

## **FREQUENTLY ASKED QUESTIONS ENHANCED ARISE PROGRAM**

### **Enhanced Assistance to Restore and Install Sustainable Enterprises for Agrarian Reform Beneficiaries and Small Farm Holders (Enhanced ARISE) Program**

#### **What is ENHANCED ARISE Program?**

The program is being jointly implemented by the Department of Agrarian Reform (DAR) and LANDBANK. Its main objective is to provide continuous credit support to ARBOs and their ARBs/SFHs-members whose sources of income and livelihood have been adversely affected by natural calamities and human-made disasters, pests and diseases and viral infections/ outbreaks.

#### **Who can avail of the program?**

The following are the eligible borrowers under the program:

- ARBOs (Cooperatives or Associations) listed in the DAR's master list with ARBs and SFH members whose sources of income and livelihood have been adversely affected by any of the following:
  - natural calamities such as typhoons, earthquakes, volcanic eruptions and other calamities as declared by the Office of the President, the NDRRMC or the Local Government Units (LGU);
  - epidemic or pandemic outbreaks of human and/or animal diseases or plant infestations as declared by the Department of Health, Department of Agriculture, or other appropriate government agencies.
  - human-made disasters

#### **What are the eligibility requirements for borrowers?**

- With legal personality (i.e., Cooperatives and Farmers' Associations must be duly registered with the Cooperative Development Authority and with the Securities and Exchange Commission, respectively);
- With at least six (6) months of business operations;
- Must have no adverse findings on the borrower and its principals (Directors and Key Officers)
- With a complete part-time or full-time Core Management Team (Manager, Cashier/ Treasurer and Bookkeeper);
- With operations and lending manual in place;
- With books of account, accounting, and internal control system;
- Must have no outstanding loans with LBP and other financial institutions for the same project being applied for;
- Others:
  - With a minimum paid-up capital of P15,000.00
  - With a past due ratio of not more than 25% prior to the occurrence of natural calamities/disasters, pests and diseases, and viral infections/ outbreaks
  - With in-place capital build-up and savings mobilization program
  - Excluded are those provided with financial support by other government agencies, non-government organizations, and private institutions
  - With a viable project and defined source of payment
  - In the case of start-ups, familiarity with the proposed project can be established (i.e., the proponent/key officers have been involved in the same business or working in a similar business and/or have undergone relevant training on the proposed business undertaking/s)

#### **What loan purposes can be funded under the program?**

- **Agri-Production/Agri-Enterprise/Livelihood Loans**  
To supplement or augment working capital requirements of ARBOs for relending to ARBs and SFHs members and finance ARBO-managed projects, such as but not limited to the following:
  - i. Crop Production (Rice, Corn, and High-Value Crops)
  - ii. Hybrid seed/seedling and/or in-bred seed/ seedling/ quality planting materials acquisition/production
  - iii. Acquisition of seeds, fertilizers, and other similar items
  - iv. Palay/Rice Trading
  
- **Provident Loans**  
To augment ARBO's funds for relending to ARB/SFH-members to finance their house repairs or finance the ARBO's office repairs

**How much is the interest rate?**

- **Agri-Production/Agri-Enterprise/Livelihood Loans:**
  - STL/STLL – 2.0% p.a.
  - TL – 3.0% p.a.
  
- **Provident Loans:** 0%

**How much can be availed under the program?**

**Agri-Production/Agri-Enterprise/Livelihood Loans:**

- a. **For existing borrowers**  
*(under E-ARISE and/or re-availleurs under this program)*
  - Based on the actual requirements of member-borrowers but not to exceed 90% of the total project/production cost based on the standard farm plan and budget as prepared by the Development Assistance Department (DAD)/MAO/DA, net of the material inputs subsidy from the DA and other entities (i.e., cost of seeds, fertilizers and other inputs), if any
- b. **For new borrowers**
  - Based on actual credit requirements of member-borrowers but not to exceed 90% of the total project/production cost, provided the total amount of loan/line shall not exceed to Php 1.0M
- c. **ARBO-managed project**
  - Up to 90% of the total project/production cost but not to exceed Php 3.0M for new borrowers

**Provident Loans:**

- Up to P10,000 per ARB/SFH-member sub-borrower  
Up to P100,000 per ARBO

**For how long will the loan be paid?**

**Agri-Production/Agri-Enterprise/Livelihood Loans**

**For STL/STLL:**

- Up to 360 days Promissory Note (PN) depending on the production cycle and/or project cashflow, payable in lump sum

**For TL:**

- More than one (1) year up to five (5) years, based on production cycle/project cash flow payable in monthly, quarterly, semi-annually or annually. A grace period on principal and interest may be allowed depending on the cash flow of the project.

**Provident Loans**

- **For on-lending:** up to three (3) years, payable monthly, quarterly, semi-annually or lump sum coinciding with the maturity of the loan of ARB/SFH
- **For ARBO:** up to three (3) years, payable monthly, quarterly, semi-annually or lump sum

**What are the requirements to apply for a loan?**

## Pre-Processing

- a. Endorsement by DAR of eligible ARBOs;
- b. Photocopy of Registration Certificate and Articles of Cooperation/ Incorporation and Constitution/By-laws, including amendments thereto, if any, duly authenticated by DAR;
- c. Board Resolution duly signed by the BODs, authorizing the ARBO to borrow (indicating the type of credit facility and amount applied for) and designating at least two (2) officers to negotiate a loan with LBP and sign and endorse loan documents with specimen signatures and photos of authorized signatories;
- d. Secretary Certified List of incumbent BODs and key officers with their corresponding biodata;
- e. List of members with their corresponding address, work area, farm location and paid-up capital, duly certified by its Secretary and attested by Chairperson;
- f. For existing borrowers, BIR Filed Audited Financial Statements (FS) for the past three (3) years and latest interim FS for the current year, if available. For start-up borrowers, Audited FS, if available, and/or interim FS for the current year; and
- g. Photocopy of manual of operations/lending operations and accounting and internal control system.

**If availing of Agri-Production/Agri-Enterprise/ Livelihood Loans:**

- a. Farm Plan and Budget, if applicable
- b. Business Plan, if applicable

*Note: For existing borrowers, above documentary requirements need not be submitted if already on LBP's file.*

**If availing of Provident Loans:**

List of ARBs/SFHs affected by natural calamities/disasters or human-made disasters with corresponding addresses duly certified by the Barangay Captain and/or Municipal Agrarian Reform Officer.

**How can I avail of the loan program?**

For interested borrowers, you may visit the nearest LANDBANK Lending Center in your area, or you may email your inquiry to [EDEGUZMAN@landbank.com](mailto:EDEGUZMAN@landbank.com) and/or [CGSANCHEZ@landbank.com](mailto:CGSANCHEZ@landbank.com).

**FREQUENTLY ASKED QUESTIONS**  
**ALERT ARBOs PROGRAM**  
**ACCELERATED LOANS FOR EMPOWERED, RESILIENT AND TRANSFORMED AGRARIAN**  
**REFORM BENEFICIARY ORGANIZATIONS (ALERT-ARBOS) PROGRAM**

**What is ALERT ARBOs Program?**

A credit program to provide accessible, adequate, timely, and affordable loans to eligible ARBOs and their member-ARBs for the purpose of financing their individual or communal agriculture and fisheries activities, agri- and fishery-based enterprises, and other agri-related projects.

The program is being implemented in partnership with the Department of Agriculture (DA), Department of Agrarian Reform (DAR), Department of Environment and Natural Resources (DENR) and Agricultural Credit Policy Council (ACPC).

### **Who can avail of the program?**

Farmers' Cooperatives and Associations and People's Organizations with ARB or ARB household member

### **What are the eligibility requirements for borrowers?**

1. With legal personality registered with Cooperative Development Authority (CDA), and with Securities and Exchange Commission (SEC), as applicable;
2. With ARBs or ARB's household members comprising majority of membership (50+1);
3. No adverse findings on the borrower and its principals (Board of Directors and Key Officers, such as President, Secretary, Treasurer and Manager);
4. Operational for at least one (1) year as evidenced by audited financial statements and minutes of meetings from at least four regular (4) meetings for the past 12 months;
5. Must have at least one (1) year track record of profitable operation prior to the 15 March 2020 COVID-19 lockdown/community quarantine based on financial statements/records;
6. Presence of core management team (at least composed of manager, cashier/treasurer and bookkeeper);
7. With net past due ratio of not more than 25%;
8. Systems and procedures in place, particularly in lending operations;
9. No outstanding loan from LBP or other formal lending institutions for the same project being applied for.

#### Additional for ARBOs venturing into new projects:

10. Familiarity in the proposed project can be established (i.e., the proponent/key officers have been involved in the same business or working in a similar business and/or have undergone relevant training on the proposed business undertaking/s).

### **What loan purposes can be funded under the program?**

To supplement or augment the Working capital requirements of ARBOs for on-lending to ARB members and ARB household members and/or to financed ARBO-managed projects

### **How much is the interest rate?**

Fixed at five percent (5%) per annum (p.a.) for both STLL and TL

### **How much can be availed under the program?**

#### **For STLL, STL and TL Working Capital for On-lending:**

- For existing borrowers
  - Based on actual credit requirements of member-borrowers but not to exceed 90% of the total project/production cost
- For new borrowers
  - Based on actual credit requirements of member-borrowers but not to exceed 90% of the total project/production cost, provided the total amount of loan/line shall not exceed P15.0 million, or at such amount as may be approved by the NPMC

#### **For STLL, STL and Term Loan for ARBO-managed Projects**

- Up to 90% of the total project/production cost but not to exceed P15.0 million for new borrowers, or at such amount as may be approved by the NPMC

The remaining 10% shall serve as the Borrower's equity which can be in the form of labor, cash and capital outlay, etc.

### **For how long will the loan be paid?**

For Working Capital for on-lending to individual ARB members and ARB household members:

- STLL and STL - up to a maximum of 360 days promissory note (PN)
- TL – up to 10 years, payable upon the maturity of PNs per batch to be amortized monthly, quarterly, semi-annually or annually.

For ARBO-managed project/s:

- STLL and STL - up to 360 days PN, based on crop cycle or project cash flow
- TL - up to 10 years based on crop cycle or project cash flow, payable monthly, quarterly, semi-annually, or annually
- TL for fixed asset acquisition - up to 10 years, based on project cash flow or economic useful life of the fixed assets, payable monthly, quarterly, semi-annually, or annually

### **What are the requirements to apply for a loan?**

#### **Pre-Processing**

1. Endorsement by DAR of eligible ARBOs borrowers with certified list of eligible ARBs or endorsement by DENR, through LPMC, of list of certified farmers' organizations;
2. Proof of attendance to Financial Literacy Seminar and Loan Orientation Seminar to be conducted/facilitated by DAR/DENR or training provider (such as Attendance Sheet, Certificate of Attendance, etc.);
3. Certification by ARBO borrowers that their borrowing members have no outstanding loans with any financing institutions for the same project being applied for, and that their members are actual cultivators of the land;
4. Photocopy of Certificate of Registration, Articles of Cooperation/Incorporation, and Constitution or By-laws, including amendments thereto, if any, duly authenticated by DAR/DENR or LBP;
5. Duly-notarized Resolution of the Board of Directors/Officers applying for the ALERT ARBOs loan and designating at least two (2) officers to negotiate a loan with LBP and sign loan documents, with their specimen signatures and photos of authorized signatories;
6. For existing borrowers, audited financial statements (FS) for the part three (3) years and interim FS for the current year, if available. For the new borrowers, audited FS for the preceding year and interim FS for the current, if available;
7. Certified list of BODs and Core Management Team (Manager, Treasurer/Cashier, Bookkeeper) with their corresponding bio-data;
8. List of members of the borrowing ARBO with their profile (sex, date of birth, ethnicity, home address, work area/farm location, loan amount, and project type, duly certified by its secretary and attested by the chairperson); and,
9. Copy of lending policies, systems and procedures, and minutes of the last four (4) meetings within the preceding twelve (12) months from the time of application.
10. If the ARBO is existing borrower of LBP, it does not need to submit requirements 1, 2, 3, 4, 5, 6, 7, 8, and 9, unless there are amendments/change in the Certification of Registration, Articles of Cooperation/Incorporation and By-laws, incumbent officers, and need to submit latest FS for purposes of processing the credit line renewals.

#### **Others (if applicable)**

11. For applicants of production loan, Farm Plan and Budget of ARB sub-borrowers and ARBO-borrower (if ARBO-managed project) and/or simple business plan of ARBO borrower;
12. For applicants with proposed marketing arrangement, copy of marketing contract between the conduit and market provider;

13. For applicants with the following arrangements - Block Farming, Collective Farming, Joint Venture, Contract Growing and other related arrangements, a copy of project policies and with the corresponding agreement between the ARBO and member duly concurred by the PARPO/MARO/PENRO/CENRO; and
14. For sugarcane financing, milling report for sugarcane farm for the last three (3) years.

#### **How can I avail of the loan program?**

For interested borrowers, you may visit the nearest LANDBANK Lending Center in your area, or you may email your inquiry to [EDEGUZMAN@landbank.com](mailto:EDEGUZMAN@landbank.com) and/or [CGSANCHEZ@landbank.com](mailto:CGSANCHEZ@landbank.com).

## **FREQUENTLY ASKED QUESTIONS SCP-SIDA**

### **LBP-SRA SOCIALIZED CREDIT PROGRAM UNDER THE SUGARCANE INDUSTRY DEVELOPMENT ACT (SCP-SIDA)**

#### **What is SCP-SIDA?**

A credit program being implemented by the LBP and SRA, the Sugarcane Industry Development Act (SIDA) of 2015 or Republic Act No. 10659, aims to promote and support productivity improvement programs to boost the production of sugarcane and increase the incomes of sugarcane farmers /planters and farm workers.

The program aims to:

- To introduce better and cost-efficient sugarcane farming practices
- To improve farm productivity
- To improve access of farmers to LBP loans
- To increase income of farmers

#### **Who can avail of the program?**

- Individual Sugarcane Farmers registered with the SRA
- SRA-Accredited Block Farms
- Credit Conduits with sugarcane farmers as members

- Common Service Centers accredited by SRA Farm Mechanization Program Committee/ TWG

#### **What loan purposes can be funded under the program?**

- Individual and Block Farm - Sugarcane Production
- Credit Conduit
  - 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)
  - Rediscounting of existing production loan of individual sugarcane farmer-members
- Common Service Centers
  - Assets Acquisition (e.g., farm machinery/ equipment, tractor & implements, harvesters/cutters, loaders, irrigation, hauling trucks, etc.) for farm mechanization and hauling services
  - Equipment Shed/ Motor Pool/Garage Construction

#### **How much is the interest rate?**

- Individual and Block Farms - **Fixed at 2% p.a.**
- Credit Conduits - **Zero (0)% % p.a., provided the effective pass-on rate to sub-borrowers is up to 6% p.a.**
- Common Service Centers - **Fixed at 5.5% per annum**

#### **How much can be availed under the program?**

- Up to 90% for Production Loan, Fixed Asset Acquisition, Relending and Rediscounting

#### **For how long will the loan be paid?**

- For Production Loan- Maximum of 18 months from the initial release of the loan
- Relending - maximum of 18 months from initial release of the loan
- Rediscounting - based on the earliest maturity of the sub-borrowers PN submitted per batch
- For asset acquisition/construction - 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

#### **What are the requirements to apply for a loan?**

##### **For Individual and Block Farms**

##### **Pre-Processing Requirements:**

Endorsement letter from the SRA MDO with following attachments:

- Accomplished Application Form through the MDO that shall incorporate the following:
  - Sworn Affidavit:
    - 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.
    - that after loan was released, the financed area shall not be leased or sub-leased, transferred or conveyed until loan is fully paid.

- Information on mother's maiden name of applicant, if applicable
- Waiver of Confidentiality
- Authority to Debit Account
- SRA MDO Certification <sup>1</sup>
- Planters Association Certification<sup>2</sup>
- Sugar Mill/Bioethanol Plant Certification<sup>3</sup>
- Standardized WFP based on general recommendation by SRA per Mill District and reviewed and affirmed by the MDO
- OPSI and FLT Certification
- Proof of ownership / Authority to use the land / Lease Contract
- Geotagged photo of the applied production area
- BIR TIN ID and any Government-issued ID of applicant
- Authority to Assign and Sell Sugar Quedan in favor of LBP and Deduct from Proceeds of Sale

#### Additional for Block Farms

- List of participating farmers with the corresponding area to be planted
- LBP standard documentation for Association/Cooperative (**Annex A**)

#### **For Credit Conduit**

- Endorsement by SRA;
- Consolidated Farm Plan and Budget (relending)
- Photocopy of manual of operations/lending operations and accounting and internal control system.
- LBP standard documentation for Association/Cooperative (**Annex A**)

#### **For Common Service Centers**

- SRA Board Resolution endorsing the loan application to concerned LC
- SRA standard documentations (e.g., Guidelines of Block Farm/ Farm Mechanization Committee)
- LBP standard documentation as to type of borrower and project to be financed (**Annex A**)

#### **How can I avail of the loan program?**

For interested borrowers, you may visit the nearest LANDBANK Lending Center in your area, or you may email your inquiry to [EDEGUZMAN@landbank.com](mailto:EDEGUZMAN@landbank.com) and/or [CGSANCHEZ@landbank.com](mailto:CGSANCHEZ@landbank.com).

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<sup>1</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>2</sup> Planters Association Certification that applicant:

- Is a member of their Planters's 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>3</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.

Annex A

**STANDARD DOCUMENTARY REQUIREMENTS  
(BLOCK FARMS, CONDUITS AND COMMON SERVICE CENTER)**

Sole Proprietor/ Partnership*	Corporation*	Cooperative/Association**
<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 Resolutions 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 CDA/SEC</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 Cooperative 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) Coop representatives to sign loan documents pertinent to the loan</li> </ol> </li> </ol>

\* As Common Service Center

\*\*As Block Farm, Conduit and Common Service Center

### For Common Service Centers

- 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 LBP 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)