



Republic of the Philippines  
**DEPARTMENT of AGRARIAN REFORM**

ELLIPTICAL ROAD, DILIMAN, QUEZON CITY TELS. 928-70-31 TO 39

Memorandum Circular No. 11  
Series of 1999

**SUBJECT: AMENDMENT ON THE MEMORANDUM CIRCULAR NO. 15, SERIES OF 1997 RE:IMPLEMENTING GUIDELINES ON THE AVAILMENT OF PEASANT FUND (PF)**

**INTRODUCTION AND RATIONALE**

In recognition of the critical role of Peasant Organizations (POs) in the Comprehensive Agrarian Reform Program (CARP) implementation, the Department of Agrarian Reform (DAR) on 21 July 1995 issued Administrative Order No. 07, on the "Rules and Regulations for the Development and Strengthening of Peasant Organizations." Under this Order, a Peasant Fund was appropriated for assisting and strengthening of POs with appropriation of PhP 13 Million for CY 1996 and PhP 9.6 Million for 1997. Memorandum Circular No. 03, Series of 1996 was also issued as the Implementing Guidelines on the Availment of Peasant Fund per Administrative Order No. 07.

Non-availment by POs at the field level prompted the revision of Administrative Order No. 07, Series of 1995 and MC 03, Series of 1996 to make the fund accessible to all POs with or without affiliation with regional or national PO networks. These revised versions became the Administrative Order No. 01, Series of 1997 which was approved by the DAR Secretary on January 07, 1997 and the Memorandum Circular No. 15, Series of 1997 signed on April 2, 1997 by the Undersecretary for Field Operation and Support Services Office.

To ensure the effective utilization of the said fund and to provide opportunities to more Peasant Organizations (POs) to avail the fund, Memorandum Circular No. 15, Series of 1997 is hereby amended.

These amended guidelines will focus on the operational strategy for PO accreditation, evaluation of proposals and fund draw downs of Peasant Fund.

**A. General Requirements:**

For the entire accreditation process, PO applicants seeking to be accredited for the purposes of assistance from the Peasant Fund shall adhere to the general provisions of DAR Administrative Order No. 01, Series of 1997 and the COA Circular No. 95-003.



*"Tulong-tulong sa pagsulong"*



The following are the required documents for the accreditation of PO:

1. Notarized PO Profile (copy of forms to be secured from DAR)
2. Certified photocopy of registration certificate from Securities and Exchange Commission (SEC), Bureau of Rural Workers of the Department of Labor and Employment (BRW-DOLE) or Cooperative Development Authority (CDA);
3. Photocopy of the Articles of Cooperation/Incorporation and By-Laws of the organization;
4. Audited Financial Report for at least 3 years immediately before the application period showing previous experience in fund management.

*(Note: PO with less than 3 years of operation should submit a certification from their respective LGU attesting their credibility to undertake similar project.)*

5. List of projects previously undertaken;
6. List of individual members for primary organizations and list of member organizations for secondary or tertiary level organizations; and
7. List and profile of officers.

#### **B. Eligible Proponent and Projects:**

**Eligible proponents qualified to avail of Peasant Fund** shall be all Peasant Organizations (National, Regional, Provincial and first level or primary organizations) with 50 % plus one of the total membership as actual/potential Agrarian Reform Beneficiaries (ARBs). Said POs shall have the capacity to finance at least 5% of the total project cost as equity whether in cash, kind or any form of service to provide the PO with a sense of ownership to the project.

The said organizations shall also be accredited either by the DAR-Central Office (for National POs) or DAR-Regional Offices (for Regional, Provincial and Primary Organizations) before the availment of Peasant Fund.

**Projects eligible for funding** are the various institution-building and strengthening programs/projects of the POs not limited to training activities such as organizational management, project packaging and development, cooperative development, technology transfer, formation of positive value system and other related activities enumerated under Item III of the Administrative Order No. 01, Series of 1997.

The required documents to be submitted for evaluation purposes are the following:

1. Detailed Activity/Training or Workshop Proposal;
2. List of Participants; and
3. Profile of Resource Persons and Facilitators

**C. Terms of Assistance**

Funding assistance that the proponent organization may receive shall be limited to a maximum of P 300,000.00 per organization.

**D. Implementing Mechanisms**

*Central Office Level*

National Peasant Fund Management Committee:

A National Peasant Fund Management Committee (PF Man Com) shall be created and shall be chaired by the Assistant Secretary for Support Services, co-chaired by the Director of BARBD and represented by the Directors from the following DAR Units/Offices: PARC, FIMAS, Legal Service and the Peasant Sector Representative of the PARC. The committee shall:

- Review and approve eligible project proposals submitted by the national peasant organizations;
- Formulate new policies related to the implementation of the program; and
- Provide management direction in the utilization of the Peasant Fund.

National Peasant Fund Technical Secretariat:

The BARBD shall serve as Technical Secretariat at the national level. It shall provide administrative and technical support to the PF Man Com. Specifically, it shall:

- Recommend accreditation of POs eligible for assistance from the Peasant fund;
- Update and maintain the list of accredited POs;
- Schedule and prepare agenda of meetings;
- Prepare the minutes of the National Man Com meetings;
- Pre-screen and evaluate proposals submitted by the national POs for deliberation by the PF Man Com;
- Monitor implementation of selected projects funded under the PF;
- Prepare periodic management reports; and
- Perform other related functions.

*Regional Level*

Regional Peasant Management Committee:

A Regional Peasant Fund Management Committee shall be created as the counterpart of the National PF Man Com chaired by the Assistant Director For Operations (ARDO) and represented by the chiefs of the different units : Support Services , Legal and Accounting Divisions and the PARO of the

province from where the PO to be evaluated is from. It shall undertake the following functions:

- Accredit qualified regional, first and second level POs;
- Evaluate project proposals;
- Update, maintain and furnish the National PF Man Com thru BARBD of the list of accredited POs and projects approved for funding;
- Submit quarterly status report to National PF Man Com thru BARBD using the Pesant Fund monitoring forms;
- Monitor implementation of projects funded under Peasant Fund; and
- Perform other related functions.

The Support Services Division shall act as the Regional Peasant Fund Secretariat at the regional level.

#### **E. Procedures for Accreditation**

##### For National POs:

- Submit required documents for accreditation directly to DAR-BARBD (PF Secretariat) for evaluation.
- PF Secretariat submits evaluation report to the PF Man Com for deliberation and approval.
- If documents and information contained therein are found in order, the Technical Secretariat shall issue a Certificate of Accreditation to the concerned PO signed by the Assistant Secretary for Support Services.

##### For Regional POs:

- Submit required documents for accreditation to the DAR Regional Office-Support Services Division (Regional PF Technical Secretariat) for evaluation.
- Regional PF Technical Secretariat submits evaluation report to the Regional PF Man Com for deliberation and approval.
- If documents and information contained therein are found in order, the Regional PF Technical Secretariat shall issue a Certificate of Accreditation to the concerned PO signed by the Regional Director.

##### For Provincial and First Level or Local POs:

- Submit required documents for accreditation to DAR Provincial Office (DARPO-BDCD) for initial evaluation.
- DARPO-BDCD submits initial evaluation report to the Regional PF Technical Secretariat (SSD) for evaluation and accreditation.

- Endorse results of the evaluation to Regional PF Man Com for deliberation and approval.
- If documents and information contained therein are found in order, the Regional PF Technical Secretariat shall issue a Certificate of Accreditation to concerned PO signed by Regional Director.

#### F. Project Proposal Evaluation

##### National Level :

- All national POs shall submit project proposal directly to National PF Technical Secretariat (BARBD) for evaluation.
- Only proposals of accredited POs shall be evaluated by the National PF Technical Secretariat (BARBD) using the **Guidelines for Evaluating the PBD Activities and Training Programs of Peasant Organizations (POs) in Availing the Peasant Fund (Copy is attached as Appendix 1 & 2)**

The National PF Technical secretariat shall also evaluate proposals endorsed by Regional PF Man Com with funding requirement above PhP 150,000.00 (but not to exceed PhP 300,000.00).

- The National PF Secretariat submits evaluation report to the PF Man Com for final deliberation and approval. National PF ManCom shall convene for final review and recommend for approval or disapproval of the project proposal.
- If proposal qualifies for funding, the National PF Technical Secretariat shall forward the same to FIMAS for earmarking.
- Upon receipt of earmarked proposals from FIMAS, the PF Technical Secretariat shall prepare a Memorandum of Agreement (MOA) between the concerned PO proponent and the Department of Agrarian Reform (DAR) to be signed both by the PO representative and the representative of DAR per General memorandum Order No. 03, Series of 1994.

##### Regional Level:

- All Regional POs shall submit project proposal to the DAR Regional Office-Support Services Division (PF Regional Secretariat) for evaluation. The first and second level POs shall submit the same to BDCD who will pre-screen and endorse the same to DARRO-SSD.
- Only proposals of accredited POs shall be evaluated by the Regional PF Technical Secretariat (SSD) using the **Guidelines for Evaluating the PBD Activities and Training Programs of Peasant Organizations (POs) in Availing the Peasant Fund (Copy is attached as Appendix 1 & 2)**

- The Regional PF Secretariat (SSD) submits evaluation report to the Regional PF Man Com for final deliberation and approval. The Regional PF Man Com shall convene for final review and recommend for approval or disapproval of the project proposal.
- Only proposals with funding requirement below PhP 150,000.00 shall be approved at the Regional Level.

Upon approval of the said project proposal, the Regional Technical Secretariat shall prepare a MOA between the concerned PO proponent and the Department of Agrarian Reform Regional Office (DARRO) to be signed both by the PO representative and the Regional Director and forward the complete set of documents to National PF Mancom thru BARBD for funding allocation.

- Proposals with funding requirements above PhP 150,000.00 (but not to exceed PhP 300,000.00) shall be evaluated and recommended/endorsed to National PF Man Com thru BARBD for final review and approval or disapproval. It shall be supported by evaluation report prepared by the Regional PF Man Com

#### **G. Release of Funds for Approved Proposals**

##### For National POs Approved Proposal/MOA:

- Upon approval of the MOA, the National PF Technical Secretariat shall refer the MOA to FIMAS for the certification of the availability of funds.
- If MOA was already certified with funds available, the PF Technical Secretariat shall prepare the Disbursement Voucher in the name of the concerned PO proponent in accordance with the terms and conditions stipulated in the MOA.

##### For Approved Proposal/MOA Endorsed by the Regional PF Man Com:

##### ***Proposals/MOA with Funding Requirements of PhP 150,000.00 and Below:***

- Upon receipt of the approved MOA (with attached supporting documents) the National PF Secretariat shall review/evaluate the documents to determine whether all the required documents are complied with and table the same for the final deliberation/approval or disapproval of the National PF Man Com.
- If all documents are found in order, the National PF Technical Secretariat shall prepare an endorsement letter to FIMAS to be signed by the Assistant Secretary for Support Services requesting for the certification of the availability of funds for the MOA/Proposal.

- If the MOA was already certified with funds available, the PF Technical Secretariat shall prepare a Disbursement Voucher and **Funding Check** shall be issued in the name of the concerned **Regional Office** for the conduct of the approved proposal of the concerned PO proponent in accordance with the terms and conditions stipulated in the MOA and COA Circular No. 95-003.


***Proposals with Funding Requirements above PhP 150,000.00 but not to Exceed PhP 300,000.00***

- Upon approval of the MOA, the National PF Technical Secretariat shall refer the MOA to FIMAS for the certification of the availability of funds.
- If the MOA was already certified with funds available, the PF Technical Secretariat shall prepare a Disbursement Voucher and **Funding Check** shall be issued in the name of the concerned **Regional Office** for the conduct of the approved proposal of the concerned PO proponent in accordance with the terms and conditions stipulated in the MOA and COA Circular No. 95-003.

All orders, memoranda, circulars and issuances inconsistent herewith are hereby amended or repealed accordingly.

This amended Memorandum Circular shall take effect immediately.

Diliman, Quezon City, 14 JUNE, 1999

  
HORACIO R. MORALES, JR.  
Secretary

## APPENDIX 1

### GUIDELINES FOR EVALUATING PBD ACTIVITIES AND TRAINING PROGRAMS OF PEASANT ORGANIZATIONS (POs) IN AVAILING THE PEASANT FUND (PF)

**Objective:** The objective of evaluating PBD activities and training programs is to make sure that activities/trainings funded under the Peasant Fund (PF) are viable and beneficial to the Agrarian Reform Beneficiaries (ARBs).

#### Aspects for Evaluation:

The following aspects should be taken into consideration in evaluating the PBD activities and training programs submitted by the Peasant Organizations (POs):

#### General Consideration

1. Conformity with DAR's thrusts, priorities, concerns, objectives on ARC development.
2. Social Acceptability/Relevance:
  - a. The activity/ training should be consistent with the existing socio-cultural attributes and resources of the target beneficiaries/members of the PO
  - b. The activity/training should contribute to the attainment of the organizational building/strengthening of the proponent organization.
3. Capability/Credibility of Proponent to Carry-out Activity/Training
  - a. The proponent must be duly registered with an appropriate agency such as SEC, CDA or BRW
  - b. The proponent must be accredited by the Department of Agrarian Reform under the Peasant Fund .
  - c. The proponent should be able to provide equity contribution
  - d. The proponent should present its track record of activities in managing the proposed activity/training.

#### Specific Consideration

1. Rationale and Objectives of the Activity/Training
  - a. The scope and nature of the problems/training needs are well defined.
  - b. The activity/training is necessary. There is a demand for this activity/training, i.e., the proposed beneficiaries have requested for the training.
  - c. The objectives answer the identified needs/problems.
  - d. The objectives are SMART (Specific, Measurable, Attainable, Realistic and Time bounded).
2. Expected Outputs of the Activity/Training
  - a. The expected outputs of the activity/training are congruent with the components of the activity/training objectives and contents.



3. Beneficiaries/Participants

- a. The number of participants are manageable .
- \* Skills Training - A minimum of 25 but not more than 30 participants
  - \* Knowledge Based Training - A minimum of 30 but not more than 50 participants
  - \* Workshop/Planning activities - A minimum of 30 but not more than 50 participants
  - \* Study Tour and the like - A minimum of 25 but not more than 30 participants
- b. The participants possess the minimum training requirements according to the prescribed training design.

4. Content/Component of the Activity /Training

- a. The contents/components of the activity/training are congruent to the needs and objectives of the activity/training

5. Methodology

- a. The methodologies/strategies used are appropriate in terms of the topics discussed, type of the participants and the duration of the topics to be discussed

6. Timetable/Training Duration

- a. The duration of the activity/training is appropriate to cover the required contents/topics as contained in the design

7. Speakers/Resource Persons and Training Staff

Speakers/Resource Persons invited for the activity should :

- a. Have at least 1 year of track record/experience on the topic he/she will discuss

Training Staff:

A ratio of one (1) training staff for every ten (10) participants must be observed in the conduct of the training activity. The goals of the activity must be clear among the training team. The role and responsibility of the team before, during and after the activity must be well defined.

8. Budgetary Requirements

- a. Budgetary estimates should be reasonable (within the PBD Cost Parameter)

- \* Community Based Training (Live-out) - Not to exceed PhP 200.00/day/participant
- \* In-House Training (Live-in) - Not to exceed PhP 500.00/day/participant

$$\text{Formula : Cost Per Participant/Day} = \frac{\text{Total Training Cost}}{\text{No. of Participants/No. of days of Training}}$$

- b. Equity participation should not be less than the required minimum level (5% of the total cost)

- a. There are provisions for monitoring and evaluation during and after the conduct of the training.

**Mechanics:**

The PBD activity and training program evaluation and rating form attached as Appendix 2 will be used by the Peasant Fund Secretariat in evaluating the proposal and submit the same to the PF Management Committee (National/Regional) for final approval/disapproval.

**Rating:**

The following rating scale must be used in each item to be rated in Appendix 2.:

1	-	Poor
2	-	Fair
3	-	Satisfactory
4	-	Very satisfactory
5	-	Outstanding

**Computation of Ratings:**

Each item included in Appendix A is given equal importance or weight in assessing or evaluating the proposed project. In computing the over-all average rating of the project, add all the numerical rating and divide it by the number of rated items.

$$\text{Average rating} = \frac{\text{Total Score}}{\text{No. of Rated Items}}$$

**Acceptable Projects:**

Only an activity or a training program which has a rating of satisfactory and above (3 and above) shall qualify for financial assistance under the Peasant Fund.

**APPENDIX 2**

**PEASANT FUND (PF)  
PBD ACTIVITY AND TRAINING PROGRAM EVALUATION FORM**

**Note:** The mechanics in filling-up this PBD activity and training program evaluation form is outlined in Appendix 1 as this forms part of the guidelines for evaluating the PBD activity and training programs of Peasant Organizations on the avallment of the Peasant Fund.

**Activity/Training Title :** \_\_\_\_\_

**Proponent Organization:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Official Representative/Designation:** \_\_\_\_\_

Areas of Evaluation	Rating	Remarks/Comments
I. General Consideration.		
1. Conformity with Programme thrust:		
a. Objective		
b. Activity Concerns/Priorities	1 2 3 4 5	
c. Development Approach	1 2 3 4 5	
	1 2 3 4 5	
2. Social Acceptability/Relevance		
a. Consistency with socio-cultural attributes and resources of beneficiaries	1 2 3 4 5	
b. Contribution to the attainment of organizational maturity	1 2 3 4 5	
3. Capability/Credibility of Proponent		
a. Experience and exposures		
b. Network	1 2 3 4 5	
	1 2 3 4 5	
II. Specific Consideration		
1. Rationale and Objectives		
a. Scope and nature of the needs/problems well defined	1 2 3 4 5	
b. Necessity of the activity/training	1 2 3 4 5	
c. Objectives answer the needs/problems	1 2 3 4 5	
d. The objectives are SMART	1 2 3 4 5	
2. Expected Outputs		
a. Expected outputs are congruent with the components/contents of the activity/training	1 2 3 4 5	

Areas of Evaluation	Rating	Remarks/Comments
3. Beneficiaries/Participants		
a. Number of participants are manageable and reasonable	1 2 3 4 5	
b. Participants possess minimum activity/ training requirements	1 2 3 4 5	
4. Content/Component of the Activity/ Training		
a. Contents/Components answer the needs and objectives of the activity/ training	1 2 3 4 5	
5. Methodology		
a. The methodologies, strategies used are appropriate in terms of the topics to be discussed, type of participants and the duration of the activity	1 2 3 4 5	
6. Timetable/Duration		
a. Duration of the activity/training is appropriate to cover the required contents/components of the activity/training	1 2 3 4 5	
7. Resource Persons and Training Staff		
a. Resource persons for the activity/ training: - Have at least 1 year of track record/ experience on the topic he/she will discuss	1 2 3 4 5	
b. Training Staff. A ratio of one (1) training staff for every ten (10) participants	1 2 3 4 5	
8. Budgetary Requirements		
a. Budgetary estimate is reasonable * Live-out - PhP 200/day/pax (Max.) * Live-in - PhP 500/day/pax (Max.)	1 2 3 4 5	
b. Equity participation is not less than the required minimum level (5% of the total project cost)	1 2 3 4 5	

Areas of Evaluation	Rating	Remarks/Comments
9. Monitoring and Evaluation  a. There is a provision for monitoring and evaluation during and after the conduct of the activity/training	1   2   3   4   5	
<b>AVERAGE RATING</b>	_____	

Recommended for :    \_\_\_\_\_ Approval                      \_\_\_\_\_ Disapproval

Prepared by: \_\_\_\_\_                      Noted by: \_\_\_\_\_  
                          Member, PF Secretariat                      Head, PF Secretariat

Date Evaluated: \_\_\_\_\_

**ACTION TAKEN BY THE PEASANT FUND MANAGEMENT COMMITTEE:**

\_\_\_\_\_ APPROVED  
 \_\_\_\_\_ DISAPPROVED

**Recommendation:**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

If approved, amount granted: PhP \_\_\_\_\_

\_\_\_\_\_  
 Chairman, PF Man Com

\_\_\_\_\_  
 Member, PF Man Com

\_\_\_\_\_  
 Member, PF Man Com

\_\_\_\_\_  
 Member, PF Man Com

\_\_\_\_\_  
 Member, PF Man Com

Date Deliberated: \_\_\_\_\_