

ANNUAL REPORT

of

LANDBANK Countryside Development Foundation Inc.
14th Floor, 1598 M.H. del Pilar St. corner Dr. J. Quintos St.
LANDBANK Plaza, Malate, Manila 1004

For Year: 2022

I. Introduction

*The **LANDBANK Countryside Development Foundation, Inc. (LCDFI)** is a non-stock, non-profit corporate foundation of Land Bank of the Philippines (LANDBANK), established in March 1983 as a non-governmental organization (NGO).*

In 2013, it was classified by the Governance Commission for GOCCs (GCG) as a government-owned and controlled corporation (GOCC), and as such, LCDFI endeavors to comply with all pertinent rules and regulations governing GOCCs and government entities

Through the conduct of capacity building programs for LANDBANK Borrowing Cooperatives and MSMEs under the LCDFI's Capacity Building Program (CBP), the Foundation embodies LANDBANK's commitment to spur development in the countryside particularly among its priority sectors, namely: small farmers and fishers, agrarian reform beneficiaries (ARBs), Countryside Financial Institutions (CFIs), Micro, Small and Medium Enterprises (MSMEs), and Overseas Filipino Workers (OFWs).

In response to the initiative of LANDBANK to promote inclusive growth, especially in the unbanked areas, the Financial Literacy Program (FLP) was adopted by LCDFI in 2020. It is a two-pronged approach to inclusive growth as ensured by (1) the Banks' innovation of financial products and services through digitization and (2) engaging in a "whole-of-nation" approach to financial inclusion. The Bangko Sentral ng Pilipinas (BSP) defines an "unbanked municipality" as those without a banking presence and financial access points.

The FLP was designed to introduce key financial concepts and products to small farmers, fishers, and farm laborers located in unbanked municipalities across the Philippines. The unbanked municipalities under the Landbank Foundation are located in regions 1, 2, 4A & B, 5, 7, 8, 9, 10, 11, 12, 13, CAR, and BARMM.

Partnership is the key element and cornerstone of the Program. The FLP involves partnerships designed to provide training and developmental interventions by identified government institutions using a fund created for such purpose and tapping networks/linkages with partner agencies/institutions to improve farmers' financial management skills and create "agripreneurship" or improve cooperative's capacity to deliver quality services to its membership, positively impacting to their business performance. The program is geared to contribute to increased and stable household incomes and improved access to economic, social, and financial services.

II. Salient Accomplishment

A. CAPACITY BUILDING PROGRAM

1. Capacity Building program for Borrowing Cooperatives

Trainings for Cooperatives. The conduct of trainings for cooperatives is triggered by requests from the LANDBANK Lending Centers (LCs) nationwide after the conduct of an operational review of their client-cooperatives using the Enhanced Cooperative Operations Review Instrument (ECORI).

The identified weaknesses in the operations of cooperatives are then matched with corresponding trainings to address their weaknesses by capacitating the Board of Director, Officers, Management and key personnel of the cooperatives. LANDBANK Lending Program Management Group - Development Assistance Department (LPMG-DAD), acting on the recommendations of the LCs, then enrolls the cooperatives to the training programs of LCDFI on an annual basis.

For the year 2022, the Capacity Building Program conducted 46 batches of trainings as requested by LPMG-DAD, or 100% of the target of 46 training batches. Out of the 46 training batches, 44 were conducted virtually, while the remaining 2 batches were conducted face-to-face. In summary, LCDFI was able to train 333 LANDBANK Borrowing Cooperatives (BCs) with 1,635 participants. Of the 333, 174 BCs are from Maturity level A and B, 31 BCs are from maturity level C and D, 106 BCs are from other categories and 22 BCs have no Maturity Level/ECORI provided. Fifty-four (54) BCs were trained more than once.

Programs/KRAs	Actual 31 Dec. 2022	Target 2022	% against Target	Actual 31 Dec. 2021	% Growth
1. Training for Cooperatives	46	46	100%	40	15%
2. Module Development					
Updating	4	4	100%	5	0%
- Updated	5	5	100%	none	0%
- New					
3. Monitoring and Evaluation Training Programs	12	12	100%	12	0%
4. Cooperatives Monitoring, Evaluation and Learning	4	4	100%	8	(50%)

Module Development and Updating. For the period, four (4) modules were updated for its suitability to e-learning/virtual training. The updated modules are: 1) Account Management and Credit Administration, 2) Governance and Management of Cooperatives, 3) Strategic Planning, and 4) Credit background/Investigation and Appraisal.

Meanwhile, the following five (5) modules were developed: 1) Financial Analysis, 2) Equipping Cooperative Leaders for Succession Planning, 3) Risk Management for Risk Officer, 4) Taxation for Cooperatives, and 5) Sustainable Development for Cooperatives.

Among the Forty-six (46) training batches conducted for 2022, the most requested module is Risk Self-Assessment with thirteen (13) batches, followed by Policy and Rules Formulation with ten (10) batches, Account Management and Credit Administration with eight (8) batches, Governance and Management of Cooperatives and Remedial Management both with five (5) batches, Credit Background Investigation and Appraisal with two (2) batches and one (1) batch each for Basic Bookkeeping, Entrepreneurial and Business Management and Strategic Planning. Illustrated below is the distribution of the training batches conducted per area:

Training Modules	No. of Trainings Conducted/Module/Area				Total No. of Training Request
	North/Central Luzon	South Luzon/Bicol Region	Visayas	Mindanao	
1) Risk Self-Assessment	3	3	2	5	13
2) Risk and Control Self-Assessment	-	-	-	-	-
3) Credit Background Investigation and Appraisal	1	-	1	-	2
4) Remedial Management	-	2	1	2	5
5) Entrepreneurial and Business Management	-	1	-	-	1
6) Strategic Planning	1	-	-	-	1
7) Internal Control	-	-	-	-	-
8) Basic Accounting for Non-Accountants	-	-	-	-	-
9) Account Management and Credit Administration	1	2	3	2	8
10) Financial Management	-	-	-	-	-
11) PoliFY Rules and Formulation	3	3	3	1	10
12) Basic Bookkeeping	-	-	-	1	1
13) Governance and Management of Cooperatives	2	1	1	1	5
TOTAL	11	12	11	12	46

Training Monitoring and Evaluation of Training Programs. 12 monitoring and evaluation of e-learning training programs were conducted for FY 2022. The target for Training Monitoring and Evaluation is twelve (12) batches or three (3) batches each region. This is to evaluate the Resource Speakers and the actual conduct of trainings facilitated by the Capacity Building Officers of LCDFI. The overall rating given by participants/LCDFI to twelve (12) batches of trainings that were monitored are **excellent**. Details of the Training Monitoring are as follows:

Training Modules	Date/Venue	Name of Monitoring Officer	Name of LCDFI RS	Trainings Rating	
				Participants	LCDFI
NORTHERN AND CENTRAL LUZON/NATIONAL CAPITAL REGION					

1. Risk Self Assessment	February 14-18, 2022, Pangasinan LC	Mr. Nestor T. Tapia	Ms. Lilian B. Visco	Excellent	Satisfactory
2. Strategic Planning	September 5-9, 2022, Bataan LC	Mr. Nestor T. Tapia	Mr. Benjamin B. Dy	Excellent	Excellent
3. Governance and Management of Cooperatives (Batch 2)	October 10-13, 2022, Quirino LC	Mr. Nestor T. Tapia	Atty. Mickel M. Borigas	Excellent	Excellent
SOUTHERN LUZON AND BICOL REGION					
4. Policy and Rules Formulation	February 15-17, 2022, Occidental Mindoro LC	Mr. Nestor T. Tapia	Mr. Erwin M. Idong	Excellent	Excellent
5. Risk Self-Assessment	May 16-20, 2022, Quezon LC	Mr. Nestor T. Tapia	Atty. Mickel M. Borigas	Excellent	Excellent
6. Account Management and Credit Administration	August 22-25, 2022, Albay LC	Mr. Nestor T. Tapia	Ms. Lecira V. Juarez	Excellent	Excellent
VISAYAS					
7. Policy and Rules Formulation	March 28-30, 2022, Cebu South LC	Mr. Nestor T. Tapia	Mr. Glenn Garino	Excellent	Excellent
8. Remedial Management	June 15-17, 2022, Antique LC	Mr. Nestor T. Tapia	Mr. Erwin M. Idong	Excellent	Excellent
9. Credit/Background Investigation and Appraisal	July 5-8, 2022, Southern Leyte LC	Mr. Nestor T. Tapia	Atty. Johnson Cañete	Above Average	Excellent
MINDANAO					
10. Remedial Management	February 21-23, 2022, Davao Del Norte LC	Mr. Nestor T. Tapia	Atty. Mickel M. Borigas	Excellent	Excellent
11. Governance and Management of Cooperatives	June 13-17, 2022, Lanao LC	Mr. Nestor T. Tapia	Ms. Lecira V. Juarez	Excellent	Excellent
12. Risk Self-Assessment (Batch 2)	October 17-21, 2022,	Mr. Nestor T. Tapia	Mr. Erwin M. Idong	Excellent	Excellent

Cooperatives Monitoring, Evaluation and Learning (CORE). As a follow-through of the training conducted by LCDFI for LANDBANK Borrowing Cooperatives, CBP conducted the "Cooperative Operations Review and Evaluation (CORE) in four

(4) selected Trained Borrowing Cooperatives (TBCs) or one (1) TBC per area to assess/review the non-financial aspects of operations of borrowing cooperatives who previously attended LCDFI trainings. The CORE determines on whether training/s conducted by LCDFI helped address the needs, weaknesses, policies, systems and processes of the Cooperatives by determining the level of compliance of each cooperative to the Action Plans prepared by their officers and staff during the training. The selected LCDFI Trained Borrowing Cooperatives (TBCs) per area have a maturity level of Class C and D.

The four (4) TBCs have varied CORE Results. The over-all rating are: Very Good (1 TBC), Good (2 TBCs), and Fair (1 TBC). Below is the over-all rating of each TBC:

TRAINED BORROWING COOPERATIVES (TBCs)	DATE OF REVIEW/ EVALUATION	SUMMARY OF RATING		CORE FACILITATOR
		Weight Average	Summary of Rating	
Northern and Central Luzon Area				
1. Tamasa Multi-Purpose Cooperative	November 17, 2022	73%	Good	Ms. Mary Kae Portillo
Southern Luzon and Bicol Area				
2. Bubog Development Cooperative	November 8, 20122	67	Fair	Mr. Nestor T. Tapia
Visayas Area				
3. Casuntingan Community Livelihood Multi-Purpose Cooperative Employees MPC	November 11, 2022	71%	Good	Ms. Ma. Lorlaine G. Alunan
Mindanao Area				
4. San Vicente Multi-Purpose Cooperative	November 22, 2022	82%	Very Good	Mr. Julius Jaime P. Dequiña

2. Capacity Building Program for MSMEs

a. Training Implementation

Training for MSMEs. LCDFI was able to train 268 enterprise owners, key management officers and staff from LANDBANK Borrowing MSMEs. Of the 268, 73 are from Micro Enterprises, 117 are from Small Enterprises, and 78 are from Medium Enterprises. LCDFI conducted ten (10) batches of Live Webinar for the MSMEs with the following topics:

1. Digital Technology Solutions (batch 1) held on March 11, 2022
2. Business Continuity Planning and Management (batch 1) held on March 28, 2022

3. Financial Accounting (batch 1) held on April 18, 2022
4. Risk Management (batch 1) held on April 29, 2022
5. Business Continuity Planning and Management (batch 2) held on May 23, 2022
6. Financial Accounting (batch 2) held on June 23, 2022
7. Digital Technology Solutions (batch 2) held July 29, 2022
8. Business Continuity Planning and Management (batch 3) held on August 26, 2022
9. Risk Management (batch 2) held on September 22, 2022
10. Financial Accounting (3) Held on October 24, 2022

KRAs	As of December 2022	Target as of December 2022	% of Accomplishment as of December 2022	Target for the Year	2022 Accomplishment
1. Training for MSMEs	10	10	100%	10	100%
<i>No. of Actual MSMEs Attended:</i>	268	207	129%	207	129%
2. Module Development	4	4	100%	4	100%
3. Monitoring and Evaluation of Training Programs	4	4	100%	4	0%

Mindanao Lending Group (MLG) has the largest number of actual participants with 84, followed by Visayas Lending Group (MLG) with 77, North and Central Luzon Lending Group (NCLG) with 62, Southern Luzon Lending Group (SLLG) with 39 and, and *Retail & Mid-Market Lending Group (RMLG)* with 6. The actual participants for each Lending Group are as follows:

LBP LENDING GROUP/ LC	ENROLLED PARTICIPANTS	REGISTERED PARTICIPANTS PER ASSET SIZE			ACTUAL PARTICIPANTS PER ASSET SIZE		
		MICRO	SMALL	MEDIUM	MICRO	SMALL	MEDIUM
TOTAL	207	233			268		
RMLG	-	1	1	-	2	2	2
NCLG	43	13	26	18	12	24	26
SLLG	21	10	13	15	11	16	12
VLG	118	13	27	22	13	41	23
MLG	45	26	31	17	35	34	15

Module Development. A total of four (4) modules have been developed, these are:

1. Financial Management Skills,
2. Business Operations Management,

3. Effective Selling and Negotiation Skills, and
4. Value Chain Analysis.

Assessment Impact. In summary, for FY 2022, below are the accomplishments of the Capacity Building Program:

A. For Borrowing Cooperatives

- a. Conduct of 46 batches of trainings participated by 1,635 participants from 333 Borrowing Cooperatives
- b. Develop Five E-Learning Training Modules
- c. Conduct of Twelve (12) batches of Monitoring and Evaluation of Training Programs and
- d. Conduct of CORE to four (4) TBCs or one (1)TBC per area.

B. For Borrowing MSMEs

- a. Conduct of 10 batches of e-learning trainings participated by 268 enterprise owners, key management officer and staff, and
- b. Develop four (4) E-Learning Training Modules.

Statistical Accomplishment

Program/ Service	Area of Coverage/ Location	Category of Client/ Beneficiaries	Sex of Client/ Beneficiaries Served		Total Number of Clients/ Beneficiaries	Remarks (if any)
			Male	Female		
Capacity Building for Cooperatives	Nationwide	Men and Women, Senior Citizen	677	958	1,635	Cooperatives
Capacity Building for MSMEs	Nationwide	Men and Women, Senior Citizen	88	180	268	Micro, Small and Medium Enterprises (MSMEs)

B. FINANCIAL LITERACY PROGRAM

1. LCDFI continued the Financial Literacy Training of target beneficiaries in the unbanked municipalities by onboarding SUCs and big cooperatives as training partners. Compared to 2021, 2022 saw a reemergence of mobility and trade brought about by the nationwide campaign for COVID19 vaccination; face-to-face classes have resumed especially in places where fewer cases have been recorded and provinces that have been previously ravaged by typhoons in 2020 have likewise opened up for training activities. These factors among others have contributed to LCDFI exceeding its annual target by 37% of twenty-seven (27) memoranda with 37 memoranda. A total of 111,851 (75% of annual target) small

farmers, fishers, and farm laborers were trained for the year bringing the total trainees to 300,300 since the program's start in 2020. 16 monitoring activities (100% of the annual target) were also conducted to determine training effectiveness and efficiency.

2. Statistical Accomplishment (*see Separate Sheet*)
3. Other significant information

Since 2020, LCDFI, together with its training partners, has reached 196 unbanked municipalities (64% of the target universe) and trained a total of 300,300 (as of December 2022) small farmers, fishers, and farm laborers (86% of the target beneficiaries).

A total of 16,116 indigenous peoples have attended the Financial Literacy Training in Abra, Apayao, Benguet, Ifugao, Kalinga, Ilocos Norte, Batanes, Isabela, Nueva Vizcaya, Occidental Mindoro, Camiguin, Lanao del Norte, Misamis Occidental, Davao del Norte, Davao Occidental, Davao del Sur, South Cotabato, Sultan Kudarat, Basilan, and Agusan del Norte.

3,656 coconut farmers have attended the financial literacy training conducted in Ilocos Norte, Isabela, Quezon, Camarines Norte, Romblon, Davao Occidental, Camiguin, Misamis Oriental, Lanao del Norte, Sultan Kudarat, and Agusan del Norte

III. Difficulties/problems encountered and solutions

Capacity Building Program

One of the common issues in the conduct of virtual trainings is the weak signal or intermittent connection or no access to internet by the participants for the e-learning / virtual training.

LCDFI regularly informs the LPMG-DAD of the training schedules through memorandum and the LPMG-DAD likewise, informs concerned Lending Centers of the scheduled trainings, target participants for borrowing cooperatives and MSMEs and the mode of conduct of training and links for e-learning trainings.

LCDFI capacitates LANDBANK borrowing cooperatives with Maturity Level A, B, C and D as well as the borrowing MSMEs. LCDFI has set a minimum number of participants for each training: minimum of 25 and a maximum of 35 participants while the maximum participants for MSMEs is 100. For e-learning trainings, LCDFI takes into consideration the following: (1) Accessibility and availability of internet connection for attendees, (2) data connection with capacity to connect to internet, and (3) computer/laptop or 4G mobile phones.

Financial Literacy Program

The presence of attendees without formal education necessitated the invitation to children of small farmers, fishers, and farm laborers aged 15 years old and above. Their attendance would help create awareness of their role in proper household financial management and also help their parents in the financial decisions of the family.

Based on feedback and monitoring results, training partners were advised to provide training participants with nutritious snacks/meals, writing materials, and copies of the module and worksheets that they can take home so that each participant can continue practicing the exercises even at home.

The resumption of face-to-face classes has limited the conduct of financial literacy training by SUC partners to weekend sessions since they'll be needed to render professorial functions back at their respective universities and colleges. To address this, LCDFI partnered with big cooperatives to continue the conduct of the training.

IV. Significant changes in the SWDA

For FY 2022, 21 out of 25 plantilla positions were filled. LCDFI has a total of Eight (8) Board of Trustees (BOT), one (1) BOT Member resigned effective June 30, 2022, while the remaining Board Members are in a holdover capacity.

LCDFI BOARD OF DIRECTORS
 (as of December 31, 2022)

No.	Name	Date of Appointment	Status
1	Ms. Consuelo N. Padilla	January 20, 2020	Chairperson
2	Ms. Leila C. Martin	June 10, 2015	Member, Holdover
3	Ms. Teresita Soriano-Brazil	July 17, 2017	Member, Holdover
4	Ms. Annalyn Cuisia-Lindayag	July 17, 2017	Member, Holdover
5	Mr. Honorio Sison	February 19, 2019	Member, Holdover
6	Mr. Ricardo A. Nepomuceno	March 3, 2020	Member, Holdover
7	Ms. Elizabeth A. Mercado	September 24, 2020	Member, Holdover
8	Ms. Amelita L. Dela Cruz	July 1, 2021	Member, Holdover

For Program Accomplishment, the increase in the number of small farmers and fishers trained in Financial Literacy Program is due to the establishment of new partners in five (5) provinces and the increase in the number of trainings for Borrowing Cooperatives (BC) is due to the increase of target trainings of the Capacity Building Program for e-Learning Trainings (online trainings) conducted via Google Workspace.

KRAs	As of 4 th Quarter (2022)	As of 4 th Quarter (2021)	Percent (%) Growth
I. FINANCIAL LITERACY PROGRAM (FLP)			
1. Establish Program Partnership	37	31	19%
2. Financial Literacy Training to small farmers & fishers	111,851	76,825	46%
3. Onsite Monitoring and Impact Assessment	16	7	129%
II. CAPACITY BUILDING PROGRAM (CBP)			
1. Training for Borrowing Cooperatives (BCs)	46	40	15%
2. Training Monitoring and Evaluation for BCs	12	12	-
3. Module Development / Updating	9	6	50%
4. Cooperatives Monitoring, Evaluation and Learning	4	8	(50%)
III. CAPACITY BUILDING PROGRAM (CBP) FOR LBP-MSMEs			
1. Training for Borrowing MSMEs	10	6	67%
2. Module Development	4	4	-
3. Monitoring and Evaluation of Training Programs	4	N/A	-

V. Plan of action for succeeding year

Plans and Programs:

For 2023, LCDFI shall continue to embody LANDBANK's commitment to spur development in the countryside as it continues to conduct capacity building programs for LANDBANK Borrowing Cooperatives and MSMEs:

Programs/KRAs	FY 2023 Target	Actual as of Dec. 2022	% Growth
A. Capacity Building Program for Borrowing Cooperatives			
1. Training for Borrowing Cooperatives	64	46	39%
2. Module Development and Updating	2	5	(60%)
3. Monitoring and Evaluation of Training Programs	14	12	17%
4. Assessment of Operations for Cooperatives	8	4	100%
B. Capacity Building Program for Borrowing MSMEs			
1. Training for Borrowing MSMEs	15	10	33%
2. Module Development and Updating	2	4	(50%)

3. Monitoring and Evaluation of Training Programs	5	4	25%
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For 2023, LCDFI will continue the conduct of Financial Literacy Training at target unbanked municipalities across the country. By 2024, the proposed plan is to concentrate the conduct of Financial Literacy Training in the remaining twenty (20) provinces with unbanked municipalities found in the BSP List of Unbanked Municipalities (as of September 2022).

Program KRAs	2024 Target	2023 Target	Variance 2023 Target vs. 2022 Actual
Establish Program Partnership	20 TPs	35 TPs	(43%)
Financial Literacy Training to small farmers & fishers in target UMs	85,000 Farmers and Fishers	77,000 Farmers and Fishers (FFs)	10%
Business Management Training to identified farmer beneficiaries	N/A	7,000 FFs	(100%)
Strengthen Farmers' Associations (FAs)		23 FAs	(100%)
On-site Monitoring (OMs)	16 OMs	12 OMs	33%



ROY C. OSCILLADA

Name and Signature of Agency Head or Authorized Representative

Officer-in-Charge/Executive Director

Designation

March 29, 2023

Date