

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

MEMORANDUM ORDER No. ______8 Series of 2022

SUBJECT: IMPLEMENTING GUIDELINES FOR KEY STRATEGY NO. 8: "FARM MECHANIZATION AND INFRASTRUCTURE INVESTMENTS" UNDER THE ONEDA REFORM AGENDA

Farm mechanization and infrastructure investments are vital components and interventions towards transforming agriculture into a modernized sector to achieve food security and resilient Philippines with empowered and prosperous farmers and fisherfolk.

This guidelines provide the bases to facilitate the implementation of the above specific key strategy.

I. SCOPE/COVERAGE

The investment coverage shall include:

- a) Agricultural and Fisheries Machinery which include the provision, distribution, operation and maintenance, management, research, extension and regulation of machinery and equipment for the production, harvesting, processing, storage, manufacture, preserving, transporting and distribution of agricultural and fisheries products. It includes, but is not limited to, tractors and their attachments, power tillers, seeders, transplanters, windmills, harvesting machines, crop protection and maintenance equipment, irrigation equipment and accessories, greenhouses and other thermal conditioning equipment, livestock equipment, fishery equipment, slaughtering equipment, meat/fishery and crop processing equipment, postharvest machines such as milling machines, dryers, threshers, grain and other strippers, agricultural transport machinery and storage facilities including cold storage, reefer vans, slaughter houses and fishing boats of three (3) gross tons or less.¹
- b) **Agri-Fishery Infrastructure** which include the construction, repair, rehabilitation, improvement and maintenance of agri-fisheries facilities that facilitate production, processing, storage, logistics and trade such as farm-to-market roads, irrigation systems, postharvest facilities; storage, tolling, processing, and marketing facilities; production facilities: green/screen houses, hydroponics, aquaponics, bio-secure hog housing, tramlines, among others.

¹ Agricultural and fishery machinery as defined by Section 3(a) of RA No. 10601

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II. OBJECTIVES

- 1. To effectively and efficiently implement farm mechanization and infrastructure projects;
- 2. To increase farm mechanization and infrastructure public and private investment; and
- 3. To consolidate and mobilize complementary investments from other government agencies, private sectors and LGUs.

III. GENERAL GUIDELINES

- 1. Project Identification/Pipeline of Projects
- Pipelining of shovel ready agricultural and fisheries machinery and infrastructure projects for funding under GAA 2023 and beyond, and for inclusion in:
 - a. Three-Year Rolling Infrastructure Program (TRIP) FY 2023-2025, and its updating; and
 - b. 30 Year Infrastructure Plan which include agri-fisheries modernization and food logistics infrastructure that is already approved by the House and Senate Committees on Infrastructure.

As provided in DBM National Budget Memorandum No. 138, and the DA Guidelines for the Preparation of FY 2023 Plan and Budget Proposal, shovel-ready farm mechanization and infrastructure projects shall be supported by the following requirements, as applicable: (a) Approved Feasibility Studies (FS), (b) Detailed Engineering Designs (DED), (c) Program of Works, d) secured regulatory clearances, and (e) Right-of-Way acquisitions for civil works.

• The preparation and evaluation of FS shall be in accordance with DA Memorandum Order No. 61, series of 2020, "Guidelines in the Preparation and Evaluation of Feasibility Study for Agricultural and Fisheries Facilities, Agri-Fisheries Machinery and Equipment Service Centers, and Other Agri-Fisheries Mechanization Projects". Further to DA Memorandum dated September 27, 2021, proposals for agricultural and fisheries machinery and equipment service centers for FY 2023 shall be supported by FS, and by FY 2024 and onward for other agricultural and fisheries machinery and infrastructure projects.

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- 2. Design, Technical Standards, and Specifications
- The design, technical specifications, construction, operation, and maintenance of agricultural and fisheries machinery and infrastructure projects shall be in accordance with the Philippine Agricultural and Biosystems Engineering Standards (PABES), other relevant standards, and RA No. 10915 (Philippine Agricultural and Biosystems Engineering Act of 2016). The BAFE shall monitor the compliance with PABES.
- Pursuant to Section 21 of RA No. 10601 (Agricultural and Fisheries Mechanization Law), the DA through the Bureau of Agricultural and Fisheries Standards (BAFS), in coordination with Department of Trade and Industry (DTI), the Department of Science and Technology (DOST), and other concerned government agencies and private organizations, shall develop new standards and update the existing standards under PABES.
- 3. Project Funding and the Engineering and Administrative Overhead Expenses
- The Engineering and Administrative Overhead Expenses (EAO) of small-scale . irrigation projects and other infrastructure projects costing more than One Million Pesos (P1,000,000) shall be in accordance with DA-DBM Joint Memorandum Circular (JMC) No. 4, dated May 27, 2021.
- Mobilize LGUs funding support through the inclusion of local farm mechanization . and infrastructure program in the National Tax Allocation for FY 2022 and beyond (Section 33 and 36, RA No. 10601, Local Budget Memorandum No. 82, series of 2021).
- 4. Project Implementation, Coordination, Inspection, and Monitoring
 - It shall ensure proper implementation through periodic monitoring and . inspections, conduct of Constructors Performance Evaluation System (CPES) based on the set criteria which is done at certain stages during the actual construction of the project and upon its implementation.
 - Pursuant to Sections 46 to 59 of RA No. 8435, Agricultural and Fisheries Modernization Act of 1997 (AFMA), the DA through BAFE shall establish or strengthen coordination with concerned national government agencies to address the infrastructure requirements for agri-fisheries sector such as DPWH for public works projects; DOTr for airports and seaports; DOE, NAPOCOR, and NEA for rural energy; DICT for communication infrastructure; and DOST for research and technology infrastructure.

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5. Agri-Fisheries Mechanization and Infrastructure Resource Network

All DA operating units shall encode and update their farm mechanization and infrastructure data to the Agricultural and Biosystems Engineering Management Information System (ABEMIS) as per DA Memorandum dated June 16, 2020. The ABEMIS shall likewise be upgraded and strengthened to efficiently monitor the planning and implementation of agri-fisheries mechanization and infrastructure projects.

- 6. Human Resource Development
 - Human Resource Development (HRD) of agri-fisheries mechanization and infrastructure workforce (agricultural and biosystems engineers, agricultural machinery operators and technicians, and implementers) shall be pursued and form part of the extension activities of the Department. All agencies implementing mechanization, irrigation and other infrastructure projects shall therefore ensure conduct of capacity building activities for the agricultural and biosystems engineers at the LGU as mandated under the Executive Order No. 138, "Full Devolution of Certain Functions of the Executive Branch to Local Governments, Creation of a Committee on Devolution, and for Other Purposes". The BAFE shall likewise formulate a Career System for agricultural and biosystems engineers of the Department and LGUs which form part of the Agricultural Career System Program and the National Agricultural and Biosystems Engineering Career Progression and Specialization Program pursuant to Section 35 of RA No. 10915.
 - BAFE and RFO-RAEDs with concerned DA operating units shall coordinate and monitor the implementation of DA-DBM-CSC-DILG JMC No. 2, series of 2020 (Implementing Guidelines on the Strengthening and Establishment of the Agricultural and Biosystems Engineering Groups of the Local Government Units) regarding the capacity development of the agricultural and biosystems engineering groups of the LGUs.
 - To ensure the functionality and sustainability of mechanization and infrastructure projects, the RFO-Institutional Development Unit in coordination with the AMAD and RAED shall be mobilized to strengthen the organizational and entrepreneurial capacity of the recipients.



IV. SPECIFIC GUIDELINES

A. AGRICULTURAL AND FISHERIES MACHINERY

- 1. The over-all planning and implementation of agricultural and fisheries machinery shall be in-accordance with RA No. 10601 and the National Agri-Fisheries Mechanization Program (NAFMP). This includes the following:
 - a. Preparation of provincial, city and municipal agricultural and fishery mechanization plans pursuant to DA-DILG JMC No. 1, series of 2020;
 - b. Preparation of mechanization master plans for priority commodities such as rice, corn, coconut, sugarcane, livestock and poultry, and fisheries shall be pursued;
 - c. RFOs shall prioritize farm machinery inventory and assessment as basis in planning and programming of farm machinery distribution. BAR shall likewise give priority in funding the said activity;
 - d. Assessment of NAFMP 2018-2022 and updating NAFMP 2023-2028; and
 - e. Roll out registration of agri-fisheries machinery at the LGUs as per DA-DILG JMC No. 2, series of 2018.
- 2. The agricultural and fisheries machinery to be procured must be of quality, safe, needed, with economies of scale and compliant with:
 - a. Administrative Order No. 6, series of 2017, "Guidelines on the DA Procurement of Agricultural and Fishery Machinery and Equipment";
 - b. Memorandum Order No. 62, series of 2021, "Adoption of Technical Bulletin No. 1: General Guidelines on the Selection of Tractor Size, Implements, and Other Specifications";
 - c. Memorandum Order No. 29, series of 2019, "Ensuring the Provision and Utilization of Quality, Safe and Viable Agricultural and Fisheries Machinery and Facilities";
 - d. Memorandum Order No. 50, series of 2020, "Revised Guidelines in the Provision of Agricultural Production, Post-harvest and Processing Machinery, Equipment, and Facilities"; and
 - e. Other policies and guidelines of RA No. 10601 and its Implementing Rules and Regulations.

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- 3. Roll out the Renewable Energy Program for the Agri-Fishery Sector (REPAFS) pursuant to DA-DOE JMC No. 2021-02-01.
- 4. The agricultural and fisheries machinery distributed must provide wide access to farmers and fishermen through their organization (cooperative or association) and likewise support and complement farm consolidation and clustering thrust. The agricultural and fisheries machineries service centers (AFMESCs) shall be promoted pursuant to Section 9 of RA No. 10601 and DA AO No. 15, series of 2020, "Promoting and Supporting the Establishment, Operation, Maintenance and Management of Agri-Fishery Machinery and Equipment Service Centers". It shall also include the promotion of land laser levelling and drone technology pursuant to DA MO No. 63, series of 2021, "Promoting the Use of Agricultural Drones Towards the Transformation of Philippine Agriculture".
- 5. Establish pool of agricultural and fisheries machinery operators and technicians nationwide whose skills are certified by TESDA to ensure proper operation and maintenance and longer useful economic life of the machines. This includes the following projects and activities:
 - a. Rolling out of the DA-TESDA-PSABE and AMMDA MOA under DA Memorandum Circular No. 1, series of 2020, "DA, TESDA, PSABE and AMMDA Collaboration to Accelerate Skills Development and Certification of Agri-Fishery Machinery Operators and Technicians, and Farmers for Mechanized Farming"; DA AO 1, series of 2019, "Harmonization and Strengthening the Training and Development Activities on Agri-Fisheries Mechanization"; DA-DOLE-TESDA JMC No. 2, series of 2021, "Guidelines and Standards on the Manpower Complement of Certified Agricultural and Fishery Machinery Operators and Technicians in all Agricultural and Fisheries Machinery Pools and Service Centers including Sales and Distribution Outlets and Manufacturing Establishments either Public or Private"; and
 - b. Accreditation of TVET (Technical and Vocational Education and Training) Trainers, Assessors, Training Centers and Assessment Centers.

B. AGRI-FISHERIES INFRASTRUCTURE

- 1. Farm-to-Market Roads
 - a. Promotion of climate-smart FMRs by incorporating polymer-based soil stabilizer, and slope protection structures using coconet or bioengineering technologies in DED and POW pursuant to DA-DPWH JMC No. 5, series of 2020, "Roles and Responsibilities of DA and DPWH in the Implementation of Farm-to-Market Road Development Program", and DPWH Memo dated September 21, 2021;

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- b. Inter-Agency Convergence on FMRs DA-wide and outside DA shall be pursued;
- C. FMR Network Planning at the local levels based on National FMR Network Plan shall be pursued;
- d. Formulation and implementation of FMRDP Strategic Plan 2022-2031;
- e. The implementation of Farm-to-Market Road Development Program (FMRDP) shall be in accordance with DA AO No. 16, s. 2020, "Revised Guidelines on the Implementation of the Department of Agriculture Farm-to-Market Roads Development Program", and DA-DPWH JMC No. 5, series of 2020, and their amendments; and
- f. Lobby legislative support for FMRDP sustained funding and implementation.
- 2. Irrigation
 - a. The Bureau of Soils and Water Management shall spearhead the updating of the Small-Scale Irrigation Masterplan to include proposed small-scale irrigation projects including watershed development. RFOs shall likewise formulate their respective Regional Small-Scale Irrigation Masterplan, which shall be localized;
 - The implementation of small-scale irrigation projects for FY 2022 and beyond b. shall be in accordance with MO No. 19, series of 2018, "General Guidelines on the Implementation of Small-Scale Irrigation Projects of the Department of Agriculture"; MO No. 13, series of 2017, "General Guidelines on the implementation of Solar Powered Irrigation System of the Department of Agriculture"; and MO No. 77, series of 2020, "General Guidelines on the Implementation of Solar Powered Fertigation System of the Department of Agriculture"; and
 - BAFE together with PhilRice, BAR and RFOs to roll out land laser levelling in C. irrigated rice areas to ensure efficient irrigation and water management, as well as efficient mechanization.
- 3. **Production Facilities**
 - Production facilities include green/screen houses, hydroponics, aquaponics, a. bio-secure hog housing, among others;
 - b. The BAFE in consultation and coordination with concerned DA operating units shall develop Technical Bulletins for these production facilities; and with BAFS to update or develop new standards; and

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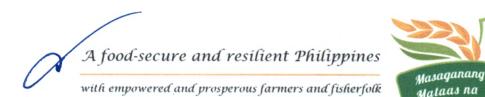
- c. Implementation of projects shall be in accordance with MO No. 50, series of 2020 and its amendments/supplemental guidelines, and guidelines issued by concerned DA implementing unit.
- 4. Postharvest/Agro-Processing Facilities
 - a. Postharvest/Agro-processing facilities include warehouses, cold-storages, slaughterhouses, fish ports, fish landings, rice/corn processing centers (mechanical dryers, rice mill/corn sheller and other components/appurtenances), shared facilities for coconut and other commodities;
 - b. Food hubs, transport, and logistics system wherein initial projects include the establishment of the Central Food Markets in the Four-Quadrants of Metro Manila; and
 - c. Implementation of projects shall be in accordance with MO No. 50, series of 2020 and their amendments/supplemental guidelines, and guidelines issued by concerned DA implementing unit. The RPCs and Village-Type Level Processing Centers shall be implemented in accordance with DA Memorandum Order No. 61, series of 2021, "Adoption of Technical Bulletin No. 2: Construction and Rehabilitation of Rice Processing Center and Village-Type Corn Processing Center", and the Palamigan ng Bayan Project, the DA-DOE-DOTr JMC No. 001, series of 2021, "Guidelines in the Implementation of Palamigan ng Bayan Project".

V. IMPLEMENTATION

- 1. The implementation of agricultural and fisheries machinery and infrastructure projects shall be undertaken by concerned DA bureaus, attached agencies/corporations, RFOs and other operating units in accordance with their mandates; and
- 2. Pursuant to Section 24 of RA No. 10601, the BAFE shall coordinate, oversee and monitor the national planning, implementation, and regulation of agricultural and fisheries machinery, farm-to-market roads, and other agri-fisheries infrastructure programs and projects of DA.

VI. FINANCIAL REQUIREMENTS

The concerned DA bureaus, attached agencies/corporations, RFOs and other operating units in accordance with their mandates shall include funding for farm mechanization and infrastructure investments in their respective budgets for FY 2023 and onwards.



VII. **EFFECTIVITY**

This Memorandum Order shall take effect immediately upon approval and shall supersede other issuances inconsistent herewith.

Done this 2nd day of February 2022 in Diliman, Quezon City.

WILLIAM D. DAR, Ph.D. Secretary

> DEPARTMENT OF AGRICULTURE in replying pls cite this code : For Signature: S-02-22-0006 Received : 02/02/2022 09:52 AM

