

B. AGRICULTURAL CREDIT POLICY COUNCIL

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>(Obligation-Based)</u>		<u>(Cash-Based)</u>
	<u>2017</u>	<u>2018</u>	<u>2019</u>
New General Appropriations	<u>811,203</u>	<u>1,117,620</u>	<u>3,537,134</u>
General Fund	811,203	1,117,620	3,537,134
Automatic Appropriations	<u>2,835</u>	<u>3,231</u>	<u>3,537</u>
Retirement and Life Insurance Premiums	2,835	3,231	3,537
Continuing Appropriations	<u>4,823</u>		
Unobligated Releases for Capital Outlays R.A. No. 10717	78		
Unobligated Releases for MOOE R.A. No. 10717	4,741		
Unobligated Releases for FinEx R.A. No. 10717	4		
Budgetary Adjustment(s)	<u>815</u>		
Transfer(s) from: Miscellaneous Personnel Benefits Fund	815		
Total Available Appropriations	819,676	1,120,851	3,540,671
Unused Appropriations	(<u>679</u>)		
Unobligated Allotment	(<u>679</u>)		
TOTAL OBLIGATIONS	<u>818,997</u>	<u>1,120,851</u>	<u>3,540,671</u>
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EXPENDITURE PROGRAM
(in pesos)

GAS / STO / OPERATIONS / PROJECTS	(Obligation-Based)		(Cash-Based)
	2017 Actual	2018 Current	2019 Proposed
General Administration and Support	15,282,000	15,870,000	39,054,000
Regular	15,282,000	15,870,000	39,054,000
PS	5,750,000	4,933,000	21,345,000
MOOE	5,392,000	9,826,000	14,979,000
FinEx	5,000	11,000	11,000
CO	4,135,000	1,100,000	2,719,000
Operations	803,715,000	1,104,981,000	3,501,617,000
Regular	803,715,000	1,104,981,000	3,501,617,000
PS	30,759,000	34,394,000	30,428,000
MOOE	22,956,000	17,757,000	40,011,000
CO	750,000,000	1,052,830,000	3,431,178,000
TOTAL AGENCY BUDGET	818,997,000	1,120,851,000	3,540,671,000
Regular	818,997,000	1,120,851,000	3,540,671,000
PS	36,509,000	39,327,000	51,773,000
MOOE	28,348,000	27,583,000	54,990,000
FinEx	5,000	11,000	11,000
CO	754,135,000	1,053,930,000	3,433,897,000

STAFFING SUMMARY

	2017	2018	2019
TOTAL STAFFING			
Total Number of Authorized Positions	43	43	43
Total Number of Filled Positions	36	36	36

Proposed New Appropriations Language

For general administration and support, and operations, in support of the modernization of the agriculture and fisheries sector in order to meet the challenges of globalization, as indicated hereunder.....P 3,537,134,000
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PROPOSED 2019 (Cash-Based)

OPERATIONS BY PROGRAM	PS	MOOE	CO	TOTAL
AGRICULTURAL CREDIT PROGRAM	27,890,000	40,011,000	3,431,178,000	3,499,079,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2019 (Cash-Based)
(in pesos)

REGION	PS	MOOE	FinEx	CO	TOTAL
Regional Allocation	48,236,000	54,990,000	11,000	3,433,897,000	3,537,134,000
National Capital Region (NCR)	48,236,000	54,990,000	11,000	3,433,897,000	3,537,134,000
TOTAL AGENCY BUDGET	48,236,000	54,990,000	11,000	3,433,897,000	3,537,134,000

SPECIAL PROVISION(S)

- Agricultural Credit Facility. The amount of Three Billion Four Hundred Sixty Million Nine Hundred Forty Five Thousand Pesos (P3,460,945,000) appropriated herein for Agro-Industry Modernization Credit and Financing Program Administration includes the amount of Three Billion Four Hundred Twenty Five Million Seven Hundred Ninety Thousand Pesos (P3,425,790,000) which shall be transferred to GFIs, cooperative banks, rural banks and viable non-government organizations, to be used exclusively for the establishment of a flexible credit facility for the benefit of small farmers and fisherfolk registered under the Registry System for Basic Sectors in Agriculture, as an alternative to the rigid and stringent credit facilities usually provided by banks. For this purpose, the Agricultural Credit Policy Council (ACPC), in coordination with said GFIs and banks, shall formulate the guidelines for a streamlined and equitable access by the foregoing small farmers and fisherfolk to said credit facility.
- Reporting and Posting Requirements. The ACPC shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:
 - Unified Reporting System (URS) or other electronic means for reports not covered by the URS; and
 - ACPC's website.

The ACPC shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.
- Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects (Cash-Based)

		Current Operating Expenditures				
		Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
PROGRAMS						
1000000000000000	General Administration and Support	20,346,000	14,979,000	11,000	2,719,000	38,055,000
100000100001000	General management and supervision	11,184,000	14,979,000	11,000	2,719,000	28,893,000
100000100002000	Administration of Personnel Benefits	9,162,000				9,162,000
Sub-total, General Administration and Support		20,346,000	14,979,000	11,000	2,719,000	38,055,000
3000000000000000	Operations	27,890,000	40,011,000		3,431,178,000	3,499,079,000
3100000000000000	00 : Access of Small Farmers and Fisherfolk to formal credit under the ACPC Agro-Industry Modernization Credit and Financing Program increased	27,890,000	40,011,000		3,431,178,000	3,499,079,000
3101000000000000	AGRICULTURAL CREDIT PROGRAM	27,890,000	40,011,000		3,431,178,000	3,499,079,000
310100100001000	Agro-Industry Modernization Credit and Financing Program (AMCFP) Administration	14,354,000	19,738,000		3,426,853,000	3,460,945,000

310100100002000	Policy formulation, research and advocacy, monitoring and evaluation of credit policies, plans and programs and capacity building	<u>13,536,000</u>	<u>20,273,000</u>	<u>4,325,000</u>	<u>38,134,000</u>
Sub-total, Operations		<u>27,890,000</u>	<u>40,011,000</u>	<u>3,431,178,000</u>	<u>3,499,079,000</u>
TOTAL NEW APPROPRIATIONS		P 48,236,000	P 54,990,000	P 11,000	P 3,433,897,000
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Obligations, by Object of Expenditures

CYs 2017-2019
(In Thousand Pesos)

	(Obligation-Based)		(Cash-Based)
	2017	2018	2019
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	22,655	26,923	29,474
Total Permanent Positions	<u>22,655</u>	<u>26,923</u>	<u>29,474</u>
Other Compensation Common to All			
Personnel Economic Relief Allowance	862	864	864
Representation Allowance	1,289	1,488	1,440
Transportation Allowance	1,061	1,488	1,440
Clothing and Uniform Allowance	180	180	216
Mid-Year Bonus - Civilian	1,861	2,243	2,457
Year End Bonus	1,898	2,243	2,457
Cash Gift	180	180	180
Productivity Enhancement Incentive	180	180	180
Performance Based Bonus	815		
Step Increment		67	74
Collective Negotiation Agreement	805		
Total Other Compensation Common to All	<u>9,131</u>	<u>8,933</u>	<u>9,308</u>
Other Benefits			
Retirement and Life Insurance Premiums	2,711	3,231	3,537
PAG-IBIG Contributions	43	44	42
PhilHealth Contributions	136	152	208
Employees Compensation Insurance Premiums	43	44	42
Retirement Gratuity			8,063
Terminal Leave	1,790		1,099
Total Other Benefits	<u>4,723</u>	<u>3,471</u>	<u>12,991</u>
TOTAL PERSONNEL SERVICES	<u>36,509</u>	<u>39,327</u>	<u>51,773</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	4,976	4,600	8,200
Training and Scholarship Expenses	3,439	3,140	5,100
Supplies and Materials Expenses	1,308	2,316	3,052
Utility Expenses	1,566	1,939	1,997
Communication Expenses	1,483	3,096	3,270
Survey, Research, Exploration and Development Expenses	2,941		2,605
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	118	118	118
Professional Services	5,910	3,339	4,342
General Services	1,531	1,732	1,783
Repairs and Maintenance	332	1,008	1,008
Taxes, Insurance Premiums and Other Fees	86	110	113
Labor and Wages	2,875	3,300	17,543

Other Maintenance and Operating Expenses			
Advertising Expenses		11	11
Printing and Publication Expenses	50	72	72
Representation Expenses	573	417	2,000
Rent/Lease Expenses	984	1,555	1,745
Subscription Expenses	131	176	676
Other Maintenance and Operating Expenses	45	654	1,355
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>28,348</u>	<u>27,583</u>	<u>54,990</u>
Financial Expenses			
Bank Charges	5	11	11
TOTAL FINANCIAL EXPENSES	<u>5</u>	<u>11</u>	<u>11</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>64,862</u>	<u>66,921</u>	<u>106,774</u>
Capital Outlays			
Loans Outlay	750,000	1,050,000	3,425,790
Property, Plant and Equipment Outlay			
Machinery and Equipment Outlay	416	2,830	6,807
Transportation Equipment Outlay	1,200	1,100	1,300
Intangible Assets Outlay	2,519		
TOTAL CAPITAL OUTLAYS	<u>754,135</u>	<u>1,053,930</u>	<u>3,433,897</u>
GRAND TOTAL	<u>818,997</u>	<u>1,120,851</u>	<u>3,540,671</u>

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Economic opportunities in Agriculture and Fisheries expanded and access to economic opportunities by small farmers and fisherfolk increased

ORGANIZATIONAL OUTCOME : Access of Small Farmers and Fisherfolk to formal credit under the ACPC Agro-Industry Modernization Credit and Financing Program increased

PERFORMANCE INFORMATION

<u>ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)</u>	<u>2017 GAA Targets</u>	<u>2017 Actual</u>
Access of Small Farmers and Fisherfolk to formal credit under the ACPC Agro-Industry Modernization Credit and Financing Program increased		
Repayment rate (% of repayment/outstanding loans)	85%-95%	98%
% increase in the number of SFF borrowers	(51%) 90,920	
<u>MFO / Performance Indicators</u>	<u>2017 GAA Targets</u>	<u>2017 Actual</u>

MFO 1: CREDIT SUPPORT SERVICES

Credit Funds Administered		
Total amount of loans granted (PhP Million)	4,130	3,558.7
Total number of loan beneficiaries/number of transactions	90,920	69,253
% of past due loans over outstanding (from partner lending institutions to ACPC-AMCFP)	5% - 15%	11.60%
% of amount collected over amount matured/due (from partner lending institutions to ACPC-AMCFP)	85% - 95%	98%
Percentage of loan applications approved/released within fifteen (15) days (ACPC-AMCFP to partner lending institutions)	100%	100%
% of amounts due collected within ten (10) days (ACPC-AMCFP to partner lending institutions)	85% - 95%	98%

Collection of loans under directed credit programs		
Amount of loan collections/loans consolidated into the AMCFP from directed credit programs (Php Million)	7.7	17.7
% of loan beneficiaries in arrears for more than 180 days that did not respond to ACPC's follow-up letters	98.5%	87.8%
Average cost per Peso collected (in Php)	0.20	0.20
% of scheduled loan repayments that fall into arrears which are issued with follow-up letters within ten (10) working days	100%	100%

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)2018 GAA TargetsBaseline2019 Targets

Access of Small Farmers and Fisherfolk to formal credit under the ACPC Agro-Industry Modernization Credit and Financing Program increased

AGRICULTURAL CREDIT PROGRAM

Outcome Indicators

1. Percentage increase of borrowers obtaining loans from formal sources:			
a. small farmer (3 ha and below)	2% every 2 years	62%	
b. small fisherfolk (3 tons and below)	2% every 2 years	53%	
2. Repayment rate (loans collected/loans matured)	85% - 95%	100%	85%-95%

Output Indicators

1. Amount of loans granted to credit retailers/lenders and to end-borrowers:			
a. Credit retailers/lenders	1,050		3,425.79
b. End-borrowers	4,010	2,955.50	5,162.90
2. Number of credit program orientations and credit matching seminars and workshops conducted	15	47	16
3. Number of farmers and fisherfolk organizations provided with institutional capacity building assistance	274	164	519