

B. AGRICULTURAL CREDIT POLICY COUNCIL

STRATEGIC OBJECTIVES

MANDATE

Created in 1986 by virtue of Executive Order (EO) No. 113, the ACPC is mandated to:

1. Assist the Department of Agriculture in synchronizing all agriculture and fisheries credit policies and programs (EO 113);

2. Review and evaluate the economic soundness of all agriculture and fisheries credit programs (EO 113);
3. Implement institutional capacity building programs and pilot-test innovative financing schemes for marginalized farmers and fisherfolk (RA 7607 or Magna Carta for Small Farmers);
4. Oversee the implementation of the Agriculture and Fisheries Modernization Act (AFMA)-mandated Agro-Industry Modernization Credit and Financing Program [ACPC Council Resolution No. 01-1999];
5. Manage and facilitate the collection and consolidation of government directed credit programs (DCPs) into the AMCFP (DA-DOF-DBM Joint Circular No. 1 and DA Administrative Order No. 16); and
6. Act as the Department of Agriculture's duly-authorized agency to implement relevant provisions of RA 10000. (DA Special Order 605, 2011)

VISION

The ACPC is the institution on agri-credit policy and program development that promotes a sustainable and effective delivery of financial services to the countryside.

MISSION

Develop and advocate agri-credit policies and orchestrate programs that promote farmers' and fisherfolks' access to sustained financial services

KEY RESULT AREAS

Poverty reduction and empowerment of the poor and vulnerable

SECTOR OUTCOME:

1. Food security improved
2. Incomes in agriculture and fishery sector increased
3. Sector resilience to climate change increased
4. Growth in agriculture and fishery sector increased

ORGANIZATIONAL OUTCOME

Improved conditions that are conducive for profitable, competitive and sustainable agri-fishery sector with empowered farmers, fisherfolk and other stakeholders through increased access to formal credit of small farming and fishing households.

New Appropriations, by Program/Project

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		<u>Current Operating Expenditures</u>			
		<u>Personnel</u>	<u>Maintenance</u>	<u>Capital</u>	<u>Total</u>
		<u>Services</u>	<u>and Other</u>	<u>Outlays</u>	
			<u>Operating</u>		
			<u>Expenses</u>		
PROGRAM(S)					
100000000	General Administration and Support	P 4,497,000	P 3,441,000		P 7,938,000
300000000	Operations	18,179,000	27,752,000		45,931,000
	MFO 1: Credit Support Services	18,179,000	27,752,000		45,931,000
	Total, Program(s)	22,676,000	31,193,000		53,869,000
	TOTAL NEW APPROPRIATIONS	P 22,676,000	P 31,193,000		P 53,869,000

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New Appropriations, by Central / Regional Allocation
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REGION	Current Operating Expenditures			
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
Regional Allocation	P 22,676,000	P 31,193,000		P 53,869,000
National Capital Region (NCR)	22,676,000	31,193,000		53,869,000
TOTAL NEW APPROPRIATIONS	P 22,676,000	P 31,193,000		P 53,869,000

Special Provisions(s)

1. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Strengthen Agriculture and Fisheries Modernization Act (AFMA)-mandated Agro-Industry Modernization Credit and Financing Program (ANCFP) lending to small farm and fishing households
2. Reduce costs of lending and provide incentives for private banks to increase lending to the agriculture and fisheries sector
3. Strengthen credit guarantee and agricultural insurance programs
4. Build up credit database for small farmers and fisherfolks (SFFs), intensify information dissemination and strengthen monitoring and evaluation
5. Enhance capacity of SFFs and their cooperatives and organizations

MAJOR FINAL OUTPUTS (MFO)/ PERFORMANCE INDICATORS
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Targets
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MFO 1: CREDIT SUPPORT SERVICES

Credit Funds Administered

Total amount of loans granted (Php Million)	2,135
Total number of loan beneficiaries	79,000
% of past due loans over loans outstanding (from partner lending institutions to ACPC-ANCFP)	5%-15%
% amount collected over amount matured/due (from partner lending institutions to ACPC-ANCFP)	85%-95%
Percentage of loan applications approved/released within fifteen (15) days (ACPC-ANCFP to partner lending institutions)	100%
% amounts due collected within ten (10) days (ACPC-ANCFP to partner lending institutions)	85-95%

Collection of loans under directed credit programs

Amount of loan collections / loans consolidated into the ANCFP from directed credit programs (Php Million)	4.6
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% of loan beneficiaries in arrears for more than 180 days that did not respond to ACPC's follow-up letters	98.5%
Average cost per Peso collected (in PHP)	0.2
% of scheduled loan repayments that fall into arrears which are issued with follow-up letters within ten (10) working days	100%