

RCEF

RICE COMPETITIVENESS ENHANCEMENT FUND

SEED | MECHANIZATION | CREDIT | EXTENSION

Republic Act No. 11203 otherwise known as the "Dive Tariffication Law" was promulgated to ensure food security and to make the country's agriculture sector viable, efficient and globally competitive. The law created the Rice Competitiveness Enhancement Fund (RCEF) or Rice Fund to improve rice farmers' competitiveness and income amidst liberalization of the Philippine rice trade policy that lifted quantitative restrictions on rice imports and replaced it with tariffs, among others.



RCEF Implementing Agencies

- Department of Agriculture
- Agricultural Training Institute
- Bureau of Plant Industry
- Philippine Center for Postharvest Development and Mechanization
- Philippine Rice Research Institute
- Technical Education and Skills Development Authority
- Land Bank of the Philippines
- Development Bank of the Philippines



As a major crop and staple food in the Philippines, rice has become an important part of the lives of every Filipino. The enactment of the Rice Tariffication Law (RTL) gives the government an opportunity to fully achieve rice security.

RTL liberalizes importing and exporting rice in the Philippines, making quantitative restriction with a purely tariff system. Likewise, the law amended the Agricultural Tariffication Act of 1996, which exempts rice from tariffication as part of the country's agreement with the World Trade Organization in 1995.

For our farmers to be sustainable and competitive even with this trade liberalization, we need to improve their productivity and income. To achieve this, we have the Rice Competitiveness Enhancement Fund (RCEF).

Through RCEF, an annual appropriation of PHP10 billion is provided for the next six years from 2019. These funds will be used to give farmers assistance in terms of farm machinery, seed development, credit, and extension services, which will be implemented in an integrated manner.

Furthermore, if the excess annual tariff revenue exceeds PHP10 billion, the generated amount will be reinvested in the following areas for financial assistance: titling of agricultural lands, expanded crop insurance program, and crop diversification program.

Through RCEF, we hope to uplift the practices and lives of our farmers who are our main partners in achieving rice security. Their success will pave way for available, affordable, accessible, safe, and nutritious rice for the Filipinos.

-Manong Willie Dar
Secretary, Department of Agriculture

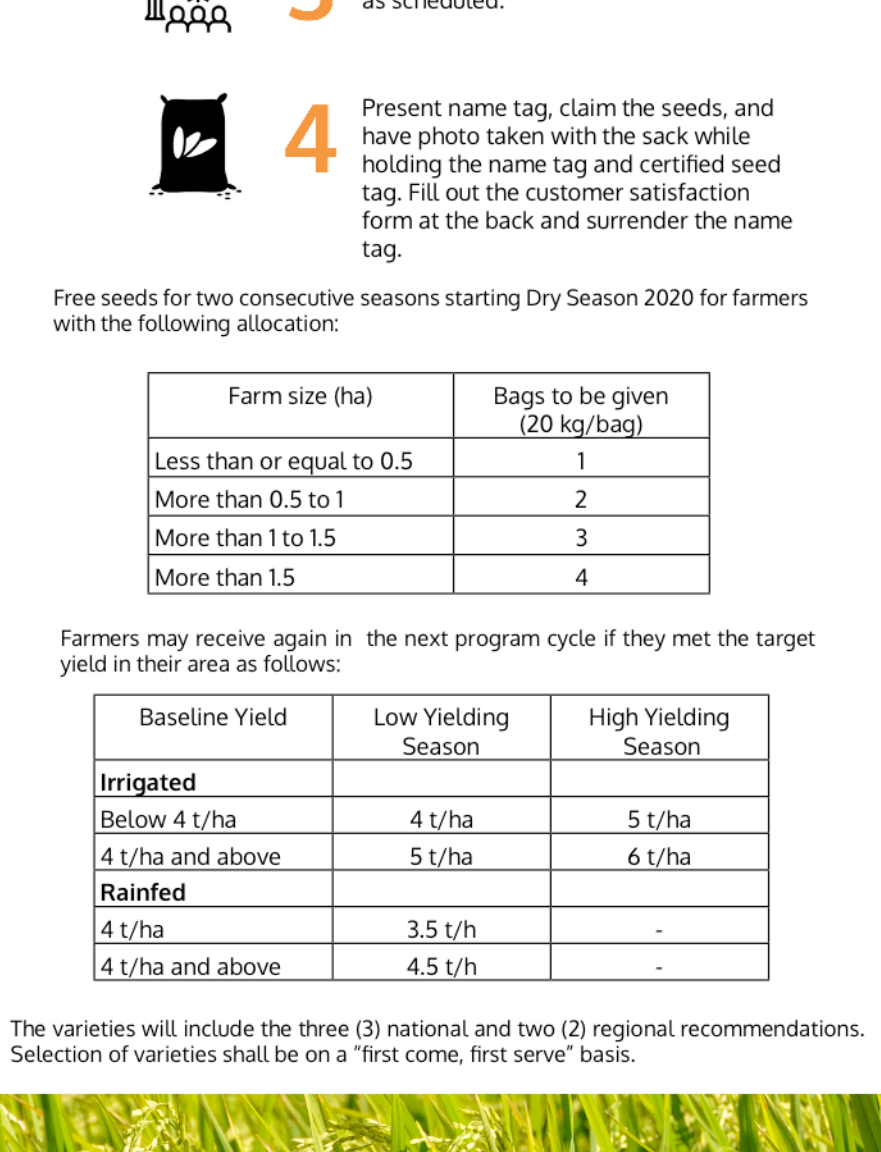
Four Key Programs of RCEF

- Rice farm machinery and equipment
- Rice seed development, propagation and promotion
- Expanded rice credit assistance
- Rice extension service

PHP 10 Billion (annual for six years)

- PHP 5B Inbred Seeds
- PHP 3B Credit
- PHP 1B Extension
- PHP 1B Inbred Seeds
- PHP 1B Credit
- PHP 1B Extension
- PHP 1B Inbred Seeds
- PHP 1B Credit
- PHP 1B Extension
- PHP 1B Inbred Seeds
- PHP 1B Credit
- PHP 1B Extension

57 RCEF Target Provinces



SEED PROGRAM

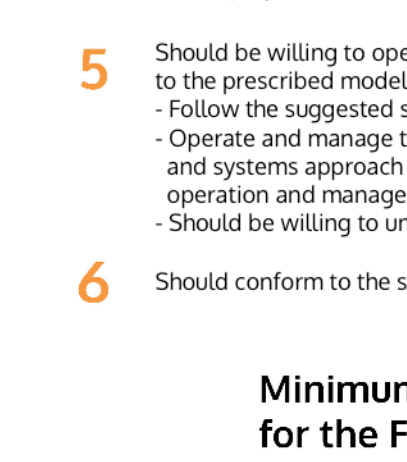
Rice seed development, propagation, and promotion

This component which is implemented by the Philippine Rice Research Institute (PhilRice), aims to ensure the adoption of certified inbred seeds and improved crop management through the use of training programs, extension services, and communication support provided to rice farmers and other stakeholders in the rice sector.

BENEFICIARIES

Rice farmers listed in the Registry System for Basic Sectors in Agriculture (RSBSA) or cooperatives and associations accredited by the Department of Agriculture (DA), meeting the following eligibility criteria:

- Farmer Recipients (FR)**
- Must be included in the DA-Updated RSBSA
 - Must be a member of DA-accredited Farmer Organization (FO)
 - Must be farming in rice fields located in the selected municipalities
- Farmers' Organizations (FO)**
- Must be accredited by DA or any accrediting government agency recognized by DA
 - With members whose rice farms can cover a cluster of at least 20 hectares (ha) in one to two adjacent villages in one selected city or municipality



HOW TO AVAIL OF FREE SEEDS

- Go to the registration booth, present a valid ID with picture, and check the name in the masterlist. If listed, proceed to step 2.
- Fall in line following your preferred variety. Fill out the acknowledgment form and name tag.
- Attend the technical briefing as scheduled.
- Present name tag, claim the seeds, and have photo taken with the sack while holding the name tag and certified seed tag. Fill out the customer satisfaction form at the back and surrender the name tag.

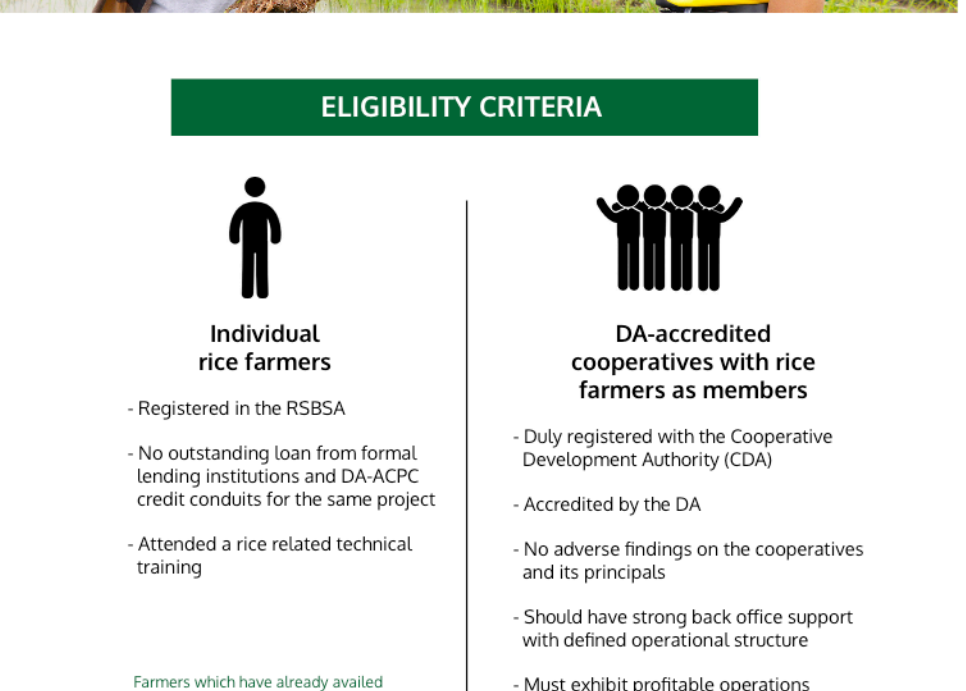
Free seeds for two consecutive seasons starting Dry Season 2020 for farmers with the following allocation:

Farm size (ha)	Bags to be given (20 kg/bag)
Less than or equal to 0.5	1
More than 0.5 to 1	2
More than 1 to 1.5	3
More than 1.5	4

Farmers may receive again in the next program cycle if they meet the target yield in their area as follows:

Baseline Yield	Low Yielding Season	High Yielding Season
Irrigated		
Below 4 t/ha	4 t/ha	5 t/ha
4 t/ha and above	5 t/ha	6 t/ha
Rainfed		
4 t/ha	3.5 t/ha	-
4 t/ha and above	4.5 t/ha	-

The varieties will include the three (3) national and two (2) regional recommendations. Selection of varieties shall be on a "first come, first serve" basis.



MECHANIZATION PROGRAM

Rice farm machinery and equipment

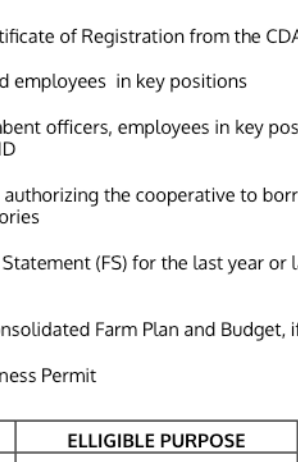
This component aims to provide agricultural machinery and equipment to rice farmers and cooperatives, to be used for rice production and post-harvest processing. The equipment is sourced from agricultural machinery manufacturers and suppliers.

BENEFICIARIES

Eligible and registered rice-based farmers' cooperatives and associations (FCAs) with existing and active members. FCA should be an accredited organization of the DA.

Available Technologies

- Agricultural Tractors
- Rice Harvesters
- Mechanical Rice Dryers
- Irrigation Pumps
- Rice Seeders
- Rice Reapers
- FCEmills
- Small Solar Irrigation
- Rice Transplanters



Technical requirements for the FCAs to qualify as beneficiary

- Should have at least 50 ha rice farm for regular members
- Must have a minimum rice area of 100 ha within the peripheral barangays from the proposed location of the agricultural machineries and postharvest facilities
- Must have the capacity to operate and maintain the machinery and equipment and willing to undergo training course/s
- Must be willing to provide machinery shed as counterpart for the project
- Should be willing to operate the project according to the prescribed model
 - Follow the suggested service fee
 - Operate and manage the project using an integrated and systems approach of farm machinery and equipment operation and management
 - Should be willing to undergo capability building activities
- Should conform to the set objectives and functions of the project

Minimum Requirements for the FCAs to submit

- Letter of intent and resolution from the farmers' organization stating the need for the farm machineries and postharvest facilities, and willingness to provide shed for the project
- Farmers' Association/Cooperative Profiles
 - List of farmer members with corresponding rice farm area
 - Available machineries and other information related to the operation of the cooperative/organization
- Certificate of accreditation from the DA

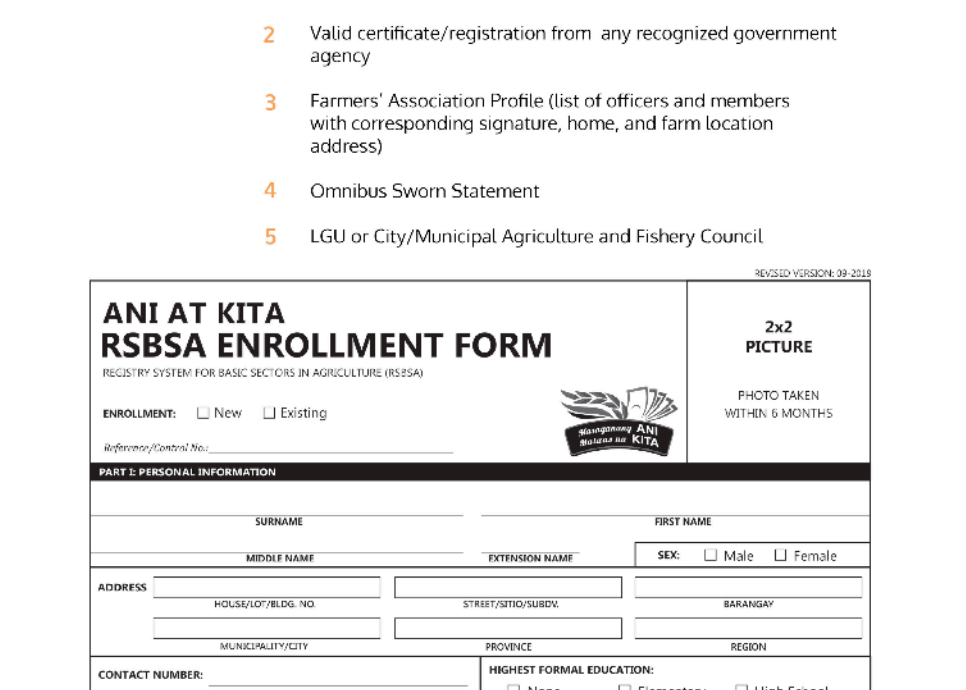


CREDIT PROGRAM

Expanded rice credit assistance

This component aims to make direct lending program available in the form of a credit facility with minimal interest rates and working capital requirements to rice farmers and cooperatives, to be managed jointly by the Land Bank of the Philippines (LBP) and the Development Bank of the Philippines (DBP).

- Individual rice farmers
- DA-accredited cooperatives with rice farmers as members



ELIGIBILITY CRITERIA

- Individual rice farmers**
- Registered in the RSBSA
 - No outstanding loan from formal lending institutions and DA-ACPC credit conduits for the same project
 - Attended a rice related technical training
- DA-accredited cooperatives with rice farmers as members**
- Duly registered with the Cooperative Development Authority (CDA)
 - Other rice-related trainings
 - Not accredited by the DA
 - No adverse findings on the cooperatives and its principals
 - Should have strong back office support with defined operational structure
 - Must exhibit profitable operations and sound financial condition
 - Part Due Loan Ratio not exceeding 25%
 - Certificate of Compliance from CDA, if applicable
 - Met the capital requirement of CDA or not less than PHP 30,000
 - With proven track record or familiarity on the proposed project
 - Attended a rice related technical training

Farmers which have already availed of assistance in the seed and mechanization components are not eligible to avail of RCEF loans unless the loan being applied shall be used to finance another rice-related project.

Eligibility Criteria for Member-Borrowers (for relending/rediscouning)

- Registered in the RSBSA
- Sub-promissory notes are current and outstanding
- Attended technical training on rice related projects

Maximum loanable amount

Loanable amount is up to (90%) of the total project cost.

Example 1: If it will cost a farmer PHP 55,000 to produce one (1) hectare of rice. A farmer can borrow up to PHP 50,000 per hectare.

Example 2: If a farmer wants to purchase a hand tractor including testing and delivery costing PHP 140,000, a farmer can borrow up to PHP 126,000 to purchase the equipment and the difference of PHP 14,000 will be his/her equity.

Interest rate

A) Interest rate for a farmer's loan for production or acquisition of machinery or equipment is fixed at two percent (2%) per annum

Example: If a farmer borrows PHP 50,000 and pays it after four (4) months, he/she will pay an interest of PHP 334 or a total of PHP 50,334 including the principal.

B) For on-lending by cooperatives, interest rate is at 24 percent per annum, as long as effective pass-on rate to end-borrowers is not higher than six percent (6%) per annum.

Documentary Requirements for Individual Farmers

- Filled-out Loan Application Form
- Photocopy of one (1) valid government-issued ID, or Barangay Certification
- Sworn affidavit and/or Certification of no outstanding loans from any lending institution/DA-ACPC for the same project

Documentary Requirements for Cooperatives

- Loan application
- Certificate of Accreditation from DA
- Photocopy of Certificate of Registration from the CDA
- List of officers and employees in key positions
- Bio-data of incumbent officers, employees in key positions and Board of Directors with ID
- Board Resolution authorizing the cooperative to borrow and designating authorized signatories
- Audited Financial Statement (FS) for the last year or latest interim FS for start-ups
- Business Plan/Consolidated Farm Plan and Budget, if applicable
- Current year Business Permit

BORROWER	ELIGIBLE PURPOSE	LOANABLE AMOUNT
Individual Farmer/Member Borrowers	- Purchase of farm inputs - Land Preparation - Acquisition of machineries and equipment, including mechanical dryer	
Cooperatives	- Purchase of farm inputs - Working capital - Acquisition of machineries and equipment, including mechanical dryer - Establishment of facilities - Relending to small rice farmers listed in the RSBSA - Rediscouning of existing loans of small rice farmers listed in the RSBSA	Up to 90% of the total project cost

SCHEME	TERMINALITIES	RATES
Direct Lending	Short Term Loan/Long Term Loan	2% per annum
On-Lending	Relending/Rediscouning	0% per annum Effective pass-on rate to end-borrowers shall not be more than 6% per annum

COMPONENT	COST SHARE
ERCA-RCEF	90%
Borrower's Equity	10%

EXTENSION PROGRAM

Rice extension service

This component which is implemented by the Philippine Rice Research Institute (PhilRice), aims to ensure the adoption of certified inbred seeds and improved crop management through the use of training programs, extension services, and communication support provided to rice farmers and other stakeholders in the rice sector.

TESDA shall implement a scholarship program for farmers, and farm workers listed in the RSBSA, in including members of Farmers' Cooperatives and Associations recognized by DA, to enroll in Farmers Field School (FFS) to be conducted by the Farm Schools.

HOW TO AVAIL OF SCHOLARSHIP THROUGH FARM SCHOOLS

- Farmers Field School**
- Registration of FFS by Farm Schools (3 - 11 days)
 - Scholarship application by farmers through the Farm Schools
 - Scholarship grant
 - Training Implementation
 - Competency assessment (optional)
 - Post implementation (biting of Farm School)

Specialists Training

- Rice Specialists' Training Course (PhilRice)
- Performance Testing and Evaluation of Rice Machinery (PhilMech)
- Resource Person Development (PhilMech) for the Maintenance of Rice Machinery - Operation and Management of Agri-Machinery Pool
- Inbred rice seed production and certification for debilitated & designated seed inspectors (ATI and BPI-NSQCS)
- Seed testing & certification training for seed analysts (BPI-NSQCS)

Training for Trainers

- Production of high quality inbred rice/seeds (ATI, PhilRice, and PhilMech)
- Refresher courses for rice extension workers (PhilRice, PhilMech, and ATI)
- Operation and Maintenance of Rice Machinery (PhilMech)
- Operation and Management of Agri-machinery Pool (PhilMech)

TRAINING FOR FARMERS, SEED GROWERS, COOPERATIVES/ ASSOCIATIONS

- FFS on inbred rice/seed production (ATI and TESDA)
- House to house trainings (ATI and TESDA)
- Inbred seed production & certification for referential seed growers (ATI and BPI-NSQCS)
- Refresher course for seed growers (ATI and BPI-NSQCS)
- Farm school certification & accreditation (ATI and TESDA)

Allocation of training slots is proportionate to area planted/province or, as deemed necessary, based on but not limited to level of adoption of certified inbred seeds and farm machines, yield level, production cost, and number of agricultural extension workers.

RSBSA

Registry System for Basic Sectors in Agriculture

RSBSA Enlistment

For farmer-recipients
A farmer must contact the City or Municipal Agriculture Office (CAO/MAO) for enlistment in the RSBSA, following the process:

- Present proof of valid identification and any proof of rice farming
- Fill out and sign the RSBSA enlistment form

Accreditation

For farmers' organizations
A farmers' organization seeking accreditation must submit the following documents to the DA Regional Field Office (DA-RFO):

- Letter of intent
- Valid certificate/registration from any recognized government agency
- Farmers' Association Profile (list of officers and members with corresponding signature, home, and farm location address)
- Omnibus Sworn Statement
- LGU or City/Municipal Agriculture and Fishery Council

ANI AT KITA
REGISTRY SYSTEM FOR BASIC SECTORS IN AGRICULTURE (RSBSA)

ENROLLMENT: New Existing

PHOTO PICTURE WITHIN 3 WEEKS

NAME & PERSONAL INFORMATION

SURNAME: _____ FIRST NAME: _____

MIDDLE NAME: _____ PATRONYMIC NAME: _____ SEX: Male Female

ADDRESS: _____ BARANGAY: _____

MUNICIPALITY: _____ PROVINCE: _____

CONTACT NUMBER: _____ HIGHEST FORMAL EDUCATION: _____

DATE OF BIRTH: _____ PLACE OF BIRTH: _____

CRUISE: Single Married Divorced Widowed

RELIGION: _____

NAME OF SPOUSE: _____

NUMBER OF CHILDREN: _____

HOUSEHOLD HEAD: Yes No

No. of living household members: _____

No. of years in RSBSA: _____

TYPE OF HOUSEHOLD: Nuclear Extended Single Person

MAIN OCCUPATION: Farmer MANUFACTURER/ARTISAN FISHER/FOUR

For Farmer: Self-employed Employee Other

For Self-employed: Land Preparation Farming Other

For Employee: Planting Harvesting Other

For Other: Other (specify): _____

OWNERSHIP DOCUMENT: Deed of Sale Deed of Conveyance Deed of Assignment Deed of Donation Deed of Mortgage Deed of Lease Deed of Easement Deed of Right of Way Deed of Right of Redemption Deed of Right of Pre-emption Deed of Right of Retention Deed of Right of Redemption Deed of Right of Pre-emption Deed of Right of Retention

OTHER INFORMATION: _____

DATE: _____ PRINTED NAME OF APPLICANT: _____ SIGNATURE OF APPLICANT: _____

VERIFIED TRUE AND CORRECT BY: _____ BARANGAY CHAIRMAN _____ CITY/MUNICIPAL AGRICULTURE OFFICE _____ CA/CAFMF CHAIRMAN _____

THIS FORM IS NOT FOR SALE

For more information, you may contact

Farmers Contact Center

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