

### Republic of the Philippines

#### OFFICE OF THE SECRETARY

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### **MEMORANDUM CIRCULAR**

No. <u>02</u> Series of 2025

SUBJECT:

**GUIDELINES ON THE IMPLEMENTATION OF SWINE INDUSTRY** 

RECOVERY PROJECT (SIRP)

**WHEREAS,** African Swine Fever (ASF) has caused significant losses to the swine industry in the Philippines, undermining a crucial sector of the nation's agricultural and food security since 2019. The ongoing outbreak has also compelled some small-hold farmers to slaughter their herds, resulting in significant financial hardship for countless families. The significant reduction in pork output has resulted in elevated prices and shortages, impacting consumers and the entire food supply chain.

WHEREAS, the ASF issue has shown considerable weaknesses in the Philippine swine industry, especially with biosecurity and disease control. A considerable number of small-hold and backyard farmers, integral to the local pig supply, lack the finances and expertise to establish appropriate biosecurity measures, rendering them very vulnerable to viral transmission. Despite the government's, local authorities, and private sector's concerted efforts to contain the outbreak via quarantine zones, movement restrictions, and surveillance, the persistent spread of ASF underscores the necessity for a more comprehensive and coordinated strategy for disease control and industry recovery.

WHEREAS, the Swine Industry Recovery Project (SIRP) is among the programs of the Department of Agriculture (DA) funded through the FY 2024 General Appropriations Act (GAA) under the Locally-Funded Projects that have been initiated to tackle these difficulties. SIRP is complementing with the gains of the ongoing INSPIRE to establish a foundation for a more robust and sustainable swine industry, focusing on enhanced recovery efforts and fostering long-term growth. SIRP is intended to offer extensive assistance to every tier of the swine production continuum, ranging from small-scale backyard farmers to large-scale commercial breeders. The project seeks to alleviate the effects of ASF, avert future outbreaks, and assist farmers in reconstructing and modernizing their operations by concentrating on essential domains such as biosecurity enhancement, infrastructure development, capacity building, and market integration.

**NOW THEREFORE**, pursuant to the provisions mentioned above, this Memorandum Circular is hereby promulgated and issued by the Department of Agriculture (DA) to be the guideline for the implementation of the SIRP.

#### Section I

#### SCOPE AND LIMITATIONS

These guidelines shall govern the Swine Industry Recovery Project (SIRP) implementation that deals with direct external stakeholders as beneficiaries under project components 1, 2, and 3. It shall contain the aspects of project packages, eligible beneficiaries, selection and prioritization criteria, delivery, monitoring, evaluation, and other relevant processes involved in the implementation of the Project.

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

### Section II DEFINITION OF TERMS

As used in this Guideline, the following terms, words, and phrases shall be construed as:

**Adequate space** The land area for a 40-head capacity is a minimum of 200 square meters while for an 80-head capacity, minimum land area is 400 square meters

**Breeder-** A specific type of animal that is selected for specific traits and characteristics to improve efficiency and performance parameters.

**Breeder Farms -** Any animal holdings producing quality breeder animals.

**Biologics** - a\_category of medical treatments sourced from live organisms, utilized for the prevention, diagnosis, treatment, and cure of animal diseases.

<u>Biosecurity -</u> A set of management and physical measures to reduce the risk of introduction, spread, and establishment of animal diseases and infections within the animal population.

Bio-security Level II- The farms must satisfy the qualifications set forth in commercial farms based on the list of required biosecurity parameters. There are 12 yellow boxes which are identified as mandatory scores. A score of zero in any of these yellow boxes will automatically disqualify the farm from Level 2. A minimum score of 24 is needed to comply with Biosecurity Level 2. (Source: BAI Memorandum Circular 20 series of 2022).

<u>Close-herd system-</u> This system requires the identification of all nucleus females, an evaluation and selection program, and management of the production supply. An analysis of the potential benefits and the associated costs is essential before a decision to raise replacements is made.

<u>Cluster</u> - A group of farmers, with a minimum of 15 members residing in a given locality with the business-type activity of swine production, or having the intention of doing a business-type activity of swine production.

**<u>Clustering</u>** - A strategic approach that involves organizing individual farmers from a specific locality into a group doing a similar business-type activity.

<u>Community-based Farming-</u> a holistic model initiative farming system or production based in the community where the farmers reside.

<u>Compartment</u> - A swine subpopulation contained in one (1) farm or farm cluster with a strictly supervised biosecurity management system where surveillance, enhanced biosecurity, and movement monitoring are applied to maintain ASF freedom, trade, and business continuity.

<u>Consolidation</u> - The strategy of pulling together the areas and resources of farmers to achieve economies of scale in production and the harvest to enable the farmers to negotiate better prices.

<u>Declared ASF-Free-</u> The declaration of an area as ASF-free is primarily made by the concerned local government unit (LGUs) provided that they underwent surveillance and there were no reported cases for the last 40 days.

<u>Early Repayment Schemes</u>- An arrangement that allows the beneficiary to return the required number of animals before the scheduled end date. This scheme is often put in place as part of a broader recovery effort following a crisis, such as an outbreak of swine diseases or natural disasters, which severely impacts the industry.

<u>Farmers' Cooperatives and Associations</u> – as used in this guideline would refer to the group of individuals who have undergone social preparation and duly registered by any recognized government agencies (i.e., SEC, DOLE, DAR, DA) with at least 50% of its members engaged in swine-raising; FCAs also refer to duly-registered hog raisers' group, integrators, contract growers and agrarian reform beneficiaries' organization (ARBOs)

"Good reputation and experience"- As a breeder farm, one that is trusted by the community of breeders and buyers for producing quality animals (i.e. healthy, well-adjusted, and free from genetic defects) and for providing excellent customer service. As a cooperative or association, one that is known to deliver high-quality products or services that meet or exceed customer expectations, financially sound and able to meet its obligations, conducts business honestly and fairly, and is led by experienced and competent leaders who are committed to the mission of their organization

<u>National Performance Monitoring System (NPMS)-</u> This refers to the monthly submission of reports through the National Secretariat of the National Livestock Program, or the bi-monthly updates (every 15 days) using the provided template on the Google Drive Sheets.

<u>Private Sector Partners - these</u> are industry stakeholders involved in supply of breeders and marketing of piglets, feed manufacturing, semen production and distribution, and commercial breeding operations, that will be partnering with program beneficiaries to ensure sustainable production supplies and market of hogs produced.

Required distance- The distance of the farms from each other must be at least 1 kilometer and from the boundary of built-up areas [Source: Code of Good Animal Husbandry Practice (GAHP) for Swine (PNS/BAFS 267:2019, ICS 65.020.30)

## Section III PROGRAM DESCRIPTION

Under the direction of the Department of Agriculture (DA), the SIRP aims to restore and revive the swine industry in the Philippines, which has been badly hit by the African Swine Fever (ASF) epidemic and other difficulties in recent years. The SIRP, with a total budget of 1.25 billion pesos funded through the FY 2024 General Appropriations Act (GAA) under the Locally-Funded Projects, aims to fortify the industry through the enhancement of biosecurity, modernization of farm infrastructure, improvement of genetic quality, and expansion of market access. This effort aims to engage various stakeholders, including smallholder farmers, cooperatives, commercial breeders, and at-risk agricultural communities, offering customized assistance to restore, modernize, and maintain swine production nationwide.

SIRP has the following key components:

- 1. The **Breeder Base Development Package** for reconstructing and fortifying the genetic base of the swine industry. This package supplies premium gilts to designated farms. The recipients should have infrastructure enhancements, and specialized training in breeding methodologies like artificial insemination (AI) and crossbreeding to qualify for the project. A total of 27 breeder farms (i.e. private, LGUs, and FCAs) are expected to benefit from this intervention with a total allotment of Php 405,000,000.00.
- 2. The Package on Innovative Finisher Operation for Small-Hold Farmers Through Clustering and Consolidation seeks to improve the productivity and profitability of small-hold farmers by fostering collaboration and resource-sharing. The budget allocated for this component is Php 244,508,000.00 and is targeted to assist around 130 smallhold farms.
- 3. The Comprehensive Package for Native and Free-Range Pigs Production to diversify production and leverage niche market opportunities by promoting the sustainable production of native and free-range pigs. This component costs Php 252,350,000.00 and is expected to help 3 nucleus farms; 10 multiplier farms and 150 production farms across the country.
- 4. The **Biologics and Biosecurity Package** aims to enhance disease prevention and control by supplying essential biologics, including vaccines and medications, as well as biosecurity infrastructure such as perimeter fencing, disinfection stations, and personal protective equipment (PPE). The total budget for this component is Php 348,142,000.00 and is targeted to benefit the swine farms with intent to vaccinate. Priority will be given to those with high swine production in red and pink zones.

# Section IV PROJECT MANAGEMENT OFFICE

A Project Management Office (PMO) shall be created and constituted by the Director of the National Livestock Program (NLP) as Chairperson and the Deputy Director of the NLP and OIC Director of the Bureau of Animal Industry (BAI) as the Co-Chairperson. The PMO members and Support and Monitoring Staff came from the various offices of the Department of Agriculture namely Office of the Undersecretary for Livestock (OUSL), BAI, Agricultural Training Institute-International Training Center on Pig Husbandry (ATI-ITCPH). The PMO will be responsible for the overall management of this project, and undertake activities related to this Project. Specifically, the PMO shall:

- 1. Undertake administrative management of the project.
- 2. Facilitate the procurement activities and fund utilization as determined by the project documents and work and financial plans.
- 3. Receive and evaluate project applicants.
- 4. Communicate with applicants regarding the project processes.
- 5. Conduct field validation with partner agencies, CSO groups, and RFOs whenever necessary or indicated in the requirements.
- 6. Facilitate delivery of interventions to the beneficiaries.
- 7. Provide regular reports on the progress of the Project and implementation updates to the DA management.
- 8. Prepare internal and supplementary guidelines and procedures subject to the review and approval of the Secretary, for the effective and efficient implementation of project activities; and
- 9. Ensure the proper utilization of funds and delivery of intervention.

A special order shall be issued that provides details on the creation of Project Steering Committee, Project Management Office, and Technical Working Groups for implementing the above project.

The funding will be under the DA Operating Units (OUs) such as the Bureau of Animal Industry, Agricultural Training Institute, and Regional Field Office.

### Section V PACKAGES

### **Component 1. Breeder Base Development (Breeder Infusion to Breeder Farms)**

**Objective:** This package is designed to support individual farms in enhancing their breeding operations by providing high-quality breeder stock. The aim is to improve the genetic quality, productivity, and sustainability of the swine herd at the beneficiary level, ensuring a steady supply of superior breeding pigs for the long-term growth and resilience of the swine industry.

### **Package Details:**

Package: 100 sow- level Breeder Infusion*	AMOUNT (PHP)
Distribution of 100 breeder gilts (3 to 5 months old)	15,000,000.00
TOTAL	15,000,000.00

<sup>\*100</sup> sow-level breeder infusion to be procured by BAI and distributed to eligible beneficiaries

### **Expected Outcomes for Each Beneficiary:**

- Improved Genetic Quality and Productivity: Infusion of high-quality breeders will enhance herd genetics, resulting in increased productivity, better growth rates, and improved meat quality.
- **Enhanced Biosecurity:** Compliance with national biosecurity standards and maintaining closed-herd systems to prevent disease introduction.
- Sustainability of Operations: The financial capacity of the beneficiary ensures business continuity to mitigate risks such as disease outbreaks and market disruptions.
- Increased Profitability: By enhancing the genetic base and operational efficiency, farms will achieve higher productivity and profitability, contributing to the long-term growth of the swine industry.

**Selection and Prioritization Criteria:** The following will be the prioritization and criteria for the selection of nominated beneficiaries for the breeder infusion package:

- a. Application shall be on a first-come-first-served basis (Eligibility requirements are indicated in Section VI)
- a. Priorities shall be given to existing breeder farms with Bio-security Level II facilities
- b. Must adhere to a closed-herd system and participate in the National Performance Monitoring System
- c. Must be certified ASF-free
- d. Must have a good reputation and experience as a breeder farm for the past 5 years (including financial capacity and business continuity plan)
- e. Must be amenable to terms and conditions on early repayment schemes which will be indicated in the Memorandum of Agreement.

# Component 2. Innovative Finisher Operation for Small-Hold Farmers Through Clustering and Consolidation

**Objective:** This package is designed to support individual small-hold farmers participating in a cluster to enhance their swine finishing operations through resource sharing, infrastructure development, and capacity building. By promoting clustering and consolidation, the package aims to reduce costs, improve productivity, and increase market competitiveness for small-hold farmers.

Furthermore, an additional innovation with the use of treated bamboo will be showcased in the building design. A minimum of one facility showcasing the use of

treated bamboo will be established per region to provide a healthier environment for pigs.

Package Details:

FUNDING COVERAGE	Package A (40-Head Capacity)	Package B (80-Head Capacity)
Housing and Facilities	800,000	1,600,000
Piglets as initial stocks (minimum of 20 kgs)	240,000	480,000
Feeds (4-month supply)	400,000	800,000
Medicines and biologics (5% of feed costs)	20,000	40,000
Insurance premium (animals and building)	10,000	20,000
Contingency	30,000	60,000
TOTAL	1,500,000	3,000,000

### **Expected Outcomes for Each Beneficiary:**

- Improved Productivity and Profitability: Enhanced finishing operations through better infrastructure, inputs, and management practices, resulting in higher growth rates, improved meat quality, and increased profitability.
- Reduced Costs and Increased Efficiency: Resource sharing within clusters and the use of innovative design and techniques will lower costs and improve overall efficiency.
- Enhanced Collaboration and Knowledge Sharing: Participation in clusters will foster collaboration among farmers, promoting shared learning and collective growth.
- Sustainable and Ethical Farming Practices: Adoption of sustainable practices, such as biosecurity measures and efficient resource use, will ensure long-term viability and compliance with industry standards.

**Selection and Prioritization Criteria:** The following will be the prioritization and criteria for the selection of nominated beneficiaries for this package:

- a. Application will be on a first-come-first-served basis (Eligibility requirements are indicated in Section VI)
- a. Must meet the following technical standards:
  - i. Must have adequate space based on the minimum/standard floor space requirement for 40 and 80-head operation, i.e. a minimum of 200 square

meters for a 40-head capacity and 400 square meters for an 80-head capacity

ii. Must have reliable water supply and electricity

iii. With road access

- iv. Must have a good reputation and experience as an Association/Cooperative
- c. Must be amenable to the terms and conditions of early repayment schemes which will be indicated in the Memorandum of Agreement

### Component 3. PACKAGE FOR NATIVE AND FREE-RANGE PIG PRODUCTION

**Objective:** Develop a sustainable native and free-range pig production system to enhance the productivity, profitability, and marketability of native and free-range pigs. This package focuses on supporting small-hold farmers and communities engaged in native pig farming by providing necessary infrastructure, training, inputs, and market access. This component targets the implementation of animal breeder distribution with improved growth rates, animal welfare, and product quality while promoting environmentally friendly and ethical farming practices.

Package 1: Nucleus Farm Upgrading	AMOUNT (PHP)	
Distribution of imported breeders (e.g. Black pigs: Kurobuta, Berkshire)	4,940,000	
(26 heads, 22 gilts: 4 boars)		
Infrastructure Development	41,500,000	
TOTAL	46,440,000	

Note: Nucleus farm already have superior breeder stock native pigs; with the additional imported black pig stocks (ex. Large black, Kurobuta, Berkshire), the priority is to improve and add to the current infrastructure

Package 2: Native Swine Nucleus Farm Establishment	AMOUNT (PHP)
Distribution of imported breeders (e.g. Black pigs: Kurobuta,	4,940,000
Berkshire)	
(26 heads, 22 gilts: 4 boars)	
Infrastructure Development	17,000,000
Drugs and Medicines, Animal Zoologics, Laboratory supplies and	6,000,000
Other supplies (i.e. feeds, disinfectants, medicine, vaccine, test kits,	
etc.)	
TOTAL	27,940,000

Note: Nucleus farms already have superior breeder stock native pigs; with the additional imported black pig stocks (ex. Large black, Kurobuta, Berkshire), the priority is to improve and add to the current infrastructure

Package 3: Native Swine Multiplier Farm Establishment	AMOUNT
	(PHP)

Distribution of imported breeders (e.g. Black pigs: Kurobuta,	4,180,000
Berkshire)	
(22 heads, 20 gilts: 2 boars)	
Infrastructure Development	2,000,000
Drugs and Medicines, Animal Zoologics, Laboratory supplies and	1,000,000
Other supplies (i.e. feeds, disinfectants, medicine, vaccine, test kits,	
etc.)	
TOTAL	7,180,000

Note: Swine multiplier farm will acquire gilts with higher value than grower

Package 4: Native Swine Multiplier Farm Establishment	AMOUNT (PHP)			
Distribution of imported breeders (e.g. Black pigs: Kurobuta,	4,180,000			
Berkshire)				
(22 heads, 20 gilts: 2 boars)				
Infrastructure Development	2,000,000			
TOTAL	6,180,000			

Note: Swine multiplier farm will acquire gilts with higher value than grower

Package 5: Native Swine Production Support	AMOUNT (PHP)
Distribution of native swine (4 weanling female and a weanling male)	55,866
Drugs and Medicines, Animal Zoologics, Laboratory supplies and Other supplies (i.e. feeds, disinfectants, medicine, vaccine, test kits, etc.)	50,000
TOTAL	105,866

Note: Swine production farm will acquire boar and gilts for production and genetic improvement

**Selection and Prioritization Criteria:** The following will be the prioritization and criteria for the selection of nominated beneficiaries for the breeder infusion package:

- a. Application will be on a first-come first-served basis
- b. Priorities will be given to beneficiaries that will pass the following technical requirements:
- c. Must have adequate space based on the minimum/standard floor space requirement depending on the package
- d. Must have a reliable water supply/source and electricity
- e. Has road access
- f. Must meet the minimum required distance from residential areas
- g. Must have a good reputation and experience as an Association/Cooperative
- h. Must be amenable to the terms and conditions of early repayment schemes which will be indicated in the Memorandum of Agreement.

### Component 4. Biosecurity and Biologics Support

The Biologics and Biosecurity Support Component is a targeted initiative aimed at strengthening swine production by enhancing disease prevention and control measures. Recognizing the importance of maintaining healthy herds, the program focuses on providing necessary vaccines, medications, and biosecurity infrastructure to small-hold farmers and commercial operations. This support ensures a reduction in disease risks, improved swine health, and sustainable farm productivity. This component is being implemented under the Bureau of Animal Industry.

**Objective:** The primary objective of the Biologics and Biosecurity Support Component is to provide farmers with the tools and resources needed to effectively prevent, manage, and control swine diseases. This is achieved through the provision of vaccines, health management kits, biosecurity materials, and infrastructure upgrades, ultimately safeguarding swine health and ensuring sustainable and profitable production.

The Selection and Prioritization Criteria for this Component will be based on Department of Agriculture Circular No. 5 series of 2024: Guidelines on the Controlled Use of Vaccine for African Swine Fever.

### Section VI BENEFICIARIES AND ELIGIBILITY REQUIREMENTS

The project components involving external stakeholders, that are individuals/ farmers, farmers' cooperatives and associations (FCAs), Local Government Units (LGUs), and State Universities and Colleges (SUCs) and government (national and regional) stock farms as beneficiaries shall undergo the application process to avail. Primarily, only eligible beneficiaries indicated in Section 2 can apply for the projects. Entities who intend to apply must submit the following requirements:

	Project	Package	Eligible Beneficiaries	Letter of Intent	Project Propos al	Proof of Existing Farm and/or Land Ownersh ip	Legal Identity (Govt issued IDs for Individuals, Registration Docs if FCA)
I.	Breeder -base Develop ment	Breeder Distributio n	Breeder Farms [Private (i.e. should be a member of an FCA and with animal welfare accreditation), LGUs, and FCAs	/	/	/	/
II.	Innovat ive Finisher Operati on for	Innovative Swine Finisher Farm	FCAs, LGUs, SUCs, LSA,	/	/	/	/

	Small-h old Farmers						
	Package for Native	Nucleus Farm	Government (national and regional) stock farms	if applic able	if applica ble	if applicabl e	if applicable
Ш	and Free-Ra nge Pig Product ion	Multiplier Farm Establishm ent	FCAs, LGUs, SUCs; and Government ( regional) stock farms	if applic able	if applica ble	if applicabl e	if applicable
	Native Pigs Product ion	Production Farm Establishm ent	Individual Farmers Individual/ farmer that are members of an FCA	/		/	/

# Section VII PROCESS OF IMPLEMENTATION

The implementation of Packages I, II, and III begins with the application process as described in the table below:

Activity	Procedure	Responsible
Submission, Review, and Validation	1. Submit application documents to respective agencies (BAI or DA-RFO for Components 1, 3 and, 4; and ATI for Component 2)	Applicant
	a. Letter of intent b. Documents of IDs (Individual Applicant) and legal identity of the FCA (if FCA applicant)	
2. Review of the submitted documents and preliminary screening and contact with the applicant  a. Location details b. Other relevant information		BAI, ATI & RFOs
	3. Validate the beneficiary and the location of the Project	BAI, ATI & RFOs

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	4. Preparation and completion of documentary requirements:  a. Project Proposal (only if applicable)  b. Other documents that the DA  RFO /ATI / BAI may require	Applicant
	5. Review and revise proposal as deemed necessary by DA-RFO /ATI / BAI	NLP/OUSL
	6. Approve Project Proposal	OUs/OUSL
Recipient List Finalization and Review	7. Preparation of the final list of recipients and endorsement to the NLP for review and information	BAI, ATI & RFOs
	8. Review of the shortlisted beneficiaries	DA NLP
	beneficiaries	OUSL
Preparation and Signing of MOA	9. Comply with all the eligibility requirements as stated in this Guidelines	Applicants
	<ol> <li>Prepare, discuss, and agree on the provisions of the MOA and come up with a draft</li> </ol>	PMO/OUs/Selected Beneficiaries  (The PMO shall prepare a draft MOA for presentation)
	2. MOA Review	PMO/ OUs/ DA NLP Central in consultation with the DA-Legal
	3. MOA Signing	BAI, ATI & Beneficiaries
Procurement Mode of	In accordance with R.A. 9184	Concerned OU
Mode of Implementation	Rational procurement process to schedule proper delivery of components, where livestock and supplies are 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	ATI will transfer the funds to beneficiaries of Package 2

	transfer is the mode of implementation)	
Delivery of Intervention	Delivery of project components to approved beneficiaries	PMO/OUs
Liquidation	Submit liquidation report as per COA rules and regulations (if fund transfer is the mode of implementation)	PMO/OUs

The concerned implementing unit shall be assisted by the PMO in the implementation (i.e. BAI for Components 1, 3 and 4; ATI for Component 2 and RFOs for Component 3). FCAs and stakeholders of the hog sector may be tapped to assist in the implementation processes.

The implementation shall conform with the approved project document/proposal, the MOA, and work and financial plans. The PMO and implementing OUs must ensure that their roles, 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.

Project requests from the beneficiaries must be submitted to the implementing unit for validation. Once validated, the requests will be forwarded to the NLP for review and comments. The OUSL will then assess and approve the project. Upon approval, the implementation process will commence.

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

# Section VIII 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. The beneficiaries shall be monitored through the National Performance Monitoring System that will be developed by the PMO.

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

- 1. Checking whether the set physical targets were timely met to assess progress toward project goals and objectives
- 2. Verify that project resources are being utilized appropriately.
- 3. All issues, challenges, and concerns affecting the implementation of the projects must be relayed to the OUSL and NLP for information and action.
- 4. Projects that were already turned over/delivered must be covered by monitoring to particularly assess operation by recipients, stocking, production and marketing, and sustainability.
- 5. The OUSL, NLP, and PMO must be provided with necessary support, assistance, and access during the conduct of monitoring activities.

# Section IX SUSTAINABILITY

To ensure sustainability, the project recipients must follow good animal husbandry practices, approved production plans, 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 with assistance with 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. Continuous support (when necessary) on capacity building of the beneficiaries for their scale-up operations.

## Section X REDISTRIBUTION SCHEME

A "redistribution" scheme, as stated in the approved Project Proposal/Document shall be implemented and monitored. The Program requires that the beneficiary of the breeders and multiplier farms shall "redistribute" at least 20% of the equivalent value of the pig breeder/animal within the next two years after the investment year (start of operation) for distribution to other FCAs within the community, to be determined/concurred by DA.

Failure to provide animals for redistribution due to negligence and without justifiable reasons, within the 2 years will be a cause for the DA-OU concerned to impose the penalty provisions of the MOA which includes, but is not limited, to the blacklisting of the beneficiary concerned from NLP programs and projects.

### Section XI SUPPLEMENTARY GUIDELINE

The PMO and OUs may issue a supplementary guideline through their Regional Executive Directors (REDs) and/or Heads of Agencies to facilitate the orderly implementation of the Program, provided that it is consistent with this mother guideline, subject to the review and approval of the National Livestock Program Director and the Undersecretary for Livestock.

### Section XII EFFECTIVITY

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

Done this 15th day of 1th 2025.

PRANCISCO P. TIU LAUREL JR.

Secretary

