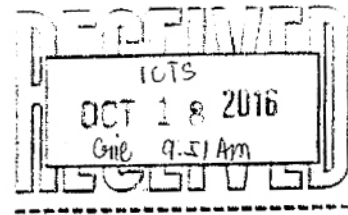




Republic of the Philippines
Department of Agriculture
OFFICE OF THE SECRETARY
Elliptical Road, Diliman
Quezon City 1100, Philippines



15 September 2016

Memorandum Order

No. 26

Series of 2016

**SUBJECT: GENERAL GUIDELINES IN THE PROVISION OF AGRICULTURAL PRODUCTION,
POSTHARVEST AND PROCESSING MACHINERY & EQUIPMENT**

This Memorandum Order provides general guidelines for the provision/distribution of agricultural production, postharvest and processing machinery and equipment under the Regular Program of the Department.

I. Scope

The guidelines shall cover the provision of agricultural machinery and equipment listed under Major Final Output (MFO) No. 5 Agricultural and Fishery Machinery, Equipment and Facilities Support Services (AFMEFSS), to qualified recipients. Machinery and equipment to be used for technology demonstration, pilot testing or research and development shall be covered by the supplemental guidelines to be issued by the DA-RFOs.

The DA-RFOs shall identify machinery and equipment for the target areas based on the Farm Mechanization Masterplan of the Region/Province.

II. Eligibility

The qualified recipient should meet the following requirements:

1. Must be an organized Farmer's Group (FG) or other related groups engaged in agriculture production and processing duly registered at SEC/CDA/DOLE/DTI;
2. Must have a service area equivalent to the capacity of the requested machinery and equipment;
3. Must have existing shed or willing to provide shed;
4. Must have the capacity to operate and maintain the machinery and equipment; and
5. Must be willing to undergo training course(s).

III. Minimum Requirements to be Submitted

The qualified recipient shall submit the following:

1. Letter of Intent and Board Resolution stating the need for the machinery and equipment and the capacity of the applicant/ prospective recipient to manage, operate and maintain the equipment signed by majority members of Board of Directors;
2. SEC/CDA/DOLE certificate of registration and good standing or equivalent certification from DA-RFO;
3. FA/FO/IA/RBO Profiles;
4. MAO/CAO/PAO endorsements;
5. Geo-tagged photos of existing shed or proof of availability of land for shed;
6. Geo-tagged location of the service area;
7. Machinery and Equipment Utilization Proposal (Annex A) that indicates the production area or volume of production, capacity of requested equipment, period of operation, access scheme of members and generation of funds for the maintenance and repair of the equipment, among others; and
8. Signed business plan for processing equipment. The recipient may seek technical assistance in the preparation of business plan from DA-RFO-AMAD.

IV. Mechanics of Implementation

1. The prospective recipient shall submit a letter of intent and other supporting documents to avail the equipment to DA-RFOs;
2. The Regional Banner Program, RAED and AMAD shall validate the institutional and financial capability of the potential project recipient as well as the threshold gap, technical, environmental and social feasibility of the area based on the documents submitted and site visit;
3. As a spin-off of social assessment, the DA-RFO in collaboration with the LGU shall conduct social preparation in the community, if necessary;
4. Selection and approval of recipients shall be done by the DA-RFOs;
5. The DA-RFO shall execute corresponding MOA and Deed of Donation with the approved recipients prior to the turnover of the equipment;
6. The machinery and equipment shall be provided as grant but the recipient has to provide in-kind equity in the form of shed, land, labor, among others;
7. Technical specifications for the agricultural production and postharvest equipment shall be referred to PAES. A Reference Manual of Agricultural Machinery and Equipment (Compendium) shall be provided to the RFOs for guidance;
8. The equipment shall be procured from qualified manufacturers, dealers, and suppliers in accordance with existing procurement laws, rules, and procedures;

9. Agricultural machinery and equipment to be procured for research and development (R&D)/pilot testing/technology demonstration may not necessarily require AMTEC test;
10. Technical inspection, testing, evaluation, acceptance and turn-over of machinery and equipment shall be undertaken by the DA- RFOs;
11. The cost of testing shall be at the expense of the supplier. The DA-RFOs in coordination with the recipient shall assist in the sourcing of the test materials;
12. Training on the operation and maintenance of the machinery and equipment shall be conducted by the supplier while the DA-RFOs-AMAD shall conduct training on business management and organizational development in coordination with other concerned offices;
13. Operation, maintenance and repair of the machinery and equipment shall be borne by the recipient after the warranty period given by the supplier. The RFOs shall assist the recipient on the availment of warranty and after sales service; and
14. The DA-RFO shall conduct regular monitoring on the utilization of the machinery and equipment provided by DA.

V. Supplemental Guidelines

1. All DA-RFOs and DAF-ARMM are hereby authorized to formulate detailed supplemental guidelines to address peculiar situations of a particular region or to clarify further those indicated in the Memorandum Order. A copy of all regional issuance for supplemental guidelines shall be officially furnished to the Field Operations Service/Office of Undersecretary for Operations within seven (7) working days from the date of its release.
2. The DA Secretary may authorize the DA-RFOs to adopt and implement other modalities or schemes in the provision of agricultural production, postharvest and processing equipment.

VI. Reporting and Monitoring

The regular monitoring and reporting systems of the Department shall cover the implementation of this intervention.

VII. Effectivity

This Memorandum Order shall take effect immediately upon signing and shall supersede other issuances that are inconsistent herewith.

Approved:

EMMANUEL F. PIÑOL
Secretary

DEPARTMENT OF AGRICULTURE
In replying pls cite this code :
For Signature: S-10-16-0357
Received : 10/17/2016 04:10 PM

Machinery and Equipment Utilization Proposal

Date of Request: _____

ABSTRACT OF REQUEST

Machinery / Equipment Requested: _____

Capacity of Machinery/Equipment: _____

Proposed No. of hrs/day of operation: _____ No. of days operated/year: _____

PROFILE OF REQUESTING PARTY

Name of the Proponent (FAs/FOs): _____

Address: _____

Contact Person & Contact Number: _____

No. of Members: ____ Number of Intended Beneficiary Members of Machinery/Equipment: ____

Registration: SEC CDA DOLE Others _____ Year registered: _____**PROFILE OF SERVICE AREA**

Location and Coordinates: _____

Crops Planted	Existing		Potential		Cropping per year
	Area, ha	Yield, MT/yr	Area, ha	Yield, MT/yr	

OTHER INFORMATIONWith available machinery shed: Yes No, Remarks: _____Land Ownership (Machinery Shed): Owned Donated Lease Others: _____With trained operators: Yes No, Remarks: _____

Other Available Agricultural Machinery and Equipment: _____

Source of O & M Funds: Service fee Organizational fund, Others: _____

Business operation(s): _____

Prepared by: _____

(Requesting Party)

Validated by: _____

(RFO Representative)