



DEPARTMENT OF AGRARIAN REFORM
DAR Building, Elliptical Road
Diliman, Quezon City

LAND BANK OF THE PHILIPPINES
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Malate, Manila



Credit Assistance Program for Program Beneficiaries Development (CAP-PBD)

JOINT DAR-LBP
MEMORANDUM CIRCULAR NO. 03
Series of 2003

AMENDING MEMORANDUM CIRCULAR NO. 26, SERIES OF 1996 AND MEMORANDUM CIRCULAR NO. 29, SERIES OF 1997 ON THE COMPOSITION OF CAP-PBD IMPLEMENTING STRUCTURES AT DIFFERENT LEVELS

I. INTRODUCTION

The DAR and Land Bank of the Philippines through a Memorandum of Agreement signed on 09 September 1996 agreed to jointly implement the Credit Assistance Program for Program Beneficiaries Development (CAP-PBD). To effect its implementation, the DAR issued Memorandum Circular No. 26 series of 1996, prescribing the implementing Policies and Guidelines on the Availment of CAP-PBD on 25 October 1996. Correspondingly, the LBP issued Credit Group Memo Circular No. 97-001 containing the same guidelines on CAP-PBD fund availment.

However, certain provisions thereof need to be further revised in order to conform to the development brought about by the changes in the organizational structure both in DAR and LBP. These changes have brought concerns on the proper performance and discharge of functions and duties of personnel involved in the implementation of the Program.

In response to this concern and to ensure the effective and efficient implementation of the Program at different levels, Article IV and V, item G of CAP-PBD MC No. 26, Series of 1996, Article II, 2.1-2.2 of MC No. 29, Series of 1997, and Article II, Item F of MC No. 07, Series of 1998, is hereby amended.

II. REVISED COMPOSITION OF CAP-PBD IMPLEMENTATION STRUCTURES

The following committees shall have the following compositions and functions:

A. National Project Management Committee (NPMC)

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| DAR Secretary | : | Chairperson |
| Executive Vice-President Agrarian and Domestic Banking Sector, LBP | : | Vice-Chairperson |
| LBP Consultant | : | Member |
| First Vice-President (Coop Champion), LBP | : | Member |
| First Vice-President (Mindanao Group), LBP | : | Member |
| Undersecretary for Field Operations and Support Services, DAR | : | Member |
| Undersecretary for Finance, Management and Administration | : | Member |
| Assistant Secretary for Support Services Office, DAR | : | Member |
| Branch Group Head (Where the loan proposal above P3M emanated) | : | Member |
| Director, PARC Secretariat | : | Member |
| Representative, Farmer's Group | : | Member |

The NPMC shall:

1. Approve / disapprove projects for funding under the CAP-PBD, requiring loan assistance of more than Php 3 Million; and
2. Decide on issues that need special attention on matters pertaining to policies and guidelines under the program.

B. National Technical Review Committee (NTRC)

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| Director, Bureau of Agrarian Reform Beneficiaries Development, DAR | : Chairperson |
| Assistant Vice-President, Program Management Department, LBP | : Vice-Chairperson |
| Assistant Vice-President, Development Assistance Department, LBP | : Member |
| Director, Finance Management Administration Service (FIMAS), DAR | : Member |
| Director, Project Development and Management Service (PDMS) | : Member |

The NTRC shall:

1. Implement the policies approved by the NPMC;
2. Prepare the checklist of necessary documents, including the required components of the feasibility study, for the proposed projects to be submitted by the proponent to the DAR / LANDBANK;
3. Formulate the criteria and guidelines on the evaluation of project proposals subject to the approval of the NPMC;
4. Validate / confirm project proposals approved by the Regional Project Management Committee (RPMC) and Provincial Project Management Committee (PPMC), prior to issuance of notice of fund transfer, as deemed necessary; and
5. Review project proposals endorsed by the Regional Project Management Committee (RPMC) and Provincial Project Management Committee (PPMC) that need the approval of the NPMC, and recommend to NPMC approval of the proposals;

The technical staff of the Bureau of Agrarian Reform Beneficiaries Development (BARBD) shall act as the Program Secretariat to the NPMC and NTRC.

C. Regional Project Management Committee (RPMC)

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| Regional Director, DAR | : | Chairperson |
| Regional Head, LBP | : | Vice-Chairperson |
| Development Assistance Center Head, LBP | : | Member |
| Regional CARPO for Support Services, DAR | : | Member |
| Regional Investment and Marketing Assistance Officer, DAR | : | Member |
| Regional CAP-PBD Point Person | : | Member |
| Provincial Agrarian Reform Officer Concerned, DAR | : | Member |

The RPMC shall:

1. Evaluate and approve / disapprove project proposals endorsed by the PPMC with loan requirements of not more than PhP3 Million (per proponent), and endorse those requiring loan assistance above PhP3 Million (per proponent) to the NPMC through the NTRC;
2. Design and conduct institutional development interventions to address capacity building needs of CAP-PBD assisted organizations;
3. Conduct monitoring and assessment activities and facilitate generation of reports on projects funded under the program; and
4. Submit regular reports to NTRC through the Program Secretariat.

It is understood that all projects with financing requirements falling within the range for RPMC and NPMC approval have been pre-evaluated at the provincial level, initially approved and recommended by the PPMC for funding assistance.

The Regional Support Services Division (SSD) shall act as the program secretariat to the RPMC.

D. Provincial Project Management Committee (PPMC)

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| Provincial Agrarian Reform Officer, DAR | : | Chairperson |
| Lending Center Head, LBP | : | Vice-Chairperson |
| Head, Development Assistance Center, LBP | : | Member |
| Chief Agrarian Reform Program Officer BDCD, DAR | : | Member |
| Provincial Investment and Marketing Assistance Officer, DAR | : | Member |
| <i>Provincial CAP-PBD Point Person, DAR</i> | : | <i>Member</i> |
| PARCCOM | : | Member |
| Municipal Agrarian Reform Officer (MARO) Concerned, DAR | : | Member |
| Account Officer (concerned in relation to project under deliberation), LBP-LC | : | Member |

The PPMC shall:

1. Initially screen all project proposals and assess them with regard to proponent's eligibility and the project's technical and financial viability. In some cases, extend technical assistance to proponents in proposal preparation;
2. Approve / disapprove project proposals requiring loan assistance of not more than PhP1 Million;
3. Endorse project proposals requiring loan assistance of more than PhP1 Million to the RPMC;
4. Design and conduct institutional development interventions to address capacity building needs of CAP-PBD assisted organizations;

5. Conduct monitoring and assessment activities and facilitate generation of reports on projects funded under the program; and
6. Submit status report to NTRC through the Program Secretariat, copy furnished the RPMC.

The Provincial Beneficiaries Development Coordinating Division (BDCD) shall act as the Program Secretariat to the PPMC.

III. APPROVING LEVEL

Based on Land Bank's revised Codified Approving / Signing Authority (CASA), loan approval shall be undertaken by the Committees at the appropriate levels:

| Loan Amount (Per proponent) | Approving Authority |
|--|---|
| PhP1M and below | Provincial Project Management Committee |
| Above PhP1M to PhP3M | Regional Project Management Committee |
| Above PhP3M | National Project Management Committee |

All Orders, Memoranda, Circulars and Issuances inconsistent herewith are hereby amended or repealed accordingly.

This Memorandum Circular shall take effect immediately.

Diliman, Quezon City, 10 January, 2003.

HERNANI A. BRAGANZA

Secretary, DAR

MARGARITO B. TEVES

President, LBP