



REPUBLIC OF THE PHILIPPINES

DEPARTMENT OF BUDGET AND MANAGEMENT
PEOPLE'S CREDIT AND FINANCE CORPORATION

JOINT CIRCULAR NO. 2014-1

November 12, 2014

**SUBJECT: IMPLEMENTING GUIDELINES OF THE PCFC EXPANDED
AGRICULTURAL MICROFINANCE PROGRAM (AMP)**

I. BACKGROUND AND RATIONALE

Chapter 3 on Competitive Industry and Service Sectors of Philippine Development Plan (PDP), cites that Government Financial Institutions such as the People's Credit and Finance Corporation (PCFC), Land Bank of the Philippines (Landbank), and the Small Business Corporation (SBC) - the main wholesale finance institutions catering to microfinance institutions (MFIs) - shall collaborate with the Department of Trade and Industry (DTI), Department of Tourism (DOT) and viable MFIs in developing innovative market-based financing schemes to support microenterprises. Government will collaborate with MFIs to use microfinance as a tool for inclusive growth by expanding access by microenterprises and poor households to credit, savings, and other financial services.

Pursuant to the Special Provision of the PCFC budget under the FY 2014 General Appropriations Act (Republic Act No. 10633), these implementing guidelines are issued by the PCFC and Department of Budget and Management (DBM) in relation to PCFC's delivery of microfinance services for the exclusive use of the poor to uplift their economic status.

II. PROGRAM OBJECTIVES

1. To align PCFC's microfinance efforts with the current administration's social contract under PDP designed to achieve poverty reduction, social equity and sustainable development.
2. To increase access of small farmers and fisherfolks to financial services which shall be implemented in partnership with existing partner MFIs and other eligible conduits for agri-based livelihood projects and other income generating activities.

