

APPLICATION FOR TECHNOLOGY NEEDS ASSESSMENT

Name of Enterprise: Sta. Maria Coconut Farmers and Processing Association		
Contact Person: Mr. German Villostas	Position in the Enterprise: President	
Office Address: Brgy. Concepcion Sur, Sta. Maria, Romblon	Tel. No.	Fax No.
	E-mail Address:	
Factory Address: Brgy. Concepcion Sur, Sta. Maria, Romblon	Tel. No.	Fax No.
	E-mail Address:	
Website:		

GENERAL AGREEMENTS:

1. The applicant shall, at the earliest opportunity, make available to the DOST Regional Office No. 4B (DOST-MIMAROPA) all information (manuals, procedures, etc.) required to establish the technology status of the selected core business functions and management systems;
2. If DOST-MIMAROPA is not satisfied that all the requirements for business registration are complied with, it shall inform the applicant of the observed deficiencies before starting the assessment;
3. When the required inputs to the assessment are already supplied by the applicant, the DOST-MIMAROPA will assess the firm through the core business functions and management systems, to identify technology needs and verify compliance to existing practices;
4. When the DOST-MIMAROPA has completed the technology assessment, a report will be prepared on the results of the assessment with accompanying recommendations and opportunities for improvement. The report prepared will define the scope of activities, functions, management practices and locations assessed. The applicant shall not claim or otherwise imply that the report applies to other locations, product or activities not covered by the report;
5. The applicant agrees that the report will not be used until permission has been granted by the DOST-MIMAROPA;

6. The applicant agrees that the receipt and acceptance of the report ends the assessment stage; any technical assistance ensuing from the recommendations of the report will be viewed as a separate project.

UNDERTAKING

I agree to undertake and observe the above General Agreements as stipulated by the Department of Science and Technology Regional Office No. 4B.



MR. GERMAN VILLOSTAS

Signature over Printed Name

President

Position in the Enterprise

February 13, 2020

Date

Enterprise ProfileBrief Enterprise
Background:

Sta. Maria Coconut Farmers and Processing Association

Concepcion Sur, Sta. Maria, Romblon

N/A

N/A

In 2020 a coconut processing plant was established at Sta Maria, Romblon to produce cooking oil for household and industrial use. The project aimed to help the coconut farmers through making copra prices stable and reasonable throughout the year. Similarly, the project will substitute the imported cooking oil coming from Lucena and the mainland Luzon for the Tablas Island.

The first phase of the project covered funds for the purchase of milling equipment such as expeller, filter press and boiler needed to produce crude coconut oil (CNO). On this phase counterpart funds from the LGU for the site and a building were solicited.

The second phase of the project completed the whole coconut production process from milling to produce CNO to refining to produce refined, bleached, deodorized oil (RBDO). Included in this phase were the provision of the following equipment: neutralizing, bleaching, deodorizing tanks, and leaf filter equipment. The facility was also equipped with generator set for back-up power source in the production. It is also in this phase that all equipment will be commissioned to realize the expected 1T/day output. In this phase also, counterpart funds from DOLE were solicited for the purchase of raw materials (copra) and some chemicals.

For this 3rd and final phase of the project, establishment of wastewater treatment facility to comply with the regulatory requirements of DENR would be done. Conduct of training, commissioning/debugging, consultancy and project monitoring would also be included in this phase to ensure project sustainability.

Year enterprise was established: 2019 Initial Capitalization: PhP10,000

Type of Organization: ☐ Single proprietorship

☒ Association

☐ Partnership

☐ Corporation

☐ Profit

☐ Non-profit

☐ LGU

Enterprise Registration No. ROM 2019-0047 Year Registered 2019

Classification according to capital (PhP) Present capitalization PhP10,000

☒ Micro (less than 1.5 M)

☐ Small (1.5 – 15 M)

☐ Medium (15 – 100 M)

Classification according to employment (number of employees)

☒ Micro (1 – 9)

☐ Small (10 – 99)

☐ Medium (100 – 199)

Number of Employees:

Direct Workers	M:	F:
Production	M: <u>3</u>	F: <u> </u>
Non-production	M: <u> </u>	F: <u>1</u>
Indirect/Contract Workers	M: <u>1</u>	F: <u> </u>
Total	M: <u>4</u>	F: <u>1</u>

Business Activity:

☒ Food processing commodity

RBDO

☐ Furniture commodity

☐ Gifts, decors, handicrafts (commodity)

	Machining	
	Welding and fabrication	
	Electroplating	
	Forging	
	Tool, die and mould fabrication	
	Others	

☐ Metals and engineering (commodity)

☐ Agriculture/Marine/Aquaculture commodity

☐ Health products and pharmaceuticals commodity

☐ Information and Communications Technology (ICT) products commodity

☐ Others, please specify

1. Specific product or service the enterprise offers its customers:

The association is dedicated to organize various programs and services that aims to help various coconut farmers in Sta. Maria. It also implements the directives from the higher governance through observing public thrusts and participation.

The proposed project is a complementation to the project on establishment of RBDO plant in Sta. Maria. The plant would be equipped with wastewater treatment facility to ensure environment conservation and to comply with the DENR requirements.

/ If Yes, which company/ agency? Please specify the type of assistance sought

☐ If No, why not?

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    President --> VicePresident[Vice President]
    VicePresident --> Secretary
    Secretary --> AsstSecretary[Asst. Secretary]
    AsstSecretary --> Treasurer
    Treasurer --> AsstTreasurer[Asst. Treasurer]
    AsstTreasurer --> Auditor
  
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Managerial/Manpower

	Capability
President	Acts as the head of the association. Assures that all the projects proposed are beneficial to the whole community. Commands designated personnel to specific assignments.
Vice President	Helps the president implement activities and projects for the community and members. Suggests plans and ideas for the progress of the association.
Officers and members	Ensures that the activities and projects are properly implemented and sustained. Also, the end-user of some.

4. Enterprise's plan for the next 5 years?

Should this project be approved, the association will venture out another line of business to be endorsed and sooner be imported to the near provinces as a native product of the province, the RBDO, copra meal and soapstock.

Next 10 years?

The association aims to a more progressive association where members are free from danger and enjoy economic stability.

5. Current agreements and alliances undertaken

The association has no other agreements and alliances from other firms except from other associations and some government agencies.

BENCHMARK INFORMATION

➤ Projected Production

INCOME	P 21,782,400.00
RBDO = 11,880li/day x 24 days x P70/li = P19,958,400	
Copra cake = 12,500kg/day x 24 days x P6/kg = 1,800,000	
Soapstock = 500li/day x 24days x P2/li = P24,000	
FIXED COSTS	P 1,310,833.00
Depreciation = P262,500 (straight line)	
Interest on investment = P990,000	
Repairs and maintenance = P58,333.00	
VARIABLE COSTS	P 13,422,200.00
Labor = P188,200.00 (as per above schedule)	
Direct raw materials = 11,800,000.00 (as per above schedule)	
Fuel = 1,104,000.00	
Electricity and water = 330,000	
NET PER WEEK	P 7,049,367.00

➤ Production Problems and Concerns

There is no production problem so far, constraint on the other hand lies in the treatment of wastewater to be released by the association during production. If left untreated, wastewater coming from the plant would pollute the nearest river to the plant and eventually pollute the environment in the area.

➤ Production Waste Management System

The association is always in the eye of proper waste segregation of biodegradable from non-biodegradable. Also, it has a scheduled waste collection to every establishments which the cooperative is usually aware of and complies with. The proposed intervention would also ensure necessary waste management in terms of treating wastewater from the plant.

➤ Production Plan

The RBDO facility will produce according to demand.

➤ Inventory System

The facility will observe First-In-First-Out inventory system.

➤ Maintenance Program

The head of the association would always ensure the maintenance of the equipment in each of their establishments by monitoring its schedule and a frequent reminder as well. Before and after usage cleaning is always observed by the firm.

➤ cGMP/HACCP Activities

The association is observing cGMP and good housekeeping procedures in implementing their programs and services.

➤ Supplies/Purchasing System

The association would follow a schedule in purchasing needed materials per month. Also, they purchase from the local market to satisfy the production according to demand.

➤ Marketing

➤ Marketing Plan

With the projected stability in copra and cooking oil prices, the business is sure to profit and many coconut farmers would benefit from it. Compared to products coming in from Lucena or Batangas, the locally produced oil would be cheaper but comparable in quality. Compared against palm and other vegetable oils on the other hand, coco nut oil fares better since it is far more superior in terms of its organic properties and is preferred by food processing enterprises. These advantages of the product would be highlighted in the marketing strategies of the project. Copra would be bought at a standardized price. The association, however, would place a premium price for copra that is sun dried. Pricing for the product would be relatively low as raw materials are locally sourced and rate of labor is low in the province. To build following and brand loyalty, the association would ensure the best quality and may also opt to even lower the prices as much as possible. Promotion on the other hand would be by word of mouth, advertisements, press releases and market presence. Moreover, the product shall be promoted during the Annual General Assembly

of cooperatives where thousands of coop members converge. The market for the business is the whole province. The population of 300,000 people is estimated to constitute about 50,000 households. If a household consumes one bottle (350ml) cooking oil per week, the province needs 840,000 liters of cooking oil annually. At the target production rate of at least 1,000 per day, the plant would not be able to sufficiently address the demand of the province.

➤ Market Outlets and Number

None yet

➤ Promotional Strategies

The association would maximize word of mouth as their primary promotion. Meanwhile, members would also use the trimedia to expand promotion and reach an extensive potential buyers.

➤ Market Competitors

Competitors of the organization for the RBDO are the cooking oil outsourced from the different cooking oil companies that are imported in the province. This will not be a threat for them though as market for cooking oil is very extensive and demanding.

➤ Packaging

○ Nutrition Evaluation	None
○ Bar Code	None
○ Product Label	None
○ Expiry Date	None

➤ Finance

➤ Cash Flow or other related documents

The association has a designated personnel to ensure the smooth cash flow and financial transactions.

➤ Source(s) of capital/credit

The association sources out their capital to its members contribution and to its other income generating project. They also secured other capital from various government agencies that helped them put up the plant.

➤ Accounting System

The association has a finance and administrative department that is in-charge of managing its finances.

➤ Human Resources

➤ Hiring and Criteria

The association hires an applicant according to what position is available to be filled up. Minimum qualifications would be that applicants should have at least high school education, willing to work 5 days a week, passionate, and can do multitasking.

➤ Incentives to Employees

The association has no other incentives to their worker-members.

➤ Training and Development

The association participates to different training related to their objectives. With regards to their internal job description, they are also letting their members undergo trainings that are relevant to it. More training will also be given by the PSTC as the need arises.

➤ Safety Measures Practiced

The association has their own safety measures they practice in their production. First-aid kits and fire extinguishers were made conspicuous for easy access.

➤ Other Employee Welfare

The association has no other incentives to their worker-members.


➤ Other Concerns

The association could utilize the GIA assistance to improve on its productivity and equality. GIA assistance is highly recommended.

Prepared by:

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MR. GERMAN VILLOSTAS


MARCELINA V. SERVAÑEZ