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REPORTORIAL COMPLIANCE AMONG NON-COMPLIANT PRIMARY COOPERATIVES IN LA TRINIDAD, BENGUET

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ABSTRACT

This study examined the compliance of non-compliant primary cooperatives in La Trinidad, Benguet with the reportorial requirements of the Cooperative Development Authority (CDA), focusing on their level of awareness, encountered difficulties, and possible strategies to improve compliance. A quantitative descriptive survey design was utilized, involving 31 primary cooperatives with 93 respondents composed of general managers, treasurers, secretaries, and compliance committee members who were directly involved in report preparation and submission. Data were gathered using a validated and reliable survey questionnaire (Cronbach's alpha = 0.81). The study assessed awareness and compliance challenges related to the Cooperative Annual Program Report, Social Audit Report, Audited Financial Statements, List of Officers and Training Programs Undertaken/Completed, Semi-Annual Report on Mediation and Conciliation, and Performance Audit Report. Results showed that respondents demonstrated a high level of awareness of most reportorial requirements, except for the Performance Audit Report, where awareness was only moderate. Major difficulties were encountered in the preparation of the Performance Audit Report and Audited Financial Statements, while moderate challenges were noted for the other required reports. The most recommended interventions to improve compliance included regular capacity-building activities, the assignment of a dedicated compliance officer, and improved record-keeping systems through digitalization. The findings suggest that strengthening institutional mechanisms and technical capacity can significantly enhance reportorial compliance among primary cooperatives.

KEYWORDS: *Primary Cooperatives, Reportorial Compliance, Cooperative Development Authority, Audit Reports, La Trinidad Benguet*

INTRODUCTION

The cooperative movement has long been recognized as a powerful mechanism for inclusive economic development, democratic participation, and social equity across societies. As a people-centered business model, cooperatives are founded on collective ownership, democratic control, and shared benefits, allowing members to pool resources and efforts to address common economic, social, and cultural needs. Unlike conventional profit-driven enterprises, cooperatives prioritize member welfare over capital accumulation, ensuring that economic gains are equitably distributed and decision-making authority remains with the membership. This distinctive structure enables cooperatives to function not only as economic institutions but also as social organizations that foster solidarity, participation, and sustainable community development.

Historically, cooperation among individuals predates formal economic systems. Early human societies practiced cooperation as a survival strategy, sharing labor, resources, and responsibilities to withstand environmental challenges and scarcity. These informal cooperative practices eventually evolved into structured organizations during periods of economic inequality, industrial exploitation, and unethical business practices. The modern cooperative movement emerged as a response to these conditions, particularly during the 18th and 19th centuries, when workers, farmers, and small entrepreneurs sought fairer economic arrangements and protection from exploitative market forces.

One of the earliest recorded cooperative organizations was the Fenwick Weavers' Society, established in Scotland in 1761. This association demonstrated the economic power of collective purchasing, allowing members to access essential goods at affordable prices while safeguarding them from fraudulent trade practices. The success of the Fenwick Weavers illustrated how cooperation could mitigate economic vulnerability and laid the groundwork for future cooperative enterprises. However, it was the establishment of the Rochdale Equitable Pioneers Society in 1844

in Rochdale, England, that formalized the principles of cooperative organization. Founded by 28 skilled workers facing low wages and unfair labor conditions, the Rochdale cooperative institutionalized ethical business practices, democratic governance, and equitable surplus distribution. The Rochdale Principles—voluntary and open membership, democratic member control, economic participation, autonomy and independence, education and training, cooperation among cooperatives, and concern for community—became the foundation of the global cooperative movement and continue to guide cooperative organizations worldwide.

The cooperative model rapidly expanded across Europe, adapting to various economic and social contexts. In Germany, reformers such as Franz Hermann Schulze-Delitzsch and Friedrich Wilhelm Raiffeisen pioneered credit cooperatives during the mid-19th century to provide affordable financial services to small entrepreneurs, artisans, and farmers who were often exploited by private moneylenders. These initiatives led to the formation of the first rural credit unions, empowering marginalized groups through access to credit and fostering financial independence. Similarly, in France, cooperatives flourished in agricultural and consumer sectors, strengthening rural economies and promoting collective action among workers and farmers.

By the late 19th century, cooperatives had become a significant economic force across Europe, operating in both urban and rural areas. Their success facilitated global expansion into Asia, Africa, Latin America, and North America. In the United States, cooperative practices gained prominence in the late 1800s and early 1900s, particularly among farmers who formed marketing cooperatives to collectively sell their produce and negotiate better prices. Cooperative banks and credit unions also emerged during this period, extending financial services to rural and low-income communities previously excluded from formal banking systems. These institutions reduced reliance on predatory lenders and contributed to economic stability.

In developing regions, cooperatives have become essential tools for addressing poverty, inequality, and underdevelopment. Following World War II, African nations experienced rapid cooperative growth, particularly in agriculture and finance, as governments promoted cooperatives to increase food production, enhance rural livelihoods, and achieve economic self-sufficiency. In Asia, countries such as India, Japan, and the Philippines developed robust cooperative systems that supported agricultural modernization, consumer services, and rural banking. These cooperatives played a crucial role in post-independence reconstruction by generating employment, stabilizing incomes, and improving living standards. Recognizing the need for global coordination, cooperative leaders established the International Cooperative Alliance (ICA) in 1895 in London, England. The ICA serves as the principal international organization representing cooperatives worldwide, promoting shared values, facilitating knowledge exchange, and advocating supportive legal and policy frameworks. Today, cooperatives are among the most resilient business models globally, with more than one billion members and millions of employees across diverse sectors, including agriculture, finance, retail, healthcare, housing, and energy. The world's largest cooperatives generate trillions of dollars in annual revenue, underscoring their economic significance and sustainability.

Beyond their economic contributions, cooperatives address persistent social challenges. Cooperative banks and credit unions provide financial inclusion to underserved populations, while agricultural cooperatives help farmers mitigate climate risks, improve productivity, and secure market access. Consumer cooperatives promote ethical consumption by ensuring affordability and quality, and housing cooperatives offer community-driven, cost-effective residential solutions in rapidly urbanizing environments. These characteristics make cooperatives particularly resilient during periods of economic crisis and social instability.

The cooperative movement's historical trajectory highlights the importance of social responsibility, democratic governance, and collective action in achieving sustainable development. Cooperatives balance economic viability with social and environmental objectives, reducing inequality and strengthening community resilience. However, sustaining these benefits requires strong governance systems, transparency, and accountability—principles that are operationalized through regulatory compliance and reporting mechanisms.

In the Philippines, cooperatives have long been recognized as instruments of community development and social empowerment. The country's cooperative movement began in the early 1900s in response to widespread poverty, landlessness, and limited access to credit among farmers and workers. Philippine cooperatives were established to enable marginalized groups—such as smallholder farmers, women, micro-entrepreneurs, and informal workers—to

address shared economic challenges through collective action. The Philippine Cooperative Code of 2008 (Republic Act No. 9520) defines cooperatives as autonomous and duly registered associations of persons who voluntarily unite to meet common economic, social, and cultural needs through jointly owned and democratically controlled enterprises. Throughout Philippine history, cooperatives have been closely linked to national development policies. The Agricultural Credit and Cooperative Financing Administration (ACCFA), established in 1952, expanded access to credit for small farmers, reducing dependence on exploitative lenders. Following World War II, cooperatives were promoted as vehicles for economic recovery and rural reconstruction. The Cooperative Code of 1972 and its subsequent revision in 2008 strengthened regulatory frameworks, emphasizing transparency, accountability, and member participation.

The Cooperative Development Authority (CDA), established in 1972, serves as the primary government agency responsible for promoting, regulating, and supervising cooperatives nationwide. Under the Cooperative Code of 2008 and its implementing rules and regulations, cooperatives are required to submit annual reportorial requirements to ensure transparency, good governance, and compliance with cooperative principles. These reports include Audited Financial Statements, Performance Audit Reports, Social Audit Reports, Cooperative Annual Progress Reports, Lists of Officers and Trainings Undertaken, and Semi-Annual Reports on Mediation and Conciliation. Despite significant progress, many cooperatives in the Philippines continue to face challenges related to governance, financial management, and regulatory compliance. Inadequate technical capacity limited financial literacy, weak internal control systems, and insufficient understanding of reporting requirements contribute to non-compliance. These issues undermine organizational credibility, restrict access to government programs and financial assistance, and limit cooperatives' ability to fulfill their developmental mandate.

Primary cooperatives—defined as member-based organizations composed of at least fifteen individuals—form the foundation of the Philippine cooperative movement. These cooperatives operate in various sectors, including agriculture, credit, consumer services, housing, labor, and multipurpose enterprises. Primary cooperatives play a critical role in local economic development by generating employment, facilitating access to credit and markets, and fostering social cohesion through democratic participation.

In the Cordillera Administrative Region (CAR), cooperatives are predominantly multipurpose and credit-based, reflecting the diverse economic activities of farmers, traders, government employees, and micro-entrepreneurs. Benguet province hosts some of the region's most successful cooperatives, particularly those engaged in agricultural production and marketing. These cooperatives contribute to inclusive growth by linking farmers directly to markets, enhancing price stability, and promoting shared prosperity. La Trinidad, Benguet—the focus of the present study—is an agriculturally rich municipality where primary cooperatives serve as vital economic and social institutions. These cooperatives provide financial services, agricultural inputs, marketing support, and capacity-building programs to their members. They also facilitate education and skills development through training in governance, financial management, and entrepreneurship. Notably, cooperative-managed trading facilities, such as the La Trinidad Vegetable Trading Area, enable farmers to bypass intermediaries, increasing income and market efficiency.

However, despite their importance, many primary cooperatives in La Trinidad struggle with regulatory compliance, particularly in meeting CDA reportorial requirements. Financial constraints limited technical expertise, inadequate documentation systems, and insufficient training hinder timely and accurate report submission. Non-compliance jeopardizes cooperatives' Certificate of Compliance (COC), which is essential for accessing government support, tax incentives, and institutional partnerships. Reportorial compliance is not merely a regulatory obligation but a mechanism for strengthening transparency, accountability, and organizational sustainability. Regular submission of financial, operational, and social reports builds trust among members, regulators, and external stakeholders. It also enables cooperatives to assess performance, identify weaknesses, and implement corrective measures. Conversely, failure to comply erodes credibility, weakens governance, and threatens long-term viability. Given these realities, there is a need to examine the reportorial compliance of non-compliant primary cooperatives in La Trinidad, Benguet. Understanding their level of awareness of reporting requirements, the difficulties they encounter, and the strategies that can enhance compliance is crucial for improving cooperative governance and sustainability. The findings of this study are expected to inform the CDA, cooperative leaders, local government units, and development partners in designing targeted interventions that strengthen compliance mechanisms and support cooperative development. Furthermore, the study contributes to the academic discourse on cooperative governance and regulatory compliance

in the Philippine context. By focusing on primary cooperatives at the local level, it provides empirical insights into the practical challenges of implementing national policies within community-based organizations. Ultimately, the study underscores the importance of transparency, accountability, and capacity-building in sustaining the cooperative movement as a driver of inclusive and equitable development.

METHODOLOGY

The study employed a quantitative descriptive survey design to assess the reportorial compliance of primary cooperatives in La Trinidad, Benguet. This design was appropriate because it enabled the systematic description of current conditions and measurable patterns related to cooperatives' awareness of, and difficulties in, meeting the Cooperative Development Authority (CDA) reporting requirements. Using a structured survey approach, the study generated empirical data on the extent of awareness and the degree of difficulty associated with the submission of the Audited Financial Statements, Performance Audit Report, Social Audit Report, Cooperative Annual Progress Report, List of Officers and Trainings Undertaken/Completed, and the Semi-Annual Report on Mediation and Conciliation. Consistent with the purpose of descriptive research, the design provided a factual profile of compliance-related issues as experienced by cooperative personnel who are directly involved in report preparation and submission, thereby producing results with practical value for policy and governance interventions.

The locale of the study was La Trinidad, Benguet, a municipal center with diverse cooperative operations. Based on CDA–CAR records, the study covered all 31 primary cooperatives classified as non-compliant, with 93 respondents composed of general managers, treasurers, secretaries, and compliance committee members. Data were gathered using a structured survey questionnaire aligned with the research questions; selected items were adapted from an earlier compliance-related instrument and supplemented with researcher-developed items. The tool underwent panel review and pilot-testing, yielding acceptable reliability (Cronbach's alpha = 0.806). Ethical clearance was secured prior to data collection, and informed consent, confidentiality, and voluntary participation were strictly observed. Surveys were administered through printed questionnaires and online modes (Google Forms/email), depending on respondent preference. Data was analyzed using descriptive statistics: weighted means for awareness and difficulty ratings, frequency, percentage, and ranking for proposed strategies and interventions. Interpretation followed predetermined four-point Likert scale descriptors for awareness (Highly Aware to Not Aware) and difficulty (Highly Encountered to Not Encountered).

RESULT, ANALYSIS, AND DISCUSSION

Level of Awareness on Cooperative Development Authority Reportorial Requirements of Non-Compliant Primary Cooperatives

The results of the study reveal that non-compliant primary cooperatives in La Trinidad, Benguet generally exhibit a high level of awareness of the reportorial requirements mandated by the Cooperative Development Authority (CDA). Overall findings indicate that cooperative officers, particularly general managers, treasurers, secretaries, and compliance committee members—are familiar with the existence, purpose, and basic content of the required reports. This suggests that non-compliance is not primarily caused by lack of information, but rather by challenges related to implementation, technical capacity, and organizational systems, a pattern consistent with earlier findings on cooperative governance in the Philippines (Cruz, 2015; Cooperative Development Authority [CDA], 2020). Specifically, awareness was highest for the

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Table 1. ***Level of Awareness on Cooperative Development Authority Reportorial Requirements of Non-Compliant Primary Cooperatives***

Indicators	Weighted Mean	Descriptive Equivalent	Rank
A. Cooperative Annual Progress Report (CAPR)	**3.92**	**Highly Aware**	**1**
1. Time and schedule for the submission of CAPR to CDA	3.61	Highly Aware	
2. Knowledge that the CAPR contains information on the cooperative's financial performance	3.94	Highly Aware	
3. Awareness that the CAPR includes data about cooperative membership	4.00	Highly Aware	
4. Familiarity with the CAPR's section on services and business operations	3.96	Highly Aware	
5. Awareness of the CAPR's section on governance, including the Board and committees	3.84	Highly Aware	
6. Understanding of the CAPR's role in cooperative compliance and transparency	4.00	Highly Aware	
7. Familiarity with the person or group responsible for preparing the CAPR	4.00	Highly Aware	
8. Deadline for submission of the CAPR to the CDA	3.97	Highly Aware	
B. Social Audit Report	**3.33**	**Highly Aware**	**4.5**
1. Time and schedule for the submission of the Social Audit Report to CDA	3.70	Highly Aware	
2. Mission, Vision, Core Values, and Social Goals are included in the report	3.88	Highly Aware	
3. Policies and guidelines on Social Development are included in the report	2.66	Moderately Aware	
4. Social Development Program for the cooperative's members	3.05	Moderately Aware	
5. Social Development Program for the community	3.38	Highly Aware	
C. Performance Audit Report	**2.36**	**Moderately Aware**	**6**
1. Governance and Management Report	2.95	Moderately Aware	
2. Financial Performance of the Cooperative	1.90	Slightly Aware	
3. Summary Report	2.23	Slightly Aware	
D. Audited Financial Statements	**3.91**	**Highly Aware**	**2**
1. Time and schedule for the submission of Audited Financial Statements to CDA	3.88	Highly Aware	
2. Reports must be audited by a CDA-accredited external auditor/accountant	3.97	Highly Aware	
3. Deadline for submission of the Audited Financial Statements to the CDA	3.89	Highly Aware	
E. Lists of Officers and Training Programs Undertaken/Completed	**3.34**	**Highly Aware**	**3**
1. Time and schedule for the submission of the lists of officers and training programs undertaken/completed to CDA	3.87	Highly Aware	
2. Familiarity with the specific officer positions included in the submission (e.g., BOD, committee members	3.58	Highly Aware	
3. Knowledge of what types of training are recognized by the CDA (e.g., governance, financial literacy)	2.65	Moderately Aware	

4. Understanding of how training records support compliance with CDA education requirements	3.50	Highly Aware	
5. Deadline for the lists report to the CDA	3.12	Moderately Aware	
F. Semi-Annual Report on Mediation and Conciliation	**3.33**	**Highly Aware**	**4.5**
1. Time and schedule for the submission to CDA	3.72	Highly Aware	
2. Awareness that cooperatives must maintain records of internal dispute resolutions	3.67	Highly Aware	
3. Familiarity with what the report must contain (e.g., number of cases, status, resolution details)	3.00	Moderately Aware	
4. Understanding of how mediation and conciliation help in governance	3.00	Moderately Aware	
5. Deadline for the report to the CDA	3.24	Moderately Aware	
Overall Weighted Mean	**3.37**	**Highly Aware**	

Cooperative Annual Progress Report (CAPR) and Audited Financial Statements (AFS), reflecting the emphasis placed on financial accountability, operational reporting, and compliance with legal and regulatory standards. These reports are routinely prepared and are closely linked to cooperative legitimacy, access to government programs, and maintenance of a valid Certificate of Compliance, which explains the higher level of familiarity among cooperative officers (Holanda & Cabrera, 2018; CDA, 2020). In contrast, the Performance Audit Report (PAR) registered only a moderate level of awareness, indicating limited understanding of performance evaluation, governance assessment, and audit methodologies. This finding supports previous studies highlighting performance auditing as one of the most challenging compliance areas due to its technical complexity and the lack of adequate training and resources (Basilio, 2019).

Furthermore, while respondents demonstrated high awareness of the Social Audit Report and the Semi-Annual Report on Mediation and Conciliation, the findings suggest persistent gaps in documentation practices and procedural execution. Cooperative officers recognize the importance of social responsibility and alternative dispute resolution as core cooperative principles, yet many lack systematic mechanisms for recording, consolidating, and reporting these activities (International Cooperative Alliance, 2020; Republic Act No. 9285). Overall, the study concludes that enhancing reportorial compliance among primary cooperatives requires more than awareness-building; it necessitates targeted capacity-building programs, strengthened internal controls, improved documentation systems, and sustained technical support to translate regulatory knowledge into consistent and effective compliance.

Extent of Difficulties Encountered in Reportorial Compliance by Non-Compliant Primary Cooperatives

Table 2 presents the extent of difficulties encountered by general managers, treasurers, secretaries, and members of the compliance committee in fulfilling the reportorial requirements mandated by the Cooperative Development Authority (CDA). Overall, the level of difficulty was found to be moderate (overall weighted mean = 3.03), indicating that although cooperatives are generally aware of their obligations, they experience persistent challenges in complying with all six reportorial requirements. These findings affirm earlier studies which emphasize that compliance problems in cooperatives are often rooted in operational and structural limitations

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Table 2. ***Extent of difficulties encountered in reportorial compliance by the non-compliant cooperatives***

Indicators	Weighted Mean	Descriptive Equivalent	Rank
A. Cooperative Annual Progress Report	**2.67**	**Moderately Encountered**	**6**
1. Digital or system barriers	3.90	Highly Encountered	
2. Inadequate training and technical skills	3.80	Highly Encountered	
3. Poor record keeping and documentation	3.10	Moderately Encountered	
4. Lack of awareness of the requirements	2.10	Slightly Encountered	
5. Limited access to CDA support	2.10	Slightly Encountered	
B. Social Audit Report	**3.15**	**Moderately Encountered**	**3**
1. Inadequate Training or Orientation	3.80	Highly Encountered	
2. Poor documentation of activities	3.20	Moderately Encountered	
3. Lack of understanding of social audit concepts	3.00	Moderately Encountered	
4. Non-prioritization of social responsibility	2.60	Moderately Encountered	
C. Performance Audit Report	**3.50**	**Highly Encountered**	**2**
1. Unclear and incomplete performance standards	3.80	Highly Encountered	
2. Insufficient training of the audit committee	3.60	Highly Encountered	
3. Inadequate data and documentation	3.60	Highly Encountered	
4. Time and manpower constraints	3.60	Highly Encountered	
5. Limited use of audit results for improvement	2.60	Moderately Encountered	
D. Audited Financial Statements (AFS)	**3.60**	**Highly Encountered**	**1**
1. High cost of audit services	3.80	Highly Encountered	
2. Limited access to CDA-accredited auditors	3.60	Highly Encountered	
3. Poor financial record-keeping	3.60	Highly Encountered	
4. Deadline pressure	3.60	Highly Encountered	
5. Lack of Internal Preparation and Coordination	3.40	Highly Encountered	
E. Lists of Officers and Training Programs Undertaken/Completed	**2.65**	**Moderately Encountered**	**4**
1. Limited access to CDA/accredited training	3.80	Highly Encountered	
2. Failure to attend mandatory training	3.40	Highly Encountered	
3. Administrative overload	2.90	Moderately Encountered	
4. Incomplete or delayed updating of officers' lists	2.20	Slightly Encountered	
5. Lack of Awareness of Report Content and Format	1.65	Not Encountered	
F. Mediation and Conciliation Report	**2.60**	**Moderately Encountered**	**5**
1. Lack of training on alternative dispute resolution (ADR)	3.72	Highly Encountered	
2. Hesitation to report internal conflicts	3.50	Highly Encountered	
3. Absence or inactivity of the conciliation-mediation committee	2.90	Moderately Encountered	
4. Lack of awareness and understanding of the requirements	2.00	Slightly Encountered	
5. Poor documentation of internal disputes	1.90	Slightly Encountered	
6. Confusion over report content and format	1.60	Not Encountered	
Overall Weighted Mean	**3.03**	**Not Encountered**	

rather than lack of awareness, particularly in terms of limited financial resources, inadequate manpower, weak technical capacity, and low levels of digital literacy (Cruz, 2015; Basilio, 2019; Cooperative Development Authority [CDA], 2020).

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Among the six requirements, the Audited Financial Statements (AFS) posed the greatest difficulty, ranking first with a weighted mean of 3.60 and interpreted as *highly encountered*. This difficulty is largely attributed to the high cost of hiring CDA-accredited external auditors, the limited availability of accredited auditors within the province, and the reliance of many cooperatives on part-time bookkeepers or volunteer accountants, which often results in delayed and inconsistent financial reporting. These constraints are consistent with previous findings that financial audit compliance remains one of the most challenging areas for small and medium-sized cooperatives due to resource constraints and technical requirements (Holanda & Cabrera, 2018; Daily Guardian, 2023). The Performance Audit Report (PAR) ranked second (weighted mean = 3.50), reflecting frequent difficulties related to unclear performance indicators, insufficiently trained audit committees, weak internal assessment mechanisms, and poor documentation systems. Similar studies have noted that performance auditing is particularly problematic because it requires specialized analytical skills and standardized tools that many cooperatives lack (Basilio, 2019; Cooperative Development Authority, 2019).

Moderate difficulties were likewise encountered in the Social Audit Report (SAR) (weighted mean = 3.15), the List of Officers and Training Programs Undertaken/Completed (weighted mean = 2.65), and the Semi-Annual Report on Mediation and Conciliation (weighted mean = 2.60). These challenges are primarily linked to inadequate record-keeping practices, limited training on social auditing and alternative dispute resolution, heavy workloads, and weak internal coordination among committees. Although cooperatives recognize the importance of social responsibility, leadership development, and peaceful conflict resolution, they often lack systematic mechanisms to document and report these activities effectively (International Cooperative Alliance, 2020; Cooperative Development Authority, 2010). In contrast, the Cooperative Annual Progress Report (CAPR) ranked last in terms of difficulty (weighted mean = 2.67), suggesting comparatively fewer problems; however, digital and technological issues related to the Cooperative Annual Information System (CAIS), such as unstable internet connectivity and limited technical skills, continue to hinder accurate and timely submission (CDA, 2020). Overall, the findings highlight that strengthening technical capacity, financial support mechanisms, and internal governance systems is essential to addressing the persistent compliance difficulties faced by primary cooperatives.

Strategies or Interventions that will Improve the Reportorial Compliance Among Primary Cooperatives

Table 3 presents the recommended strategies or interventions to improve the reportorial compliance of primary cooperatives in La Trinidad, Benguet as perceived by general managers, treasurers, secretaries, and members of the compliance committee. The findings indicate that respondents clearly recognize that compliance issues can be addressed through deliberate organizational improvements, capacity-building initiatives, and stronger accountability mechanisms. The recommended strategies reflect the participants shared experiences in managing compliance-related challenges and highlight the need to strengthen internal systems,

Table 3. ***Strategies or interventions that will improve the reportorial compliance of primary cooperatives***

Strategies/Interventions	Percentage	Rank
1. Conduct regular training and seminars for officers and members on CDA compliance requirements	13.66%	1
2. Assign or hire a dedicated compliance officer to monitor report submissions and deadlines	13.35%	2
3. Improve record-keeping and documentation systems through digitalization or organized filing	13.04%	3
4. Strengthen coordination among the Board, Compliance Committee, and Management	12.58%	4
5. Include compliance activities in the annual plan and cooperative calendar	12.42%	5
6. Provide incentives or recognition for officers or cooperatives with full compliance	11.96%	6
7. Seek technical assistance from the CDA or federation	11.64%	7
8. Enforce accountability for officers who neglect compliance responsibilities	11.35%	8
Total	**100.00%**	

enhance staff and office competencies, and institutionalize accountability to meet the reporting standards of the Cooperative Development Authority (CDA). These results reinforce earlier findings that compliance is closely linked to organizational capability rather than mere awareness of regulatory requirements (Cruz, 2015; Cooperative Development Authority [CDA], 2020).

The most frequently recommended strategy was the conduct of regular training and seminars for officers and staff, which accounted for 13.66% of the total responses. This suggests that cooperatives acknowledge the importance of continuous learning in addressing gaps in technical knowledge and procedural competence, particularly in preparing complex reports such as the Performance Audit Report and Social Audit Report. Regular training enables cooperative personnel to stay updated on current CDA regulations, reporting formats, and documentation standards, thereby minimizing errors and delays in report submission. This finding is consistent with CDA guidelines emphasizing capacity-building as a core mechanism for strengthening cooperative governance and compliance (CDA, 2020). Moreover, this strategy aligns with earlier results showing high awareness of the requirement for documenting officer training, underscoring the role of education in sustaining compliance.

The assignment or hiring of a dedicated compliance officer emerged as the second most recommended strategy, with 13.35% of responses. Participants emphasized that having a clearly designated individual responsible for monitoring deadlines, coordinating report preparation, and liaising with regulatory agencies would significantly reduce omissions and inconsistencies. A compliance officer provides structure to compliance management by ensuring systematic documentation, timely submission, and clear communication between the cooperative and the CDA. Previous studies similarly highlight that defined accountability roles within cooperative organizations improve regulatory adherence and governance effectiveness (Basilio, 2019; Holanda & Cabrera, 2018). Closely related to this, the digitalization of records and improvement of filing systems, which ranked third with 13.04% of responses, was identified as a critical intervention. Digital record-keeping facilitates easier retrieval of data, improves accuracy and completeness of reports, and supports timely submission—particularly for reports that rely heavily on historical and performance documentation, such as the Performance Audit Report and Social Audit Report (CDA, 2020).

Other recommended strategies, though slightly less frequent, remain significant. These include strengthening coordination among the board, compliance committee, and management (12.58%); integrating compliance activities into the annual cooperative plan and calendar (12.42%); providing incentives or recognition for fully compliant cooperatives or officers (11.96%); seeking technical assistance from the CDA or cooperative federations (11.64%); and enforcing accountability measures for officers who neglect compliance responsibilities (11.25%). Collectively, these strategies suggest that improving reportorial compliance requires a holistic approach that combines capacity-building, system enhancement, clear accountability, and motivational mechanisms. Consistent with cooperative governance literature, sustained compliance is most effectively achieved when technical support, internal controls, and performance-based incentives are aligned with regulatory expectations and organizational goals (International Cooperative Alliance, 2020; Cruz, 2015).

Summary of Findings

The study found that general managers, treasurers, secretaries, and members of the compliance committees of primary cooperatives in La Trinidad, Benguet generally demonstrate a high level of awareness of most Cooperative Development Authority (CDA) reportorial requirements, particularly the Cooperative Annual Progress Report, Social Audit Report, Audited Financial Statements, List of Officers and Training Programs Undertaken/Completed, and the Semi-Annual Report on Mediation and Conciliation, although their awareness of the Performance Audit Report remains only moderate. Despite this awareness, cooperatives continue to experience significant challenges in complying with certain requirements, with difficulties being highly encountered in the preparation of the Performance Audit Report and Audited Financial Statements due to their technical complexity, financial constraints, and limited audit expertise, while challenges related to the Cooperative Annual Progress Report, Social Audit Report, List of Officers and Training Programs Undertaken/Completed, and the Semi-Annual Report on Mediation and Conciliation were encountered at a moderate level. To address these issues, the respondents strongly recommended the conduct of regular trainings and seminars on CDA compliance requirements, the assignment or hiring of a dedicated compliance officer to monitor report preparation and submission deadlines, and the improvement of record-keeping and documentation systems through digitalization or more organized filing practices to enhance accuracy, efficiency, and sustained regulatory compliance.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The study concludes that non-compliant primary cooperatives in La Trinidad, Benguet generally exhibit a high level of awareness of the Cooperative Development Authority (CDA) reportorial requirements, particularly those related to the Cooperative Annual Progress Report and Audited Financial Statements. However, this awareness does not consistently extend to more technical and evaluative reports, such as the Social Audit Report, the List of Officers and Training Programs, and most notably the Performance Audit Report. The findings further indicate that while cooperative officers understand the basic requirements, they lack the technical competencies, procedural knowledge, and institutional systems necessary for effective compliance. Difficulties in meeting reportorial obligations are primarily attributed to limited human resources, insufficient technical expertise, and weak documentation and filing systems. Overall, the results demonstrate that awareness alone is insufficient to ensure compliance; rather, operational capacity, functional systems, and sustained technical support are critical to achieving full regulatory compliance.

Recommendations

In view of these conclusions, it is recommended that the Cooperative Development Authority (CDA), in collaboration with cooperative federations, institutionalize regular and targeted capacity-building programs focused on performance auditing, social auditing, mediation and conciliation reporting, and proper records management. Cooperatives should strengthen their internal operational systems by enhancing digital skills, improving financial and administrative record-keeping, and adopting more efficient documentation practices, supported by CDA-established physical help desks and digital assistance platforms for CAIS and audit-related concerns. Furthermore, primary cooperatives are encouraged to designate a dedicated compliance officer responsible for monitoring reportorial deadlines, coordinating with CDA offices, and ensuring the timely preparation and submission of required reports. Strengthening internal communication between boards, management, and committees, alongside the provision of performance-based incentives and support mechanisms from the CDA, will further promote sustained compliance and strengthen the long-term governance and accountability of primary cooperatives.

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