For Water Districts

1. Brief write-up on the following:
    a. Company history/background
    b. Management and organization (with biodata of key officers)
    c. Market – to include present and water demand, supply, position in the industry, competitors, and others (indicate sources of data)
    d. Description of existing water supply system (service connections, water sources utilized with capacities, storage facility, treatment facility, total length of existing pipelines, service coverage, NRW and present tariff)
2. Brief write-up on the following:
    a. Balance Sheet
    b. Income Statement
    c. Cash Flow
3. Board Resolution authorizing the loan application, mortgage of assets and designating the authorized signatory/ies with specimen signatures
4. Program of Works

Project Specific Requirements

1. Feasibility Study/ Business Plan/ Program of Works which includes the following information:
    a. For Source Development
        - Average Day Demand (ADD) and Maximum Day Demand (MDD)
        - Ground water source development (wells and spring)
            - Proposed location of well site
            - Drilling report (which shows the capacity of water of proposed well)
            - Water Quality Report
        - Surface water source development (river and oceans)
            - Location of river/ocean water source
            - Safe yield of river/ocean source
            - Hydrologic Study
        - Detailed engineering design of source development facility
        - Detailed cost estimates
    b. For Treatment Facility Construction
        - Location of treatment facility
        - Capacity of treatment facility
        - Type of treatment facility used
        - Detailed engineering design of treatment facility
        - Detailed cost estimates
    c. For Storage Tank/Reservoir
        - Location of tank/reservoir
        - Capacity of tank/reservoir
        - Detailed engineering design of tank/reservoir
        - Detailed cost estimates
    d. For Pipeline Installation
        - Description on the length, size and type of pipes to be installed
        - Pipeline network plan

For more information, please contact:

Program Development and Management I Department
Tel. Nos.: (02) 8818-9511 local 2340 or 2348
E-mail: pdm1@dbp.ph

DBP Lending Center:

We Build Possibilities.

Development Bank of the Philippines
Sen. Gil J. Puyat Avenue corner Makati Avenue, Makati City
E-mail: customerservice@dbp.ph
Tel. No.: (02) 8-683-8324

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WATER

WATER FOR EVERY RESIDENT PROGRAM

We Build Possibilities.

BAGONG PILIPINAS

The WATER Program supports the Philippine Water Supply and Sanitation Master Plan (2019 – 2030), the Philippine Development Plan, and the United Nations' Sustainable Development Goal (SDG) No. 6 – Ensure access to water and sanitation for all. By 2030, the Program is expected to have financed Php30-billion of investments in water supply projects. The program is expected to achieve the following development objectives:

1. To contribute to the provision of safe and affordable water supply through financing to help achieve inclusive growth and poverty reduction
2. To provide credit assistance to water service providers in their investment requirements in order to provide, safe, reliable, and affordable water services.

Eligible Borrowers

1. Local Government Units (LGUs)
2. Water Districts
3. Private Corporations
4. Private Water Service Providers

Eligible Loan Purpose

1. Construction of new/rehabilitation/expansion of existing water source development facility for distribution or for bulk water supply
2. Installation of new/expansion/rehabilitation and upgrading of water transmission and/or distribution pipeline system.
3. Construction of new/rehabilitation/expansion of existing water treatment facilities
4. Construction of new/rehabilitation of existing water storage facilities
5. Investment for Non-Revenue Water reduction or other efficiency-enhancing measures (such as, but not limited to, computerization of accounts, billing and collection system, installation of energy-saving equipment)
6. Purchase of necessary tools and equipment (such as, but not limited to, generator sets, service vehicles, trucks, water leak detector including construction or rehabilitation of existing non-network facilities like office building and warehouse to improve efficiency and service delivery)
7. Investment for Climate Change Adaptation Technologies (e.g., Rainwater collection system)
8. Refinancing of existing eligible loans for water supply facilities
9. Working capital requirement (Permanent)
    - For the purchase of water supply facility inventory
    - Operating expenses
10. Consultancy services for LGUs and Water Districts
11. Project Preparation Activities for LGUs and Water Districts (i.e., feasibility study, detailed engineering design)

Loanable Amount

For public institutions - Maximum loan amount is 100% of the acceptable Total Project Cost or winning bid price (whichever is lower) but not to exceed the LGU's net debt service ceiling and borrowing capacity as certified by the Department of Finance – Bureau of Local Government Finance (DOF-BLGF)

For private companies - Maximum loan amount shall be up to 70% of validated Total Project Cost

Loan Term

For infrastructure projects: Term may be up to 20 years with 3 years grace period on the principal based on the project cash flows

Mode of Repayment

Monthly or quarterly depending on the project cash flow and the borrower's source of repayment

Interest Rate

Based on existing DBP circulars on lending rates while the credit spread shall be based on the Borrower Risk Rating (BRR)

General Requirements

1. DBP Application Letter
2. DBP Customer Information File Form
3. DBP Loan Record Form
4. Audited Financial Statements (FS) for the last three (3) years, as submitted to the Bureau of Internal Revenue (BIR), and in-house interim FS of related companies (subsidiaries and affiliates), if applicable
5. Copy of the latest Income Tax Return (ITR) of the borrower and guarantor, if applicable, duly stamped and received by the BIR. The borrower should provide a waiver of confidentiality of client information and/or an authority for the Bank to conduct random verification with BIR in order to establish authenticity of the ITR and accompanying FS submitted by the client
6. Proposed collaterals to be mortgaged with DBP. In case of real estate mortgage, submit photocopies of TCT/s (Certified True Copy by the Registry of Deeds/ Authenticated owner's duplicate copy of the TCT), tax declaration/s, real estate tax receipts for the last 10 years, and lot plan/s with vicinity map showing the distance of the lot from one of its point to a nearest permanent landmark in the vicinity (church, school, street intersection, etc.) certified by a licensed Geodetic Engineer
7. List of referred creditors such as banks/financing companies or private parties (State the name/institution, amount, date approved, maturity/expiry date, collateral, and outstanding principal balance, if applicable)
8. Project description including total cost broken down into details, timetable, and proposed debt to equity ratio
9. Water Supply Agreement/Bulk Water Supply Agreement/ Concession Agreement/Memorandum of Agreement/Joint Venture Agreement with partner proponent (as applicable)

<u>For Private Corporations/Private Water Service Providers</u>

1. Brief write-up on the following:
    a. Company history/background
    b. Management and organization (with biodata of key officers)
    c. Market – to include present and water demand, supply, position in the industry, competitors, and others (indicate sources of data)
    d. Description of existing water supply system ((service connections, water sources utilized with capacities, storage facility, treatment facility, total length of existing pipelines, service coverage, Non-Revenue Water, and present tariff)
2. Brief write-up on the following:
    a. Balance Sheet
    b. Income Statement
    c. Cash Flow
3. Board Resolution authorizing the loan application, mortgage of assets and designating the authorized signatory/ies with specimen signatures
4. Security and Exchange Commission (SEC) Registration
5. Certified copies of Articles of Incorporation and By-laws with amendments, if applicable
6. Board of Investments (BOI) Registration, if applicable

<u>For Local Government Units</u>

1. Borrowing Resolution passed by the appropriate Sangguniang Panlalawigan/Panglungsod expressly authorizing the following:
    a. Authority of the Local Chief Executive Officer to negotiate and enter into a loan contract with the Bank.
    b. Authority to provide and obtain credit information to/from credit bureaus and other banks/creditors as required under R.A. 9510 and R.A. 10173, or the Data Privacy Act of 2012
2. Annual Investment Plan (AIP)
3. Certification of the Provincial, City or Municipal Treasurer on LGU's annual amortization of existing loan or indebtedness
4. Statement of IRA for the last three (3) years duly certified by the Local Chief Executive Officer or the Treasurer
5. Brief write-up about the LGU which covers areas such as, but not limited to, the following
    a. LGU history/geographical location/classification
    b. Socio-economic profile
    c. Members of the Sangguniang Panlalawigan/ Panglungsod
    d. Description of existing water supply system (service connections, water sources utilized with capacities, storage facility, treatment facility, total length of existing pipelines, service coverage, NRW and present tariff)
6. Latest Seal of Good Local Governance/Seal of Good Financial Housekeeping