



Republika ng Pilipinas
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MC # 15 s. 2009

MEMORANDUM CIRCULAR

TO : THE SENIOR DEPUTY ADMINISTRATOR, DEPUTY ADMINISTRATORS, REGIONAL IRRIGATION MANAGERS, OPERATION MANAGERS, PROJECT MANAGERS, DIVISION MANAGERS AND ALL OTHER CONCERNED

FROM : THE ADMINISTRATOR

SUBJECT : AMENDMENTS TO MC # 47 s. 2008

The following are amendments to Annex 2 (page 52) of MC # 47 s. 2008 issued on September 29, 2008:

1. For Model 4 IMT under the column "IA Responsibilities" the statement ... "The IA amortizes also the cost of irrigation development for a period not exceeding 50 years"... does not apply and must be deleted. Model 4 Contract is turnover of NIS Management and does not include asset turnover, hence, amortization is not part of the contract.
2. For Model 4 Contract under column "IA Remunerations", the phrase ... "Repayment Scheme"... must also be deleted and replaced with ... "IA Payment to NIA".

These corrections were observed by participants from RIOs during the Workshop on the Aspects and Scope of the Overall Program of Participatory Irrigation Development Project (PIDP APL 1) conducted at the IEC Auditorium on February 15-16, 2009.

It is directed that the above modifications be disseminated to all personnel concerned.

Comments and recommendations for further improvement of the NIA IMT Policy and Implementing Guidelines is encouraged. Submit these to the Operations Department of the Engineering and Operations Sector, NIA Central Office.

Attached is a copy of the corrected Annex 2 of the NIA IMT Policy and Implementing Guidelines.

Be guided accordingly.


CARLOS S. SALAZAR

Date: 31 March 2009

Summarized Description of the Irrigation Management Transfer (IMT) Model Contracts

Contracts	IA Responsibilities	Remunerations		Remarks
Model 1	NIA manages the entire system but transfers specific O & M activities to IA such as:	IA compensation for maintenance: P1,800.00 per 3.5 kilometers of unlined canal or 7.0 kilometers of lined canal for every clearing		
	a. maintenance of specific length of canals that includes cutting grasses on canal embankments, removal of debris from structure inlet, and remedial measures to prevent overtopping of canals.			
	b) Operation activities such as discharge or water level monitoring on specific points in the system, and preparation and submission of List of Irrigated and Planted Area (LIPA)	IA Share from ISF Collection: A. When base %CE of system is below 60%		Base CE% is the average for the last 3 years before contract signing
	c) Distribution of irrigation service fee (ISF) bills, campaign for payment and assist in collection of ISF	% CE	% IA Share	
		Above base CE to 60%	5	
		Above 60 to 90%	15	
		Above 90%	25	
		B. When base %CE of system is above 60%		Base CE% is the average for the last 3 years before contract signing
		% CE	% IA Share	
		Above base CE to 80%	5	
		Above 80 to 90%	10	
		Above 90%	15	
Model 2	NIA manages the main system, from head works to the main canal up to the headgates of lateral canals and transfers to the IAs the management of laterals, sub-laterals, and terminal facilities, to include minor repair, maintenance, O&M planning and monitoring, and ISF collection, as follows:	Gravity Systems - The share of the IA from current account collections shall be subject to negotiation with the NIA based on the concept of fair sharing of burden and benefits.		
	a. Equitable distribution of available water at the headgate to the different turnout inlets and sub-lateral headgates through its member-IAs and TSAGs	Pump Systems - Sharing of ISF collections in excess of the energy cost, shall be negotiated by the IA and the NIA based on the concept of fair sharing of burden and benefits.		
	b. Preparation and submission of LIPA to NIA			

Contracts	IA Responsibilities	Remunerations	Remarks
	c. Preparation of individual ISF bills to farmers		
	d. Collection of ISF payment from farmers within its coverage		
	e. Establishment and maintenance of irrigation fee register (IFR) of individual farm lot		
	f. All maintenance works on the irrigation facilities within its area		
Model 3	NIA manages the head works and portion of main canal up to the junction of the first lateral and transfers to the IAs the management of the rest of the system downstream of the specified junction. The IA is responsible for the ff:	Gravity System- The share of the IA from current account collections shall be subject to negotiation with the NIA based on the concept of fair sharing of burden and benefits.	
	a. Equitable distribution of available water at the main canal to the different lateral and sub-lateral headgates and all turnout inlets through its member-IAs and TSAGs	Pump System - Sharing of ISF collections in excess of the energy cost, shall be negotiated by the IA and the NIA based on the concept of fair sharing of burden and benefits.	
	b. Preparation and submission of LIPA to NIA		
	b. Preparation and submission of LIPA to NIA		
	c. Preparation of individual ISF bills to farmers		
	d. Collection of ISF payment from farmers within its coverage		
	e. Establishment and maintenance of irrigation fee register (IFR) of individual farm lot		
	f. All maintenance works on the irrigation facilities within its area		
Model 4	NIA completely transfers to the IA the management of the entire system including the head works and stops all its activities on the management of the system except monitoring and evaluation, collection of seasonal or annual payments from the IA, and periodic technical assistance as may be requested by the IA.	Repayment Scheme: IA Payment to NIA:	
	The IA manages the entire system and becomes responsible for all the O&M activities including setting up its own ISF rates and improvement/ modernization program. The IA amortizes also the cost of irrigation development for a period not exceeding 50 years	The IA will pay NIA a Technical Assistance Fee on a manner agreed by both parties. The Technical Assistance Fee will include the cost of supervision plus capital investment on the repair and rehabilitation of the system provided by NIA.	