



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

MEMORANDUM CIRCULAR

No.: 14
Series of 2022

SUBJECT: IMPLEMENTING GUIDELINES FOR THE ENHANCED KADIWA: SAGIP SIBUYAS PROJECT

The following guidelines shall govern the implementation of the **Enhanced Kadiwa Financial Grant: Sagip Sibuyas Project** to address the pressing needs of our farmers due to over production of onion that resulted in plummeting down in price.

- 1. Project Beneficiaries and Coverage:** Beneficiaries of the financial grant shall be the **Farmers' Cooperatives and Associations (FCAs)** and their farmer-members. Eligible for grants are **FCAs** located in or whose areas of operations are in any of the following regions: Central Luzon (Region III) and MIMAROPA (Region IV-B). FCA "refers to farmers' cooperative, association or corporation duly registered with appropriate government agency (i.e., SEC, CDA, DOLE-BRW) and which is composed primarily of small agricultural producers, farmers, farm workers, and agrarian reform beneficiaries who voluntarily join together to form business enterprises or non-business organization which they themselves own, control and patronize".
- 2. Grant Purpose.** An eligible Farmer Cooperative or Association (FCA) shall use the financial grant for **trading capital** to cover all or combination of the following costs:
 - Procurement cost of onions bought directly from farmers;
 - Attendant direct costs in hauling and delivery to markets and/or cold storage facilities; and
 - Cold storage rental fees.
- 3. Grant Amount.** The **maximum grant amount shall be Five Million Pesos (Php 5,000,000.00)** provided that the grant amount per FCA does not exceed Php 50,000.00 x number of members and that the FCA shall have at least 20% as counterpart to the total project cost.
- 4. Conditions of the Grant.** The onions shall be bought by the eligible FCAs directly from the onion farmers at least at farm gate floor price (buying price) set by the DA-Regional Field Office through its Regional Executive Director taking into consideration the actual production cost of the onion farmers in their region.

The onions bought by the FCAs shall then be marketed in food markets or to buyers, or stored in cold storage facilities while waiting for better prices. A portion of the total onions bought may also be used by the FCAs in extending assistance to indigents through "community pantries" or similar activities where onions will be given out free or sold at discounted prices.

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5. **FCA Eligibility and CSO Accreditation.** The FCA eligibility criteria as defined in Section 4.2.1 Eligibility for FCAs of **Memorandum Circular No. 13, s. 2021** (*Comprehensive Implementing Guidelines of the Enhanced Kadiwa Financial Grant Assistance Program*) shall apply. The authority to approve the accreditation of CSOs shall be in accordance to the Memorandum Order issued by the DA Secretary to Philippine Council for Agriculture and Fisheries (PCAF) and Regional Executive Directors dated March 23, 2022 (*Authority for Regional Executive Directors to Accredite Civil Society Organizations at the Regional Level*).

An FCA that has availed previously of a grant under the Enhance Kadiwa Financial Grant Program is still eligible to avail of grant under this Kadiwa Sagip Sibuyas Project provided it has fully liquidated its previous grant and the FCA has been assessed by the concerned DA-Regional Field Office (RFO) as having satisfactorily implemented its previous grant project.

6. Project Funding Allocation

The PhP 85 Million project fund shall be allocated for the Project which shall be distributed to the following onion-producing regions:

Region	Number of FCA Beneficiaries	Project Cost (PhP)
Central Luzon (Region III)	9	45,000,000.00
MIMAROPA (Region IV-B)	8	40,000,000.00
TOTAL	17	85,000,000.00

7. **Funding Source.** The PhP 85 Million funding shall be sourced from the PhP 250 Million FY 2022 General Appropriation Act (Republic Act No. 11639) under Locally Funded Projects (LFP) for the implementation of the Kadiwa ni Ani at Kita Program (Enhanced Kadiwa – Sagip Sibuyas Project), as appropriated. The DA through the RFO will directly transfer/release the grant funds to eligible FCAs.

All other provisions concerning the processing, evaluation and fund releases of Kadiwa grant assistance to eligible FCAs under DA Memorandum Circular No. 13, s. 2021 (Comprehensive Implementing Guidelines of the Enhanced Kadiwa Financial Grant Assistance Program) shall apply.

Issued this 27th of April, 2022 in Quezon City, Philippines.


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DEPARTMENT OF AGRICULTURE

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