

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, biocontrol 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 wastes¹ 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 BSWM - Soil and Water Area Coordinators (SWAC) in accordance with the purpose and requirements stated herein.

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¹ 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:

- a. Registered and accredited Civil Society Organization (CSO)2 advocating organic farming with priority to Participatory Guarantee System (PGS) Groups;
- b. Local Government Units (LGUs) provided they could present a program for organic agriculture;
- c. State Universities and Colleges (SUCs) offering a curriculum/subject in organic agriculture; and
- d. Other government agencies advocating organic farming.

IV. QUALIFICATIONS OF PROPONENTS AND SITE

- A. The qualified recipient should meet the following requirements:
 - 1. 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;
 - 2. Must be willing to undergo training on compost production and facility management of CFBW.
- B. The proposed CFBW site should meet the following requirements:
 - 1. 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;
 - 4. Accessible to all types of transport/hauling vehicle;
 - 5. No issue on peace and order condition;
 - 6. No right-of-way issue; and
 - 7. Should not be located in geo-hazard and flood-prone areas.

V. DOCUMENTARY REQUIREMENTS

The proponent must be compliant with the following requirements:

- 1. Letter of Intent addressed to the DA-Regional Executive Director (RED), stating the following:
 - a. Justification or explanation for the need and appropriateness of the facility;
 - b. Commitment to shoulder the cost of operation and maintenance of the requested facility; and
 - c. Name and qualifications of the designated operator.
- 2. Proof of land ownership, lease agreement/usufruct by the proponent on the site where the facility will be established;
- 3. Board Resolution/Sanggunian Resolution authorizing the Chairman/President of the Organization/Local Chief Executive (LCE) to enter into an agreement with the DA;

 $^2 \ \hbox{Civil Society Organization refer to domestic corporation, organization, association, labor organization, workers' association, farmers'}$ organization or cooperative, expressing the interest and values of their members or others based on socio-economic, ethical, cultural and specific considerations, duly registered with the Security 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: AO 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
- 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).







PROCESS FOR APPLICATION AND APPROVAL

Letter of intent of the candidate recipients addressed to the DA-RED $\,$

(LGU, Registered Farmers' Cooperatives and Associations (FCA), Irrigators' Association (IA), other urban and rural-based organizations; Civil Society Organizations (CSOs) such as Non-Government Organizations (NGOs) and People's Organizations (POs); Indigenous People's Organizations; and State Universities and Colleges)

Evaluation and assessment of the application and documentary requirements of the candidate recipients
(DA-RFO OAP and BSWM-SWAC)

Actual site validation and prepare reports and recommendations
(DA-RFO OAP and BSWM-SWAC)

Approval of the qualified recipients
(DA-RED)

Execution of Tripartite MOA
(BSWM Director, DA-RED and Qualified Recipients)

Delivery of CFBW to qualified recipients
(BSWM-OAP, SWAC and DA-RFO)

Training on facility management of CFBW (BSWM-OAP and Supplier)

Monitoring of CFBW operations (DA-RFO OAP and BSWM-SWAC)

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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;
 - 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.







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 24th of Low 2022.

WILLIAM D. DAR, Ph.D.

Secretary



DA-CO-ASECO-BRF20220617-00007

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Annex A

ORGANIC AGRICULTURE PROGRAM	
FARMER'S REGISTRY	
NAME OF PROPONENT:	
REGION:	
PROVINCE:	

	First Name		(Posisyon na	Farm Location (Lokasyon ng sakahan)	Age (Edad)	Farm Area (Hectare) (Laki/Sukat ng lupang sakahan)				Agricultural Products/Commodity	Volume of Production (MT/Ha.)	Volume of Raw Materials Collected in the Specified Farm Area (MT/Ha)
	(Pangalan)					3rd Party Certified	PGS Certified	1st Party/By Default	In-conversion	(Produkto) (Dami ng produksyon)		(Pami ng sangkap o materyales na nakolekta sa lupang sakahan)
[Example] Dela Cruz	Juan	Luna	Farmer Member	Maligaya, Talavera, Nueva Ecija	45	-	1.2 has	-	-	Rice & Mungbean	Rice - 5MT & Mungbean - 1.2MT	Rice straw and husk-4MT & Mungbean plants/leaves - 0.96MT
[Example] Jacinto	Emilio	Luna	President	Maligaya, Talavera, Nueva Ecija	35	0.5 has	-	0.5 has	0.5 has	Banana	Banana - 5MT	Banana trunk and leaves - 4MT
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