

## B. AGRICULTURAL CREDIT POLICY COUNCIL

### STRATEGIC OBJECTIVES

#### MANDATE

Created in 1986 by virtue of Executive Order (EO) No. 113, the Agricultural Credit Policy Council (ACPC) is mandated to:

1. Assist the Department of Agriculture in synchronizing all agriculture and fisheries credit policies and programs (EO 113);
2. Review and evaluate the economic soundness of all agriculture and fisheries credit programs (EO 113);
3. Implement institutional capacity building programs and pilot-test innovative financing schemes for marginalized farmers and fisherfolk (RA 7607 or Magna Carta for Small Farmers);
4. Oversee the implementation of the Agriculture and Fisheries Modernization Act (AFMA)-mandated Agro-Industry Modernization Credit and Financing Program (ACPC Council Resolution No. 01-1999);
5. Manage and facilitate the collection and consolidation of government directed credit programs (DCPs) into the Agro-Industry Modernization Credit and Financing Program (DA-DOF-DBM Joint Circular No. 1 and DA Administrative Order No. 16); and
6. Act as the Department of Agriculture's duly-authorized agency to implement relevant provisions of RA 10000 (DA Special Order 605, 2011)

#### VISION

The ACPC is the institution on agri-credit policy and program development that promotes the effective and sustainable delivery of financial services to the countryside

#### MISSION

Develop and advocate agri-credit policies and orchestrate programs that promote farmers' and fisherfolk's access to sustained financial services

#### KEY RESULT AREAS

1. Transparent, accountable and participatory governance;
2. Poverty reduction and empowerment of the poor and vulnerable; and
3. Integrity of the environment and climate change adaptation and mitigation

#### SECTOR OUTCOME

Competitive and sustainable Agriculture and Fisheries (A & F) sector achieved, and contributes to the achievement of the sector outcome of effective and efficient governance

## ORGANIZATIONAL OUTCOME

Access of Small Farmers and Fisherfolk (SFF) to formal credit under the ACPC Agro-Industry Modernization Credit and Financing Program (e.g. Sikat Saka, Agriculture and Fisheries Financing Program and Calamity/Climate Change Facility) increased

## PERFORMANCE INFORMATION

## KEY STRATEGIES

1. Strengthen Agriculture and Fisheries Modernization Act (AFMA)-mandated Agro-Industry Modernization Credit and Financing Program (AMCFP) lending to small farm and fishing households;
2. Reduce costs of lending and provide incentives for private banks to increase lending to the agriculture and fisheries sector;
3. Strengthen credit guarantee and agricultural insurance programs;
4. Build up credit database for small farmers and fisherfolk (SSF), intensify information dissemination and strengthen monitoring and evaluation; and
5. Enhance capacity of SSF and their cooperatives and organizations

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	BASELINE	2016 TARGETS
Access of Small Farmers and Fisherfolk (SFF) to formal credit under the ACPC Agro-Industry Modernization Credit and Financing Program (e.g. Sikat Saka, Agriculture and Fisheries Financing Program and Calamity / Climate Change Facility) increased		
Repayment rate (% of repayment / outstanding loans)	85%-95%	85%-95%
% increase in the number of SFF borrowers	55,200	7% (58,800)
% increase in the number of transactions	110,398	7% (117,680)

MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)	2016 Targets
MFO 1: CREDIT SUPPORT SERVICES	
Credit Funds Administered	
Total amount of loans granted (PhP Million)	3,789
Total number of loan beneficiaries	117,680
% of past due loans over loans outstanding (from partner lending institutions to ACPC-AMCFP)	5%-15%
% of amount collected over amount matured/due (from partner lending institutions to ACPC-AMCFP)	85%-95%
Percentage of loan applications approved/released within fifteen (15) days (ACPC-AMCFP to partner lending institutions)	100%
% of amounts due collected within ten (10) days (ACPC-AMCFP to partner lending institutions)	85%-95%
Collection of loans under directed credit programs	
Amount of loan collections / loans consolidated into the AMCFP from directed credit programs (PhP Million)	5.4
% of loan beneficiaries in arrears for more than 180 days that did not respond to ACPC's follow-up letters	98.5%
Average cost per Peso collected (in PhP)	0.20
% of scheduled loan repayments that fall into arrears which are issued with follow-up letters within ten (10) working days	100%