

Republic of the Philippines
Quezon City
SANGGUNIANG PANLUNGSOD
23rd City Council



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PROPOSED ORDINANCE NO. _____, S-2025

AN ORDINANCE PROVIDING FOR THE QUEZON CITY COOPERATIVE CODE TO COMPLEMENT AND STRENGTHEN THE IMPLEMENTATION OF REPUBLIC ACT NO. 6938, AS AMENDED BY REPUBLIC ACT NO. 9520, OTHERWISE KNOWN AS THE "PHILIPPINE COOPERATIVE CODE OF 2008" AND OTHER RELATED NATIONAL LAWS

Introduced by COUNCILOR CHARM M. FERRER, CPA, MPA, JD

WHEREAS, Section 15, Article XII of the 1987 Philippine Constitution recognizes the role of cooperatives as instruments of social justice, equity and people empowerment and mandates the State to promote the viability and growth of cooperatives as instruments of social justice, equity, and economic development;

WHEREAS, Republic Act (RA) No. 6938, as amended by RA No. 9520, otherwise known as the "Philippine Cooperative Code of 2008", declares the 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 Cooperative Development Authority (CDA), as the national regulatory and developmental agency for cooperatives, recognizes the critical role of local government units in supporting and supplementing national cooperative programs through localized initiatives, partnerships, and resource mobilization;

WHEREAS, RA No. 7160, or the "Local Government Code of 1991", grants cities the power to enact ordinances, approve comprehensive development plans and codify related ordinances into subject-specific local codes, provided that these measures remain consistent with national laws and policies;

WHEREAS, Quezon City, as the largest local government unit in the National Capital Region, hosts the highest number of active cooperatives across various types and categories that contribute substantially to the city's local economy and community development initiatives;

WHEREAS, a comprehensive and localized Cooperative Code in Quezon City will harmonize existing ordinances, institutionalize programs, define clear roles and responsibilities for city offices and councils and provide a cohesive framework for planning, implementation and evaluation of cooperative development efforts in the city;

WHEREAS, the proposed Quezon City Cooperative Code will likewise align the city's cooperative initiatives with national priorities such as poverty alleviation, micro enterprise development, inclusive economic growth and the promotion of social enterprises, while tailoring programs to the unique socio-economic context of Quezon City;

WHEREAS, this Code seeks to establish a localized framework for the promotion and development of cooperatives within the City, consistent with the provisions of Philippine Cooperative Code of 2008 and other applicable laws, rules, and regulations, without prejudice to the regulatory functions of the CDA;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF QUEZON CITY IN REGULAR SESSION ASSEMBLED:

ARTICLE I
GENERAL PROVISIONS

SECTION 1. TITLE. — This Ordinance shall be known as the "Quezon City Cooperative Code".

SECTION 2. DECLARATION OF POLICY. — It is hereby declared the policy of the Quezon City Government to:

- (a) Recognize cooperatives as vital partners in governance, socio-economic development and service delivery;
- (b) Provide enabling mechanisms for the growth and sustainability of cooperatives;
- (c) Promote inclusive cooperative development among women, youth, senior citizens, persons with disabilities (PWDs), farmers, workers, indigenous peoples and other relevant sectors;
- (d) Strengthen the integration of cooperatives in the City's socioeconomic development agenda; and
- (e) Ensure consistency with national cooperative laws and CDA mandates.

SECTION 3. LEGAL BASES. — This Code is established in conformity with the provisions of the following laws and issuances:

- (a) Republic Act (RA) No. 6938, as amended by RA No. 9520 or the "Philippine Cooperative Code of 2008";
- (b) RA No. 11364 or the "Cooperative Development Authority Charter of 2019";
- (c) RA No. 7160 or the "Local Government Code of 1991";

(d) RA No. 11535 or "An Act Making the Position of a Cooperatives Development Officer Mandatory in the Municipal, City and Provincial Levels, Amending for the Purpose Republic Act No. 7160, Otherwise Known as the "Local Government Code Of 1991', as Amended";

(e) RA No. 10744 or the "Credit Surety Fund Cooperative Act of 2015";

SECTION 4. OBJECTIVES. — This Code shall pursue the following objectives for the cooperatives duly registered and operating within Quezon City:

- (a) Establish institutional structures for cooperative promotion and development;
- (b) Provide comprehensive programs and services for cooperative strengthening;
- (c) Integrate cooperative strategies in local development planning;
- (d) Mobilize local and external resources to support cooperative growth;
- (e) Foster accountability, transparency, and good governance in cooperative operations.

SECTION 5. DEFINITION OF TERMS. — For purposes of this Code, the following terms shall be defined as follows:

- (a) Accreditation of Cooperatives — is a formal process where the Sangguniang Panlungsod of Quezon City recognizes and certifies a cooperative as meeting specific criteria to be eligible to participate in the Quezon City's local special bodies as may be provided by law, and to avail of financial assistance, grants, subsidies, and other programs and support extended by the Quezon City Government;
- (b) Audited Financial Statement — the financial report of a cooperative, consisting of its financial statements and notes, audited by an accredited external auditor or the cooperative's/federation's audit committee and submitted to the CDA in accordance with law and regulations;
- (c) Barangay Clearance for Businesses/Cooperatives — the certification issued by the barangay, pursuant to Section 152(c) of Republic Act No. 7160 and relevant Quezon City ordinances, attesting that the applicant business or cooperative has complied with barangay requirements and has no pending violation, which shall be presented as a prerequisite for the issuance or renewal of business or cooperative permits and licenses by the City Government;
- (d) Business Permits and Licensing Department (BPLD) — the city

office responsible for issuing and renewing business and occupational permits, regulating business operations and conducting inspections to ensure compliance with laws and regulations, with authority to revoke permits or close establishments for violations;

- (e) City Cooperative Development Officer – the head of the Quezon City Small Business and Cooperatives Development and Promotions Office duly appointed by the City Mayor, subject to existing civil service laws, rules and regulations, to oversee, coordinate, and implement cooperative development policies, plans, and programs in the city;
- (f) City Development Council – the multi-sectoral body created under Executive Order No. 02, Series of 2019, chaired by the City Mayor and composed of all barangay chairpersons and designated representatives of non-government organizations/people's organizations (NGOs/POs), serving as the partner in city building by formulating and approving long-term, medium-term and annual socioeconomic development plans and investment programs, prior to submission to the City Council;
- (g) City Planning and Development Department (CPDD) – the department of the City Government primarily responsible for formulating integrated economic, social, physical and other development plans and policies, coordinating and monitoring the implementation of programs and projects, and providing technical assistance to the City Development Council and other local special bodies to ensure alignment with the city's development priorities and compliance with national policies
- (h) City Procurement Plan and/or Program – the procurement framework of the Quezon City Government, pursuant to Republic Act No. 12009 (The New Government Procurement Act), which outlines the acquisition of goods, works and services in a transparent and competitive manner, and provides opportunities for qualified cooperatives to participate as suppliers, contractors or service providers;
- (i) City Treasurer's Office (CTO) – the department of the City Government responsible for the administration, custody, and disbursement of public funds, including the collection of applicable taxes, fees and charges from cooperatives and for ensuring that cooperatives granted incentives, exemptions, or privileges comply with applicable laws and city ordinances;
- (j) Compliance – the fulfillment by cooperatives of all regulatory requirements set by the Cooperative Development Authority (CDA) under RA No. 9520 and other national laws, as well as local requirements under Quezon City ordinances, including submission of reports, payment of fees, securing of permits and adherence to standards of good governance and cooperative practices;

- (k) Community – a social group of any size whose members are residing or living in a specific locality, with a common characteristic, cultural and historic heritage or interest or within a larger society;
- (l) Community Development – Cooperatives play a vital role in community development by empowering local populations and addressing priority issues through collective action. Their initiatives—ranging from infrastructure development and disaster risk reduction to peace-building efforts and support for vulnerable sectors—reflect a commitment to inclusive growth and social equity.
- (m) Cooperative – 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 the risks and benefits of the undertaking in accordance with universally accepted cooperative principles;
- (n) Cooperative Development Authority (CDA) – the government regulatory agency created under Republic Act No. 6939, as amended by Republic Act 11364, which is mandated to promote the viability and growth of cooperatives as instruments of equity, social justice, and sustainable economic development, and which has the sole power to register, regulate, supervise, and develop cooperatives in the Philippines;
- (o) CDA Gawad Parangal – the annual national awards and recognition program of the CDA that honors outstanding cooperatives, cooperative leaders, cooperative development officers, local chief executives, and partner stakeholders for their exemplary performance, best practices, good governance, and contributions to cooperative development;
- (p) Cooperative Development Plan – the medium-term plan for the promotion and growth of cooperatives in Quezon City, formulated with the cooperative sector, endorsed by the Quezon City Cooperative Development Council and aligned with the City Development Plan and CDA framework;
- (q) Data Privacy – the right of an individual to control the collection, use, storage and sharing of personal information, in accordance with Republic Act No. 10173, otherwise known as the “Data Privacy Act of 2012”;
- (r) Grants - financial or in-kind assistance provided to cooperatives by the City Government, without obligation of repayment, intended to support their establishment, capacity building, operations or participation in programs and projects that promote cooperative development and community welfare;
- (s) Legitimate Cooperatives – cooperatives that are duly registered

with the CDA, possess a valid Certificate of Compliance (COC), and meet the regulatory requirements set by the Quezon City Small Business and Cooperatives Development and Promotions Office;

- (t) Local Special Bodies – the participatory bodies of the City Government composed of representatives from the government and duly accredited non-government organizations, people's organizations or private sector, tasked to assist in the formulation of policies and programs through consultation, coordination and sectoral representation at the local level;
- (u) Manuel L. Quezon Gawad Parangal Awards – the highest recognition awarded by the Quezon City Government to individuals and institutions for their significant and exemplary contributions to the city and the country;
- (v) Mayor's and/or Business Permit – an official document issued by the Quezon City Business Permits and Licensing Department that grants permission to a cooperative to operate its business or businesses within the city;
- (w) Officers of the Cooperative – the members of the board of directors, members of the different committee created by the general assembly, general manager or chief executive officer, secretary, treasurer and members holding other positions as may be provided for in their bylaws;
- (x) Quezon City Cooperative Development Council (QCCoopDC) – the local cooperative development council organized pursuant to CDA Memorandum Circular No. 2022-03 and Quezon City Ordinance No. SP-2098, S-2011, as amended, composed of representatives of cooperatives and relevant government offices in the city and other related institutions and organizations, tasked to serve as a forum for consultation, coordination and recommendation of policies, programs, and projects that advance cooperative development within Quezon City;
- (y) Quezon City Green Awards - the awards and recognition program of the City Government for organizations and institutions that helps protect the environment and take action in disaster risk reduction management.
- (z) Quezon City Small Business and Cooperatives Development and Promotions Office (QC-SBCDPO) – the department of the City Government tasked to formulate, implement, coordinate and monitor policies, plans, programs, and projects for the promotion, growth, and development of micro, small, and medium enterprises (MSMEs) and cooperatives and to provide support services that enhance their viability and competitiveness;
- (aa) Quezon City University (QCU) – the local university established and maintained by the Quezon City Government mandated to provide affordable, accessible and quality higher education and

training programs that promote academic excellence, professional competence, and social responsibility in line with the City's development goals;

(bb) Social Audit – the process by which a cooperative evaluates its social impact and ethical performance against its mission, vision, goals and code of social responsibility, to account for its social performance and community impact;

(cc) Taxes, Fees and Any Dues – all revenue-raising measures and other financial obligations imposed by the City Government under its local tax laws; and

(dd) Trade Center – a facility or venue operated by cooperatives or cooperative federations, that serve as common hubs for the marketing, display and distribution of cooperative products and services, and as support centers for capacity building, networking and market linkage.

SECTION 6. CATEGORIES OF COOPERATIVE. — Cooperatives shall be categorized according to membership and territorial considerations as follows:

In terms of membership, cooperative shall be categorized into:

(a) Primary Cooperative — The members of which are natural persons;

(b) Secondary Cooperative — The members of which are primaries; and

(c) Tertiary Cooperative — The members of which are secondary cooperatives; and

In terms of territory, cooperatives shall be categorized according to areas of operations which may or may not coincide with the political subdivisions of the country.

SECTION 7. TYPES OF COOPERATIVE. — Cooperatives may fall under any of the following types:

(a) Credit Cooperative – is one that promotes and undertakes savings and lending services among its members. It generates a common pool of funds in order to provide financial assistance to its members for productive and provident purposes;

(b) Credit Surety Fund Cooperative – is a special type of cooperative that is partnered with a local government unit (LGU) and is composed of well-capitalized and well-managed member cooperatives or non-governmental organizations (NGOs) that meet the qualifications set by the CDA, LGUs, government financial institutions (GFIs), and other relevant agencies. Established under RA No. 10744, it is created primarily and exclusively to administer the city's credit surety fund;

- (c) Consumers Cooperative – is one of the primary purpose of which is to procure and distribute commodities to members and non-members;
- (d) Producers Cooperative – is one that undertakes a joint production whether agricultural or industrial. It is formed and operated by its members to undertake the production and processing of raw materials or goods produced by its members into finished or processed products for sale by the cooperative to its members and non-members. Any end product or its derivative arising from the raw materials produced by its members, sold in the name and for the account of the cooperative, shall be deemed a product of the cooperative and its members;
- (e) Marketing Cooperative – is one which engages in the supply of production inputs to members and markets their products;
- (f) Service Cooperative – is one which engages in medical and dental care, hospitalization, transportation, insurance, housing, labor, electric light and power, communication, professional and other services;
- (g) Multipurpose Cooperative – is one which combines two (2) or more of the business activities of these different types of cooperatives;
- (h) Advocacy Cooperative – is a primary cooperative which promotes and advocates cooperativism among its members and the public through socially-oriented projects, education and training, research and communication, and other similar activities to reach out to its intended beneficiaries;
- (i) Agrarian Reform Cooperative – is one organized by marginal farmers majority of which are agrarian reform beneficiaries for the purpose of developing an appropriate system of land tenure, land development, land consolidation or land management in areas covered by agrarian reform;
- (j) Cooperative Bank – is one organized for the primary purpose of providing a wide range of financial services to cooperatives and their members;
- (k) Dairy Cooperative – is one whose members are engaged in the production of fresh milk which may be processed and/or marketed as dairy products;
- (l) Education Cooperative – is one organized for the primary purpose of owning and operating licensed educational institutions notwithstanding the provisions of Republic Act No. 9155, otherwise known as the Governance of Basic Education Act of 2001;
- (m) Electric Cooperative – is one organized for the primary purpose of undertaking power generations, utilizing renewable energy sources, including hybrid systems, acquisition and operation of

sub transmission or distribution to its household members;

- (n) Financial Service Cooperative – is one organized for the primary purpose of engaging in savings and credit services and other financial services;
- (o) Fishermen Cooperative – is one organized by marginalized fishermen in localities whose products are marketed either as fresh or processed products;
- (p) Health Services Cooperative – is one organized for the primary purpose of providing medical, dental and other health services;
- (q) Housing Cooperative – is one organized to assist or provide access to housing for the benefit of its regular members who actively participate in the savings program for housing. It is co-owned and controlled by its members;
- (r) Insurance Cooperative – is one engaged in the business of insuring life and property of cooperatives and their members;
- (s) Transport Cooperative – is one which includes land and sea transportation, limited to small vessels, as defined or classified under the Philippine maritime laws, organized under the provisions of this Code;
- (t) Water Service Cooperative – is one organized to own, operate and manage water systems for the provision and distribution of potable water for its members and their households;
- (u) Workers Cooperative – is one organized by workers, including the self-employed, who are at same time the members and owners of the enterprise. Its principal purpose is to provide employment and business opportunities to its members and manage it in accordance with cooperative principles; and
- (v) Other types of cooperatives as may be determined by the CDA.

SECTION 8. FUNCTIONS OF A FEDERATION OF COOPERATIVES. — A federation of cooperatives shall undertake the following functions:

- (a) To carry on any cooperative enterprise authorized under Article 6 that complements, augments, or supplements but does not conflict, compete with, nor supplant the business or economic activities of its members;
- (b) To carry on, encourage, and assist educational and advisory work relating to its member cooperatives;
- (c) To render services designed to encourage simplicity, efficiency, and economy in the conduct of the business of its member cooperatives and to facilitate the implementation of their bookkeeping, accounting, and other systems and procedures;

- (d) To print, publish, and circulate any newspaper or other publication in the interest of its member cooperatives and enterprises;
- (e) To coordinate and facilitate the activities of its member cooperatives;
- (f) To enter into joint ventures with national or international cooperatives of other countries in the manufacture and sale of products and/or services in the Philippines and abroad; and
- (g) To conduct risk-based supervision to cooperatives, if recognized/accredited/authorized by the CDA; and
- (h) To perform such other functions as may be necessary to attain its objectives.

A federation of cooperatives may be registered by carrying out the formalities for registration of a cooperative.

Registered cooperatives may organize a federation according to the type of business activity engaged in by the cooperatives.

SECTION 9. COOPERATIVE UNIONS. — Registered cooperatives and federations at the appropriate levels may organize or join cooperative unions to represent the interests and welfare of all types of cooperatives at the provincial, city, regional, and national levels. Cooperative unions may have the following purposes:

- (a) To represent its member organizations;
- (b) To acquire, analyze, and disseminate, economic, statistical, and other information relating to its members and to all types of cooperatives within its area of operation;
- (c) To sponsor studies in the economic, legal, financial, social and other phases of cooperation, and publish the results thereof;
- (d) To serve as the voice of the cooperative sector to promote and lobby for its advocacy activities;
- (e) To serve as a training provider of all cooperatives, when accredited by the CDA;
- (f) To promote the knowledge of cooperative principles and practices;
- (g) To develop the cooperative movement in their respective jurisdictions;
- (h) To advise the appropriate authorities on all questions relating to cooperatives;

- (i) To raise funds through membership fees, dues and contributions, donations, and subsidies from local and foreign sources whether private or government; and
- (j) To do and perform such other non-business activities as may be necessary to attain the foregoing objectives.

Cooperative unions may assist the national and local governments in the latter's development activities in their respective jurisdictions.

SECTION 10. CATEGORIES BY ASSET SIZE — Cooperative Categorization by asset size in accordance with the guidelines set by the CDA issuances such as CDA Memorandum Circular No. 2007-07:

- (a) Micro Cooperative - Cooperative whose asset is Php 3 million (P3,000,000.00) and below;
- (b) Small Cooperative - Cooperative whose asset is more than Php 3 million (P3,000,000.00) up to Php 15 million (P15,000,000.00);
- (c) Medium Cooperative - Cooperative whose assets is more than Php 15 million (P15,000,000.00) up to Php 100 million (P100,000,000.00);
- (d) Large Cooperative - Cooperative whose asset is above One Hundred Million Pesos (P100,000,000.00)

The assets of the cooperatives will be based upon the Financial Statement of the cooperatives in the previous calendar year.

ARTICLE II INSTITUTIONAL MECHANISMS

SECTION 11. CITY COOPERATIVE DEVELOPMENT OFFICE. — The Quezon City Small Business and Cooperatives Development and Promotions Office (QC-SBCDPO) shall serve as the official Cooperative Development Office of the City pursuant to RA No. 11535, otherwise known as "An Act Making the Position of a Cooperatives Development Officer Mandatory in the Municipal, City and Provincial Levels, amending for the Purpose Republic Act No. 7160, Otherwise Known as the 'Local Government Code of 1991'", as amended.

SECTION 12. CITY COOPERATIVES DEVELOPMENT OFFICER. — There shall be a City Cooperatives Development Officer who shall serve as the lead implementer of the cooperative development programs of the City. The City Cooperatives Development Officer shall be appointed by the City Mayor, subject to existing civil service laws, rules, and regulations.

SECTION 13. ROLES AND RESPONSIBILITIES OF COOPERATIVES DEVELOPMENT OFFICER. — In accordance with RA No. 11535, the City's Cooperatives Development Officer shall take charge of the office for the

development of cooperatives registered with the CDA and shall:

- (a) Shall lead the formulation of the comprehensive cooperative development plan of the city for the consideration of the Sangguniang Panlungsod, and provide technical assistance and support to the City Mayor, as the case may be, in carrying out measures to ensure the delivery of basic services and provision of facilities through the organizing, promotion and development of cooperatives, and in providing access to such services and facilities;
- (b) Develop cooperative annual investment plans and strategies in consultation with the cooperative sector and, upon approval thereof by the City Mayor, as the case may be, implement the same, particularly those which have to do with the integration of cooperative values, principles and practices in programs and projects which the mayor is empowered to implement and upon approval by the Sangguniang Panlungsod;
- (c) In addition to the foregoing duties and functions, the cooperatives development officer shall:
 - (i) Take the lead in identifying groups, sectors or communities that can be organized into cooperatives with the objective that the cooperatives to be organized shall be vehicles in poverty reduction, job creation and socioeconomic development of the City;
 - (ii) In collaboration with the CDA, provide assistance to prospective cooperatives in the conduct of the required pre-registration seminar and/or pre-membership education seminar and in the preparation of required documents for registration;
 - (iii) In partnership with the CDA, Department of Trade and Industry, other government agencies with cooperative development programs, cooperative unions and federations, the academe, and other private organizations, provide technical and other forms of assistance to duly registered cooperatives to enhance their viability as an economic enterprise and social organization including, but not limited to, training and education, business management, finance and financial management;
 - (iv) Conduct mandatory trainings to cooperative officers, members, and/or staff in compliance with the Certification Program of the CDA and requirements of other government agencies;
 - (v) Assist cooperatives in establishing linkages with government agencies, cooperative unions and federations, the academe and nongovernment organizations involved in the promotion and integration of the concept of cooperatives in the livelihood of the people and other community activities;
 - (vi) Assist cooperatives in the development and implementation of risk management plans and business continuity plans and management as a response to anticipated or unexpected man-made and natural calamities and disasters, to aid in their survival and, if necessary, subsequent rehabilitation.

SECTION 14. QUEZON CITY COOPERATIVE DEVELOPMENT COUNCIL.

— The Quezon City Cooperative Development Council (QCCoopDC), established under Ordinance No. SP-2098, S-2011, as amended, is hereby institutionalized as the primary consultative and coordinating body for the development and promotion of cooperatives in the City. Its functions, organization, structure, and operations shall be in accordance with the guidelines issued by the CDA and consistent with its mandates.

It shall be responsible for reviewing and endorsing the Cooperative Development Plan for integration into the City Development Plan. To ensure consistency with the City's broader economic and spatial development objectives, the Cooperative Development Plan shall be formally forwarded to the City Planning and Development Department, through its Economic Development Planning Division, for inclusion in the City Development Plan.

SECTION 15. LINKAGE BETWEEN THE QUEZON CITY COOPERATIVE DEVELOPMENT COUNCIL AND THE QC-SBCDPO. — The QCCoopDC shall function as a policy advisory and consultative body, while the QC-SBCDPO shall act as the implementing arm of the City Government on cooperative development and promotion. The QC-SBCDPO, through the City Cooperative Development Officer, shall provide technical and secretariat support to the QCCoopDC, ensure that its recommendations are considered in program implementation and regularly report to the Council on the status of cooperative development initiatives in the City. Both institutions shall operate in a development-focused capacity, without encroaching upon the regulatory powers and functions of the CDA.

SECTION 16. PARTNERSHIP WITH COOPERATIVE UNIONS, FEDERATIONS, ACADEME, AND MEDIUM AND LARGE-SCALE COOPERATIVES. — The City shall promote the sustainable growth and strengthening of cooperatives by leveraging the resources, expertise and networks of cooperative unions, federations, academe, and medium and large-scale cooperatives. Initiatives shall include mentorship, capacity-building, joint ventures, collective market access, policy support, and programs that ensure inclusive and sustainable community impact. The QC-SBCDPO, in collaboration with QCCoopDC and CDA, shall coordinate and monitor these efforts.

SECTION 17. ACCREDITATION OF COOPERATIVES WITH THE SANGGUNIANG PANLUNGSOD. — All cooperatives duly registered with the CDA and operating within the territorial jurisdiction of Quezon City may apply for accreditation with the Sangguniang Panlungsod in accordance with existing guidelines for the accreditation of people's organizations, non-governmental organizations and cooperatives.

Accredited cooperatives shall be entitled to participate in the Quezon City's local special bodies as may be provided by law and shall be given preference for financial assistance, grants, subsidies, and other programs and support extended by the Quezon City Government.

Provided, however, that non-accreditation shall not affect the juridical personality or operations of the cooperative as recognized by the CDA but shall preclude access to the foregoing privileges.

SECTION 18. COOPERATIVE DATA AND INFORMATION MANAGEMENT

SYSTEM. — There is hereby established a Cooperative Data and Information Management System within the Quezon City Government, to be maintained and operated by the QC-SBCDPO and other relevant offices within the City Government, for the purpose of collecting, consolidating, updating, and disseminating relevant data on cooperatives operating within the City.

- (a) Objectives - The Cooperative Data and Information Management System shall aim to:
- (i) Provide timely, accurate, and reliable cooperative data and information to support planning, policy formulation, monitoring, and evaluation of cooperative development programs;
 - (ii) Facilitate effective collaboration and coordination between the City Government, the CDA, and other stakeholders;
 - (iii) Enable targeted interventions, particularly in the areas of compliance, capacity-building, and financial assistance; and
 - (iv) Ensure transparency, accountability, and accessibility of cooperative data, subject to applicable data privacy laws.
- (b) Duty to Submit - All cooperatives operating within the territorial jurisdiction of Quezon City shall be required to submit to the QC-SBCDPO, on an annual basis or as may be required by regulation, certified copies of their reports submitted to the CDA, including but not limited to the Annual Report, Audited Financial Statements and Social Audit Reports.
- (c) Coordination with CDA and Relevant City Government Offices - The QC-SBCDPO shall coordinate closely with the CDA and other relevant regulatory offices under the City Government in order to access, verify and reconcile data on cooperatives registered in Quezon City, and to ensure consistency of records. For this purpose, the QC-SBCDPO may likewise collaborate with cooperative unions, federations and other umbrella organizations duly registered with the CDA to obtain sectoral data, facilitate reporting compliance of their affiliates and enhance the accuracy and completeness of cooperative profiles within the City.
- (d) Data Access and Utilization - The data and information collected under this Section shall be used exclusively for cooperative development planning, policy-making and program implementation. Access to cooperative data shall be governed by Republic Act No. 10173, otherwise known as the "Data Privacy Act of 2012" and other relevant laws.

ARTICLE III PROGRAMS AND SERVICES

SECTION 19. EDUCATION AND CAPACITY BUILDING. — The City Government shall implement continuing education and training programs for cooperative leaders, officers, members and employees. Such programs shall promote competency, good governance and cooperative sustainability, and

may be conducted in partnership with the CDA, Quezon City University (QCU), other accredited institutions and training providers. These shall include:

- (a) Cooperative Principles and Values - Orientation on cooperative identity, ethical standards, and the seven international cooperative principles;
- (b) Enterprise and Business Development - Training on business planning, feasibility studies, product development, marketing strategies, value chain integration, business continuity planning and community development projects;
- (c) Financial Literacy, Accounting and Audit - Financial planning, credit discipline, savings mobilization, basic bookkeeping and accounting for non-accountants, records management, internal control systems, audit management and compliance with cooperative audit standards;
- (d) Leadership, Governance and Organizational Management - Democratic leadership, strategic planning, succession planning, parliamentary procedures, rules formulation, conflict management, cooperative standards, and effective board management;
- (e) Digitalization and Technology - E-commerce platforms, cashless transactions, data privacy, cybersecurity and ICT tools to modernize or make cooperative operations more efficient;
- (f) Sustainability and Resilience - Climate resilience, sustainable development, environmental stewardship, disaster and natural hazard preparedness, relief and recovery; and
- (g) Other relevant training, as may be identified by the QC-SBCDPO, QCCoopDC, CDA and other stakeholders, to respond to emerging needs of the sector.

SECTION 20. COOPERATIVE FORMATION SUPPORT. — To encourage and guide emerging groups or associations in establishing their own cooperatives, the City Government, in close collaboration with the CDA, shall institutionalize mechanisms such as a Cooperative Clinic, which shall serve as a support hub for cooperative formation. Its functions shall include, but not be limited to:

- (a) Pre-Assessment of Readiness – Evaluating the organizational maturity, financial capacity, and shared purpose of groups aspiring to register as cooperatives;
- (b) Pre-Registration Seminar – Facilitating access to mandatory orientation sessions to be conducted exclusively by the CDA, in compliance with existing laws and guidelines;
- (c) Registration Assistance – Providing guidance in completing requirements and ensuring smooth processing through the Cooperative Registration Information System;
- (d) Post-Registration Mentoring – Conducting post-registration meetings and advisory sessions to assist newly registered cooperatives in their initial operations, governance, and compliance requirements;
- (e) Continuing Advisory Services – Offering coaching, technical support, and linkages to education, financing and market opportunities to ensure

cooperative sustainability.

The QC-SBCDPO, in partnership with the CDA and other relevant organizations, shall serve as the lead facilitator of the Cooperative Clinic or any other related mechanisms and ensure the provision of technical and institutional support to emerging cooperatives.

SECTION 21. REGULATORY COMPLIANCE SUPPORT. — To ensure that cooperatives in the City remain compliant with legal and regulatory requirements, the City Government, through the QC-SBCDPO in coordination with the QCCoopDC and the CDA, other government agencies and related organizations shall provide specialized support services. Such support shall include, but not be limited to:

- (a) Regulatory advisory services – Guidance and technical assistance on CDA-prescribed reporting, registration renewals, amendments to Articles of Cooperation and By-Laws and compliance with mandatory trainings and audit requirements;
- (b) Capacity-building on compliance – Training sessions on records management, mandatory reports preparation, internal controls, governance standards and adherence to cooperative laws and issuances;
- (c) Handholding caravans – Dedicated one-stop desks or scheduled large-scale sessions to assist cooperatives, especially micro and small cooperatives, in completing CDA reports, audit compliance, tax exemptions, and other government filings;
- (d) Legal and administrative referrals – Linkages with accredited legal aid, accounting professionals and cooperative federations/unions to provide further assistance on complex compliance matters;
- (e) Monitoring and early warning – Development of a system for early identification of compliance gaps and challenges with advisory interventions provided before penalties or sanctions are incurred.

SECTION 22. FINANCIAL SUPPORT MECHANISMS. — To ensure access to financial resources, the City Government has the option to establish financial support programs to strengthen cooperative viability, including, but not limited to:

- (a) Grants – Provision of accessible financing for startup cooperatives, capacity enhancement and sectoral cooperatives (such as women, youth, workers, PWDs, IPs, and senior citizens).
- (b) Credit facilitation – Linkage with government financial institutions (GFIs), microfinance institutions (MFIs) and private banks to expand cooperative access to credit.
- (c) Quezon City Credit Surety Fund (QCCSF) Cooperative – Strengthening and integrating the role of the QCCSF Cooperative as a partner in cooperative financing, consistent with Republic Act No. 10744 or the “Credit Surety Fund Cooperative Act of 2015” and CDA guidelines.

The QCCSF Coop, as formally recognized official credit surety fund cooperative of Quezon City, shall serve as a strategic instrument in enhancing the creditworthiness of cooperatives, micro, small, and

medium enterprises (MSMEs) and NGOs within Quezon City's territorial jurisdiction in order to promote local economic growth, financial inclusion and sustainable enterprise development.

Provided, that the provision of financial support mechanisms is subject to availability of City Government funds and the existing regulations. Provided, further, that only cooperatives that are in good standing with the CDA and compliant with reporting and auditing requirements (including COA, if applicable) shall be eligible to avail of City Government financial support, incentives and other development programs.

SECTION 23. FINANCIAL AND PROGRAM ACCOUNTABILITY. — Cooperatives receiving financial assistance or other forms of support from the City Government shall be subject to auditing rules and guidelines, in addition to CDA financial compliance standards. They, shall, likewise ensure that all city-supported programs and projects are implemented in accordance with approved plans, project objectives and the principles of transparency and good governance.

Provided, that failure to comply with reporting, auditing, or program implementation requirements may result in:

- (a) Suspension or termination of city support;
- (b) Requirement to return funds or assets; and
- (c) Other administrative or legal remedies as provided under existing laws, ordinances and cooperative rules.

SECTION 24. USE OF CITY-OWNED PROPERTY BY COOPERATIVES. — All City-owned movable or immovable property loaned, rented or otherwise made available to cooperatives shall remain the property of the Quezon City Government under the custody of the City General Services Department (CGSD). Any such use shall require prior written authorization from the City Mayor or their duly authorized representative, upon endorsement by the CGSD. All property issued to cooperatives shall be properly tagged, recorded, and included in the City's annual inventory reports and shall be subject to inspection, retrieval, or disposal in accordance with the applicable auditing rules.

SECTION 25. MARKET DEVELOPMENT. — To improve cooperative access to markets, the City Government shall provide support mechanisms including, but not limited to:

- (a) City Procurement Plan and/or Program – Inclusion of cooperatives in the City's procurement system, in line with RA No. 12009 or the "New Government Procurement Act";
- (b) Trade and distribution hubs/centers – Establishment of cooperative trade centers/posts (e.g., "bagsakan" hubs for agricultural produce, pasalubong outlets and cooperative stalls in public spaces, among others), subject to availability of resources such as land and infrastructure and alignment with the City's existing development plans and city-wide goals;

- (e) Participation in the Quezon City Green Awards - cooperatives shall be encouraged to participate in the annual Quezon City Green Awards to recognize and promote exemplary practices in environmental management, sustainability, and disaster resilience. The City shall promote the active engagement of cooperatives in this program to foster innovation and inspire wider community participation in environmental stewardship and disaster resiliency.

SECTION 28. COOPERATIVE MONTH. — Pursuant to Proclamation No. 493, s. 2003, the City shall observe the celebration of Cooperative Month every October and provide funds therefor. The QC-SBCDPO shall create a program and budget proposal for the activities to be held annually.

SECTION 29. OTHER PROGRAMS AND SERVICES. — The City Government, through the QC-SBCDPO and in coordination with the QCCoopDC, CDA, cooperative unions and federations, academe and other relevant stakeholders may design and implement other programs, projects, or services that advance cooperative development, in response to emerging trends, sectoral needs or policy directions.

ARTICLE IV INTEGRATION WITH LOCAL DEVELOPMENT

SECTION 30. COOPERATIVE MAINSTREAMING. — Recognizing cooperatives as key instruments for inclusive growth and local economic development, the City Government shall ensure that cooperative development strategies are integrated into its overall development framework.

- (a) Integration in City Planning documents – Cooperative development shall be mainstreamed into the City's following:
- (i) Comprehensive Development Plan – by identifying cooperative development as a strategic priority, linking it to socio-economic, environmental and infrastructure planning, among others;
 - (ii) Comprehensive Land Use Plan – by allocating land and facilities for cooperative enterprises, shared service centers, production hubs and trading venues, among others; and
 - (iii) Annual Investment Program – by earmarking budgetary allocations for cooperative capacity-building, infrastructure, market development, financial assistance, and other support mechanisms, among others.
- (b) Collaboration and coordination – The QC-SBCDPO, in coordination with the QCCoopDC, City Planning and Development Department (CPDD), and other relevant offices, shall ensure that cooperative priorities are systematically reflected in all development programs and projects.
- (c) Monitoring of integration – The City Planning and Development Office, together with the QC-SBCDPO, shall periodically review plans and programs to ensure that cooperative development

objectives are consistently incorporated and aligned with citywide development goals.

ARTICLE V
LOCAL TAX AND FEES EXEMPTION, INCENTIVES AND SUPPORT

SECTION 31. LOCAL TAX EXEMPTIONS FOR COOPERATIVES. — All legitimate cooperatives, transacting business with members only or with both members and non-members, notwithstanding their taxability for national internal revenue purposes, shall be exempt from all local taxes imposed by the City Government in relation to their operations.

Regulatory fees imposed and collected by the national government such as but not limited to the Fire Safety Inspection Certificate (FSIC) issued by the Bureau of Fire Protection shall not form part of the exemptions declared under this Section.

SECTION 32. MAYOR'S PERMIT. Cooperatives transacting with non-members shall, however, be required to secure a Mayor's Permit in accordance with the exercise of the City Government's police power and the General Welfare Clause under Section 16 of the Local Government Code to protect public interest. While exempt from the payment of local taxes under the preceding Section, these cooperatives shall pay regulatory fees to cover the commensurate cost of regulation, inspection, and surveillance of their operations.

SECTION 33. PAYMENT OF SERVICE CHARGES OR RENTAL FEES. Cooperatives transacting with both members and non-members are obliged to pay service charges or rentals for the use of property and equipment or public utilities owned by the local government such as charges for actual water consumption, electric power, toll fees for the use of public roads and bridges, and the like, in accordance with MC No. 2010-120 issued by the Department of Interior and Local Government, citing BLGF MC No. 2010-120.

SECTION 34. REQUIREMENT TO SECURE COMMUNITY TAX CERTIFICATE. — All covered cooperatives shall likewise be required to secure a Community Tax Certificate (CTC) and pay the corresponding basic community tax of not more than Five Hundred Pesos (P500.00) as a juridical entity, in accordance with the provisions of the Local Government Code of 1991. This CTC payment shall be made on top of, and in addition to, all prescribed regulatory fees.

SECTION 35. RECOGNITION OF COOPERATIVES AND OTHER KEY CONTRIBUTORS IN COOPERATIVE DEVELOPMENT. — The City Government shall recognize cooperatives, cooperative leaders and other key contributors to cooperative development through award programs, including the Manuel L. Quezon Gawad Parangal Awards for Outstanding Individuals and Institutions. Eligible cooperatives and contributors may nominate themselves or be nominated under categories such as Human and Social Services, Environment and Climate Change, Economic Development, Urban Development, Institutional Development, and others as determined by the City Government.

The QC-SBCDPO shall disseminate program information, provide technical assistance in preparing nominations, and coordinate with award committees to ensure cooperative achievements are duly considered. Support shall also extend to other City awards, including the QC Green Awards. The City Government, through the QC-SBCDPO and QCCoopDC, shall encourage participation in national recognition programs such as the CDA Gawad Parangal and may establish a dedicated award program exclusively for cooperatives.

ARTICLE VI NETWORKING AND PARTNERSHIPS

SECTION 36. INTER-COOPERATIVE COLLABORATION. — The City Government shall encourage the following forms of collaboration as a means of strengthening collective capacity, enhancing competitiveness and promoting shared prosperity within the sector:

- (a) Koop Kapatid Program – Participation in the CDA’s program wherein the “Partner-Cooperative” extends assistance to the “Beneficiary-Cooperative” to accelerate the latter’s development;
- (b) Ugnayan sa Kooperatiba – a session or forum that aims to link the cooperatives to the QC-LGU, CDA, and other government agencies to address the issues and concerns that affects their operation;
- (c) Federations and Unions – Promotion of membership in federations, unions, and secondary or tertiary cooperative organizations for pooling of resources and collective voice;
- (d) Shared service arrangements – Establishment of common facilities, joint marketing initiatives, shared logistics, bulk procurement and distribution networks;
- (e) Inter-cooperative projects – Collaboration in enterprise ventures such as agro-processing centers, cooperative marketing/shopping centers, financial services and digital platforms;
- (f) Knowledge exchange – Peer learning, mentoring and best practice sharing across cooperatives.

SECTION 37. EXTERNAL PARTNERSHIPS. — The City Government shall facilitate cooperatives’ partnerships to advance their growth and sustainability:

- (a) Government linkages – collaboration with the CDA, national government agencies (such as Department of Agriculture, DTI, Department of Labor and Employment, Department of Social Welfare and Development, Technical Education and Skills Development Authority, Bureau of Internal Revenue and others) and relevant GFIs to align cooperative programs with national policies and avail of complementary resources;

- (b) Private sector engagement – promotion of public-private partnerships that support cooperatives through access to technology, markets, training, financing and corporate social responsibility (CSR) initiatives;
- (c) Academe collaboration – partnership with universities and colleges such as the QCU and other training institutions to strengthen cooperative education, research, innovation and community development programs and initiatives.
- (d) International cooperation – linkages with international organizations, donor agencies, and cooperative development networks for technical assistance, capacity building and access to global best practices.

SECTION 38. QUEZON CITY COOPERATIVE CONGRESS. — The City shall establish a Quezon City Cooperative Congress as a regular multi-stakeholder venue/platform for consultation, dialogue, and collaboration among cooperatives, government agencies, the private sector, academe, and international partners. Accordingly, such congress shall have the following objectives:

- (1) Provide a venue for policy dialogue and program alignment; (2) Foster networking and partnership opportunities;
- (3) Present cooperative success stories and innovations;
- (4) Identify gaps and emerging challenges in cooperative development;
- (5) Formulate collective resolutions and action plans for city-wide implementation.

Provided, that the congress shall be conducted at least once every two (2) years, without prejudice to the holding of special consultations or thematic forums as necessary.

Provided, further, that the QC-SBCDPO, with assistance from the QCCoopDC, shall serve as the Secretariat to the congress and ensure continuity, documentation and follow-through of recommendations.

Provided, finally, that resolutions, recommendations or action plans agreed upon during the congress shall be endorsed to the QCCoopDC and/or the City Development Council, for possible integration into the Cooperative Development Plan, Comprehensive Development Plan, Annual Investment Program and other relevant local development instruments.

ARTICLE VII FINAL PROVISIONS

SECTION 39. COMPLIANCE CLAUSE. — This Code shall be construed

encroach upon the regulatory powers of the CDA.

SECTION 40. ADOPTION OF NATIONAL LAWS AND POLICIES. — In the event of amendments, revisions or new enactments in national laws, regulations or policies governing the regulation and development of cooperatives, the City Government shall adopt and align its cooperative development programs, services and policies accordingly to ensure consistency with national standards.

SECTION 41. MONITORING AND EVALUATION. — The QC-SBCDPO, through the City Cooperative Development Officer, shall provide technical and secretariat support to the QCCoopDC, ensure that its recommendations are considered in program implementation and regularly report to the Council on the status of cooperative development initiatives in the City. Both institutions shall operate in a development-focused capacity, without encroaching upon the regulatory powers and functions of the CDA.

SECTION 42. APPROPRIATIONS. — The annual fund necessary for the operation and projects of the Quezon City Cooperative Development Council shall be included in the Annual Budget of the Quezon City Government.

SECTION 43. IMPLEMENTING RULES AND REGULATIONS (IRR). — The QC-SBCDPO, in consultation with the CDA and the QCCoopDC and other relevant offices of the City Government, shall promulgate the IRR within ninety (90) days from effectivity.

The City Mayor shall issue an Executive Order creating a Technical Working Group that will assist in the formulation of the IRR of this Code.

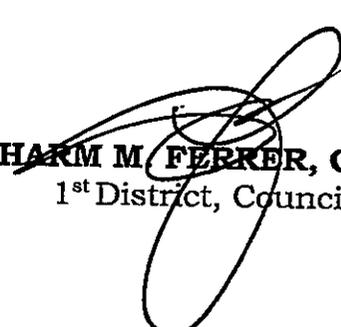
The QC-SBCDPO shall be the Secretariat of the Technical Working Group.

SECTION 44. SEPARABILITY CLAUSE. — If any provision of this ordinance is subsequently declared unconstitutional or invalid, the validity of the remaining provisions hereof shall remain in full force and effect.

SECTION 45. REPEALING CLAUSE. — All ordinances and other issuances inconsistent herewith are hereby repealed or amended accordingly.

SECTION 46. EFFECTIVITY. — This Ordinance shall take effect upon its publication for three (3) consecutive days in a newspaper of local circulation.

ENACTED: _____


HON. CHARM M. FERRER, CPA, MPA, JD
1st District, Councilor