

Republic of the Philippines
Province of Iloilo
Municipality of Tigbauan
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OFFICE OF THE SANGGUNIANG BAYAN

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE HONORABLE SANGGUNIANG BAYAN, TIGBAUAN, ILOILO HELD AT THE SESSION HALL, TIGBAUAN MUNICIPAL BUILDING, TIGBAUAN, ILOILO ON MARCH 5, 2008 AT 2:00 P.M.

PRESENT:

HON. ROEL T. JARINA,	Vice Mayor & Presiding Officer
HON. SUZETTE MARIE HILADO-BANNO,	Councilor
HON. AGATON O. TUMABOTABO,	Councilor
HON. MARLON R. TERUÑEZ,	Councilor
HON. NORBERTO T. TURALBA,	Councilor
HON. JOSE T. TAVARRO, JR.,	Councilor
HON. LORETA LUNGAY-ARIAS,	Councilor
HON. ELMER T. TORRATO,	Councilor
HON. LEA E. TORREFLORES,	SKMF President

ABSENT:

HON. SUZETTE TENEFRANCIA-ALQUISADA,	Councilor (Special Privilege Leave)
HON. ORVILLO T. TANGENTE,	Pres., Liga ng mga Brgy. (Sick Leave)

Resolution No. 2008-014

RESOLUTION AUTHORIZING THE HONORABLE MAYOR JAMES EXCELSIOR M. TORRES TO ENTER INTO A MEMORANDUM OF AGREEMENT WITH THE PROVINCIAL GOVERNMENT OF ILOILO, NATIONAL DAIRY AUTHORITY, AND ILOILO FEDERATION OF DAIRY COOPERATIVES FOR MILK SUPPLEMENTATION PROGRAM, MUNICIPALITY OF TIGBAUAN, PROVINCE OF ILOILO

WHEREAS, the Provincial Government of Iloilo, with principal office address at the Provincial Capitol, Iloilo City represented in this Act by its Provincial Governor, **HONORABLE NIEL D. TUPAS, SR.**, hereinafter referred to as the **IPG**;

WHEREAS, the **NATIONAL DAIRY AUTHORITY**, a government owned and controlled corporation attached to the Department of Agriculture, with principal office address at the BAI Compound, Visayas Avenue, Diliman, Quezon City, represented in this Act by its Chairman of the Board of Directors and Secretary of the Department of Agriculture, **HONORABLE SECRETARY ARTHUR C. YAP**, hereinafter referred to as the **NDA**;

WHEREAS, the **ILOILO FEDERATION OF DAIRY COOPERATIVES**, a federation duly registered with the Cooperative Development Authority with principal office, address at the TNHS Compound, Tigbauan, Iloilo represented herein by its Chairperson, **PROFETISO S. CAMBRONERO**, and herein referred to as the **IFEDCO**;

WHEREAS, the **LOCAL GOVERNMENT UNIT/MUNICIPALITY OF TIGBAUAN** with the office address at Tigbauan Municipal Hall, Iloilo represented in this act by its **MAYOR JAMES EXCELSIOR M. TORRES** and herein after referred to as the **Municipality**;

WHEREAS, both the **Provincial Government of Iloilo** and the **NDA** recognize malnutrition as one of the social problems besetting our country today and commit to work for the upliftment of the nutritional status of its people;

WHEREAS, a Milk Feeding Program is an instrument in alleviating the malnutrition problem, particularly in improving the nutritional status of vulnerable groups such as children, nursing and pregnant mothers;

WHEREAS, the **Department of Agriculture through the NDA**, implements its dairy programs along two-pronged objectives: pursuing a Milk Feeding Program to improve nutrition among children and at the same time, promoting dairying as livelihood for rural farmers;

WHEREAS, the **LGU-Iloilo Province**, initiated a **Milk Supplementation Program “Batang Ilonggo Palangga Ka-(MSP-BIP Ka)”**, a joint project of the IPG and its component City and Municipalities where the **IPG** commits to provide **25%** of the total program fund and its component **LGUs**, shall provide for the **25%** and **National Dairy Authority (NDA)** shall provide **50%** of the total fund, aimed to reduce the prevalence of malnutrition in the province;

WHEREAS, **MSP-BIP KA** has identified within the province a substantial number of pre-school children from the barangays with high prevalence of malnutrition who are the priority target beneficiaries for a **Milk Supplementation Program “MSP-BIP KA”** and the **IPG** has allocated **FIVE HUNDRED SEVENTY ONE THOUSAND TWO HUNDRED PESOS (P571,200.00)** comprising its **25%** commitment to the Program and sought to enter into a **Memorandum of Agreement** with its component City and Municipalities for the remaining **25%** of the required fund amounting to **FIVE HUNDRED SEVENTY ONE THOUSAND TWO HUNDRED PESOS (P571,200.00)**, for a total fund of **ONE MILLION ONE HUNDRED FORTY THOUSAND FOUR HUNDRED PESOS (P1,142,400.00)**, for 60 days milk feeding;

WHEREAS, the **NDA** has agreed to provide **MSP-BIP KA** counterpart funds in the same amount of **ONE MILLION ONE HUNDRED FORTY THOUSAND FOUR HUNDRED PESOS (P1,142,400.00)** comprising the 50% counterpart fund which will extend the above-mentioned CMFP to another 60 days milk feeding;

WHEREAS, the **IPG** through its **MSP-BIP Ka Program** and **NDA** agreed to jointly undertake a Milk Supplementation Program for a total of 120 feeding days;

WHEREAS, the **IFEDCO** being the sole producer of **Iloilo Dairy Fresh-Pasteurized and Homogenized Fresh/Flavored/Recombined Milk** in the Panay Island areas duly recognized and authorized by the National Dairy Authority (NDA) to produce safe quality milk products for milk feeding programs, has been considered as the supplier of the milk for this milk supplementation program in compliance to Section 16 of RA 7884 otherwise known as the National Dairy Development Act of 1995, which states that: *“Nutrition Programs – The government’s nutrition programs requiring milk and dairy products shall be sourced from small farmers and dairy cooperatives in coordination with the National Dairy Authority (NDA)”*;

WHEREAS, under Rule 7 of the *“Implementing Rules and Regulations”* of RA 7884, *“The NDA is empowered to enter into specific agreements with the concerned agencies such as the DEPED, DOH, DSWD and others...”* and Rule 7 further states that: *“All government agencies shall include milk in their nutrition programs including but not limited to the DOH’s Rehabilitation Program for malnourished children, DEPEDs School Health and Nutrition Center and School Lunch Program, DSWD’s Day Care Centers and Food Assistance Program”*;

WHEREAS, the **IFEDCO** expressed its interest and is ready to supply the **180-ml.** locally produced **Iloilo Daily Fresh–Pasteurized and Homogenized Fresh/Flavored/Recombined Milk (FM/RM)** for the above Community Milk Feeding Program;

WHEREAS, the municipalities covered and has committed to provide a counterpart amount of 15% of the total cost of the **MSP-BIP KA through its Memorandum of Agreement**, shall pay the required amount as stipulated in the budgetary requirement of the cost of milk delivered for the identified number of malnourished beneficiaries directly to **IFEDCO**;

NOW, THEREFORE, for and in consideration of the foregoing premises, their mutual consent hereinafter setforth, the parties hereto agree to undertake the Milk Supplementation Program – “**MSP – BIP Ka**”, under the following terms and conditions:

1. **The Program:**

1.1 The Program which shall be called “**Milk Supplementation Program**” Batang Ilonggo, Palangga Ka – “**MSP-BIP KA**” aims to provide *180-ml safe Pasteurized and Homogenized Fresh/Flavored/Recombined Milk (FM/RM)* to **2,240 pre-school children** beneficiaries of **IPG-BIP KA** on a continuing and regular basis for a period of 120 days with a total program cost of **TWO MILLION TWO HUNDRED EIGHTY FOUR THOUSAND EIGHT HUNDRED PESOS (P2,284,800.00)**;

1.2 The pre-identified beneficiaries were chosen based on the following criteria:

- 1.2.a High incidence of malnourished children in the area;
- 1.2.b Proximity of the feeding site to the source of milk;
- 1.2.c Availability of proper storage area and facilities for the milk; and
- 1.2.d Accessibility of the milk distribution site to transport facilities;
- 1.2.e Willingness to implement the “MSP-BIP Ka” on a counterpart basis.

2. **THE BENEFICIARIES.** The total numbers of project beneficiaries of 88 shall be selected from the day care centers within the Province of Iloilo, with high prevalence of malnutrition, majority of whom coming from poor families.

3. **TOTAL PROGRAM COST & COST-SHARING ARRANGEMENT.** The **IPG MSP-BIP KA** and the **NDA** the municipality mutually agree to provide a 50-50 counterpart share each in the provision of **FM/RM** for 120 days which will be used for the CMFP for 88 preschool beneficiaries based on the following:

SPONSOR/PERIOD OF	NUMBER OF	TYPE OF	UNIT	TOTAL	NO. OF
IMPLEMENTATION	POUCH	MILK	COST(P)	COST(P)	BENEFICIARIES
IPG-BIP KA/60 days(25%)	2,640	FM/RM	8.50	P22,440.00	22
Municipalities(25%)	2,640	FM/RM	8.50	P22,440.00	22
NDA/60 days- (50%)	<u>5,280</u>	FM/RM	8.50	<u>P44,880.00</u>	<u>44</u>
TOTAL	10,560			P89,760.00	88

4. **ROLES AND RESPONSIBILITIES.**

4.1 On the part of IPG.

- 4.1.1 Shall purchase from the **IFEDCO 2,640** pouches of FM/RM in the amount of **TWENTY TWO THOUSAND FOUR HUNDRED FIFTY PESOS ONLY** which together with the component city or municipality counterpart shall be served to a total of **22** beneficiaries for the first 120 days;
- 4.1.2 Shall monitor the progress of the milk feeding program by way of project visits and through monitoring the children's nutrition status through the LGU's record of weight development; and
- 4.1.3 In coordination with the NDA, MHO, and/or MSWD, shall conduct orientation sessions to LGU's facilitators (Barangay Midwives, Day Care Workers and Barangay Health Workers/Nutrition Scholars), project beneficiaries and parents on the proper handling of milk as well as the benefits that can be derived from drinking milk.

4.2 On the part of the LGU

- 4.2.1 The component cities and municipalities covered by this program shall be responsible for the purchase of an aggregate of 2,640 pouches of FM/RM with the corresponding aggregate cost of **TWENTY TWO THOUSAND FOUR HUNDRED FORTY PESOS ONLY** which, together with the IPG counterpart shall be served to a total of 22 beneficiaries for the first 120 days.
- 4.2.2 Shall be responsible for the 120-days implementation of the CMFP specifically on the following:
 - 4.2.2.1 Through the Municipal Nutrition Committee or MSWD or RHUI where the milk can possibly be stored in the municipal level, receive the FM/RM delivered by IFEDCO;
 - 4.2.2.2 Provide proper storage area for the FM/RM received from IFEDCO and comply with the requirements set forth in the Protocols for Handling FM/RM;
 - 4.2.2.3 Identify and assign milk feeding centers in the target areas;
 - 4.2.2.4 Designate authorized representatives in the different designated milk feeding centers who shall take charge in receiving the milk upon delivery and distribution to the specific milk feeding centers as identified;
 - 4.2.2.5 Shall deliver FM/RM to the selected/identified day care centers in the barangay within each municipality;
 - 4.2.2.6 Provide weighing scales and dewormers and through the Municipal Health Office, shall conduct weighing and deworming accordingly on target beneficiaries prior to the start of the milk program, another weighing at the 60th day of the feeding and final weighing a week before the 120th day of the feeding program; and
 - 4.2.2.7 Prepare the progress report on the nutritional status of the beneficiaries through the BHW/BNS/MHN before and after the program and furnish NDA with the same a week after the 120th day feeding. A record on milk deliveries shall also be part of the progress report.

4.3 On the part of NDA

- 4.3.1 Shall purchase from **IFEDCO 5,280** pouches of FM/RM in the amount of **FORTY FOUR THOUSAND EIGHT HUNDRED EIGHTY PESOS ONLY** which shall be served to a **44** total of beneficiaries for last 120 days;

- 4.3.2 Shall monitor the progress of the milk feeding program by way of project visits and through monitoring of the children's nutrition status through LGUs' record of weight; development; and
- 4.3.3 In coordination with MNC and PNC, shall conduct orientation sessions to IPG/LGUs' facilitators (Day Care Workers and Barangay Health Workers/Nutrition Scholars), project beneficiaries and parents on the proper handling of milk as well as the benefits that can be derived from drinking milk;
- 4.3.4 Shall regularly update the PNC on the status of Milk Supplementation implementation attend meetings and other activities that maybe agreed upon.

4.4 On the part of the IFEDCO:

- 4.4.1 Shall pass the quality milk tests and prepare the requested volume of sterilized milk for the program and shall strictly implement standards and do the necessary measures so as to ensure the quality of the milk products that will be used in the program as specified in **ANNEX A** attached.
- 4.4.2 Shall prepare for a total of 10,560 packs of FM/RM daily in 180-ml food grade plastic sachets for 120 days and deliver in volume at least once a week to the identified municipalities;
- 4.4.3 The **IFEDCO** shall prepare Charge Invoice and/or Official Receipts for the payments of milk delivered to the program beneficiaries.

5. Terms of Payment

5.1 On the part of NDA:

Payment shall be made every after 15 days of milk deliveries upon completion and presentation by **IFEDCO** of all supporting documents, which shall include among others, a Statement of Account and the Original copies of the Delivery Receipts and/or Charge Invoices duly signed by the authorized representatives of the program.

5.2 On the part of IPG:

The **IPG/MNC/Municipality** shall pay to IFEDCO the cost of the milk delivered every after 15 days of milk deliveries. Payment shall be made upon completion/presentation by **IFEDCO** of all supporting documents, which shall include among others, a Statement of Account and the Original copies of the Delivery Receipts and/or Charge Invoices duly signed by the authorized representatives of the program.

5.3 On the part of the Municipality:

The municipality shall be pay directly to the IFEDCO, the amount of counterpart for the MSP-BIP KA payments upon completion of the implementation of the milk feeding and the presentation of necessary supporting documents.

6. Other Terms

- 6.1 In response to the call to act in accordance with the corporate nature of the **NDA** and the requirement to be self-liquidating in its programs, the **IFEDCO** agrees to pay a service fee on the negotiation and facilitation of milk feeding programs equivalent to 5% of the total Milk Feeding Contract. The funds generated shall be put in a separate Milk Feeding Fund Account of **IFEDCO** and be deposited at the bank within its vicinity. The Chairperson of **IFEDCO** and the Regional Manager of NDA – Visayas Field Office shall be the signatories of the bank account. Out of the five percent (5%), one percent (1%) shall be remitted to NDA to defray the costs of administering the Program and which shall be automatically

deducted from the milk payments made to the dairy cooperative supplying milk for the MFP. The four percent (4%) shall be deposited to a Milk Feeding Fund Account of IFEDCO and be utilized to support milk feeding and dairy development activities including but not limited to the following: fund another milk feeding program that maybe co-sponsored within the area/region coverage served by IFEDCO; complementary dairy development projects, needed logistical support, materials, and supplies for the milk feeding implementation; and, provision of representation, allowances/incentives in the form of grants for livelihood generation to the best-performing groups of facilitators and/or provision of honoraria for the milk feeding facilitators/coordinators.

- 6.2 The **IFEDCO** agree to replace the actual number of leakages and milk processing-related spoilages provided that the products claimed to be so shall be presented to **IFEDCO** by the authorized representatives of the program, however, spoilages caused by the **LGU's** neglect in the proper handling of the milk shall no longer be replaced;
- 6.3 The **IPG** shall inform the **IFEDCO** at least two days in advance in case of temporary suspension due to some unavoidable circumstances and arrange for alternative delivery schedules, if necessary. Further, the **IPG** shall inform immediately the **NDA** and **IFEDCO** in cases of drop-outs of project beneficiaries to avoid excess deliveries of fresh milk; and,
- 6.4 The **IFEDCO** agrees to give a two-day notice to the duly authorized representatives of the program should the former be unable to deliver the milk to the delivery center due to some unavoidable circumstances, except in cases such as sudden machine breakdown, barricades, landslides or "force majeure" that may result to the damage/spoilage of the product. In this case, however, the **IFEDCO** must have to explain in writing within forty-eight hours whereby the veracity of such circumstances shall then be validated by the **IPG** and the **NDA**, through the duly authorized representatives of the program. Otherwise, the cost of the product/s involved shall not be borne by the **IPG** or the **NDA**.

NOW, THEREFORE, on motion of HON. SUZETTE MARIE HILADO-BANNO, Chairperson, Committee on Education, Health and Sanitation and duly seconded by Hon. Agaton Tumabotabo, Hon. Marlon Teruñez, Hon. Norberto Turalba, Hon. Jose Tavarro, Jr., Hon. Loreta Arias, Hon. Elmer Torrato and Hon. Lea Torreflores,

RESOLVED, to authorize the Honorable Mayor James Excelsior M. Torres To Enter Into A Memorandum Of Agreement With The Provincial Government Of Iloilo, National Dairy Authority, And Iloilo Federation Of Dairy Cooperatives For Milk Supplementation Program, Municipality Of Tigbauan, Province Of Iloilo,

RESOLVED FURTHER, to furnish copies of this Resolution to all concerned for their information, guidance and/or appropriate action.

APPROVED.

I HEREBY CERTIFY that the foregoing Resolution was approved by the Sangguniang Bayan.

CERTIFIED CORRECT:

MARLENE T. NAVA
S.B. Secretary

ATTESTED:

ROEL T. JARINA

Vice Mayor & Presiding Officer