

# DA-ACPC EASY TO ACCESS LOANS



PRODUCTION LOAN EASY ACCESS (PLEA)  
WORKING CAPITAL LOAN EASY ACCESS (CLEA)  
FARM MACHINERY LOAN EASY ACCESS (MLEA)  
SURVIVAL AND RECOVERY LOAN (SURE)



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF AGRICULTURE

# AGRICULTURAL CREDIT POLICY COUNCIL

Created in 1986 by virtue of EO 113

Attached agency of the DA (EO 116)

## Mandate

- Synchronize all agricultural and fisheries credit policies and programs in support of the DA priority programs (EO 113)
- Oversee the implementation of the AFMA-AMCFP (ACPC Council Resolution No. 01-1999)

## AMCFP

- AMCFP (Sec 21-23 AFMA/RA 8435)
- ACPC GAA BUDGET FOR AMCFP

## **Republic Act No. 8435 Agriculture and Fisheries Modernization Act of 1997**

**Section 21. *Phase-out of the Directed Credit Programs (DCPs) and Provision for the Agro-Industry Modernization Credit and Financing Program (AMCFFP).*** - The Department shall implement existing DCPs; however, the Department shall, within a period of four (4) years from the effectivity of this Act, phase-out all DCPs and deposit all its loanable funds including those under the Comprehensive Agricultural Loan Fund (CALF) including new funds provided by this Act for the AMCFFP **and transfer the management thereof to cooperative banks, rural banks, government financial institutions and viable NGOs for the Agro-Industry Modernization Credit Financing Program (AMCFFP).** Interest earnings of the said deposited loan funds shall be reverted to the AMCFFP.

**Section 22. *Coverage.*** - An agriculture, fisheries and agrarian reform credit and financing system shall be designed for the **use and benefit of farmers, fisherfolk**, those engaged in food and non-food production, processing and trading, **cooperatives, farmers'/fisherfolk's organizations**, and SMEs engaged in agriculture hereinafter referred to in this chapter as the **"beneficiaries"**

# REPUBLIC ACT NO. 11260

## GENERAL APPROPRIATIONS ACT

**D. AGRICULTURAL CREDIT POLICY COUNCIL**



**Fiscal Year 2019**

### Special Provision(s)

1. Agricultural Credit Facility. The amount of Two Billion Four Hundred Sixty Seven Million Forty One Thousand Pesos (P2,467,041,000) appropriated herein for Agro-Industry Modernization Credit and Financing Program Administration includes the amount of Two Billion Four Hundred Thirty One Million Eight Hundred Eighty Six Thousand Pesos (P2,431,886,000) which shall be used exclusively for

the implementation of fast, convenient, and affordable financing program through Government Financial Institutions (GFIs,) cooperative banks, rural banks, thrift banks, other private banks, for the benefit of small farmers and fisherfolk and micro, small and medium scale enterprises engaged in agriculture and fisheries. For this purpose, the Agricultural Credit Policy Council (ACPC) shall formulate the guidelines for a streamlined and equitable access by the foregoing small farmers and fisherfolk to said credit facility.

The amount appropriated herein for the Agro-Industry Modernization Credit and Financing Program includes the amount of **P2.43 Billion** which shall be used exclusively for the implementation of fast, convenient, and affordable financing program through GFIs, cooperative banks, rural banks, thrift banks, other private banks, for the benefit of small farmers and fisherfolk and micro, small and medium scale enterprises engaged in agriculture and fisheries.

# EASY ACCESS LOANS



## PURPOSE

Provide easy to access loans to MSFF

## HOW?

Tap **LENDING CONDUITS** in extending loans to Marginal/Small Farmers Fisherfolk

- TYPE 1: Those with credit track records with Landbank, other GFIs
- TYPE 2: Those without credit track record with GFIs but are operating and with MSFF members

**LENDING CONDUITS** select, evaluate, approve and collect loans from borrowers under agreed Guidelines with the ACPC.

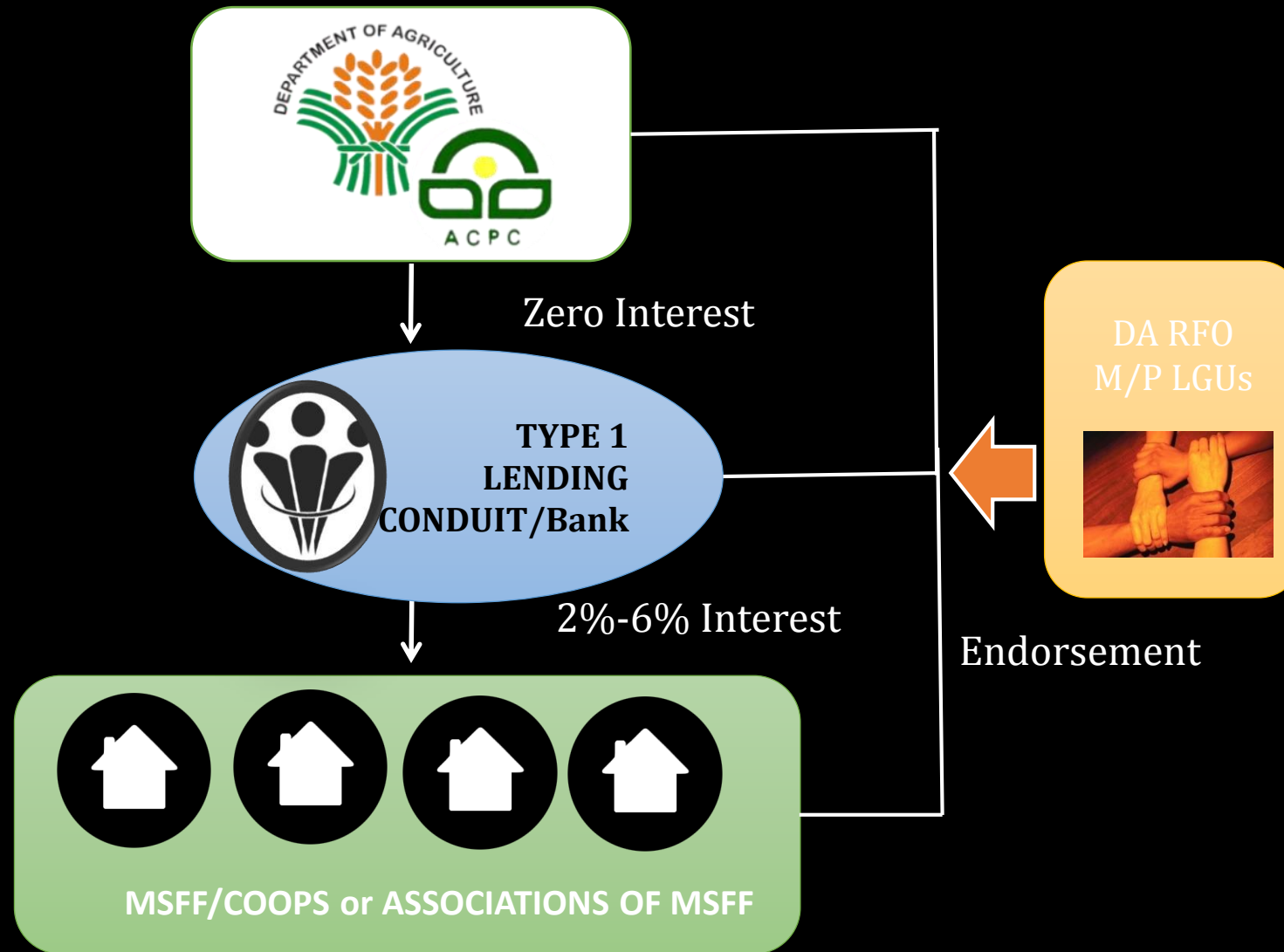
ACPC extends zero cost funds to Lending Conduits that in turn must extend non-collateralized loans at reduced interest rate.

# WHAT TYPE OF CONDUITS CAN APPLY

- COOPERATIVES (CDA Registered)  
MULTIPURPOSE OR CREDIT COOPS
- NGOs/ASSOCIATIONS  
SEC/DOLE-BRW Registered
- RURAL BANKS  
CAMEL Rating of 3 or higher
- COOPERATIVE BANKS  
CAMEL Rating of 3 or higher

- ✓ LENDING SYSTEM IN PLACE
  - ✓ CAN LEND AND COLLECT LOANS
- ✓ ENDORSED BY DA REGIONAL  
OFFICE, ATTACHED AGENCY  
and/or LGU

# ACPC Credit Program Process Flow



# PROCEDURES –LENDING CONDUITS

## Step 1: Application

- Submit application requirements to ACPC
- Work-out Credit Project Plan with ACPC

## Step 2: Approval of Credit Fund

- ACPC evaluates conduit
- ACPC approves credit fund allocation
- ACPC transfers credit fund to Conduit's deposit account

## Step 3: Loan Releases

- Lending Conduit requests ACPC for fund release per batch of MSFF
- ACPC field staff checks Enrollment Forms and Promissory Notes
- ACPC approves withdrawal of credit fund
- Conduit releases loans



# Application Requirements

## Lending Conduits

1. Letter of Intent /Application for Funding with contact person and contact number
2. Notarized Board Resolution authorizing the SFF organizations to apply as LC with authorized signatories
3. Profile of the Organization
4. Certified True-Copy of Certificate of Registration (CDA/SEC)
5. Certificate of Compliance
6. 3 years Audited Financial Statements and Interim FS
7. Endorsement from LGU and DA-RFO

***Please address the letter of Intent to:***  
**JOCELYN ALMA R. BADIOLA**  
**Executive Director**  
**Agricultural Credit Policy Council**  
**28<sup>th</sup> Floor, One San Miguel Ave.**  
**(OSMA) Building, San Miguel Ave.,**  
**Ortigas Center,**  
**Pasig City, 1605 Metro Manila**

# PRODUCTION LOAN EASY ACCESS (PLEA)



## PURPOSE OF LOAN

Finance production of crops, poultry, livestock and fisheries

## LOAN AMOUNT

Up to P50,000 for short term crops/commodities

Up to P150,000 for high value crops/long gestating crops

LOAN MATURITY : depends on crop/commodity

LOAN PAYMENT SCHEDULE : Based on cash flow

LOAN INTEREST : 6% per annum not deducted in advance

INSURANCE COVERAGE : Free PCIC Crop Insurance

## ELIGIBLE BORROWERS

- MUST BE MARGINAL/SMALL FARMERS AND FISHERFOLK (MSFF)
  - Small farmer** –own, amortize not more than 3 hectares, tenants, leaseholders, stewards or engaged in backyard poultry and livestock (Presidential AO 21- 2011, IRR of RA 8425).
  - Farmworkers** (as defined in Sec 3 RA 6657)
  - Fisherfolk** –directly or indirectly engaged in fishing, culture, taking processing fishery/aquatic resources (AO 21 Of 2011, RA 8425)
- MUST BE OF GOOD CHARACTER
  - If new, must pass the CI/BI of the Conduit
  - If existing borrower, must have good credit standing
- ONLY ONE BORROWER PER HOUSEHOLD

# OTHER ELIGIBILITY REQUIREMENTS

**MUST BE REGISTERED/ENROLLED IN THE RSBSA**

**IF BORROWING FROM COOPERATIVES**

- MUST BE A MEMBER OF THE COOPERATIVE
  - SHARE CAPITAL
  - LOAN ORIENTATION/PREMEMBERSHIP SEMINAR


**OTHER REQUIREMENT/S**

- PCIC INSURANCE WHENEVER APPLICABLE



# APPLICATION REQUIREMENTS FROM BORROWERS

1

 Department of Agriculture  
Agricultural Credit Policy Council

## PUNLA/PLEA ENROLLMENT FORM

Reference No.: \_\_\_\_\_

2x2  
PICTURE

**PART I: PERSONAL INFORMATION**

SURNAME \_\_\_\_\_ FIRST NAME \_\_\_\_\_ MIDDLE NAME \_\_\_\_\_ EXTENSION NAME \_\_\_\_\_

ADDRESS: HOUSE/LOT/BLDG. NO. \_\_\_\_\_ STREET/SITE/SUBDV. \_\_\_\_\_ BARANGAY \_\_\_\_\_  
MUNICIPALITY/CITY \_\_\_\_\_ PROVINCE \_\_\_\_\_ REGION \_\_\_\_\_

Contact Number: \_\_\_\_\_ Sex: ☐ Male ☐ Female Person with Disability (PWD): ☐ Yes ☐ No

Date of Birth: \_\_\_\_\_ Civil Status: ☐ Single ☐ Married ☐ Widowed ☐ Separated Highest Formal Education: ☐ None ☐ Elementary ☐ High School ☐ Vocational ☐ College

Place of Birth: \_\_\_\_\_ Household Head: ☐ Yes ☐ No No. of living household members: \_\_\_\_\_ Member of an Indigenous Group? ☐ Yes ☐ No  
If no, name of household head: \_\_\_\_\_ Relationship: \_\_\_\_\_ No. of male: \_\_\_\_\_ No. of female: \_\_\_\_\_ If yes, specify group: \_\_\_\_\_

With Voter's ID: ☐ Yes - ID# \_\_\_\_\_ Barangay Verification - Verified true and correct by: \_\_\_\_\_  
☐ No \_\_\_\_\_ Name \_\_\_\_\_ Position \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

**PART II: FARM PROFILE**

MAIN LIVELIHOOD ☐ FARMER ☐ FARMWORKER/LABORER ☐ FISHERFOLK

**For farmers:**  
Type of Farming Activity  
☐ Rice ☐ irrigated ☐ rainfed upland ☐ rainfed lowland  
☐ Corn  
☐ Other crops, please specify: \_\_\_\_\_  
☐ Livestock, please specify: \_\_\_\_\_  
☐ Poultry, please specify: \_\_\_\_\_

**For farmworkers:**  
Kind of Work  
☐ Land Preparation  
☐ Planting/Transplanting  
☐ Cultivation  
☐ Harvesting  
☐ Others, please specify: \_\_\_\_\_

**For fisherfolk:**  
The Lending Conduit shall coordinate with the Bureau of Fisheries and Aquatic Resources (BFAR) in the issuance of a certification that the fisherfolk borrower under PUNLA/PLEA is registered under the Municipal Fisherfolk Registration (FishR).  
Type of Fishing Activity  
☐ Fish Capture  
☐ Aquaculture  
☐ Others, please specify: \_\_\_\_\_

Other source of income: Farming, please specify: \_\_\_\_\_ Non-farming, please specify: \_\_\_\_\_

**FARM DESCRIPTION** No. of Farm Parcels: \_\_\_\_\_ Agrarian Reform Beneficiary (ARB): ☐ Yes ☐ No

FARM PARCEL	CROP/COMMODITY	LOCATION (Barangay & Municipality)	SIZE (Hectare)	Tenurial Status	Ownership Document*
1				<input type="checkbox"/> Registered Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Lessee <input type="checkbox"/> Others _____	
2				<input type="checkbox"/> Registered Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Lessee <input type="checkbox"/> Others _____	
3				<input type="checkbox"/> Registered Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Lessee <input type="checkbox"/> Others _____	
4				<input type="checkbox"/> Registered Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Lessee <input type="checkbox"/> Others _____	
5				<input type="checkbox"/> Registered Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Lessee <input type="checkbox"/> Others _____	

**LIVESTOCK/POULTRY** LOCATION (Barangay & Municipality) \_\_\_\_\_ NO. OF HEAD \_\_\_\_\_

\* Please put appropriate number/s. See table below for reference.

**Ownership Document**

1. Certificate of Land Transfer	7. Homestead patent
2. Emancipation Patent	8. Free Patent
3. Individual Certificate of Land Ownership Award (CLOA)	9. Certificate of Title or Regular Title
4. Collective CLOA	10. Certificate of Ancestral Domain Title
5. Co-ownership CLOA	11. Certificate of Ancestral Land Title
6. Agricultural sales patent	12. Tax Declaration

I HEREBY CERTIFY THAT THE ABOVE INFORMATION ARE TRUE AND CORRECT.

SIGNATURE ABOVE PRINTED NAME OF REGISTRANT \_\_\_\_\_ DATE \_\_\_\_\_

VERIFIED TRUE AND CORRECT BY: \_\_\_\_\_ THUMBMARK \_\_\_\_\_

SIGNATURE ABOVE PRINTED NAME \_\_\_\_\_ DATE \_\_\_\_\_  
MUNICIPAL AGRICULTURE OFFICE  
Verified with: ☐ MARO (for ARBs)  
☐ PCA (for coconut farmers/farmworkers)

Page 1

2

**LOAN APPLICATION FORM**

A. **Aplikasyon Para sa Pag-Utang**

B. \_\_\_\_\_

C. \_\_\_\_\_

I hereby apply for a loan under the Program for Unified Lending in Agriculture (PUNLA)/ Production Loan Easy Access (PLEA) to be used according to the project stated below :

D. Type of Project:

☐ Crop Production, indicate type of crop and size of farm \_\_\_\_\_

☐ Livestock and Poultry, indicate the kind of animal and no. of head \_\_\_\_\_

☐ Fishing, indicate the method of fishing and place \_\_\_\_\_

☐ Others, indicate the type of project \_\_\_\_\_

E. Location of farm/project : \_\_\_\_\_

F. I will utilize the loan for the following expenses:

Item	Amount
Total	

G. My projected income is as follows :

Projected Sales

Volume/Quantity : \_\_\_\_\_

Selling Price : \_\_\_\_\_

Gross Sales : \_\_\_\_\_

Less : Expenses (total in item F) : \_\_\_\_\_

Other Expenses : \_\_\_\_\_

Projected Net Income : \_\_\_\_\_

H. I hereby swear that :

(1) I am of legal age;

(2) This application has the consent of my spouse;

(3) I am up-to-date in the payment of my existing loan (if any);

(4) I have no pending application for loan from other creditors for the same purpose;

(5) I am not a party to any pending administrative or criminal case; and

(6) the statements above are true and correct to the best of my knowledge and the application is made for the purpose and consideration indicated above.

I. I agree that should there be any misrepresentation discovered, the \_\_\_\_\_ ( Lending Conduit) may cause the outright disapproval of the loan application and if the loan has already been granted,

22/07/2019

# PROCEDURES –MSFF BORROWERS

## Step 1: Application

- Attend orientation meeting
- Fill up Enrollment Form (EF) and Loan Application (LA)

## Step 2: Processing

- Lending Conduit evaluates borrower
- Loan staff conducts CI/BI (for new)
- Lending Conduit approves/disapproves loan

## Step 3: Loan Release

- Lending Conduit requests ACPC for fund release for batch of MSFF
- ACPC staff checks Enrollment Forms and Promissory Notes
- ACPC approves withdrawal of credit fund
- Conduit releases loans

# WORKING CAPITAL LOAN

## LOAN FEATURES

### PURPOSE

Finance working capital requirements of trading, marketing, processing of agri-fisheries products

### AMOUNT

Up to P 5 Million

### Finance Charges

Interest Rate - 6% pa diminishing balance

Service Charge – 1% per transaction

### REPAYMENT

Amortized based on cash flow up to 5 yrs

## ELIGIBLE BORROWERS

### COOPS/ASSOCIATIONS OF MSFF

- CDA/SEC/DOLE-BRW Registered
- No pending case or investigation against the organization, its Board and key officers
- With management capability to implement the project
- With established/firm market and with existing facilities required for the project
- Direct beneficiaries are MSFF

# FARM MACHINERY LOAN

## LOAN FEATURES

### PURPOSE

Finance acquisition of machinery, equipment and/or facilities from production, harvesting to post harvest

Stand alone – one type of machinery

Combo package – set of machinery, equipment, facilities

### LOAN AMOUNT

Acquisition cost of machine/equipment

### INTEREST RATE

2% pa based on diminishing balance

### REPAYMENT

Amortized based on cash flow up to 10 yrs

### LOAN SECURITY

Chattel mortgage of financed machinery

PCIC insurance

## ELIGIBLE BORROWERS

✓ INDIVIDUAL BORROWERS (MSFF)

✓ ORGANIZATION BORROWERS

Coops or Associations of MSFF  
(CDA/SEC registered)

✓ Must pass the following:

- Good credit standing
- No adverse finding (no derogatory record with DA /other agencies)
- With sufficient coverage area
- Viable business plan (can pay off the loan)



# SURVIVAL AND RECOVERY LOAN (SURE)

## LOAN FEATURES

### PURPOSE

Finance requirements in  
rehabilitating farming,  
fishing, livelihood activities

### LOAN AMOUNT

P 25,000 per borrower

### INTEREST RATE

Zero percent

### REPAYMENT

Based on capacity up to 3 yrs

## ELIGIBLE BORROWERS

MSFF affected by calamity  
from areas declared under  
state of calamity



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF AGRICULTURE

## AGRICULTURAL CREDIT POLICY COUNCIL

28th Floor One San Miguel Avenue (OSMA) Building  
San Miguel Avenue corner Shaw Blvd. Ortigas Center  
Pasig City 1605 <http://www.acpc.gov.ph>

It's our PLEA-SURE to serve you!

*Salamat po*