

Development Bank of the Philippines

**S**USTAINABLE  
**L**OGISTICS  
**D**EVELOPMENT  
**P**ROGRAM

Revving up the engines of development

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**OBJECTIVE**

To improve infrastructure which will have direct impact on prices of basic commodities, as an anti-poverty strategy and spur economic activity in the countryside.

**FOCUS**

Food chain particularly grains, perishables including fish, fruits and vegetables

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**EFFICIENT TRANSPORT OF GOODS FROM PRODUCTION AREAS TO CONSUMPTION SITES**

MINIMUM WASTAGE/ SPOILAGE

LOWER FREIGHT AND HANDLING COSTS PER UNIT OF CARGO

ADEQUATE PORTS AND SUPPORTING SYSTEMS

JUST-IN-TIME (JIT) AND DELIVERY OF CARGO

SAFETY IN TRANSPORT

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**COMPONENTS OF SLDP**

P R O D U C T I O N	<b>Road RORO Terminal System (RRTS)</b> <i>Inter-Island Linkages</i>	C O N S U M P T I O N
	<u>Grains Bulk Highway</u> (Rice, Corn, Soya)	
A R E A S	<b>Cold Chain</b> (Processed meat, fish & Vegetable)	S I T E S

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**BULK GRAINS HIGHWAY**

- ❖ PROCESSING CENTERS WITH MECHANICAL SHELLING, DRYING AND STORING IN BULK
- ❖ BULK TRUCKING
- ❖ TERMINAL FACILITIES
  - > SILOS
  - > MECHANICAL LOADING/ UNLOADING
- ❖ BULK CARRIERS

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*Where are we now...*

**SPILLAGE LOSS**  
 Transporting Corn from Farm Lands to End-Users DUE TO INADEQUATE AND INAPPROPRIATE USE OF TECHNOLOGY

**Example for corn:**  
 Spillage is about 20% of national production amounting to P4.5 billion annually

Source: 1994 NFA / Japanese Consultant

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**DBP FUNDING SUPPORT** *(In Billion Pesos)*

<u>ROAD-RORO TERMINAL SYSTEM</u>	
> Serial building of 96 vessels	4.0
> Financing new/ improvement of 96 RORO ferry ports	3.5
<u>COLD CHAIN</u>	
> Establish 16 processing and marketing centers	8.0
> Aggregating Centers – 160 areas	3.0
> Reefer transport equipment / vehicles – 500 units	5.0
<u>BULK GRAINS HIGHWAY</u>	
> Establish 12 processing (aggregating) centers	2.5
> Bulk terminals, handling and transport equipment (12sets)	4.0
<b>TOTAL</b>	<b>30.0</b>

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**ELIGIBLE LOAN PURPOSES**

- ❖ Construction warehouse facilities
- ❖ Purchase and Installation of Grain Silos
- ❖ Purchase of Post Harvest Facilities such as;
  - bulk trucks, harvesting equipment, mechanical dryer, grains processing equipment, etc.

Reimbursement of expenditures maybe allowed provided such were incurred within 180 days from DBP's formal acceptance of loan application.

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**ELIGIBLE BORROWERS**

- ❖ Filipino citizens (sole proprietorship, partnership)
- ❖ Domestic corporations (At least 70% Filipino-owned)
- ❖ Local Government Units (LGU)

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**FINANCING MECHANISM**

- ❖ **RETAIL LOANS:** Direct loans to end-user through our Head Office and Branches
- ❖ **WHOLESALE LOANS:** Subsidiary loans from DBP to Participating Financial Institutions (PFI) and/or Micro Financial Institutions (MFI) for SME's.

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**LOAN TERMS & CONDITIONS**

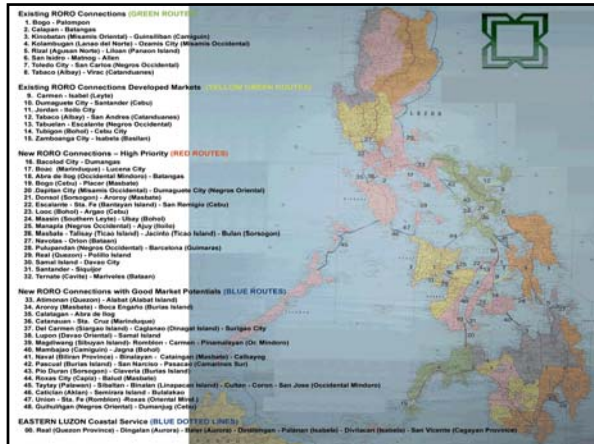
- ❖ Sub-loan size and currency:
- ❖ Minimum amount: P500,000.00
- ❖ Maximum amount: Peso equivalent of Yen 1.5 Billion
- ❖ Lending Rate: FIXED
- ❖ Loan Repayment:
  - ❖ Minimum Repayment Term: 3 years
  - ❖ Maximum Repayment Term: 15 years
  - ❖ Allowable Grace Period: 1-3 years

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**INELIGIBLE LOAN PURPOSES**

- ❖ Purchase of land \*\*
- ❖ Payment of taxes and duties \*\*
- ❖ General administrative expenses

\*\* Can be made part of the total project cost.

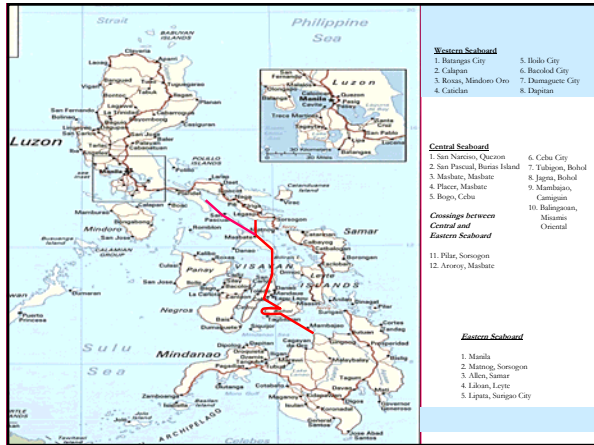


**ROAD** → **RORO TERMINAL** → **RORO FERRY** → **RORO TERMINAL** → **ROAD**

**ROAD ISLAND** → **RORO TERMINAL** → **RORO FERRY** → **RORO TERMINAL** → **ROAD ISLAND**

**MOVING BRIDGES**

**RORO FERRY LINK PROVIDES CONTINUITY FOR LAND TRANSPORTS TO TRAVEL FROM ONE ISLAND TO ANOTHER**



**DBP PROJECTS CY 2005 RRTS**

1. Dumaguete City to Santander, Cebu (Vessel acquisition; Santander RORO Port for construction)
2. Daan Bantayan (port under construction) or Bogo, Cebu to Placer, Masbate (Placer has no port; Vessel acquisition)
3. Dumaguete City to Dapitan, Zamboanga del Norte (Vessel acquisition)
4. Donsol/Pilar, Sorsogon to Arroyo/ Masbate (Vessel acquisition and RRTS Terminal for Donsol/Pilar)
5. Maasin, Southern Leyte to Uba, Bohol (Vessel acquisition)
6. Mambajao to Jagna, Bohol (Vessel acquisition/RRTS Terminal in Jagna)

**DBP PROJECTS CY 2005 Grains Highway**

1. Subic Bay Freport Grains Processing Center
2. Zamboanga Development Grains Center
3. Limketkai Grains
4. Headrice Grains
5. La Suerte Grains Milling

**THANK YOU**