

Philippines

Agro-industry Technology Transfer Project



Project Site

Outline of Loan Agreement

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| Loan Amount / Disbursed Amount | 5,000 million yen / 3,985 million yen |
| Loan Agreement | May 1982 |
| Terms & Conditions | Interest rate 3.0%p.a. Repayment period 30 years (Grace period 10 years) |
| Final Disbursement Date | June 1989 |

Project Outline

The project targeted non-traditional agricultural products by extending long-term, low-interest credit, and management/technical guidance through the Technology and Livelihood Resource Center (TLRC), with the aim of contributing to the promotion of agriculture.

Results and Evaluation

Under the project, 114 sub-loans were implemented for prawn production (33), marine produce (15), fruit (papaya, mango, etc.) and vegetable (peanuts, garlic, etc.) cultivation (17), livestock (14), feed (13), and fiber (13), etc. Most loans were between 1-10 million pesos, averaging 6 million pesos, and were appropriated for working capital, land preparation, facilities construction, and equipment procurement.

Loan repayments on 62 of the sub-projects are already complete, and a sample survey of 15 sub-projects confirmed that the project had effectively augmented farm revenues and enabled sweeping increases in employment (by approximately 5-fold).

Non-traditional agricultural production is a high-risk sector that is liable to be affected by weather conditions, etc., thus while outcomes for sub-projects in fruit, cut flowers, prawn production, and livestock were comparatively favorable, there are problems with the sustainability of some feed and fiber sub-projects, which have been affected by international price fluctuations. Accordingly, the overall recovery rate is approximately 66%, and various measures are being instituted including collateralization of loans and the deferral of repayments.