



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

Memorandum Order

No. 55

Series of 2022

SUBJECT : IMPLEMENTING GUIDELINES ON THE ESTABLISHMENT OF THE COMPOSTING FACILITIES FOR BIODEGRADABLE WASTES (CFBW) UNDER THE NATIONAL RICE PROGRAM

I. RATIONALE

Rice is one of the priority commodities that the Department is focusing on to increase local production. To achieve this, it would entail several factors such as use of high-yielding technologies, sustainable water, sufficient fertilizer application, use of machinery, among others.

Fertilizer subsidy is one of strategies to support the rice production of our farmers. However, with the continuous increase of fertilizer prices, the subsidy that the DA is giving is not enough to sustain the fertilizers needed for the local rice production.

Continuous use of organic fertilizers can replace a part of the inorganic fertilizers used as inputs by our rice farmers in the long term. The establishment of the Composting Facilities for Biodegradable Wastes (CFBW) intends to facilitate the balanced fertilization strategy that aims to improve the efficiency of fertilizers and to provide income diversification to our rice farmers.

II. COVERAGE AND SCOPE

The guidelines shall cover the identification of beneficiaries, project implementation, monitoring, and evaluation as well as conducting capacity development on the establishment of Composting Facilities for Biodegradable Waste (CFBW) in rice-producing regions.

III. ELIGIBLE BENEFICIARIES/PARTNERS

Any of the following entities may be granted CFBW:

- A. Farmers Cooperatives and Associations (FCAs), preferably willing to adopt Balanced Fertilization Strategy (BFS);
- B. Learning Sites (LS) or Production Learning Centers (PLCs); and
- C. Farm Schools (FS)

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One FCA/LS/FS/PLCs may be entitled to receive more than 1 unit of CFBW provided that they can operate the machinery and have the source or supply for the raw materials.

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); and
 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 be situated in rice-producing municipality areas;
 2. The target beneficiary must have an area of at least 100 square meters for the compost production area;
 3. Must have a source of water and electricity;
 4. 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;
 5. Accessible to all types of transport/hauling vehicle;
 6. No issue on peace and order condition;
 7. No right-of-way issue; and
 8. Should not be located in geo-hazard and flood-prone areas.

V. DOCUMENTARY REQUIREMENTS

1. Letter of Intent (LOI) 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; and

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4. Photos of existing/new shed to accommodate the new facility (i.e. may be made of indigenous materials)

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 Rice Program and BSWM - Soil and Water Area Coordinators (SWAC) shall conduct evaluation and assessment of the application and documentary requirements of the candidate recipient;
3. The DA-RFO Rice Program 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 Rice Program shall submit the list of qualified recipients to the BSWM for the delivery of the unit;
6. The BSWM and DA-RFO shall execute a tripartite Memorandum of Agreement (MOA) with the selected recipient specifying the detailed arrangement on the establishment of the facility;
7. The BSWM 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 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 recipient shall submit a quarterly production report and status of the machine/facility to the DA-RFO;
13. The DA-RFO shall quarterly conduct monitoring of the composting facility and submit reports to BSWM and National Rice Program (NRP); and
14. The BSWM together with the NRP shall submit an annual accomplishment report to the Secretary.

VII. ROLE OF KEY STAKEHOLDERS

The key stakeholders in the establishment of CFBW are the NRP, BSWM, DA-RFO, and the CFBW recipient/beneficiaries. Key stakeholders shall perform their roles for the smooth implementation of this project.

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A. National Rice Program

1. Allocate funds for the provision of CFBW;
2. Spearhead the overall coordination in the implementation of the project;
3. Coordinate with Field Programs Coordination and Monitoring Division (FPCMD) in the conduct of operational monitoring and evaluation of the project;
4. Identify, analyze, and provide advice/strategies to address the operational bottlenecks of the project; and
5. Submit reports to the Office of the Secretary.

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;
9. Analyze the quarterly reports submitted by the DA-RFO and submit reports to NRP; and
10. Report annually to the NRP on the progress and status of the distribution of the CFBW equipment

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;

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5. Execute a tripartite MOA with BSWM and qualified recipients specifying the detailed arrangements during the establishment of the facility;
6. Consolidate and analyze submitted quarterly and annual status reports from the recipients and make necessary recommendations and report to BSWM and NRP in case of non-functional units;
7. Conduct quarterly monitoring of the composting facility and submit reports to BSWM and NRP; 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;
3. Execute 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 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 reporting, and monitoring and evaluation system shall be led by the Field Programs Coordination and Monitoring Division (FPCMD). The FPCMD in coordination with NRP shall consolidate and evaluate the implementation for further development and enhancement of the project. Reports shall be submitted to the Office of the Secretary, with complete observations and/or recommendations.

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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; and
- 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 it to another willing and qualified operator.

X. FUNDING SOURCE

The source of funds for the project shall be through the FY 2022 General Appropriations Act (GAA), Provision of Agricultural Equipment and Facilities (PAEF) of the National Rice Program under the Bureau of Soils and Water Management (BSWM).

XI. SUPPLEMENTAL GUIDELINES

The DA- RFOs may issue supplementary guidelines to address peculiar situations in their regions, subject to the approval of the Secretary.

XI. SEPARABILITY CLAUSE

If any clause, sentence, or provision of the Memorandum Order shall be declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.



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XII. REPEALING CLAUSE

All other previous orders, issuances, rules and regulations inconsistent with or contrary to this Memorandum Order are hereby repealed and revoked.

XIII. EFFECTIVITY

This Memorandum Order shall be effective immediately upon signing and shall remain in force unless revoked in writing.

Done this 30th of June 2022.

WILLIAM D. DAR, Ph.D.
Secretary



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