



Republic of the Philippines
DEPARTMENT OF AGRICULTURE
BUREAU OF FISHERIES AND AQUATIC RESOURCES
2nd Flr., PCA Bldg., Elliptical Road, Diliman, Quezon City
Telefax (632) 929-7673

Fisheries Management and
Economics Division
Received by: _____
Date: DEC 07 2020
Time: 2 PM
Document: 1068
Reviewed by: _____

November 24, 2020

Fisheries General Memorandum Order No. 2020-004
Series of 2020

**SUBJECT: Implementing Guidelines on the Cooperative- Managed Seaweed
Nursery Business Enterprise Under Stimulus Package (Bayanihan II)**

Pursuant to the mandate of the Department of Agriculture – Bureau of Fisheries and Aquatic Resources, the Bayanihan to Recover as One Act (Bayanihan 2), and the Comprehensive National Fisheries Industry Development Plan 2015-2020 (CNFIDP 2015-2020), which targets to increase seaweed production by 5% annually, the implementing agency and project partners/beneficiaries shall follow this guidelines in the establishment, operation and maintenance of cooperative-managed seaweed nurseries.

Chapter 1: Overview

Section 1. Policy. Under the Fisheries Office Order No. 151 series of 2018, the Regional Offices are mandated to operate at least two nurseries “to assure the ready supply of seedlings for distribution to target seaweed farmer individuals and cooperative/association in accordance to certain criteria.

The Cooperative-Managed Seaweeds Nursery Business Enterprise is in line with the Republic Act Number 11321, otherwise known as the Sagip Saka Act, establishes the "Farmers and Fisherfolk Enterprise Development Program", which refers to “the comprehensive set of objectives, targets, and holistic approach in promoting the establishment of enterprises involving agricultural and fishery products”.

Under this new innovation, BFAR will outsource the operation of seaweeds nurseries to partner cooperatives who will manage the nursery as a business enterprise. The propagules produced in the nursery will be sold to farmers based on prevailing prices at time of sale.

Fisheries Office Order (FOO) No. 151. Amending FOO No. 12 series of 2013 “Implementing Guidelines on the Establishment of Seaweed (Kappaphycus/Eucheuma) Nurseries, Conduct of Test Plots and Distribution of Seedlings and Farm Implements Undertake “MAS MASAGANANG SAKAHAN PANDAGAT – SEAWEED LIVELIHOOD DEVELOPMENT PROGRAM 2017-2022” states that, The Cooperatives/Associations who availed of the farm implements, should repay (roll over scheme) the cost of the seedlings

Department of Agriculture
Bureau of Fisheries and
Aquatic Resources
(CENTRAL OFFICE)



in replying pls cite this code

DTS-IFAD-12-20-0021

3 December 2020yr. 09:15:3s.

to BFAR. The fund shall then be to be flowed back to other seaweed farmers within the vicinity

Section 2. Objectives. The cooperative-managed Seaweed Nursery Business Enterprise under the Stimulus Package (Bayanihan II) is intended to increase the seaweed production by 5% and to improve the lives of seaweed farmers through:

- a. Outsourcing the management and operation of seaweed nurseries to partner cooperatives;
- b. Improving the income of farmers who sourced their propagules from the nursery with the cooperative buying back their harvests and marketing this collectively to processors leveraging the volume for better prices; and
- c. Gathering of production data from the nurseries which shall be used by BFAR as reference in the management decision to improve the industry.

Section 3. Selection Criteria of Cooperative Partners. The partner-cooperative shall be identified based on the following consideration:

- a. In the order of priority, the cooperative must be duly organized by BFAR with complete documentary requirements such as certificate of registration, certificate of compliance issued by the Cooperatives Development Authority, business permit, bank account, and to other pertinent documents;
- b. Willingness and capacity of the cooperative to manage and operate a seaweed nursery as business enterprise;
- c. Existence of Cooperative Management Team (COMAT)

Chapter 2: Management and Oversight

Section 4. Steering and Review Committee. There shall be a Steering and Review Committee to monitor progress of implementation, review and revise the policies and strategies under this Guideline to further improve project implementation. The Committee shall be composed of the following:

| | | |
|-------------|---|---|
| Chairperson | : | Eduardo B. Gongona Director |
| Vice-Chair | : | Dr. Juan D. Albaladejo Assistant Director for Operations |
| Members | : | Atty. Demosthenes R. Escoto Assistant Director for Admin. Services and Legal Div. Chief Abegail A. Albaladejo Chief, Fisheries Planning and Economics Division |

Zaldy P. Perez
Chief, Finance Management Division

Section 5. *Technical Working Group.* A TWG composed of the following shall be formed:

Chairperson : Elymi AR-J S. Tuñacao-OIC, Aquaculture Division

Vice –Chairperson : Demosthenes F. Togonon- Nat'l Coordinator, SDP

Members :

Wilfredo F. Fajardo-Cooperative Consultant
Irma F. Ortiz-Project Development Officer III

Regional Seaweed Coordinators
Regional Production & Planning Division

MIMAROPA,

RFO V

RFO VII

CARAGA

Provincial Fishery Officers

Northern Palawan

Southern Palawan

Albay

Sorsogon

Bohol

Surigao Sur

Province of Dinagat Island

The TWG shall:

- a. Meet quarterly, or as needed, to monitor implementation of this Guideline;
- b. Assist in the preparation of supplemental guidelines, as needed, and submit the same to the Steering and Review Committee for review and comment;
- c. Collate and analyze monitoring reports and make recommendations to the Steering and Review Committee.

Section 6. *Roles and Responsibilities of BFAR.* The BFAR shall:

- a. Ensure a more effective Seaweed Development Program by outsourcing seaweeds nurseries to a partner cooperative who will run this as a business enterprise;
- b. Transfer the total amount of Five Hundred Thousand Pesos (PhP500,000.00)

which shall be exclusively utilized by the partner cooperative to cover the procurement of the farm implements, propagules and platform for the establishment of one-hectare Central Seaweed Nursery.

- c. Designate a composite team to regularly monitor and evaluate the nursery operation to ensure that the Terms of Reference of the Memorandum of Agreement of this project are strictly followed.
- d. In case the partner cooperative cease operation or is dissolved, the seaweed nursery established shall be transferred to another viable cooperative capable of operating a seaweeds nursery business as identified by BFAR.

Chapter 3: Roles and Responsibilities of Cooperative Partners.

Section 7. *Establishment, operation and maintenance of the Seaweed Nursery.* The partner cooperative will enter into an agreement with the BFAR to establish, operate and maintain a seaweed nursery to be funded by BFAR and managed by the cooperative as a business enterprise. The cooperative partner shall establish a Nursery Sinking Fund equivalent to the amount of the project to be used to restore the nursery in case of loss.

The cooperative partner thru its Board of Directors shall recommend general policy guidance for the smooth and profitable operation of the nursery while the Cooperative Audit Committee shall conduct regular, surprise and spot audits to ensure that the Internal Control Systems and Procedures set-up as follows are being observed.

The partner cooperative shall also render to BFAR the following Monthly Reports on the Nursery:

- a. Volume of propagules produced and amount of sales;
- b. Volume of seaweeds harvested from these propagules and amount of sales;
- c. Regular, Surprise and Spot Audit Reports; and
- d. Cash Position Reports

In case the nursery fails due to force majeure where the partner cooperative exerted efforts to save the nursery and the Sinking Fund is not yet sufficient to re-establish the nursery, the partner cooperative may bill BFAR for the deficiency based on the recommendations of the Municipal Agriculturist and Provincial Fishery Officer.

Section 8. *Business Plan.* The cooperative partner with the assistance of BFAR TWG shall prepare and submit to BFAR a business plan for the operation and maintenance of the seaweed nursery.

Chapter 4. Monitoring and Evaluation

Section 9. *Monitoring and Evaluation.* The BFAR TWG shall come up with an M&E system for assessing the implementation and impact of the Seaweed Nursery Project.

Monitoring shall cover both the physical and financial aspects of the project implementation.

Section 10. *Monitoring Reports and Documentation of Success Stories.* BFAR TWG shall collate all M&E reports and provide a summary to the Steering and Review Committee. It shall also document success stories and best practices and share the same through accessible media platform.

Chapter 5. General Provisions

Section 11. *Funding.* The total fund for the project amounting to Five Million Pesos (P5,000,000.00) is appropriated under the stimulus package of "Bayanihan to Recover As One Act of 2020". The said amount shall be allocated in the establishment, operation, and maintenance of the seaweed nursery and shall be equally divided among the ten (10) pre-qualified BFAR-organized cooperatives, and is subject to the usual government accounting and auditing rules and regulations.

Section 12. *Effectivity.* This Order shall take effect immediately and shall remain in force until revoked in writing. All other orders and memoranda inconsistent herewith are deemed revoked.

Recommending Approval:


DR. JUAN D. ALBALADEJO
Assistant Director for Operations

Approved:


EDUARDO B. GONGONA
BFAR National Director


DRE
2021