

LAND BANK OF THE PHILIPPINES
STATUS OF IMPLEMENTATION OF MAJOR PROGRAMS AND PROJECTS
As of 30 September 2014

1. Land valuation of private agricultural lands covered by the Comprehensive Agrarian Reform Program

As an implementing agency of the Comprehensive Agrarian Reform Program, for January to September 2014 there were 1,074 claim folders approved for payment by LBP covering 10,098 hectares with a total land value of ₱ 1,244.7 million.

2. Lending to mandated and priority sectors

LANDBANK's primary commitment is to direct its efforts toward a more intensified rural engagement that supports priority programs on poverty alleviation, inclusive growth, food security and agricultural productivity.

It remains aggressive in channeling financial and technical support to its mandated and priority sectors, which include small farmers and fisherfolk and their associations; agri- and aqua-businesses, agri-aqua related projects of local government units (LGUs) and government-owned-and-controlled corporations; micro, small and medium enterprises; communication; transportation; housing (socialized to medium-cost); education; healthcare; environment-related projects; tourism; and utilities.

As of 30 September 2014, priority sector loans reached ₱ 287.1 billion or 82.7% of the Bank's loans to all sectors of ₱ 346.9 billion.

Sectors	In P Billions	% Share to Total
Priority Sectors		
• Small farmers and fisherfolk and their associations	32.6	9.4
• Agri-business & Aqua-business	24.0	6.9
• Agri-aqua related projects of LGUs and GOCCs	46.2	13.3
• Micro, small and medium enterprises	50.7	14.6
• Communications	14.5	4.2
• Transportation	22.7	6.5
• Housing (Socialized, Low-Cost and Medium-Cost)	32.6	9.4
• Education	5.9	1.7
• Health Care	4.8	1.4
• Environment-related projects	4.4	1.3
• Tourism	1.8	0.5
• Utilities	46.9	13.5
Total Priority Loans	287.1	82.7
Others	59.8	17.3
Sum of Loans to All Sectors *	346.9	100.0

* Excludes Interbank Term Loans Receivable (Foreign Regular & FCDU/EFCDU), Loans and Receivables Arising from Resale Agreements/Certificates of Assignment/Participation with Recourse/Securities Lending and Borrowing Transactions, and Domestic Bills Purchased Line; Includes Unsecured Subordinated Debt Facility on Rural Banks

Loans to Small Farmers and Fisherfolk

For January to September 2013, loan releases to small farmers and fisherfolk reached ₱ 37.3 billion. These loans were channeled through 873 accredited farmers and fisherfolk cooperatives and 170 countryside financial institutions (rural banks, cooperative banks, and development banks), and 199 irrigators' associations.

As of 30 September 2013, outstanding loans to small farmers and fisherfolk reached ₱ 32.6 billion. The loans were utilized for crop production, livestock, fishery, agri-processing, manufacturing, trading, livelihood and other business activities.

Credit Support Programs

- Food Supply Chain Program

The Food Supply Chain Program is a program that operates by linking all the economic units in the supply chain. LANDBANK has allocated P 50.0 billion for the following activities:

- Production loans (crop, livestock, fishery) and working capital loans for key food players – agri-producers, processors, consolidators, agri-exporters, service providers
- Technical assistance and capacity-building support to strengthen farmers cooperatives
- Market linkages between agricultural producers and processors

For the period January to September 2014, a total of ₱ 8.2 billion was released for 77 projects participated by 183 farmer cooperatives, farmers organizations and NGO producers and 77 anchor firms. Cumulative total releases from Oct. 2010 to September 2014 amounted to ₱ 34.6 billion.

- SIKAT-SAKA Program

The Sikat-Saka Program is a partnership between LANDBANK and the Department of Agriculture (DA) which aims to provide financial assistance to small palay farmers. Under the agreement, LANDBANK shall provide financial assistance and manpower to complement, manage and monitor the program implementation. The loan proceeds of the farmers will be credited to their special LANDBANK Sikat-Saka ATM card. Initially, LANDBANK and DA earmarked ₱ 200.0 million each for the program.

For the period January-September 2014, loans of ₱ 475.7 million were released. As of 30 September 2014, loans outstanding amounted to ₱ 347.2 million. Since its implementation, it has serviced 5,918 beneficiaries through 13 conduits.

- Agrarian Production Credit Program

The Agrarian Production Credit Program (APCP) is a ₱ 1.0 billion program jointly implemented by the Department of Agrarian Reform, DA, and LANDBANK. Pursuant to CARPER Law, the five-year program (October 23, 2012 to October 23, 2017) is aimed at providing financial, technical and other support services to agrarian reform beneficiaries through their organizations. It is a transition program which prepares organizations to become credit conduits under the regular credit window of the Bank within two (2) years.

Eligible borrowers are classified as agrarian reform beneficiaries organizations (ARBOs), farmers organizations (FOs) and other conduits. Such borrowers can be a cooperative, non-government organization or rural bank.

APCP veers away from the traditional lending approach to make credit and other necessary interventions more accessible to ARBOs and FOs to become credit conduits of the Bank.

As of 30 September 2014, total cumulative release of ₱ 577.2 million serviced 10,684 beneficiaries through 256 organizations.

Loans to Microenterprises and Small and Medium Enterprises

LANDBANK's loan portfolio on microenterprises and small and medium enterprises (MSMEs) continues to grow and expand despite strong competition among the formal and informal lending institutions that caters to the financial needs of MSMEs.

As of 30 September 2014, outstanding loans to microenterprises and small and medium enterprises amounted to ₱ 50.7 billion. Of the ₱ 50.7 billion, ₱ 7.0 billion were lent to microenterprises and ₱ 43.7 billion to SMEs.

Loans to Local Government Units

Through the years, LANDBANK has been consistently extending financial assistance to LGUs in the implementation of their agri-aqua related projects and priority programs of the national government as well as other developmental projects.

As of 30 September 2014, LGUs loans outstanding reached ₱ 42.6 billion. Of the ₱ 42.6 billion, ₱ 31.9 billion were loans for priority sector projects and ₱ 10.7 billion were for other developmental projects of LGUs.

Other LBP Programs in Partnership with Government Agencies

- Conditional Cash Transfer Program

In coordination with the Department of Social Welfare and Development (DSWD) and the LGUs, LANDBANK acts as the distribution channel for the Conditional Cash Transfer Program – a poverty-reduction scheme of the National Government which provides cash grants to extremely poor households.

In support of the program, LANDBANK issued cash cards to the beneficiaries who have been identified by DSWD. The cash cards are credited with the monthly cash grants, which amounts, can be withdrawn through the ATM. In order to expand the distribution channel, the Bank tapped the Globe G-Cash and Bank-assisted countryside financial institutions, cooperatives and NGOs as program conduits. To ensure smooth implementation of the CCT, a CCT Program Management Office was created by LANDBANK.

For the period January to June 2014, LANDBANK disbursed ₱ 22.4 billion to 3.962 million beneficiaries all over the country.

- Overseas Filipino Workers Reintegration Program

The Overseas Filipino Workers (OFW) Reintegration Program is a partnership with the Overseas Workers Welfare Administration (OWWA), the Department of Labor and Employment and LANDBANK to provide economic opportunities for returning OFWs affected by the Middle East political crises and other calamity-stricken countries. LANDBANK earmarked ₱ 1.0 billion to finance projects of qualified OFW borrowers who can adopt or invest in project modules of the Bank such as tilapia culture, hog fattening, native chicken project, bangus in bamboo cages and other microenterprises and small and medium enterprises that will augur well for the development of the local government with the generation of taxes and incomes from core businesses and ancillary services.

For January to September 2014, loan releases reached ₱ 96.8 million. Outstanding loans as of 30 September 2014 amounted to ₱ 527.0 million and assisted 1,035 OFW borrowers.

- Credit Surety Fund

The Credit Surety Fund (CSF) is a program implemented by Bangko Sentral ng Pilipinas to help microenterprises and small and medium enterprises (MSMEs) access credit from financial institutions via a surety coverage. CSF is a fund pool from the contributions of participating proponents such as cooperatives, LGUs, banks, NGOs and other donors through a Memorandum of Agreement.

As of 30 September 2014, the Bank approved loans covered by CSF amounted to ₱ 554.3 million. Of these, ₱ 410.4 million was released to 99 cooperative conduits, and 42 micro, small and medium entrepreneurs and 1 non-government organization.

Loans for Environment-related Projects

Cognizant of its mission to promote development that is consonant to ecological principles, LANDBANK offers special financing windows to encourage enterprises to invest in cleaner production and environment-friendly projects.

As of 30 September 2014, loans for environment-related projects amounted to ₱ 4.4 billion. Projects financed were sanitary landfills, energy efficiency projects, among others.

3. Delivery of banking services in the countryside

Branch Network

In the banking industry, LANDBANK has the most extensive branch network with presence in all of the country's 81 provinces. As of 30 November 2014, LANDBANK has 347 branches - 223 branches are located in Luzon of which 83 are in the National Capital Region while 54 branches are in the Visayas and 70 branches are in Mindanao.

ATM Network

For the past years, LANDBANK has vigorously pursued its ATM deployment program to provide a more customer-oriented delivery of basic banking services. As of 30 November 2014, LANDBANK has a total of 1,328 ATMs distributed nationwide with 322 (24%) in the National Capital Region, 264 (20%) in Northern and Central Luzon, 237 (18%) in Southern Luzon, 213 (16%) in the Visayas and 292 (22%) in Mindanao.

iAccess

The iAccess is an e-banking innovation of LANDBANK to further expand delivery channels and to provide banking convenience to our individual depositors. As of 30 September 2014, iAccess enrollment reached 1,333,253.

weAccess

The weAccess is another facility that gives the Bank's institutional customers, both in the private and government sectors, internet/on-line banking convenience. As of 30 September 2014, total weAccess enrollment reached 12,588.