

Republic of the Philippines
Province of Davao del Norte
CITY OF TAGUM

BEFORE THE 4TH CITY COUNCIL

EXCERPT FROM THE MINUTES OF THE 83rd REGULAR SESSION OF THE SANGGUNIANG PANLUNGSOD OF THE CITY OF TAGUM, PROVINCE OF DAVAO DEL NORTE HELD ON MARCH 02, 2009 AT THE SP SESSION HALL.

PRESENT:

Hon. ALLAN L. RELLON, MPA,	City Vice Mayor (Presiding Officer)
Hon. MARIA LINA F. BAURA,	Member
Hon. ROBERT L. SO,	Member
Hon. DE CARLO L. UY,	Member
Hon. RAYMOND JOEY D. MILLAN,	Member
Hon. VICENTE C. ELIOT, SR.,	Member
Hon. JOEDEL T. CAASI,	Member
Hon. NICANDRO T. SUAYBAGUIO, JR.,	Member
Hon. REYNALDO T. SALVE,	Member
Hon. FRANCISCO C. REMITAR,	Member
Hon. CYRIL LEONARD L. MURING,	Member (SKF Representative)
Hon. ALFREDO R. PAGDILAO,	Member (ABC Representative)

ON OFFICIAL BUSINESS:

Hon. ALAN D. ZULUETA,	Member
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RESOLUTION NO. 680, S- 2009

A RESOLUTION AUTHORIZING THE CITY MAYOR, HON. REY T. UY TO ENTER INTO AND SIGN FOR AND IN BEHALF OF THE CITY OF TAGUM THE MEMORANDUM OF AGREEMENT BETWEEN THE DEPARTMENT OF AGRICULTURE AND THE CITY GOVERNMENT OF TAGUM FOR THE IMPLEMENTATION OF VARIOUS PROJECTS UNDER THE DA- 2ND MINDANAO RURAL DEVELOPMENT PROGRAM IN THE CITY OF TAGUM.

WHEREAS, the Mindanao Rural Development Program (MRDP), a poverty reduction program aims to improve the incomes and food security of the rural poor and indigenous communities of Mindanao;

WHEREAS, the MRDP is designed as a series of four Adaptable Program Loans (APLs) that is funded by the National Government , the Local Government Units, (LGUs), beneficiaries and the International Bank for Reconstruction and Development;

WHEREAS, the implementation of the second APL of MRDP (MRDP – APL) with IBRD Loan 7440- PH covering 225 municipalities and the cities in 27 provinces of Mindanao is planned from 2009 to 2013;

WHEREAS, there is a need for the Sanggunian Panlungsod of Tagum to immediately pass a Resolution relative to the subject at and to be able to get hold of this much – needed funds which is treated as grant to the LGU;

NOW THEREFORE, be it resolved, as it is hereby resolved, by the Sangguniang Panlungsod of Tagum to authorize the City Mayor, hon. Rey T. Uy to enter into and sign for and in behalf of the City of Tagum the Memorandum of Agreement between the Department of Agriculture and the City Government of Tagum for the implementation of various projects under the DA- 2nd Mindanao Rural Development Program in the City of Tagum.

RESOLVED FURTHER , that the full text of the Memorandum of Agreement be as follows:

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This **MEMORANDUM OF AGREEMENT**, entered into by:

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The **DEPARTMENT OF AGRICULTURE**, a government office created under the laws of the Republic of the Philippines, with office address at Elliptical Road, Diliman,, Quezon City, represented herein by its Secretary, Honorable ARTHUR C. YAP and hereafter referred to as the "**DA**",

- and -

The **CITY GOVERNMENT OF TAGUM**, a local government unit created under the laws of the Republic of Philippines, with office address at Tagum City, represented herein by its Mayor, Honorable **REY T. UY**, hereinafter referred to as the **LGU**.

WITNESSETH:

WHEREAS, the Mindanao Rural Development Program (MRDP), a poverty reduction program aims to improve the incomes and food security of the rural poor and indigenous communities in Mindanao;

WHEREAS, the MRDP is designed as a series of four Adaptable Program Loans (APLs) that is funded jointly by the national government, local government units (LGUs), beneficiaries and the International Bank for Reconstruction and Development;

WHEREAS, the first APL of the MRDP (MRDP - APL1) conducted from 2000 to 2004 initiated approaches and processes in engaging rural communities, local government units (LGUs), and national government agencies in planning, designing and implementing rural development programs;

WHEREAS, MRDP – APL 1 triggered improvements in incomes and food security of households through better-targeted and sustainable agriculture and fisheries-related rural development and marine biodiversity conservation programs as well as enhanced LGU institutional technical, management and financial capabilities and systems;

WHEREAS, the implementation of the second APL of MRDP (MRDP – APL 2) with IBRD Loan Number 7440-PH, covering 225 municipalities and cities in 27 provinces of Mindanao is planned from 2007 to 2012;

WHEREAS, the Local Government Code of 1991 extends genuine and meaningful local autonomy to the LGUs to enable them to attain their fullest development as self-reliant communities and to make them more effective partners in the attainment of national goals;

WHEREAS, the Local Government Code of 1991 devolves the DA function - the provision of agricultural support services, agricultural extension and on-site research services and facilities to the LGUs;

NOW THEREFORE, for and in consideration of the foregoing premises, the **DA** and the **LGU** hereby agree as follows:

Section 1. Objectives. The objectives of the Memorandum of Agreement are:

- 1.1 To continue and enhance the process of institutionalizing the partnership between the **DA** and the **LGUs** in the integrated delivery of devolved agriculture and fishery services and in improving LGU resource management including governance systems and mechanism;
- 1.2 To set the minimum requirements in laying down support and coordination systems for the implementation of various interventions and activities under MRDP APL 2; and
- 1.3 To spell out the roles and responsibilities of the DA and the LGUs in the Program implementation.

Section 2. Scope of Agreement. This Agreement shall cover the implementation of the MRDP – APL 2, referred as the "Project", in the City of Tagum, in its barangays and communities from 2009 to 2013, consisting of the following parts:

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Part A: Investments for Governance Reform and Program Administration

Carrying out a program to strengthen institutional capacity of DA and Participating LGUs in Mindanao in order to operationalize a decentralized agricultural service system through the following activities:

1. Improving the capacity of Participating LGUs in resources management and service delivery in agriculture and fisheries.
2. Enhancing the capacity of DA to support Participating LGUs' agricultural planning and development and agricultural research and extension through local community participatory process.
3. Strengthening the capacity of Participating LGUs in the Project implementation and coordination through the provision of technical assistance and operating support.

Part B: Rural Infrastructure Sub-projects

Carrying out a program to support rural infrastructure Sub-projects in order to improve access to basic rural infrastructure services by the rural communities in Mindanao and to enhance these rural infrastructure's operation and maintenance standards through the following activities:

1. Construction and/or rehabilitation of selected farm to market roads and single lane bridges, carrying out a program for routine maintenance of such roads, and monitoring and evaluation of construction and rehabilitation of such roads.
2. Construction and/or rehabilitation of selected community-owned and managed run-of-river communal irrigation systems, carrying out a program for routine maintenance of such irrigation systems, monitoring and evaluation of construction and rehabilitation of such irrigation systems.
3. Construction and/or rehabilitation of selected level-2 (communal faucets) rural potable water supply systems.
4. Undertaking other selected rural infrastructure projects to enhance agricultural and fisheries productivity and access to markets by rural communities.

Part C.: Community Fund for Agricultural Development (CFAD) Sub-projects

Carrying out a program to address diverse investment priorities of rural communities, consisting of the financing of CFAD Sub-projects which meet community preferences and respond to local priorities, including food security interventions, community managed livelihood and agribusiness activities, alternative income-generating activities, and small infrastructure.

Part D: Natural Resource Management (for sites that passed the selection criteria only)

Carrying out a program to conserve upland resources, coastal and marine biodiversity through the following activities:

1. Strengthening the capacity of the communities, participating LGUs and national agencies involved in the conservation of upland resources, coastal and marine biodiversity.
2. Introducing and demonstrating sustainable land management practices and marine and coastal protection measures to the communities involved in the conservation of upland resources, coastal and marine biodiversity through carrying out natural resources management Sub-projects.
3. Increasing community awareness of direct linkage between upland natural resources management and coastal natural resource management.

Section 3. Duties and Responsibilities of the DA. The DA, through the Regional Program Coordination Offices (RPCOs) in its Regional Field Units (RFUs) or through the Program Support Office (PSO) of MRDP – APL 2, shall have the following duties and responsibilities:

- 3.1 For purposes of carrying out the Project, the **DA** shall make available to participating **LGU**, its respective Allocated Amount on terms and conditions acceptable to the DA and as set forth in the MRDP Operations Manuals;

RESOLUTION NO. 680, s-2009, cont'd:

- 3.2 With respect to Part B of the Project, the DA shall provide to **LGU** fifty percent (50%) of the total contract cost of the its Sub-project, with the **LGU** providing its contribution covering the remaining fifty percent (50%);
- 3.3 Provide the **LGU** the 80% (P 2,000,000.00) of the total amount (P 2,500,000.00) allocated to Part C of the Project per year with the **LGU** providing the remaining 20% contribution in the amount of P 500, 000.00 per year of its participation;
- 3.4 With respect to Part D of the Project, provide to NRM covered LGUs (to be identified later by the Technical Working Group) 90% of the amount allocated to subprojects categorized as on the ground investment with each covered LGU providing the remaining 10% contribution;
- 3.5 Provide the **LGU** with technical support in local development planning and in all aspects of project development particularly in implementation, monitoring and sustainability of MRDP sub-projects and activities in the city, barangays and communities;
- 3.6 Provide the staff of the **LGU** with capacity building interventions through participation and attendance to learning events as provided in the MRDP's approved Project Implementation Plan;
- 3.7 Provide the **LGU** with data, documents and other information related to MRDP – APL 2;
- 3.8 Coordinate and monitor the activities in the city to ensure that the foregoing provisions of the DA to the **LGU** for the planning, implementation and sustainability of MRDP sub-projects are delivered on time and in accordance with established systems and procedures;
- 3.9 Ensure that the **LGU** is adequately represented in consultations, meetings, briefings and other similar activities; and
- 3.10 Provide the **LGU** with regular feedback on the status of implementation of sub-projects in the city vis-à-vis planned targets and schedule

Section 4. Responsibilities of the LGU

4.1 The LGU shall:

- 4.1.1 Establish and, thereafter, maintain, through an Executive Order or applicable enabling instrument, a City Program Management and Implementing Unit (CPMIU) throughout the period of Project implementation; with composition, terms of reference provided in the Program Operations Manual, staffing coming from permanent/regular staff from among the existing personnel of the city local government, to be responsible for supporting project implementation activities, preparing annual work plans and budgets, undertaking monitoring and evaluation and overall accounting and financial management;
- 4.1.2 Provide funds and other logistic support such as transportation and traveling allowances, office supplies and equipment and if possible office space and other resources for the operation of its CPMIU;
- 4.1.3 Allow its regular staff comprising the CPMIU to participate in consultations, meetings, briefings and similar activities as identified in the Project Implementation Plan;
- 4.1.4 For Part C of the Project or Community Fund for Agricultural Development (CFAD), establish and thereafter, maintain through the period of Program Implementation, with composition, terms of reference and staffing as set out in the CFAD Operations Manual, a City Multi-Sectoral Committee to be responsible for supporting implementation of said Component of the Program;

4.2 The LGU shall carry out the Project with due diligence and efficiency, and in conformity with appropriate engineering, economic, financial, administrative, technical, and agricultural practices and sound social and environmental standards, acceptable to the DA, and provide, or cause to be provided, promptly as needed, the funds, facilities, services and other resources required thereof;

RESOLUTION NO. 680, s-2009, cont'd:

- 4.3 If a proposed Subproject involves the involuntary resettlement of displaced persons, prior to commencing civil works under said Subproject, the LGU shall take and cause to be taken all measures necessary to ensure that all such persons are resettled in accordance with resettlement action plan, satisfactory to the DA, in accordance with the principles and procedures set forth in the Land Acquisition, Resettlement, and Rehabilitation Policy Framework;
- 4.4 If a proposed Subproject involves community with Indigenous Peoples, the LGU shall prepare a plan that incorporates mechanisms for the informed participation of such peoples in the design and implementation of said Sub-project in accordance with policies and procedures set forth in the Indigenous Peoples Policy Framework;
- 4.5 The LGU shall undertake an environmental screening for a proposed Sub-project according to the provisions of the Environmental Guidelines. If such environmental screening concludes that an environmental impact assessment and an environmental management plan are required for the proposed Sub-projects, said participating LGU shall prepare the said environmental impact assessment and environmental management plan all on the basis of standards satisfactory to the DA and in accordance with the procedures and principles set forth in the Environmental Guidelines and thereafter implement the proposed Sub-project in accordance with said environmental management plan. In the event an environment compliance certificate is required under existing national law or regulations, the **LGU** shall obtain such environmental compliance certificate from the DENR or its instrumentality at the regional level in respect of the activities under said Sub-project;
- 4.6 The LGU shall ensure that:
 - a) The goods, works and services required for the Project and to be financed out of the MRDP Funds are procured in accordance with the provisions of the Procurement Schedule of the Project set forth in Operations Manuals;
 - b) Said goods are insured against hazards incident to the acquisition, transportation and delivery thereof to the place of use or installation, any indemnity there under to be made payable in a currency freely by the purchaser thereof to replace or repair such goods;
 - c) Said goods, works and services are utilized exclusively for the purpose of carrying out the Program; and
 - d) Any facilities, equipment and other property relevant to the Project shall at all times be operated and maintained, and that all necessary repairs and renewals thereof shall be promptly made, as needed, all in accordance with sound financial, administrative and technical practices;
- 4.7 The LGU shall enable the DA and the Bank to examine all goods, facilities, sites and works included in the Project, the operation thereof, and any relevant records and documents;
- 4.8 The LGU shall:
 - a) Maintain policies and procedures adequate to enable it to monitor and evaluate on an ongoing basis, in accordance with performance indicators set forth in the Operations Manuals, the carrying out of the program and the achievement of the objectives thereof; and
 - b) Prepare, under terms of reference satisfactory to the DA, a monthly, quarterly, and semi-annual reports summarizing the results of the monitoring and evaluation activities performed pursuant to subparagraph (a) of paragraph 4.6, on progress achieved in the carrying out of the Program during the preceding calendar semester and setting out the measures recommended to ensure the efficient carrying out of the Program and the achievement of the objectives thereof during the next semi-annual period following such date and furnish the same to the DA.
- 4.9 The **LGU** shall maintain a separate book of accounts on the financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the DA, both in a manner adequate to reflect the

operations and financial condition of the LGU, including the operations, resources and expenditures related to the program;

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(Excerpt from the Minutes of the 83rd Reg. Session/Mar. 02, 2009)

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RESOLUTION NO. 680, s-2009, cont'd:

- 4.10 The **LGU** shall have its financial statements for the Project referred to above subject to audit by independent auditors acceptable to the DA, in accordance with consistently applied auditing standards acceptable to the DA. Each audit of these financial statements shall cover the period of one (1) fiscal year of the LGU. The audited financial statements for each period for submission to the DA;
- 4.11 The LGU that proposes to carry out a Sub-project under Part B.1 of the Project shall: (a) conduct annual maintenance for the road networks rehabilitated under Part B.1 of the Project; and from the sixth year after the completion of construction of the rural roads under Part B.1 of the Project, conduct periodic maintenance on such rural roads, all in accordance with a maintenance program (including maintenance standards and section of road networks) agreed with the DA and the Bank before a proposed Sub-project becomes eligible for financing under said Part of the Project; and (b) allocate funds, facilities, services and other resources required for said maintenance;
- 4.12 The LGU that proposes to carry out a Sub-project under Parts B, C, and D of the project, shall provide the required equity contribution set forth in the Operations Manuals and disseminate information to the public (including the maintenance of a bulletin board) on all Sub-project proposals within its jurisdiction (including those approved and rejected under this Project) and the status of ongoing Sub-projects, all in accordance with standards acceptable to the DA;
- 4.13 Coordinate with other national partner agencies of MRDP-APL 2 such as the Department of Environment and Natural Resources, Bureau of Fisheries and Aquatic Resources and the National Commission of Indigenous Peoples/Office of Southern Cultural Communities, and with local organizations in the planning, implementation and other project development activities of MRDP-APL 2 interventions and activities;
- 4.14 Ensure security of the World Bank Mission Team, the Program Support Office (PSO) and the Regional Program Coordination Office (RPCO) when they are in the area for MRDP activities;
- 4.15 Coordinate with the RPCO in local development planning and in all aspects of sub-project development and other related activities in the barangays;
- 4.16 In coordination with the RPCO, provide the barangays, peoples organizations and communities with financial assistance and technical support in local development planning, and in all aspect of project development, particularly in implementation, monitoring and evaluation of MRDP subprojects and in other MRDP related activities;
- 4.17 Carry out capacity building interventions for its participating barangays through participation and attendance to learning events as provided in the MRDP's approved Project Implementation Plan and subject to existing systems and procedures as prescribed in the various MRDP manuals of operations;
- 4.18 Designate permanent City Facilitator/s for barangay/s identified for CFAD and NRM Sub-projects development and management (If identified as NRM site);
- 4.19 Require each MRDP participating barangay to designate a Barangay Facilitator and provide him logistic support including funds for his traveling expenses and other MRDP purposes;
- 4.20 Subject to the availability of funds and existing systems and procedures, provide financial assistance to the barangays for the implementation and in the operation and maintenance of sub-projects or facilities installed under MRDP – APL 2.

Section 5. Amendments and Effectiveness. The parties may, upon mutual agreement, amend, alter, or modify this Memorandum of Agreement anytime through an addendum signed by both parties. This Memorandum of Agreement shall take effect on the date of signing of both parties and shall continue to be in full force until 2013 or completion of the MRDP 2, unless sooner terminated by either party, provided a written Notice of Termination is issued at least 30 days prior to termination date, provided further that such termination will not prejudice any ongoing sub-project in the city, barangay or community.

IN WITNESS WHEREOF, the parties through their authorized representative have hereunto affixed their signatures on this _____ of _____ 2009 at _____.

FOR THE DEPARTMENT OF AGRICULTURE

FOR THE CITY GOVERNMENT OF TAGUM

ARTHUR C. YAP
Secretary

REY T. UY
City Mayor

SIGNED IN THE PRESENCE OF:

JESUS EMMANUEL M. PARAS
Undersecretary for Operations

ROGER C. CHIO, CESO III
MRDP Program Director

ACKNOWLEDGEMENT

Republic of the Philippines)
_____) S.S.

BEFORE ME, a Notary Public, personally appeared the following persons:

Name	CTC No.	Place and Date of Issue
Arthur C. Yap	_____	_____
Rey . T. Uy	_____	TagumCity, Davao del Norte _____

known to me to be the same persons who executed the foregoing Memorandum of Agreement and they have acknowledged that the same is their own free will, act and deed as principals that they represent.

WITNESS MY HAND AND SEAL, this ____ day of _____, 2009 at _____, Philippines.

Notary Public

Doc. No. _____
Page No. _____
Book No. _____
Series of _____

CARRIED AND APPROVED.

I HEREBY CERTIFY to the correctness of the foregoing.

(Sgd) **REY A. BUHION**
Secretary to the Sanggunian

**ATTESTED AND CERTIFIED
TO BE DULY ADOPTED:**

(Sgd) **ALLAN L. RELLON, MPA**
City Vice Mayor
(Presiding Officer)

