

Report of the Director

**PAMBANSANG PANGASIWAAN NG PATUDIG
NATIONAL IRRIGATION ADMINISTRATION**

*Tagapangasiwa ng Pambansang Pangsangsiwaan
Tagapangasiwa ng Pambansang Pangsangsiwaan*

*file
Caplan*

Tel. Nos. 97-60-71 to 78

Cable Address: **NIAPPH**

14 June 1990

MC # 41 S.1990

MEMORANDUM CIRCULAR

MEMORANDUM

TO : ALL REGIONAL IRRIGATION MANAGERS/PROJECT &
OPERATIONS MANAGERS/OPERATIONS & INSTITUTIONAL
DEVELOPMENT DIVISION MANAGERS/IRRIGATION
SUPERINTENDENTS AND ALL OTHER CONCERNED
NATIONAL IRRIGATION PERSONNEL

FROM : THE ADMINISTRATOR

SUBJECT : AMENDMENTS TO MC# 014 s. 1989 ENTITLED "REVISED
CRITERIA IN THE SHARED MANAGEMENT (TURNOVER) OF
NATIONAL IRRIGATION SYSTEM OR PART THEREOF TO
IRRIGATORS ASSOCIATION UNDER THREE (3) TYPES"

Pursuant to NIA Board Resolution No. 5899-90 dated May 14, 1990 and for the guidance of all concerned, attached is a copy of the amendments to MC# 014 S. 1989 and MC# 014 S. 1987 implementing the Shared Management (Turnover) of National Irrigation Systems or Parts Thereof to Irrigators' Associations under Three (3) Types of Contract.

This Memorandum Circular supersedes MC# 014 S. 1989 and MC 014 S. 1987 and shall take effect immediately. Henceforth all existing contracts executed under said previous MCs shall be realigned in accordance with this MC; thus, existing Stage I contracts will be re-aligned to Type I and existing Stage II contracts will be re-aligned into two separate types of contract, Type I and Type II. Original contracts executed prior to and which were not superseded by MC 014 S. 1987 shall remain in their original form and arrangements unless the IAs concerned shall opt to have the original contract realigned to the Types of Contract covered by this MC.

DD
jr 7/24

MC # 8, 1990 - Amendments to MC #014 s. 1989


June 14, 1990

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It is directed that the information herein be disseminated to personnel concerned including Irrigators' Development Officers (IDOs) and Water Resources and Facilities Technicians (WRFTs) for their proper guidance.

Please be guided accordingly.

July 4, 1990


JOSE B. DEL ROSARIO, JR.

Amended Criteria in the Shared Management
(Turnover) of National Systems or Part Thereof to
Irrigators' Association (IAs) under Three (3) Types

The objective of the turnover of a part or whole of an irrigation system to Irrigators Associations is undertaken pursuant to Section 2.A of PD 552 as amended (NIA Charter) which encourages the participation of farmers/IAs in the operation and maintenance of national irrigation system.

The Irrigators Association (IA) once registered with the Securities and Exchange Commission (SEC) can enter into any of the three (3) types of contract which are described hereunder including IAs' obligations and remunerations/incentives given a certain type of contract.

The following provisions reflect changes from the previous MCs (MC 14 S. 1987 and MC 14 S. 1989) in response to a more effective implementation of the NIA's Institutional Development Program (IDP) and the strengthening of NIA's partnership with its farmer-beneficiaries through Irrigators' Associations.

Section 1. Description & IA Obligations Under Each Type of Contract

A. Description

1. Type I (maintenance) Contract - The Irrigators' Association undertakes routine maintenance works of a certain length of the irrigation canal system;
2. Type II (Systems Operations & ISF Collection) Contract-the Irrigators Association undertakes systems operations and collection of Irrigation Service Fees (ISF) from its members;
3. Type III (full turnover of the whole or part of the irrigation system) Contract - the Irrigators' Association assumes full management of the system operations and maintenance of systems with an area of less than 1,000 hectares; they will amortize the investment and rehabilitation costs of the whole or part of the system not to exceed 50 years.

B. IA Obligations

1. Type I (Maintenance) Contract

- a) Undertakes grass cutting, clearing, desilting and reshaping slopes for the entire length of canals for at least once a month;
- b) Fill-up potholes and open cuts along canal embankments as well as draining accumulated water from depressed portions of canal embankments;
- c) Undertakes minor repairs of irrigation facilities that do not require equipment and construction materials;

- d) Undertake on monthly basis as the need requires, oiling and greasing of steel gates including turnout gates particularly the lifting mechanisms;
- e) Protect and safeguard from destruction all irrigation facilities and structures;
- f) Prevent any person from constructing open cuts and/or installing additional turnouts without joint clearance from both the NIA and the association;
- g) Remove debris from canals and conveyance structures that restrict the normal flow of irrigation water.

2. Type II (Systems Operations & ISF Collection) Contract

Systems Operations

- a) Formulate and firm-up with NIA, operations and maintenance plan one(1) month before the start of the next cropping season and discuss monthly status of O&M plan implementation with NIA;
- b) Disseminate information on water delivery and planting schedule to the irrigation water-users within the IA contracted service area;
- c) Deliver and distribute irrigation water equitably to the IA farmer-members;
- ✓ d) Monitor the status of farming activities and submit to NIA weekly report of irrigated and planted areas;
- e) Resolve conflicts arising from water distribution between and among IA members and other IA internal conflicts that may arise;
- f) Inform NIA through its representative(s), problems and conflicts on operations beyond the association's capacity to resolve; and
- g) Attend meetings and conference called by NIA to discuss major problems encountered and formulate solutions thereof.

Collection

- h) Provide NIA before the start of each season an updated masterlist of farmer-member beneficiaries, should there be changes in the existing masterlist;
- i) Formulate an effective and workable policies to effect a systematic ISF collection scheme with the concurrence of the Irrigation Superintendent;
- ✓ j) Distribute promptly Irrigation Service Fees (ISF) bills to each of the farmer-member beneficiaries including members' back accounts;
- ✓ k) Collect ISF (current and back accounts) from farmer-member beneficiaries and remit to the NIA such collection every Friday. The IA must obtain and use its own Official Receipts(OR) for ISF collection and for financial control purposes, should be stamped "For Collection Purposes Only" at

the back and duly countersigned by the Irrigation Superintendent (IS);

- l) Assist NIA in the verification and assessment of farm lots requested for exemption from payment of ISF; and
- m) Present to mass members either through general assembly or per TSA meeting status update of members' ISF payment, within one (1) month after the end of the cropping period.

3. Type III (full turnover of the whole or part of the irrigation system) contract-

- a) Operate and maintain a part or whole of the system following the guidelines set by NIA. As guidelines will be system specific, this will be prepared by the system personnel for farmers' concurrence and approval prior to NIA-IA signing of contract.
- b) Pay amortization as scheduled. Amortization will be computed based on guidelines set by the NIA.

Section 2. IA Incentives/Contract-

a) Type I (Maintenance) Contract-

A remuneration of P 1,100 will be paid upon satisfactory maintenance (weeding, trimming canal banks, shaping and removal of debris) of a reach of 3.5 kilometers of unlined canals or 7 kms. for lined canals. The canal shall be maintained as frequently as needed to maintain canal subsections free of obstructions as per MC# 70 S. 1978. However, desilting activities undertaken by the IA will be paid by volume accomplished as per Memorandum of Agreement entered by and between NIA and IA.

b) Type II (Systems Operations & ISF Collection) Contract-

1. Incentives given to IA for assisting NIA in systems operations and in the collection of irrigation service fees (ISF), in all National Irrigation Systems (NISs) are as follows:

Percent Collection Efficiency	Incentives To IA
< - 50	0
51 - 60	2%
61 - 70	5%
71 - 90	10%
91 - 100	15%

2. The Collection Efficiency shall be the ratio of current collections over the current collectibles.
3. If collection exceeds 50% collection efficiency, IA incentive shall be computed in a cumulative basis by multiplying current collection by percent IA share.
4. In order to minimize undue accumulation of new back accounts (NBA) accruing after contract effectivity, a 2% incentive will be credited to the IA for every new back account collected.
5. An incentive of 25% will be credited to IAs for every collected old back accounts (OBA) prior to the date of effectivity of the contract.

Republika ng Pilipinas
PAMBANSANG PANGASIWAAN NG PATUBIG
(National Irrigation Administration)
Lungsod ng Quezon

MAINTENANCE CONTRACT (TYPE 1)

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement, made and entered by and between:

The NATIONAL IRRIGATION ADMINISTRATION, herein after referred to as NIA, with principal office at the NIA building, Epifanio de los Santos Avenue, Diliman, Quezon City, represented herein by _____ in His capacity as Assistant Administrator for Systems Operations and Equipment Management;

- and -

The _____ IRRIGATORS ASSOCIATION, INC. hereinafter referred to as IA, a farmers' organization duly organized and registered with the Securities and Exchange Commission (SEC) with Registration No. _____ and with principal office at _____ represented herein by _____ in his capacity as President, who is duly authorized to bind the Association in this agreement.

WHEREAS, the NIA pursuant to its corporate powers and objectives, delegates certain operation and maintenance responsibilities to responsible, willing and interested irrigators Association.

WHEREAS, the NIA implements a program in the organization and development of Irrigator's Association to provide the IAs opportunities to participate actively in the operation and maintenance of the irrigation system, thus making them effective partners in systems operation and maintenance management.

WHEREAS, the NIA recognizes that farmers' participation in maintenance activities can result to better service and improved productivity.

WHEREAS, the Association manifests its unity in undertaking systems' maintenance through group works and other activities to promote the welfare of the organization on one hand, and the economic productivity of the individual farmers, on the other.

NIA:

IA :

IA President

BY:

BY:

WHEREAS, the Association is fully cognizant of the importance of its participation and involvement in irrigation systems maintenance.

WHEREAS, the Association expresses its interest and desire to undertake routine maintenance works within the IA service area. The Association's interest is expressed in a resolution by majority of the farmer-members/leaders dated _____ hereto attached and which forms part of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual agreements herein contained, the parties hereto agree as follows:

ARTICLE 1

OBLIGATION OF THE IRRIGATORS' ASSOCIATION

In undertaking systems maintenance activities, the _____, Irrigators' Association Inc., through, its officers and members shall:

1. Undertake grasscutting and clearing in the inside and outside slopes for the entire length of the Supply canals hereunder specified.

<u>Name of Canals</u>	<u>Station No.</u>		<u>Length (km)</u>
	<u>From</u>	<u>To</u>	
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Grass cutting and clearing shall be done _____ when the height of vegetation along the canal slopes is more than 15 cm.

2. Fill-up potholes and open cuts along canal embankments as well as draining accumulated water from depressed portions of canal embankments.
3. Remove debris from the canals and conveyance structures that restrict the normal flow of irrigation water.
4. Undertake on monthly basis or as the need requires, oiling and greasing of steel gates including turnout gates particularly the lifting mechanism.
5. Undertake minor repairs of irrigation facilities, that will not require equipment and construction materials.

WITNESS:

IRRIGATORS ASSOCIATION, INC.

IRRIGATION ADMINISTRATION

NIA :
IA :

IA President

BY:

BY:

6. Protect and safeguard from any form of destructions all the irrigation facilities and structures servicing the IA contracted area and as listed in the inventory attached hereto.
7. Prevent any person or persons from constructing open cuts and/or installing additional turnouts without joint clearance from both the NIA and the Association.
8. Participate in the identification of facilities and structure needing repair/restoration and in the actual implementation of the repair/restoration works under such terms and conditions mutually acceptable to both parties.
9. Make officers and members available for participation in meetings, trainings, seminars, etc. that may be conducted by NIA.
10. Formulate policies and procedures in undertaking the maintenance tasks for NIA's review and concurrence.

ARTICLE II

OBLIGATIONS OF THE NIA

1. Provide the Association with a list of facilities and structures for maintenance as contained in the inventory jointly undertaken by both parties.
2. Undertake repair/restoration works of facilities and structures jointly with the Association.
3. Provide the Association regular supply of used oil and grease for the maintenance of irrigation facilities.
4. Develop and implement programs to build-up the organizational capability of the Association particularly in effectively implementing the maintenance activities.
5. Conduct regular inspection of the facilities and structures under contract by the Association and provide necessary guidance should there be deficiencies.
6. Assist the Association in the preparation of its policies and procedures in undertaking its maintenance responsibilities.

WITNESS:

IRRIGATORS ASSOCIATION, INC.

BY:

NATIONAL IRRIGATION ADMINISTRATION

BY:

NIA:

IA :

IA President

ARTICLE III

REMUNERATION

In consideration of the above-mentioned maintenance responsibilities of the IA, the NIA mutually agree to remunerate the association the amount of _____ upon satisfactory maintenance of _____ kms. of (lateral/main) canals as contained in Item 1, Article 1. Payment of IA's remuneration for maintenance will be made only after an evaluation of the association's works has been conducted and a certification for payment has been recommended by the NIA evaluation team and duly approved by the Irrigation Superintendent. To avoid misunderstanding, maintenance evaluation criteria shall be jointly firmed up by both parties.

ARTICLE IV

SPECIAL PROVISIONS

1. The NIA and the Association shall have special meetings to discuss problems that need immediate solutions.
2. The Association shall be encouraged to share in the cost involving IA capability training programs.
3. The NIA and the Association shall jointly conduct a Review and Planning meeting at the end of every cropping season to strengthen coordination and for improved performance in IA maintenance activities.

ARTICLE V

DISPUTE OF JURISDICTION

In the event of any dispute, suit or action between the parties hereto as to any matter arising out of or relating to the contract or any stipulation herein or with respect hereto which cannot be amicably settled by the parties themselves, such disputes shall be submitted to any court of law, in the municipality of _____, in the Province of _____ waiving for this matter any other venue.

ARTICLE VI

AMENDMENTS AND RESCISSION OF CONTRACT

The terms and condition of this Contract may be amended by the contracting parties and may also be rescinded by either party upon thirty (30) days written notice issued by one party to the other.

ARTICLE VII

EFFECTIVITY OF THE CONTRACT

This contract shall take effect starting _____, subject to the approval of the NIA Administrator or his duly authorized representative.

IN WITNESS WHEREOF, the parties hereunto signed this contract this _____ day of _____, 19 _____ at _____, Philippines.

NATIONAL IRRIGATION ADMINISTRATION

IRRIGATORS ASSOCIATION INC.

BY:

BY:

Regional Irrigation Manager_____
IA President

WITNESSES

IA Secretary

RECOMMENDING APPROVAL:

APPROVED:

JOSE A. GALVEZ
Assistant Administrator
for Systems Operations and
Equipment Management

JOSE B. DEL ROSARIO, JR.
Administrator

ACKNOWLEDGEMENT

Republic of the Philippines)
Province of _____)
Municipality of _____)
x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x

BEFORE ME, as Notary Public in the place above-mentioned,
this _____ day of _____ personally appeared:
_____, in his capacity as Assistant
Administrator for Systems Operation and Equipment Management
of the National Irrigation Administration (NIA), EDSA, Quezon
City, with Res. Cert. No. _____ issued at _____
_____, on _____ and
_____ in his capacity as Presi-
dent of _____
with Res. Cert. No. _____ issued at _____
on _____ both known to me to be the same
person who executed the foregoing instrument and they acknow-
ledged to me that the same is their free act and deed, and
that of the corporation and/or entry which each of them res-
pectively represents.

WITNESS MY HAND AND NOTARIAL SEAL on the date and at
the place first above written.

Notary Public

Doc. No. _____
Page No. _____
Book No. _____
Series of _____

Until _____
PTR No. _____
Issued at _____
Issued on _____

PROTOTYPE TYPE II CONTRACT (SYSTEMS OPERATIONS & ISF COLLECTION)

Republika ng Pilipinas
PAMBANSANG PANGASIWAAN NG PATUBIG
(National Irrigation Administration)
Lungsod ng Quezon

SYSTEMS OPERATION & IRRIGATION SERVICE FEE (ISF)
COLLECTION CONTRACT (TYPE II)

KNOW ALL MEN BY THESE PRESENTS:

This Systems Operation and Irrigation Service Fee (ISF) Collection Contract, made and entered by and between:

The NATIONAL IRRIGATION ADMINISTRATION, hereinafter referred to as NIA, with principal office at the NIA building, Epifanio de los Santos Avenue, Diliman, Quezon City represented herein by _____ in his capacity as Assistant Administrator for Systems Operations and Equipment Management.

- and -

The _____ IRRIGATORS' ASSOCIATION, INC., hereinafter referred to as IA, a farmers' organization duly registered with the Securities and Exchange Commission (SEC) with Registration No. _____ and with principal office at _____ represented herein by _____ in his capacity as President, who is duly authorized to bind, the Association in this agreement.

WHEREAS, the NIA referred to as the first party desires to avail of collective efforts of the _____ Irrigators' Association Inc. to undertake the operation and ISF collection of the _____ River Irrigation System servicing an area of _____ hectares, more or less, of MC/lateral Station _____ to _____ within the municipality of _____ province of _____;

WHEREAS, the _____ IRRIGATORS ASSOCIATION referred to as the second party is desirous and willing to exert such collective efforts under the over-all supervision of NIA through its duly constituted representatives:

WHEREAS, the responsibility for managing the farmer-members as well as the tasks of system's operation and maintenance within the system is vested in the _____ Irrigators Association;

WITNESSES:

IRRIGATORS ASSOCIATION, INC.

IRRIGATION ADMINISTRATION

NIA:

IA:

IA President

BY:

BY:

NOW, THEREFORE, for and in consideration of the mutual agreements herein contained, the parties hereunto agree as follows:

ARTICLE I

DEFINITION OF TERMS

Unless the context otherwise indicates, the following term shall have the following meaning in this Contract Agreement:

- 1.1 The term "collective efforts" means the participative and collaborative manner by which technical tasks in systems O & M such as water distribution, canal maintenance, repair of damaged irrigation facilities, etc are being undertaken by the majority of the farmer-members.
- 1.2 The term "to undertake the operation and ISF collection of the _____ River Irrigation System" means that the IA has to plan, organize, direct and control the aforementioned tasks.
- 1.3 The term "under the Supervision of the NIA" means that the _____ Irrigators Association operations are in conformity with the NIA policies governing irrigation systems management;
- 1.4 The term "cut-off date" is the last day of specified cropping period after which any amount collected is considered new back accounts;
- 1.5 The term "new back accounts" refers to delinquent accounts not collected on or before the cut-off date of a specified cropping period and realized after contract effectivity.
- 1.6 The term "old back accounts" refers to delinquent accounts existing before the contract effectivity.

ARTICLE II

OBLIGATIONS OF THE IRRIGATORS' ASSOCIATION

In undertaking operation and ISF collection within a part of _____ River Irrigation System, the

WITNESSES:

NIA :

IA :

IA President

BY:

Irrigators Association Inc., through
its Board of Directors, Officers and members, shall under-
take the following:

A) Operations

- ✓ 1. Formulate and firm up with NIA operations plan one (1) month before the start of the next cropping season and conduct regular assessment meeting regarding plan implementation with NIA representatives;
- ✓ 2. Disseminate information on cropping pattern and water delivery schedules to the farmer-member beneficiaries;
3. Manage water allocation efficiently from main/ laterals canals to different turn-out service areas and at all time observe equitable distribution among farmer-member beneficiaries;
- ✓ 4. Monitor the status of farming activities and submit to NIA weekly, list of irrigated and planted areas (LIPA);
5. Resolve conflicts arising from water distribution between and among IA members and other IA internal conflicts that may arise;
6. Inform NIA through its representatives, problems and conflicts on operations beyond the Association's capacity to resolve;
7. Attend meetings and conferences called by NIA to discuss problems encountered and formulate solutions thereof;
8. Make available for training IA BODs/Officers directly involved in planning and execution of the operations plan;
9. Conduct jointly with NIA Operation Plan Review and Planning Workshop within one month after the end of the cropping period to improve further level of IA.
10. Undertake minor repair works of terminal facilities within the capabilities of the IA to perform;

WITNESSES:

NIA:

IA:

IRRIGATORS ASSOCIATION INC.,

BY:

IA President

NATIONAL IRRIGATION ADMINISTRATION

BY:

B. COLLECTION

1. Formulate an effective and workable policies to effect a systematic ISF Collection scheme with the concurrence of the Irrigation Superintendent.
2. Provide NIA an updated masterlist of farmer-member beneficiaries before the start of each cropping season, should there be changes in the existing masterlist;
3. Distribute promptly Irrigation Service Fee (ISF) bills to each of the farmer-member beneficiaries including members' back accounts;
4. Collect ISF (Current and back accounts) from farmer-member beneficiaries and remit to the NIA such collection every Friday. The IA must obtain and use its own Official Receipts (OR) for ISF Collection and for financial control purposes, should be stamped "For Collection Purposes Only" at the back and duly ✓ countersigned by the Irrigation Superintendent (IS)/District Chief.
5. Assists NIA in the verification and assessment of farm lots requested for exemption from payment of ISF.
6. Present to mass members either through general assembly or per TSA meeting status update of members' ISF payment, within one month after the end of the cropping period.

ARTICLE III

OBLIGATIONS OF THE NIA

The NIA, through its duly representative shall:

1. Provide the IA all relevant training programs to enhance IA leaders/members capabilities to manage systems operations and ISF Collection activities effectively and efficiently;

WITNESSES:
NIA :
IA :
BY: _____
IA President

2. Appraise the IA on NIA's current policies relative to systems operations and ISF collection when needs arise;
3. Undertake all rehabilitation works and repairs of major damages to the main and lateral canals and other appurtenant structures including the access/service roads;
4. Authorize the IA to expand service area of the System without sacrificing any portion of the programmed areas;
5. Subject to availability of funds, may provide the IA available equipment and vehicles and other resources based on the approved plans, provided, the IA will shoulder the fuel cost for the repair; ✓
6. Facilitate resolution of technical problems arising out of systems operations and ISF collection beyond the IA's capacity to resolve;
7. Formulate with the IA System Operations plan within one month before the start of the cropping season;
8. Give preference to the IA and/or members thereof in executing contract works as hiring laborers in the rehabilitation works of the system;
- ✓ 9. Conduct regular audit of the IA's book of accounts;
10. Prepare Irrigation Service Fee (ISF) bills based on the verified list of irrigated and planted area (LIPA) submitted by the IA President. The said LIPA must be duly approved by the Irrigation Superintendent/District Chief.
11. Releases to the IA its share of ISF collection within one month after the cut-off date of the preceding cropping season.

NIA:

IA :

IA President

BY:

ARTICLE IV

IRRIGATION SERVICE FEE SHARING SCHEME

1. The IA Incentive given to the Irrigators Association under the operation and ISF Collection Contract is based on five (5) levels of collection which are as follows:

<u>PERCENT ISF COLLECTION</u>		<u>INCENTIVE TO IA</u>
less 50	=	0%
51 - 60	=	2%
61 - 70	=	5%
71 - 90	=	10%
91 -100		15%

2. Collection efficiency shall be the ratio of current collections over the current collectibles.
3. The IA incentive is given only when the IA collects more than 50% of current collections and is derived by multiplying current collections (exceeding 50% C.E.) by the corresponding percentage Share granted to the IA.
4. A 2% incentive will be credited to the IA for every new back account collected.
5. An incentive of 25% will be credited to the _____ Irrigators' Association for every collected old back accounts (DBA) existing prior to the date of contract effectivity.
6. The NIA shall release the Computed IA Share within one (1) month after the cut-off date of the preceding cropping period.
7. The Sharing Scheme shall take effect from _____ to _____, 19____ for the _____ season and from _____ to _____, 19____ for the _____ season. Any amount collected after the cut-off date as stipulated herein will be considered new back accounts (NBA)

ARTICLE V

GENERAL PROVISIONS

The NIA and the _____ Irrigators Association are jointly committed to:

1. Implement the water-distribution scheme/cropping pattern;

WITNESS: IRRIGATORS ASSOCIATION, INC.

NIA:

IA:

IA President

NATIONAL IRRIGATION ADMINISTRATION

2. Exert utmost effort in maintaining the facilities of the system with the end view of supplying adequate, timely, and equitable irrigation water following approved water distribution scheme/ cropping pattern;
3. Exert utmost effort in the effective collection of irrigation service fees in order to make the NIA and IA viable; and
4. Encourage the promotion of allied development activities designed for the enhancement of the socio-economic and political well-being of IA members under the principle of free enterprise.

ARTICLE VI

DISPUTE OF JURISDICTION

In the event of any dispute, suit or action between the parties hereto as to any matter arising out of or relating to this contract or any stipulation herein or with respect hereto which cannot be amicably settled by the parties themselves, such disputes be submitted to any court of law in the province of _____ having jurisdiction thereof, waiving for this matter any other venue.

ARTICLE VII

AMENDMENTS/CONTRACT REVISION

Any part of the provision of this Contract or the whole contract is subject to amendment or revision upon mutual agreement of the parties concerned anytime during the effectivity of this Contract.

ARTICLE VIII

RESCISSION OF CONTRACT

Either party may rescind this Contract upon thirty (30) days written notice to the other party in case of failure to comply faithfully and diligently with any of its obligations under this contract.

WITNESSES:

IRRIGATORS ASSOCIATION, INC.

NIA:

IA :

BY:

IA President

IRRIGATOR ASSOCIATION ADMINISTRATION

BY:

In case of rescission on the part of NIA, the _____ Irrigators' Association shall cease to collect irrigation service fees (ISF) and shall no longer be entitled to any share of irrigation service fees (ISF), both current and back accounts, which shall become totally due and payable to NIA.

ARTICLE IX

EFFECTIVITY

This Contract shall take effect upon ratification of the parties concerned, and approval of the NIA Administrator and shall be valid for a period of one (1) year unless terminated by mutual agreement of both parties.

IN WITNESS WHEREOF, the parties have affixed their signature this _____ day of _____ 19 ____ at the municipality of _____, Province of _____, Philippines.

NATIONAL IRRIGATION ADMINISTRATION

_____ IRRIGATORS
ASSOCIATION, INC.

BY:

BY:

Assistant Administrator for
Systems Operation & Equipment
Management

IA President

WITNESSES:

Regional Irrigation Manager

Vice President/IA Secretary

APPROVED:

Administrator

ACKNOWLEDGEMENT

Republic of the Philippines)
Province of _____)
Municipality of _____)
x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x

BEFORE ME, as Notary Public in the place above-mentioned,
this _____ day of _____ personally appeared: _____
_____, in his capacity as Assistant
Administrator for Systems Operation and Equipment Management
of the National Irrigation Administration (NIA), EDSA, Quezon
City, with Res. Cert. No. _____ issued at _____
_____, on _____ and
_____ in his capacity as President of
_____ with Res.
Cert. No. _____ issued at _____
on _____ both known to me to be the same
person who executed the foregoing instrument and they acknow-
ledged to me that the same is their free act and deed, and
that of the corporation and/or entry which each of them res-
pectively represents.

WITNESS MY HAND AND NOTARIAL SEAL on the date and at
the place first above written.

Notary Public

Doc. No. _____
Page No. _____
Book No. _____
Series of _____

Until _____
PTR No. _____
Issued at _____
Issued on _____