



Republic of the Philippines
Department of Agriculture
AGRICULTURAL CREDIT POLICY COUNCIL
28/F One San Miguel Avenue (OSMA) Bldg.,
San Miguel Avenue corner Shaw Blvd.,
Ortigas Center 1605 Pasig City
Tel. Nos. 8634-3320 to 21; 8634-3326 / Fax Nos. 8634-3319; 8584-3691



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September 3, 2020

MEMORANDUM

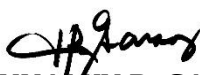
FOR : **JOCELYN ALMA R. BADIOLA**
Executive Director

11/09/2020

X 

Signed by: Kraft Norman William Santos

THRU : **NORMAN WILLIAM S. KRAFT**
Director II, Monitoring Division

FROM : 
ANNALYN R. GARAY
Division Chief, Monitoring Division

SUBJECT : **Status Update Report on DA-ACPC Credit Programs as of July 31, 2020**

The ACPC Monitoring Division is pleased to submit the Status Update Report on DA-ACPC Credit Programs as of July 31, 2020. Included in this report are the status update and highlights on the following DA-ACPC programs:

1. **Expanded SURE-Aid and Recovery Project (SURE COVID 19)**
2. **Agri-Negosyo Program (ANYO)**
3. **Kapital Access for Young Agripreneurs Programs (KAYA)**
4. **BuyANiham Program**
5. **Expanded Rice Credit Assistance-Rice Competitiveness Enhancement Fund (ERCA RCEF)-**
6. **Expanded Survival and Recovery Loan Assistance for Rice Farmers (SURE-Aid Palay Program)**
7. **Survival and Recovery Loan Assistance Program (SURE)**

DC: ACPC-MD-30

TN: _____



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- 8. Production Loan Easy Access Program (PLEA)**
- 9. Working Capital loan Easy Access (CLEA)**
- 10. Agricultural and Fisheries Machineries and Equipment Loan Program (AFME)**



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DA-ACPC Credit Programs

Status Updates as of July 31, 2020*

DA-ACPC CREDIT PROGRAMS	Date Started	PARTNER LENDING CONDUITS / GOVERNMENT FINANCIAL INSTITUTIONS		TYPE OF BORROWER				
				SMALL FARMERS AND FISHERFOLK		ORGANIZATIONS/MSEs		
		Amt. of Funds Transferred (in PhP)	No. of PLCs/GFIs	Amt. of Loans Disbursed (in PhP)	No. of Borrowers	Amt. of Loans Disbursed (in PhP)	No. of Borrowers	No. of SFF-Beneficiaries a/
1.a. SURE COVID-19 Program for Small Farmers and Fisherfolk (SFFs)	Mar. 2020	1,196,586,542 b/	86	874,340,000	34,949	c/		
1.b. SURE COVID-19 Program for Micro and Small Enterprises (MSEs)		d/				692,850,000	99	-
2. ANYO Program	Jan. 2020	55,000,000	4	e/				
3. Kapital Access for Young Agripreneurs (KAYA) Program	Jan. 2020	36,500,000	5					
4. BuyANiHan	Oct. 2019	500,000,000	1	f/		200,000,000	1	429
5. ERCA-RCEF	Oct. 2019	1,000,000,000	2	1,038,210,000 h/	3,764	h/	44	3, 251 i/
6. SURE g/	2017	324,508,502	33	294,632,268	22,914	j/		
7. SURE Aid Palay	Sept. 2019	2,500,000,000	1	2,482,890,000	165,526			
8. PLEA	2017	2,620,575,201	213	2,220,528,521	62,476	k/		
9. CLEA	2018	52,000,000	7	l/		47,903,000	11	2,652
10. AFME	2018	14,050,000	3			14,050,000	3	278
Grand Total		8,299,220,244	355	6,910,600,788	289,629	954,803,000	158	6,610

*Cumulative figures since the start of the programs.

a/ Individual small farmers and fisherfolk who may or may not be members of the borrower organization and indirectly benefited from the organization's utilization of the program loan.

b/ Does not include the P3,986,650 fund sourced from PLEA and SURE loan collections.

c/ Not applicable since the SURE COVID Facility for MSFFs, the targets are individual farmers and fisherfolk borrowers.

d/ Not applicable since the SURE COVID Facility for MSEs, the targets are agri-fishery based micro and small enterprises.

e/ Processing of loan applications for KAYA Program and ANYO Program is still ongoing.

f/ Not applicable since under the BuyANiHan program, the target borrowers are organizations (e.g. cooperatives, farmers' and irrigators' associations).

g/ This includes loan releases to SURE Aid Taal and SURE-Hogs Programs.

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h/ This amount includes loan disbursements to both individual and group borrowers since LBP did not provide breakdown of disbursement per type of borrower.

i/ This only includes number of beneficiaries from DBP. No data provided by LBP.

j/ Not applicable since under the various SURE Programs, the target borrowers are individual farmers and fisherfolk affected by calamities.

k/ Not applicable since under the PLEA Program, the target borrowers are individual farmers and fisherfolk engaged in agricultural production.

l/ Not applicable since under the guidelines of AFME and CLEA programs, the target borrowers are organizations (e.g. cooperatives, farmers' and irrigators' associations.)



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Highlights on Ongoing Programs

1. Expanded SURE-Aid and Recovery Project (SURE COVID-19)

- A total of P1.2 billion funds have already been transferred to partner lending conduits for lending to small farmers and fisherfolk (SFFs) under SURE Covid-19. The P1.2 billion consists of an initial P1.0 billion sourced from ACPC's 2020 GAA funds plus an additional P226.837 million sourced from 2019 GAA funds that were transferred to PLCs in the 4th quarter of 2019 and were programmed for disbursement in the 1st quarter of 2020. These funds were repurposed for the implementation of SURE Covid-19. As of end of July 2020, the accomplishment rate in terms of both targeted amount of loan disbursements to SFFs and number of SFF borrowers is 87%.
- For lending to agri-based micro and small enterprises (MSEs), the total amount of loans that have been disbursed is only P692.85 million to 99 MSE-borrowers. As of end of July 2020, the accomplishment rate in terms of targeted fund disbursements is 58%, while the accomplishment rate in terms of targeted number of borrowers is 66%. The lower performance shown in lending to MSEs is due to delays in the borrowers' completion of requirements. To address this, the DA-ACPC is working on the following measures to speed up loan processing and releases for MSE-borrowers: (1) introduction of an online submission of documents by MSE loan applicants; and (2) negotiating partnership/s with service providers that offer financial technology services, e.g. the use of e-wallet in loan disbursement, to facilitate the faster transfer to MSE-borrowers.

2. ANYO Program

As of end of July 2020, a total of P55 million has been transferred to 4 partner lending conduits. Processing of loan applications (including applications of OFW-borrowers) is on-going.

3. KAYA Program

A total of P36.5 million has been transferred to 5 partner lending conduits as of July 31, 2020. Processing of loan applications for Yaggies (Young Agripreneurs) is on-going.



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4. BuyANihan Program

As of July 31, 2020, only P26,025,433 out of the initial P200 million program funds released by the Development Bank of the Philippines (DBP) to the Nueva Segovia Consortium of Cooperatives (NSCC) has been used by NSCC for the procurement of palay from their farmer-members. NSCC's fund utilization rate is therefore only at 13% (NOTE: DA-ACPC already formally notified DBP in August to submit NSCC's explanation for the low fund utilization, DBP's plan of action, and NSCC's program of disbursement for their remaining fund balance.)

DBP also has an additional fund under the program amounting to P300 million that remains undisbursed as of July 2020 (NOTE: Negotiations were initiated in August for the funds to be returned to DA-ACPC).

5. ERCA-RCEF

The 2019 fund allocation for ERCA-RCEF amounting to a total of P1 billion was already fully utilized by both LBP and DBP (i.e. the 2 implementing government financing institutions) as of June 2020. As of July 31, LBP had already disbursed ERCA-RCEF funds amounting to a cumulative total of P574.71 million composed of its original 2019 fund allocation (P500 million) plus an additional P74.71 million out of its fresh ERCA-RCEF allocation for 2020. LBP's borrowers as of July are made up of 3,764 individuals and 43 groups.

The DBP, on the other hand, disbursed a total of P463.5 million out of its P500 million ERCA-RCEF fund allocation for 2019 to 1 cooperative borrower (i.e. the Nagkakaisang Magsasaka ng Isabela Agriculture Cooperative or NMIAC) as of June 30, 2020. The balance of P36.5 million went to DBP's management fee and other charges.

6. SURE-Aid Palay

As of July 31, 2020, loans released under the program amount to a total of P2.483 billion. The total number of borrowers is 165,526, or 99.3% of the targeted 166,665 total borrowers. The difference of 1,139 is composed of 897 borrowers whose loan applications were approved but no longer claimed their cash cards and 242 who no longer pursued their loan application. LBP is awaiting the DA's instruction with regard to the undisbursed fund.

As of end of July 2020, Land Bank has also collected P1,264,682.50 in loan payments from SURE Aid program borrowers.



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