



MEMORANDUM CIRCULAR

No. 39

Series of 2024

SUBJECT: GUIDELINES ON THE IMPLEMENTATION OF THE GOAT AND SHEEP EXPANSION PROJECT (GSEP) UNDER THE LOCALLY FUNDED PROJECT FY 2024

I. PROGRAM DESCRIPTION

The Goat and Sheep Expansion Project (GSEP) of the Department of Agriculture under the FY 2024 Locally-funded Projects is aimed at promoting the growth of the small ruminant sector by introducing good genetics, strengthening livelihood of livestock farmers, and providing support to new and established goat and sheep farms and enterprises.

Various components of the project include: (1) Breeder-base Development, (2) Nucleus Farm Development, (3) Feed and Forage Component, (4) Training and Capacity Building, (5) Animal Health Support, and (6) Establishment of Small Ruminants Registry System.

The beneficiaries are required to pay the stocks received to the identified second-in-line beneficiaries pursuant to the Section X (Repayment Scheme) of this Memorandum Circular.

II. SCOPE AND LIMITATION

These guidelines shall mainly govern the implementation of the Goat and Sheep Expansion Project (GSEP) that deals with external stakeholders as beneficiaries under the components 1, 2, 3, 4, and 5. It shall provide an implementation framework on the aspects of project packages, eligible beneficiaries, selection, delivery, monitoring, evaluation, and other relevant processes involved in the implementation of the Project. For component 6, the funds will be transferred to a qualified beneficiary.

The guidelines and procedures provided in this document shall complement existing and applicable guidelines for the proper and organized implementation of the Project.

III. DEFINITION OF TERMS

The definition of the terms provided under Memorandum Circular 7, s. 2021 shall be used in this Guideline. In addition, the following terms are defined.

1. **Nucleus farm** - farm that maintains the purebred breeder stocks and mainly produces the parent stocks for the multiplier farms
2. **Multiplier farm** - farm that maintains parent breeders and produces quality animal stocks that are eligible for distribution to production centers and farmer growers
3. **Purebred** - refer to an animal that is bred from members of a recognized breed
4. **Upgraded** - refer to an animal which is a product of upgrading or improving the genetic potential, usually by using a purebred male and a native female
5. **Herd health program** - a system for prevention, treatment and control of diseases and conditions affecting the individual animal and herd



6. **Established recording system** - consist of animal identification systems (e.g. eartag, RFID) and a record keeping system such as manual/written, computerized, or automated system. Records may include animal identification, production, reproduction and breeding, health, feed consumption, inventory, and others (e.g. pasture production, personnel services, financial reports).
7. **New farm** - a farm that is not yet operational and has no existing stocks
8. **Existing or established farm** - a livestock farm that is operational with an existing stock of animals, housing and other infrastructures (e.g. water supply, lighting, fencing, etc.) pasture areas, herd health program, and established recording system.
9. **First-in-line beneficiaries** - the beneficiary that passes the selection and validation process and is the first recipient of the offspring of the animals from multiplier farms.
10. **Second-in-line beneficiaries** - the beneficiary that passes the selection and validation process that is the recipient of the offspring of the animals from the first-in-line beneficiaries.
11. **Farmer Livestock School on Goat Enterprise Management (FLS-GEM)** - the training modality used to capacitate farmers on appropriate information and technologies on goat raising

IV. PROJECT STEERING, MANAGEMENT, AND TECHNICAL WORKING GROUP

The Project Steering Committee (PSC), chaired by the Office of the Undersecretary for Livestock and supported by the Assistant Secretaries as Vice-Chairpersons and members from various DA livestock agencies, shall set the overall direction and oversee the implementation of the locally funded projects and report to the DA Management. A Project Management Office (PMO) chaired by the National Livestock Program (NLP) Director, co-chaired by NLP Deputy Director and BAI Assistant Director, and supported by various DA livestock agencies shall finalize project documents, conduct monitoring, coordination, and periodic reporting to the PSC.

The GSEP Subgroup Technical Working Group (TWG) shall be composed of a chairperson and members having the following duties and responsibilities:

1. Review proposals, assist and guide applicants, conduct paper evaluation and site validation in coordination with proper and relevant offices;
2. Recommend short-list of applicants that passed the selection criteria for the approval of the PSC;
3. Recommend appropriate actions to the PSC to address issues and problems concerning the LFPs;
4. Recommend standard criteria and specifications of breeders of animals to be procured under the components of the LFPs to the PMO and PSC;
5. Ensure proper selection and the quality of animals under the project
6. Ensure compliance to regulatory requirements and other legal and administrative matters related to the procurement of animals;
7. Perform other tasks in support of the PSC concerning the implementation of Livestock LFPs.

A Special Order shall be issued that provides details on the composition of officials, personnel, and staff to be assigned under the PSC, PMO, and TWG with their duties and responsibilities. Staff from the concerned Regional Field Offices shall also be part of the technical working group.

The funding is allocated to DA Operating Units (OUs) such as the Bureau of Animal Industry and Agricultural Training Institute. The DA Regional Field Offices shall assist in the regional activities involved in this project.

V. PROJECT PACKAGE PER MODULES AND COMPONENTS AND ELIGIBLE BENEFICIARIES

The project component packages and the eligible beneficiaries are indicated in the table below.

	Project	Package	Package/recipient Inclusions	Eligible Beneficiaries
I.	Breeder Distribution	Package 1. Purebred Breeders (imported)	2 Purebred Bucks 12 Purebred Does	For existing Purebred Goat Breeder Farms (Private, FCAs, LGUs, SUCs)
		Package 2. Dairy Buck Breeders (imported)	1 Purebred Dairy Buck	With Existing Upgraded Does (Private, FCAs, LGUs, SUCs)
		Package 3. Playboy sa Barangay	1 Upgraded Buck	With Existing Native Does in the Barangays
		Package 4. Boer bucks (imported)	1 Boer Buck	With Existing Upgraded Does (Private, FCAs, LGUs, SUCs)
		Package 5. Upgraded Does and Purebred Bucks	10 Upgraded Does 1 Purebred Dairy Buck	Established Goat Farms (Private, FCAs, LGUs, SUCs)
		Package 6. Purebred Sheep (imported)	2 Purebred Dorper Ram 18 Purebred Dorper Ewes	For Existing Purebred Sheep Breeder Farms (Private, FCAs, LGUs, SUCs)
		Package 7. Breeder Ram (imported)	1 Upgraded Ram	With Existing Native Ewes
		Package 8. Upgraded Sheep	1 Purebred Dorper Ram 10 Upgraded Ewes	New or Established Sheep Farms (Private, FCAs, LGUs, SUCs)

II.	Small Ruminant Nucleus Farm (imported spanish goats/dorper sheep)	Nucleus Farm	Infra: Housing units, utility units, silo, Forage and Feeds Development, Breeder Stocks, Feeds, Supplies and Animal Health Supplies	CSO-Accredited CSOs and LGUs
III.	Small Ruminants Production Support	1. Feeds and Forage Development	Forage seeds and planting materials Ruminant Feeds and concentrates	New and Established Goat and/or Sheep Farms (Private, FCAs, LGUs, SUCs)
		2. Forage Machineries	Forage Chopper	New and Established Goat and/or Sheep Farms (Private, FCAs, LGUs, SUCs)
		3. Animal Health	Veterinary Drugs and Biologics, Vitamins, Dewormers, Disinfectants	New and Established Goat and/or Sheep Farms (Private, FCAs, LGUs, SUCs)
IV.	Training and Capacity Building	FLSGEM (Field Livestock School for Goat (Sheep) Enterprise Management)	Training Activity through ATI	Beneficiaries/ Prospective beneficiaries under this project

**Priority beneficiaries for item III. Small Ruminants Production Support must be among those who are recipients of the Project I. Breeder Distribution.*

***For item II. Nucleus Farm, fund transfer is the mode of implementation, while some breeder components of the Nucleus farms may be procured by the OUs.*

VI. APPLICATION REQUIREMENTS

The project components involving external stakeholders such as farmers, farmers cooperatives and associations (FCAs), Local Government Units (LGUs), and State Universities and Colleges (SUCs) as beneficiaries, shall undergo an application process for availment. Primarily, only eligible beneficiaries indicated in Section V can apply for the projects. Entities who intend to apply must submit the following requirements:

	Project	Package	Eligible Beneficiaries	Primary Requirements			
				Letter of Intent	Proof of Existing Farm/Enterprise Ownership or New Area	Legal Identity (ID for Individuals, Registration Docs if FCA)	Project Proposal
I.	Breeder Distribution	Package 1. Purebred Breeders	Private Farms, FCAs, LGUs, SUCs	/	/	/	
		Package 2. Dairy Buck Breeders	Private Farms, FCAs, LGUs, SUCs	/	/	/	
		Package 3. Playboy sa Barangay	Private Farms, FCAs, LGUs, SUCs	/			
		Package 4. Boer bucks	Private Farms, FCAs, LGUs, SUCs	/	/	/	
		Package 5. Upgraded Does and Bucks	Individual Farmers, FCAs,	/			
		Package 6. Purebred Sheep	Private Farms, FCAs, LGUs, SUCs	/	/	/	
		Package 7. Breeder Ram	Private Farms, FCAs, LGUs, SUCs	/	/	/	
		Package 8. Upgraded Sheep	Private, FCAs, LGUs, SUCs	/			
II.	Small Ruminant Nucleus Farm	Nucleus Farm	CSO-Accredited CSOs and LGUs	/	/	/	/
III.	Small Ruminants Production Support*	1. Feeds and Forage Development	Private Farms, FCAs, LGUs, SUCs	/	/	/	
		2. Forage Machineries	Private Farms, FCAs, LGUs, SUCs	/	/	/	
		3. Animal Health	Private Farms, FCAs, LGUs, SUCs	/	/	/	
IV.	Training and Capacity Building	FLS-GEM (Field Livestock school for Goat (Sheep) Enterprise Management)	Individual Farmers, FCA members	/		/	

**Priority beneficiaries for item III. Small Ruminants Production Support must be among those who are recipients of the item I. Breeder Distribution. The request can be communicated under one letter of intent.*



VII. SELECTION OF RECIPIENTS FOR BREEDERS DISTRIBUTION

Package 1. Purebred will be given to existing purebred breeder/multiplier farm

Criteria:

1. Must have an existing inventory of at least 1 purebred buck and 20 purebred does
2. Must submit an applicant's profile
3. FLS-GEM trained/certified or any training on small ruminant farming and management
4. Must have an existing improved pasture divided into paddocks and must have an existing housing that could accommodate an additional 60 sqm
 - a. floor area is compliant to the minimum standard required space per head (2 sqm/head)
 - b. with sufficient clean water supply
 - c. with sufficient lighting, ventilation, and electricity
5. Must have a minimum 5 hectare consolidated area for expansion area of forage planting (grasses and legumes) that can feed the additional animals and its offsprings
6. Must have a herd health program
7. Must have an established recording system

Package 2. Purebred bucks will be given to existing farms with upgraded does

Criteria:

1. Must have an existing inventory of at least 5 upgraded does
2. FLS-GEM trained/certified or any training on small ruminant farming and management
3. Must have an existing housing that could accommodate an additional 40sqm
 - a. floor area is compliant to the minimum standard required space per head (2 sqm/head)
 - b. with sufficient clean water supply
 - c. with sufficient lighting, ventilation, and electricity
4. Must have a minimum 2 hectare consolidated area for expansion area of forage planting (grasses and legumes) that can feed the additional animals and its offsprings
5. Must have a herd health program
6. Must have an established recording system

Package 3. Upgraded bucks will be given to barangays with existing native does

Criteria:

1. Must have an existing inventory of at least 5 native does
2. FLS-GEM trained/certified or any training on small ruminant farming and management
3. Must have an existing housing that could accommodate an additional 40sqm
 - a. floor area is compliant to the minimum standard required space per head (2 sqm/head)
 - b. with sufficient clean water supply
 - c. with sufficient lighting, ventilation, and electricity
4. Must have a minimum 2 hectare expansion area for forage planting (grasses and legumes) that can feed the additional animals and its offsprings
5. Must have a herd health program
6. Must have an established recording system



Package 4. Boer bucks given to farms with existing upgraded Anglo-Nubian does

Criteria:

1. Must have an existing inventory of at least 5 upgraded Anglo-Nubian does
2. FLS-GEM trained/certified or any training on small ruminant farming and management
3. Must have an existing housing that could accommodate an additional 30sqm
 - a. floor area is compliant to the minimum standard required space per head (2 sqm/head)
 - b. with sufficient clean water supply
 - c. with sufficient lighting, ventilation, and electricity
4. Must have an existing improved pasture divided into paddocks and must have a minimum 2 hectare consolidated area for expansion area of forage planting (grasses and legumes) that can feed the additional animals and its offsprings
5. Must have a herd health program
6. Must have an established recording system

Package 5. Upgraded does and purebred bucks given to existing goat multiplier farm

Criteria:

1. Personnel must be FLS-GEM trained/certified or have undergone any training on small ruminant farming and management
2. Must be willing to provide housing with a minimum floor area of 200 sqm
 - a. floor area is compliant to the minimum standard required space per head (2 sqm/head)
 - b. with sufficient clean water supply
 - c. with sufficient lighting, ventilation, and electricity
3. Must have an existing improved pasture divided into paddocks and must have a minimum 5 hectare consolidated area for expansion area of forage planting (grasses and legumes) that can feed the additional animals and its offsprings
4. Must have a herd health program
5. Must have an established recording system

Package 6. Purebred will be given to existing purebred breeder/multiplier farm of sheep

Criteria:

1. Must have an existing inventory of at least 1 purebred ram and 20 purebred ewes
2. Must submit an applicant's profile
3. FLS-GEM trained/certified or any training on small ruminant farming and management
4. Must have an existing housing that could accommodate an additional 60sqm
 - a. floor area is compliant to the minimum standard required space per head (2 sqm/head)
 - b. with sufficient clean water supply
 - c. with sufficient lighting, ventilation, and electricity
5. Must have an existing improved pasture divided into paddocks and must have a minimum 5 hectare consolidated area for expansion area of forage planting (grasses and legumes) that can feed the additional animals and its offsprings
6. Must have a herd health program
7. Must have an established recording system



Package 7. Upgraded ram will be given to farmers with existing native ewes

Criteria:

1. Must have an existing inventory of at least 5 native ewes
2. FLS-GEM trained/certified or any training on small ruminant farming and management
3. Must have an existing housing that could accommodate an additional 30sqm
 - a. floor area is compliant to the minimum standard required space per head (2 sqm/head)
 - b. with sufficient clean water supply
 - c. with sufficient lighting, ventilation, and electricity
4. Must have a minimum 2 hectare consolidated area for expansion area of forage planting (grasses and legumes) that can feed the additional animals and its offsprings
5. Must have a herd health program
6. Must have an established recording system

Package 8. Purebred ram and upgraded ewes given to farms with existing upgraded Dorper ewes or newly established farms

Criteria:

1. Must have an existing inventory of at least 5 upgraded Dorper ewes
2. FLS-GEM trained/certified or any training on small ruminant farming and management
3. Must have an existing housing that could accommodate an additional 30sqm
 - a. floor area is compliant to the minimum standard required space per head (2sqm/head)
 - b. with sufficient clean water supply
 - c. with sufficient lighting, ventilation, and electricity
4. Must have an existing improved pasture divided into paddocks and must have a minimum 5 hectare consolidated area for expansion area of forage planting (grasses and legumes) that can feed the additional animals and its offsprings
5. Must have a herd health program
6. Must have an established recording system

Recipients of purebred and upgraded goat/sheep are required to insure them with the Philippine Crop Insurance Corporation (PCIC).

VIII. PROCESSES OF IMPLEMENTATION

The implementation of project components 1, 2, and 3 begins with the application process as described in the table below:

Activity	Procedure	Responsible
Submission, Review, and Validation	1. Submit application documents to the Office of Undersecretary for Livestock <ol style="list-style-type: none"> a. Letter of intent (addressed to the Undersecretary for Livestock). <i>This will be forwarded to the BAI for consideration and shall undergo the project screening and evaluation.</i> b. Valid IDs (Individual Applicant) and legal identity of the FCA (if FCA applicant); 	Applicant

	c. Other documents (e.g. endorsement from the DA RFO) that the PMO and/or OUs may require	
	2. Review and preliminary screening of the submitted documents and contact with the applicant a. Location details b. Schedule of field validation	TWG and BAI
	3. Conduct field validation of the beneficiary and the location of the Project based on the criteria of eligible beneficiaries per package	TWG/BAI/Concerned RFO
	4. Preparation and completion of documentary requirements: a. Project Proposal (only if applicable) b. Other documents that the field validators/PMO/OUs may require to further support their eligibility	Applicant
	5. Review and revise proposal as deemed necessary (for item II. Small Ruminants Nucleus Farms)	TWG/BAI
	6. Approve Project Proposal (for item II. Small Ruminants Nucleus Farms)	PSC
Recipient List Finalization and Review	1. Preparation of the final list of recipients and endorsement to the PMO and PSC for review and information	TWG/BAI
	2. Review of the shortlisted beneficiaries	PMO
Preparation and Signing of MOA*	1. Comply with all the eligibility requirements as stated on this Guidelines	PMO/BAI/Applicants
	2. Prepare, discuss and agree on the provisions of the MOA and come up with a draft	PMO/BAI/Selected Beneficiaries
	3. MOA Review	PMO/BAI/DA Legal
	4. MOA Signing	PMO/BAI/Beneficiaries/Office of the Secretary
Procurement Mode of Implementation**	In accordance with R.A. 9184. Rational procurement process as to schedule proper delivery of components, where livestock and	BAI



	supplies be delivered when structures and relevant components have been established and provided.	
Fund Transfer Mode of Implementation***	Fund transfer as stipulated in MOA and existing rules and regulations on the transfer of funds (if fund transfer is the mode of implementation)	BAI
Delivery of Intervention	Delivery of project components to approved beneficiaries	PMO/BAI
Liquidation	Submit liquidation report as per COA rules and regulation (if fund transfer is the mode of implementation)	PMO/BAI

**Template MOA shall be prepared by the PMO for presentation to and confirmation by the beneficiaries. The signatories of the MOA are the DA Central Office and the beneficiary witnessed by the members of PMO and BAI and other officers of the beneficiary, respectively.*

***For the procurement of animals:*

1. Source should be from a BAI Accredited/Registered and Animal Welfare Act (AWA) Registered facility or certified by recognized goat and sheep federation of the Philippines
2. Animals should be healthy and free from diseases
3. Animals should be completely dewormed, vaccinated, and supported with vitamins and minerals

****Fund transfer from the National Livestock Program to the OU (e.g. BAI) shall be through Advice of Sub-Allotment (ASA). Fund transfer from BAI to the beneficiary shall be through donation.*

For component 2 (Nucleus Farm Development), the Memorandum Circular No. 07 Series of 2021 on the General Guidelines on the Implementation of National Livestock Program's Projects and Components with the Object of Expenditure of Donation will apply in the processes.

The PMO shall be actively assisted by the DA OUs in the processes of implementation. FCAs and stakeholders of the Small Ruminant Sector may be tapped to assist in the implementation processes.

The implementation shall be in conformity with the approved project document/proposal, the MOA, and work and financial plans. The PMO and implementing OUs must ensure that their roles and duties and responsibilities are complied with, funds are utilized properly, and the project is completed in the agreed period.

The MOA shall have an effective period of one (1) year, subject to termination or extension as agreed by all parties should the necessity arise. In case/s of extension, a supplementary MOA shall be executed, which shall be approved before the original period of effectivity lapses/ends.

Given that project allocations and number of slots are limited, first applicants to comply with the requirements are to be prioritized, while those that lack compliance will be advised of the lacking documents/qualifications.



For component 4 (Training and Capacity Building), the ATI will follow its procedure of implementation, while the modality to be used is preferably the FLS-GEM.

For component 6, the proposal should be submitted to the Office of the Undersecretary for Livestock to be reviewed by the PMO and approved by the PSC. After approval, the fund will be transferred to the beneficiary and the other details of implementation shall be discussed through a memorandum of agreement with the DA. Likewise, the MOA shall have an effective period of one (1) year, subject to termination or extension as agreed by all parties should the necessity arise. In case/s of extension, a supplementary MOA shall be executed, which shall be approved before the original period of effectivity lapses/ends.

IX. MONITORING AND EVALUATION

The OUs and the PMO, shall monitor the progress of the projects in coordination with the implementing partners and relevant OSEC Units. The beneficiaries shall allow the DA unrestricted access (adhering to biosecurity measures in the farm) to the project site and documents during monitoring.

To ensure the proper and secured implementation of various projects and interventions under this program, the Office of the Undersecretary for Livestock through the Project Steering Committee, the PMO, OUs, together with relevant units and implementation partners shall have a more active role in the monitoring of the implementation/establishment and turn-over of projects. The monitoring involves the following:

1. All issues, challenges, and concerns affecting the implementation of the projects must be relayed to the PSC through the PMO for information and action;
2. Projects that were already turned-over/delivered must be covered by monitoring to particularly assess operation by recipients, stocking, production and marketing, and sustainability.
3. The PMO must be provided with necessary support, assistance, and access during the conduct of monitoring activities.

X. REPAYMENT SCHEME

The DA identified second-in-line beneficiaries shall receive the offspring of the goats and sheep from the first-in-line beneficiaries, as a repayment of the stocks received. The repayment scheme is within two (2) years and the same applies to the succeeding beneficiaries:

- a. Bucks/Ram: 2 bucks
- b. Doe/Ewe: 1 buck

XI. SUSTAINABILITY

To ensure sustainability, the project recipients must follow the good animal husbandry practices, approved production plan and project documents (whenever applicable). It shall engage with market channels such as KADIWA and local market or enter into marketing agreements with applicable enterprises and processors with assistance from AMAS/AMAD as needed. To maximize profits, the beneficiaries are expected to expand the enterprise by increasing the inventory. Additional conditions may be detailed in the MOA.



Republic of the Philippines
OFFICE OF THE SECRETARY
Elliptical Road, Diliman 1100 Quezon City
+63(2) 8928-8741 to 64 and +63(2) 8273-2474

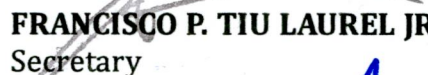
XII. SUPPLEMENTARY GUIDELINE

The PMO and OUs, may issue a supplementary guideline to facilitate the orderly implementation of the Program, provided that it is consistent with the mother guidelines, subject to the review and recommendation of the National Livestock Program Director and of the Undersecretary for Livestock, and the approval of the Secretary.

XIII. EFFECTIVITY

This Memorandum Circular shall take effect 15 days following completion of its publication in the DA website and its filing with the UP Law Center Office of the National Administrative Registrar and shall remain in force unless revoked in writing. All orders, memoranda, and other issuances inconsistent herewith are deemed revoked.

Done this 18th day of September 2024.


FRANCISCO P. TIULA LAUREL JR.
Secretary



DA-CO-ASECNLP-MC20240904-00001