**Procedures for loan approval in lending for production development of extremely disadvantaged minor ethnic households in the stage of 2012 - 2015 (in accordance with Decision No. 54/QĐ-TTg).**

**a. Implementation steps**

**Step 1.** Borrowers:

+ Borrowers voluntarily join Savings and credit groups (SCGs) at their local areas.

+ Borrowers submit Loan application cum loan utilization plan (*form 01/TD*) and fill information in Loan books then submit to their SCG’s Board of Management.

**Step 2.** SCGs’ Board of Management

- SCGs hold group meetings to admit new group members and publicly select eligible borrowers in accordance to the minutes of meeting (*Form 10C / TD*);

- Make a list of households requesting for loans (*form 03/TD*) together with Loan application cum loan utilization plans (*form 01/TD*) of members and summit to People’s Committee at communal level for certification;

- Send the loan application documents to lending VBSP after Communal People’s Committee (CPC) certifies in the list of households requesting for loans (*form 03/TD*) that the borrowing households are poor households.

**Step 3**. Lending VBSP

- Review, approves lending after receiving full documents from SCGs’ Board of Managements;

- Send Notice of loan approval result (*Form 04/TD*) to Communal People’s Committee to inform borrowers.

**b. Implementation method**

Borrowerssummit Loan application cum loan utilization plans (*form 01/TD*) and Loan books directly to SCGs’ Board of Management of their legal residence.

**c. Component of a loan dossier:**

- Borrowers:

+ Loan application cum loan utilization plans (*form 01/TD*): 01 original (*keep in the lending VBSP*)

+ Loan book: 02 originals (*01 kept by the borrower, 01 by the lending VBSP*)

- SCGs’ Board of Managements:

+ List of households requesting for loans (*form 03/TD*): 04 copies (*SCGs keep 01 original, the collaborated mass organization keep 01 copy, lending VBSP keep 01 original and 01 copy*);

+ Minutes of meeting (*Form 10C / TD*) in case of new member admission: 02 copies (*01 original kept by SCGs, 01 copy kept by VBSP*)

**d.** **Quantity of dossier**: 01 dossier

**đ. Approval duration:** Within 03 (three) working days since VBSP’s district transaction offices receive full, eligible dossiers from SCGs’ Board of Managements.

**e. Target of the procedure:** households (*borrowing through SCGs)*

**g. Implementation agencies:** lendingVBSP (carries out the procedure)

- Approval party: VBSP

- Coordinating parties: CPC, mass organizations at communal level and SCGs’ Board of Managements.

**h. Procedure output:**

Notice of loan approval result (*Form 04/TD*).

**i. Fee:** None

**k. List of forms:**

**-** Loan application cum loan utilization plan (*Form 01/TD*);

- Loan book

**l. Requirements for procedure:**

- Borrowers are members of SCGs;

- Borrowers have legal residence at localities;

+ Being listed in the List of extremely disadvantaged ethnic minorities made by Communal People’s Committee and approved by District People’s Committee

+ In case the borrower is not the representative of the household listed in the List of extremely disadvantaged ethnic minorities approved by District's People Committee, such borrower must be certified by local CPC as being in the same household with the people listed in the List of extremely disadvantaged ethnic minorities. This certification is made by Chairman of CPC’s comments, signature, seal under the line “Commitments of borrowers” in Loan application cum loan utilization plan (Form 01/TD).

- Borrowers are listed in the list of poor households eligible for borrowing at the Plan to support building houses to avoid storm and floods approved by Provincial People’s Committee;

- Borrowers are certified by CPC in the List of households requesting for loans from the Program of Lending for production development of extremely disadvantaged minor ethnic households in the stage of 2012 - 2015 (*Form 03/TD*) made by SCGs’ Board of Managements.

**m. Legal basis:**

- Decree No. 78/2002/ND-CP dated 04/10/2002 of the Prime Minister on credit for the poor and other policy beneficiaries;

- Decision No. 54/2012/QĐ-TTg dated 04/12/2012 of the Prime Minister on lending for production development of extremely disadvantaged minor ethnic households in the stage of 2012 - 2015;

- Circular 02/2013/TT-UBDT dated 24/6/2013 of the Committee for Ethnic Affairs guiding implementation of some provisions of Decision No. 54/2012/QĐ-TTg;

- Decision No. 15/QĐ-HĐQT dated 05/3/2013 of VBSP’s Board of Directors on promulgating Regulation on organization and operation of SCGs;

- Document No. 720/NHCS-TDNN-HSSV dated 29/3/2011 of VBSP’s General Director on amendment, supplement credit lending to poor households and other policy beneficiaries;

- Document No. 2934/NHCS-TDNN dated 02/12/2011 of VBSP’s General Director on amendment, supplement the work of issuing interest receipt, mobilizing savings of SCGs’ members and paying commission to SCGs;

- Document 1004/NHCS-TDNN dated 12/4/2013 of VBSP’s General Director on implementation of Article 21 of Decision No. 15/QĐ-HĐQT dated 05/3/2013 of VBSP’s Board of Directors on promulgating Regulation on organization and operation of SCGs;

- Document No. 2744/NHCS-TDNN dated 06/8/2013 of VBSP’s General Director guiding implementation of lending for production development of extremely disadvantaged minor ethnic households in the stage of 2012 - 2015 in accordance with Decision No. 54/2012/QĐ-TTg dated 04/12/2012 of the Prime Minister.