

# AGRI FINANCE

A semestral publication of the Agricultural Credit Policy Council  
JANUARY-JUNE 2020

# Magazine

*Strengthening*

**CREDIT**

*programs in adversity*





# ABOUT THE COVER

The Agricultural Credit Policy Council (ACPC), the Department of Agriculture's (DA) arm for credit policy and development, has been responding to the plight of the farmers and fishers by providing easy, convenient, and affordable credit.

When Agriculture Chief William D. Dar emphasized the role of credit in agriculture in increasing the productive investment while putting an end to the farmers' and fishers' pressure in capitalizing for more farm activities, ACPC was quick to design and is instrumental in the DA's basic programs such as the Expanded Sure Aid and Recovery Project (SURE COVID-19), Kapital Access for Young Agripreneurs (KAYA), and Agri-Negosyo (ANYO), all tailored fit to the current needs and demands of the sector in the time of crisis.

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Photo courtesy: DA AFID

## Editor's Note

# CHAMPIONING AGRI-CREDIT PROGRAMS FOR FILIPINO FARMERS AND FISHERS

In a country where farmers and fishers – the agriculture sector's frontliners – use credit to survive, it is high time that the government ramps up its credit facilities for the maximum benefit of the farming and fishing communities.

The current world health crisis has enabled ACPC to be resilient, flexible, and responsive while keeping accountability of the farmers' and fishers' welfare through the implementation of the Expanded Sure Aid and Recovery Project (SURE COVID-19), Kapital Access for Young Agripreneurs (KAYA), and Agri-Negosyo (ANYO), all tailored fit to the current needs and demands of the sector in this time of crisis.

The SURE COVID-19 offers loan facilities for small farmers and fishers (SFF) and agri-fishery-based micro and small enterprises (MSEs) affected by the enhanced community quarantine (ECQ) due to the COVID-19 pandemic. Under the SFF facility, individual farmers and fishers may avail of loans worth P25,000 per household, with zero interest rate and no collateral, payable up to ten years.

On the other hand, the MSE facility provides a working capital of up to P10 million with zero interest rate, and payable up to five years. Eligible MSEs can be single proprietorship, partnership, corporation or cooperative/association.

With the DA's campaign to engage the youth in agriculture, ACPC's Kapital Access for Young Agripreneurs or KAYA aims to attract the younger generation of Filipinos to be key players in attaining a food-secure Philippines with prosperous farmers and fishers.

The KAYA program offers start-up or existing capital financing to borrowers 18-30 years old, of up to P500,000 per borrower, with zero interest rate and no collateral, payable up to five years.

To finance the working capital requirements for production, processing, marketing, acquisition of machinery or equipment, and construction of facilities, the Agri-Negosyo or ANYO loan program offers up to P15 million loanable amount with zero interest rate, and payable up to five years. The ANYO program is available to individuals who are 30 years old and above, farmer and fisherfolk associations and cooperatives, repatriated migrant workers, and micro and small enterprises that are engaged in agriculture and fishery projects.

Now, more than ever, ACPC commits to its moral responsibility in transforming agriculture into an enterprise by formulating policies and innovations to continuously provide farmers and fishers easy, convenient, and affordable access to credit.

# ACPC okays P1-B loan facility for PLANT, PLANT, PLANT

KARLO CEASAR C. ABARQUEZ

**T**he Department of Agriculture through the Agricultural Credit Policy Council (ACPC) has approved an initial P1-billion loan assistance to marginalized farmers and fishers, as well as agri-fishery micro and small enterprises (MSEs) to enable them to cope during this state of national emergency due to the COVID-19 pandemic.

Photo courtesy: DA AFID



Agriculture Secretary William D. Dar said the financing program is part of the expanded SURE Aid and Recovery Project, in support of the “Ahon Lahat, Pagkaing Sapat (ALPAS) Kontra COVID-19 or Plant, Plant, Plant Program, which aims to increase farm productivity and ensure food sufficiency during the Covid-19 emergency situation.

The loan facility will provide small farmers, fishers and agri-fishery MSEs with needed working capital to continue operations amid the enhanced community quarantine. Under the expanded loan program, eligible MSEs (single proprietorship, partnership, corporation or cooperative/association) may borrow up to P10 million at zero interest, payable up to five years, the DA chief said.

On the other hand, individual farmers and fishers can borrow non-



collateralized loan of P25,000 at zero interest and payable in 10 years. Only one borrower is allowed per farm/fisher household. He added that farmers, fishers and MSEs who will participate in the DA's Kadiwa ni Ani at Kita program will be given priority.

"The idea is to provide emergency and production capital requirements for our marginalized sector, whose operations and earnings were severely affected by the enhanced community quarantine in Luzon," the DA secretary said.

"The country's farmers and fishers, who we consider as

food security 'frontliners', play a crucial part in our fight against COVID-19. That's why it is important that we continue to empower them to ensure continued production and delivery of food to our countrymen," Dar said.

"As I have mentioned many times before, the threat of hunger is as real as the threat of COVID-19. I cannot emphasize enough the importance of our farmers and fishers in ensuring stable food supply, especially in Metro Manila and other urban centers," he added. The DA-ACPC is strengthening its partnerships with 230 existing lending conduits nationwide,

"This is the time that our farmers and fishers play a crucial role in ensuring continued food production, and so we do our part by empowering them to ensure food security amid this crisis."

- DA Secretary William D. Dar

that include government banks, rural banks, cooperative banks, cooperatives, viable NGOs, and associations for the successful implementation of the expanded SURE Aid and Recovery Project. ■

# DA, ACPC launch KAYA,



The Department of Agriculture – Agricultural Credit Policy Council (DA-ACPC) officially launched its newest loan programs, the Kapital Access for Young Agripreneurs (KAYA) and Agri-Negosyo, on January 24, 2020 at the Pampanga State Agricultural University (PSAU), Magalang, Pampanga.

The KAYA Program will finance capital requirements of start-up or existing agri-based projects of young entrepreneurs and agri-fishery graduates aged 18-30 years old.

“Gusto ko talagang mahikayat ang mga millennials na bumalik sa agrikultura at mag-negosyo din,” said DA Secretary William D. Dar, who led the said activity.

The DA-ACPC will engage Government financial institutions (GFI) such as the

Land Bank of the Philippines (LANDBANK) and the Development Bank of the Philippines (DBP) together with non-GFIs including cooperative banks, rural banks, cooperatives, and viable non-government organization (NGOs) to implement said program which offers up to P500,000 loan per borrower payable not more than five years at 0% interest with not more than 3.5% management fee.

“Masaya kami dahil ito ang pinakahihintay ng kabataang magsasaka at mangingisda ng bansa – ang magkaroon ng programa para sa kanila tulad ng KAYA Loan Program,” said Ricmel Falqueza, President of the 4H Club National Federation.

“Malaking tulong para sa mga

kabataang entrepreneurs ang KAYA upang makita nila ang kanilang potensyal at mahasa ang kanilang kaalaman sa pagne-negosyo habang sila’y naghahanda para sa kanilang kinabukasan,” said Mr. Nelan Bondoc, Adviser of the Green Youth Army Philippines.

The Agri-Negosyo Program, on the other hand, will finance income-generating agri-fishery activities and working capital and/or fixed asset acquisition requirements of individuals/sole proprietors, partnerships, corporations, and cooperatives whose owners or members are marginal or small farmers and fisherfolk.

According to Sec. Dar, the said program will help individuals or enterprises that wants to scale up their business.

Under the program’s Micro

# ANYO loan programs

KARLO CEASAR C. ABARQUEZ



Agri-Negosyo Loan facility, borrowers may loan up to P300,000 payable up to five years and channeled thru ACPC lending conduits.

Moreover, under its Small Agri-Negosyo Loan facility, borrowers may avail themselves of loan amounting to P300,000 up to P15 million payable depending on the loan purpose and channeled through GFIs.

As support component to the two new innovative programs, the DA-ACPC shall engage State Colleges and Universities (SUCs), government agencies such as the Agricultural Training Institute (DA-ATI) and the Department of Trade and Industry (DTI) and business development services (BDS) to train and mentor the loan beneficiaries.

“Through DBP’s partnership

with the ACPC, we can help our young agripreneurs and micro and small agribusiness enterprises grow their agri-fishery projects through KAYA and Agri-Negosyo programs,” said DBP Vice President Paul Lazaro.

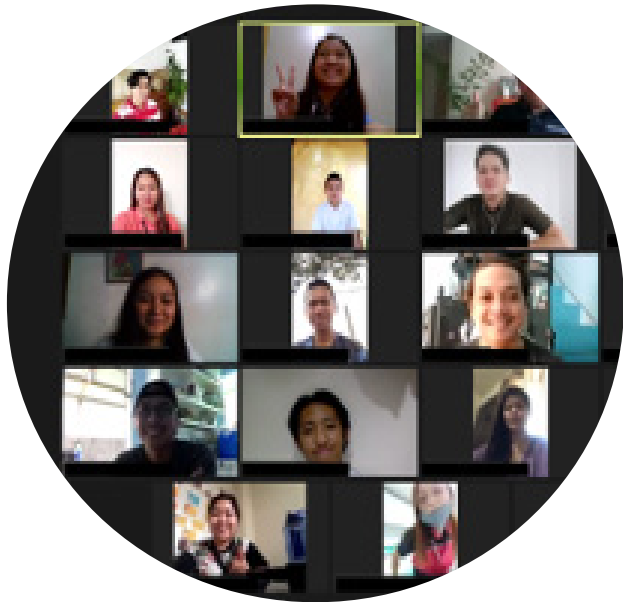
“Patuloy ang LANDBANK na makikipag-ugnayan sa DA-ACPC sa pagpapatupad ng credit programs para mas madali para sa mga young agripreneurs and micro and small agribusiness enterprises na makapag-avail ng loans para sa kanilang agri-fishery projects,” said Ms. Jennielyn Zabala of LANDBANK Lending Center Pampanga.

“Malaking oportunidad ang bagong mga programa ng ACPC para sa mga kabataan para mag-negosyo. This is their time!” said Mr. Gerlito

Lanojan of the Rural Bank of Rizal, one of ACPC’s potential partner lending conduit for the programs.

The two programs, designed to address the financial needs of marginal and small farmers and fisherfolk for fast, convenient and affordable credit, were allocated P1 billion each by the ACPC Governing Council during its 67th meeting on January 8, 2020.

The launching activity, which coincided with the 5th anniversary of the PSAU, was participated by representatives from DA and its attached agencies and bureaus, GFIs, potential partner lending conduits, academe and youth groups. ■



# DA-ACPC DIGITIZES KAYA

In support of Agriculture Secretary William Dar's advocacy to modernize Philippine agriculture by engaging youth in agribusiness, and in response to the challenges brought by the quarantine restrictions due to the COVID-19 pandemic, the Department of Agriculture-Agricultural Credit Policy Council (DA-ACPC) is digitizing the implementation of the Kapital Access for Young Agripreneurs (KAYA) loan program by utilizing online tools to facilitate the application and orientation of its target beneficiaries.

The KAYA loan program offers zero-interest loans of up to Php 500,000 payable in five (5) years for young agripreneurs, specifically those who are 18 to 30 years old, and are graduates of either formal or non-formal schooling (including but not limited to graduates of agriculture and fishery related degrees from higher education institutions, DA and ATI-accredited programs, TESDA programs, farm schools,

and secondary schools with agriculture and fishery-related courses).

The program, which was launched by Secretary Dar earlier this year, seeks to entice and empower the youth to venture into agriculture as startup business owners, offering not only loans but also workshops and mentorship sessions, which are now being done through web conferencing.

The DA-ACPC's KAYA Program Management Office (PMO) conducted the First Online KAYA Loan Program Orientation for the first batch of potential Young Agripreneurs ("Yaggies") from the province of Bukidnon in May through web conferencing, and has since facilitated orientations and online sessions on Business Plan Preparation and Business Model Canvas Workshops for applicants in Regions 7, 8, 9, 10 and BARMM.

Online platforms were

utilized for the submission of requirements, including the applicants' simple business plan, and mentoring sessions were carried out through break-out groups with the KAYA Team members as mentors/coaches to the participating Yaggies. This first batch of Yaggies, with ages ranging from 21 to 30 years old, expressed excitement over the opportunity to materialize their business ideas through the program's financial and technical assistance.

As government agencies and businesses adapt to the 'new normal' in light of the COVID-19 pandemic, the DA-ACPC continues to update its processes to deliver its credit schemes and services to farmers and fishers in more innovative ways towards the true modernization, revitalization, and empowerment of youth in the agriculture sector. ■

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 DA-ACPC KAYA Program Management  
 Office & Communications and Public  
 Affairs Division



# KAYA loan program kicks off in Ilocos Norte

KARLO CEASAR C. ABARQUEZ

The Agricultural Credit Policy Council (ACPC) transferred an initial P20 million fund to two of its partner lending conduits in Ilocos Norte for the Kapital Access for Young Agripreneurs (KAYA) Program.

Department of Agriculture (DA) Secretary William Dar and ACPC Executive Director Jocelyn Alma Badiola led the ceremonial turnover of checks worth P10 million each to the Nueva Segovia Consortium of Cooperatives (NSCC) and the Ilocos Consolidated Cooperative Bank (ICCB) on February 28, 2020 in the said province.

The KAYA program offers loans to finance working capital and/or fixed asset acquisition requirements of start-up or existing agri-based projects of young entrepreneurs and agri-fishery graduates.

"Kung may idea sila at gusto nilang mag-negosyo ay bibigyan ang isang young agripreneur ng hanggang P500,000 loan, zero interest, payable in five years," Secretary Dar said. "Para mahikayat natin ang mga kabataan to go back to agribusiness," he added.

As capacity building component under the program, ACPC will engage state universities and colleges, government agencies, and business development service providers to provide mentoring, business planning, marketing, product packaging support to young agripreneurs.

For Ilocos Norte, ACPC has partnered with Mariano Marcos State University (MMSU) which will provide technical assistance and identify and endorse eligible

borrowers.

"We have already scheduled the roll out of KAYA in various provinces," said ED Badiola. "We are also currently conducting business planning workshops for potential borrowers," she added.

"Nagpapasalamat kami sa DA at ACPC sa muling pagtitiwala sa aming kooperatiba bilang lending conduit para sa KAYA. Asahan ninyo ang aming tulong na makabalik muli ang mga kabataan sa agrikultura at magkaroon ng panimulang negosyo," said NSCC Chief Operations Officer Guadalupe Gorospe.

The ceremonial turnover coincided with the signing of a Memorandum of Agreement creating Ilocos Norte Agriculture and Fishery Extension System (INAFES), which aims to strengthen and synergize the provincial and municipal extension systems of the province by engaging a pool of professionals who will provide technical and business advisory services to farming and fishing communities, and other related sectors.

According to Provincial Agriculturist Norma Lagmay, KAYA will benefit from the INAFES as it will also provide capacity building to the youth especially on agribusiness entrepreneurship.

"Napakaganda ng KAYA dahil inihahanda natin ang mga kabataan sa pagnenegosyo. It's about time to focus on the youth. Dapat bigyan natin sila ng kaukulang training at puhunan

para mahalin nila ang agriculture at business," said PA Lagmay.

"Sa KAYA, mabibigyan ng maraming oportunidad ang aming organisasyon tulad na lamang ng agri-tourism," said 4-H Club Ilocos Norte President Jermain Sebastian.

Aside from the MOA signing and check turnover, DA also led the distribution of cash assistance amounting to P9.9M out of the P99M fund under the Rice Farmers Financial Assistance (RFFA) Program that benefitted 19,927 farmers from Batac City, Dingras, San Nicolas, Sarrat, Paoay, and Piddig. The RFFA provides each rice farmer tilling half to two hectares of farmland with unconditional P5,000 cash assistance.

Present during the event were Senator Imee Marcos, Governor Matthew Marcos-Manotoc, Regional Executive Director Lucrecia Alviar, Jr., officials from DA attached agencies and bureaus, representatives from the LGU and academe, and some 1,900 Ilokano farmers. ■



# ACPC offers loan payment moratorium amid COVID-19 crisis



**A total of 77,375 small farmers and fishers stand to benefit from the imposition of a one-year moratorium on the payment of loan amortization under the various agri-fishery credit programs of the Department of Agriculture-Agricultural Credit Policy Council (DA-ACPC).**



The temporary suspension of payments was implemented to aid farmers and fishers affected by marketing restrictions following President Rodrigo Duterte's declaration that the country is under a State of Calamity for a period of six months and that Luzon will be under an enhanced community quarantine due to the COVID-19 pandemic.

"Given this crisis situation, the DA-ACPC anticipates that the ability of many borrowers to pay their loans may be affected," said DA Secretary William Dar.

"Therefore, we will allow all our partner lending conduits to grant a one-year loan payment moratorium to borrowers who may request for such loan payment relief," added Sec. Dar.



The moratorium, which started on March 16, 2020 up to March 16, 2021, will cover outstanding loans amounting to P2.03 billion under different DA-ACPC credit programs. The amount due during the moratorium shall be added to back-end of loan of the farmer- and fisher-borrowers.

Correspondingly, the outstanding liabilities of ACPC's existing partner conduits was also granted one-year moratorium equivalent to the total amount of sub-loans to individual farmer- and fisherfolk-borrowers who availed the loan moratorium. ■

# ACPC extends relief to families affected by Taal Volcano eruption



Taking its share in giving immediate relief to families affected by the eruption of the Taal Volcano, the Agricultural Credit Policy Council (ACPC), headed by its Executive Director Jocelyn Alma Badiola,

distributed relief goods to more than 300 families in seven evacuation centers in Taysan and Rosario, Batangas.

Families from the towns of Agoncillo, Balete, Cuenca, Lemery, Santa Teresita, Taal, Santo Tomas and Lipa City in Batangas were given food packs by ACPC representatives on January 16, 2020.

ACPC, in coordination with Tilambo Multi-Purpose Cooperative, one of ACPC's partner lending conduits,

facilitated the distribution of relief goods. Tilambo MPC Chair Crispin U. Berana and General Manager Aida B. Alano, together with ACPC staff distributed more than 300 food packs and water to affected families in the following evacuation centers: San Marcelino Elementary School, Bulihan Integrated National High School, Mavalor Elementary School, Rosario East Central School, Rosario West Central School, Barangay Halls in Bukal and Mabayabas in Taysan, Batangas. ■

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RUMINA A. GIL AND RIZZA CAMILLE L. JOSE



# FARMERS'

# Testimonies



Nang dahil sa programang SURE COVID-19 ng Department of Agriculture, makatutulong ito para sa katulad kong hog raiser sa bago kong negosyo na pagbebenta ng salted eggs. Makakapag-apon pa akong muli para may magamit na puhunan sa pagtayo ng iba pang kabuhayan tulad ng livestock production.

Jennifer Lyn C. Santos  
Floridablanca, Pampanga

Bilang magsasaka, napakalaking tulong po sa akin ang loan assistance ng DA, hindi lamang sa karagdagang puhunan sa pagsasaka, kundi sa pag-aalaga na rin po ng hayop. Lubos po akong nagpapasalamat sa gobyerno na tinulungan akong makabangong muli.

Cesar Apostol  
Sta. Ignacia, Tarlac



Nagpapasalamat ako sa SURE COVID-19 ng DA-ACPC. Sa panahon ng pandemya, kailangan talaga naming mga magsasaka ang tulong pinansiyal para maisalba ang aming kabuhayan.

Felix Subrano  
Magsaysay, Kitaotao, Bukidnon

Nagpapasalamat po ako sa tulong na ipinaabot ng DA-ACPC. Sana po ay magpatuloy ang ganitong klaseng mga programa upang mapaunlad pa ang aming buhay.

Pacifico Banguiran Jr.  
Bonifacio, Misamis Occidental





Isang karangalan na ang aming kooperatiba, ang Carmen Agricultural Resources Development (CARD) Multi-Purpose Cooperative dito sa bayan ng Carmen, North Cotabato ay napahiram ng 5 million sa pamamagitan ng programang SURE COVID-19. Dahil dito, makakabili ng palay ang mga miyembro ng kooperatiba at ibang magsasaka at maipagpapaatuloy namin ang aming agri-trading business. Maraming salamat kay DA Secretary Dar, ACPC Executive Director Badiola, at sa mga staff ng DA-ACPC.

Nasser Ali  
Carmen, North Cotabato

Maraming salamat sa tulong ng Department of Agriculture. Sa pamamagitan po ng SURE COVID-19 loan na programa, maipagpapatuloy namin ang aming pagsasaka.

Judith Edulsa  
Wao, Lanao del Sur



Sobrang saya ko po dahil isa ako sa mga naging benepisyaro ng programang SURE COVID-19 ng gobyerno, napakalaking tulong po nito sa aking mga proyekto sa bukid.

Anita Batawan  
Ilomavis, Kidapawan City



Naapketuhan din ang aming hanapbuhay ng quarantine. Hindi kami nakakalabas. Pero sobrang saya ko ngayon dahil sa loan program ng ating gobyerno. Malaking tulong ito na magagamit ko sa aking pagsasaka at isang maliit na negosyo. Makakatulong ito para maka-recover kaming mga magsasaka.

Billy Cayog  
Jose Abad Santos, Davao Occidental



# AGRI-FISHERY LOAN DISTRIBUTION ON-GOING AMID PANDEMIC



The Department of Agriculture – Agricultural Credit Policy Council (ACPC) continues to provide loan assistance to agri-fishery-based micro and small enterprises (MSEs) and marginalized and small farmers and fishers (MSFF) nationwide amid the COVID-19 pandemic.

“This is the time that our stakeholders, especially our farmers and fishers, need us the most. They are the ones hardly affected by this crisis,” DA Secretary William Dar said.

Under the Survival and Recovery (SURE) COVID-19 Loan Program, P310 million loans were already downloaded to 45 MSEs from 28 provinces and Metro Manila as of May 20, 2020. The MSE-borrowers will pay the zero-interest loans in five years.

Said loans will be used by MSEs as working capital to ensure the availability of food supply and help them recover their losses incurred from the effects of ECQ.

Under the same program, the DA-ACPC has already transferred P518.488 million to its 47 partner-lending conduits in 32 provinces as of May 20, 2020. Of the total transferred fund, P198.355M were released by 27 lending conduits to 7,898 farmers and fishers from 17 provinces.

Each beneficiary received a non-collateralized loan of P25,000 each with zero interest payable in 10 years. The financial assistance aims to finance the emergency and production capital requirements of the farmers and fishers whose incomes were affected by the lockdown during the crisis.

Amid the challenges on transportation, movement of goods and services, and social distancing policies brought about by the ECQ, the DA-ACPC continues to modify procedures to adapt to the “new normal” to fast track loan releases in coordination with its lending conduits, DA-Regional Field Offices (DA-RFOs), and local government units (LGUs).

The DA-ACPC’s SURE COVID-19 loan program, which has a P2.5 billion fund, targets to provide financial support to 150 MSEs and 40,000 MSFF nationwide. It forms part of the Ahon Lahat, Pagkaing Sapat Kontra COVID-19 Program (ALPAS kontra COVID-19), the DA’s initiative to increase the country’s food adequacy level during the emergency situation resulting from the COVID-19 pandemic. ■

KARLO CEASAR C. ABARQUEZ



# P10-M loan to boost IBON MPC's AGRI PROJECTS

KARLO CEASAR C. ABARQUEZ

The Department of Agriculture – Agricultural Credit Policy Council (DA-ACPC), under the SURE COVID-19 loan program, disbursed a P10-million credit fund to the Integrated Barangays of Numancia Multi-Purpose Cooperative (IBON MPC) in Aklan.

The IBON MPC, which has suffered losses during the enhanced community quarantine due to the rising cases of COVID-19, shall utilize the loan as additional capital requirement to buy palay harvest from farmer-members, certified seeds from seed growers, farm inputs needed by farmers and piglets from members engaged in hog breeding.

The P10 million working capital loan, which is payable in five years, is projected to contribute in increasing the IBON MPC's annual income by at least 10%. It will also expand the production and trading operations of the coop, provide timely supply farm inputs and marketing support to farmers, contribute in stabilizing the supply of quality milled rice and improve the production and supply of quality pork in their area of coverage.

"Mobility was the biggest challenge during this enhanced community quarantine (ECQ). Farming and fishing activities slowed down and many

opportunities were lost," said IBON MPC General Manager Arnulfo Magcope. "That's why we thank the DA-ACPC for its timely and accessible financial intervention," he added.

The IBON MPC, which has more than 5,000 members, has been in the marketing operation since 2003. With its many years of experience in production and marketing of rice, it has established reliable partnerships with farmers in addition to its farmer-members, thereby ensuring a steady supply of their farm produce that can readily be marketed locally, in Aklan and in other provinces. ■

# LOAN RELEASES

The Philippine International Travel Assistance Center Multi-Purpose Cooperative Bukidnon branch disbursed a total of P5 million credit fund to 200 farmers and fishers in Wao, Lanao del Sur.

Carmen Agricultural Resources Development Multi-Purpose Cooperative, a producer of certified palay seeds, corn seeds, and organic fertilizer in North Cotabato, received P5 million loan fund through the Development Bank of the Philippines.



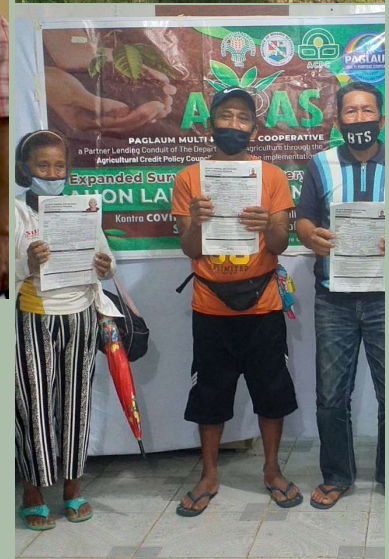
1,200 Cordilleran farmers and fishers received SURE COVID-19 loans amounting to P30 million through partner lending conduits: Treasurelink Cooperative Society, Sagada Multipurpose Cooperative, and St. Williams Multipurpose Cooperative.



1,567 marginalized small farmers and fishers from the provinces of Aurora, Bataan, Bulacan, Nueva Ecija, Pampanga, Tarlac, and Zambales received SURE COVID-19 aid amounting to P39.2 million through ACPC's partner lending conduits - the New Rural Bank of San Leonardo, Guagua Rural Bank, GM Bank, and Alalay sa Kaunlaran Microfinance Social Development, Inc.



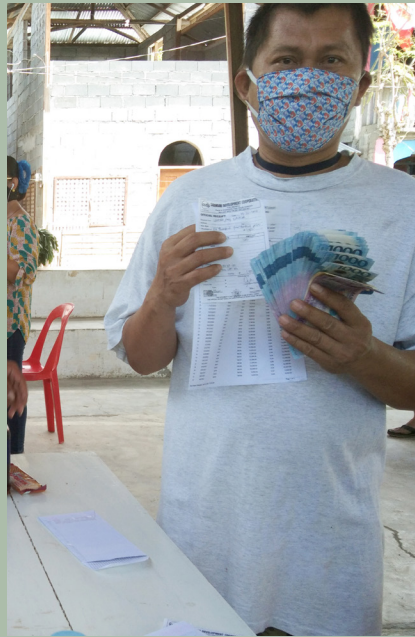
The Pontevedra Peoples Multi-Purpose Cooperative, ACPC's partner lending conduit in Capiz, released a total of P9.84 million benefitting 393 marginalized and small farmers and fishers.



The Paglaum Multi-Purpose Cooperative, Philippine International Travel Assistance Center Multi-Purpose Cooperative, Mindanao Consolidated Cooperative Bank, Bangko sa Balay Foundation, Inc., and Lorenzo Tan Multi-Purpose Cooperative disbursed P70.05 million loan fund benefitting 2,800 marginalized and small farmers and fishers in Northern Mindanao.



**P14.95 million in loans were disbursed to 576 marginalized small farmers and fishers in the Davao region through the Sarangani Development Cooperative, Producers Bank of Malita, and Cooperative Bank of Cotabato, ACPC's partner lending conduits.**



**P2.75 million credit fund was released to 110 marginalized and small farmers and fishers in Marawi City, Lanao del Sur through the Oisca Farm Multipurpose Cooperative, ACPC's partner lending conduit in the province.**

**P5 million worth of loans were received by 200 farmers and fishers in the municipalities of Barotac Viejo, Carles, Estancia, Balasan, and Lemery, Iloilo through ACPC's partner lending conduit, Dingle Multi-Purpose Cooperative.**

**The Cooperative Bank of Cotabato-Kidapawan City Branch released P 11.7 million loan fund to 470 marginalized small farmers and fishers in Brgy. Ilomavis, Kidapawan City, North Cotabato.**



**P11.2 million credit fund was disbursed to 450 small farmers and fishers from Negros Occidental through the La Castellana 1 Personnel Multi-Purpose Cooperative and the Escalante City Government Employees and Community Multi-Purpose Cooperative.**



**ACPC's partner lending conduit, the Cebu People's Multi-Purpose Cooperative disbursed emergency loans to 289 cutflowers and vegetable farmers in Cebu City amounting to P7.2 million.**

**The Department of Agriculture (DA), in - support of the “Balik Probinsya, Bagong Pag-asa (BP2)” program, encourages the Overseas Filipino Workers (OFWs) to engage and invest in various agriculture and fishery enterprises along the food value chain.**

In a meeting with Ms. Gemma Sotto, head of Global Police Community Relations International, Agriculture Secretary William D. Dar reiterated the ‘whole-of-nation approach’ in creating more livelihood opportunities that will boost countryside development and inclusive growth to ensure the success of the BP2 program.

“We are encouraging OFWs to be part of this program, since we already have a big number of OFWs who have returned and still wanting to return to the country since the COVID-19 pandemic,” the

Agri Chief said.

Presently, the DA, through the Agricultural Credit Policy Council (DA-ACPC) has loan programs which will be accessible to OFWs such as the Expanded SURE-Aid and Recovery Project or SURE Covid 19, Kapital Access for Young Agripreneurs (KAYA), and the Agri-Negosyo (ANYO). These programs target to help micro and small enterprises (MSEs), marginalized small farmers and fishers, and young agripreneurs to venture into agri-fishery enterprises to sustain food production amid the health crisis.

“Now is the time to tap the OFW sector as they start to reintegrate themselves in our society, back to their respective provinces,” Secretary Dar said.

KAYA aims to attract the younger generation of Filipinos

to be key players in attaining a food-secure Philippines with prosperous farmers and fishers. It offers financing for the capital requirements up to P500,000 per borrower, zero interest, payable in 5 years of start-up or existing agri-based projects of young entrepreneurs and agri-fishery graduates aged 18-30 years old.

The ANYO Program, on the other hand, will finance income-generating agri-fishery activities and working capital and/or fixed asset acquisition requirements of individuals/sole proprietors, partnerships, corporations, and cooperatives whose owners or members are marginal or small farmers and fisherfolk.

According to Sec. Dar, the said program will help individuals such as OFWs or enterprises who want to scale up their businesses.

Under ANYO’s Micro Agri-Negosyo

# DA supports OFWs' agri-fishery ventures **THROUGH 'BALIK PROBINSYA'**

DARYL LOU A. BATTAD



Loan facility, borrowers may loan up to P300,000 payable up to five years. Under its Small Agri-Negosyo Loan facility, on the other hand, borrowers may avail themselves of loan amounting to P300,000 up to P15 million payable depending on the loan purpose. Both loans are channeled through government and non-government financial institutions.

Under the SURE COVID-19 Program, MSEs engaged in agri-fishery food production, delivery of produce or commodities and other activities in the supply chain whose operations and incomes are affected by the expanded community quarantine (ECQ) due to the pandemic may avail themselves of up to P10 million loan for working capital at 0% interest and payable in five (5) years. Also under the program, MSFF whose incomes were affected by the said ECQ may borrow a non-collateralized loan of P25,000 at 0% interest and payable in ten (10) years to finance their emergency and production capital

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## **INDEED, THERE ARE LOTS OF LIVELIHOOD AND AGRIBUSINESS OPPORTUNITIES IN THE PHILIPPINE COUNTRYSIDE!**

*- DA Secretary William D. Dar*

requirements.

In addition, capacity building activities for OFWs will be conducted through the DA's Agricultural and Training Institute (ATI) providing skills training, social preparation, and values formation to OFWs. These will include production technologies, farm business school, and establishment of learning sites for agriculture, among others.

The program also promotes household livelihood development through distribution of planting materials, farm animals, and aquaculture technologies to enable beneficiaries to be productive and self-sustaining. Further, to ensure market

sustainability, the DA through its Agribusiness and Marketing Assistance Service (AMAS) will provide support to market-consumer linkaging. The Kadiwa ni Ani at Kita is a marketing system initiative of the DA launched in 2019 which sells agri-fishery goods at reasonable prices. Currently, the Kadiwa is available in three variants — Kadiwa on Wheels, Kadiwa Retail, and Kadiwa Online — providing consumers greater access to fresh agricultural produce.

President Rodrigo Roa Duterte on May 6 issued Executive Order No. 114, institutionalizing the BP2 Program as a pillar of balanced regional development, under which the DA is tasked to focus on attaining food security and increasing agricultural productivity.■



# ACPC earmarks P2-B for young agripreneurs, micro and small enterprises loan programs

KARLO CEASAR C. ABARQUEZ

**To attract more of the youth into the agriculture and fisheries sector and support micro and small agri-fishery business enterprises, the Agricultural Credit Policy Council (ACPC) approved the allocation of a P2 billion credit fund for two new innovative lending programs during its 67th Governing Council meeting.**

The Young Agripreneurs Loan Program, which was allocated a P1 billion fund, will finance working capital and/or fixed asset acquisition requirements of start-up or existing agri-based projects of young entrepreneurs and agri-fishery graduates.

Said program, to be implemented by Government and Financial Institutions (GFIs), ACPC-accredited cooperative banks, rural banks, cooperatives, and viable non-government organization (NGOs), offers up to P500,000 loan per borrower payable not more than five years at 0% interest with not more than 3.5% management fee.

"This has been one of my advocacies. Let us give our Filipino millennials the means to be part of our journey towards agricultural modernization and industrializations," said Department of Agriculture (DA) Secretary William D. Dar, who also chairs the ACPC Governing Council.

"We have to replace aging farmers with younger blood - our Pinoy millennials - who are the future of Philippine agriculture," added the DA chief.

As support component to the program, the ACPC shall engage State Colleges and Universities (SUCs), government agencies such as the Agricultural Training Institute (DA-ATI) and the Department of Trade and Industry (DTI) and business development services (BDS) to train and mentor the loan beneficiaries.

On the other hand, the Micro and Small Business Enterprises Loan Program will finance income-generating agri-fishery activities and working capital and/or fixed asset acquisition requirements of micro and small agri-fishery enterprises.

Said credit program, which was also allocated P1 billion credit fund, features on-lending and direct lending schemes to be implemented by GFIs.



For its on-lending scheme, GFIs will wholesale loans to banks, cooperatives and NGOs as lending conduits which may extend up to P300,000 loan to eligible borrowers with finance charge of up to 6% per annum

For direct lending, GFIs will extend loans directly to micro and small enterprises at 0% interest rate with up to 3.5% per annum service fee. Micro and small enterprises include sole proprietors, partnerships, corporations, associations, and cooperatives whose owners are marginalized, small farmers and fisherfolk.

"The intent of the program is to nurture them (small and medium enterprises) towards a bigger business opportunity," said Secretary Dar.

Both credit programs, which shall be launched in January 2020, were designed by ACPC to address the financial needs of marginal and small farmers and fisherfolk for fast, convenient and affordable credit.

Along with DA Secretary William D. Dar as Chairperson, ACPC Governing Council members present during the meeting were Monetary Board Member V. Bruce J. Tolentino representing Bangko Sentral ng Pilipinas (BSP) Governor Benjamin U. Diokno, Treasurer Rosalia V. De Leon representing Department of Finance (DoF) Secretary Carlos G. Dominguez III, Director Nieva T. Natural representing National Economic and Development Authority (NEDA) Director General Ernesto M. Pernia, Director Cristina B. Clasara representing Department of Budget and Management (DBM) Secretary Wendel E. Avisado.

# “OUR PINOY MILLENIALS ARE THE FUTURE OF PHILIPPINE AGRICULTURE. LET US GIVE THEM THE MEANS TO BE PART OF OUR JOURNEY TOWARDS MODERNIZATION AND INDUSTRIALIZATION.

**- DA SECRETARY WILLIAM D. DAR**



Also in attendance during the meeting as resource persons were Landbank of the Philippines (LBP) President and CEO Cecilia C. Borrromeo, Executive Vice President Liduvino S. Geron and Vice President Emellie V. Tamayo, Philippine Guarantee Corporation (PhilGuarantee) President Alberto E. Pascual and Acting Executive Director Emmanuel Torres, Development Bank of the Philippines (DBP) First Vice President Paul Lazaro, BSP Managing Director Lyn Javier and Deputy Director Cynthia M. Sison.



The said meeting was organized by the ACPC led by its Executive Director Jocelyn Alma R. Badiola together with Deputy Executive Director Ramon C. Yedra. ■



# ACPC joins DA celebration of Rice Tariffication Law's *first anniversary*

MAIA PAULA D. GAPUD

“ **THE RICE TARIFFICATION LAW IS ONE OF THE BEST REFORMS THAT HAS HAPPENED IN THE HISTORY OF AGRICULTURE IN THIS COUNTRY.**

- DA Secretary William D. Dar

As part of the Department of Agriculture (DA) family, the Agricultural Credit Policy Council (DA-ACPC), was one with the DA in celebrating the first anniversary of the Rice Tariffication Law (RTL), held in the Urdaneta Cultural Center, Pangasinan on March 5, 2020.

“The Rice Tariffication Law is one of the best reforms that has happened in the history of agriculture in this country,” said DA Secretary William D. Dar during his message, explaining how one year of implementation of the RTL has greatly improved the sector’s efforts to attain food security and self-sufficiency. “We need rice that is available and affordable for all Filipinos. Ngayon, malaki na ang pagbaba ng presyo ng bigas sa mga merkado.”

Earlier in the program, National Economic and Development Authority (NEDA) Assistant Secretary Mercedita Sombilla, on behalf of Secretary Ernesto Pernia, had reported that the average retail price of regular milled rice (RMR) has recently gone down to Php 36.74 per kilo, compared to an average of Php 42.32 per kilo prior to the full implementation of the RTL in March 2019.

## RTL is for the farmers

RA 11203, or the Rice Tariffication Law (RTL), was first signed into law in February 2019, creating the Rice Competitiveness Enhancement Fund (RCEF), an annual Php 10 billion fund with four main component programs aimed at improving the productivity and competitiveness of Filipino rice farmers—namely, seed, mechanization, extension services and credit programs.

“Napakaganda ng ating mga programa para sa mga

magsasaka," said Senator Cynthia Villar, chairperson of the Senate Committee on Agriculture, during her keynote speech. "Kaya mayroong RTL at RCEF, dahil gusto natin na maging competitive ang aming rice farmers in terms of quality and cost of production."

With the theme, "Sa Rice Tariffication Law, lahat tayo panalo!" the celebration highlighted the accomplishments of each RCEF program implementing agency, including the Philippine Center for Postharvest Development and Mechanization (PhilMech) for mechanization; Philippine Rice Research Institute (PhilRice) for seeds distribution; Agricultural Training Institute (ATI) and Technical Education and Skills Development Authority (TESDA) for extension and training services; and the DA-ACPC's partner government banks, Land Bank of the Philippines (LBP) and Development Bank of the Philippines (DBP) for credit. The Expanded Rice Credit Assistance under the Rice Competitiveness Enhancement Fund (ERCA-RCEF) is the credit program for rice farmers implemented by the LBP and the DBP. Under this program, the LBP reported a total of Php 481.34 in loans released to 2,679 small farmers as of February 29, 2020.

#### LBP and DBP partnership

The LBP is also the DA-ACPC's partner lending conduit for the Expanded Survival and Recovery Assistance Program for Rice Farmers (SURE Aid), a targeted credit program for eligible rice farmers, as identified by the DA Regional Field Offices (DA RFOs), whose incomes were affected by low farmgate prices of palay last year. LBP President Cecilia Borromeo reported a total of Php

2.48 billion in zero-interest loans distributed to 163,827 farmers under the SURE Aid Program. "Isang karangalan na maging katuwang ng gobyerno para matulungan at matugunan ang pangangailangan ng mga magsasaka," said President Borromeo in her speech.

For the DBP's ERCA-RCEF program, Isabela-based NMI Agri Coop President Ana Cristina S. Go shared that through their working capital loan granted in 2019, their cooperative was able to purchase the palay of more than 2,500 of their members at prices higher than the farmgate price, which had dropped at the time due to calamities in the province. The DBP has currently released Php 283 million of the approved Php 500 million loan to NMI Agri Coop.

The DBP is also the DA-ACPC's partner lending conduit for the BuyANihan program, which provides a working capital loan for farmers' cooperatives or associations to buy palay directly from farmers, and process and market the rice to institutional buyers. In 2019, the DBP approved a Php 200 million loan for the Ilocos-based Nueva Segovia Consortium of Cooperatives' (NSCC) palay buying and marketing project in partnership with its 200 primary cooperatives.

"The DBP commits to supporting the Department of Agriculture and RCEF-implementing agencies, as we promote the welfare and increase the competitiveness of our rice farmers," said DBP President Emmanuel Herbosa in his video message.

#### Other highlights

Testimonials from beneficiaries of the various RCEF programs, and the ceremonial awarding of certificates to recipients of machines, seeds, credit and training and scholarship under the RCEF programs also highlighted the event.

The event was attended by around 1,400 rice farmers from the region, Senator Cynthia Villar, DA Secretary William Dar, Pangasinan Governor Amado Espino III, Urdaneta Mayor Julio Parayno III, and officials and staff from the RCEF implementing agencies, including TESDA Secretary Isidro Lapeña, PhilMech Executive Director Baldwin Jallorina, PhilRice Executive Director John de Leon, LBP President Cecilia C. Borromeo, DBP Senior Vice President Paul Lazaro, ATI Director Alfredo Aton, NEDA Assistant Secretary Mercedita A. Sombilla, Department of Finance (DOF) Executive Assistant Renzo Enrico Blanco, and DA-ACPC Executive Director Jocelyn Alma R. Badiola. ■

**GUSTO PO NATING GAWING MAGALING ANG FILIPINO RICE FARMERS, PARA SA SUSUNOD NA MGA TAON, TAYO NAMAN ANG MAKAPAG-EXPORT.**

*- Senator Cynthia A. Villar*



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