VIII. EVALUATION OF PROJECT PROPOSALS**

The DA Regional Field Offices through the Organic Agriculture Focal Person will receive and conduct the initial screening of the project proposals. The proposals that will pass the initial screening will be subjected to the review and evaluation of the Screening Committee.

The concerned RFO Regional Executive Directors and the NOAP NPCO Director shall designate the official and technical staff to compose the Screening Committee who will conduct the review and evaluation of the proposals. The proposal must demonstrate viability in the aspects of social, technical, market, financial, economic, implementation, institutional and sustainability as provided in the proposal template (*Annex 2*).

The amount of grant to be approved shall be based on the results of the validation of cost estimates of the specific activities and interventions requested.

## **IX. ROLES OF KEY STAKEHOLDERS**

The key stakeholders in the establishment of organic agriculture livelihood projects are the DA-RFOs, the NOAP-NPCO, and the OA livelihood project proponents. For the smooth implementation of the organic agriculture livelihood assistance projects, the key stakeholders shall perform their respective roles as follows:

### **A. Livelihood Project Proponents**

1. Prepare farm development plan for its proposed OA livelihood project;
2. Prepare the budgetary requirement for its proposed OA livelihood project;
3. Identify and submit the list of farmers targeted to be members of the OA livelihood project;
4. Submit a plan of expansion of organic agriculture in their locality;
5. Facilitate the disbursement of funds based on existing accounting and auditing rules and regulations;
6. Execute an Undertaking that the subject land be dedicated for sole use of organic agriculture and other related activities and shall not be used for any other purpose for a period of ten (10) years;
7. Provide an equity, in kind or in cash, amounting to twenty percent (20%) of the total project cost;
8. Participate in all meetings called by the DA;
9. Prepare the site where the livelihood project will be established;
10. Ensure the proper maintenance of the facilities including the security of the area at all times;
11. Allow DA personnel to observe staff, management committee, and board meetings;
12. Submit monthly, quarterly and annual reports of operation and finances to DA-RFO and NOAP-NPCO;
13. Hire competent/qualified staff for the operation of the OA livelihood project;
14. Undertake the capacity building of organic stakeholders within its area of influence if applicable; and
15. Assist in the conduct of OA trainings and advocacy activities as a resource person.

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

1. Undertake information campaigns for OA livelihood projects in their respective regions;
2. Identify the proponents of OA livelihood projects in their region based on the criteria provided under this Guidelines;
3. Assist the selected proponents of OA livelihood projects in preparing the proponent's farm development plan;
4. Assist the selected proponents of OA livelihood projects in preparing the budget requirement for the projects;
5. Assist the selected proponents of OA livelihood projects in the preparation of the plan for the expansion of organic agriculture in their locality;
6. Create the screening committee and lead in the conduct of review and evaluation of the proposals;
7. Assist the selected proponents of OA livelihood projects in the expansion of the operations and in networking with like-minded groups and allies;
8. Provide interventions and monitor the provision of interventions by other cooperating agencies to the OA livelihood project's proponents;
9. Provide technical support on the operation of the OA livelihood project;
10. Monitor the operation of the OA livelihood project by conducting site visits;
11. Lead in the consolidation of data in every OA livelihood project in their respective regions; and
12. Participate in the evaluation of the Program.

**C. National Organic Agriculture Program - National Program Coordinating Office (NOAP-NPCO)**

1. Participate in the conduct of information caravans on the OA livelihood projects;
2. Participate in the review and provide recommendations on the project proposal of OA livelihood projects proponents;
3. Participate in the selection of OA livelihood projects;
4. Monitor the delivery of interventions of all implementing agencies cooperating in each OA livelihood project;
5. Conduct joint site visitation with DA-RFOs of OA livelihood projects;
6. Monitor, consolidate and analyze all relevant data from every DA-RFO and all established OA livelihood projects;
7. Provide recommendations for the improvement of the operation of respective OA livelihood projects; and
8. Take the lead in the evaluation of the Livelihood Project as a subprogram of the NOAP.

**X. MONITORING AND EVALUATION**

The DA-RFOs shall conduct quarterly monitoring of the operation of the livelihood projects, which may be joined by the NOAP NPCO. This shall include review of progress reports and field visits to check and validate what has been reported by the beneficiaries.

The monitoring report must include a comparison of the actual outputs of the project vis a vis the targeted outputs and financial accomplishment versus the financial plan, measured against the implementation schedule. It must also include the status of the operations and feedback on the implementation of each livelihood project. Challenges in the implementation as well as recommendations must be considered in the report. In addition, the DA-RFOs, through its Planning, Monitoring, and Evaluation Division shall submit to the NOAP NPCO an annual evaluation of the Livelihood Project as a subprogram of the NOAP and recommend for its continuation, enhancement or termination.

On the other hand, the beneficiaries shall submit to the DA RFO an annual report of accomplishment every January 15 of the following year. At the end of the third (3rd) year of implementation, the beneficiaries shall be required to submit a terminal report including the impact of the project to them following the agreed project assessment/evaluation instrument and methodology.

**XI. FUNDING SOURCE**

Funding for the Project shall be charged primarily to the NOAP Fund. Other DA Units and government agencies may also provide financial and other support for a greater impact. LGUs and other local and international funding agencies may likewise provide additional support in cash or in kind to the Project.

**XII. MEMORANDUM OF AGREEMENT**

A Memorandum of Agreement (MOA) between the DA RFO and the beneficiary/partner shall be undertaken once the project and the funding are approved, indicating among others that the proponent shall undertake PGS certification within two (2) years from the acceptance of interventions.

This Agreement may be terminated by the DA RFO upon due notice to the beneficiary/partner on the following grounds:

1. If the Agreement was obtained through fraud, misrepresentation or omission of facts at the time of application;
2. Failure to commence the project within 60 days upon receipt of the intervention, without justifiable cause;
3. The project is found to be non-operational for 60 days due to bad faith and gross negligence;
4. Violation of any of the conditions of, or failure to comply with, or perform the obligations such as PGS certification;
5. Use of the project funds, structures, facilities, and equipment for activities not related to organic agriculture; or
6. The beneficiary voluntarily decides to terminate the project.

In all cases, the DA RFO shall re-assign the recovered machinery, equipment, tools and supplies to willing and qualified beneficiaries. The original beneficiary who was at fault will be disqualified from future assistance from the NOAP within a period of five (5) years.

### **XIII. FUND UTILIZATION AND FUND RELEASE**

After the selection and approval of the organic agriculture livelihood project, the procedure for the fund utilization and fund release for the project shall be principally guided by the existing COA Guidelines, rules and regulations, particularly the following:

- COA Circular No. 94-013 - Rules and Regulations in the Grant, Utilization and Liquidation of Funds Transferred to Implementing Agencies (December 13, 1994);
- COA Circular No. 2007-001 - Revised Guidelines in the Granting, Utilization, Accounting and Auditing of the Funds Released to Non-Governmental Organizations/People's Organizations (NGOs/POs) (October 25, 2007);
- COA Circular 2009-007 - Restatement and Clarification of Items 4.5.4,4.7.2 and 4.9.1 and Other Related Provisions of COA Circular No. 2009-002 dated 18 May 2009 (September 25,2009); and
- COA Circular No. 2012-001 - Prescribing the Revised Guidelines and Documentary Requirements for Common Government Transactions (June 14, 2012).

### **XIV. PROVISION ON DONATIONS**

Upon project delivery and acceptance of interventions, the same shall be donated to the proponent, provided, that these shall not be repurposed within the period of ten (10) years from its establishment and provided further, that the proponent is not guilty of bad faith, gross negligence or misrepresentation at any time during application and implementation. Otherwise, the donation shall be void. Thereafter, the DA-RFO shall immediately take over the operations of the project without the need for court proceedings.

### **XV. AMENDMENTS**

Amendments to these guidelines may be made after prior consultations with all program stakeholders and upon approval by the NOAB.

**XVI. EFFECTIVITY CLAUSE**

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).

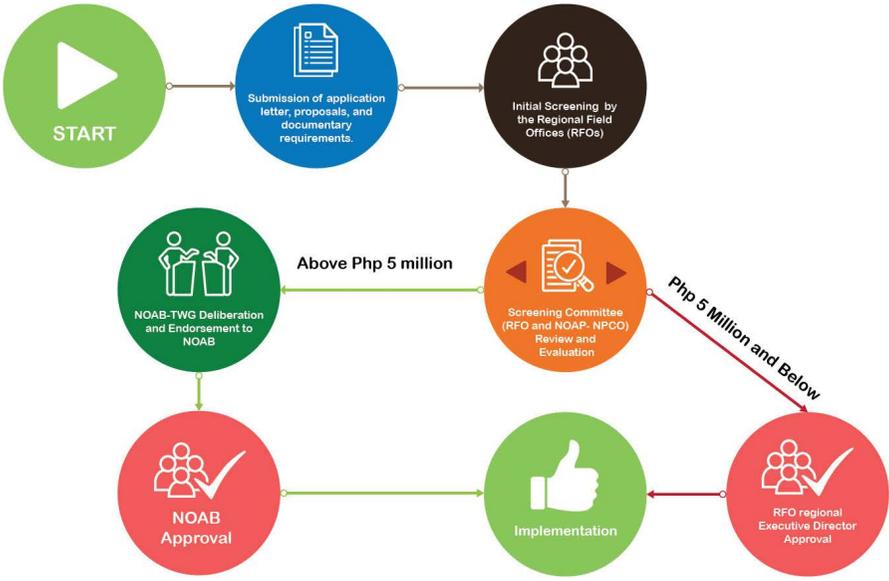
Done this 10<sup>th</sup> day of December, 2022 in Quezon City.

**DOMINGO F. PANGANIBAN**  
Senior Undersecretary



DA-CO-ASFCO-F/M/2022/214-00112

Process Flow in Availing of OA Livelihood Projects





## ORGANIC AGRICULTURE LIVELIHOOD PROJECT OUTLINE

### 1. Proponent Information

This section includes Organization's name, project title, address, contact person, designation, and contact number.

### 2. Situational Aspect/Rationale

This is an overview of the current situation in relation to the project. This may also include food sufficiency levels, problems, gaps, and opportunities that the project will address.

### 3. Objectives

This section describes the goal of the project in relation to addressing the problems/gaps and/or opportunities discussed in the situational analysis. The said objectives should be SMART (specific, measurable, achievable, realistic and time-bound).

### 4. Market Aspects

This section should describe the current supply and demand situation in the city or municipality of the commodity/ies to be produced in the project as well as the potential/identified target market. Define the marketing plan and strategy such as distribution channels, advertising, and promotions (i.e agri-tourism site).

### 5. Technical Aspects

This section explains the project with description by components including the following information: (a) operating capacity; (b) availability of the project site; (c) the operation flow and activities of the project (e.i production up to marketing), specifications of machinery and facilities needed; (d) volume of existing and projected production, specific outputs; and, (e) supplemental documents such as Detailed Engineering Design, Program of Works and basis of cost estimates. Provide all assumptions used and attached as Annexes (i.e recovery rate, volume of raw materials, stocking density, crop production plan, etc.).

### 6. Financial Aspects

This should include the total project cost/budgetary requirements presented per source of funds using the table below.

Components/Line Item	Quantity (A)	Unit Cost (B)	Total Project Cost (PhP) (A x B)	Fund Sources	
				DA-NOAP	Other DA Unit

Also, a separate table must be presented showing the proponent's equity of not less than 20% of the total project cost using the table below.

Components/Line Item	Proponent's Counterpart		Total Counterpart
	Cash	In Kind	

Likewise, provide projected financial reports such as Income Statement, Cash Flow, and Balance Sheet with computation on the revenue stream of the livelihood project and the Return on Investment (ROI). Please submit this computation in an excel format.

**7. Economic Aspects**

This includes the projected improvements in the welfare of the beneficiaries and the country as a whole, such as: (a) increase in farmers' income, (b) increase in certified organic area and OA farm producers, (c) increase in number of clients/consumers, (d) increase in volume and value/price of OA products, and, (e) jobs generated.

**8. Organizational/Institutional Arrangements**

This includes the background of the organization/proponent and competitive advantages such as farmer members, organic agriculture certified area and potential farmers and areas for certification, support of the LGUs through OA ordinances, and linkages with other government agencies and private partners. The mechanics of project implementation should be described in order to determine the specific duties, responsibilities, and activities of each of the key stakeholders.

**9. Implementation Arrangements and Schedule**

This includes the implementation strategies and implementation period. This also includes a Gantt Chart and Work and Financial Plan (WFP) presented below:

ACTIVITIES	IMPLEMENTATION PERIOD (YEAR/MONTH)				DA-NOAP FUNDS (A)	PROPONENT COUNTERPART FUNDS (B)	FUNDS FROM OTHER SOURCES (C)	BUDGET (PHP) (A+B+C)
	Y/M <sub>1</sub>	Y/M <sub>2</sub>	Y/M <sub>3</sub>	Y/M <sub>n</sub>				

The WFP must be accompanied by computations submitted in excel format with traceable formula.

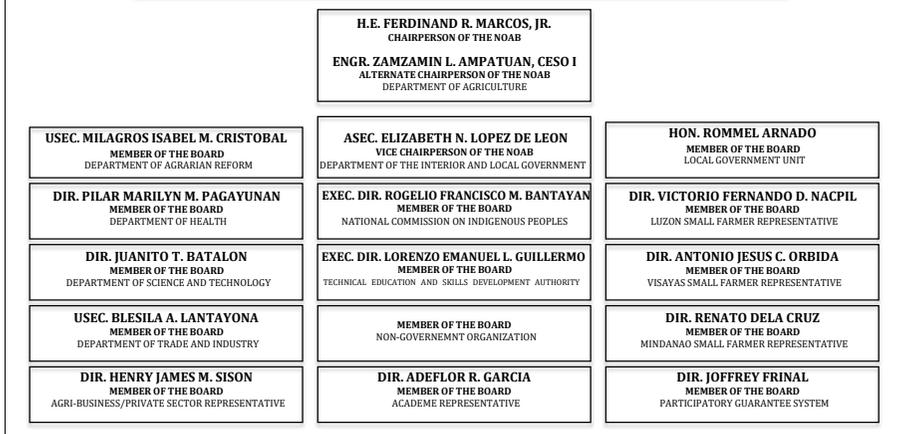
**10. Sustainability and Risk Management Plan**

This section should provide information on the preparedness of the proponents/FCAs to manage the impact of the natural calamities to the livelihood projects. Likewise, identify the different risks that the organization may encounter (i.e. occurrence of pests and diseases, calamities that would affect production, and environmental concerns) and mitigating measures that could be applied if the risks occur. To facilitate this, the PRDP's Business Continuity Plan template will be adopted using the template below.

Resources to Protect	Preparedness Measures	Response	Early Recovery
	<i>What pre-disaster activities will you do to ensure that identified assets are ready? You may refer to the items identified in the BC Strategy Sheet</i>	<i>What activities will you do during the disaster to secure/manage the identified assets? You may refer to the items identified in the BC Strategy Sheet</i>	<i>What activities will you do after the disaster to recover the identified assets? You may refer to the items identified in the BC Strategy Sheet</i>
Equipment	Ensure the weighing scale and incubator to be placed in a secure a dry storage	Stand by equipment should be secured from flood and strong winds	Check if stand by equipment is ready to operate
Inventory	Creating buffer stocks enough for 3 months processing requirement	Buffer stocks are being secured and placed in an elevated storage place	Check if buffer stocks can still be used

Building / Facility	Make sure Infra (processing center) is typhoon resilient	Secure/board doors and windows	Cleaning and repair of damage facilities
Data	<ul style="list-style-type: none"> <li>* Make sure all-important documents are intact</li> <li>* All data are encoded electronically and saved in a Flash drive/ Hard drive</li> </ul>	* All backup data and documents are placed in a dry and safe vault.	Check back up data
Supply Chain	Always ensure there is enough raw materials (coconut husks)	Stock of raw materials should be covered by nets to lessen the loss/ damage caused by typhoons or floods.	Re-collection and recovery of husks that can be used

# NATIONAL ORGANIC AGRICULTURE BOARD



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OK Sa OA!



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