



MODULE 15

Access to Agricultural Financing Services

TRAINING OF TRAINERS

Manual for Better Rice Production and Marketing



DEPARTMENT OF AGRICULTURE
PHILRICE
PHILIPPINE RICE RESEARCH INSTITUTE



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Training of Trainers

Manual for Better Rice Production and Marketing

Module 15: Access Agricultural Financing Services

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Module 15

ACCESS TO AGRICULTURAL FINANCING SERVICES

Course Brief

Intended participants

The Access to Financing course is designed for farmers who are members of Irrigators Associations (IA), Small Water Impounding System Associations (SWISA), Agrarian Reform Beneficiary Organizations (ARBO), cooperatives and Non-Government Organizations (NGO).

Assumptions about participants' knowledge and skills

The design of this course is based on the following assumptions about farmers' knowledge on microfinance services:

- They are presently aware of how to avail of loans.
- They are already familiar with existing credit programs for rice production.

Learning outcomes

After attending this course, participants should be able to:

1. Understand the basics of microfinance .
2. Appreciate the Food Staples Sufficiency Program-Credit Component.
3. Recognize existing credit programs for rice production.
4. Appreciate the unique features of the DA-LBP Sikat Saka Program (SSP).

Course duration

This module runs for two hours and 30 minutes.

Content and time allocation

LESSON	TOPICS	TIME
Introduction	Welcome and Overview	10 mins
Lesson 1	Introduction to Microfinance	20 mins
Lesson 2	Sources of Capital and Support System for Farmers	2 hours
Total		2 hrs 30 min

Learning methods

The following methods will be used during the course:

- Open discussion
- Activities
- Mini-lecture Lecture/discussion

Evaluation methods

Participants' learning outcomes can be assessed as follows:

VENUE	CONTENT	METHOD
In class	Knowledge	Observation/interaction/exercise/
	Skills	In a before-after informal survey of participants' interest in accessing various microfinance facilities, such interest increases at the end of the module.

Resource checklist

- Power point presentation
- LCD Projector
- Materials for activities
- White board and whiteboard marker (or Chart paper and marker pen)
- Manila Paper
- Timer
- Calculators
- Video presentation on the Sikat-Saka Program
- Template for farm plan and budget

Note to trainers on delivery methods

Many of the participants may have not finished school but they do have a wealth of actual farm experience. Do not discount that experience. They will analyze your presentation based on it. Also, note that they are not used to sitting for long hours for lecture. Take note of the following suggestions:

- Don't make lectures too long.
- Focus on activities so participants can learn from experience.
- Use the presentation slides simply as a guide and not as the entire basis of your presentation.
- Ask questions to participants so they will be involved in the learning.
- Present the objectives clearly at the start of each session.
- Keep the messages concise. Short and simple is better. Three to four key messages per session are more than enough. Do not overload the participants with too many ideas and concepts in one session.
- Keep the sessions short and adapt the timetable and the location of the training to the needs of the audience and the circumstances.
- Make the sessions fun. People remember more when they are entertained.




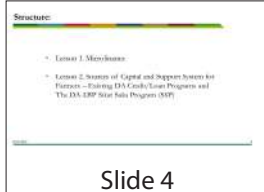
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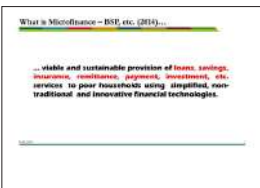
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Module 9: Integrated Water Management




Session Plan

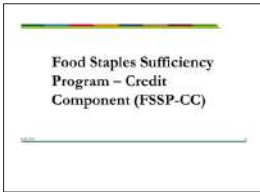
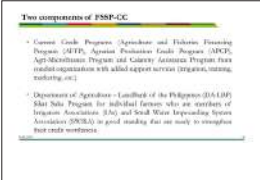
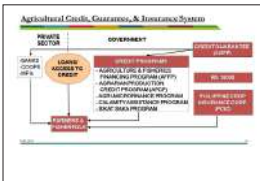



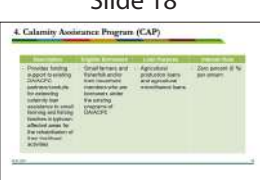

You may modify the program to suit your circumstances and your participants' needs.

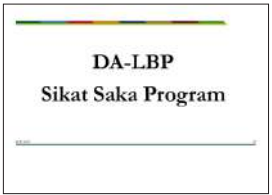
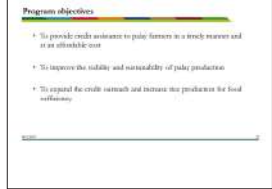



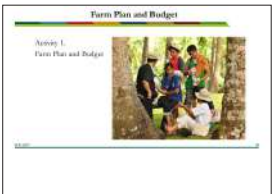

LESSONS/ TIME	ACTIVITIES	RESOURCES
Introduction: Welcome and Overview		
10 minutes	GREET the participants and welcome them to the training. INTRODUCE yourself.	
	<p>GET ATTENTION by asking participants to raise their hands if they use their own money as capital for their farming operations.</p> <p>Ask them to raise their hands if they borrow capital from lending institutions. Ask one of them what these lending institutions are. Ask if any of them have taken loans from microfinance institutions, and take note of how many have done so.</p> <p>Tell them that aside from the lending institution/s mentioned, the government has different credit programs that farmers could access.</p>	<p>Slide 1</p>
	<p>OUTCOME: By the end of this module, participants are expected to be able to:</p> <ol style="list-style-type: none"> 1. Explain the basics of microfinance; 2. Discuss what is the Food Staples Sufficiency Program-Credit Component; 3. Name existing credit programs for rice production; and 4. Identify the unique features of the DA-LBP Sikat Saka Program (SSP) 	 <p>Slide 2</p>  <p>Slide 3</p>
	<p>STRUCTURE:</p> <ol style="list-style-type: none"> 1. Introduction to Microfinance 2. Sources of Capital and Support System for Farmers – Existing DA Credit/Loan Programs and DA-LBP Sikat Saka Program (SSP) 	 <p>Slide 4</p>

LESSONS/ TIME	ACTIVITIES	RESOURCES
	<p>STIMULATE INTEREST by asking the participants if they know the basic mathematical operations such as addition, subtraction, multiplication, division and square root.</p> <p>Ask them to stand and copy what the facilitator has demonstrated (symbol of addition, subtraction, multiplication, division and square root) while the music "Insomnia" is being played. Demonstrate the symbols alternately until the music ends.</p> <p>Tell them not to worry about the computations because this training course was designed to recognize the existing credit programs of the government and how to access it.</p>	
Lesson 1: Introduction to Microfinance		
20 minutes	<p>GET ATTENTION by asking who wants to earn more by saving a little of what would otherwise have to be paid for interest on capital.</p> <hr/> <p>LINK by stating that in this lesson, the group will be discussing microfinance and the different micro-financing sources that farmers may access.</p> <p>OUTCOME: At the end of the lesson, participants are expected to be able to:</p> <ol style="list-style-type: none"> 1. Explain the basics of microfinance; and 2. Identify sources of microfinance. <p>STRUCTURE:</p> <ol style="list-style-type: none"> 3. Basic features of microfinance 4. Sources of microfinance <hr/> <p>STIMULATE INTEREST by asking participants if they are "GAME NA?!"</p>	 <p style="text-align: center;">Slide 5</p>
	<p>EXPLAIN the basics of microfinance.</p> <p>WHAT IS MICROFINANCE?</p> <p>Viable and sustainable provision of loans, savings, insurance, remittance, payment, investment, etc. services to poor households using simplified non-traditional and innovative financial technologies. –BSP, etc. (2014)</p>	 <p style="text-align: center;">Slide 6</p>  <p style="text-align: center;">Slide 7</p>

LESSONS/ TIME	ACTIVITIES	RESOURCES
	<p>EXPLAIN the three types of sources of microfinance by naming them and asking participants to give examples of each:</p> <ol style="list-style-type: none"> 1. Formal institutions – e.g., rural banks and cooperatives 2. Semiformal institutions – e.g., nongovernment organizations 3. Informal sources – e.g., money lenders and shopkeepers, family, friends, neighbors <p>ASK participants: “From among these, where do you get your capital for rice production?” Note their responses on the board. Get an indication how many of them get loans from which particular sources.</p> <p>ASK participants to share a little about their experiences in availing loans from these different institutions. Take note of key points. Focus on salient aspects such as:</p> <ul style="list-style-type: none"> • Requirements for availing loans • Ease/speed of loan approval and release • Interest rates • Strictness/flexibility in imposing conditions, e.g., repayment mode and schedules, penalties in case of defaults, etc. • Advantages, disadvantages (some of these may come from the answers to the bullets above) <p>OUTCOMES: Summarize and confirm the outcomes of this topic with participants.</p> <p>FEEDBACK: Solicit feedback and observations from participants regarding the content and process so far.</p> <p>FUTURE: Preview the next topic.</p>	 <p style="text-align: center;">Slide 8</p>
<p>Lesson 2: Sources of Capital and Support System for Farmers</p>		
<p>2 hours</p>	<p>GET ATTENTION by stating the key points you noted about the participants’ experiences with availing of loans in Lesson 1.</p> <p>LINK to the lesson by asking participants to compare their experience with that of microfinance services of the government.</p>	 <p style="text-align: center;">Slide 9</p>

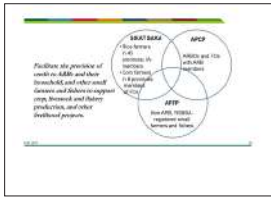
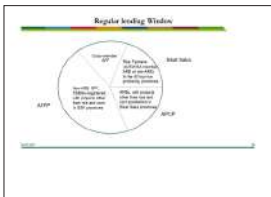
LESSONS/ TIME	ACTIVITIES	RESOURCES
	<p>OUTCOME: At the end of this lesson, participants will be able to:</p> <ul style="list-style-type: none"> • Describe the credit component of the Food Staples Sufficiency Program; • Identify existing credit programs of the government for rice production; • Distinguish the unique features of the DA Sikat Saka Program; • Outline the documentary requirements for availing of Sikat Saka loan; and • Prepare their own farm plan and budget <p>STRUCTURE:</p> <ol style="list-style-type: none"> 1. Food Staples Sufficiency Program – Credit Component (FSSP-CC) 2. Agriculture and Fisheries Financing Program (AFFP) 3. Agrarian Production Credit Program 4. Agri-Microfinance Program 5. Calamity Assistance Program 6. The DA-LBP Sikat Saka Program <ul style="list-style-type: none"> • Objectives • Program Features • Integrated Support Services • Farm Plan and Budget • Documentary Requirements 	 <p style="text-align: center;">Slide 10</p>  <p style="text-align: center;">Slide 11</p>
	<p>STIMULATE INTEREST by telling a story: A man is about to take his morning bath. Just as his wife is finishing up her bath, someone knocks on their front door. The wife quickly wraps herself in a towel and runs to the door. When she opens the door, there stands Berting, the next door neighbor. Before she says a word, Berting says, "I'll give you Php. 20,000.00 to drop that towel." After thinking a moment, the woman drops her towel and stands naked in front of Berting; after a few seconds, Berting hands her Php. 20,000.00 and leaves. The woman wraps back up in a towel and goes back upstairs. When she gets to the bathroom, her husband asks, "Who was that?" "It was Berting the next door neighbor," she replies. "Great," the husband says, "did he say anything about the Php. 20,000.00 that he owes me?"</p> <p>MORAL LESSON: If you share information pertaining to credit and risk with your shareholders in time, you may be in a position to prevent avoidable exposure.</p>	 <p style="text-align: center;">Slide 12</p>

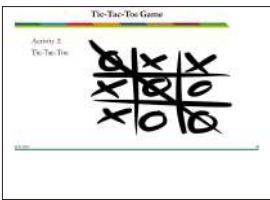

LESSONS/ TIME	ACTIVITIES	RESOURCES
	<p>EXPLAIN briefly the Food Staples Sufficiency Program – Credit Component (FSSP-CC)</p>	 <p>Slide 13</p>
	<p>EXPLAIN the two components of the FSSP-CC:</p> <ol style="list-style-type: none"> 1. Current credit programs of the Agricultural Credit Policy Council (ACPC) include the Agriculture and Fisheries Financing Program (AFFP), Agrarian Production Credit Programs (APCP), Agri-Microfinance Program and Calamity Assistance Program; with added support services (irrigation, marketing, etc.) 2. Department of Agriculture- Land Bank of the Philippines (DA-LBP) Sikat Saka Program for individual farmers who are members of Irrigator Associations (IAs) and Small Water Impounding System Association (SWISA) in good standing that are ready to strengthen their credit worthiness 	 <p>Slide 14</p>  <p>Slide 15</p>  <p>Slide 16</p>  <p>Slide 17</p>  <p>Slide 18</p>  <p>Slide 19</p>  <p>Slide 20</p>

LESSONS/ TIME	ACTIVITIES	RESOURCES
	<p>EXPLAIN the DA-LBP Sikat Saka Program by showing a ten-minute video covering the Sikat Saka program, objectives, program features, integrated support services, documentary requirements and featuring stories/ testimonies from farmer beneficiaries.</p> <p>EXPLAIN the different documentary requirements for loan processing and approval</p>	 <p>Slide 21</p>  <p>Slide 22</p>  <p>Slide 23</p>  <p>Slide 24</p>  <p>Slide 25</p>
	<p>EXPLAIN the Farm Plan and Budget</p> <p>This can be demonstrated using a template for Farm Plan and Budget</p>	 <p>Slide 26</p>
	<p>Activity 1. Farm Plan and Budget</p>	 <p>Slide 27</p>

Activity 1. Farm Plan and Budget

Goal	This group activity aims to guide farmers in preparing their own farm plan and budget.
Duration	25 minutes
Number of participants	All participants
Materials	5 chart papers, 5 calculators, marker pens and a timer
Process	<ol style="list-style-type: none"> 1. Ask participants to count off from 1 to 5. 2. Ask all the 1s to group together, all the 2s to group together, etc. 3. Give each group a sheet of manila paper, a marker pen and a calculator. 4. Ask each group to designate a documenter and a reporter. 5. Instruct each group to prepare its own farm plan and budget for a 1 hectare rice land. This should reflect prevailing farm activities and corresponding budget allocations in their communities. A template shall be provided for the group's reference. 6. After 20 minutes, ask each group to report the results of their discussion.
Debriefing/ Conclusion	<p>Discuss the key points when making a farm plan and budget.</p> <p>When making a farm plan and budget, consider the following:</p> <ul style="list-style-type: none"> • Your short-term and long-term aims • A timescale for achieving your aims • Who will be involved • How you will manage the money • Location • Soil type • Management <p>Debrief and summarize. Be sure to clarify and correct misunderstandings that may arise.</p>

LESSONS/ TIME	ACTIVITIES	RESOURCES
	<p>SUMMARIZE by showing the summary slides.</p> <p>OUTCOMES: Confirm the outcomes of this lesson.</p> <p>FEEDBACK: Solicit feedback and observations from participants regarding the content and process.</p> <p>FUTURE: Preview the next module.</p>	 <p>Slide 28</p>  <p>Slide 29</p>

LESSONS/ TIME	ACTIVITIES	RESOURCES
	DEBRIEF AND SUMMARIZE. Be sure to clarify and correct misunderstandings that may arise by playing Activity 2 (Tic-Tac-Toe Game).	 <p>Slide 30</p>
	Activity 2. Tic-Tac-Toe Game	 <p>Slide 31</p>
	THANK the participants for their time! Welcome any individual questions or support after the training.	 <p>Slides 32</p>

Activity 2. Tic-Tac-Toe Game

Goal	This game aims to evaluate what the farmers have learned after the training.
Duration	20 minutes
Number of participants	All participants
Materials	Large manila paper drawn with a Tic-Tac-Toe grid
Process	<ol style="list-style-type: none"> 1. Divide the participants into 4 groups. 2. Groups 1 and 2 will compete with one another. Groups 3 and 4 will do likewise. 3. Instruct the competing teams to stand in front of the large manila paper drawn with a Tic-Tac-Toe grid. 4. Questions about the lessons will be asked. The first team to answer correctly will have one member stand on one square. If the same team answers the next question correctly, another member will stand on an adjoining square, and so on. 5. The team which forms a straight line with three of its members on the grid by answering the questions correctly wins the game. (Note: By answering correctly, the other group can block its opponent's moves of occupying a straight line of squares)
Debriefing/Conclusion	Summarize and supplement the answers. Provide additional explanation as needed.

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