

B. AGRICULTURAL CREDIT POLICY COUNCIL

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
New General Appropriations	43,035	811,203	967,620
General Fund	43,035	811,203	967,620
Automatic Appropriations	2,483	2,835	3,231
Retirement and Life Insurance Premiums	2,483	2,835	3,231
Continuing Appropriations	652,243	4,823	
Unobligated Releases for Capital Outlays			
R.A. No. 10651	650,000		
R.A. No. 10717		78	
Unobligated Releases for MOOE			
R.A. No. 10651	2,243		
R.A. No. 10717		4,741	
Unobligated Releases for FinEx			
R.A. No. 10717		4	
Budgetary Adjustment(s)	4,779		
Transfer(s) from:			
Miscellaneous Personnel Benefits Fund	4,779		
Total Available Appropriations	702,540	818,861	970,851
Unused Appropriations	(6,310)	(4,823)	
Unreleased Appropriation	(162)		
Unobligated Allotment	(6,148)	(4,823)	
TOTAL OBLIGATIONS	696,230	814,038	970,851

EXPENDITURE PROGRAM
(in pesos)

<u>GAS / STO / OPERATIONS / PROJECTS</u>	<u>2016 Actual</u>	<u>2017 Current</u>	<u>2018 Proposed</u>
General Administration and Support	14,497,000	14,109,000	15,870,000
Regular	14,497,000	14,109,000	15,870,000
PS	8,819,000	4,516,000	4,933,000
MOOE	3,483,000	5,203,000	9,826,000
FinEx	6,000	10,000	11,000
CO	2,189,000	4,380,000	1,100,000
Operations	681,733,000	799,929,000	954,981,000
Regular	681,733,000	799,929,000	954,981,000
PS	22,947,000	30,592,000	34,394,000
MOOE	8,786,000	19,337,000	17,757,000
CO	650,000,000	750,000,000	902,830,000
TOTAL AGENCY BUDGET	696,230,000	814,038,000	970,851,000

Regular	696,230,000	814,038,000	970,851,000
PS	31,766,000	35,108,000	39,327,000
MOOE	12,269,000	24,540,000	27,583,000
FinEx	6,000	10,000	11,000
CO	652,189,000	754,380,000	903,930,000

STAFFING SUMMARY

	2016	2017	2018
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 967,620,000
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PROPOSED 2018

OPERATIONS BY PROGRAM	PS	MOOE	CO	TOTAL
AGRICULTURAL CREDIT PROGRAM	31,567,000	17,757,000	902,830,000	952,154,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2018
(in pesos)

REGION	PS	MOOE	FinEx	CO	TOTAL
Regional Allocation	36,096,000	27,583,000	11,000	903,930,000	967,620,000
National Capital Region (NCR)	36,096,000	27,583,000	11,000	903,930,000	967,620,000
TOTAL AGENCY BUDGET	36,096,000	27,583,000	11,000	903,930,000	967,620,000

SPECIAL PROVISION(S)

1. Agricultural Credit Facility. The amount of Nine Hundred Fourteen Million Eight Hundred Fifty Six Thousand Pesos (P914,856,000) appropriated herein for Agro-Industry Modernization Credit and Financing Program Administration includes the amount of Nine Hundred Million Pesos (P900,000,000) 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, 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.
2. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects

		<u>Current Operating Expenditures</u>				
		<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS						
1000000000000000	General Administration and Support	4,529,000	9,826,000	11,000	1,100,000	15,466,000
100000100001000	General management and supervision	4,529,000	9,826,000	11,000	1,100,000	15,466,000
Sub-total, General Administration and Support		4,529,000	9,826,000	11,000	1,100,000	15,466,000
3000000000000000	Operations	31,567,000	17,757,000		902,830,000	952,154,000
3100000000000000	00 : Access of Small Farmers and Fisherfolk to formal credit under the ACPC Agro-Industry Modernization Credit and Financing Program increased	31,567,000	17,757,000		902,830,000	952,154,000
3101000000000000	AGRICULTURAL CREDIT PROGRAM	31,567,000	17,757,000		902,830,000	952,154,000
3101001000001000	Agro-Industry Modernization Credit and Financing Program (AMCFP) Administration	12,103,000	2,753,000		900,000,000	914,856,000
3101001000002000	Policy formulation, research and advocacy, monitoring and evaluation of credit policies, plans and programs and capacity building	19,464,000	15,004,000		2,830,000	37,298,000
Sub-total, Operations		31,567,000	17,757,000		902,830,000	952,154,000
TOTAL NEW APPROPRIATIONS		P 36,096,000	P 27,583,000	P 11,000	P 903,930,000	P 967,620,000

Obligations, by Object of ExpendituresCYs 2016-2018
(In Thousand Pesos)

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	19,638	23,626	26,923
Total Permanent Positions	19,638	23,626	26,923
Other Compensation Common to All			
Personnel Economic Relief Allowance	830	864	864
Representation Allowance	1,152	1,488	1,488
Transportation Allowance	864	1,488	1,488
Clothing and Uniform Allowance	175	180	180
Overtime Pay	19		
Mid-Year Bonus - Civilian		1,969	2,243
Year End Bonus	3,206	1,969	2,243
Cash Gift	165	180	180

Step Increment	6	112	67
Collective Negotiation Agreement	826		
Productivity Enhancement Incentive	168	180	180
Performance Based Bonus	365		
Total Other Compensation Common to All	<u>7,776</u>	<u>8,430</u>	<u>8,933</u>
Other Compensation for Specific Groups			
Other Personnel Benefits	1,371		
Anniversary Bonus - Civilian	99		
Total Other Compensation for Specific Groups	<u>1,470</u>		
Other Benefits			
Retirement and Life Insurance Premiums	2,350	2,835	3,231
PAG-IBIG Contributions	42	44	44
PhilHealth Contributions	122	129	152
Employees Compensation Insurance Premiums	42	44	44
Loyalty Award - Civilian	40		
Terminal Leave	286		
Total Other Benefits	<u>2,882</u>	<u>3,052</u>	<u>3,471</u>
TOTAL PERSONNEL SERVICES	<u>31,766</u>	<u>35,108</u>	<u>39,327</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	1,503	1,517	1,000
Training and Scholarship Expenses	159	5,323	1,240
Supplies and Materials Expenses	1,131	1,052	2,316
Utility Expenses	1,422	1,673	3,439
Communication Expenses	913	1,174	5,096
Survey, Research, Exploration and Development Expenses	3,728		
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	118	118	118
Professional Services		6,033	3,339
General Services	1,461	1,575	1,732
Repairs and Maintenance	300	556	2,008
Taxes, Insurance Premiums and Other Fees	67	100	110
Labor and Wages		3,000	3,300
Other Maintenance and Operating Expenses			
Advertising Expenses	42	10	11
Printing and Publication Expenses	31	65	72
Representation Expenses	364	372	417
Rent/Lease Expenses	965	1,762	1,555
Subscription Expenses	65	160	176
Other Maintenance and Operating Expenses		50	1,654
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>12,269</u>	<u>24,540</u>	<u>27,583</u>
Financial Expenses			
Bank Charges		10	11
Other Financial Charges	6		
TOTAL FINANCIAL EXPENSES	<u>6</u>	<u>10</u>	<u>11</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>44,041</u>	<u>59,658</u>	<u>66,921</u>
Capital Outlays			
Loans Outlay	650,000	750,000	900,000
Property, Plant and Equipment Outlay			
Machinery and Equipment Outlay	1,510	350	2,830
Transportation Equipment Outlay		1,500	1,100
Intangible Assets Outlay	679	2,530	
TOTAL CAPITAL OUTLAYS	<u>652,189</u>	<u>754,380</u>	<u>903,930</u>
GRAND TOTAL	<u>696,230</u>	<u>814,038</u>	<u>970,851</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

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	2016 Actual	2017 Targets
Access of Small Farmers and Fisherfolk to formal credit under the ACPC Agro-Industry Modernization Credit and Financing Program (e.g. Sikat Saka, Agriculture and Fisheries Financing Program and Calamity / Climate Change Facility) increased		
Repayment rate (% of repayment/outstanding loans)	100%	85%-95%
% increase in the number of SFF borrowers	-19%	(51%) 90,920

MFO / Performance Indicators	2016 Targets	2016 Actual	2017 GAA Targets
MFO 1: CREDIT SUPPORT SERVICES			
Credit Funds Administered			
Total amount of loans granted (Php Million)	3,789	3,118.6	4,130
Total number of loan beneficiaries/number of transactions	117,680	48,738	90,920
% of past due loans over outstanding (from partner lending institutions to ACPC-AMCFP)	5%-15%	0%	5%-15%
% of amount collected over amount matured/due (from partner lending institutions to ACPC-AMCFP)	85%-95%	100%	85%-95%
Percentage of loan applications approved/released within fifteen (15) days (ACPC-AMCFP to partner lending institutions)	100%	100%	100%
% of amounts due collected within ten (10) days (ACPC-AMCFP to partner lending institutions)	85%-95%	100%	85%-95%
Collection of loans under directed credit programs			
Amount of loan collections/loans consolidated into the AMCFP from directed credit programs (Php Million)	5.4	14.9	7.7
% of loan beneficiaries in arrears for more than 180 days that did not respond to ACPC's follow-up letters	98.5%	99.0%	98.5%
Average cost per Peso collected (in Php)	0.20	0.0	0.20
% of scheduled loan repayments that fall into arrears which are issued with follow-up letters within ten (10) working days	100%	100%	100%

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	Baseline	2018 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)	62%	2% every 2 years
b. small fisherfolk (3 tons and below)	53%	2% every 2 years
2. Repayment rate (loans collected/loans matured)	100%	85%-95%

Output Indicators

1. Amount of loans granted to credit retailers/lenders and to end-borrowers:		
a. Credit retailers/lenders		31,650
b. End-borrowers	2,955.50	17,900
2. Number of credit program orientations and credit matching seminars and workshops conducted	47	98
3. Number of farmers and fisherfolk organizations provided with institutional capacity building assistance	164	1,104