



## **JOINT DAR-LANDBANK MEMORANDUM CIRCULAR**

No. 02, Series of 2018

**SUBJECT : ASSISTANCE TO RESTORE AND INSTALL SUSTAINABLE ENTERPRISES FOR AGRARIAN REFORM BENEFICIARIES AND SMALL FARM HOLDERS (ARISE-ARBS) PROGRAM IMPLEMENTING RULES AND REGULATIONS**

### **A. RATIONALE**

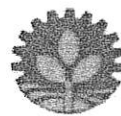
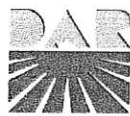
The Department of Agrarian Reform (DAR) is mandated to implement the Comprehensive Agrarian Reform Program with the objective of increasing productivity and income and secure land tenure towards improving the quality of life of the agrarian reform beneficiaries (ARBs). To attain this goal, DAR embarked in implementing the land distribution, alongside with integrated support services to ARBs, through their organizations. These services include the provision of access to production, marketing, credit and appropriate technology support, among others.

Credit assistance is viewed as one of the key instruments in promoting agricultural productivity and entrepreneurship to the agrarian reform communities (ARCs). Thus, DAR in partnership with the Land Bank of the Philippines (LANDBANK), implemented two (2) credit programs, namely the Credit Assistance Program for Program Beneficiaries Development (CAP-PBD) and the Agrarian Production Credit Program (APCP). However, performance of the two (2) programs showed that among the leading causes of past due loans of the borrowers is the effect of natural calamities to the livelihood projects or business enterprises of ARBs. While LANDBANK has undertaken remedial measures to continue providing assistance to the ARBs, such as loan restructuring and refinancing, these will not solve the problem on how those ARBs will be able to cope with the effects of the natural calamities.

The negative impact of disasters in agriculture where ARBs/small farm holders (SFHs) as part of the sector made them economically vulnerable and sources of income become limited. It is when financing support is most needed for greater opportunity to normalize their economic situation. At present there is no available program within DAR that provides for the financing needs of ARBs/SFHs who were affected by natural calamities. In view of this, the DAR and LANDBANK have developed a contingent credit facility for disaster recovery that will extend timely and responsive financial support to ARBs and SFHs, through their organizations.

### **B. OBJECTIVES**

Generally, ARISE-ARBs Program aims to make available financing support for disaster affected women and men ARBs/SFHs and their families to restore livelihoods and farming activities.



Specifically, it aims to:

1. Provide credit support for post disaster emergency needs to restore livelihoods and farming activities of disaster affected women and men ARBs and SFHs;
2. Capacitate ARB Cooperatives and Farmer Associations (FAs) and women and men ARBs/SFHs to effectively manage the operations of gender-sensitive livelihood projects and enterprises through the adoption of disaster resilient agri-technology and market alliances;
3. Implement risk mitigation measures to reduce the effects of natural disaster and safeguard assets of women and men ARBs/SFHs and ARB cooperative/FAs.
4. Develop and enhance the capacities of field implementers in the provision of handholding activities and technical supports related to financing support, livelihood and farming activities in natural disaster risk areas.

#### **C. COVERAGE**

The program shall cover such areas identified/declared by PAG-ASA/NDRMMC that have been affected by natural calamities and approved by the DAR-LBP Credit Assistance Program-National Program Management Committee (NPMC).

#### **D. EXPECTED OUTPUTS:**

- Provided providential loan to: a) 33 disaster affected areas for housing requirements to benefit about 3,300 ARBs/SFHs; and b) ten (10) ARB cooperatives and FAs for office repair and materials;
- Provided credit/financing assistance/support in the restoration of livelihood and farming activities of the 1,320 ARBs and small farm holders;
- Enhanced the capacity of 1,320 ARB cooperative/FA leaders, ARBs and small farm holders in the operations of their livelihood/enterprises;
- Established 121 Sustainable livelihood/enterprises at the ARB cooperative/FA and ARB/SFHs level;
- Established partnership with PCIC, DA, LGU, NGOs, financing institution, among others in the provision of technical support on AED and market linkages.

#### **E. PROGRAM FUND**

A total of Php 118,724,800.00 shall be allocated by DAR to the ARISE-ARBs Program, to be used as follows:

Php 100,000,000.00	As credit fund to be channeled through eligible conduits for on-lending to ARBs and SFHs to finance livelihood/agr-
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	enterprise projects (P66,000,000.00) and providential purposes (Php 34,000,000.00)
Php18,724,800.00	As funds in support to ARBs/SFHs for enterprise development, capacity development, program management and administrative support of ARBs/SFHs

#### F. GENERAL PROGRAM POLICIES

The ARISE-ARBs credit assistance program shall be guided by the following general policies in its implementation:

1. ARISE-ARBs is a credit support program for affected women and men ARBs/SFHs in agrarian reform areas (ARAs) affected by natural disasters. This is designed to cater the financing needs of women and men ARBs and SFHs in disaster affected provinces that need post disaster emergency financing for recovery of their farming activities to cope with the effects of natural disaster.
2. Agricultural insurance shall form part of the risk mitigation for the disaster affected ARBs and SFHs through insurance subsidy. This shall be coordinated with the Philippine Crop Insurance Corporation (PCIC) for coverage under the Registry System for Basic Sector in Agriculture, Agricultural Insurance Program (RSBSA-AIP).
3. ARB cooperatives/FAs under the CAP-PBD Window III Program Extension with current accounts located in PAGASA/NDRMMC<sup>1</sup>-declared areas but identified as priority areas for ARISE-ARBs can also be tapped as loan conduits. However, existing borrowers in said program shall only be entitled to avail of Providential Loan given the limited program funds for the program's pilot implementation.
4. As a policy, continuous assistance to ARB cooperatives/FAs affected by natural disaster and who have availed of the fund shall be provided with capacity development. The capacity development interventions should give emphasis on gender-specific capacities of women deriving from their social roles in every stage of the disaster cycle. Women's high level of social networking practices, extensive knowledge of their communities, task in and caring abilities (Aguilar, et al., 2008) make them important players of effective risk assessment, early warning, disaster response and recovery actions. The CAPDEV includes orientations on risk awareness, natural environmental resources management, effective risk assessment and adoption of farming technology and practices that will reduce risk brought about by disasters.
5. A portion of the remaining funds from the CAP-PBD Window III shall be utilized for the ARISE-ARBs program implementation. In view of the expiration of the existing program on 26 November 2016, efficient fund management/accountabilities and smooth transition of the existing accounts into new program shall be undertaken.

<sup>1</sup> Philippine Atmospheric, Geophysical and Astronomical Services Administration/National Disaster Risk Reduction and Management Council



## **G. PROGRAM COMPONENTS**

### **1. Credit Assistance Component**

The program shall provide Livelihood/Agri-Enterprise and Providential loans to ARBs/SFHs through their respective organizations in accordance with the established lending parameters and policies under the program which are as follows:

#### **a. Providential Loan (PL)**

This financing support for post disaster emergency shall be provided to finance house repairs of the affected ARBs/SFHs and office repairs and materials of ARB cooperatives/FAs.

#### **b. Livelihood and Agri-Enterprise Loan**

This financing support is for the restoration of agri-based enterprises to be extended to ARBs/SFHs who will go back and engage in farming activities. This will be based on the identified agri-enterprises to be established by the ARBs and SFHs with the technical assistance to be provided by the DAR project coordinators and LBP Account Officers.

### **2. Risk Mitigation Component**

Since the assisted ARB cooperatives/FAs, women and men ARBs and SFHs are vulnerable to natural disaster, risk mitigation measures shall be put in place. Women and men ARBs/SFHs shall be covered by an insurance subsidy in coordination with the Philippine Crop Insurance Corporation. DAR and LANDBANK shall facilitate the registration of the ARBs/SFHs in the Department of Agriculture's Registry System for Basic Sector in Agriculture (RSBSA). Corollary to this, awareness building seminar on climate change and disaster risk reduction and other related interventions on risk mitigation shall be undertaken.

### **3. Agri-based Enterprises and Livelihood Component**

This component shall focus on assisting women and men ARBs/SFHs and their respective organizations in the establishment and management of alternative livelihood and restoration of agri-enterprises. It shall provide appropriate technical assistance on climate resilient technology adoption, management of farm production, processing and marketing. Under this component, women and men ARBs/SFHs will be assisted by a business service providers in the identification of viable projects/enterprises that are based on the needs of the market; setting up business systems; installation of basic production and processing facilities; and determining the appropriate market to ensure a steady supply in the market.



#### **4. Capacity Development Component**

The capacity development component shall be undertaken at the ARB cooperative/FA, ARB/SFH and Program Implementers' levels.

- a. The ARB cooperative/FA capacity building shall focus on management of credit fund, strengthening of its operations through the installation of policies, systems and procedures, on accountability and good governance, and mechanism for disaster risk management.

The training for ARB cooperatives/FAs shall include:

- Organizational Development, Training on Financial Management, and Financial Literacy
  - Agri-enterprise development
  - Market Linkaging and
  - Disaster Management Training
- b. The ARB/SFH level capacity development shall focus on the restoration of their farming activities. The capability building intervention shall include but not limited to:
    - Farm Planning
    - Farmer level agri-enterprise development on clustering approach
    - Financial Literacy
    - Climate resilient technology, and
    - Emergency Response Awareness Training
  - c. For the program implementers, the capability building shall ensure the enhancement of their capacities utilizing various learning packages and inputs that are congruent with the demands of the program. It shall include learning sessions with program implementers and partner ARB cooperatives/FAs to ensure a more effective coaching and mentoring as well as provision of technical assistance. Specifically, the training sessions shall focus on the following: project development and management, project monitoring and evaluation, documentation, packaging and dissemination of project experiences; Disaster Management Capacity Building and Crisis response and reconstruction.

#### **Support Components:**

##### **1. Policy Development**

ARISE-ARBs is a contingent credit facility for disaster recovery to the affected ARBs and SFHs through eligible ARB Cooperatives and other Farmers' Associations (as conduits). The new program is synchronized/aligned with the policies and program thrusts of DAR and LANDBANK. As designed, the program is consistent with the overall framework of CARP's support services delivery. To sustain this, DAR and



LANDBANK shall jointly issue relevant gender-sensitive policies, implementing rules and regulations, and other guidelines that will steer program implementers in facilitating financing support for post disaster emergency needs, disaster awareness, capacity development, livelihoods/enterprise development and risk mitigation interventions.

## **2. Monitoring and Evaluation**

An effective gender-sensitive monitoring and evaluation (M & E) system shall be installed to measure results of interventions to affected women and men ARBs/SFHs and organizations. It is intended to ensure that the interventions are based on actual needs of women and men ARBs/SFHs, ARB cooperatives/associations. Likewise, it shall identify relevant and applicable gender-related indicators. It shall also look into the processes through which the program results (output and outcome) were achieved. The M & E shall encourage the participation and in consultation with the concerned program stakeholders and key women and men leaders involved in the project implementation. The activities shall include program assessment, field visits, report generation/validation to assess and track the achievement of the program goals, outcome and output. The learnings, insights and lessons generation shall be part of the M & E activities.

## **H. BASIC LENDING POLICIES (For Credit Component)**

### **1.0 Eligible Borrowers/Conduits**

- a. ARB Cooperatives
- b. Farmers Associations (FAs)

Which and/or whose members have been affected by typhoons, disasters and other natural calamities as declared by the NDRRMC or LGUs

### **2.0 Eligibility Criteria**

- a. With juridical personality (duly registered with Cooperative Development Authority, Securities and Exchange Commission and other registering agencies)
- b. With complete/part time or full time Core Management Team (Manager, Cashier/ Treasurer and Bookkeeper)
- c. With operations and lending manual in place
- d. With books of accounts, accounting and internal control system
- e. Others:
  - e.1 With minimum paid-up capital of P15,000.00
  - e.2 With past due ratio of not more than 25% before the occurrence of the calamity
  - e.3 With capital build-up and savings mobilization program





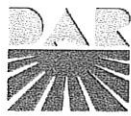
- e.5 Excluded are those provided with financial support by other government agencies, non-government organizations and private institutions

### 3.0 Eligible Sub-Borrowers

- a. Agrarian Reform Beneficiaries (ARBs)
- b. Small Farm Holders (SFHs)
  - who have been affected by natural calamities as certified by the Barangay Captain and/or Municipal Agrarian Reform Officer (MARO)

### 4.0 Loan Features

Particulars	Livelihood/ Agi-Enterprise Loans	Providential Loans
a. Purpose	To augment conduit's funds for relending to ARBs/SFHs livelihood and agri-enterprises projects	To augment conduit's funds for member ARBs/SFHs house repairs and for conduits' office repairs.
b. Availability Period	Within one (1) year from the date of the declaration of the calamity by the NDRRMC or LGU	Within one (1) year from the date of the declaration of the calamity by the NDRRMC or LGU
c. Loanable Amount	Up to P2.0 Million per conduit	Up to P10,000 per ARB/small farm holders  Up to P100,000 per conduit
d. Repayment Term	Up to three (3) years , payable monthly, quarterly, semi-annually or lump sum coinciding with the maturity of the loan of ARB/SFHs sub-borrowers  A grace period may be allowed on the principal and interest based on the cash flow of the project but not to exceed two (2) years	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/SFHs  A grace period may be allowed on the principal and interest based on the household/project's cash flow but not to exceed two (2) years  <b><u>For Conduit</u></b>  Up to three (3) years, payable monthly, quarterly, semi-annually or lump sum



Particulars	Livelihood/ Agi-Enterprise Loans	Providential Loans
e. Interest Rate	3% per annum	0%
f. Pass-on Rate	6% per annum	3% per annum
g. Penalty	3% p.a. based on the unpaid principal and interest to be charged after the lapsed of the 60-day grace period.	3% p.a. based on the unpaid principal and interest to be charged after the lapsed of the 60-day grace period
h. Collaterals/ Securities	Assignment of sub-borrowers' promissory notes (PNs) and underlying collaterals, if any  Assignment of Insurance claims, if any.	Assignment of sub-borrowers' promissory notes (PNs) and underlying collaterals, if any.

i. Other Terms and Conditions

1. A special Credit Facilities Proposal (CFP) shall be used by the LBP Lending Centers (LCs) to package the loans under the ARISE-ARBs Program;
2. Debt-equity ratio requirement shall be waived
3. Loan restructuring may be done even before the loan becomes past due. The following are the considerations for restructuring or refinancing of the accounts:
  - a. Admission by the conduit that it can no longer comply with the amortization schedule due to business reverses and unfavorable events beyond its control, which will greatly impair cashflow and/or liquidity of the project;
  - b. The borrower still has the capacity and willingness to pay its loan obligation; and
  - c. A written repayment plan shall be submitted to ensure capability to meet the loan amortization under a new repayment terms.
4. All accounts that have been past due for the past three (3) years shall be automatically turned-over to the DAR with the following documents:
  - a. Deed of Assignment between DAR and LBP
  - b. Promissory Note
  - c. Real Estate/Chattel Mortgage, if applicable





## 5.0 Loan Approval

- 5.1 All accounts endorsed by DAR shall be evaluated and approved by LBP based on the following:

Transaction	Authorized Signatory
a. Establishment and Renewal of Lines/Loans	• LBP Lending Center Head
b. Loan Restructuring	• LBP Lending Center Head plus Lending Group Head

- 5.2 For the identification and endorsement of potential borrower, the he LBP-Agrarian Operations Center (AOC) assignee shall work with his/her DAR counterpart to reach out systematically to ARBs especially those who have fully paid their land amortizations .

## 6.0 Basic Documentary Requirements

### a. If Availing of Livelihood/Agri-Enterprise loans

Conduits submit the following documents to the LANDBANK Lending Centers (LCs) covering the area:

1. Endorsement by DAR of eligible conduits
2. Board Resolution duly signed by the Board of Directors (BOD) of the applicant-
  - i. Authorizing the conduit to borrow funds, negotiate and enter into agreement with LANDBANK (*indicating the type of credit facility and amount applied for*) and designating at least two (2) officers of the conduits (*with their respective specimen signatures*) authorized to endorse Promissory Notes and sign all papers pertaining to Loan Application;
  - ii. Authorizing the designated signatories to sign, endorse loan documents, deed of assignments, notes and other documents pertaining to the loan obtained from LBP;
3. List of Incumbent Members of the BOD and principal officers;
4. Audited Financial Statements for the preceding year, if available, and interim FS for the current year;
5. List of members with their corresponding address, work area, farm location and paid-up capital, duly certified by its Secretary and attested by Chairperson



6. Farm Plan and Budget, if applicable
7. Business Plan, if applicable
8. Photocopy of manual of operations and accounting and internal control system.

**b. If Availing of Providential Loans**

1. Endorsement by DAR of eligible conduits
2. LBP ID No. I036 of the LGUs or Barangays that the area where the conduits are located are under the state of calamity
3. List of ARBs/SFHs affected by the natural calamity
4. Board Resolution duly signed by the Board of Directors (BOD) of the applicant-
  - i. Authorizing the conduit to borrow funds, negotiate and enter into agreement with LANDBANK (*indicating the type of credit facility and amount applied for*) and designating at least two (2) officers of the conduits (*with their respective specimen signatures*) authorized to endorse Promissory Notes and sign all papers pertaining to Loan Application;
  - ii. Authorizing the designated signatories to sign, endorse loan documents, deed of assignments, notes and other documents pertaining to the loan obtained from LBP.
  - iii. The release of loan proceeds to the conduits shall be subject to the execution/submission by the conduits of the standard documentary requirements to LANDBANK.

**I. IMPLEMENTING PROCESSES**

**1. Preparatory Phase : Assessment and Planning**

- a. Conduct of program roadshow  
LBP ID No. I036 To jumpstart the program implementation, a program roadshow shall be conducted at the field level. It aims to orient program implementers both DAR and LBP on the program objectives, output, implementation processes.
- b. Identification of Program Borrowers

Upon declaration by the PAG-ASA/NDRRMC and/or local government unit that said area is under the state of calamity, the RPBDD/PPBDD concerned shall identify the prospective cooperatives/farmers organizations that will serve as program



conduit. They will be subjected to a briefing/orientation on the availability of the ARISE program with emphasis on the availment requirements and procedures.

## **2. Implementation Phase**

Having a concrete data/information about the number and extent of damages of the disaster, this phase shall focus on the delivery of credit, enterprise development, capacity development, risk mitigation intervention. It shall have the following activities:

### **2.1 Providential Loan Availment:**

- a. The DAR shall determine the affected women and men ARB/SFHs through their cooperative/farmers' association in determining the type of loan to be accessed under the ARISE-ARBs program. It shall spearhead the preparation, completion of documentary requirements, and submission of proposals.
- b. The PPBDD together with the ARB cooperative/FA undertake follow-through at the LBP and monitor the release of loan (at the ARB/SFH level).
- c. The PPBDD and the LBP-AO shall facilitate in the information dissemination on the roles and accountability of the ARB cooperatives/FAs and individual men and women ARBs/SFHs provided with credit.

### **2.2 Livelihood and Enterprise Establishment:**

- a. Conduct orientation on agro-enterprise development through clustering approach. Based on the identified livelihoods/enterprises by the women and men ARBs/SFHs as a result of the clustering approach, a production module and cluster supply plan shall be prepared through AED workshops to be facilitated by Agro-enterprise Facilitator (AEF).
- b. Establish the Site Working Group composed of ARB Cooperative/FA as the lead institution, LGU, Academe, Marketing Organization and other stakeholders
- c. Implementation of AED cycle which include; product selection, product supply assessment, market chain study, cluster commitment setting, business planning and mobilization, production/product supply organizing, test marketing and sustaining enterprises. In the course of implementation, specifically on the type of technology to be employed in the production processes, the use of environment friendly technologies shall be promoted.

### **2.3 Livelihood/Enterprise Loan Availment:**

The provision of DAR-LANDBANK credit assistance for the identified livelihoods/enterprise to be funded is the result of the clustering approach. DAR and LBP shall facilitate the loan availment process.



- a. The PPBDD and LBP AO shall assist in the packaging of loan proposals of ARBOs for those who decided to restore their livelihood and enterprise operations. The PPBDD shall assist ARB cooperatives/FAs in securing and ensuring the completeness of the loan documentary requirements before submission to LBP
- b. LANDBANK shall review, process and release the loans to ARBs/SFHs
- c. PPBDD and-LBP AO shall jointly conduct pre-release orientation
- d. PPBDD and LBP-AO shall monitor the implementation the funded project.
- e. LBP facilitate the collection.

#### **2.4 Capacity Development Interventions:**

The delivery mechanism for the needed interventions will vary, ranging from training and handholding activities specific for each organization. This shall focus in strengthening the capacity to manage the operations of the ARB Cooperatives/FAs. This is actually a series of organizational strengthening activities intended to fill in the basic gaps related to the institutional and enterprise development of the organization which focuses on Organization Development (OD), Business Operations; and Financial Management. It should emphasized that disaster awareness and risk management be integrated in the strengthening intervention.

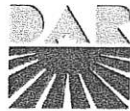
- a. The PPBDD facilitates conduct of organization-level planning
- b. DAR and LANDBANK deliver organizational strengthening interventions to the organizations.

### **3. Program Monitoring and Evaluation**

A program monitoring system shall be established to track the progress of program implementation as well as generate feedback from the field level to the program management regarding the efficiency and effectiveness of the program's delivery system. On the other hand, a program evaluation framework shall be developed to determine the over-all impact of the program.

The monitoring and evaluation system shall include the following:

- a. Program Monitoring and Reporting
  1. LANDBANK PMD I shall prepare and submit quarterly financial reports to the National Program Management Committee (NPMC), copy furnished the DAR-BARBD, on the status of loan portfolio, program fund balance, collection from past due loans, and financed projects.



2. DAR shall prepare and submit regular report to the NPMC on the technical assistance extended and other support services provided to the ARB Cooperatives/FAs, ARBs and SFHs, such as, but not limited to, the following:

- i. Specific interventions made
- ii. Name and No. of ARB cooperatives/FAs and ARBs/SFHs assisted (by gender)

3. Periodic field validation/visits may be conducted by a DAR and LBP composite team to ascertain the qualitative accomplishments vis-à-vis the quantitative performance.

b. Conduct of Program Management Meetings

Regular and special meetings at all levels shall be conducted to update the key implementers with the program status as well as resolve issues related to program implementation.

c. Conduct of Program Review and Planning Workshops

Regular program review workshops shall be conducted at the national and field levels to assess the status of program implementation for credit assistance, technical support and institutional development. An annual program review and planning workshop shall be conducted. Semi-annual assessments shall be conducted at the field level.

d. Program Impact Assessment Design and Implementation

The NPMC shall facilitate the design and implementation of an impact assessment framework that shall, among others, determine program impacts at the beneficiary and conduit level.

## **J. PROGRAM MANAGEMENT STRUCTURES**

To oversee the implementation of both the CAP-PBD Program Extension and the ARISE-ARBs Program, various committees shall be established covering the national, regional and provincial levels, as follows:

a. National Program Management Committee (NPMC)

The NPMC shall continue to be the policy-formulating body of the Program. It shall exercise direction and supervision, oversee implementation and adopt strategies to ensure sustainability of the ARISE-ARBs. The NPMC shall be composed of the following:

Chairperson : Secretary, DAR



Vice-Chairperson: Head, Agricultural and Development Lending Sector, LANDBANK  
Members : Head, Provincial Lending Group, LANDBANK  
Head, Lending Program Management Group, LANDBANK  
Undersecretary, Support Services Office, DAR  
Undersecretary, Legal Affairs Office, DAR  
Undersecretary, Finance, Management and Administration Office, DAR  
Director IV, Presidential Agrarian Reform Council (PARC)  
Secretariat, DAR

The NPMC shall perform the following:

- 1.1 Act on issues pertaining to the implementation of the Program;
- 1.2 Deliberate and approve new program policies and guidelines and decide on the matters of delinquent accounts;
- 1.3 Deliberate and approve the program' annual work and budget plan; and
- 1.4 Hold its regular meeting at least once every semester and may call for a special meeting as the need arises.

b. National Technical Review Committee (NTRC)

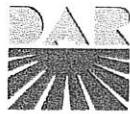
The NTRC shall implement the policies, operational systems, procedures and guidelines approved by the NPMC. It shall coordinate the activities of DAR and LANDBANK and facilitate the flow of information from the NPMC to the field implementers. Its members shall be composed of the following:

Chairperson : Director IV, Bureau of Agrarian Reform Beneficiaries Development (BARBD), DAR  
Vice Chairperson: Head, Programs Management Department I (PMD I), LANDBANK  
Members : Director IV, Financial and Management Service (FMS), DAR  
Director IV, Project Management Service (PMS), DAR  
Head, Development Assistance Department (DAD), LANDBANK

The NTRC shall perform the following:

1. Implement the policies approved by the NPMC;
2. Formulate the criteria and guidelines on the evaluation of the project proposals subject to the approval of the NPMC;
3. Recommend proposals relative to credit, ID, ED and CAP-DEV submitted by the Local Program Management Committee (LPMC) to NTRC, for approval by the NPMC;
4. Act on issues that need attention on matters pertaining to the implementation of policies and guidelines under the program; and





5. Hold its regular meeting at least one every quarter and may call for a special meeting as the need arises.

c. National Program Secretariat (NPS):

The Rural Credit and Microfinance Division (RCMD) of the Bureau of Agrarian Reform Beneficiaries Development (BARBD) of DAR and PMD I and DAD LANDBANK shall serve as the Program Secretariat. It shall be chaired by the CARPO, RCMD, BARBD-DAR. The NPS shall perform the following functions:

1. Review ID/ED and CAPDEV proposals submitted by the LPMC and forward the same to the NTRC for review and endorsement to facilitate the downloading of funds;
2. Prepare and recommend to the NTRC the program's annual work and financial plan ensuring the inclusion of inputs from the regions/provinces concerned;
3. Prepare and recommend to the NTRC the PROGRAM's annual work and financial plan taking into consideration the inputs from the regions/provinces concerned;
4. Conduct field visits to monitor the status of implementation of the funded projects/enterprises;
5. Coordinate with DAR field offices and LANDBANK in the preparation of program status/accomplishment report;
6. Provide necessary staff support and secretariat services to NPMC and NTRC; and
7. Prepare program status report, including utilization and earnings of the funds, for submission to the NTRC and NPMC.

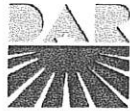
d. Local Program Management Committee (LPMC)

The LPMC shall act as oversight in the implementation of the program within the region. It shall be composed of the following:

Chairperson	:	Regional Director, DAR
Vice Chairperson	:	Concerned Lending Center Head, LANDBANK
Members	:	Regional CARPO-RPBDD, DAR
		Provincial Agrarian Reform Program Officer II (PARO II)
		Concerned, DAR
		Account Officer, Lending Center concerned, LANDBANK

It shall continue to perform the following functions:

1. Review and endorse to the LANDBANK Lending Center concerned ARB cooperative/FA loan proposals endorsed by the DARPO concerned;



2. Review and approve Regional credit, ED/CAP-DEV, work and financial plan and submit the same to the NPMC for approval;
3. Conduct regular quarterly LPMC meetings to assess the status of program implementation for the credit and ED/CAP-DEV components;
4. Act on issues pertaining to the implementation of projects funded ; and
5. Submit quarterly reports to NPMC through the NTRC.

The Regional CAP-PBD Point Person with the support of the Provincial PBDD Point Person concerned shall act as the Program Secretariat. It shall work closely with the LANDBANK Lending Center concerned.

#### K. AMENDMENT

This ARISE-ARBs implementing guidelines may be amended upon agreement of the DAR and LANDBANK.

#### L. TERMINATION

Upon termination of the Program, the LANDBANK shall submit to DAR the final accounting reports of the funds. All unutilized funds and collections shall be remitted by LANDBANK to the Bureau of the Treasury.

The program terminal report shall be prepared and submitted by DAR and LANDBANK to the Presidential Agrarian Reform Executive Committee.

#### M. EFFECTIVITY

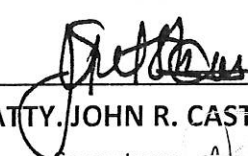
The Joint Memorandum Circular shall take effect upon signing and shall remain effective for three (3) years unless otherwise amended/renewed and shall supersede all previous issuance inconsistent herewith.

Diliman, Quezon City, 15 March 2018.

Approved by:

DEPARTMENT OF AGRARIAN REFORM

LAND BANK OF THE PHILIPPINES

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