

**[ NAFC MEMORANDUM ORDER NO. 08, s. 1991,  
June 07, 1991 ]**

**REVISED GUIDELINES ON THE MANAGEMENT OF THE  
RECONSTRUCTION AND REHABILITATION FUND (FUND 109) DA-  
NAFC ALLOCATION UNDER R.A. 6960**

The Department of Agriculture through the National Agricultural and Fishery Council has been tasked for livelihood restoration, rehabilitation and improvement for earthquake victims or affected farmers/fishermen, farm youth and/or farm families. The amount of P 86,641,000.00 was allocated to DA-NAFC from the P 10 Billion RRF. Of these, P 64 Million is for the Intensified LEAD Program, P 9 Million for Farm Equipment Pool, P 5 Million for the construction/rehabilitation of damaged flue-curing barns, and P 8.641 Million for DA buildings, equipment and facilities. Release of funds by DBM for the infrastructure component is subject to the submission of concerned provincial/regional DA Offices of required documents as per National Budget Circular No. 419 dated November 26, 1990.

The NCA issued by DBM to DA-NAFC for the livelihood assistance component as of to date totals P 66,641,000.00. Funds transferred to the declared calamity provinces amount to P 29,328,200.00. Due to reported delays encountered in the transfer of these funds to the bonafide recipients, the following are the guidelines on the management of the funds to facilitate/speed up livelihood restoration/rehabilitation/improvement.

**A.**

**Basic Operating Principle**

1. The Reconstruction and Rehabilitation Fund (Fund 109) is an outright grant to DA-NAFC.
2. However, due to limited funds, the allocation for Intensified LEAD Program can be given to bonafide recipients on a roll-over scheme for the income generating projects. Funding for projects such as Small Water Impounding, Solar Drier, Deep Well Pumps/Water Pumps and other Farm Equipment which will serve as common service facilities shall be outright grant to the beneficiary-recipients.
3. Funding provided under the roll-over scheme shall become the revolving fund for livelihood projects in the municipality for administration by the DA Provincial Agricultural Officer (PAO)/Provincial Rehabilitation Action Officer (PRAO) and Municipal Agricultural Officer (MAO).

**B.**

**Target Clientele**

The primary clientele are earthquake victims/affected farm workers residing in any of the declared calamity provinces as per RA 6960. These are:

1. Farmers' Organizations
2. Fishermen's Organizations
3. Rural Youth Groups
4. RICs or Farm Housewives' Organizations

The members of the project proponent/organization should be certified by the Department of Social Welfare and Development (DSWD) as victims or whose livelihood has been affected by the July 16, 1990 earthquake.

### **C. Qualified Projects**

Project categories that qualify under the Reconstruction and Rehabilitation Funds are as follows:

1. *Municipal Agricultural Livelihood Projects*
2. *Common Service Facilities*
  - a. Solar Dryer
  - b. SWIP
  - c. Water Pump/Deep Well Pump
  - d. Mini Rice Mill
  - e. Repair of Irrigation Systems (those not funded by NIA)
3. *Farm Equipment*

### **D. Procedures for Availment and Management of Funds**

1. *Requirements*
  - a. Project proposal based from the recommended outline on IDP/IGP.
  - b. Memorandum of Agreement, program of work and schedules of activities, schedule of fund utilization and replenishment of funds for IGPs.

The Memorandum of Agreement and/or Project Contract between DA and the recipient-organization must be signed both by the recipient's authorized representative and DA officials.

- c. Certification from DSWD.

2. *Approving Authority* — The DA-PAO in consonance with the PRAO shall approve projects to be funded based on the inventory generated by NAFC and DA Provincial Office Staff for the purpose and such other projects which will be jointly agreed upon by NAFC and DA Provincial Office.

3. *Management of Fresh Funds*

- a. All funds transferred to the provinces must be booked under Fund-109 classified as 200-10.
  - b. The funds should be deposited with the PNB local branch and disbursed directly by the PAO to the Project Proponent - bonafide recipient.