

## **RBAP assures more loans to farmers in '09**

THE Rural Bankers Association of the Philippines (RBAP) will help sustain the development of the countryside this year despite the effects of the worldwide economic crunch.

"The farmers can count on us to give them more loans this year," said Tomas Gomez IV, RBAP president. "We are committed to help sustain the growth of the countryside, most especially now, with the effects of the global downturn."

Some P35.2 billion have been invested in the agriculture sector as of end-September 2008, industry figures show. That represents 32 percent of the rural banks' loan portfolios, according to Bangko Sentral ng Pilipinas (BSP) data.

"Our loans (to the agriculture sector) have been consistently exceeding 30 percent of the total rural bank loans in the past three years," said Gomez.

Industry data show that loans to the agri-agra sector have steadily surpassed the mandatory 25 percent allocation for the sector, with 50 percent of the total rural bank loans going to the sector. From the period 2002 – 2008, rural banks have consistently exceeded the 25 percent mandatory credit allocation, with an average of 46 percent of the total loanable funds lent to the agri-agra sector.