



REPUBLIKA NG PILIPINAS
PAMAHALAANG LUNGSOD NG MUNTINLUPA
KALAKHANG MAYNILA

Telephone no. 861-0181/Fax: 862-6473
Email address: sangguniangpanlungsod2k19@gmail.com



ORDINANCE NO. 2020-140

AN ORDINANCE PROVIDING FOR THE GRANT OF LOAN ASSISTANCE TO THE LEGITIMATE PRIMARY COOPERATIVES, REGISTERED AND OPERATING WITHIN THE CITY OF MUNTINLUPA, DEFINING ITS OBJECTIVES, GUIDELINES, AND PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES.

Sponsored by:

Hon. Coun. Atty. Raul R. Corro
Hon. Coun. Alexson V. Diaz
Hon. Coun. Paty Katy C. Boncayao
Hon. Coun. Louisito A. Arciaga
Hon. Coun. Allan Rey A. Camilon
Hon. Coun. Ting Niefes
Hon. Coun. Stephanie G. Teves
Hon. Coun. Ivey Rhia A. Tadea
Hon. Coun. Engr. Marissa C. Rongavilla- VIA ZOOM
Hon. Coun. Francis Ian T. Bagatsing
Hon. Coun. Mark Lester M. Baes
Hon. Coun. Engr. Mamerto T. Sevilla, Jr.
Hon. Coun. Engr. Arlene D. Hilapo
Hon. Coun. Cornelio M. Martinez
Hon. Coun. Walter A. Arcilla
Hon. Coun. Kenichi D. Takagi, Jr. - VIA ZOOM

WHEREAS, Section 16 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, provides that every local government unit shall exercise the powers expressly granted, those necessarily implied therefrom, as well as powers necessary, appropriate, or incidental for its efficient and effective governance, and those which are essential to the promotion of the general welfare xxx enhance economic prosperity and social justice promote full employment to their residents, xxx";

WHEREAS, Article 391 of the Implementing Rules and Regulations of the Local Government Code of 1991 states that, "the proceeds from the share of Local Government Units (LGU) referred to in Article 386 of this Rule shall be appropriated by their respective sanggunian to finance local development and livelihood projects, xxx";

WHEREAS, Republic Act No. 9520, or the Philippine Cooperative Code of 2008, provides that it is the declared policy of the State to foster the creation and growth of cooperatives as a practical vehicle for promoting self-reliance and harnessing people power towards the attainment of economic development and social justice;

WHEREAS, the Government and all its branches, subdivisions, instrumentalities, and agencies shall ensure the provision of technical guidance, financial assistance and other services to enable said cooperatives to develop into viable and responsive economic enterprises and thereby bring about a strong cooperative movement that is free from any conditions that might infringe upon the autonomy or organization integrity of cooperatives;

WHEREAS, it is the policy of the City Government to support its constituents especially in the aspect of sustainable growth and development through self-reliance and productive programs;

WHEREAS, the City of Muntinlupa acknowledges the importance of the Cooperative Sector and the role it primarily plays as responsible for the institutional development of local cooperatives;

NOW THEREFORE, BE IT ENACTED, AS IT HEREBY ENACTED, by 9th Sangguniang Panlungsod of Muntinlupa in Session assembled that:

SECTION 1. Title – This ordinance shall be known as the “An Ordinance Providing for the Loan Assistance to Legitimate Primary Cooperatives, Registered and Operating within the City of Muntinlupa, defining its Objectives, Guidelines, and Providing Funds Therefor and for Other Purposes.”

SECTION 2. Coverage – There shall be a Loan Assistance Program for all accredited and registered primary cooperatives in Muntinlupa City.

SECTION 3. Definition of Terms – For purposes of this Ordinance, these terms are defined as follows:

- a) **Accreditation** - refers to the act of the Sangguniang Panlungsod giving official authorization or approval to a qualified primary cooperative to operate within the City of Muntinlupa.
- b) **Cooperative** – refers to an autonomous and duly registered association of persons, with a common bond of interest, who have voluntarily joined together to achieve their social, economic and cultural needs and aspirations by making equitable contributions to the capital required, patronizing their products and services and accepting a fair share of risks and benefits of the undertaking in accordance with the universally accepted cooperative principles.
- c) **Primary Cooperative** – refers to a cooperative the members of which are natural persons.
- d) **Registration** – refers to the operative act granting juridical personality to a proposed cooperative and is evidenced by a certificate of registration from the Cooperative Development Authority (CDA).

SECTION 4. Minimum Requirements – All legitimate primary cooperatives, registered and accredited by the Sangguniang Panlungsod who wishes to avail of the loan assistance shall submit the following requirements before the City Cooperative Office for initial evaluation of the application for loan:



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- a) Letter of Intent to avail the loan assistance granted under this Ordinance, signed by the Chairperson of the applicant primary cooperative, stating the amount to be loaned and the legitimate purpose for such availment;
- b) Notarized copy of the Board Resolution authorizing the Chairperson to represent the Cooperative in such transaction and sign for and in behalf of the Cooperative in any contract, deed, agreement, or other documents necessary to facilitate the loan granted under this Ordinance;
- c) Latest Audited Financial Statement of the applicant cooperative; and
- d) Feasibility Study stating purpose of the loan.

SECTION 5. Condition and Maximum Amount of Loan – All loans which shall be extended by the City Government to the Primary Cooperatives under this Ordinance shall not exceed the maximum amount of One Million Pesos (PHP 1,000,000.00), and shall be subject to availability of funds of the City Government, and shall be imposed a three (3) percent per annum administrative charge/miscellaneous fees to cover necessary administrative expenses and other requirements imposed under this Ordinance, and such other applicable laws;

SECTION 6. Term of the Loan – All loans granted under the provisions of this Ordinance shall be fully paid within the period of three (3) years from issuance thereof, thru the manner and amount of payment provided in Section 6 hereof.

SECTION 7. Manner of Payment – All loans granted under the provisions of this Ordinance shall be paid by the concerned primary cooperatives thru issuance of post-dated cheques in twelve (12) equal quarterly instalments – the first payment shall be scheduled three (3) months after the release of the proceeds of the loan and the schedule of the remaining quarterly instalments shall be indicated in the loan agreement;

SECTION 8. Liability under Batas Pambansa Blg. 22 – Making or drawing and issuance of a check without sufficient funds or credit or subsequent dishonoring of the checks for insufficiency of funds or credit shall be punished by imprisonment of not less than thirty (30) days but not more than one (1) year or by a fine of not less than but not more than double the amount of the check which fine shall in no case exceed Two Hundred Thousand Pesos (PHP 200,000.00), or both such fine and imprisonment at the discretion of the court (Sec.1, BP 22).

SECTION 9. Liability under Revised Penal Code – Prosecution under this Ordinance shall be without prejudice to any further liability for violation of any provision of the Revised Penal Code.

SECTION 10. Appropriations – The local government unit shall incorporate in its Annual Executive Budget such appropriate funds as may be necessary to cover the amount of loan which shall be extended to the legitimate primary cooperatives authorized under this Ordinance.



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SECTION 11. Separability Clause – If any provision of this Ordinance is declared invalid or unconstitutional, the remaining provision not affected thereby shall continue in full force and effect.

SECTION 12. Repealing Clause – All ordinances, rules and regulations, or parts thereof, in conflict with, or inconsistent with any provisions of this Ordinance are hereby repealed, amended, or modified accordingly.

SECTION 13. Effectivity – This Ordinance shall immediately take effect upon approval and after posting and publication requirement has been complied with in accordance with law.

ENACTED, by the 9th Sangguniang Panlungsod of Muntinlupa this 5TH day of October 2020, on its 65th Regular Session.

CONCURRED:

DISTRICT 1:

COUN. ATTY. RAUL R. CORRO
Member

COUN. ALEXSON V. DIAZ
Member

COUN. PATY KATY C. BONCAYAO
Member

COUN. LOUISITO A. ARCIAGA
Member

COUN. ALLAN REY A. CAMILON
Member

COUN. TING NIEFES
Member

COUN. STEPHANIE G. TEVES
Member

COUN. IVEE RHIA A. TADEFA
Member

DISTRICT 2:

COUN. ENGR. MARISSA C. RONGAVILLA
Member

COUN. FRANCIS IAN T. BAGATSING
Member

COUN. MARK LESTER M. BAES
Member



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(ABSENT)

COUN. MA. DHESIRÉE G. AREVALO

Member

COUN. ENGR. MAMERTO T. SEVILLA, JR.

Member

COUN. ENGR. ARLENE D. HILAPO

Member

COUN. CORNELIO M. MARTINEZ

Member

COUN. WALTER A. ARCILLA

President

Sectoral Representative

Association of Barangay Chairman

COUN. KENICHI D. TAKAGI, JR.

President

Sectoral Representative

Federation of Sangguniang Kabataan

I HEREBY CERTIFY, as to the correctness of the foregoing Ordinance.

CECILIA C. LAZARTE

Secretary to the Sanggunian

ATTESTED:

ARTEMIO A. SIMUNDAC

City Vice-Mayor/Presiding Officer

APPROVED:

ATTY. JAIME R. FRESNEDI

City Mayor

Date: 06 OCT 2020

Norie/9th SP