



Republic of the Philippines

Department of Agriculture

SUGAR REGULATORY ADMINISTRATION

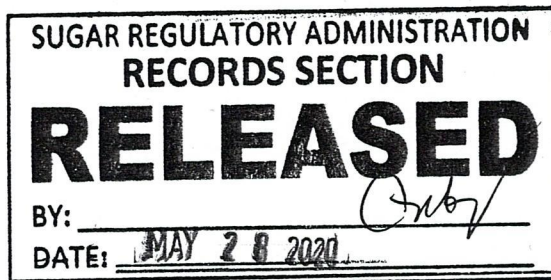
Sugar Center Bldg., North Avenue, Diliman, Quezon City, Philippines 1101

TIN 000-784-336

MEMO-ADM-2020-May-057

MEMORANDUM CIRCULAR NO. 7

Series of 2020



TO : ALL PLANTERS, FEDERATIONS, COOPERATIVES, BLOCK FARMS AND MILL DISTRICT COUNCILS

FROM : HERMENEGILDO R. SERAFICA
Administrator

DATE : 26 May 2020

SUBJECT : EXPANDED SURE AID AND RECOVERY PROJECT (SURE COVID-19)

Pursuant to Republic Act 11469 known as "Bayanihan to Heal as One Act", the Department of Agriculture in compliance, issued a Memorandum dated 8 April 2020, where the IATF-EID adopted measures to protect Food security thru the implementation of expanded SURE-AID and Recovery project. A loan assistance to Marginalized Small Farmers and Fisherfolk (MSFF) amounting to Twenty-Five Thousand Peso (PhP 25,000.00) at zero percent (0%) interest and payable in ten (10) years and to eligible Small Medium Enterprises (SMEs) such as single proprietorship, partnership, corporation or cooperative/associations with the amount of up to Ten Million Pesos (PhP 10,000,000.00) at zero percent (0%) interest, payable in five (5) years inclusive of one (1) year grace period both without collateral.

As the Government exerts all its efforts and design all the possibilities to reach out to our local farmers and farmworkers, we encourage all those who are qualified to take advantage and avail of this opportunity to alleviate their present situation caused by COVID-19 pandemic.

Attached hereto is a copy of the Expanded SURE AID and Recovery project's qualifications and requirements for your information and guidance.



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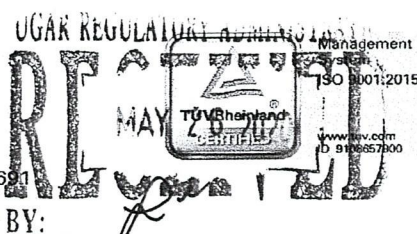
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"A food-secure Philippines with prosperous farmers and fisherfolk"



Republic of the Philippines
Department of Agriculture
AGRICULTURAL CREDIT POLICY COUNCIL
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EXPANDED SURE AID AND RECOVERY PROJECT (SURE COVID-19)

Parameter	Marginalized, small farmers and fishers	Micro and Small Enterprises
Loan Beneficiaries	Marginalized, small farmers and fisherfolk (MSFF) as defined in Section 4, RA 8435, and further defined in Section 4d., Presidential AO No. 21 of 2011, Revised IRR of RA 8425	
Eligible Borrowers	<ul style="list-style-type: none"> MSFF who are affected by the Enhanced Community Quarantine (ECQ) due to COVID-19; Registered/enrolled in the Registry System for Basic Sectors in Agriculture (RSBSA)—MSFF who are not registered under the RSBSA shall be required to enrol through the DA Inclusion Protocol; and Included in the DA-RFO validated list as certified by the DA- RFO Regional Executive Director. 	<p>Agri-fishery based MSEs that are willing to deliver/supply to DA-KADIWA Ni Ani at Kita centers and consumers of high consumption markets such as Metro Manila and other demand centers. MSEs are defined as those engaged in/with existing production, processing, marketing and/or distribution of agri-fishery produce/products/commodities.</p> <p>It may be a single proprietorship, partnership, corporation or cooperative/association.</p>
Eligible Loan Purpose	To finance the emergency requirements of MSFF whose incomes were affected by the ECQ due to COVID-19	<ul style="list-style-type: none"> On-lending through Government Financial Institutions (GFIs) and Non-Government Financial Institutions (NGFIs) which shall administer and implement credit programs by extending loans directly to eligible borrowers. Working capital/financial advance to purchase agri-fishery produce/products/commodities from farmers/fisherfolk, defray transportation costs of delivery to market, and payments of wages for emergency workers hired in the delivery and selling (drivers, helpers, sellers).
Loanable Amount	P25,000.00 per household	Depending on the financial requirements up to Php10.00 Million per borrower
Loan Maturity	Payable up to ten (10) years	Within a period of Five (5) years, inclusive of a one (1) year grace period
Interest rate and Other Finance Charges	<ul style="list-style-type: none"> 0% interest rate on loans, but GFIs/NGFIs may charge a service fee of up to 3% per transaction. 	0% interest



	<ul style="list-style-type: none"> Other fees and charges include Documentary Stamp Tax (DST) and notarial fees if, and when applicable. 	
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Parameter	Marginalized, small farmers and fishers	Micro and Small Enterprises
Documentary Requirements	<p>Documentary requirements shall be kept at a minimum:</p> <ul style="list-style-type: none"> One (1) government-issued ID with picture; One (1) 1x1 photo; Proof of registration/enrolment in RSBSA; and Loan Application Form and Promissory Note. 	<p>Existing partner conduits of the ACPC shall submit e-copy of the following:</p> <ol style="list-style-type: none"> Board Resolution authorizing the cooperative/association to apply as borrower and designating its authorized signatories to enter into an agreement with ACPC; Photocopy/e-copy of the organization's latest Audited Financial Statements; Endorsement from the Department of Agriculture (e.g. Regional Field Office, Agribusiness and Marketing Assistance Service, etc.). <p>New applicants shall submit e-copy of the following:</p> <ol style="list-style-type: none"> Letter of Intent with project description; Photocopy/e-copy of Registration documents; Financial Statement Endorsement from the Department of Agriculture (e.g. Regional Field Office, Agribusiness and Marketing Assistance Service, etc.).
Collateral/Security	None	

KAPITAL ACCESS FOR YOUNG AGRIPRENEURS (KAYA)

Parameter	Description
A. Eligible Loan Borrowers	<ol style="list-style-type: none"> 1. Young agriculture/fishery entrepreneurs (agripreneurs) who are of legal age (18 years old) up to 30 years old (as defined under Section 2 of R.A. 8044 (Youth Nation-Building Act); and 2. Agriculture and fishery graduates of either formal or non-formal schooling, including but not limited to graduates of agriculture and fishery related degrees from higher education institutions, DA and ATI-accredited programs, TESDA programs, farm schools, and secondary schools with agriculture and fishery-related courses, as defined under Section 2 (d) of R.A. 11321(Sagip Saka Act) - IRR.
B. Lending Scheme	ACPC shall engage Government Financial Institutions (GFIs) and Non-Government Financial Institutions (NGFIs) that shall act as Lending Conduits to manage the credit program as per terms and conditions agreed with the ACPC to include disbursement of credit funds to eligible borrowers, monitoring and collection of loans from the borrowers. NGFIs include cooperative banks, rural banks, viable NGOs, cooperatives and other private financial institutions. The GFIs and NGFIs shall not bear credit risk provided loans are extended to eligible borrowers. The ACPC shall effect fund transfer/releases to the Lending Conduits (GFIs and NGFIs) and monitor/validate disbursements thereof.
C. Eligible Loan Purpose	<p>To finance the capital (working capital and/or acquisition of machinery/equipment/facility) requirements of start-up/existing agri-based projects.</p> <p><i>* Eligible loan borrowers can avail loans under the program up to a maximum of 3 cycles.</i></p>
D. Loanable Amount	Up to P500,000 per borrower
E. Term of Loan	Term of loan shall be based on projected cash flow but not to exceed five (5) years. A grace period of up to 2 years on principal repayment may be granted.
F. Mode of Loan Release	Loans may be released on a staggered or lumpsum basis depending on the agri-fishery enterprise financed. Digital technology-based systems in the delivery of credit and money transfers/payments shall be used to the extent possible.
G. Interest rate	Loans to borrowers shall be zero percent (0%) interest.
H. Documentary Requirements	Documentary requirements shall be kept at the minimum, i.e., (a) one (1) government issued ID with picture, (b) loan application form, and (c) simple business plan. Those not registered under the Registry System for Basic Sectors in Agriculture (RSBSA) shall be required to enrol in the RSBSA through the DA Inclusion Protocol.
I. Support Component	The ACPC shall engage State Universities and Colleges (SUCs), government agencies, and non-government Business Development Services Providers to extend business advisory/technical assistance services such as mentoring, entrepreneurship training, financial literacy, product packaging, etc.