

# Tree Plantation Financing Program (TPFP)





# Tree Plantation Financing Program

Tree Plantation Financing Program (TPFP) is a credit assistance program for the **expansion, harvesting, maintenance, and protection** of existing tree plantations with at least **4 years old** standing trees in at least **1%** of the plantation area.

# Eligible Borrowers

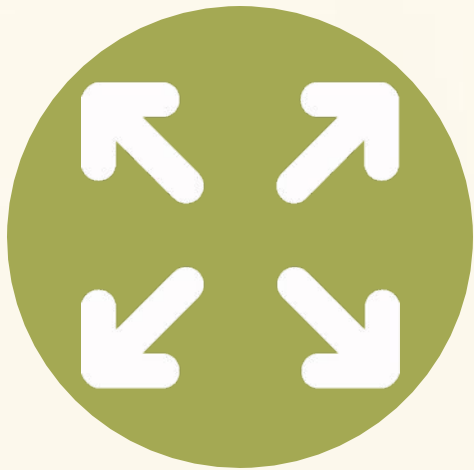
Duly registered existing operators with at least 4-year old tree plantation such as:

- Industrial tree plantation companies
- Wood producers
- Integrated Forest Management Agreement holders
- Socialized Integrated Forest Management Agreement holders
- Private land owners
- LGU's
- Peoples' organization/cooperatives





# Eligible Projects/Purposes



Expansion of tree  
plantation



Existing tree  
plantation



Harvesting of fruits  
or mature tree  
species



Processing and  
post harvest  
facilities

# Eligible Projects



Furniture making



extraction and  
processing of  
essence



Bio-fuels



medicinal  
products



Latex and rubber  
production



Food/Fruit  
Processing

# Loan Features

<b>Size of Area</b>	5 hectares to 500 hectares of open contiguous area suitable for planting
<b>Loanable Amount</b>	Up to 80% of total project cost for identified borrowers; 90% for LGUs; for Domestic Packing credit, up to 80% value of PO
<b>Equity Requirement</b>	Minimum equity of 20% of total project cost. For LGUs, 10%.
<b>Interest Rate</b>	Prevailing interest rates
<b>Repayment Term</b>	Maximum of 15 years
<b>Grace Period</b>	Aligned with the Manual of Regulations for Banks (MORB)
<b>Release of Loan</b>	Staggered releases in accordance with the progress of the project

# Basic Requirements

1. Application Letter/customer's information report
2. Project Development Plan/ Planting and Maintenance Plan
3. Cash Flow
4. Title Lease Agreement or Tenorial Instrument
5. Status of tenure instrument
6. Stumpage value of trees certified by Society of Filipino Foresters or DENR
7. Regulatory permits
8. Board Resolution to engage in the project activity
9. List of current key officers and their bio-data
10. Financial Statements

## **Additional requirements for LGUs:**

1. Sanggunian Resolution authorizing the Local Chief Executive to enter a loan agreement
2. Approved budget for the current year
3. Schedule of IRA for the last 2 years
4. MB Opinion under Section 123 of RA 7653

A person wearing a red vest and a white shirt is shown from the side, kneeling on the ground. They are planting a small green seedling into the soil. The background is blurred, showing other people and a green field. A large green rectangular box is overlaid on the left side of the image, containing the text "Thank You!".

# Thank You!