

DBP's Financing Programs for Energy Projects

MAY 30, 2019 | 2019 VISAYAS ENERGY FORUM
CEBU PARKLANE INTERNATIONAL HOTEL



PDP Overall Strategic Framework

2040

AMBISYON
NATIN 2040

MATATAG, MAGINHAWA AT PANATAG NA BUHAY

2022

TO LAY DOWN THE FOUNDATION FOR INCLUSIVE GROWTH, A HIGH-TRUST AND RESILIENT SOCIETY, AND A GLOBALLY-COMPETITIVE KNOWLEDGE ECONOMY

“MALASAKIT”
ENHANCING THE SOCIAL FABRIC

Ensure people-centered, clean, and efficient governance

Pursue swift and fair administration of justice

Promote Philippine culture and awareness

Ensure peace and security

“PAGBABAGO”
REDUCING INEQUALITY

Expand economic opportunities

Increase access to economic opportunities

Accelerate human capital development

Reduce vulnerability of individuals

Accelerate strategic infrastructure development

“PATULOY NA PAG-UNLAD”
INCREASING GROWTH POTENTIAL

Advance technology adoption

Stimulate innovation

Reach for demographic dividend

Ensure safety and build resilience

Ensure ecological integrity, clean and healthy environment

IMPLEMENT STRATEGIC TRADE AND FISCAL POLICY, MAINTAIN MACROECONOMIC STABILITY, AND PROMOTE COMPETITION

Sustainable Development Goals



SUSTAINABLE DEVELOPMENT GOALS



DBP Priority Development Thrusts



Finances the country's infrastructure projects



Provides financial assistance to the SME Sector



Advances environmental protection



Contributes to the well-being of Filipinos across the nation

ENVIRONMENTAL POLICY STATEMENT

The DBP, in its developmental mission and initiatives, is committed to environmental protection and sustainable development and shall integrate and implement environmental considerations into all aspects of its operations and services, asset management, and business decisions.

In pursuit of this policy, DBP commits to:

- Develop, implement, and continually improve an Environmental Management System (EMS);
- Encourage other institutions to pursue environmental protection and pollution prevention through the Bank's lending and technical assistance programs, and pursue environmental management practices, including environmental due diligence inquiry in risk assessment and management;
- Comply with relevant environmental laws, regulations and agreements to which DBP subscribes;
- Set and review environmental objectives and targets along identified significant environmental aspects; and
- Ensure that all employees at all levels are made aware of and are actively involved in the Bank's Environmental Policy and programs through appropriate training and information.



Commitment to ENVIRONMENTAL PROTECTION & SUSTAINABLE DEVELOPMENT

*Integrate environmental
consideration into
all aspects of its operations &
services, asset management &
business decisions*

*MCR No. 0121 s. 01 as revised
from MCR No. 93 s.1997*

SOCIAL POLICY STATEMENT

The DBP, in its developmental mission and initiatives, is committed to social protection and sustainable development and shall integrate and implement social consideration into all aspects of its operations and services, asset management, and business decision.

In pursuit of this policy, DBP commits to:

- Make the identification of social impacts and risks a part of the normal process of risk management and assessment through the technical due diligence process of the Bank;
- Comply with local, national and international regulations and conventions applicable to social considerations of projects, including indigenous peoples, gender and development, child welfare, and occupational / community health and safety issues;
- Take an active role in influencing our clients, business associates, bank officers and staff to integrate social considerations into their project operations; and
- Define performance measures for social impacts and conduct monitoring and evaluation activities to measure performance against goals.



Commitment to SOCIAL PROTECTION & SUSTAINABLE DEVELOPMENT

*Integrate social
consideration into
all aspects of its operations & services,
asset management & business
decisions*

BR No. 0037 dated January 27, 2016

DBP Gender and Development Policy Statement

The DBP, in its developmental mission and initiatives, is committed to gender equality and shall integrate and implement Gender and Development (GAD) considerations in all aspects of its operations. DBP's commitment to gender and development is embodied in the principles of inclusiveness, accountability, and partnership.

In pursuit of this policy, DBP commits to:

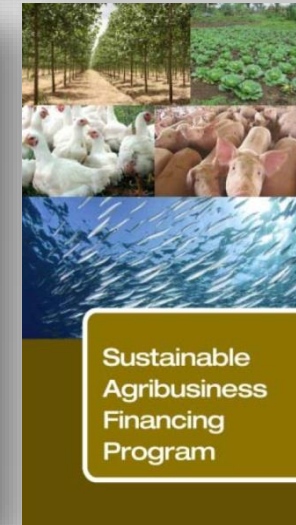
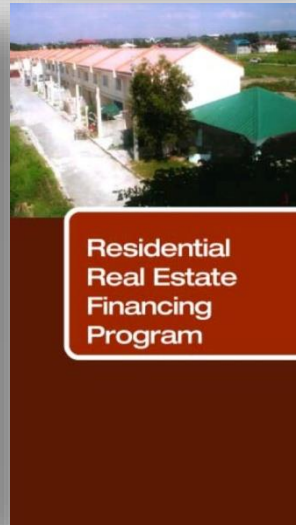
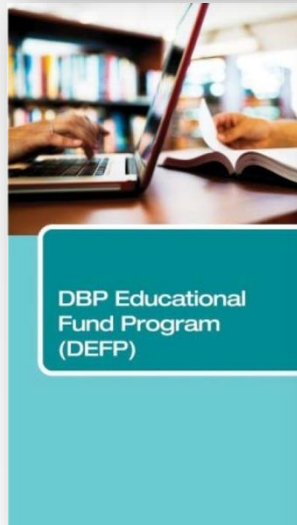
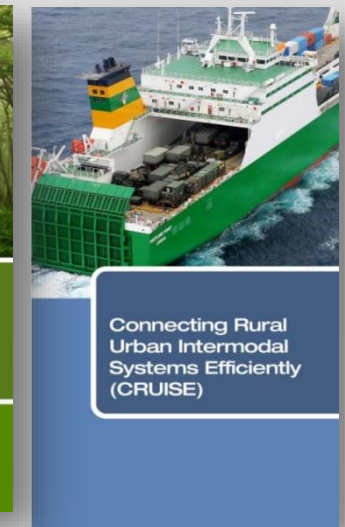
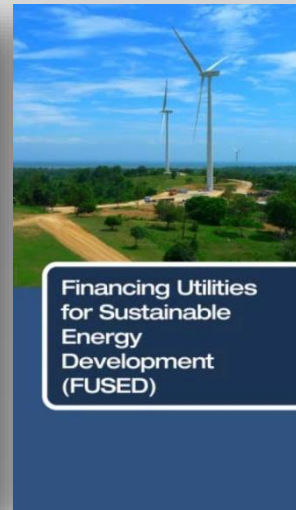
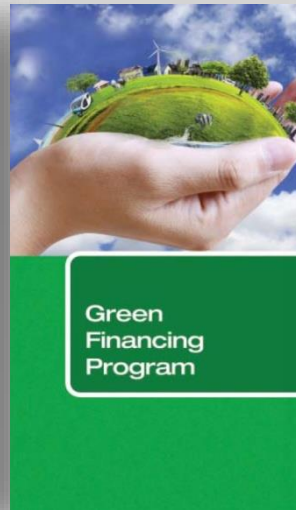
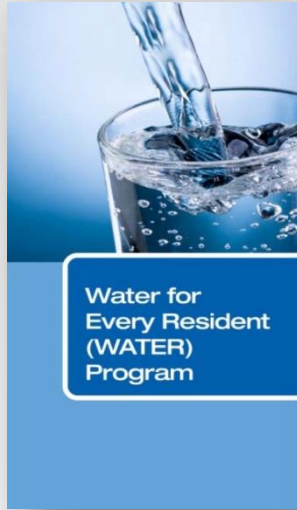
- Comply with different GAD commitments enshrined in agreements, regulations and various gender-related laws;
- Heighten the level of gender awareness in DBP by providing an environment supportive of gender mainstreaming;
- Review DBP's existing programs, activities, and projects to surface the gender issues that need to be addressed;
- Formulate development plans, policies, budgets and programs, and projects and services that are gender-responsive so that these lead to women empowerment, gender equality, and equity; and
- Install enabling mechanisms that will ensure effective implementation of policies, programs, and projects on gender mainstreaming.

Commitment to GENDER EQUALITY

*Integrate Gender and
Development considerations
in all aspects of its operations*

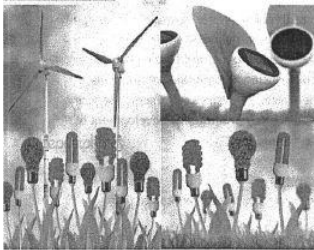
Board Resolution No. 0132 dated March 20, 2019

DBP Developmental Financing Programs





ENERGY EFFICIENT
BUILDINGS



ENERGY EFFICIENCY
SAVINGS (E2SAVE)
FINANCING PROGRAM



Financing Utilities
for Sustainable
Energy
Development
(FUSED)

Energy Financing Program Features



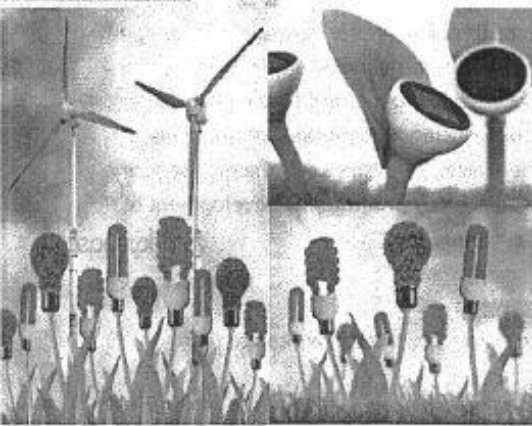
Financing Program Features- FUSED

Financing Utilities
for Sustainable
Energy
Development
(FUSED)

- DBP's platform for power generation and distribution sectors
- Aims to contribute in the increase access to electricity services through financing in order to help achieve inclusive growth and poverty reduction
- Eligible borrowers are private corporations, electric cooperatives, LGUs, GOCCs and PFIs
- As of February 2019, DBP has 71 Borrowers with a total loan approval of ₱48.89 Billion
 - 49% are power distribution companies, 91% are electric cooperatives
 - 41% are power generation companies, 72% of which are from renewable energy sources
 - 25% of these borrowers are in the Visayas region, comprising 40% of total approved loans



ENERGY EFFICIENT
BUILDINGS

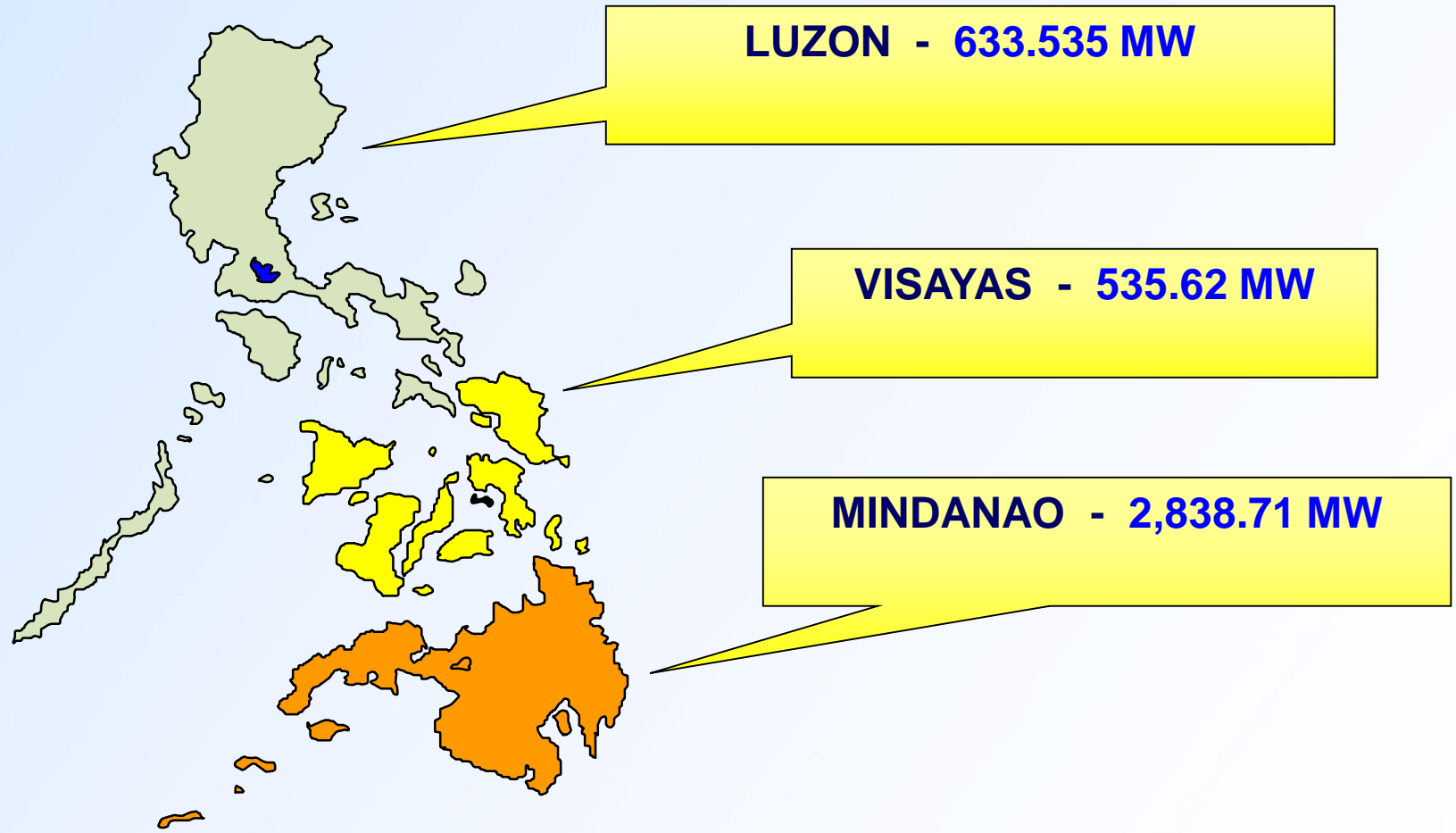


ENERGY EFFICIENCY
SAVINGS (E2SAVE)
FINANCING PROGRAM

Financing Program Features- E2SAVE

- Aims to improve productivity of public and private institutions to promote the efficient and judicious utilization of energy
- Caters to energy efficiency projects (e.g. lighting, cooling, heating, HEM, etc.)
- Eligible borrowers are public sector, private companies and Energy Service Providers or Energy Service Company accredited by DOE
- As of February 2019, it has a total loan approval of ₱48 Million

Contribution of DBP-Funded Projects in Energy Development



... total capacity of 4,007.865 MW



DBP-Funded Energy Projects



22.236 MW Solar Power Plant

Clark Freeport Zone

Beneficiary	Luzon Grid
Electricity Generated	30,743,000 kWh
CO2 avoided	13,248 tons
Fuel oil equivalent	53,706.16
FOREX Savings	US\$ 2,779,830.84



54 MW San Lorenzo Wind Farm

Guimaras Island

Beneficiary	Visayas Grid
Electricity Generated	120,790,000 kWh
CO2 avoided	62,206 tons
Fuel oil equivalent	227,948.67
FOREX Savings	US\$25.9 Million



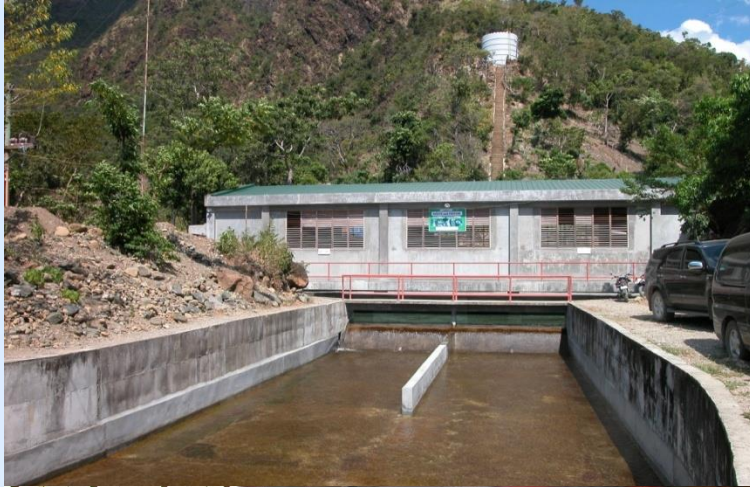
FDR-Integrated Resource Recovery Management, Inc.'s Integrated Resource Recovery Facility

Beneficiary	Visayas Grid
Electricity Generated	763,200 kWh
CO2 avoided	95,252 tons
Tons of waste processed	180,000



1.35 MW Cantingas Mini-hydro Plant

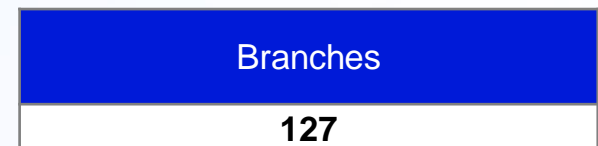
Sibuyan Island



Beneficiaries	3 Municipalities San Fernando, Magdiwang & Cajidiocan
Consumers Savings	Php 1.3792/KWH
Savings in UCME (Est.)	Php 12.93 M
Service reliability	24 hours
Electricity Generated	5,438,860 kWh
CO ₂ avoided (Est.)	4,350 Tons
Fuel oil equivalent	10,264 Barrels
FOREX Savings	US\$1.32 Million

Development Bank of the Philippines

- 100% owned by the National Government
- Country's Premier Development Financial Institution
- 72 Years in Existence
- With 127 Branches nationwide
- Key Player in Nation-Building
- 1st Philippine bank to be ISO 14001 Certified



As April 30, 2019

Summary

- As an infrastructure bank, DBP has distinct push on renewable energy and rural electrification specially in underserved areas
- Financing assistance to off-grid areas is also a priority both for mini-grid or for own-use system/plant
- Provide support to the new law on energy efficiency
- Open for new financing approaches that would further promote RE projects

For more information, please write or call:

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Or visit the DBP Office nearest you or the DBP website:



www.dbp.ph

DBP. Your Partner in Environmental Protection.

Thank You!





We Build **Possibilities.**

