

CDA-NCIP Joint Memorandum Circular No. 01 Series of 2018

SUBJECT : “Guidelines Governing Promotion, Organization, Registration, Development and Regulation of Cooperatives to be Established by Indigenous Cultural Communities (ICCs)/ Indigenous Peoples (IPs)”.

Pursuant to the powers vested by Republic Act No. 6939, RA 9520 and RA 8371, the Cooperative Development Authority (CDA) and National Commission on Indigenous Peoples (NCIP) hereby jointly promulgates the following Guidelines.

Section 1. Title - This Joint Memorandum Circular shall be known as the **“Guidelines Governing Promotion, Organization, Registration, Development and Regulation of Cooperatives to be Established by Indigenous Cultural Communities (ICCs)/ Indigenous Peoples (IPs)”.**

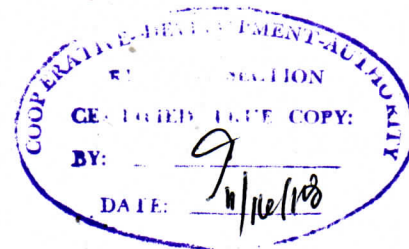
Section 2. Legal Bases. This Joint Memorandum Circular is hereby entered into promulgated consistent with the following laws:

A. R.A. 8371 otherwise known as the Indigenous Peoples Rights Act (IPRA), particularly:

Section 13 of RA 8371- “Self Governance”. The state recognizes the inherent right of ICCs/IPs to self-governance and self-determination and respects the integrity of their values, practices and institutions. Consequently, the state shall guarantee the right of ICCs/IPs to freely pursue their economic, social and cultural development”

Section 16 of RA 8371- “Right to participate in Decision-Making. ICCs/IPs have the right to participate fully, if they so choose, at all levels of decision making in matters which may affect their rights, lives and destinies through procedures determined by them as well as to maintain and develop their own indigenous political structures. Consequently, the state shall ensure that the ICCs/IPs shall be given mandatory representation in policy-making bodies and other local legislative councils”

Section 20 of RA 8371-“Means for Development/Empowerment of ICCs/IPs. The Government shall establish the means for the full development/empowerment of the ICCs/IPs own institutions and initiatives and, where necessary, provide the resources needed therefor”





Section 25 of RA 8371-“Basic Services. The ICCs/IPs to special measures for the immediate, effective and continuing improvement of their economic and social conditions, including in the areas of employment, vocational training and retraining, housing, sanitation, health and social security. Particular attention shall be paid to the rights and special needs of indigenous women, elderly, youth, children, and differently-abled persons. Accordingly, the state shall guarantee the right of ICCs/IPs to government’s basic services which shall include, but not limited to, water and electrical facilities, education, health, and infrastructure.

B. R.A.9520, otherwise known as Philippine Cooperative Code of 2008, particularly:

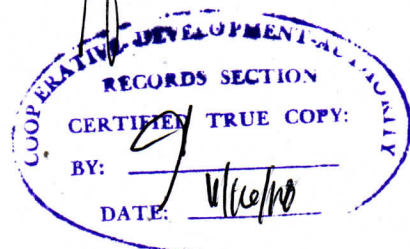
Article 2 of R.A. 9520 - “It is the declared policy of the State to foster the creation and growth of cooperatives as a practical vehicle for promoting self- reliance and harnessing people power towards the attainment of economic development and social justice. The state shall encourage the private sector to undertake the actual formation and organization of cooperatives and shall create an atmosphere that is conducive to the growth and development of these cooperatives.

Toward this end, the Government and all its branches, subdivisions, instrumentalities and agencies shall ensure the provision of technical guidance, financial assistance and other services to enable said cooperatives to develop into viable and responsive economic enterprises and thereby bring about a strong cooperative movement that is free from any conditions that might infringe upon the autonomy or organizational integrity of cooperatives”

Art. 3 of RA 9520- A Cooperative is an autonomous and duly registered association of persons, with a common bond of interest, who have voluntarily joined together to achieve their social, economic, and cultural needs and aspirations by making equitable contributions to the capital required, patronizing their products and services and accepting a fair share of the risks and benefits of the undertaking in accordance with universally accepted cooperative principles.

C. R.A. 6939, otherwise known as CDA Charter, particularly:

Section 3 (a) of RA 6939- “Formulate, adopt and implement integrated and comprehensive plans and programs on cooperative development consistent with the national policy on cooperatives and the overall socio-economic development plans of the Government”





and

D. Memorandum of Agreement entered into by and between OP-OCS, CDA and NCIP dated December 4, 2017. (Annex A)

Section 3. Purpose

This Joint Memorandum Circular shall provide for the orderly promotion, organization, registration, development and regulation of cooperatives organized by and among Indigenous Cultural Communities (ICCs)/Indigenous Peoples (IPs), taking into consideration their unique culture, tradition, customary laws and practices.

Section 4. Coverage

This Joint Memorandum Circular shall cover all types of cooperatives organized by Indigenous Cultural Communities/Indigenous Peoples (ICCs/IPs) within or outside ancestral domains.

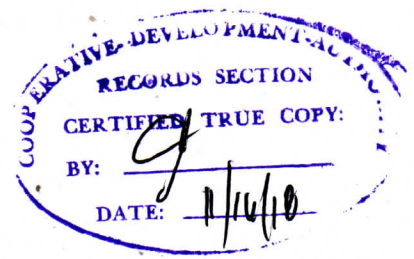
Section 5. Definition of Terms. As used in this JMC, the following terms shall mean:

- a. **Ancestral Domain (AD)** - Subject to Section 56 of RA 8371 , refer to all areas generally belonging to ICCs/IPs comprising lands, inland waters, coastal areas, and natural resources therein, held under a claim of ownership, occupied or possessed by ICCs/IPs, by themselves or through their ancestors, communally or individually since time immemorial, continuously to the present except when interrupted by war, force majeure or displacement by force, deceit, stealth or as a consequence of government projects or any other voluntary dealings entered into by government and private individuals/corporations, and

which are necessary to ensure their economic, social and cultural welfare. It shall include ancestral lands, forests, pasture, residential, agricultural, and other lands individually owned whether alienable and disposable or otherwise, hunting grounds, burial grounds, worship areas, bodies of water, mineral and other natural resources, and lands which may no longer be exclusively occupied by ICCs/IPs but from which they traditionally had access to for their subsistence and traditional activities, particularly the home ranges of ICCs/IPs who are still nomadic and/or shifting cultivators;

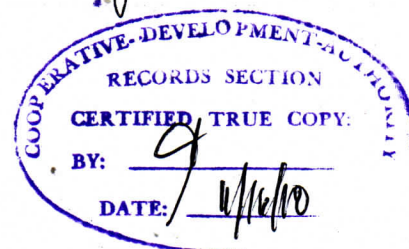
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- b. **Area of Operation** –refers to the area where the cooperative operates and where its members come from as provided for in their Articles of Cooperation and By-laws.
- c. **Bond of Membership** – refers to the condition where ICCs/IPs inside or outside Ancestral Domains organize themselves, to attain their common goals and objectives, in the spirit of cooperativism
- d. **Board of Directors** – shall mean the body entrusted with the management of the affairs of the cooperative under its Articles of Cooperation and By-laws
- e. **Certificate of Confirmation (COC)** - is a written certification issued by the National Commission on Indigenous Peoples (NCIP) to *bona fide* indigenous peoples confirming his authenticity and ethnicity as an IP as defined/prescribed in Republic Act No. 8371 and its Implementing Rules and Regulations. This certification entitles IPs to enjoy all the rights, benefits and privileges guaranteed under R.A. No. 8371 and all other laws, decrees, Executive Orders and legal issuance promulgated for the Indigenous Peoples.
- f. **Cooperative Development Authority (CDA)**- refers to the government agency created by virtue of Republic Act No. 6939 in compliance with the provisions of Section 15, Article XII of the Philippines Constitution of 1987 which mandates Congress to create an agency to promote the viability and growth of cooperatives as instruments for equity, social justice and economic development.
- g. **Cooperators** - are those members mentioned in the Articles of Cooperation as originally forming and composing the cooperative and who are signatories thereof
- h. **Cooperative** – refers to an autonomous and duly registered association of persons, with a common bond of interest, who have voluntarily joined together to achieve their social, economic, and cultural needs and aspirations by making equitable contributions to the capital required, patronizing their products and services and accepting a fair share of the risks and benefits of the undertaking in accordance with universally accepted cooperative principles.
- i. **Customary Laws** - refer to a body of written and/or unwritten rules, usages, customs and practices traditionally and continually recognized, accepted and observed by respective ICCs/IPs.

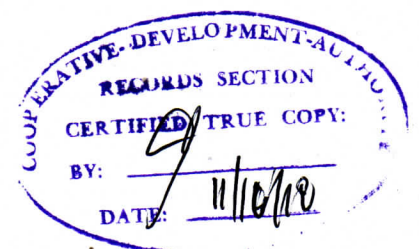




- j. **Indigenous People Organization (IPO)** – refers to a private, nonprofit voluntary organization of ICCs/IPs, duly accredited by the NCIP.
- k. **Indigenous Cultural Communities (ICCs)/Indigenous Peoples (IPs)**- refer to a group of people or homogenous societies identified by self-ascription and ascription by other, who have continuously lived

as organized community on communally bounded and defined territory, and who have, under claims of ownership since time immemorial, occupied, possessed customs, tradition and other distinctive cultural traits, or who have, through resistance to political, social and cultural inroads of colonization, non-indigenous religions and culture, became historically differentiated from the majority of Filipinos. ICCs/IPs shall likewise include peoples who are regarded as indigenous on account of their descent from the populations which inhabited the country, at the time of conquest or colonization, or at the time of inroads of non-indigenous religions and cultures, or the establishment of present state boundaries, who retain some or all of their own social, economic, cultural and political institutions, but who may have been displaced from their traditional domains or who may have resettled outside their ancestral domains.

- l. **Indigenous Political Structure (IPS)** – refer to organizational and cultural leadership systems, institutions, relationships, patterns and processes for self-governance, decision-making and participation, of ICCs/IPs such as, but not limited to, Council of Elders, Council of Timuays, Bodong Holders, or any other tribunal or body of similar nature;
- m. **Member** – includes a person who, adhering to the principles set forth in RA No. 9520 and in the Articles of Cooperation and By-Laws (ACBL), has been admitted by the cooperative as member.
- n. **National Commission on Indigenous Peoples (NCIP)**- refers to the agency created under RA 8371 under the Office of the President, and which shall be the primary government agency responsible for the formulation and implementation of policies, plans and programs to recognize, protect and promote the rights of ICCs/IPs.
- o. **Registration** –refers to the operative act of the CDA granting juridical personality to a proposed cooperative and is evidenced by a Certificate of Registration.





Section 6. Promotion. The CDA and NCIP shall initiate activities that will promote the organization of cooperatives among ICCs/IPs. Both agencies shall develop communication and information materials taking into consideration their unique culture, tradition, customary laws and practices, and will likewise give priority to Cooperatives organized and registered pursuant to this JMC in their developmental programs.

Section 7. Support to Organization- The CDA, through its Extension Offices, in coordination with NCIP, shall provide priority support to Cooperatives to be organized by and among ICCs/IPs, which shall include organizational, technical, and the like.

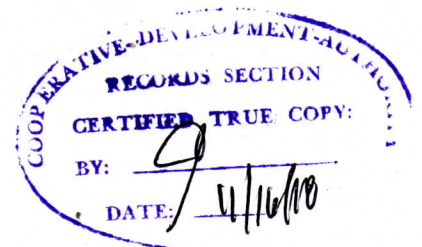
Section 8. Cooperators - Cooperatives may be organized within or outside the Ancestral Domains (ADs), with at least thirty (30) cooperators, under the following conditions:

1. Cooperatives established within ADs:
100% of the cooperators are co-owners of the AD with Certificate of Confirmation (COC) from the NCIP or Certification from the Council of Elders or IPS
2. Cooperatives established outside ADs:
100% of the cooperators are ICCs/IPs with Certificate of Confirmation (COC) from the NCIP or Certification by their respective and recognized ICC/IP elders or IPS.

Section 9. Cooperative Membership – Membership shall be governed by the following terms and conditions:

1. Cooperative within AD. Only IP who is a co-owner of, and residing in, the ancestral domain may be member, provided however, that his/her spouse, who is not a member of the community, may be admitted as [provided in the by-laws.
2. Migrant IPs and non-IPs who are residents of the AD may be admitted as provided in the by-laws, provided that their aggregate number shall not exceed twenty percent (20%) of the total number of members at any given time.

A provision against dual membership may be provided in the Articles of Cooperation and By-Laws.





Section 10. Termination of Membership. Membership may be terminated based on grounds provided in applicable existing laws and violations of cultural norms and customary laws as provided in the Articles of Cooperation and By-Laws.

Section 11. Bond of Membership. The bond of membership of ICCs/IPs cooperative shall be either:

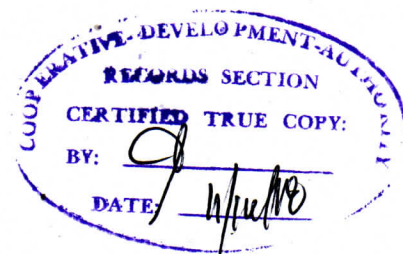
- a. Residential - members are IPs and non-IPs under Section 9 who are actually and physically residing within the area of operation.
- b. Associational - members are from an Indigenous People Organization (IPO), recognized by the NCIP. Registration of such organization shall be valid and effective.
- c. Territorial - communally bounded and defined territory under claims of ownership since time immemorial, occupied, possessed and utilized such territories. May have been displaced from their traditional domains or who may have resettled outside their ancestral domain.
- d. Ethnicity - is a primary sense of belonging to an ethnic group. Ethnic group is a consanguine in nature, meaning, the ties are reckoned by blood and traced through the family tree. Thus, the ethnicity refers to the household member's identity, by blood and not by choice nor by adoption / confirmation for any ethnic group primarily the Indigenous Peoples (IPs).

Section 12. Venue for filing of application for Registration. Application for registration of cooperatives organized by ICCs/IPs, including amendments thereto, shall be filed and registered with the CDA Extension Office having jurisdiction over the principal office of the proposed cooperative.

Section 13. Pre-Registration Seminar (PRS). The conduct of pre-registration seminar (PRS) for prospective members of would-be cooperatives organized by ICCs/IPs shall be in accordance with the MC 2017-02 (Annex B) and this JMC.

Section 14. Documentary Requirements for Registration. The following documents shall be submitted to the CDA in four (4) original copies, except for item (1), below:

1. Cooperative Name Reservation Notice (CNRN);
2. Articles of Cooperation and By-Laws





- a. The Articles of Cooperation shall be signed by all the co-operators on each and every page;
 - b. The By-Laws shall be signed by all the members on the adoption page; and
 - c. Articles and By-Laws shall be written in English but shall also provide a translation in accordance with the major IPs dialect.
3. Treasurer's Affidavit
 4. Surety Bonds of Accountable Officers (outside ADs)/ IPS Certification (within ADs)
 5. Certificate of Pre-Registration Seminar (PRS)
 6. Official Receipt of the Registration Fee
 7. Endorsement from the NCIP

Section 15. Cooperative Name and Restrictions. The name of the cooperative shall bear the name of ICC/IP group, the phrase "Indigenous Peoples" and the type of cooperative, e.g. Bugkalot Indigenous Peoples Multi-Purpose Cooperative (BIPMPC) or Mandaya Indigenous Peoples Farmer's Multi-Purpose Cooperative (MIPFMPC) or Bontoc Indigenous Peoples Ob-obfo (BIPO). Its equivalent in the native tongue may be placed underneath such official name, e.g.

Imajukayong Indigenous Peoples Credit Cooperative (IIPCC)
"Pappango da Gimpong wey Imajukayong"

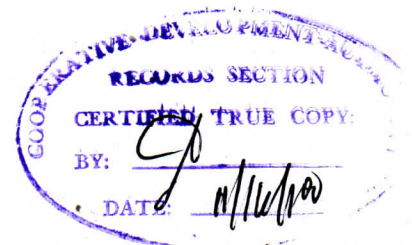
Such name shall not be written in all capital letters except for the acronym which shall be indicated in parenthesis next to the name of cooperative.

No cooperative shall be registered by the CDA whose name is identical, deceptively or confusingly similar to that of any existing cooperative, or contrary to public policy, good morals or customs.

Section 16. Area of Operation - The area of operation of a Cooperative within an AD shall basically be in the said AD, provided that it can expand operation outside the Domain in accordance with the by-laws.

In the case of a cooperative organized and established outside ancestral domain, its Articles of Cooperation and By-Laws shall define its area of operation, provided that, it shall not include, or expand into, an AD without the FPIC of the owners of said AD.

Section 17. Registration Procedure. Registration procedures shall follow the Guidelines in the registration of Primary cooperative under CDA MC 2015-01





For the step by step procedure on the registration see attached (Annex C)

Section 18. Board of Directors (BOD) and Officers. The Cooperative shall have a Board of Directors who shall be selected by the incorporators/members in an assembly called for the purpose, whose numbers shall not be less than five (5) nor more than 15, and whose terms of office, qualifications and disqualifications, including removal, suspension, and other disciplinary action, shall be provided in the Articles of Cooperation and By-Laws.

The cooperative shall also have other officers/personnel to be appointed by the Board. Any appointee must not, however, be a relative of any member of the Board within the third (3rd) civil degree of consanguinity or affinity, in deference to the principles of inclusivity and integrity.

Section 19. Dual Membership. A prospective cooperative among ICCs/IPs may include in its by-laws a provision not allowing members of the other cooperatives within the same area of operation.

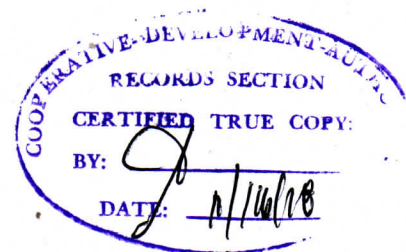
Section 20. Developmental Programs. Cooperatives to be organized and registered under this JMC shall be given priority in the developmental programs of the CDA and NCIP.

Section 21. Settlement of Disputes. Should any dispute or controversy arise in the implementation of this JMC which falls within the jurisdiction of the NCIP or IPS, the same shall be referred to NCIP or IPS, as the case may be for appropriate resolution, however, should the dispute or controversy arise out of, or relates to, the Articles of Cooperation and By-laws, the cooperative law and related rules, administrative guidelines of the CDA, the same shall be referred to CDA after failure of conciliation or mediation mechanisms embodied in the bylaws of the cooperative.

The foregoing shall be without prejudice to the NCIP and CDA coordinating efforts to resolve any dispute or controversy.

Section 20. Monitoring and Inspection. The CDA Extension Office (EO) concerned shall monitor and conduct annual assessment of these cooperatives in coordination with the nearest NCIP Office to ensure compliance with this JMC, laws, rules and regulations, issuances of the CDA and other laws and other pertinent issuances of concerned government agencies.

Section 21. Transitory Provision. Existing cooperatives involving ICCs/IPs registered with CDA previous to the issuance of this JMC are enjoined to strictly comply with the requirements prescribed hereof.





The necessary amendment to conform to the provisions of this JMC must be made accordingly within three (3) years from the effectivity of this JMC. Failure to comply with the amendment shall cause the cancellation of the Certificate of Registration after due notice.

Section 23. Separability Clause. Should any part of this JMC be declared null and void or unconstitutional, the validity of the remaining provisions hereof shall remain in full force and effect.

Section 24. Amendment. All previous circulars and/or guidelines issued by the CDA and the NCIP which are inconsistent with this JMC are deemed amended or modified accordingly.

Section 25. Effectivity. This JMC shall take effect upon the approval of the CDA Board of Administrators and NCIP Commission *En Banc* and fifteen (15) days after submission to the Office of the National Administrative Registry (ONAR).

Approved: October 25, 2018

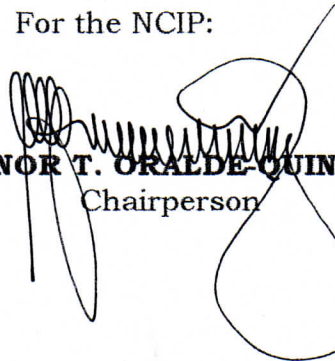
The Board of Administrators
Cooperative Development Authority
(CDA)

Commission En Banc
National Commission on
Indigenous Peoples (NCIP)

For the CDA:

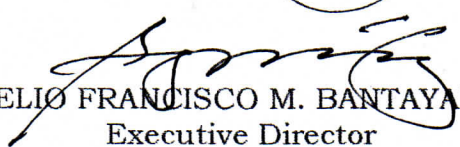
For the NCIP:


ORLANDO R. RAVANERA
Chairperson


LEONOR T. ORALDE-QUINTAYO
Chairperson

Witness:


RAY R. ELEVAZO
Executive Director


ROGELIO FRANCISCO M. BANTAYAN, JR.
Executive Director

