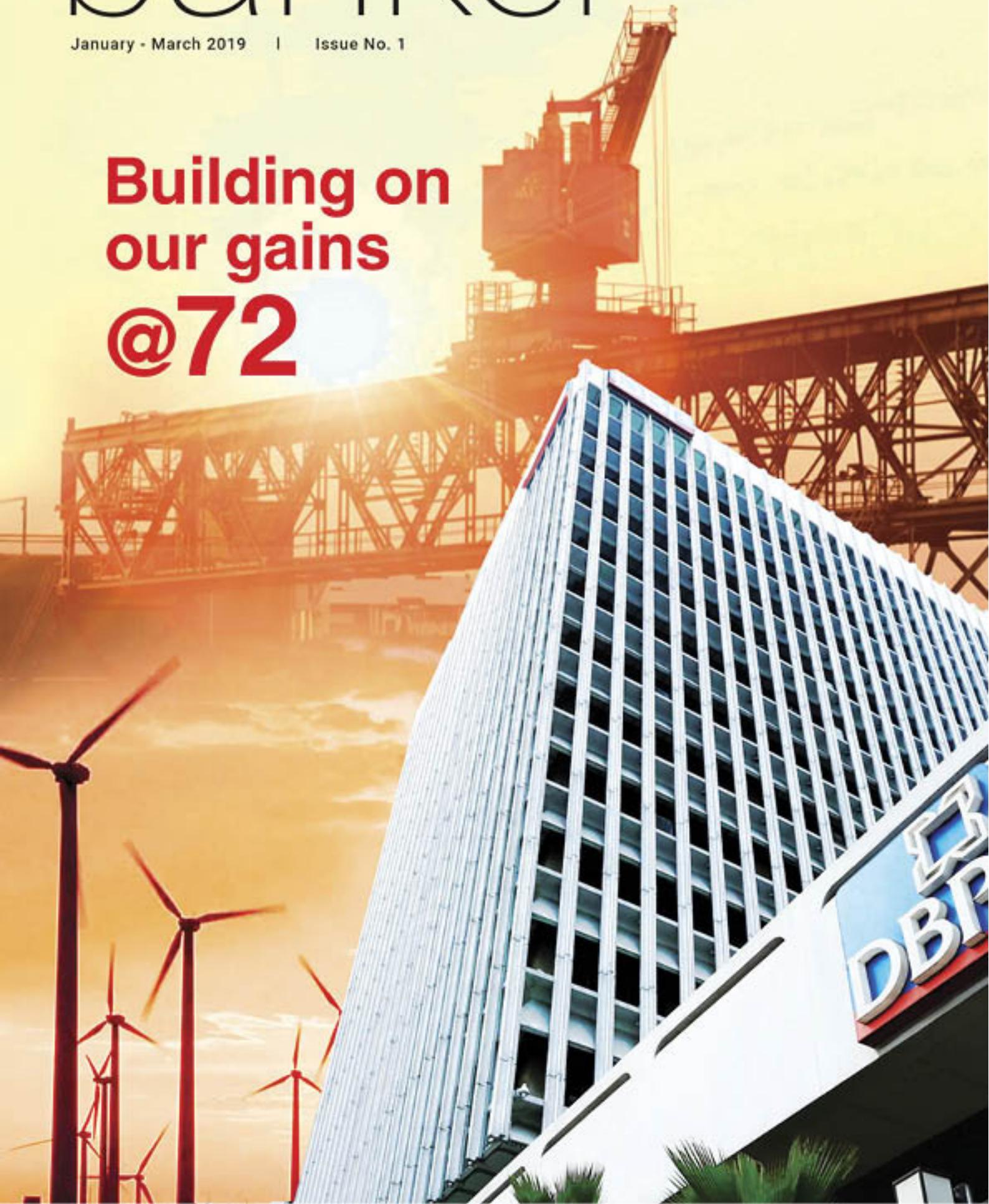


DBP DEVELOPMENT  
**banker**

January - March 2019 | Issue No. 1

**Building on  
our gains  
@72**



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## About the Cover



Things are looking up for DBP. Fresh from a strong financial showing in 2018, DBP is committed to continue supporting strategic sectors of the economy, delivering topnotch banking services to its customers, and assisting the National

Government in achieving its inclusive growth agenda. Photo shows the DBP head office building in Makati City.

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# DBP Builds on Gains on its 72nd Year

**D**BP marks its 72nd anniversary this year looking to build on its gains from a banner 2018, during which it extended more aggressive support to many of the national government's key initiatives particularly in fast-tracking the growth of the country's infrastructure and logistics sector.

DBP's forerunner, the Rehabilitation Finance Corporation (RFC), was created on January 2, 1947 under Republic Act No. 85 to absorb the assets and take over the functions of the Agricultural and Industrial Bank (AIB). RFC provided credit facilities for the development of agriculture, commerce and industry and the reconstruction of properties damaged by the war.

In 1958, it was reorganized into the DBP to signal the shift in the institution's mandate from rehabilitation to a broader range of development banking activities.

DBP Builds, p2

## The Country's Infrastructure Bank

Today, DBP is the country's Infrastructure Bank and plays a critical role in the Duterte Administration's "Build, Build, Build!" infrastructure program.

In 2018, DBP posted a net income of P5.72-billion as against its target of P5.56-billion. Total loans amounted to P328.93-billion, exceeding DBP's 2018 target of P272.59-billion (exclusive of UDSC), while deposits grew to P474.44 billion. The bank also approved P122.58-billion in loans to new borrowers.

DBP has intensified its lending activities for the infrastructure and logistics sector, one of its

four priority sectors. As of end-2018, DBP has lent P110.52-billion to this sector strategic to a developing country like the Philippines.

The bank also promotes growth in the priority sectors of social services and micro, small, and medium enterprises through its lending activities. As of the end of 2018, DBP has already exceeded its lending target for social services with total loan portfolio reaching P41.31-billion. Meanwhile, loan portfolio for MSMEs reached P21.9-billion.

DBP also lent P10.34-billion for environment projects particularly in making communities more adaptable to the ravages of climate change.



DBP is funding the acquisition of modern, environment-friendly, and safe passenger utility vehicles under its PASADA program.



# REPAIR

Rehabilitation Program  
for Agriculture and Industry  
Responsiveness



## New Lending Programs

DBP has launched several new lending programs in 2018 including its Program Assistance to Support Alternative Driving Approaches (DBP PASADA) financing program in support of the government's Public Utility Vehicle Modernization Program. The DBP Rehabilitation Program for Agriculture and Industry Responsiveness (DBP REPAIR) program, meanwhile, extends financial support to clients who have been adversely affected by calamities and force majeure to expedite the recovery and rebuilding process of the development in calamity-stricken areas.

The bank has also intensified its support to the micro, small, and medium enterprise sector through its Small Business Puhunan Loan Program which provides working capital to small enterprises and its Broiler Contract Growing Program which



encourages contract growers to expand their business by facilitating the financing of poultry broiler contract growing projects through shortened loan processing.

Moving forward, DBP will remain steadfast in its commitment to support the government's various development initiatives. It will continue to live up to its tagline, "We Build Possibilities." that summarizes its brand promise as the bank that makes progress possible for every Filipino. ■



# New DBP Prexy Vows

## to Sustain Bank's Developmental Initiatives

DBP will sustain its development banking initiatives particularly in the government's flagship "Build, Build, Build!" infrastructure program, according to newly-appointed DBP president and chief executive officer Emmanuel G. Herbosa.

Herbosa said that under his watch, DBP will continue to intensify its drive to promote financial inclusion especially in unbanked and underserved areas of the country while improving on the current service infrastructure of the 72-year old bank.

"It is my hope that through these programs, DBP will remain a relevant and responsive partner of the National Government in promoting inclusive growth particularly in the countryside," Herbosa said.

A US-trained banker, Herbosa has extensive experience in corporate



DBP president and chief executive officer Emmanuel G. Herbosa (right) takes his oath before finance secretary Carlos Dominguez on March 1, 2019 at the Department of Finance head office in Manila.

Chairman Alberto G. Romulo (fourth from left), along with directors Rolando L. Melin (second from left), Maria Lourdes A. Arcenas (fourth from right), Luis C. Songuyen (third from left), Miguel C. Abaya (third from right), Rogelio V. Garcia (second from right) pose with the new president and chief executive officer Emmanuel G. Herbosa (fifth from right). Also in photo are DBP corporate secretary Perla Melanie Caroan (extreme left) and senior assistant vice president Cagliostrro Miguel Martinez.

banking, consumer banking, branch, and overseas banking. Prior to his appointment to the DBP, he was formerly president and chief executive officer of the Philippine Guarantee Corporation.

Herbosa also held leadership positions with the Bank of the Philippine Islands and Bank of Commerce where he was senior vice president and executive vice president, respectively. He was the former chief operating officer of Ayala Insurance, a bancassurance subsidiary of the Ayala Group.

A graduate of Industrial Management Engineering from the De La Salle University, Herbosa earned his Master's in Business Administration from the Wharton School, University of Pennsylvania. Herbosa also completed a Leadership Excellence Acceleration Program from the Harvard Business School, Account Management Course from JP Morgan, and Advanced Account Management from City Trust Company.

Apart from his banking profession, he also served directorial posts at the De La Salle School Boards, De La Salle Brothers Fund, Inc., and P & Gers Fund, Inc. ■



## "Two Years of Meaningful Work with DBP"



*It is with great pleasure and honor that I share with you the humbling news of my recent appointment by President Rodrigo Roa Duterte to the Board of Directors of the Land Bank of the Philippines (Landbank) starting 1 March 2019.*

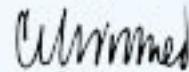
*Two years of meaningful work with DBP to advance our country's sustainable development goals have certainly given me a different sense of pride and fulfillment. It was truly a golden opportunity to know and collaborate with strategic development partners like you and your institution. Your unwavering belief in our Bank has helped steer DBP towards more accomplishments in such a short time.*

*Your active involvement and willingness to be part of our country's development process were instrumental in enabling DBP to live up to its enhanced mandate as the country's infrastructure bank. We ended 2018 with more than P110-billion in loans to infrastructure and logistics projects in support of the government's flagship "Build, Build, Build!" initiative. DBP has also made significant headway in promoting the growth of small and medium enterprises, protecting the environment, and providing necessary community development projects and services.*

*Further appreciation goes out to you and your institution for being an inspiration to DBP as it continues to look for more and better ways to make our products and services more responsive and accessible to the ordinary Filipino. With a growing branch and ATM network, and strategically located lending offices nationwide, we have reached out to more Filipinos especially those in unbanked and underserved areas.*

*I will be effectively ending my tenure as DBP President and Chief Executive Officer, content that I am leaving the Bank with an established network of partner-institutions working hand-in-hand with DBP's corps of equally committed officers and employees to further a collaboration for sustainable progress.*

*Sincerely,*

  
Cecilia C. Borromeo

DBP chairman Alberto G. Romulo (left) welcomes the new DBP president and chief executive officer Emmanuel G. Herbosa (right) during the oath-taking held on March 1, 2019.

# DBP Steps Up Development Efforts in Mindanao

**D**BP is stepping up its development efforts in Mindanao after recently formalizing critical initiatives and projects with strategic stakeholders in the region.

The bank signed a memorandum of understanding (MOU) with the Mindanao Development Authority (MinDA) to formalize its partnership with the agency that is primarily tasked to coordinate and integrate efforts for accelerated socio-economic development in the region.

Under the MOU, DBP will serve as financial advisor to MinDA in reviewing proposals and plans, particularly in relation to commerciality and bankability of projects, and in developing a high-level strategy towards the structuring of identified projects primarily through private sector development.

## Banana plantation expansion

DBP also signed a loan agreement with the MT Kitanglad Agri-Venture and Unifrutti Tropical, Philippines for a \$19-million or around P1-billion for the development of 700 hectares of banana plantations in three identified areas. The project is expected to provide employment to about 1,000



Former DBP president and chief executive officer Cecilia C. Bonomeo (second from right) shakes hands with Mindanao Development Authority (MinDA) chairman Abel Khayr Alonto after the signing of a memorandum of understanding that formalized the agencies' partnership. Also in photo are (from left): MinDA assistant secretary Romeo Montenegro, undersecretary Janet M. Ipoz, and DBP director Maria Lourdes Arcenas.

people and spur economic development in Lupon, Davao Oriental; Matan-ao, Davao del Sur; and Valencia City, Bukidnon.

Unifruit Tropical Philippines is a subsidiary of the Unifruit Group, a world-renowned grower and trader of fresh fruits which is one of the largest producers of export-quality Cavendish bananas in the country. It owns and runs the group's port and cold storage facilities and provides management services for the Philippine corporations. Mt. Kitanglad Agri-Ventures, Inc. is also a subsidiary of the Unifruit Group and operates a 674-hectare banana plantation located in Alanib, Lantapan, Bukidnon.

The group has also been noted for opening and maintaining banana plantations in conflict-affected areas in Mindanao, notably a 272-hectare banana farm in Bumbaran, Lanao del Sur, which has become a showcase of Muslims and Christians harmoniously working together.

### Loan assistance to Davao Oriental LGU

DBP also granted a P650-million loan to the provincial government of Davao Oriental for various high-impact projects such as the improvement of the provincial tourism complex, acquisition of heavy equipment for infrastructure projects, construction and rehabilitation of multi-purpose buildings, centers, and hospitals, and the establishment of potable water systems. ■



DBP chairman Alberto G. Romulo (seated, third from right) is shown with officials of DBP and Unifruit Tropical Philippines, Inc. after the signing of a loan agreement held recently in Davao City. Also in photo are (seated, from left): Unifruit chief financial officer Edwin Ledesma, DBP vice president Ana Marie Veloso, former DBP president Barromeo, Unifruit president and CEO Alberto Bacani, DBP manager Amelia Pinanday, and Unifruit vice president for production Jose Agollo. At the back are DBP directors Rolando Melin, Emmanuel Galicia Jr., Luis Bongoyan, Maria Lourdes Arcenas, Miguel Abaya, and Rogelio Garcia (second, third, fourth, fifth, sixth and eighth from left, respectively).





# DBP Net Income Hits ₱5.72 Billion

**D**BP reported that its full-year income for 2018 reached P5.72-billion, reflecting a 4.19% increase from the P5.49-billion it earned in 2017.

DBP president and chief executive officer Emmanuel G. Herbosa attributed the increase to the growth of its loan portfolio as well as the expansion of its deposit generation activities especially in the countryside.

"DBP ramped up its lending activities last year in support of the administration's goal of increasing investments in infrastructure to boost the economy and promote inclusive growth especially in areas outside of traditional urban centers," Herbosa said.

DBP is the eighth largest bank in the country in terms of assets and has been designated as the Infrastructure Bank by the National Government. It provides loans to four key sectors of the economy – infrastructure and logistics, micro, small and medium enterprises (MSMEs), social services and community development, and the environment.

Herbosa said DBP's total loan portfolio stood at P328.93-billion, up by 12% from the P293.82-billion recorded in 2017 with about 33.6 percent or P110.52 billion allocated for the infrastructure and logistics sector.

He said total assets rose by 10% to reach P669.75-billion compared to the P592.36-billion recorded in the previous year, adding that "... DBP is on track to achieve its goal of becoming a trillion-peso bank by 2022."

Herbosa said DBP broadened funding support for the social services sector such as the construction of hospitals and schools nationwide with a total loan portfolio of P41.31-billion.

"DBP also lent P21.9-billion to the micro, small, and medium enterprises (MSME) sector including retail loans and loans to participating financial institutions and approved a total of P10.34-billion in loans for environmental projects," he said.

Herbosa added that new loan approvals for 2018 reached P122.58-billion, or a 206% realization rate of its full-year target of P59.63-billion.

## Hike in Deposits

Herbosa said DBP hiked its deposit base by 15% to P474.44 billion from P412.36-billion in 2017, pushing its net worth or capital base to about P51.16-billion as of end of 2018.

"Deposits from the public sector continue to comprise bulk of the bank's total deposits with a total of P305.97-billion which is reflective of the increased economic activity especially by the local government units," Herbosa said.



DBP also expanded its branch network and convenience banking channels in 2018, opening additional nine branch lite units and 152 automated teller machines by the end of 2018.

"At present, DBP's total branch network has increased to 137 branches with the number of ATMs reaching 789 many of which are in unbanked areas of the country," Herbosa said.

He said DBP also opened offices in three unbanked and underserved locations — a branch in Dolores in Eastern Samar and branch-lite units in Siaton, Negros Oriental and Banga, South Cotabato.

Herbosa credited his predecessor, Cecilia C. Borromeo, for steering DBP to an improved fiscal position in 2018 as he vowed to strengthen innovations particularly in DBP's IT infrastructure and customer service interface.

"DBP shall build on the gains that have been attained in the past three years as we continue to explore other opportunities to grow the bank," he said. ■



Photos above feature some of the new DBP branches and branch-lite units (BLUs) nationwide as of December 2018, namely: (1) Tayabas, Quezon BLU, (2) Siaton, Negros Oriental BLU, (3) Placer branch in Masbate, (4) M'lang, North Cotabato BLU, and (5) Tumauini BLU in Isabela.

# DBP Bags Two Awards in International Finance Tilt

**D**BP recently bagged two awards for its financing initiatives on renewable energy and public transport system modernization during the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) Development Awards 2019 held recently in the Sultanate of Oman.

DBP's venture with Enfinity Philippines Renewable Resources, Inc. (EPRRI) for a solar power plant project in Clark Freeport Zone was adjudged the most outstanding project for environmental development while the DBP Program Assistance to Support Alternative Driving Approaches (DBP PASADA) Financing Program garnered a merit award in the financial inclusion category.

The annual ADFIAP Development Awards honors member institutions that have undertaken or assisted projects that have created a development impact in their respective countries. It was instituted in 1997 when the Philippines hosted a summit on development finance.

The project with EPRRI involves the development of the 22.326 MWP solar power plant which started commercial operations on March 2016. The facility is part of the development of the Clark Green City (CGC) under the National Government's "Build, Build, Build!" infrastructure program.

The power plant currently provides an alternative power supply to the growing energy requirements of around 40,000 to 100,000 households and establishments within the area, producing 19.8 MW of solar power, which constitutes 10% of the area's energy needs.

Since 2017, the facility has reduced around 13,248 tons of CO<sub>2</sub> emission and has generated savings of 53,706.16 barrels of fuel oil, translating to foreign exchange savings of US\$2,779,830.84.

On the other hand, the DBP PASADA is a P1.5-billion financing facility established in 2017 to boost implementation of the government's Public Utility Vehicle Modernization Program (PUVMP). It offers reasonable financing for transport corporations and cooperatives for the acquisition of new, environment-friendly, and passenger-safe PUVs.

As of end-February this year, DBP has approved a total loan amount of P155-million for five transport operators, to finance the acquisition of 93 jeepney units. These projects are expected to generate 1,712 new jobs for the transportation sector.

The ADFIAP is the association of all development banks and financial institutions across the Asia-Pacific region. It was founded in 1976 and currently has 131 member-institutions in 45 countries. ■

Images below show the ADFIAP Plaque of Merit Award for the PASADA project (left), and the ADFIAP trophy (right) for the Environmental Development Category for DBP's project with Enfinity Philippines Renewable Resources, Inc. (EPRRI).





The DBP was recognized by the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) for its support to Entity Philippines Renewable Resources, Inc. (EPRRI), particularly the development of a 22.326 MWp solar power plant.

# DBP Cited for Contribution to Domestic Capital Market



**D**BP was honored by one of the country's leading market development firm citing the Bank's strong contribution to local capital market development.

DBP president and chief executive officer Emmanuel G. Herbosa said the bank was one of the awardees of the Philippine Dealing System for placing fourth among the Top 5 Corporate Issue Managers/Arrangers for Bank Category during the 2019 Philippine Dealing System (PDS) Annual Awards in Makati last March 14.

"We are honored by the recognition from the Philippine Dealing System Holdings Corporation and their operating subsidiaries. This award only proves the bank's impact not only to our clients but also in the market place," Herbosa said.

DBP was recognized as one of the most active companies for 2018 by PDS, which tracks the volume of listed corporate securities where the bank acted as lead manager or arranger.

This is DBP's first time to receive an award from the PDS. Philippine Dealing System Holdings

DBP president and CEO Emmanuel G. Herbosa (center) receives DBP's award for placing among the Top 5 Corporate Issue Managers/Arrangers for Bank Category of the 2019 Philippine Dealing System (PDS) Annual Awards held recently at the Gallardo Room, Makati Diamond Residences. Also present during the awarding ceremony were (from left): Philippine Dealing and Exchange Corp. president and chief executive officer Antonio A. Nakpil; Securities and Exchange Commission market regulation director Vicente Graciano P. Felizmenio, Jr.; DBP executive vice president Jose Gabino I. Dimayuga; DBP first vice president Francis Nicolas M. Chua; DBP assistant vice president Misael I. Taalibio; and PDS Group officer-in-charge Ma. Theresa B. Ravelo.

Corporation provides vital financial market infrastructure to operate trading platforms, manages sound settlement highways, and renders essential securities services in the Philippines.

The PDS Annual Awards recognizes market stakeholders that exhibit outstanding performance, leadership and innovation in the Foreign Exchange, Depository, Settlement and Custody, and Fixed Income categories.

"Rest assured that with this award, DBP shall continue to be actively involved in the growth and advancement of the country's capital market," Herbosa said. ■

# DBP Promotes Fund Transfer Convenience with PESONet

DBP is supporting government efforts towards greater fund transfer convenience for Filipinos through PESONet, a new electronic service that facilitates the transfer of funds in Philippine peso currency through participating banks, e-money issuers or mobile money operators in the Philippines.

PESONet is the most convenient, affordable, reliable and secure electronic funds transfer service that government and businesses can use to pay each other and individual persons (e.g. government-to-government, government-to-business, government-to-person, business-to-government, business-to-business and business-to-person). It is also the most practical way for persons to pay, send or remit money to other persons especially for non-urgent transactions.

It is the first Automated Clearing House (ACH) under the National Retail Payments System (NRPS)

We are stepping up our game in fund transfer services for greater customer convenience!

FAQs

What is the purpose of PESONet?

We are stepping up our game in fund transfer services for greater customer convenience!

Introducing PESONet!

PESONet is a new electronic funds transfer service that facilitates the transfer of funds in Philippine peso currency through participating banks, e-money issuers or mobile money operators in the Philippines.

FAQs

What is the purpose of PESONet?

We are stepping up our game in fund transfer services for greater customer convenience!

Introducing PESONet!

PESONet allows our DBP clients to save time, energy, and minimize costs. It is the solution to all their payment needs.

- Supplier Payments
- Payroll
- Loan and Dividend Payouts
- Government Payments

Member: PESONet

WHY WAIT IN LINE WHEN YOU CAN GO ONLINE?

Save time, energy and costs when you disburse payments or receive funds through

## PESONet

For more details, check out:

- [www.pesonet.info](http://www.pesonet.info)
- [PesonetPH](https://facebook.com/PesonetPH)
- [PesonetPH](https://twitter.com/PesonetPH)

of the Bangko Sentral ng Pilipinas which aims to establish an efficient, safe, reliable and interoperable electronic payments system in the Philippines.

Through PESONet, customers such as businesses, government institutions and individuals of participating banks, electronic money (e-money) or mobile money operators are charged lower transaction fees when transferring funds to another account, e-money issuer or mobile money operator in the country. Payees receive the funds without any deductions and within the same banking day.

PESONet allows customers to save time, energy and manpower costs. It is the solution to all their payment needs, from supplier payments, payroll, loan and dividend payouts, and government payments.

For a complete list of PESONet participating financial institutions, please visit <https://www.pesonet.info/>. ■



# DBP-Assisted Modern Hospital Boosts Healthcare Services in Iloilo City

The newest hospital in Iloilo City, the Metro Iloilo Hospital and Medical Center (MIHMC) was borne out of a dream of a small group of Iloilo-based doctors. It took years and DBP's funding support for that dream to come into fruition.

Dr. Danilo Encarnacion was part of that core group of physicians who pursued their vision of putting up a hospital that can provide quality healthcare at reasonable costs. Today, as MIHMC president, he leads a young institution committed

to improve healthcare services in the province. MIHMC already has the distinction of being the first hospital in the entire Panay island to utilize a Pneumatic Delivery System. This computer-controlled pneumatic tube system delivers drugs, documents and specimens to and from laboratories and nurses' stations. This results to benefits such as improved turnaround time and shorter material delivery time. The system is also less prone to human error and requires less manpower.

A level 2 hospital with a 110-bed capacity, MIHMC is strategically located along Metropolis Avenue in the Jaro district of Iloilo City. The six-storey hospital building was constructed with



partial funding assistance from DBP, which also supported the hospital's acquisition of state-of-the-art medical equipment.

DBP's funding also reduced the cost of investment, allowing the institution to offer more affordable health care services to patients of Iloilo. MIHMC caters to the healthcare needs of indigent members of Philippine Health Insurance Corporation (PhilHealth) and provides opportunities for local doctors to serve their provincemates. It also helps establish linkages by serving as a referral hospital of various local government hospitals that lack advanced medical facilities to detect and treat diseases.

MIHMC has 40 specialty doctor clinics, fully-automated 24-hour laboratory services, a physical rehabilitation center, and a 24-hour pharmacy. It also offers pain management, dietary, and dental services. ■

Photo above shows an artist's rendition of the Metro Iloilo Hospital and Medical Center.

Left Photo: DBP financed the construction of the Metro Iloilo Hospital and Medical Center as shown in photo.



# Fabcarr's Fe B. Carranza Overcomes Challenges Through Entrepreneurship

**F**abcarr Food Products is a small enterprise based in Naga City, Camarines Sur that produces food products and drinks such as soya milk, noodles, bread, and chips. It also offers catering services.

Its founder and proprietor, Fe B. Carranza, is a polio victim who succeeded at proving that her disability is not a hindrance to the pursuit of her entrepreneurial dreams. She started the microenterprise in 2004 with her husband's assistance. Beginning with one soya grinder to produce soya milk and initial investment of P13,000, the firm slowly grew with the acquisition of additional machinery and equipment for processing of its food products.

Fabcarr also provides nutritional food products to students and malnourished children in Naga City through its partnership with the local government unit. In 2011, Carranza was recognized as outstanding micro-entrepreneur of Naga City. She has also won other awards recognizing her achievements as an exemplary entrepreneur.

Considered as a voice and inspiration for persons with disabilities and women entrepreneurs

in Naga City, and a member of Grow Negosyo Program of Metro Peso under the governance of Mayor John G. Bongat since 2010, Carranza is also actively involved in community development and corporate social responsibility projects in the area.

## DBP assistance

In 2017, DBP granted Fabcarr a loan for its working capital requirements. The infusion of additional working capital enabled the enterprising couple to stop borrowing from informal lenders.

"The DBP loan has been a big help in growing our business," Carranza acknowledged, adding that it enabled the firm to extend its feeding program for public school students in Naga City.

The loan assistance also helped Fabcarr to establish three additional outlets in Naga City and in Silang, Cavite. The firm has provided regular employment to eight permanent personnel. It also employs contractual workers whenever the need arises.

Fabcarr's story illustrates how DBP is committed to supporting micro and small entrepreneurs and enabling them to become catalysts of growth in their communities. ■

Top Left Photo: FABCARR Food Products founder Fe B. Carranza, Naga City's outstanding micro-entrepreneur (middle), is shown alongside Naga city mayor John G. Bongat (right) and DBP Camarines Sur lending center head Ariel B. Perla (left).

Left and Right Photos: FABCARR Food Products' wide range of products.





# DBP Offers Assistance in Manila Bay Cleanup

**D**BP is prepared to provide the necessary financing to all establishments located near Manila Bay in support of the National Government's efforts to rehabilitate the area.

DBP president and chief executive officer Emmanuel G. Herbosa said the bank's loan programs on environment protection and its experience in bankrolling water treatment and sanitation projects would be beneficial to companies seeking to comply with existing environment rules and regulations.

"DBP is ready to provide the necessary financial and technical assistance to all establishments near or along the coast of Manila Bay to ensure compliance to environmental laws and regulations," he said.

The Department of Environment and Natural Resources (DENR) recently spearheaded a massive clean-up of the 2,000 square kilometer Manila Bay, which has degraded over the years due to domestic sewage, toxic industrial effluents and leachate from dumps.

DBP recently joined the inauguration of the bank-funded Paranaque Sewerage Treatment

Plant (STP) of the Maynilad Water Services, Inc. which is the pioneer large-scale Biological Nutrient Removal (BNR)-compliant wastewater treatment facility in the country. Located at Dr. A. Santos Ave., Brgy. San Dionisio, Parañaque City, the plant uses Conventional Activated Sludge technology to remove pollutants from wastewater currently collected from about 100,000 Maynilad customers in Paranaque City before its discharge to the Malabon Creek, which eventually flows out to Manila Bay.

The Parañaque Water Reclamation Facility is part of Maynilad's program to expedite the provision of sewerage and sanitation services in Metro Manila, and to help clean up and rehabilitate the Manila Bay. The facility was funded by Japan International Cooperation Agency (JICA)'s two-step Environmental Development Project (EDP) loan scheme through the DBP.

Herbosa said DBP will further coordinate with the DENR, the local government units, other government entities, and the private sector in finding a sustainable solution to improve water quality in Manila Bay.

"DBP is prepared to do its share in this inter-sectoral initiative to clean up, rehabilitate, and improve the water quality of Manila Bay and its tributaries," Herbosa said. ■



Photos show the bank-funded facilities of the Paranaque Sewerage Treatment Plant (STP) of the Maynilad Water Services, Inc.



**V**PO Rosario Agro-Industrial Development Corporation (VPORAIDC) is a prime example that businesses can thrive while doing their share to protect the environment.

A large family-owned corporation established in 2011, VPORAIDC is the first and only large-scale agro-industrial company in the Caraga region employing a "Farm-to-Consumer Business Model" in its operations. It converts waste products and resources from its agri-industry processing activities for re-use in its feed mill, rendering plant and bio-gas digester.

Agricultural products such as rice, corn, coffee, rubber, coconut, and palm oil are planted within 1,740 hectare plant in Rosario, Agusan del Sur. The company is also engaged in poultry and hog farming, producing an average of 1.077 million metric tons of meat annually, and in broiler production and egg layering, producing 1.55 million heads. All products of the company are sold in its 13 meat shops called VPO Sinubong located in various parts of Caraga.

With DBP's support, VPORAIDC was able to construct two new tunnel-ventilated broiler buildings, each with a capacity of 35,000 birds, for a total capacity of 70,000 birds. One of these buildings has started broiler production last July 2018 while the second building will start operations in the first quarter of 2019.



VPO ROSARIO AGRO-INDUSTRIAL DEVELOPMENT CORPORATION:

# Inspires Growth in the Agro-Industrial Sector

VPORAIDC aims to contribute significantly to the food security and economic activity in the province of Agusan del Sur and the entire Caraga region by encouraging local farmers to grow chicken and inviting them to sell it to VPORAIDC at current farm-gate prices. This provides them market assurance for their poultry produce. It also provides employment to farmers, especially members of the local cooperatives, who are hired and trained to dress and process chicken meat and pork meat in the company's dressing plant and meat processing plant.

The company hopes to spur widespread agricultural development in the region and

nearby provinces by increasing the efficiency in the production of rice, corn, coffee, cacao, and other agricultural commodities. Like in most parts of the country, lack of high technology equipment and facilities is still widespread in the region. Thus, yield from the agricultural sector remains low. It remains the lowest-performing sector in Caraga, contributing to only 2.5% of the gross regional domestic product (GRDP) in 2016.

Aside from increased productivity, VPORAIDC's projects will have spillover effects in the local economy such as providing a ready market for produce of farmers and employment to at least 3,000 people in the region. ■



Photo shows Agusan Lending Center head Franklin L. Tabo; DBP Northern Mindanao Lending Group head Sisini S. Narisma; (extreme right) and DBP San Francisco Branch head Freddie Mero. With them is Mr. Vivencio P. Ocite, President and CEO of VPORAIDC (2nd from right).

# DBP LINIS Program

**D**BP has launched a new financing facility aimed at assisting private firms and public entities including local government units (LGUs) and water districts in the development of water treatment and sanitation facilities to comply with existing environmental regulations, a senior official said.

DBP president and chief executive officer Emmanuel G. Herbosa said DBP's Lending Initiatives for Sanitation (LINIS) program is the bank's contribution to the government's efforts to achieve universal access to sanitation by increasing the compliance of establishments with relevant laws such as Republic Act No. 9275 or the Clean Water Act of 2004 and Presidential Directive No. 2018-0081.

"The DBP LINIS program is intended to help private companies, water districts, cooperatives, and LGUs comply with environmental rules particularly in the establishment of waste water treatment facilities," Herbosa said. "We are one with government in ensuring water quality in all parts of the country."

DBP has financed several water sanitation projects including the Boracay waste water treatment facility of Boracay Island Water Company, Inc., as well as the Parañaque sewerage treatment plant (STP) of Maynilad Water Services, Inc.

Under the program, eligible entities can borrow from DBP to finance septic and sewerage system projects as well as waste water collection, transport, treatment and disposal of target borrowers such as LGUs, water districts, hospitals,

service providers, participating financial institutions, microfinance institutions, cooperatives, and associations.

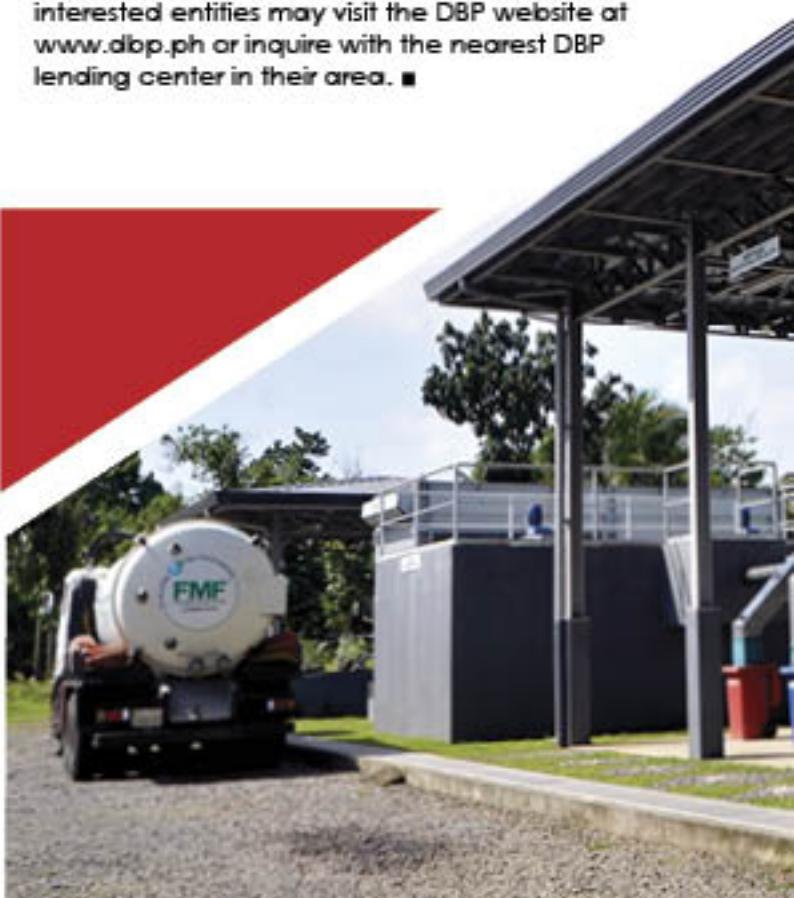
Herbosa said the program also includes the cost sharing scheme for septic and sewerage projects of LGUs under the National Sewerage and Septage Management Program (NSSMP), where DBP could finance up to 100% of the validated total project cost of the LGU counterpart, subject to certain conditionalities.

He said target beneficiaries for the cost sharing scheme are the 17 highly urbanized cities (HUCs) outside Metro Manila, all non-HUCs and first-class municipalities.

"For LGUs and water district projects not covered by the NSSMP, the maximum loan amount shall be up to 100% of the validated total project cost," Herbosa said.

Herbosa said DBP is calling on all of its LGU partners to invest in septic and sewerage projects to bring the project to full fruition. For more details about the DBP LINIS program, interested entities may visit the DBP website at [www.dbp.ph](http://www.dbp.ph) or inquire with the nearest DBP lending center in their area. ■

DBP is financing sanitation services and facilities such as septic and sewerage systems through its new LINIS program. Photos show the septic facility of DBP-assisted Envirokonsult Equipment and Services, Inc.





# DBP Ramps Up Lending in Camarines Sur

DBP has ramped up its lending activities in Camarines Sur, the largest among the six provinces in the Bicol region and home to nearly two million people.

The bank and the Camarines Sur III Electric Cooperative (CASURECO III) recently signed a P624-million loan agreement in support of the electric coop's various programs aimed at improving its services to more than 82,000 households, a top official said.

DBP president and chief executive officer Emmanuel G. Herbosa said the loan will be used to finance the electric cooperative's initiatives to

improve power distribution and reduce systems loss as well as the training of its personnel.

With this approved loan to CASURECO III, DBP has already supported three electric cooperatives in Camarines Sur and Camarines Norte. Majority of the water districts in the Bicol Region are also funded by the DBP.

CASURECO III covers Iriga City and the towns of Nabua, Bato, Buhi, Balatan, Bula, and Baao with a combined population of around 412,450. It has accomplished 100% electrification of all 229 barangays in its areas of coverage. Incorporated in 1975, the electric cooperative was upgraded by the National Electrification Administration to Category C in 2016 and Category B the following year because of its compliance with key performance standards.



Camarines Sur Lending Center head Ariel Perla (fourth from left) shakes hands with CASURECO III chairman Anna Sylvia Alisisto after the loan agreement signing between DBP and the electric cooperative. Also in photo are (from left): CASURECO III accountant Kathleen Fuentes, account officer Leo Emmanuel Gagalac, DBP Mgr. Vivian Olayta, CASURECO III general manager Engr. Wilfredo Bucsit, and CASURECO III finance manager Jocelyn Orcine.



Shown during the loan agreement signing between DBP and the local government of Iriga City are (seated, from left): legal officer Atty. Rico Baromeo, Camarines Sur Lending Center head Ariel Pena, Iriga City mayor Madelaine Alfelor, city treasurer Jean Bongon, and account officer Leandro Angel Limjoco. Standing are Mgr. Maria Vivian Olaya and city budget officer Benjamin Gonzales.

### First Theme Park in Bicol

DBP also granted a P275-million term loan to the local government unit of Iriga City in Camarines Sur for the construction of an amusement park which is expected to boost tourism in the Bicol region.

Herbosa said the DBP funding assistance will cover the first phase of the project. "The theme park will be the first of its kind in the region and further enhance the city's tourism potential," he said.

The DBP assistance will also cover the acquisition of a 5-hectare lot where the theme park will rise. Once operational, it will have facilities at par with some of the country's more popular amusement parks. It will have food and commercial stalls and provide employment to more than 70 personnel.

Iriga City is a fourth-class component city with more than 100,000 residents as of the latest data from the Philippine Statistics Authority. Located at the heart of the Bicol Economic Growth Corridor and consistently rated as one of the most competitive cities in the country, it has also evolved into an eco-tourism hub.

The local government unit of Iriga City has also partnered with DBP for its various priority projects including the acquisition of various heavy equipment used in its solid waste management and road projects, the construction of an IT and convention center building, among others. ■

**"The theme park will be the first of its kind in the region and further enhance the city's tourism potential."**

—President & CEO Herbosa



# DBP Confers Lingkod Katapatan Awards to Long-Serving Employees

DBP paid tribute to its long-serving officers and employees who have served for 25, 30, 35, and 40 years during the Lingkod Katapatan Awards 2019 held recently.

Sixty-five out of the 104 honorees attended the simple ceremonies to accept their award from former DBP chairman Alberto G. Romulo and former DBP president and chief executive officer Cecilia C. Borromeo. Out of the 65 honorees, 49 rendered 25 years of service while four have served the DBP for 30 years. Nine made it to the 35 years of service category while three others were honored for rendering 40 years of service to the bank.

In his remarks, Romulo acknowledged the contributions



Left photo: DBP Chairman Alberto G. Romulo delivers his special message during the Lingkod Katapatan Awards ceremonies.

Group photos middle and bottom right: DBP chairman Romulo and former president and CEO Borromeo are shown with the 2019 DBP Lingkod Katapatan awardees. Also in photos are DBP director Rolando Melin, executive vice presidents Anthony Robles, Susan Frado, Marietta Fondilla, Jose Gabino Dimayuga, Benel Lagua, and former DBP human resource management group head Carolyn Orlindo.

DBP senior vice president Neogen Chaves delivers a special message in behalf of the awardees.



of the awardees in the accomplishments of the DBP including its 2018 net income of P5.7-billion. He also said that for the DBP to achieve its targets for the year, including a return on equity of 14%, then it would need the contributions of everyone in the institution.

"This is the challenge that awaits us. The more that we are together; the more we work together; then we are going to achieve those targets."

Speaking in behalf of the honorees, DBP senior vice president Neogen Chaves thanked the institution for providing many opportunities for self-development. Chaves, who has been with the bank for 35 years, added: "My advice to the younger generation is to use every opportunity to do your work to the best of your ability." ■



# DBP Tapped for Retail Treasury Bonds



**RETAIL TREASURY BONDS**  
**BRIDGING DREAMS**  
**BUILDING THE NATION**



DBP was tapped by the Bureau of the Treasury (BTr) as Joint Lead Issue Manager and one of the 21 authorized selling agents for the 22nd Tranche of the Retail Treasury Bonds (RTBs).

The National Government raised a total of P236-billion from the five-year RTBs, which were made available to the general investing public at minimum denomination of P5,000 between February 26 to March 8, 2019. The bonds were settled last March 12, 2019.

The RTBs are issued by the National Government as part of its efforts to promote financial literacy and wellness among Filipinos by making investments in government securities

more accessible to the public. RTBs are generally considered low-risk for investors, allowing them to earn a fixed interest based on prevailing market rates and are paid quarterly during the term of the bond.



Proceeds from the issuance of RTBs will form part of the National Government's fundraising efforts for its health services, educational

programs, and public infrastructure in line with the "Bridging Dreams, Building the Nation" campaign.

This RTB offering also featured an online ordering facility designed to encourage wider participation among individual investors and expand reach to overseas Filipinos. ■

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DBP North & Central Luzon  
Lending Group - Malolos

DBP South Luzon  
Lending Group - Lucena

DBP Visayas  
Lending Group - Cebu

DBP Northern Mindanao  
Lending Group - Cagayan de Oro

DBP Southern & Western Mindanao  
Lending Group - Davao

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