

**[DA ADMINISTRATIVE ORDER NO. 23-A,
September 22, 2008]**

**AMENDMENTS TO THE IMPLEMENTING GUIDELINES OF
ADMINISTRATIVE ORDER NO. 23**

WHEREAS, on the 26th of May 2008, President Gloria Macapagal-Arroyo issued Administrative Order No. 225-A, amending Administrative Order No. 225, mandating government-owned and controlled corporations and government financial institutions to allocate five percent (5%) of their 2007 surplus for projects in rice and food production and as contribution to an Agricultural Guarantee Fund Pool;

WHEREAS, on the 7th of July 2008, the Department of Agriculture, upon coordination with the Land Bank of the Philippines, issued D.A. Administrative Order No. 23, series of 2008 covering the implementing guidelines, mechanics and administrative arrangements of the Agricultural Guarantee Fund Pool;

WHEREAS, there is a need to amend D.A. A.O. No. 23 to harmonize its provisions with the Implementing Rules and Regulations decided upon and approved by the Agricultural Guarantee Fund Governing Board;

NOW, THEREFORE, I, ARTHUR C. YAP, SECRETARY OF THE DEPARTMENT OF AGRICULTURE, do hereby order:

SECTION 1. Section 3.3.a of D.A. A.O. No. 23 is hereby amended as follows:

"Program Management Committee (PMC) - to be composed of three representatives from the Department of Agriculture to be designated by its Secretary and two representatives from the Land Bank of the Philippines (LANDBANK) to be designated by its President and CEO, shall be chaired by the representative from the LANDBANK and co-chaired by a DA Representative. The PMC shall execute the Fund Board 's decisions and render supervision over the PMO staff."

SECTION 2. Section 4.1 Eligible Institutions is hereby amended as follows:

"Institutions eligible for guarantee coverage are the credit conduits that have good track record in lending/financing such as: (a) government financial institutions and corporations engaged in and with mandate on extending credit and/or financing to small farmers; (b) private financial institutions such as cooperative rural banks and rural banks, thrift banks, cooperatives, farmer's organizations and non-government organizations and (c) Small and medium enterprises and large corporations. The Governing Board shall establish the eligibility criteria for qualified institutions."