

**[ CDA MEMORANDUM CIRCULAR NO. 2013-20,  
September 13, 2013 ]**

**REVISED GUIDELINES GOVERNING THE CONDUCT OF  
CONCILIATION-MEDIATION PROCEEDINGS AT THE PRIMARY  
AND UNION/FEDERATION LEVEL**

Pursuant to Article 137 of Republic Act No. 9520, otherwise known as the *Philippine Cooperative Code of 2008* and reinforced by Republic Act 9285, known as the *Alternative Dispute Resolution Act of 2004*, the Cooperative Development Authority (CDA) hereby adopts and promulgates the following guidelines:

**Section 1. Scope.** – These Guidelines shall govern the conduct of conciliation-mediation proceedings at the primary cooperative as well as union/federation level, provided that nothing in these Guidelines shall preclude the parties from seeking other modes of amicably settling the dispute.

**Section 2. Coverage.** – These Guidelines shall apply to all disputes among members, officers, directors, and committee members, and intra-cooperative, inter-cooperative, intra-federation, or inter-federation disputes, as far as practicable, be settled amicably in accordance with the conciliation or mediation mechanisms embodied in the by-laws of cooperatives and in such other applicable laws.

The conciliation and mediation committee of the cooperative shall facilitate the amicable settlement of intra-cooperative disputes and disputes among members, officers, directors, and committee members.

Should such conciliation or mediation proceedings fail, the matter shall be settled thru voluntary arbitration. Provided, however, That before any party can validly file a complaint with the Authority for voluntary arbitration, it must first secure a certification from its conciliation and mediation committee and from the cooperative union or federation to which it belongs that despite all efforts to settle the issues, the same have failed.

The jurisdiction of the voluntary arbitrators shall be exclusive and original and their decisions shall be appealable to the Office of the President. The Authority shall issue and adopt the proper rules of procedure governing arbitration as the primary and exclusive mode for dispute resolution in accordance with the Alternative Dispute Resolution Act of 2004.

**Section 3. Definition of Terms.** As used in these guidelines, the following terms shall mean:

- a) **Conciliation** is a process whereby a neutral third party takes a vigorous and active role in assisting disputants formulate solutions in order to reach an amicable settlement.
- b) **Mediation** is a process whereby the neutral third party facilitates the negotiation between disputing parties to reach a voluntary, mutually

satisfactory outcome.

- c) **Conciliator-Mediator** is a qualified individual who provides conciliation-mediation services.
- d) **Pool of Conciliator-Mediators** is a group of Conciliator-Mediators accredited by the CDA.
- d) **Conflict Coaching** is a stage in the conciliation-mediation process, the objective of which is to clarify the issues and interests of each party.
- f) **Conciliated-Mediated Settlement Agreement** is a written agreement following a successful conciliation-mediation proceedings prepared and duly signed by the parties with the assistance of the Conciliator-Mediator.
- g) **Certificate of Non-Settlement** is a document issued by the Conciliation-Mediation Committee in case of failed or refused Conciliation-Mediation.
- h) **Refused Conciliation-Mediation** is a situation when one or both parties refused to submit to conciliation-mediation process, or failed to appear despite notice.
- i) **Party in interest** is any member, officer, committee or cooperative who stands to be benefited or injured by the settlement agreement.

#### **Section 4. Composition, Qualifications, Term of Service and Functions of the Conciliation-Mediation Committee. –**

- a. **Composition.** The Committee shall be composed of at least three (3) members, who are appointed by the Board of Directors in accordance with the cooperative by-laws. The committee shall elect from among themselves, the Chairman, Vice-Chairman and Secretary.
- b. **Qualifications.** Any member in good standing who has all the qualifications and none of the disqualifications provided in the bylaws and pertinent issuances of the Authority is qualified to become a member of the Committee.
- c. **Term of Service.** Members of the Committee may serve for one (1) year or as may be provided by the cooperative bylaws. In case of vacancy, the Board of Directors shall fill the vacancy by appointing a qualified member or as may be provided by the cooperative by-laws.
- d. **Functions.** The Mediation and Conciliation Committee shall:
  - a. Formulate and develop the Conciliation-Mediation Program and ensure that it is properly implemented;
  - b. Monitor Conciliation-Mediation program and processes;
  - c. Submit semi-annual reports of cooperative cases to the Authority within fifteen (15) days after the end of every semester;
  - d. Accept and file Evaluation Reports;
  - e. Submit recommendations for improvement to the Board of Directors;
  - f. Recommend to the Board of Directors any member of the cooperative for Conciliation-Mediation Trainings as Cooperative Conciliator-Mediator;
  - g. Issue the Certificate of Non-Settlement (CNS);

- h. Provide conciliation-mediation services during their term, provided the member/s of the committee are mutually selected by both parties; and
- i. Perform such other functions as may be prescribed in the By-laws or authorized by the General/Representative Assembly.

**Section 5. Filing of the Complaint** – Any party in interest shall file his/her/its complaint with the conciliation/mediation committee.

**Section 6. Contents of the Complaint.** – The complaint shall be in writing. It shall contain the name/s, position/s in the cooperative, address/es of the parties including a narration of facts and statement of issues.

**Section 7. The Preliminary Conference** – The primary purpose of the preliminary conference is to confirm the parties' interest to enter into conciliation-mediation and to choose the conciliator-mediator. A Notice of conference which states the venue, time and date of the conference, shall be in writing and signed by the Secretary of the committee.

If one or all parties does /do not appear in the scheduled conference, the committee shall send another Notice for the next scheduled conference.

Failure to appear, without valid cause shall be construed as Refused Conciliation-Mediation.

**Section 8. Selection and Replacement of the Conciliator-Mediator**

- a) The Conciliator-Mediator shall be mutually selected by the disputants from the Pool of Accredited Mediators, preferably from the cooperative and within the area.
- b) A Conciliator-Mediator who is not among the Pool of Accredited Conciliator- Mediators may provide Conciliation-Mediation service, provided he/she is chosen with the mutual consent of the parties.
- c) Member/s of the conciliation/mediation committee may provide conciliation-mediation services during his/her/their term, provided mutually selected by both parties.
- d) The parties have the option to request replacement of the Conciliator-Mediator at any time during the conciliation-mediation proceedings, due to loss of confidence and partiality.

**Section 9. Accreditation of a Conciliator-Mediator** – Any individual may apply to be a Accredited Conciliator-Mediator. The accreditation process of the CDA shall include compliance with training requirements and successful completion of evaluation instruments and standards.

**Section 10. Order of Conciliation-Mediation Proceedings. -**

- a) *Filing of Complaint. For primary cooperative or union/federation level,* any party in interest shall file his/her complaint before the conciliation/mediation committee.

For cases elevated from primary cooperative to union/federation level, the party in interest shall no longer file another complaint instead, the conciliation/mediation committee shall, upon request of the party in