



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

No.: 57

Series of 2023

**SUBJECT : GUIDELINES ON THE IMPLEMENTATION OF THE ESTABLISHMENT OF FRUITS AND VEGETABLE PROCESSING FACILITIES IN THE PROVINCE OF CAMARINES SUR**

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### Section 1. Project Overview

In the Philippines the Bicol Region is one of the suppliers of fruits and vegetables in Metro Manila. Among the six (6) provinces in Bicol region, the province of Camarines Sur has the largest production area which is about 50% of the region's production area or 40,114.60 hectares with an average production of 163,015.16 MT of fruits and vegetables. Hence, fruits and vegetables farming is one of the primary sources of income of approximately 18, 000 farmers in the province.

The Establishment of Fruits and Vegetable Processing Facilities in the Province of Camarines sur will help the farmers and its produce to have a steady access to market with high farm gate price. Aside from increasing farmer's income, the project will increase the supply of food because of increasing food shelf-life thereby decreasing wastage of food. And consequently, it will help to attain food sufficiency and security in the country. Further, it will make the seasonal food available throughout the year, hence, decreases dietary inadequacies, because it helps to complete dietary requirements.

Moreover, the project will generate employment in the province and will encourage more residents in the province to engage in fruits and vegetables farming because of the ready market of the produce and stable farm gate price of the farm produce. With these, it will help to boost the economy in the province.

### Section 2. Purpose

The project aims to improve the quality of life of farmers by providing steady access to market and maximize the potential of fruits and vegetable postharvest loss in the province through value adding and enhanced processing and marketing.

This will cover processes and procedures on the use and release of funds allocated for the Establishment of Fruits and Vegetable Processing Facilities in the Province of Camarines Sur. Under the Republic Act No. 11936 or the General Appropriation Act (GAA) for Fiscal year 2023, the appropriated amount of P290,000,000.00 shall be used for financial assistance to the Province of Camarines Sur to support the following projects:





BAGONG PILIPINAS



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1. P240,000,000.00 worth of projects allocated for the purchase of the following line of equipment's for use in the fruits and vegetable processing facility:
  - a) Dry Fruits & Vegetable Line
  - b) Puree Line
  - c) Storage
  - d) Canning Line
2. P50,000,000.00 worth of projects is allocated for the construction of a building for the fruits and vegetable processing facility.

### **Section 3. Scope and Coverage**

These guidelines will cover the provision of financial grants for the Establishment of Fruits and Vegetable Processing Facility in the Province of Camarines Sur.

### **Section 4. Eligibility Criteria and Documentary Requirements for the Establishment of Fruits and Vegetable Processing Facility**

#### **4.1 Eligibility Criteria**

- 4.1.1 Proponent must have no unliquidated balance from DA;
- 4.1.2 Proponent must have owned at least one (1) hectare of agricultural land in Barangay San Jose, Pili, Camarines Sur for the establishment of the fruits and vegetable processing facility

#### **4.2 Documentary Requirements**

- 4.2.1 Resolution authorizing the Local Chief Executive to enter into a MOA with DA RFO-5;
- 4.2.2 Proof of Lot Ownership (Owned Land Title or Deed of Donation);
- 4.2.3 Approved Project Proposal and Work and Financial Plan;
- 4.2.4 Approved Program of Work (POW), Detailed Engineering Design (DED) and detailed specification of equipment to be procured for use at the Fruits and Vegetable Processing Facility; DED must be certified to be in compliance with the national and international standard such as but not limited to Good Manufacturing Practices, License to Operate from FDA and other certification mandated by the government;
- 4.2.5 Operation Manual of the Fruits and Vegetable Processing Facility.

### **Section 5. Creation and Function of Technical Working Group**

The Project Evaluation/Assessment and Monitoring Technical Working Group shall be created. The TWG will receive, process, assess, validate, and monitor the operations of the project and evaluate its impact relative to its goal and objectives. The TWG shall compose of technical staff from the High Value Crops Development Program, Field Operations Division and Regional Agricultural Engineering Division of DA RFO-5.





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## Section 6. Fund Releases and Reporting Requirements

**6.1 Approving Authorities.** The approving authority in the approval, signing of disbursement vouchers and execution of Memorandum of Agreement (MOA) with the concerned Local Government Unit shall be as prescribed under the DA Memorandum Order No. 03, s. 2016 as amended by DA General Memorandum Order No. 01, s. 2018.

**6.2 Project Implementation.** Project implementation shall be based on the approved project proposal and approved work and financial plan. Proposed deviation shall be subject for review of TWG and approval by Regional Executive Director.

**6.3 Fund Release and Monitoring.** Upon approval, the project implementer shall execute a MOA with the DA. The project fund shall be released in accordance with the approved proposal and work and financial plan. DA shall conduct monitoring and evaluation of the project implementation and verification of financial records of the project implementer. Fund utilization/disbursement reports shall be submitted by the project implementers duly audited in accordance with existing accounting rules as well as other relevant COA regulations. The project implementer shall keep and maintain financial accounting records of the project and be made available for financial monitoring by DA RFO 5.

**6.4 Liquidation of Funds.** The project implementer shall submit a report on fund utilization report and status of program or project implementation. Funds received and implemented must be liquidated to the DA RFO 5 within sixty (60) days after its project completion.

**6.5 Submission of Report.** The Project Management Office, which is the HVCDP, shall coordinate with the project implementer for the preparation of the consolidated monthly and quarterly physical and financial reports of the project including issues and concerns in the project implementation.

## Section 7. Effectivity

This Guideline shall take effect immediately upon its signing and shall remain in force during the entire project duration or until December 31, 2024.

Done this 18th of August, 2023.

**APPROVED:**

**DOMINGO F. PANGANIBAN**  
Senior Undersecretary



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