

*Pursuing
appropriate ways
to effectively respond to
small farmers' needs*

Value Chain Financing

**THE PEOPLES BANK OF CARAGA, Inc.
(Rural Bank of Talacogon, Inc.)**

MARA

(Mindanao Agricultural Resettlement Agency)

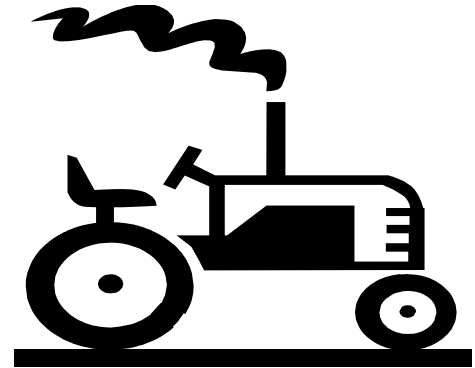
- A social concern project of the National Council of Churches in the Philippines (NCCP) to help in the agrarian reform program of the government

- Signed a Memorandum of Agreement with the Land Authority (LA) which is now DAR in the conversion of 16,440 hectares of log-over area in Agusan del Sur into agricultural land

MOA

LA (DAR)

- **Survey of farm lots**
- **Awarding of land allocation to settlers**
- **Infrastructure**



MARA

- **Cooperative Development**
- **Health Program**
- **Technical Assistance**
- **Credit Facilities**



**To formalize lending,
the MARA Executive
Committee established
on October 24, 1972, the
Rural Bank of Talacogon, Inc. (RBTI)**



**Peoples Bank of Caraga, Inc. (PBC)
in 1996**

PBC became an MFI in 1998.



PBC Owners:

Farmers' Cooperatives

Microfinance Clients

PBC Employees

Employees' Cooperative

FRIEND Foundation

Operating Units:

12 Branches

21 MBOs



Microfinance Services:
Micro-Enterprise Loans
Micro-Agri Loans
Micro-insurance: PBC-MBA
Capacity Building: Clients, Employees
Business Development Services:
Micro-entrepreneurs
Small Farmer-Clients: FEP, CBAED

Why go into VCF?

Small Farmer production-driven

- for higher prices

- for a secured market

*A Farmer's Journey
to Agroenterprise*

Institutional Buyer-driven

- to ensure quality supply



VCF Framework

Financing



Value Chain

Small Producers

Producers' Organization

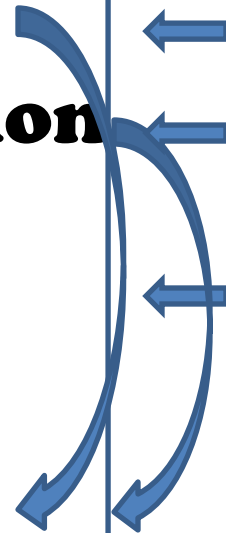
Input Suppliers

Processors

Other Participants

Buyers

Technical Assistance



Individual Loans

Credit Line for Organization

Insurance

“No savings, no loan policy”

Skills Training

Community Organizing

Marketing

Post-harvest Facility



What made PBC's VCF possible

Trained & Dedicated Staff



**Site Working Group
FEP Course Graduation**



Cooperative Clients

- NLDC
- LBP
- CRS
- PCFC
- JGF
- LGUs

- MCPI
- CORDAID
- ICCO



**Sen. Pangilinan's Sagip-Saka
Program Assistance
for Calamansi Growers' FEP Site**

Supportive Partners

Focus on Agri-Microfinance: Community-Based Agro Enterprise Development Program



SMFI



KFI



FOTE



Early fruits of our labor:

- 1. Returning clients**
- 2. New small farmer clients**
- 3. Empowered leaders among farmers**
- 4. Improving resilience of farmers
to challenges**
- 5. Repayments of past due accounts**



Balancing Financial & Social Performance



Matthew 25:40

**“Verily I say unto you,
in as much as ye have done it
unto one of the least
of these my brethren,
ye have done it unto me.”**