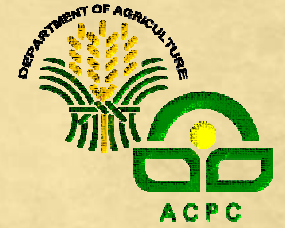


Department of Agriculture (DA)
AGRICULTURAL CREDIT POLICY COUNCIL (ACPC)

DA-ACPC and MFIs, Forging a Partnership in Improving Agricultural Credit Access

Presented by Agricultural Credit Policy Council (ACPC) Executive Director Jocelyn Alma R. Badiola during the 2017 MCPI Annual Conference on July 27-28, 2017 at the Century Park Hotel, Manila.

ACPC Governing Council



Department of Agriculture



Bangko Sentral ng Pilipinas



Department of Finance

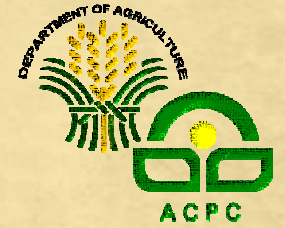


Department of Budget and Management



National Economic Development Authority

I. The Agricultural Credit Policy Council

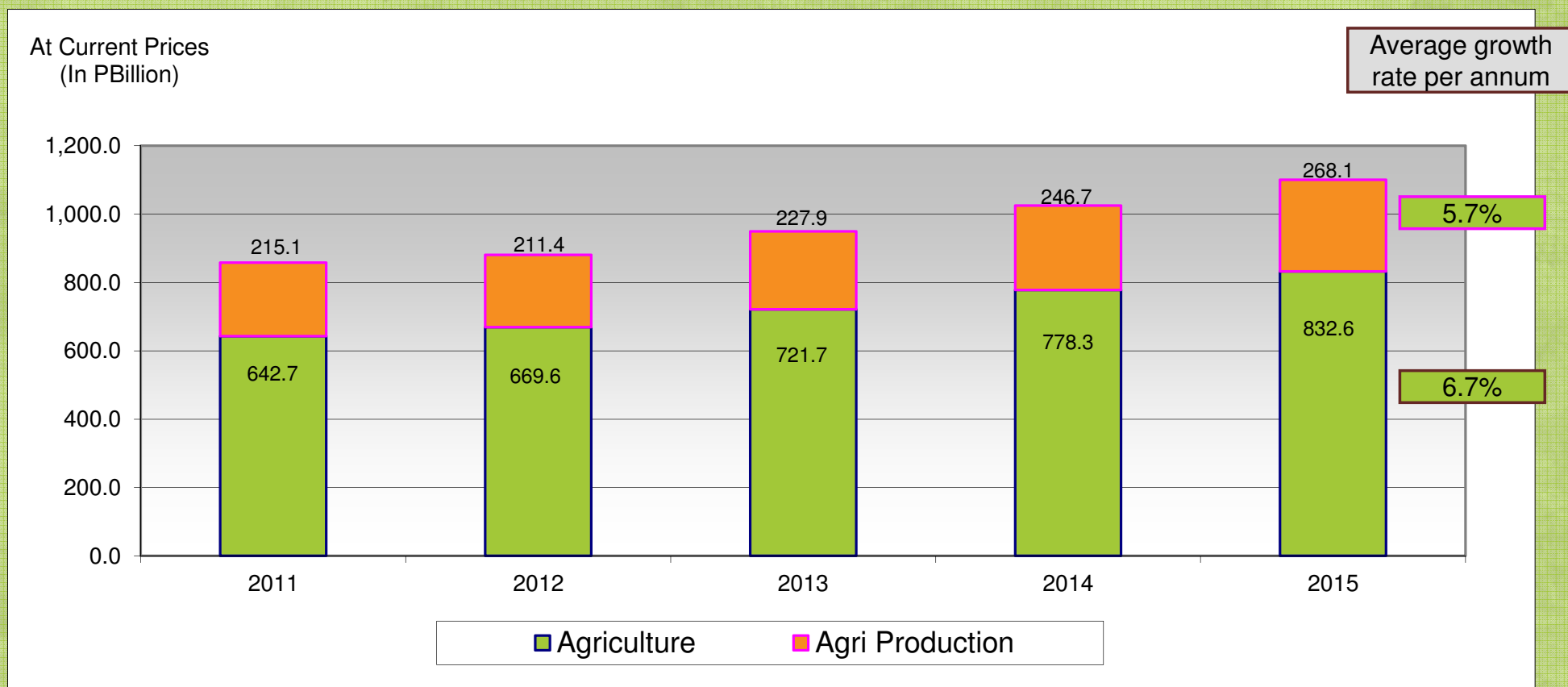
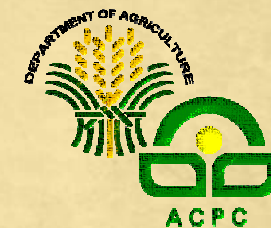


Created in December 1986 by virtue of Executive Order 113

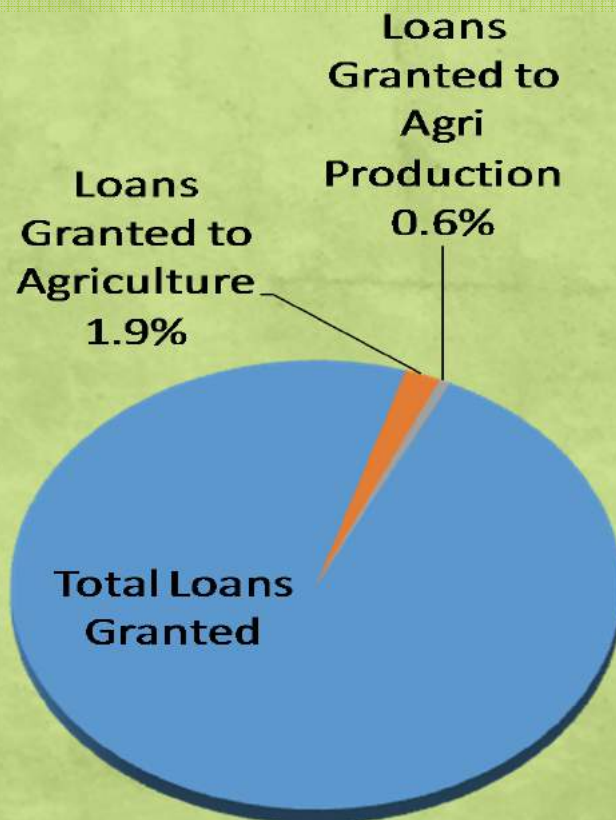
MISSION

To promote or increase access of our small farmers and fisherfolk to financing through: 1) Policy Formulation and Advocacy; 2) Program Development; 3) Institutional Capacity Building

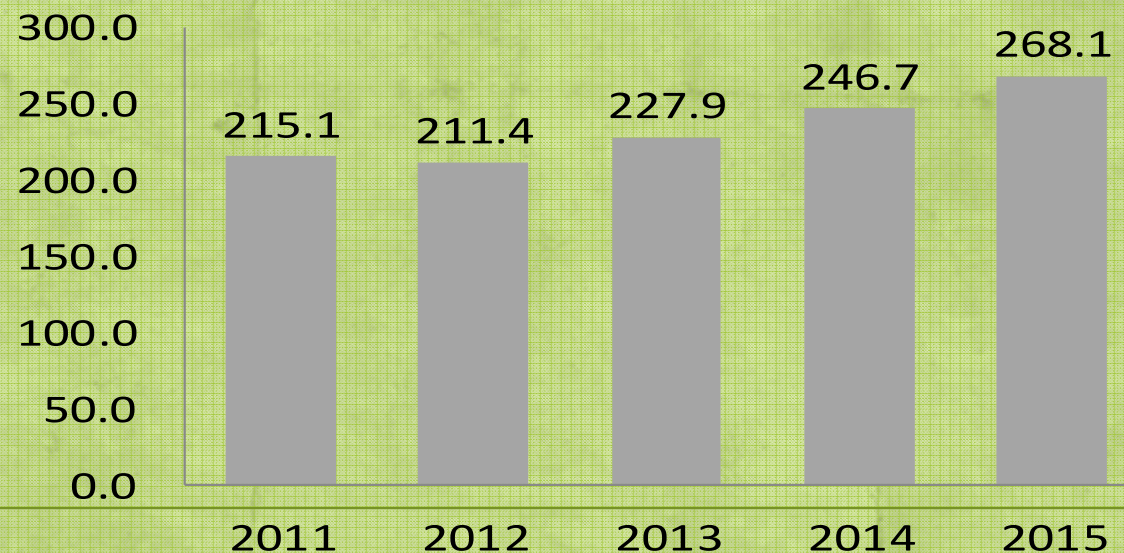
Agricultural Credit Performance, Constraints and Strategies Banks' Loans to Agriculture, 2011 – 2015



II. Agricultural Credit Performance, Constraints and Strategies Banks' Loans to Agriculture, 2011 – 2015



**Amount of Loans Granted to Agricultural Production
(In P Billion)**

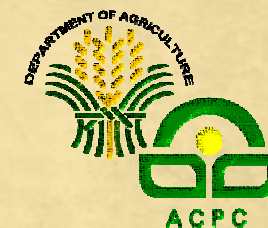


Compliance of Banks with the Agri-Agra Law (RA 10000), in PBillion as of March 2017

ITEM	ALL BANKS	UKBs	TBs	RCBs
A. Total Loanable Funds Generated	3,626.0	3,410.15	166.00	49.84
B. Minimum Amount Required to be Allocated for:				
1. 10% AGRA i.e. Agrarian Reform Credit (10% x Item A)	362.60	341.01	16.60	4.98
2. 15% AGRI i.e. Other Agricultural Credit (15% x Item A)	543.90	511.52	24.90	7.48
C. Compliance with AGRA				
1. Total Compliance with AGRA	36.89	25.77	2.87	8.26
2. % of Compliance vs. Required 10% for AGRA	1.02	0.76	1.73	16.57
D. Compliance with AGRI				
1. Total Compliance with AGRI	465.56	434.64	16.14	14.79
2. % of Compliance vs. Required 15% for AGRI	12.84	12.75	9.72	29.66
E. Total Compliance				
1. Total	502.45	460.40	19.00	23.04
Overall Compliance, % vs. 25% Required	13.86	13.50	11.45	46.23

Source: *Bangko Sentral ng Pilipinas*

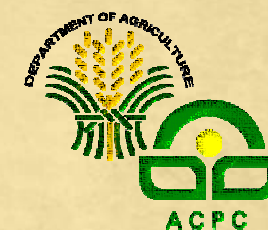
UKBs=universal & commercial banks, TBs=thrift banks, RCBs=rural and commercial banks



Credit Gap, 2014 estimates (in PBillion)

Major Commodity	Credit Requirement (PBillion)	Supplied by Banks (PBillion)	Credit Gap (PBillion)
Rice & Corn	226.7	56.1	170.6
Coconut	78.3	6.1	72.2
Sugarcane	29.8	14.3	15.5
HVCC ¹	80.3	37.7	42.7
Livestock & Poultry	88.1	37.6	50.5
Fisheries	21.7	6.5	15.2
Total	524.9	158.3	366.6

¹ HVCC include abaca, cassava, rubber, mango, coffee, banana, durian, lanzones, mangosteen, durian, oil palm, and other vegetables such as cabbage, onion, carrots, tomato, eggplant, white potato, cauliflower, broccoli, and habitchuelas



Small Farmers & Fisherfolk Borrowing Incidence

Source	1997- 1998	1999- 2000	2001- 2002	2004- 2005	2006- 2007	2013- 2014
All Borrowers	100	100	100	100	100	100
% Borrowing	47	59	64	68	63	60
Formal lenders	24	38.6	34.4	44	51.7	53
Informal lenders	76	61.4	60.3	48	41.4	40
Both formal & informal			5.3	8	6.9	7
% Non-borrowing	53	41	36	32	37	40

DEPARTMENT OF AGRICULTURE
AGRICULTURAL CREDIT POLICY COUNCIL (ACPC)

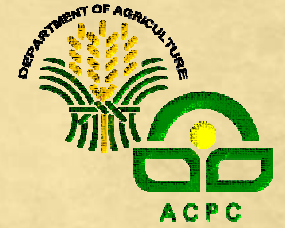


PLEA

(Production Loan Easy Access)



PLEA Credit Facility

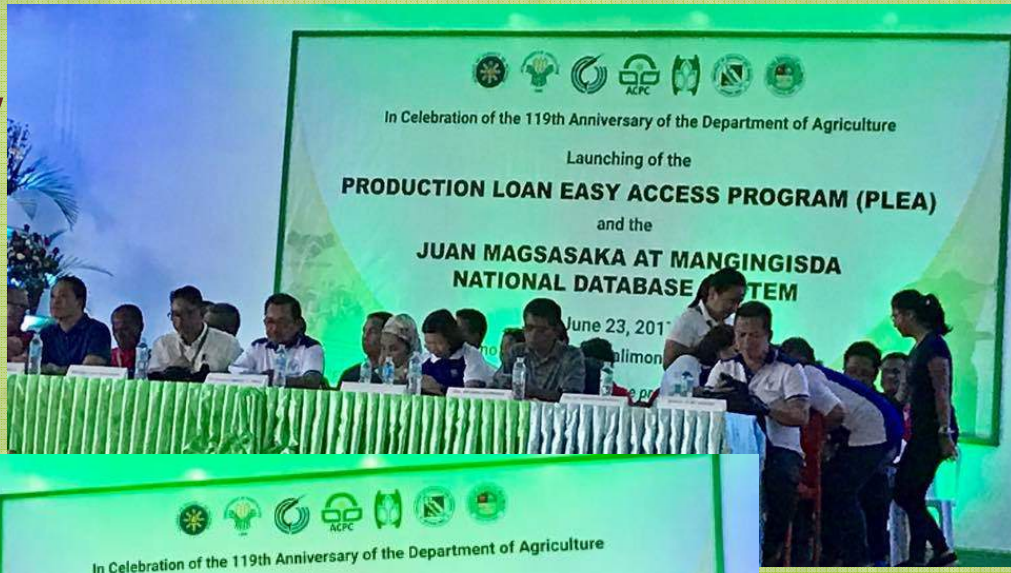


PLEA is a special credit delivery facility for areas with high poverty rates and other priority areas of the DA:

1. Make credit access easy and convenient;
2. Bring down interest rates;
3. Expand credit delivery channels;
4. Ensure sustainability of credit; and
5. Focused on the marginal farmers/fisherfolk



PLEA Launch in Malimono, Surigao del Norte



MABILIS, MURA at ***ABOT-KAYANG*** pautang

HUAWEI P9 LEICA DUAL CAMERA

PLEA



MABILIS,
MADALI

at

MURANG

pautang



MALILIIT na magsasaka
at mangingisda

PROGRAM FEATURES

- FOs and coops as **Lending Conduits**
- Loans at **interest rate of 6%** per annum
- **Non-collateralized** agri-fishery production
- Maximum loan of up to **P50,000 per borrower**
- Up **2 to 10 years** maturity
- **Capacity building** support for conduits & borrowers
- **PCIC** insurance cover

NATIONAL FARMERS' AND FISHERFOLK DATABASE SYSTEM (JUAN AT MARIA MAGSASAKA/MANGINGISDA)



PLEA



MABILIS,
MADALI

at

MURANG

pautang



MALILIIT na magsasaka
at mangingisda

INITIAL COVERAGE AREAS

1. Apayao
2. Eastern Samar
3. Western Samar
4. Northern Samar
5. Negros Oriental
6. Zamboanga Norte
7. Lanao Del Sur
8. Cotabato
9. Sarangani
10. Maguindanao
11. Siquijor
12. Bukidnon
13. Sulu
14. Agusan del Sur
15. Sultan Kudarat

PLEA



MABILIS,
MADALI

at

MURANG

pautang

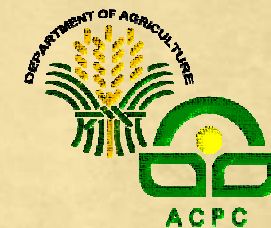


MALILIIT na magsasaka
at mangingisda

EXPANDED COVERAGE AREAS

1. Malimono, Surigao del Norte
2. Bongabon, Nueva Ecija
3. Wao, Lanao del Sur
4. Banisilan, Cotabato
5. Pitogo, Bohol
6. Laguna de Bay
7. Midsayap, Cotabato
8. M'Lang, Cotabato
9. Isabela
10. Kalinga
11. Koronadal, South Cotabato
12. Pigkawayan, North Cotabato
13. Almada, North Cotabato
14. Tangub, Misamis Occidental
15. Bataan

Department of Agriculture
Agricultural Credit Policy Council



THANK YOU

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**Department of Agriculture
Agricultural Credit Policy Council**

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