



A circular purple ink stamp. The outer ring contains the text "DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT" in a clockwise direction. In the center, the word "OFFICIAL" is at the top, followed by "RELEASED" in large letters, and "Signature" in smaller letters below. A handwritten signature is written over the "Signature" line. Below the signature, there are three lines for "Date" (07-06-2024), "Time" (6:25 PM), and "RECORDS SECTION". At the bottom, it says "NBN-2024-06-08-001" and "2024-08-06-190".

Republic of the Philippines

DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT
DILG-NAPOLCOM Center, EDSA cor. Quezon Avenue, West Triangle, Quezon City
www.dilg.gov.ph

**MEMORANDUM CIRCULAR
NO. 2024-110**

**TO : ALL PROVINCIAL GOVERNORS, CITY/MUNICIPAL MAYORS,
PUNONG BARANGAYS, SANGGUNIANG BARANGAY
MEMBERS, DILG REGIONAL, PROVINCIAL AND CITY
DIRECTORS, FIELD OFFICERS, AND ALL OTHERS
CONCERNED**

**SUBJECT : GUIDELINES ON THE IMPLEMENTATION OF TAPAT AT
LIGTAS NA PAMILIHANG PAMBARANGAY (TALIPAPA)
PROJECT**

DATE : AUG 06 2024

1.0 Background

- 1.1 As stipulated in Section 17 of Republic Act (R.A.) No. 7160, otherwise known as the Local Government Code (LGC) of 1991, all local government units (LGUs), including the barangays, shall endeavor to be self-reliant. All LGUs are also directed to exercise the powers and discharge the duties and functions vested upon them by the law.
 - 1.2 The LGC mandates LGUs to provide efficient and effective basic services and facilities, including satellite markets or public markets in the barangay, where viable.
 - 1.3 On the other hand, the Supreme Court's final ruling on the Mandanas-Garcia petition will increase the base used to calculate LGU shares in national taxes. Hence, it will strengthen the fiscal capabilities of LGUs, particularly barangays, to further support the delivery of basic services and the provision of facilities to their constituents, such as the satellite markets.
 - 1.4 One of the organizational outcomes stated in the DILG Results Framework is "excellence in local governance upheld." Under this

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condition, LGUs spur sustainable economic and inclusive growth by engaging the business sector, promoting local trade and businesses, and generating employment.

- 1.5 Satellite markets are deemed necessary within each community to help ensure food security through the availability and accessibility of basic goods or commodities in the barangay.
- 1.6 The establishment, monitoring, and regulation of satellite markets can further generate additional revenue to support barangay programs, projects, and activities and provide livelihood and employment opportunities for barangay residents.
- 1.7 Aside from providing additional income to the barangays through local fees and charges, satellite markets can also serve as venues to sell produce from the barangay community garden in support of the HAPAG Program.
- 1.8 Hence, the implementation of the “Tapat at Ligtas na Pamilihang Pambarangay (TaLiPaPa)” Project.

2.0 Legal Bases

- 2.1 Sections 17, 129, and 152 of the Republic Act (R.A.) No. 7160, otherwise known as the Local Government Code (LGC) of 1991;
- 2.2 DILG-DOF Joint Memorandum Circular (JMC) No. 2019-01 entitled Guidelines for the Review, Adjustment, Setting, and/or Adoption of Reasonable Regulatory Fees and Charges of Local Government Units;
- 2.3 ARTA-DILG-DICT-DTI Joint Memorandum Circular (JMC) entitled Guidelines for Processing Business Permits, Related Clearances and Licenses in All Cities and Municipalities;
- 2.4 Presidential Decree No. 1096, also known as the National Building Code of the Philippines;
- 2.5 R.A No. 7394, or the Consumer Act of the Philippines;
- 2.6 R.A No 11032, also known as the “Ease of Doing Business and Efficient Government Service Delivery Act of 2018”
- 2.7 Presidential Decree (PD) No. 856, also known as the “Code on Sanitation of the Philippines.”
- 2.8 R.A. No. 9004, or the Ecological Solid Waste Management Act of 2000.

3.0 Purpose

- 3.1** This project seeks to encourage barangays to further expand economic opportunities by generating income from the establishment, operations, and regulations of satellite markets in their localities.

4.0 Scope/Coverage

- 4.1** All Provincial, City, Municipal and Barangay Governments, DILG Regional Offices and Field Offices, and all others concerned.
- 4.2** All satellite markets owned or established by public and private initiatives are covered by this Circular, regardless of whether they are newly established or existing.

5.0 Definition of Terms

- 5.1** **Ambulant vendors/peddlers/hawkers-** are those vendors who sell their merchandise beside the road, or those who are moving from one place to another and are not occupying a permanent stall or space in the public market.
- 5.2** **Market-** a general term referring to a public place, building, or structure where commodities such as foodstuffs, wares, and other merchandise may be bought or sold.¹
- 5.3** **Foot traffic-** used to describe the number of customers that enter a store, market, or any location.
- 5.4** **Satellite Markets –** are type of market with less than 50 stalls that cater to a limited number of customers. This may cover the small and informal markets, *talipapa*, *merkado*, including temporary makeshift or improvised stalls in the barangays, and cluster of vendors along the road or junction, among others.
- 5.5** **Barangay clearance-** refers to any and all documents issued by the barangay with or without corresponding fees as defined in their ordinances relative to or in relation to the issuance of business permit and location clearance by the city/municipality or any other permit as may be required².
- 5.6** **Privately-owned satellite market-** is a type of satellite market that is established and owned by private individuals, group or corporation.
- 5.7** **Public/Barangay-owned satellite market-** is a type of satellite market that is established and regulated by the barangay.
- 5.8** **Revocation of Permits-** the city/municipal health officer may recommend to the local health authority the revocation of sanitary permits of a talipapa if it failed to comply or act on two notices.

¹ Implementing Rules and Regulations (IRR) to Govern the Processing of Application for Locational Clearance of Markets as Amended, Housing and Land Use Regulatory Board.

² IRR of RA 11032, Rule 1, Section 4 (h).

- 5.9 **Service of Notice-** this serves as a sanitary order requiring the owner/operator of the talipapa with sanitary permit to take remedial action within the grace period stated in the document.
- 5.10 **Summary Suspension of Permits-** this serves as the immediate suspension of the sanitary permit due to the unsanitary or unhealthy conditions of the talipapa.

6.0 Policy Content and Guidelines

The following sections provide for the basic policies and regulations on the establishment, operations, and regulations in the barangays focusing on the following concerns:

6.1 Barangay income generation- The barangay may collect reasonable fees and charges on public and private satellite markets. The revenue may be used **as additional income to further support the delivery of basic services to their constituents.**

The collection of local fees, charges, and other impositions must not be unjust, excessive, oppressive, or confiscatory.³ Further, the common limitations on the taxing powers of LGUs must be observed.

The satellite market permit fee, rental charges, or other fees/charges shall be determined by the local Sanggunian through an appropriate ordinance with prior consultation with concerned stakeholders.

Specifically, the barangay may impose the following:

6.1.1 Satellite market fees/vending fees- Reasonable fees that may be collected for the operation of any public/private small markets, *talipapa* including temporary makeshift or improvised stalls in barangays, ambulant vendors, and clusters of vendors along the road or junction, among others, subject to the existing rules and regulations.

6.1.2 Rental charges- Reasonable charges for rentals, occupancy, or use of any part of a government-owned satellite market or parking space, subject to the existing rules and regulations.

³ These principles are based on the provisions of the Local Government Code and the guidelines set forth by the DILG-DOF JMC 2019-01.

6.1.3 Other fees or charges- The barangay may collect other reasonable fees and charges, subject to the existing rules and regulations.

6.2 Basic guidelines for satellite market operations- All LGUs must ensure that all public and private satellite markets adhere to the following basic standards:

6.2.1 Traffic and mobility- The site or the establishments of satellite markets shall not cause obstruction in bike lanes, and national or local roads. To facilitate mobility, the LGU shall ensure that the satellite market aisles are free from any obstructions and any kinds of traffic, including vehicle and foot traffic.

The barangays must observe the existing policies and issuances of the Department about road clearing operations.

For night or weekend markets that may cause the obstruction/occupation of roads, the municipal/city government may come up with an ordinance for its regulation including the time of operation.

6.2.2 Fair weighing- The use of a false scale and the giving of a short weight or measure are prohibited in accordance with the R.A. 7394, or the Consumer Act of the Philippines. Furthermore, calibration of weighing scales should be done every six (6) months.

6.2.3 Cleanliness and sanitation- All satellite market owners, stallholders, and vendors must adhere to the provisions of Chapters III and IV of PD No. 856, or the Code on Sanitation.

No person or entity shall operate a food establishment for public patronage without securing a sanitary permit from the local health office.

Regular inspections of cleanliness and sanitation must be done by the city/municipal health officer on a regular basis. Non-compliance of satellite markets to the existing regulations may result to Service of Notice, Revocation of

Permits, and Summary Suspension of Permits in accordance to the PD No. 856.

- 6.2.4 *Waste disposal*-** Strict implementation and enforcement of the Ecological Solid Waste Management Act of 2000 must be observed by the satellite market owners, sellers, and barangays. The collection, segregation, and disposal must be in-line with the city/municipal/barangay ordinance.

Appropriate and properly covered garbage bins shall be placed in strategic places by the satellite market owners and barangays for proper waste disposal. Likewise, all stall owners and vendors shall be required to have an individual garbage bin.

- 6.2.5 *Construction and establishment*-** All constructed satellite markets must adhere to the provisions of the National Building Code of the Philippines, Batas Pambansa (BP) 344 (Accessibility Law), and other existing issuances related to construction and establishment.

No person, firm, or corporation, including any agency or instrumentality of the government, shall erect, construct, alter, repair, move, convert, or demolish any building or structure or cause the same to be done without first obtaining a permit from the building official.

In establishing a satellite market building, the barangay may seek the technical assistance from the City/Municipal Government.

In the event that the satellite market are ambulant vendors or clusters of vendors along the road or in open spaces, the local government unit may enact an ordinance to regulate their operations.

6.3 Roles and Responsibilities of the LGUs

6.3.1 Barangay Government

- 6.3.1.1** Lead the promotion of barangay economic development through the establishment, operations, and regulations of satellite

markets in the barangay in coordination with the Local Economic Development and Investments Promotion Office or its equivalent.

- 6.3.1.2** Immediately enact a barangay ordinance about satellite market operations to incorporate the provisions of this Memorandum Circular to guide the establishment, operations, and regulations of barangay-owned and privately-owned satellite markets in their community.

If existing code or ordinances are already in place, update the code or ordinances to incorporate local fees or charges on satellite market operations.

- 6.3.1.3** Establish a Barangay Satellite Market Management Team (BSMMT) through the issuance of an Executive Order or Barangay Resolution that will assist the Barangay Development Council (BDC) in the formulation of plans and programs relative to income generation through satellite market in the barangay.

- 6.3.1.4** The BSMMT may be composed of the following:

Chairperson:	Punong Barangay
Vice-Chairperson:	Chairman of the Appropriation Committee
Members:	All Members of Sangguniang Barangay Barangay Tanod Representative of the Barangay Ecological Solid Waste Management Committee (BESMWC) President of a duly registered cooperative in the barangay (optional)

Representative from any recognized association in the barangay (optional)
President of Satellite Market Vendors Association (optional)

Secretariat: To be organized by the Sangguniang Barangay

6.3.1.5 Develop a plan or incorporate in the Barangay Development Plan (BDP) and Annual Investment Plan (AIP) the operationalization of barangay-owned satellite markets and the boosting of barangay economic and business potential. The establishment and operationalization of the satellite market may be charged against the 20% development fund of the barangay.

In the event that the barangay fund is not sufficient, the barangay may explore partnership with the private sectors and national government agencies (NGAs) to establish and operationalize a satellite market in their community.

6.3.1.6 Ensure the operationalization and regulation of public and private satellite markets.

6.3.1.7 Issue a barangay clearance for covered satellite markets.

6.3.1.8 Organize the ambulant vendors/peddlers in a designated area to promote orderliness, safety, and sanitation and contribute to the barangay economic development.

6.3.1.9 For barangay-owned or barangay-operated satellite markets, the barangay may coordinate and request from its concerned city/municipal government, or other private individual, any vacant lot or property near the

barangay that can be used to establish its satellite market.

- 6.3.1.10 Promote agribusiness, especially the basic commodities required.
- 6.3.1.11 Incorporate the ⁴HAPAG, ⁵KADIWA ng Pangulo Program, and “One-Town, One Product (OTOP)” as sources of products to be sold in barangay-owned satellite markets.
- 6.3.1.12 Ensure the proper segregation, collection, transport, treatment, and disposal of solid wastes based on the Ecological Solid Waste Management Act of 2000 that is in line with the efforts of the city or municipal government.
- 6.3.1.13 If necessary, assign the barangay tanod to ensure and maintain peace and order within the area with satellite markets.
- 6.3.1.14 Require the members of the BESMWC to actively engage in and contribute to the initiatives of the BSMMT.
- 6.3.1.15 Promote an information drive to cascade the content of this Memorandum Circular.
- 6.3.1.16 Monitor the number of existing barangay-owned and privately-owned satellite markets, using the TaLiPaPa Monitoring Form No. 1, and submit the information to the DILG Field Office, **on or before March 15, 2025 and the years thereafter.**

⁴ Based on DILG Memorandum Circular 2023-001, the Halina’t Magtanim ng Prutas at Gulay (HAPAG) sa Barangay is a project that aims to strengthen the capacities of barangays towards sustainable agriculture initiatives.

⁵ The Katuwang sa Diwa at Gawa para sa Masaganang Ani at Mataas na Kita (KADIWA), launched and spearheaded by the Department of Agriculture in collaboration with the DILG and the Food Terminal Inc. (FTI), is a marketing initiative that seeks to empower the farming community by providing a direct and effective farm-to-consumer food supply chain.

6.3.2 Provincial/City/Municipal Governments

- 6.3.2.1** Formulate policies, guidelines, rules, and procedures for the overall administration of satellite markets in the barangays within their jurisdictions and recommend necessary funding for their operations consistent with the policy and provisions of the City Ordinance.
- 6.3.2.2** Pass local legislations as additional legal basis for the establishment of satellite markets.
- 6.3.2.3** Ensure the participation of component barangays with existing and operational satellite market/s.
- 6.3.2.4** Develop plans, programs, and strategies beneficial to the city and make satellite markets in the barangays more viable, productive, and stable.
- 6.3.2.5** If applicable, the city or municipality shall provide centralized weighing scales for the use of consumers to safeguard them against the short weighing of commodities.
 - The weighing scales shall be located at conspicuous and strategic points in the satellite market.
 - The city/municipal government shall ensure the calibration of weighing scales on specified interval.
- 6.3.2.6** Ensure the proper segregation, collection, transport, treatment, and disposal of solid waste based on the Ecological Solid Waste Management Act of 2000.
- 6.3.2.7** Monitor and provide technical and other forms of assistance (i.e financial) to its barangays within its respective jurisdiction to ensure barangay economic development and satellite market operations through the Local Economic Development and Investments Promotion Officer (LEDIPO) or its equivalent.

6.4 Roles and Responsibilities of the Department of the Interior and Local Government (DILG)

6.4.1 DILG City/Municipal Field Office

- 6.4.1.1** Provide technical assistance to the LEDIPO or its equivalent in the implementation and monitoring of TaLiPaPa Project.
- 6.4.1.2** Monitor the compliance of the barangays, using the attached TaLiPaPa Project Monitoring Form No. 2, for submission to DILG Provincial Offices **on or before April 15, 2025 and the years thereafter.**
- 6.4.1.3** In the case of HUCs and ICCS, the report must be submitted directly to the DILG Regional Office **on or before April 15, 2025 and the years thereafter.**

6.4.2 DILG Provincial Office

- 6.4.2.1** Designate a Focal Person to monitor the implementation of the TaLiPaPa project.
- 6.4.2.2** Provide technical assistance to DILG Field Officers and ensure compliance of the barangays in their respective jurisdictions.
- 6.4.2.3** Prepare and submit the Provincial Monitoring Report to the DILG Regional Office, using the attached TaLiPaPa Project Monitoring Form No. 3, **on or before May 15, 2025 and the years thereafter.**

6.4.3 DILG Regional Office

- 6.4.3.1** Designate a Focal Person to monitor the implementation of the TaLiPaPa project.
- 6.4.3.2** Disseminate this Memorandum Circular to all concerned LGUs within the respective jurisdictions.

- 6.4.3.3** Provide technical assistance to DILG Field Offices in the implementation of the TaLiPaPa Project when necessary.
- 6.4.3.4** Prepare and submit the Regional Monitoring Report to DILG Central Office, through the National Barangay Operations Office (NBOO), using the attached TaLiPaPa Project Monitoring Form No. 4, **on or before June 15, 2025 and the years thereafter.**

6.5 Role and Responsibilities of the National Barangay Operations Office

- 6.5.1.1** Develop guidelines and mechanisms to ensure the effective implementation and monitoring of the compliance of barangays with this Memorandum Circular.
- 6.5.1.2** Coordinate and provide capacity development activities and technical assistance to DILG Regional Offices, through the designated Focal Person, regarding the establishment of the satellite market.
- 6.5.1.3** Conduct other related activities to ensure the successful implementation of this project, in partnership with the Bureau of Local Government Development.
- 6.5.1.4** Monitor the compliance of barangays with this Memorandum Circular.

7.0. MONITORING

The DILG Regional Office shall submit the accomplished TaLiPaPa Monitoring Form No. 4 covering the data of the previous year to the National Barangay Operations Office (NBOO) Community Capacity Development Division (CCDD) through email nboocdd2022@gmail.com starting CY 2024.

Downloadable forms can be accessed through bit.ly/TALIPAPAMonitoringForms.

8.0. ANNEX

- 8.1 Annex A- TaLiPaPa Project Monitoring Form No. 1 (For Barangay)
- 8.2 Annex B- TaLiPaPa Project Monitoring Form No. 2 (For City/Mun)
- 8.3 Annex C- TaLiPaPa Project Monitoring Form No. 3 (For Province)
- 8.4 Annex D- TaLiPaPa Project Monitoring Form No. 4 (For Region)

9.0 EFFECTIVITY

This Memorandum Circular shall take effect immediately.

10.0 FEEDBACK

For related inquiries or clarification, kindly contact NBOO, through the Community Capacity Development Division (CCDD), at trunkline no. (02) 8876-3454 loc 4404 or send an email to: nbooccdd2022@gmail.com.

11.0 APPROVING AUTHORITY

B. Abalos Jr.
ATTY. BENJAMIN C. ABALOS, JR.
Secretary



OSEC/BCA/NBOO/rcm



TaLiPaPa Project Monitoring Form No. 1

Annex A

BARANGAY CAPTURE FORM

Calendar Year: _____

Barangay: _____

Does the barangay have an ordinance on the Establishment, Operations and Regulations of satellite market? (Y/N)	If yes, write the date of ordinance? (MM/D/Y R)	Does the barangay have an established Barangay Satellite Market Management Team (BSMMT) or any similar structure? (Y/N)	No. of established satellite markets				Annual income of the barangay from the following:		
			A.1 Barangay-owned satellite market	A.2 Barangay-owned satellite market with barangay clearance	B.1 Privately-owned satellite market	B.2 Privately-owned satellite market with barangay clearance	Satellite market fees	Rentals	Others
							Php _____	Php _____	Php _____
	Attachment: Ordinance	Attachment: Executive Order/Resolution creating the BSMMT					Total: Php _____		

Prepared by:

Designated barangay official

Submitted by:

Punong Barangay

TaLiPaPa Project Monitoring Form No. 2

Annex B

**MONITORING THE ESTABLISHMENT, OPERATIONS AND
REGULATIONS OF TALIPAPA**

Calendar Year: _____

City/Municipality: _____

Total No. of Barangays	Total No. of Barangays with Ordinance on the Establishment, Operations and Regulations of satellite market	Total no. of barangays with established Barangay Satellite Market Management Team or any similar structure?	A. Barangay-owned satellite markets			Privately-owned satellite markets			No. of Barangays with annual income from satellite market operations and regulations (fees, rentals, etc.)		
			No. of barangays with established barangay-owned satellite market	No. of existing barangay-owned satellite market	No. of existing barangay-owned satellite market with barangay clearance	No. of barangays with established privately-owned satellite market	No. of existing privately-owned satellite market	No. of existing privately-owned satellite market with barangay clearance	Php 0.00- Php 50,000	- Php50,000- 100,000	- Above Php100,000

Submitted by:

City Director/C/MLGOO

TaLiPaPa Project Monitoring Form No. 3

Annex C

**MONITORING THE ESTABLISHMENT, OPERATIONS AND
REGULATIONS OF TALIPAPA**

Calendar Year: _____

Province: _____

City/ Municipality	Total No. of Barangays	Total No. of Barangays with Ordinance on the Establishment, Operations and Regulations of satellite market	Total no. of barangays with established Barangay Satellite Market Management Team or any similar structure?	A.Barangay-owned satellite markets			B.Privately-owned satellite markets			No. of Barangays with annual income from satellite market operations and regulations (fees, rentals, etc.)		
				No. of barangays with established privately-owned satellite market	No. of existing barangay- owned satellite market	No. of existing barangay- owned satellite market with barangay clearance	No. of barangays with established privately- owned satellite market	No. of existing privately- owned satellite market	No. of existing privately- owned satellite market with barangay clearance	Php 0.00- 50,000	- Php50, 000- 100,00 0	-Above Php100 ,000

Prepared by:

Submitted by:

Provincial Focal Person

Provincial Director

TaLiPaPa Project Monitoring Form No. 4

Annex D

**MONITORING THE ESTABLISHMENT, OPERATIONS AND
REGULATIONS OF TALIPAPA**

Calendar Year: _____

Region: _____

Province	Total No. of Barangays	Total No. of Barangays with Ordinance on the Establishment, Operations and Regulations of satellite market	Total no. of barangays with established Barangay Satellite Market Management Team or any similar structure?	A. Barangay-owned satellite markets			B. Privately-owned satellite markets			No. of Barangays with annual income from satellite market operations and regulations (fees, rentals, etc.)		
				No. of barangays with established satellite market	No. of existing barangay-owned satellite market	No. of existing barangay-owned satellite market with barangay clearance	No. of barangays with privately-owned satellite market	No. of existing privately-owned satellite market	No. of existing privately-owned satellite market with barangay clearance	Php 0.00- Php 50,000	- PhP50,000 -100,000	- -Above PhP100,000
Total												
Highly-urbanized city	Total No. of Barangays	Total No. of Barangays with Ordinance on the Establishment, Operations and Regulations of satellite market	Total no. of barangays with established Barangay Satellite Market Management Team or any similar structure?	A. Barangay-owned satellite markets			B. Privately-owned satellite markets			No. of Barangays with annual income from satellite market operations and regulations (fees, rentals, etc.)		
				No. of barangays with established satellite market	No. of existing barangay-owned satellite market	No. of existing barangay-owned satellite market with barangay clearance	No. of barangays with privately-owned satellite market	No. of existing privately-owned satellite market	No. of existing privately-owned satellite market with barangay clearance	Php 0.00- Php 50,000	- PhP50,000 -100,000	- -Above PhP100,000
Total												

Prepared by:

Submitted by:

Regional Focal Person

Regional Director