



BAGONG PILIPINAS



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MEMORANDUM CIRCULAR

No. 17

Series of 2024

**SUBJECT: IMPLEMENTING GUIDELINES FOR THE ORGANIC LARGE RUMINANTS
DISPERSAL PROGRAM FOR BEEF PRODUCTION**

I. RATIONALE

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

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

Currently, the local production of cattle beef and carabeef is 185,000MT CWE while the national demand is estimated at 277,000MT CWE (2.36kg per capita at 117M population). Given this data, there is a shortage of 92,000MT CWE for 2023. This shows that there is room for local beef production (Source: Office of Agricultural Affairs, Manila, 2023).

To address the gaps, the NOAP in coordination with the Bureau of Animal Industry (BAI) and the Local Government Units (LGUs) will undertake a cattle and carabao dispersal program. The NOAP has initially identified LGUs to be recipients for the pilot implementation of the program.

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

II. DESCRIPTION OF THE PROGRAM

Under the program, the NOAP through the BAI shall support interested LGUs in implementing a large ruminant (cattle and carabao) dispersal program in their areas. The selection of animals for distribution will be determined by the requests from the LGUs. The program will provide 50 heads of animals to the qualified LGUs. The LGUs will identify qualified recipients based on the set criteria. The recipients shall raise and breed the animals in compliance with the provisions of the Philippine National Standard (PNS)

for organic large ruminants. The recipients shall follow the pay-forward scheme by passing the first offspring to the next in-line-qualified recipients.

III. ELIGIBLE PARTNERS/BENEFICIARIES

A. Direct Partners - The Local Government Units should:

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

B. Indirect Beneficiaries - The Farmer Recipients should:

1. Have an established multi-species forage area (combination of multi-purpose fodder trees, grasses, and forage legumes) either contiguous or non-contiguous plots that can support the feed requirement of the animals;
2. Attend training on the raising of organic large ruminants and management of improved pasture and fodder;
3. Enroll in the Registry System for Basic Sectors in Agriculture (RSBSA); and
4. Provide a natural shed for the animal as a counterpart.

IV. CRITERIA FOR PRIORITIZATION

A. Direct Beneficiaries

1. Member of associations of LGU supporting organic agriculture;
2. With target beneficiaries as members of Indigenous Cultural Communities (ICCs);
3. With target beneficiaries that have experience in raising large ruminants;

B. Indirect Beneficiaries

1. With at least one (1) year experience in cattle and carabao raising.

V. DOCUMENTARY REQUIREMENTS

A. Direct Partners - The Local Government Units

1. Letter of Intent addressed to the BAI Director, through the DA - Regional Field Offices (DA-RFOs);
2. List of 1st and next-in-line recipients;
3. Photos of beneficiaries and proposed forage areas;
4. Affidavit certifying that the listed recipients are validated and evaluated as qualified according to the criteria set in the guidelines;
5. Copy of Local Ordinance on organic agriculture consistent with the provisions of DA-DILG JMC No.1, s.2022;
6. Sanggunian Resolution indicating the following:
 - a. Support for the dispersal program; and
 - b. Authorizing the Local Chief Executive (LCE) to enter into an agreement with the BAI and DA-RFO;
7. List of personnel to be involved and program focal; and
8. A picture of the holding area with the location address.

B. Indirect Beneficiaries - The Farmer Recipients

1. Photos of the proposed natural shed and forage area; and
2. Copy of the Affidavit of Undertaking.

VI. MECHANICS OF IMPLEMENTATION

A. Selection and Approval Process

1. The National Organic Agriculture Program (NOAP) and Regional Field Office (RFO) shall conduct an information caravan through various platforms;
2. The LGU shall identify 100 farmer-beneficiaries for the program consisting of the first fifty (50) and the fifty (50) next-in-line recipients. Once the 1st batch has produced its offspring, the LGU shall identify and submit the names of the succeeding recipients to BAI through RFO. The process shall repeat thereafter.
3. The LGU shall submit a letter of intent addressed to the BAI Director through the DA-RFO, together with the other documentary requirements for initial screening, document review, and endorsement;
4. The DA-RFO shall endorse the submitted documents from the qualified LGUs to the BAI;
5. The assigned BAI personnel, together with the assigned DA RFO personnel, shall evaluate the submitted documents and conduct site validation;
6. The assigned BAI personnel, together with the assigned DA RFO personnel, shall submit the result and recommendation to the BAI director;
7. The BAI Director may approve the application based on the results of the evaluation of the submitted documentary requirements vis-a-vis eligibility, and prioritization criteria;
8. Qualified LGUs who were not included in the list of recipients due to budget limitations may re-apply for the succeeding years of program implementation;

9. The BAI Director, DA-RFO Regional Executive Director (RED), and LGU Local Chief Executive (LCE) shall execute a tripartite Memorandum of Agreement (MOA) once the application is approved;

B. Procurement of Stocks

10. The BAI shall procure upgraded cattle and carabaos that are at least 18 months (ready to breed) of age, all-female, in good condition, and healthy; These shall be procured by lots and delivered on-site;
11. The delivered animals shall be covered by the Philippine Crop Insurance Corporation (PCIC) and standard warranty;
12. The BAI shall conduct pre-inspection including blood testing of the ruminants before delivery;
13. The BAI shall coordinate with the LGU on the delivery date of the stocks;
14. The BAI shall inspect and the LGU shall accept the animal according to the specifications;

C. Dispersal

15. The BAI and DA-RFO shall formally turn over the stocks to the qualified LGUs together with appropriate documentation and certification;
16. The stocks received shall include a certificate named after the LGU;
17. The LGU and the farmer recipient shall execute a MOA which includes a provision on the replacement process in case of death and unproductive stocks, specifications of the natural shed for the animal stocks, and renewal of insurance by owners as specified in the certificate of ownership. The replacement for unproductive stock shall be of the same specifications as the original stocks;
18. The LGU shall sponsor continuing training which includes topics on the PNS for livestock and pasture management for farmer-beneficiaries;
19. The LGU shall assist and monitor farmer recipients to establish their mixed forage area to be ready for grazing or cut-and-carry in time for the delivery of the animal stock;
20. The LGUs will require the farmer recipients to be present on the designated date and venue of the delivery;
 - a. Should there be instances of unclaimed animals by their designated farmer recipients, the LGU shall keep the animals until they are claimed or delivered and will be responsible for the animals while they are under their care;
 - b. Failure by the recipients to claim their animals within one (1) week from the date of the delivery shall result in forfeiture. The LGU may then reassign the animals to the next-in-line recipient.
21. The farmer recipients shall sign an acceptance form (with photo documentation of the animal and the farmer holding the certificate of acceptance) from the LGU as proof of receipt of the animals;
22. The LGU shall submit the acceptance form of the farmer recipients to BAI through the DA-RFO;

D. Sustainability Plan

23. The BAI together with the Bureau of Agriculture and Fisheries Standard (BAFS), shall provide technical assistance to farmer beneficiaries;
24. The LGU shall provide periodic veterinary and insemination services to the recipient; the LGU shall have a written animal health program in place;
25. The DA-RFO, BAI, NOAP, and NOAB may likewise conduct spot-checking on the beneficiaries;
26. The recipients are obliged to pay forward to the next-in-line recipient the first offspring;
27. The LGU shall facilitate the transfer of ownership of the animal stocks to the farmer beneficiary through the issuance of a Transfer Certificate of Ownership once the offspring is accepted and received by the next-in-line recipient;
28. Should the offspring be found to be below acceptable conditions set by the BAI according to its age, the LGU shall facilitate the selling of the offspring and the proceeds shall be used to procure animals that will be given to the next-in-line recipient;
29. In case the dispersed animal does not produce offspring within one (1) year:
 - the LGU shall reclaim and replace the animals by selling it to procure a replacement;
 - The LGU shall utilize the funds to procure animals that meet the specifications provided by the BAI;
 - The LGU shall invite BAI and RFO as observers in the procurement of the replacement animal.
30. In case the animal dies while in the LGU's care:
 - a qualified 3rd party veterinarian should do the post-mortem exam to assess the cause of death;
 - The animal should be properly disposed of following biosafety rules;
 - The LGU shall process the warranty or insurance claim to replace the animals whichever is applicable.
31. Should the animals die due to the recipient's fault, as verified by a competent authority:
 - the recipient is responsible for acquiring a replacement animal and caring for it until it reproduces, thereby providing offspring to pass on to the next-in-line recipient.
32. In case the animals die, but not due to the recipient's fault, as verified by a competent authority:
 - The LGU veterinarian shall conduct a post-mortem exam to assess the cause of death;
 - The LGU shall reclaim the animal for proper disposal following biosafety rules;
 - The LGU shall draft an incident report to be submitted to DA-RFO and BAI; and
 - The LGU shall assist the farmer-beneficiary in the processing of insurance for the animal.
33. Those who failed to pay forward will be blacklisted from accessing interventions under the Organic Agriculture Program for five (5) years;
34. The LGU shall provide marketing assistance including processing or slaughtering services;

35. The LGUs without a dedicated slaughterhouse for organic animals must establish one within five (5) years of implementation of the program;

E. Reporting and Monitoring

36. The LGU shall conduct site visits to monitor the operation of the farm and submit a quarterly and annual monitoring report to BAI through the DA-RFO;
37. The BAI, DA-RFO, NOAP, and NOAB may conduct spot-checking for the monitoring of operations of the dispersal program;
38. The BAI shall prepare and submit to NOAP semestral, annual, midterm, and terminal reports after five (5) years of program implementation;
39. The NOAP shall consolidate and analyze all submitted reports from BAI; and
40. The NOAP shall provide recommendations for the improvement of the operation of the dispersal program.

VII. ROLES OF KEY STAKEHOLDERS

A. Bureau of Animal Industry (BAI)

1. Lead in the evaluation of the documentary requirements;
2. Lead in the conduct of site validation and deliberation of applications;
3. The BAI Director may approve the application based on the results of the evaluation;
4. Notify the DA-RFOs on the list of qualified LGUs;
5. Draft and execute a tripartite MOA with the DA-RFO and LGU;
6. Responsible for the procurement of animal stocks with animal insurance;
7. Conduct pre-inspection of the animals before delivery;
8. Coordinate with the LGU through the DA-RFO on the delivery date of the stocks;
9. Conduct on-site technical inspection of the delivered stocks;
10. Lead in the turnover of the stocks to the qualified LGUs together with appropriate documentation and certification;
11. Provide technical assistance to farmer recipients;
12. Provide biosafety protocols for the disposal of animals in case of death;
13. May provide AI services as well as biologics;
14. Observe the procurement process of the LGU for the replacement stocks;
15. Develop and provide reporting forms;
16. Lead in the conduct of spot-checking for the monitoring of operations of the dispersal program;
17. Submit semestral, annual, midterm, and terminal reports and findings to NOAP for enhancement/termination of the program; and
18. Ensure the return of any misappropriated and unused funds from the LGUs to the BAI-NOAP subject to existing government accounting and auditing rules and regulations.

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

1. Participate in the information caravan through various platforms;

2. Receive and review the letter of Intent, together with other documentary requirements, from the LGUs;
3. Assist in the evaluation of the submitted documents and shortlist qualified LGUs based on the set criteria and eligibility;
4. Endorse the submitted documents from the qualified LGUs to the BAI;
5. Assist in the conduct of site validation of the LGUs;
6. Participate in the conduct of deliberation;
7. Notify the LGUs of the result of the site validation and deliberation;
8. Undertake tripartite MOA with BAI and LGU;
9. Assist in the turn-over of the stocks to the qualified LGUs together with appropriate documentation and certification;
10. Submit the acceptance form of farmers received by LGUs to BAI;
11. Assist BAI and LGU in the conduct of training for farmers;
12. May provide AI services as well as biologics;
13. Observe the procurement of the LGU for replacement stocks;
14. Participate in the conduct of spot-checking for the monitoring of operations of the dispersal program; and
15. Consolidate and submit semestral, annual, midterm, and terminal reports and findings to NOAP and BAI.

C. Local Government Units (LGUs)

1. Identify one (100) hundred farmer recipients for the program;
2. Submit a letter of intent with the documentary requirements;
3. Undertake tripartite MOA with DA-RFO and BAI;
4. Accept the animals according to the specifications set by the BAI;
5. Draft and execute a MOA with the farmer recipient;
6. Open a special bank account dedicated to the program;
7. Assist and monitor farmer recipients to develop their multi-species forage area;
8. Hire and/ or assign personnel needed for the program;
9. Require the farmer recipients to be present on the designated date and venue of the delivery;
10. Submit the acceptance form from the farmer recipients to BAI through the DA RFO;
11. Issue a journal entry voucher signed by the accountant;
12. Provide a holding area for the unclaimed animal stocks;
13. Receive the unclaimed animal stocks and be responsible for them until these are turned over to the farmer recipients;
14. Reassign the animals to the next-in-line beneficiaries should the animals remain unclaimed after one (1) week from the date of the delivery;
15. Obtain a qualified 3rd party veterinarian to do the post-mortem exam should the animal die while in LGU care;
16. Follow biosafety protocols provided by the BAI for the disposal of animals in case of death;
17. Process applicable warranty or insurance should the animal die while under the ownership of the LGU;
18. Facilitate the renewal of insurance of the animal stocks, as long as the certificate of ownership is under the LGU;

19. Sponsor continuing training for farmer-beneficiaries;
20. Provide extension, veterinary, and insemination services;
21. Oblige the farmer recipients to pay forward to the next-in-line recipient the first offspring;
22. Facilitate the transfer of ownership of the animal stocks to the farmer beneficiary through the issuance of a Transfer Certificate of Ownership once the offspring is accepted and received by the next-in-line recipient;
23. Immediately act on the reports from farmer beneficiaries;
24. Facilitate the selling of the offspring should the offspring be found to be below acceptable conditions set by the BAI;
25. Reclaim and replace the animals in case the dispersed animal does not produce offspring within one (1) year;
26. Utilize the funds to procure animals that meet the specifications provided by the BAI;
27. In case of death due to the recipient's fault, require the farmer recipients to acquire a replacement animal and care for it until it reproduces, thereby providing offspring to pass on to the next-in-line-recipient;
28. Require the municipal veterinarian to conduct a post-mortem exam in case the animals die but not due to the recipient's fault;
29. Reclaim the animal for proper disposal following biosafety protocol;
30. Draft and submit an incident report to BAI through the DA-RFO;
31. Assist the farmer recipient in availing and claiming insurance benefits once ownership of the animal stock has been transferred;
32. Establish a slaughterhouse dedicated to organic animals within five (5) years or establish slaughter protocol in compliance with the PNS on OA;
33. Provide marketing and value-adding services such as slaughtering services as applicable;
34. Shall utilize the funds that may be received from the farmer-recipients to procure replacement stocks only;
35. Procure replacement stocks in case the dispersed animal does not produce offspring within one (1) year or in case the animal dies while in the LGU's care;
36. Conduct site visits to monitor the operation of the farm and submit quarterly and annual reports to DA-RFO and BAI; and
37. Return the funds in case of fund misappropriation, and unused funds to the BAI-NOAP subject to existing government accounting and auditing rules and regulations.

D. Farmer Beneficiaries

- ✓1. Should enroll in the RSBSA;
2. Provide a natural shed and establish a multi-species forage area for the stocks;
3. Attend training organized for the program;
4. Undertake MOA with the LGU;
5. Receive and sign an acceptance form from the LGU upon receipt of the animals;
6. Raise the animals following the provisions of the Philippine National Standard (PNS) for organic ruminants;

7. Pay forward to the next-in-line recipient the first offspring;
8. Establish constant communication and coordination with the LGU for any animal- and program-related concerns;
9. Process applicable insurance in case the animal dies but not due to the recipient's fault;
10. In case the animal dies due to the recipient's fault, he/she shall acquire a replacement animal and care for it until it reproduces, thereby providing offspring to pass on to the next-in-line recipient; and
11. Ensure recordkeeping of the animal using the prescribed template of the BAI and submit the records to the LGU.

E. National Organic Agriculture Program

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

F. National Organic Agriculture Board

1. Participate in the conduct of spot-checking for the monitoring of operations of the dispersal program; and
2. Review and evaluate the recommendation for the continuation or termination of the program.

G. BUREAU OF AGRICULTURE AND FISHERIES STANDARDS

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

VIII. MONITORING AND EVALUATION

Monitoring shall be done at the local, regional, and national levels. The LGU shall conduct site visits and submit quarterly and annual monitoring reports. Likewise, the BAI and the DA-RFO shall conduct periodic site visits to validate the reports submitted by the LGUs. The BAI and the DA-RFO shall submit annual reports and program evaluations at the end of the five (5) years of implementation.

IX. FUNDING SOURCE

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



X. AMENDMENTS

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

XI. 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 10th day of May, 2024 in Quezon City.


FRANCISCO P. TIU LAUREL, JR.
Secretary 



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