

Development Bank of the Philippines

Guidelines

for

FISHERIES INDUSTRY LOAN PROGRAMS

For a more consistent implementation of DBP's new fisheries financing programs as well as of loan programs under the RP-IBRD Fisheries Credit Project, the Board of Governors last May 23, 1973 formulated general guidelines to be observed in the processing of loan applications for fishery projects, as follows:

X-X

B. INLAND FISHERIES PROJECTS

1. Fish Culture Projects

a. Qualifications of Borrower

A borrower for inland fishery projects may be individual, a partnership, a cooperative, an association, or a private corporation that is presently engaged in the business of inland fishery production and desires to expand current operations; or one who proposes to engage in a new inland fishery project and can demonstrate his capabilities to undertake such project successfully.

If the borrower has an existing account with the DBP, such account shall not be in arrears.

The borrower may be a lessee of the area on which the project is to be established, or he may be a private owner thereof.

b. Purposes of the Loan

Loans for inland fisheries may be for fresh-water or brackish water fishponds for the production of milkfish, carp, hito, Crustaceans and other fishpond products.

More specifically, loan funds for the rehabilitation of damaged fishponds and the development and construction of fishponds shall be utilized as follows:

- (1) Clearing of the project area
- (2) Construction of main, secondary and tertiary dikes
- (3) Construction of main, secondary and tertiary gates
- (4) Construction and excavation of nursery, transition, rearing ponds and catching ponds
- (5) Purchase of bangus fry
- (6) Procurement of fertilizers and other productive inputs
- (7) Procurement of equipment and paraphernalia required for fishpond operation.

c. Amount of Loan

The amount of loan shall be based on actual needs of the investment project.

Actual needs shall be based on Project scales that have been evaluated and found to be technically feasible and economically viable.

d. Equity Contribution

All borrowers shall be required to make a minimum contribution towards the incremental investment costs of the project to be financed, in the following proportions to the area of ponds to be developed:

<u>Size of Ponds</u>	<u>Contribution</u>
Up to 25 hectares	10%
More than 25 hectares and Up to 50 has.	15%
More than 50 hectares	20%

