

QUARTERLY PHYSICAL REPORT OF OPERATION
As of December 30, 2024

Department : Department of Agriculture (DA)
Agency : Agricultural Credit Policy Council
Organization Code (UACS) : 05 002 0000000

Particulars	UACS CODE	Physical Target (Budget Year)					Physical Accomplishment (Budget Year)					Variance as of 12/30/20 24	Remarks
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total		
1	2	3	4	5	6	7	8	9	10	11	12	13	
AGRICULTURAL CREDIT PROGRAM	3101000000 00000												
OO : Access of Small Farmers and Fisherfolk to formal credit under the ACPC Agro-Industry Modernization Credit and Financing Program increased													
Outcome Indicators													
1. Percentage increase of borrowers obtaining loans from formal sources:													No target for 2024
a. small farmers (3 hectares and below)													
b. small fisherfolk (3 tons and below)													
2. Repayment rate (loans collected/loans matured)					85%-95%	85%-95%				96.66%	96.66%		
Output Indicators													
1. Amount of loans granted to credit retailers/lenders and to end-borrowers													
a. Credit retailers/lenders (in PM)		410.00	1,440.00	400.00	500.00	2,750.00	413.00	1,446.00	403.00	488.00	2,750.00	0	
b. End-borrowers (in PM)		15.00	559.00	1,155.00	731.00	2,460.00	1.80	191.80	266.70	455.00	915.30	-1544.7	<p>Several factors affected the loan disbursement process under the ACPC programs. These include:</p> <p>1. Partner lending conduits (PLCs) reduced participation due to the previously unattractive credit program pricing policy. To address this, the ACPC Governing Council implemented a revised pricing policy in February 2024, adjusting interest rates to a maximum of 2% and service fees up to 3.5%. Despite these changes, disbursements remained slow, influenced by planting delays caused by El Niño, typhoons, and African Swine Fever (ASF).</p> <p>Additionally, 21 PLCs focused on collecting past-due accounts rather than seeking additional funds, while 16 newly-engaged PLCs experienced delays in processing loan applications as they adjusted to the program's credit policies. In Regions 10 and 4A, PLCs scheduled loan releases for MSE- and OSY-borrowers in stages, aligning with business plans and anticipated timelines, including staggered disbursements in the first quarter of 2025. The holiday season further delayed some loan releases.</p> <p>Bank partners have also prioritized preparations for the BSP Bank Examination over loan disbursement activities.</p> <p>2. Several borrower-related factors contributed to delays in loan disbursement. In the Cordillera Administrative Region (CAR) and Region 5, some farmers and fishers withdrew their loan applications after learning about the interest rates. Typhoon-affected small farmer and fishers prioritized restoring their livelihoods, resulting in delays in submitting loan requirements. Additionally, borrowers in remote areas faced challenges due to prolonged rainfall and difficult travel conditions, further affecting the loan application and loan release.</p>

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BAR No. 1

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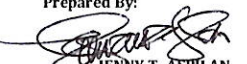
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													3. Some LGUs failed to submit or delayed the submission of lists of calamity-affected small farmers and fishers (SFF) under the SURE Program. Similarly, borrower endorsements for ANYO in Region 13 and SURE in Region 5 remained pending, awaiting action from the concerned DA Regional Field Offices (DA-RFOs). 4. The adverse effects of El Niño disrupted planting calendars, causing farmers to delay loan applications and consequently slowing the processing and disbursement of funds. Additionally, five (5) potential Partner Lending Conduits (PLCs) failed to meet the required Supervisory Assessment Framework (SAFr) rating of 3. Their inclusion as PLCs would have helped expand the reach of the credit programs.
2. Number of credit program orientations and credit matching seminars and workshops conducted		6	8	10	8	32	4	16	15	30	65	33	The overachievement of the targeted number of credit program orientations and credit matching is due to ACPC using various platforms (online and in-person) and events to raise awareness about its credit programs. In addition to its own campaigns, the agency participates in events organized by other DA or government offices, using these opportunities to conduct program orientations, which helped exceed outreach goals.
3. Number of farmers and fisherfolk organizations (FFOs) provided with institutional capacity building assistance		3	4	3	2	12	5	5	2	4	16	4	The target was overachieved because some farmer-fisherfolk organizations applying to become PLCs of ACPC credit programs, which did not meet the evaluation criteria, received capacity-building support to help them qualify.

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