



COOPERATIVE DEVELOPMENT AUTHORITY

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MEMORANDUM CIRCULAR NO. 2020- 11 Series of 2020

SUBJECT : GUIDELINES SUPPLEMENTING CDA MEMORANDUM CIRCULAR NO. 2015-01, MEMORANDUM CIRCULAR NO. 2015-11, AND MEMORANDUM CIRCULAR NO. 2016-05 ON THE CONDUCT OF VALIDATION OF APPLICATION FOR REGISTRATION OF COOPERATIVES, AMENDMENTS TO THE ARTICLES OF COOPERATION AND BYLAWS, AND ESTABLISHMENT OF BRANCHES AND SATELLITE OFFICES OF COOPERATIVES

Pursuant to **Section 4 (c) & (d) of Republic Act No. 11364** (*An Act Reorganizing and Strengthening the Cooperative Development Authority, Repealing for the Purpose Republic Act No. 6939, Creating the Cooperative Development Authority*), the Authority hereby promulgates the following:

Section 1. Title. This Memorandum Circular shall be known as “*Guidelines Supplementing CDA Memorandum Circular (MC) No. 2015-01, MC No. 2015-11, and MC No. 2016-05 on the Conduct of Validation of Application for Registration of Cooperatives, Amendments to the Articles of Cooperation and Bylaws, and Establishment of Branches and Satellite Offices of Cooperatives*”.

Section 2. Objectives. This Guidelines is issued with the following objectives:

- 2.1 To supplement the afore-cited CDA Memorandum Circulars by prescribing the procedure on the conduct of onsite or off-site validation to ensure that the application for registration of cooperatives, amendments to the Articles of Cooperation and Bylaws or establishment of branches and satellite offices of cooperatives has met the minimum requirements of the law and adheres to the cooperative principles, values and concept.
- 2.2 To include off-site validation as an alternative mode of validation/verification considering the declaration of a State of Public Health Emergency throughout the Philippines due to



the outbreak of COVID-19 by President Rodrigo R. Duterte through Proclamation No. 922 on March 08, 2020.

Section 3. Scope. This Guidelines shall cover all applications for registration of all types and categories of cooperatives, amendments to the Articles of Cooperation and Bylaws, and establishment of cooperative branches and satellite offices.

Section 4. Definition of Terms. As used in these guidelines, the following terms shall mean:

4.1. *Validation* – is an activity or series of activities aimed at ensuring that the requirements for applications for registration, amendments to the Articles of Cooperation and Bylaws or establishment of branches or satellite offices are complete, correct and in accordance with applicable laws. Validation maybe conducted onsite or off-site.

4.1.1. *Onsite Validation* – refers to physical conduct of validation or actual visit to the applicant’s or cooperative’s proposed office to gather relevant information.

4.1.2. *Off-site Validation* – refers to virtual conduct of validation. Verification may be made through phone calls, emails and other forms of social media. Applicant may also be asked to send pictures and copies of documents.

4.2. *Validation Tool/Report* – refers to the prescribed report prepared by the authorized validator which contains his/her findings on the validation/verification conducted and recommendation on the application.

Section 5. Conduct of Validation.

5.1. Applications for new registration, amendments to the Articles of Cooperation and Bylaws or establishment of branches or satellite offices shall be subject to validation/verification. The assigned validator shall conduct validation within two (2) days from assignment to ensure that the necessary data for the preparation of a complete report with recommendations are gathered. Onsite validation shall be the primary recourse to be conducted.

Where onsite validation is not possible due to causes beyond the control of the assigned CDS II like the issuance of Proclamation

No. 922 dated March 08, 2020, an off-site validation may be conducted.

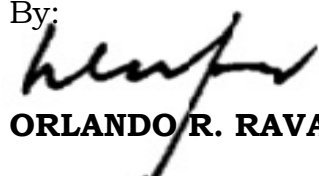
Section 6. Validation Tool/Report. The submitted validation tool/report shall primarily be taken into consideration in evaluating the application. The same shall be treated as confidential and shall not be disclosed even to the client.

Section 7. Effectivity. This Memorandum Circular shall take effect immediately upon approval of the CDA Board of Directors and after its publication with the Office of National Administrative Register (ONAR).

Approved by the CDA Board of Directors pursuant to Res. No. 130, S-2020 dated May 22, 2020.

For the CDA Board of Directors

By:


ORLANDO R. RAVANERA
Chairman