

JOINT MEMORANDUM CIRCULAR No. 1  
Series of 2024

**SUBJECT: REVISED IMPLEMENTING RULES AND REGULATIONS (IRR) OF THE  
SOCIALIZED CREDIT PROGRAM UNDER REPUBLIC ACT NO. 10659 OR  
THE "THE SUGARCANE INDUSTRY DEVELOPMENT ACT OF 2015"**

**A. RATIONALE**

RA 10659 or the Sugarcane Industry Development Act (SIDA) of 2015, through its Socialized Credit Program (SCP), aims to promote and support SIDA's productivity improvement programs to boost the production of sugarcane and increase the incomes of sugarcane farmers /planters and farm workers.

**B. DEFINITION OF TERMS**

1. Association/Cooperative - shall be defined as SRA accredited organization of sugarcane farmers registered with the CDA or SEC as the case may be.
2. Block Farm - shall be defined as SRA accredited Block Farm composed of consolidated small farms with an area of not more than five (5) hectares and managed as one (1) larger farm with a minimum contiguous area of 30 hectares within a 2-km radius distance between the perimeters of neighboring farms. A Block Farm may be organized into cooperatives, associations, or any legal entity provided they are registered with CDA or SEC. This also includes farms of Agrarian Reform Beneficiaries.
3. Common Service Center (CSC) - shall be defined as any sole proprietor, partnership, corporation, cooperative, or association duly accredited with the SRA's Farm Mechanization Program Committee that is currently in the business of providing assets or mechanized services, such as but not limited to land preparation, cane growing, harvesting and hauling solely to sugarcane farmers.
4. Conduit - an Association/Cooperative authorized by the SRA and LBP to:
  - a. Credit - administer, release, on-lend and manage allotted portions of the Program Fund to Individual Sugarcane Farmers within its service area.
  - b. Service - pre-screen and consolidate loan applications of eligible Individual Sugarcane Farmers for purposes of obtaining production loans from this program. It shall also provide support services including but not limited to loan collections, bidding of Sugar Quedans (SQs), and the like.
5. Good Standing - shall be defined as an individual in good credit standing with the LBP and any endorsing Association/Cooperative.

g

[Signature]

6. Income Fund - shall be defined as the fund derived from the interest income on loans, penalties and trust placements from which the Management Fee, Incentives to Service Conduits<sup>1</sup> and other applicable program expenses (e.g. Documentary Stamp Tax for Cooperatives with BIR Tax Exemption Certificate, CI/BI fee if applicable, PCIC crop insurance premium<sup>2</sup> and CSF service fee) shall be charged. This fund shall be under the name of the SRA. In case the Income Fund is insufficient to cover the Management Fee and other applicable program expenses, the same shall be charged from the Program Fund.
7. Individual Sugarcane Farmer - shall be defined as a qualified farmer registered with Sugar Regulatory Administration who owns, or possesses a total land area devoted to sugarcane of not more than ten (10) hectares. It shall include Block Farm members duly endorsed by their respective Block Farm.
8. Lending Center - shall be defined as LBP lending unit that handles credit delivery.
9. Loan Restructuring - shall be defined as the modification of a borrower's original contractual terms and conditions in accordance with a formal restructuring agreement that sets forth a revised schedule of payments for the purpose of lessening their financial difficulty and maximizing the collection and realizable economic value of an obligation within a reasonable period of time. The modification may include, but is not limited to, changes in the principal due, maturity, interest rate, other charges, collateral, and other terms and conditions.
10. Management Fee - shall be defined as a fee charged by LBP to cover costs for the processing and monitoring of loan applications and other costs for account management and collection. This shall exclude litigation expenses, attorney's fees, and other legal fees.
11. Mill District - shall be referred to a contiguous area wherein a sugar mill, a bioethanol distillery, or any sugarcane processing facility together with all sugarcane plantations or farms adherent thereto are operating.
12. Mill District Office - shall be defined as a satellite office by the SRA within a Mill District.
13. Outreach Program of the Sugarcane Industry - shall be defined as seminars on basic sugarcane productions, farm management, and other sugarcane-industry related topics conducted by the SRA for sugarcane farmers, sugar mills or bioethanol plants personnel, and other sugarcane industry stakeholders.
14. Production Inputs - shall be defined as labor and material inputs from crop establishments until harvest for purposes of sugar production.

<sup>1</sup> Incentives shall be anchored on repayment of the farmer-borrowers based on cropping season, as follows:

- 0.25% of total loans released, if 90% to 99% collection rate of the total loan of the borrowers per batch is achieved;
- 0.50% of total loans released, if 100% collection rate of the total loan of the borrowers per batch is achieved.

<sup>2</sup> Charging of PCIC crop insurance premium shall be made only if the borrower is not registered under the Registry System for Basic Sectors in Agriculture.

g

2/24

gust

15. Program Fund - shall be defined as the fund sourced from the annual GAA allocation released by SRA to LBP for the SCP under the Farm Support and Farm Mechanization Programs under SIDA.
16. Willful Default – shall be defined as any act of avoiding payment of loans such as but not limited to:
- a. selling of standing canes;
  - b. milling with other mills not designated in the Deed of Assignment without LBP's consent before the issuance of quedan;
  - c. using another name or account in relation to milling;
- Any act pertaining to Willful Default shall be subject for blacklisting or any other appropriate sanctions by SRA and/or LBP.

### **C. ACRONYMS**

1. AMTEC - Agricultural Machinery Testing and Evaluation Center
2. CI/BI – Credit Investigation/Background Investigation
3. CDA - Cooperative Development Authority
4. CSF - Credit Surety Fund
5. FLT – Financial Literacy Training
6. GAA - General Appropriations Act
7. LBP – Land Bank of the Philippines
8. LC – Lending Center (an LBP unit)
9. LPMT - Local Program Management Team
10. MDO – Mill District Officer (of the SRA)
11. MOA – Memorandum of Agreement between LBP and SRA
12. OPSI – Outreach Program of the Sugarcane Industry
13. PCIC – Philippine Crop Insurance Corporation
14. PN - Promissory Note
15. RO – Regulation Officer (of the SRA)
16. RSBSA – Registry System for Basic Sectors in Agriculture
17. SCPMC - Socialized Credit Program Management Committee
18. SCP - Socialized Credit Program
19. SEC - Securities and Exchange Commission
20. SIDA - Sugarcane Industry Development Act
21. SRA – Sugar Regulatory Administration
22. SQ - Sugar Quedan
23. STL - Short Term Loan
24. STLL - Short Term Loan Line
25. TWG - Technical Working Group
26. WFP - Work and Financial Plan

4



#### **D. THE PROGRAM COVERAGE**

The loan program shall be made available nationwide but shall prioritize sugarcane producing regions and provinces for purposes of acquiring Production Inputs, farm machineries, farm implements, and technology advancements necessary for the continuous production of sugarcane to the following eligible borrowers:

1. Individual Sugar Cane Farmers
2. Block Farms *provided that*:
  - a. They have not received their start-up capital (grant) under the SIDA Block Farm Program; and
  - b. One year after receiving their full start-up capital (grant) under the SIDA Block Farm Program, they maintain their Block Farm Status in Good Standing as certified by the concerned Mill District Officer.
3. Credit Conduits
4. Common Service Centers (CSCs)

The SRA and LBP acknowledge the role of women in nation building. Thus, it shall likewise give preference to credit applications of women organizations engaged in sugarcane farming provided that they are qualified under these rules.

#### **GENERAL OBLIGATIONS, POLICIES AND GUIDELINES**

In relation to the execution and implementation of the SCP-SIDA, SRA and LBP shall:

*For SRA:*

1. Release the Program Fund to the LBP under the allotted budget of the GAA under the Farm Support and Farm Mechanization Program of the SIDA;
2. Timely release to LBP the list of borrowers that obtained loans from the program;
3. Authorize LBP to perform the following transactions:
  - a. Place the Program Fund to the LBP Trust; and
  - b. Debit/Draw from the following:
    - Operating Fund which shall be used for loan releases;
    - Program Fund as main trust fund to maintain annual GAA allocation released by SRA to LBP while not yet transferred to the Operating Fund and principal loan collections; and
    - Income Fund which shall be used for the Management Fee and other applicable program expenses defined at item B.6

g  
for  
gms

4. In cases where the borrower is an Individual Sugarcane Farmer or a Block Farm and they defaulted in their obligations, it shall assist the LBP in the restructuring of the loan by:
  - a. Determining if the farm is still planted by sugarcane and it meets the abovementioned criteria;
  - b. Provide a revised WFP including harvesting schedule; and
  - c. Together with LBP, meet with the borrower to discuss the restructuring scheme with the new WFP and harvesting schedule.

There shall be no Loan Restructuring if the borrower is in default due to acts amounting to fraud, misrepresentation, or Willful Default, or such other illegal acts to avoid payment of loan.

In case of borrower default and the account has been endorsed by the LBP to SRA, the latter may institute necessary legal actions to collect unpaid loans or foreclose collaterals as the case may be;

5. Recommend to LBP the assumption and assigning credit loans of defaulting CSCs to another CSC instead of collateral foreclosure;
6. For defaulting CSCs and in case of non-assumption of the loan as provided for in this section, it may foreclose collaterals based on the loan agreement or any related documents following the endorsement of the accounts of LBP to SRA.

All costs and expenses (e.g., litigation expenses, publication and the maintenance of the foreclosed property/equipment) shall be charged against the CSC borrower, however the said costs may be advanced by SRA from the Income/Program Fund which shall be reimbursed by the CSC;

7. At the request of LBP, assist in the delivery of collection letters and demand letters for delinquent accounts;
8. Assist in the delivery of the conformity letters (jointly signed by SRA and LBP) to all Sugar mills and Bioethanol distilleries operating within the area regarding the lien or assignment of SQs or checks to LBP for borrowers that obtained the SCP-SIDA loan;
9. Regularly assess the cost of production (per hectare) per Mill District which shall be the basis of the loanable amount. The validity of the said data shall be for three (3) crop years unless there are material increases/decreases on costs of production;
10. SRA SCP-SIDA Focal Persons shall provide LBP with feedback on LBP monthly reports within one week after receipt thereof.

*For LBP:*

1. Establish, maintain, and manage the Program and Income Funds according to this Revised IRR;
2. Charge Management Fees at 3.5% p.a. based on the quarterly average loan balance (including restructured/capitalized interest and other charges) which shall be collected quarterly and charged from the Income Fund. In case the Income Fund is insufficient to cover the Management Fee and other applicable program expenses, the same shall be charged from the Program Fund;
3. For production loan applications, waive the application fees and allow an opening deposit of P100.00 only for Individual Sugarcane Farmers and Block Farm members;
4. Except to determine whether the area being applied for is already subject to double financing or the borrower is subject to any court proceeding, waive CI/BI for Individual Sugarcane Farmers and Block Farm members with a maximum area of five (5) hectares. In lieu of CI/BI, information on previous/existing borrowers shall be checked against the internal records of LBP.

Regular CI/BI shall apply to CSCs, Block Farms and Credit Conduits;

5. Ensure that all documentary requirements for the SCP-SIDA loan, collaterals or other forms of securities, and all other documents necessary to collect the loans are complete and submitted before the release of the loan. LBP shall also be responsible for the safekeeping of the above-referred documents until the same are turned over to SRA;
6. Strictly release the SCP-SIDA loan in accordance with the WFP as reviewed and approved by the SCP-SIDA Focal Persons. In case that the WFP is no longer being followed by the borrower as advised through a written notice by the respective SCP-SIDA Focal Person, the LBP-LC shall hold any outstanding releases of the SCP-SIDA loan;
7. The LCs shall prepare conformity letters to be jointly signed by SRA and LBP and provide all Sugar Mills and Bioethanol distilleries operating in the area regarding the lien/assignment of SQs and checks to LBP for borrowers that obtained the SCP-SIDA loan;
8. Restructure past due accounts except when the borrower committed fraud, misrepresentation, Willful Default, and such other illegal acts to avoid payment of loan. For this purpose, the LBP-LC shall coordinate with the concerned SCP-SIDA Focal Persons on area validation wherein SRA shall determine whether the area is still planted by borrower-farmer and/or the account is eligible for Loan Restructuring;

9. If the account is not eligible for Loan Restructuring, to exhaust all means to collect the past due loans through any but not limited to the following:
  - a. Send at least two (2) Collection/Demand Letters at a maximum of 30-day interval within the milling season. SRA will assist the LBP-LC in its delivery directly to borrowers' known residence; and
  - b. Weekly/monthly one-on-one discussion/dialogue with delinquent clients to secure plan of payment and other remedial measures of collection.
10. If certain accounts remain uncollected for more than one (1) year, the LBP shall turn over to SRA the past due accounts with all the necessary supporting documents (e.g., PNs, loan securities/collaterals) and Deed of Assignment authorizing SRA to institute appropriate legal actions to collect unpaid loans or foreclose collaterals as the case may be. It may also provide SRA all necessary assistance including providing witness(es) should there be any legal proceedings;

LBP shall not bear the credit risk in administering the loans, collecting loan repayments, and performing remedial actions such as Loan Restructuring and foreclosure except for violations regarding the safekeeping of all loan documentary requirements, or in cases of unpaid loans which LBP did not turn over to SRA as stated in this section, or in cases of fraud and gross negligence committed by LBP personnel in the processing and releasing of the Program Fund;
11. In cases where the SQs or checks are in the name of the LBP for the account of the borrower, liquidate SQs and/or checks at the soonest possible time and any amount in excess of the loan should be paid to the borrower within one (1) week from said liquidation;
12. Release a certificate of full payment duly noted by SRA within three (3) banking days from full payment of the loan and inform the borrower or SRA of the availability of the said document;
13. On a monthly basis, the LCs shall furnish the SCP-SIDA Focal Persons a monthly report of total loans (disbursements, collections/repayments, outstanding balances and financed projects of borrowers), for release, in-process and returned/disapproved accounts, on the second week of the following month;
14. Provide the SRA with quarterly status reports on total loans availed through the SCP-SIDA program (disbursements, collections/repayments, outstanding balances and financed projects of borrowers), the current status of the loan, and the realized Income Funds (interest income, operating expenses and fund balances) not later than the third week of the month after the end of the quarter (e.g. For First Quarter of the year, by 3rd week of April);

*For LBP and SRA:*

1. Parties shall conduct at least an *annual* program assessment and regular review of the MOA and IRR for necessary changes/modifications; and
2. All loan data/information received by any party shall be treated by the parties with utmost confidentiality in relation to the Data Privacy Act of 2012.

3





## E. BASIC LENDING POLICIES

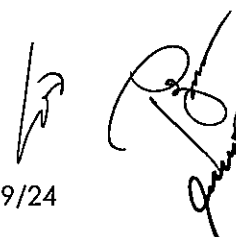
	Individual	Block Farm	Credit Conduit	CSC
<b>Program Fund Allocation<sup>3</sup></b>	Open			Maximum of 20% of the Program Fund
<b>Eligible Projects/ Loan Purpose</b>	Sugarcane Production (individual)	Sugarcane Production (block farming)	Sugarcane Production <ul style="list-style-type: none"> <li>• Relending to individual sugarcane farmer-members registered with and endorsed by the SRA (farm area of up to 5 hectares) for the purchase of farm inputs (materials and labor)</li> <li>• Rediscounting of existing production loan of individual sugarcane farmer-members</li> </ul>	<ul style="list-style-type: none"> <li>• Assets Acquisition (e.g farm machinery/ equipment, tractor &amp; implements, harvesters/cutters, loaders, irrigation, hauling trucks, etc.) for farm mechanization and hauling services</li> <li>• Equipment Shed/ Motor Pool/Garage Construction</li> </ul>
<b>Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>• Registered with SRA</li> <li>• Endorsed by SRA MDO</li> <li>• With at least one crop cycle planting record from sugar mill or bioethanol distilleries</li> <li>• Must be of Good Standing with LBP and the endorsing Planters' Association/Coop</li> <li>• Attended the FLT and OPSI Seminars</li> <li>• Must have no existing loan with LBP and its Conduits, other government institutions, and other creditors covering the same project area, or has any pending obligations with prior SCP-SIDA Loans</li> <li>• Not a beneficiary of any government financial farm productivity assistance for the same project applied for except for Block Farm members.</li> </ul>	<ul style="list-style-type: none"> <li>• Block Farms Accredited with SRA</li> <li>• Endorsed by the MDO assigned to their area</li> <li>• Duly registered with the CDA or SEC</li> <li>• Members should have attended the FLT and OPSI Seminars</li> <li>• Must have no existing loan with LBP and its Conduits, other government institutions, and other creditors covering the same project area, or has any pending obligations prior with SCP-SIDA Loans</li> <li>• Not a beneficiary of any government financial farm productivity assistance for the same project applied for except for full start-up capital (grant) under the SIDA Block Farm Program</li> </ul>	<ul style="list-style-type: none"> <li>• Planters Associations/ Cooperatives with sugarcane farmers as members</li> <li>• Accredited and endorsed by the SRA</li> <li>• Duly registered with the CDA or SEC</li> <li>• With operations and lending manual in place</li> <li>• With books of account, accounting, and internal control system</li> <li>• Must have no outstanding loans with LBP and other financial institutions for the same project being applied for</li> <li>• Others:               <ul style="list-style-type: none"> <li>- With a minimum paid-up capital of P15,000.00</li> <li>- With a past due ratio of not more than 25%</li> <li>- With in-place capital build-up and savings</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Accredited by SRA Farm Mechanization Program Committee/TWG</li> <li>• Endorsed by the SRA Board to LBP</li> <li>• Duly registered with the DTI, CDA or SEC</li> </ul>

<sup>3</sup> Note: The indicated Program Fund allocation may be reviewed periodically by the SCPMC and adjusted if necessary to meet actual demand for credit by the target program beneficiaries.



	Individual	Block Farm	Credit Conduit	CSC
	<ul style="list-style-type: none"> <li>For Block Farm members, they shall be duly endorsed by the Block Farm</li> </ul>		mobilization program - Excluded are those provided with financial support by other government agencies, non-government organizations, and private institutions	
		<ul style="list-style-type: none"> <li>No adverse findings on the borrower and its principals (Directors and Key Officers)</li> <li>Operating for at least one (1) year, evidenced by duly signed minutes of meetings covering at least 4 meetings or any other evidence</li> <li>Should have a defined operational structure composed of a manager, cashier/treasurer, bookkeeper and operations officer or other equivalent positions</li> <li>Must exhibit profitable operations and sound financial condition, if applicable, otherwise must be able to demonstrate profitable operations based on the financial projections of the proposed project for financing; and</li> <li>Has undergone relevant technical training on sugarcane-related projects (may be required as a pre-release requirement)</li> </ul>		
<b>Credit Facility</b>	STL-Sugarcane Production	STLL-Sugarcane Production	<ul style="list-style-type: none"> <li>STLL-Relending for Sugarcane Production</li> <li>Rediscounting Line<sup>4</sup></li> </ul>	Term Loan-Asset Acquisition/Construction
<b>Loanable Amount</b>	<ul style="list-style-type: none"> <li>Up to 90% of the project cost per Standardized WFP based on the cost of production per Mill District, as reviewed and affirmed by the MDO</li> </ul> <p><b>Block Farm Members as Individual Borrowers</b></p> <ul style="list-style-type: none"> <li>Up to 40% of cost of production on the year that the Block Farm start-up capital grant was received from SRA</li> <li>Up to 90% thereafter</li> </ul>	<ul style="list-style-type: none"> <li>Up to 90% of the project cost per Standardized WFP based on the cost of production per Mill District, as reviewed and affirmed by the MDO</li> </ul>	<ul style="list-style-type: none"> <li>Relending - up to 90% of the aggregate project cost per WFP based on the cost of production per Mill District, as reviewed and affirmed by the MDO</li> <li>Rediscounting - up to 90% of face value of the sub-PN or its outstanding balance in current status, whichever is lower</li> </ul>	Up to 90% of the total project cost or financing requirement
<b>Interest Rate</b> (To be credited to the Income Fund)	Fixed at 2% per annum		0% p.a., provided the effective pass-on rate to sub-borrowers is up to 6% p.a.	Fixed at 5.5% per annum

<sup>4</sup> Subject to existing Rediscounting Facility guidelines

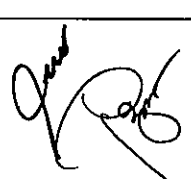


	Individual	Block Farm	Credit Conduit	CSC
<b>Term of Loan</b>	Maximum of 18 months from the initial release of the loan		<ul style="list-style-type: none"> <li>• Relending - maximum of 18 months from the initial release of the loan</li> <li>• Rediscounting - based on the earliest maturity of the sub-borrowers PN submitted per batch</li> </ul>	Based on project cash flow/ payback period but not more than the economic useful life of fixed assets or remaining useful life for secondhand/ refurbished machines
<b>CI/BI fees (P1,500/ application)</b>	Chargeable to Income/Program Fund if applicable			Charged to Borrower
<b>Schedule of Release</b>	<ul style="list-style-type: none"> <li>• The approved loan shall be budgeted and released according to the WFP as reviewed and affirmed by SRA.</li> <li>• Releases for crop establishment may be made within the 4-month period after planting. Release for harvesting may be made at least 2 months before the harvesting schedule together with the MDO Certification endorsing the release.</li> <li>• In case that the WFP is no longer being followed by the borrower as advised through a letter by the MDO, LBP/Conduit shall hold any outstanding releases of the SCP-SIDA loan.</li> </ul>			Lump Sum or staggered based on financing/project requirement
<b>Mode of Payment</b>	Through any of the following means: <ul style="list-style-type: none"> <li>• Deductions from proceeds of sale</li> <li>• Over-the-counter in the nearest LBP Branch;</li> <li>• Debit from existing deposit account with LBP;</li> <li>• E-banking/payment channels;</li> <li>• LBP Field Collectors thru Portable Agrarian Reform Collections System (PARCs); or</li> <li>• Other LBP modes of payment</li> </ul>			
<b>Penalties (To be credited to the Income Fund)</b>	Past due loans shall be subject to a penalty based on the unpaid principal and interest to start immediately after the due date up to the date of settlement, subject to existing LBP policies, as may be amended <ul style="list-style-type: none"> <li>• For Individual Sugarcane Farmers: 3% p.a.</li> <li>• Other borrowers: 12% p.a.</li> </ul>		3% p.a. based on the unpaid principal and interest due to be charged after the lapse of the maturity or amortization due date.	12% p.a. based on the unpaid principal and interest due to be charged after the lapse of the maturity or amortization due date.
<b>Fees and Charges</b>	<ul style="list-style-type: none"> <li>• Standard fees and charges for loans shall apply</li> <li>• Loan application fee shall be waived for production loans</li> </ul>		Standard fees and charges shall apply except for Application/ Renewal Fee which shall be waived	<ul style="list-style-type: none"> <li>• Standard fees and charges for loans shall apply</li> <li>• Property Appraisal Service Fee to be paid by the borrower, if applicable</li> </ul>
<b>Documentary Stamp Tax (DST)</b>	Documentary Stamp Tax (DST) shall be charged as follows: <ul style="list-style-type: none"> <li>• For Cooperatives with BIR Tax Exemption Certificate - DST shall be taken from the Income/Program Fund</li> <li>• For borrowers other than Cooperatives - DST shall be charged either as a deduction from the loan proceeds or out-of-pocket expense of the borrower</li> </ul>			
<b>Grace Period</b>	Not applicable			Maybe granted, if applicable, depending on the cash flow of the project

	Individual	Block Farm	Credit Conduit	CSC
<b>Principal/ Interest Repayment</b>	<ul style="list-style-type: none"> <li>Principal - payable upon maturity of the PN or disposal/sale of the SQ whichever comes earlier</li> <li>Interest - payable in arrears to coincide with the principal payment</li> </ul>			<ul style="list-style-type: none"> <li>Principal – quarterly or semestral depending on the cash flow</li> <li>Interest - payable in arrears to coincide with the principal payment</li> </ul>
<b>Collateral, Guarantee and Insurance</b>	<p>Any or a combination of the following, whichever is applicable:</p> <ul style="list-style-type: none"> <li>Assignment of SQs on net planter's share with mill conformity</li> <li>Assignment of sales proceeds of sugarcane for borrowers with no SQs</li> <li>Assignment of credit enhancement instruments such as PCIC, Credit Surety Fund (CSF) and other similar instruments whichever is/are applicable.</li> </ul>			<p>Any asset acceptable to the Bank e.g., Real Estate Mortgage, Chattel Mortgage, guarantee cover, insurance cover, etc.</p>
<b>Additional Terms and Conditions</b>	<ul style="list-style-type: none"> <li>Submission of any MDO Certificate or proof of attendance to the FLT and OPSI seminars conducted by SRA, Department of Agriculture-Agricultural and Training Institute, or other appropriate agency as pre-processing requirements;</li> <li>If the Block Farm has availed of both production and farm machinery loans, the loan proceeds from the production loan should exclude the tractor rental cost.</li> <li>LBP shall have a lien on the SQs (for sugar mills) or checks as the case may be for proceeds of the sale of sugarcane of farmer-borrower/sub-borrower. For this purpose, the LBP-LC shall: <ul style="list-style-type: none"> <li>Provide the list of borrowers/sub-borrowers with respective outstanding balance by way of conformity letters to all sugar mills and bioethanol plants operating in the area prior to the start of the milling season of the mill district. The first SQs or checks issued by the sugar mills or bioethanol plants shall be in the name of LBP for the account of the borrower until full payment of the loan. The value of the SQs or checks shall be based on the most recent bidding price for the week before their issuance.</li> <li>Upon issuance of SQs and checks, the LC and MDO coordinate with corresponding mills and bioethanol plants to receive the SQs and/or checks. The LC is authorized to endorse the same to Associations/Cooperatives for bidding/marketing provided that the proceeds</li> </ul> </li> </ul>			<ul style="list-style-type: none"> <li>The Conduit shall enforce loan retention for Savings Mobilization and Capital Build-Up policies;</li> <li>The loan shall be subjected to at least five percent (5%) post-validation within the cropping period of the financed commodity, based on the number of PNs/Sub-PNs released through conduits and outstanding at the time of validation, by the other team of the LC not handling the accounts and shall only focus on compliance to loan purpose.</li> </ul>
				<ul style="list-style-type: none"> <li>Borrower to issue post-dated checks to cover loan amortizations for the entire duration of loan</li> <li>Acquire machinery/equipment which passed the testing and evaluation by the AMTEC based on prescribed quality and performance standards under the Philippine Agricultural Engineering Standards as proven by a Certification Registry to be issued by the DA Bureau of Agricultural and Fisheries Engineering (DA-BAFE) <p>Note: Pending implementation of registry system by the DA-BAFE, submission of AMTEC Test Report will be acceptable.</p> </li> <li>Acquire machinery/equipment only from manufacturers, fabricators, assemblers and dealers who are capable to provide after</li> </ul>

	Individual	Block Farm	Credit Conduit	CSC
	<p>shall be remitted first to the LC for loan amortization and other charges, if any.</p> <ul style="list-style-type: none"><li>▪ If the farmer-borrower opts to avail "pesada buying" offered by the mill at least 70% of the computed net proceeds shall be retained by the mill as partial payment of the loan.</li><li>▪ After full payment of the loan, a certificate of full payment shall be given by the LBP to the borrower duly noted by the SRA. The certificate of full payment shall be presented by the borrower to the sugar mill or the bioethanol plant and will be used as proof that the loan has been fully paid and allows them to issue the next batch of SQs and checks in the names of the borrower.</li><li>▪ As an alternative to the above, the LPMT to be established per Mill District shall devise collection mechanisms appropriate to their area to protect the lien and enforce collection thereof. Therefore, the foregoing sections on the lien of borrowers does not preclude any other agreement between the borrower, the SRA, LBP and the mills in relation to the collection of the loan or enforcement of the lien.</li></ul> <ul style="list-style-type: none"><li>• The MDO shall monitor the harvesting and delivery of canes of farmer-borrowers to the mill.</li><li>• Borrowers for sugarcane production cannot be granted another loan until their previous loan is fully paid.</li><li>• A co-borrower and Credit Life Insurance may be required for applicant aging 60 years old and above.</li></ul>			<p>sales services such as repair, warranty, and spare parts are readily available when needed.</p> <ul style="list-style-type: none"><li>• The borrower or the designated operator shall undergo training to operate and maintain the facility at a training center prescribed by dealer/manufacturer.</li><li>• Owners must register their farm machinery and equipment with their respective local government units' agriculture offices.</li></ul>
<b>Documentary Requirements</b>	<p>Endorsement letter from the MDO with the following attachments:</p> <ul style="list-style-type: none"><li>• Accomplished application form through the MDO that shall incorporate the following:<ul style="list-style-type: none"><li>▪ Sworn Affidavit:<ul style="list-style-type: none"><li>- that applicant is not a beneficiary of any government financial farm productivity assistance and has no existing loan with LBP or its Conduits and other creditors covering same project area.</li><li>- that after loan was released, the financed area shall not be leased or sub-leased, transferred or conveyed until loan is fully paid.</li></ul></li><li>▪ Information on mother's maiden name of applicant, if applicable</li><li>▪ Waiver of Confidentiality</li><li>▪ Authority to Debit Account</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Endorsement by SRA;</li><li>• Consolidated Farm Plan and Budget (relending)</li><li>• Photocopy of manual of operations/lending operations and accounting and internal control system.</li><li>• LBP standard documentation for Association/ Cooperative (Annex "A")</li></ul>	<ul style="list-style-type: none"><li>• SRA Board Resolution endorsing the loan application to concerned LBP-LC</li><li>• SRA standard documentations (e.g Guidelines of Block Farm/ Farm Mechanization Committee)</li><li>• LBP standard documentation as to type of borrower and project to be financed (Annex "A&amp;B").</li></ul>	

g

12/24 

	Individual	Block Farm	Credit Conduit	CSC
	<ul style="list-style-type: none"> <li>▫ MDO Certification <sup>5</sup></li> <li>▫ Planters Association Certification<sup>6</sup></li> <li>▫ Sugar Mill/Bio-Ethanol Plant Certification<sup>7</sup></li> <li>• Standardized WFP based on general recommendation by SRA per Mill District and reviewed and affirmed by the MDO</li> <li>• OPSI and FLT Certification</li> <li>• Proof of ownership / Authority to use the land / Lease Contract</li> <li>• Geotagged photo of the applied production area</li> <li>• BIR TIN ID and any Government-issued ID of applicant</li> <li>• Authority to Assign and Sell Quedan in favor of LBP and Deduct from Proceeds of Sale</li> </ul> <p><u>Additional for Block Farms</u></p> <ul style="list-style-type: none"> <li>• List of participating farmers with the corresponding area to be planted</li> <li>• LBP standard documentation for Association/ Cooperative (Annex "A")</li> </ul> <p><b>Pre-Release Requirements</b></p> <ul style="list-style-type: none"> <li>• Accomplished PCIC Form</li> <li>• SRA endorsement letter/s addressed to LBP LC Head stating the actual tiller/supervising the farming activities, purpose of release and crop year (for releases of cultivation and harvesting budgets)</li> </ul>			

<sup>5</sup> MDO Certification that:

*For Individual Sugarcane Farmer:*

- Farm is planted only with sugarcane
- Applicant is RSBSA registered/enrolled as sugarcane planter with reference number \_\_\_\_\_
- Applicant is the actual cultivator/tiller of an aggregate \_\_\_ hectare/s planted to sugarcane located at \_\_\_\_\_

*For Block Farm: Applicant is not a beneficiary of the Block Farm program's start-up capital; and/or the applicant has already received start-up capital but due to meritorious consideration, can avail of the SCP-SIDA.*

<sup>6</sup> Planters Association Certification that applicant:

- Is a member of their Planters Association/Cooperative
- Is milling with (Name of Mill/s)
- Has no outstanding credit with the Association/Cooperative
- If granted a loan under SCP-SIDA, upon receipt of his/her authority to sell, undertake to sell his/her sugar quedan/s for LBP for his/her account.

<sup>7</sup> Sugar Mill/Bioethanol Plant Certification that:

- Applicant milled his/her sugarcane with for Crop Year \_\_\_\_\_ - \_\_\_\_\_, with a total production of \_\_\_\_\_ tons.
- Applicant has no outstanding credit with the Sugar/Bioethanol Plant.
- Upon receipt of Authority/MOA/Audits for the applicant, the Sugar/Bioethanol Plant undertakes to issue the applicant's sugar quedan in the name of the Bank for the account of the applicant until his/her account is fully paid.

g

13

13

## **F. PROGRAM MANAGEMENT**

### **1. Socialized Credit Program Management Committee (SCPMC)**

A SCPMC shall be created and shall constitute by representatives from SRA and LBP with the following functions:

- a. Provide direction and formulate policies for the SCP-SIDA;
- b. Monitor the performance of the SCP-SIDA;
- c. Act on issues or concerns relative to program implementation; and
- d. Conduct SCP-SIDA performance evaluation.

The SCPMC shall be composed of:

CHAIRPERSON: SRA Representative

VICE CHAIRPERSON: LBP National Development Lending Sector Head

MEMBERS:

- a. SRA Administrative and Finance Department Representative
- b. LBP Lending Programs Management Group Head/ Representative
- c. SRA Legal Department Representative
- d. SRA Research Development and Extension Department Representative
- e. SRA Regulation Department Representative

The SCPMC shall hold quarterly meetings on the last week of the last month of the quarter.

### **2. SCP-SIDA Technical Working Group (TWG)**

An SCP-SIDA TWG (National Level) shall be created to be constituted by representatives from SRA and LBP with the following functions:

- a. Monitor the process of implementation and SCP-SIDA performance;
- b. Review the policies, procedures, and recommend changes to the SCPMC; and
- c. Monitor fund disbursements against Program Fund.

The SCP-SIDA TWG shall be composed of:

HEAD : SRA Representative

ALTERNATE HEAD : SRA Representative

MEMBERS:

(5) SRA Representatives and

(3) LBP Representatives from the Programs Management Department I

### **3. SCP-SIDA Technical Secretariat**

Four (4) SRA representatives shall act as SCP-SIDA Technical Secretariat who shall:

- a. Coordinate with partner agencies;
- b. Prepare minutes of meetings and resolutions of the SCPMC and SCP-SIDA TWG;
- c. Consolidate monthly status reports; and
- d. Prepare materials.

g



#### **4. Local Program Management Team (LPMT)**

The LPMT composed of LBP-LC and SRA MDOs, ROs, Mill Representative and Association/Cooperative's Representative shall:

- a. Oversee the implementation of SCP-SIDA at the Local Level and elevate issues and concerns to SCP-SIDA TWG that need action at the National Level; and
- b. Devise a collection mechanism appropriate to their area in coordination with the Sugar Mill, Muscovado and Distilleries Representatives.

#### **5. SCP-SIDA Focal Person**

MDOs assigned at the Mill District shall be the SCP-SIDA Focal Person who shall have the following responsibilities:

- a. Verify the filled-out loan application form of Individual Farmers and Block Farms with certified photocopy of the documentary requirements of SRA and LBP and endorse/forward the same to the nearest LBP-LC;
- b. Review, evaluate and submit CSCs loan applications, including all documentary requirements, that require Sugar Board endorsement to LBP;
- c. Consolidate and update the list of accredited sugarcane farmers, Block Farms, and planters' associations/cooperatives/federations and CSCs;
- d. Conduct the geotagging of production area applied;
- e. Coordinate with various regional program partners (LBP, Mill, PCIC, etc.) for the conduct of regional/provincial orientation seminar as to the scope of the program. Potential borrowers shall be properly oriented and cautioned on the consequences should they commit Willful Default during harvests;
- f. Coordinate with the SCP-SIDA Technical Secretariat regarding the reportorial and other requirements in line with the SCP-SIDA implementation;
- g. Conduct field inspection of sugarcane farms of borrowers prior to release of budget for harvesting;
- h. Validate the borrowers' farms two months before the expected milling to assess dates of milling and send summary of such schedule dates to LBP-LC and ROs;
- i. Monitor the harvesting and delivery of canes of farmer-borrowers to the mill through the assistance of SRA ROs;
- j. Perform/Undertake other functions that may be assigned from time to time; and
- k. In coordination with LBP, provide list of borrowers to the sugar mills/bioethanol plants within the mill district prior to the start of the milling season.

#### **6. Regulation Officers (RO)**

The RO shall assist the LBP in the collection of payment in relation to the requirements from and request to the sugar mill or bioethanol plant and the borrower's quedan assignment or proceeds of the sugarcane, as the case may be.





#### **G. AMENDMENT**

This Revised IRR may be amended upon written agreement of all parties.

#### **H. REPEALING CLAUSE**

All agreements, rules and regulations inconsistent with any provision of this Revised IRR are hereby repealed, amended, and modified accordingly.

#### **I. SEPARABILITY**


If any provision in this Revised IRR or application of such provision to any circumstance is held invalid, the remainder of this Revised IRR shall not be affected thereby.

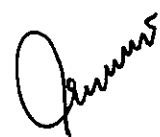
#### **J. EFFECTIVITY**

This Revised IRR shall take effect upon signing.

**DONE**, in the City of \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ the year of Our Lord, 20\_\_\_\_.


#### **SUGAR REGULATORY ADMINISTRATION**

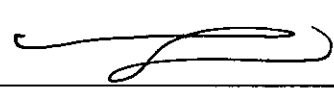
By:   
\_\_\_\_\_  
**PABLO LUIS S. AZCONA**  
Administrator

By:   
\_\_\_\_\_  
**MA. MITZI V. MANGWAG**  
Chair, Committee on Socialized  
Credit Program /  
Board Member, Miller's  
Representative



#### **LAND BANK OF THE PHILIPPINES**

By:   
\_\_\_\_\_  
**MA. LYNETTE V. ORTIZ**  
President and CEO

By:   
\_\_\_\_\_  
**MA. CELESTE A. BURGOS**  
Executive Vice President  
National Development Lending  
Sector

**Standard Documentary Requirements**  
**(Block Farm, Credit Conduit and Common Service Center)**

<b>Sole Proprietor/ Partnership*</b>	<b>Corporation*</b>	<b>Association/Cooperative**</b>
<ol style="list-style-type: none"> <li>1. DTI Certificate of Registration</li> <li>2. Bio-Data of Borrowers/Proprietors/Partners</li> <li>3. Mayor's Permit</li> <li>4. Income Tax Return (last 3 years, if applicable)</li> <li>5. Audited BIR-filed Financial Statement (last 3 years)</li> <li>6. Latest Interim Financial Statement</li> <li>7. Brief history of business operations</li> <li>8. Fully accomplished Basic Business Information</li> </ol>	<ol style="list-style-type: none"> <li>1. SEC Registration</li> <li>2. Certified true copy of Articles of Incorporation and By-Laws</li> <li>3. List of Officers and Directors as Certified by Corporate Secretary</li> <li>4. Brief Background of Key Officers and Directors</li> <li>5. Business Permit</li> <li>6. Alien Registration Certificate of Foreign Officers, if applicable</li> <li>7. Latest General Information Sheet (GIS) filed with SEC</li> <li>8. Statement of Assets and Liabilities of Owners/ Officers (notarized)</li> <li>9. Board Resolution or Notarized Secretary's Certificate on authorized signatories and authority to borrow and mortgage properties</li> <li>10. Audited BIR-filed Financial Statements (last 3 years)</li> <li>11. Latest Interim FS</li> <li>12. Brief history of business operations</li> <li>13. Fully accomplished Basic Business Information</li> </ol>	<ol style="list-style-type: none"> <li>1. Certificate of Registration with Cooperative Development Authority/Securities and Exchange Commission</li> <li>2. CDA Certificate of Compliance (COC)</li> <li>3. Articles of Cooperation/ Incorporation and By-Laws</li> <li>4. Updated Business Permit</li> <li>5. List of members with corresponding address, work area, farm location and paid-up share capital duly certified by its secretary and attested by the chairperson</li> <li>6. Certified list of Board of Directors and Key Officers (Manager or President, Treasurer/ Cashier and Bookkeeper) together with their Bio-data and TIN</li> <li>7. Profile/Background</li> <li>8. Three (3) years BIR-filed Audited FS and latest interim FS for the current year, if applicable</li> <li>9. Photocopy of Systems and Procedures and Minutes of Meeting/s</li> <li>10. Board Resolution or Notarized Secretary's Certificate indicating the General Assembly approval on: <ol style="list-style-type: none"> <li>a) Authority of the Coop to negotiate/borrow the requested amount of loan and to mortgage properties or assign the corresponding members' Promissory Notes to the Bank; and</li> <li>b) Designation of at least two (2) authorized representatives to sign loan documents pertinent to the loan.</li> </ol> </li> </ol>

\*For Common Service Center

\*\*For Block Farm, Credit Conduit and Common Service Center

**For Common Service Center**

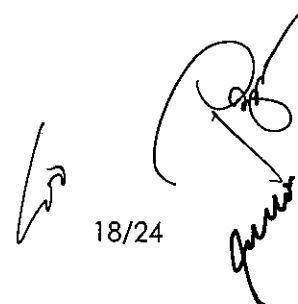
- Business Plan/Feasibility Study (including Financial Projections, Source of Equity, List of Suppliers/Markets or Customers and Contact Numbers)
- For Acquisition of Machinery/ Equipment: Price Quotation of Machinery/Equipment to be acquired
- For Construction/Repairs and Renovation:
  - Cost Estimates
  - Building Plan/Architectural Design and Specification
  - Bill of Materials and Work Program
  - Building Permit
  - Contractor's All Risk Insurance (CARI) for building to be constructed (thru LANDBANK Insurance Brokerage)
- Collateral Documents

Real Estate Mortgage

- Registry of Deeds certified copy of Title / Owner's Duplicate copy of Title (for Common Service Center)
- Certified true copy of Tax Declaration
- Certified true copy of Tax Clearance
- Certified true copy of Location Plan/Vicinity Map
- Building Plans/Architectural Design, Bill of Materials of land development and building improvements, if applicable

Chattel Mortgage

- Proof /Affidavit of Ownership of Existing Machineries/Equipment (e.g. Official Receipt/Certificate of Registration of vehicle)

Handwritten signatures and initials in black ink, including a large signature and some smaller initials.

**Endorsement Form**

(Date)

**(Lending Center Head)**

(Name of Lending Center)

(Address of Lending Center)

Dear \_\_\_\_\_:

**SUBJECT: ENDORSEMENT OF LOAN APPLICANT UNDER THE SIDA SOCIALIZED CREDIT PROGRAM**

Greetings.

Pursuant to the LBP-SRA Joint Memorandum Circular No. 1 or Implementing Rules and Regulations (IRR) of the Socialized Credit Program under SIDA, below are the details of the sugarcane farmers that \_\_\_\_\_ Mill District is endorsing to LBP for the availment of SIDA Socialized Credit Program:

Name of Farmer	Farm Location	Farm Area (ha)	TIN	90% Cost of Production
1.				
2.				
3.				
4.				
Total				

Attached herewith are the documentary requirements required for the processing of their loan application for your reference.

You may contact \_\_\_\_\_ at (contact number) or (email address) if you have additional concerns or further inquiry regarding this matter.

Your prompt and most appropriate action is always highly appreciated. Thank you very much.

Very truly yours,

**(Name of MDO)**

Mill District Officer

\_\_\_\_\_ Mill District



# LOAN APPLICATION FORM FOR INDIVIDUAL BORROWER

Program: LBP-SRA SCP-SIDA

1 X 1  
PICTURE

## PART I: PERSONAL INFORMATION SHEET

<input type="text"/>		<input type="text"/>	
SURNAME		FIRSTNAME	
<input type="text"/>		<input type="text"/>	
MIDDLE NAME		EXTENSION NAME	

**PERMANENT ADDRESS**

No./ Street: \_\_\_\_\_ Brgy./Village: \_\_\_\_\_

City/ Municipality: \_\_\_\_\_ Province: \_\_\_\_\_

**CURRENT ADDRESS**

☐ Tick if same as permanent address

No./ Street: \_\_\_\_\_ Brgy./Village: \_\_\_\_\_

City/ Municipality: \_\_\_\_\_ Province: \_\_\_\_\_

<b>ID TYPE:</b> _____	<b>DATE OF BIRTH:</b> <table><tr><td>M</td><td>M</td><td>D</td><td>D</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr><tr><td><input type="text"/></td><td><input type="text"/></td><td><input type="text"/></td><td><input type="text"/></td><td><input type="text"/></td><td><input type="text"/></td><td><input type="text"/></td><td><input type="text"/></td></tr></table>	M	M	D	D	Y	Y	Y	Y	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>PLACE OF BIRTH:</b> _____
M	M	D	D	Y	Y	Y	Y											
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>											
<b>ID NO:</b> _____	<b>MOBILE NO:</b> _____	<b>NATIONALITY:</b> _____																
<b>PROFESSION:</b> _____	<b>E-MAIL ADD:</b> _____	<b>SEX:</b> <input type="checkbox"/> MALE <input type="checkbox"/> FEMALE																
<b>TIN:</b> _____																		

<b>SOURCE OF FUNDS</b>	<input type="checkbox"/> Salary	<input type="checkbox"/> Business	<input type="checkbox"/> OFW Remittance	<input type="checkbox"/> Over P500,000
	<input type="checkbox"/> Commission	<input type="checkbox"/> Pension	<input type="checkbox"/> Others	

<b>GROSS INCOME</b>	<input type="checkbox"/> P30,000 & below	<input type="checkbox"/> P50,001 to P100,000	<input type="checkbox"/> Over P500,000
	<input type="checkbox"/> P30,001 to P50,000	<input type="checkbox"/> P100,001 to P500,000	

<b>NAME OF SPOUSE:</b> _____	<b>NAME TO APPEAR ON CARD</b>
<b>MOTHER'S MAIDEN NAME:</b> _____	

## PART II: LOAN APPLICATION

<b>TENURAL STATUS:</b>	<input type="checkbox"/> Land Owner	<input type="checkbox"/> Lease Holder/Tenant	<b>Farm Loc./ Office Address:</b> _____	<b>No. of ha. Planted:</b> _____
<b>Contact No:</b> _____	<b>No. of Years in Sugarcane Farming:</b> _____		<b>No. of Years in Business/ as Service Provider:</b> _____	

I here by apply for a loan under the \_\_\_\_\_

and hereby swear that: [please check(v), if applicable]

- ☐ I am of legal age.
- ☐ My total aggregate sugarcane area is not more than 10 hectares.
- ☐ I am authorized to cultivate the said lot for sugarcane under the above described tenurial status.
- ☐ I have no outstanding loan (whether current or past due) financed under the Bank's special and legislated lending programs, Bank's partner conduits (i.e., cooperative, organization, rural/cooperative bank, etc.) and other creditors (whether current or past due), all for the same project.
- ☐ I am not a beneficiary of other government financial farm productivity assistance program.
- ☐ I am not a party to any pending administrative or criminal case.
- ☐ I undertake not to sell, convey, transfer, lease, sub lease, as may be applicable, the covered farm area while the loan remains outstanding.
- ☐ I authorize LBP to debit my Savings Account and credits to SCP-SIDA Fund the amount representing my amortization payment until the loan is fully paid.

## DATA PRIVACY CONSENT

In compliance with the requirements of the Data Privacy Act, I hereby agree and authorize LANDBANK/SRA on the general use and sharing of information obtained from me in the course of my application. These data, which include my personal and sensitive personal information, may be collected, processed, stored, updated, or disclosed by LANDBANK/SRA (i) for legitimate purposes, (ii) to implement transaction which I have requested, allowed, or authorized, (iii) to offer and provide new or related services of the LANDBANK/SRA or other related government agencies, and, (iv) to comply with the LANDBANK/SRA's internal policies and its reporting obligations to governmental authorities under applicable laws.

## CERTIFICATION:

Under the penalty of perjury, I hereby certify that the information in this application and the documents attached herewith are true and correct of my own knowledge and as per verifiable documents have been verified as true and correct.

I hereby agree that should there be any misrepresentation discovered, the Land Bank of the Philippines (LANDBANK) may cause the outright disapproval of loan application, and if the loan has already been granted, LANDBANK may immediately declare the loan due and demandable.

\_\_\_\_\_  
Signature over printed name of Applicant

\_\_\_\_\_  
Date

In case of inability to sign, please affix thumbmark

### Mill District Officer Certification

This is to certify that after background investigation, I have found that:

- ☐ The applicant is the actual cultivator/tiller of an aggregate \_\_\_\_\_ hectare/s planted to sugarcane located at \_\_\_\_\_  
(Barangay) (Municipality) (Province)
- ☐ That the farm is planted with sugarcane.
- ☐ The applicant is enrolled in the Registry System for Basic Sector in Agriculture (RSBSA) as sugarcane planter with reference number \_\_\_\_\_

\_\_\_\_\_  
Printed Name & Signature of MDO

\_\_\_\_\_  
Date

### Planters Association Certification

This is to certify that as per records of \_\_\_\_\_ the applicant:  
(Name of Planters Association/Cooperative)

- ☐ Is a member of our Planters's Association/Cooperative.
- ☐ He/She is milling with \_\_\_\_\_  
(Name of Mill/s)
- ☐ He/She has no outstanding credit with our Association or Cooperative.
- ☐ If he/she is granted of loan under SIDA-SCP, upon receipt of his/her authority to sell, we undertake to sell his/her quedan/s for LBP for his/her account.

\_\_\_\_\_  
Printed Name & Signature of Chairman

\_\_\_\_\_  
Date

### Sugar/Bio-Ethanol Plant Certification

This is to certify that as per records of \_\_\_\_\_ the applicant:  
(Name of Sugar/Bio-Ethanol Plant)

- ☐ Milled his/her sugarcane with us for Crop Year \_\_\_\_\_ - \_\_\_\_\_, with a total production of \_\_\_\_\_ tons.
- ☐ He/She has no outstanding credit with our Sugar/Bio-Ethanol Plant.
- ☐ Upon receipt of Authority/MOA/Audits for the applicant, the Sugar/Bio-Ethanol Plant undertakes to issue the applicant's quedan in the name of Land Bank of the Philippines for the account of the applicant until his/her account is fully paid.

\_\_\_\_\_  
Printed Name & Signature of Authorized Sugar/Bio-Ethanol Plant Representative

\_\_\_\_\_  
Date

THIS FORM IS NOT FOR SALE





# Work and Financial Plan

## SUGAR REGULATORY ADMINISTRATION

MILL DISTRICT \_\_\_\_\_

## WORK FINANCIAL PLAN & BUDGET

CROP YEAR \_\_\_\_\_

Name of Applicant: \_\_\_\_\_  
 Applied Area (ha.): \_\_\_\_\_  
 Contact Number: \_\_\_\_\_  
 Farm Location: \_\_\_\_\_

Activities	cost/ha	PLANT CROP												Total Cost	90%	
		1st Tranche														2nd Tranche
		(YEAR)														
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC			
<b>Land Preparation</b>																
Plowing	P															
Harrowing	P															
Furrowing	P															
<b>Planting</b>																
Planting Materials (@3.5 tacesa/ha)	P															
Planting Cost (@Php2,000.00/ha)	P															
<b>Cultivation</b>																
Ridge Busting	P															
Off-Baring	P															
Hilling-up	P															
<b>Fertilization</b>																
Fertilizers																
Urea (46-0-0)	P															
Ammonium Sulfate (21-0-0)	P															
Solophos (0-20-0)	P															
Ammonium Phosphate (16-20-0)	P															
Di-Ammonium Phosphate (18-46-0)	P															
Complete Fertilizer (14-14-14)	P															
Muriale Polash (0-0-60)	P															
Fertilizer Application	P															
<b>Weeding</b>																
Weeding	P															
<b>Harvesting</b>																
Cutting & Loading	P															
Hauling	P															
<b>TOTAL:</b>	P													0.00		

Prepared by:

(Name of PEO)

Project Evaluation Officer I

Noted by:

(Name of Borrower)

Borrower/Planter

Certified True and Correct:

(Name of MDO)

Mill District Officer





**SUGAR REGULATORY ADMINISTRATION**

MILL DISTRICT \_\_\_\_\_

**WORK FINANCIAL PLAN & BUDGET**

CROP YEAR \_\_\_\_\_

Name of Applicant: \_\_\_\_\_  
Applied Area (ha.): \_\_\_\_\_  
Contact Number: \_\_\_\_\_  
Farm Location: \_\_\_\_\_

RATOON CROP																	
Activities	cost/ha	1st Tranche										2nd Tranche				Total Cost	90%
		(YEAR)															
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC				
Stubble Shaving	P	-														-	
Replanting	P	-														-	
Cultivation	P	-														-	
Ridge Busting	P	-														-	
Off Barring	P	-														-	
Hilling-up	P	-														-	
Fertilization	P	-														-	
Fertilizers																	
Urea (46-0-0)	P	-														-	
Ammonium Sulfate (21-0-0)	P	-														-	
Solophos (0-20-0)	P	-														-	
Ammonium Phosphate (16-20-0)																	
Di-Ammonium Phosphate (18-46-0)																	
Complete Fertilizer (14-14-14)	P	-														-	
Muriate Potash (0-0-60)	P	-														-	
Fertilizer Application	P	-														-	
Weeding	P	-														-	
Defrashing	P	-														-	
Harvesting:	P	-														-	
Cutting & Loading	P	-														-	
Hauling	P	-														-	
TOTAL:	P	-														-	

Prepared by: \_\_\_\_\_ Noted by: \_\_\_\_\_ Certified True and Correct: \_\_\_\_\_  
(Name of PEO) (Name of Borrower) (Name of MDO)  
Project Evaluation Officer I Borrower/Planter Mill District Officer

**AUTHORITY TO ASSIGN AND SELL SUGAR QUEDAN IN FAVOR OF LBP  
AND DEDUCT FROM PROCEEDS OF SALE**

This authorizes the concerned sugar mill to assign my sugar quedans to Land Bank of the Philippines (LBP) and for LBP to endorse and sell my sugar quedans, and to deduct from the proceeds thereof and apply as payment for my loan under the SIDA Socialized Credit Program, including its interests and penalties, if any, until my loan is fully paid. Any excess from the proceeds from the total dues to LBP shall be returned to my LBP Account No. \_\_\_\_\_.

Furthermore, should my sugarcanes be purchased outright, I hereby authorize the concerned sugar mill, bioethanol plant or association to deduct at least seventy percent (70%) of the computed net proceeds and deliver the same to LBP. The LBP shall apply the proceeds as payment to my outstanding loan until it is fully paid.

Signed            this            \_\_\_\_\_            at  
\_\_\_\_\_, Philippines.

\_\_\_\_\_  
(SIGNATURE OVER PRINTED NAME)  
FARMER-BORROWER

