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Advancing Philippine Competitiveness (COMPETE)

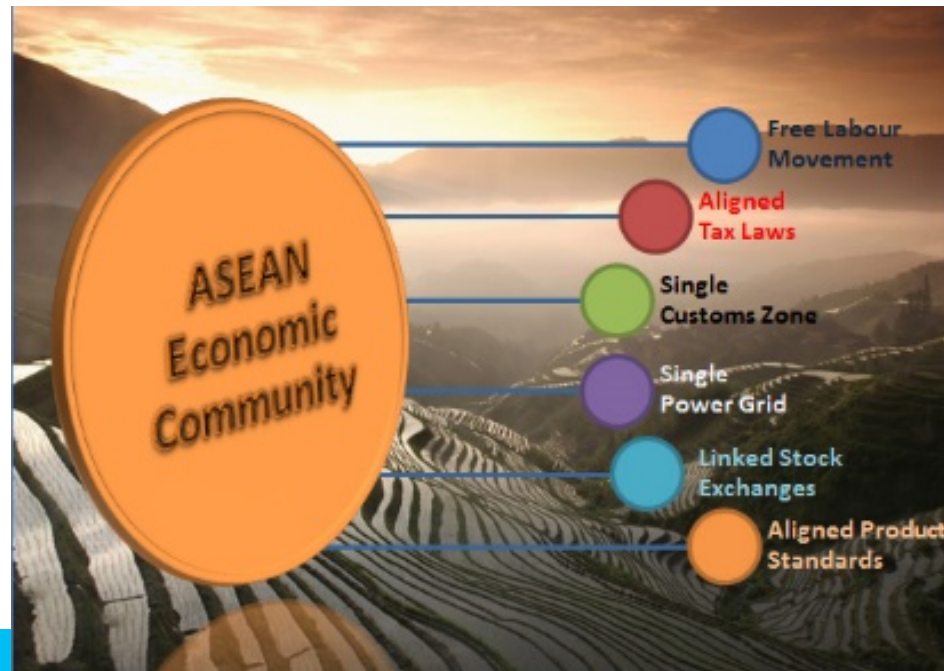
Integrating Land Titling into Banks' Services

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President, Foundation for Economic Freedom

Competitive Environment for Banks

More competition with more banks in the financial system with ASEAN 2015 and ASEAN Financial Integration



Big banks with many branches pushing into rural bank territory

New financial products will entail investment in technology, human resources and region-wide networks

Regulatory Changes will Narrow Options for Banks



Rural Banks' Niche: Agricultural Lending?

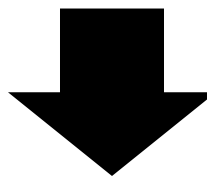
- Corrupt Department of Agriculture
- CARP and property rights uncertainties
- Restrictions on Agricultural Patent
- Lack of rural infrastructure
- 70% of agricultural budget is for NFA and rice



Agricultural lending has many problems

An Option for Rural Banks

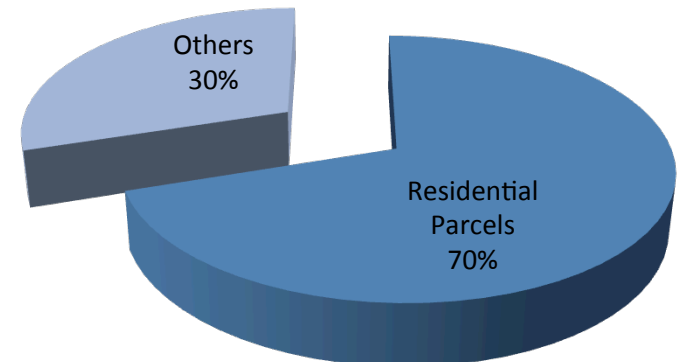
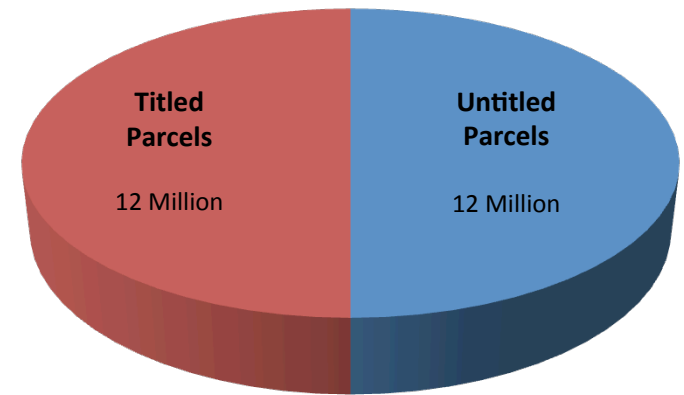
Fee-based service income
and collateral-based lending



**Program for Converting
Rural Banks into Titling
Centers**

Possible Market

- There are **24** million land parcels in the Philippines
- Almost **50%** or **12 M** parcels are untitled
- Approximately 60-70% or 7 to 8 million untitled parcels are urban residential lands
- Many of the untitled parcels are in high-value urban lands



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What has Been Done

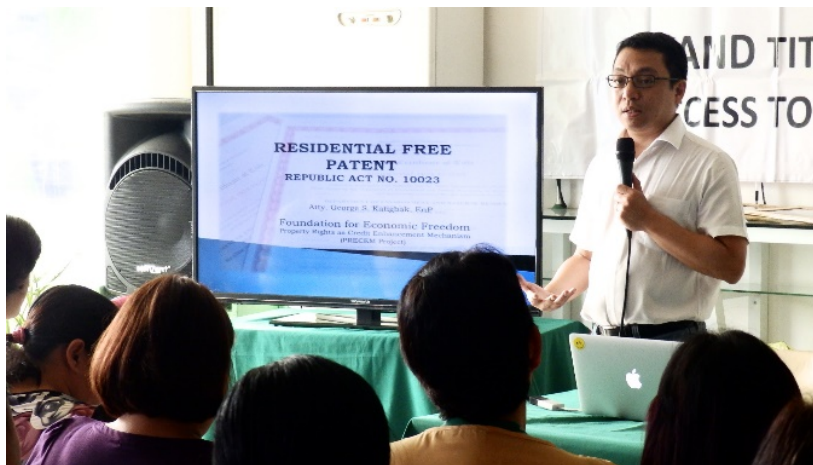
- Forged partnership agreements with Rural Banks and Thrift Banks to improve access to credit of holders of Residential Free Patents

- Chamber of Thrift Banks
- Rural Bankers Association of the Philippines
- Confederation of Southern Tagalog Rural Bankers
- Northern Luzon Confederation of Rural Banks
- Inter-Asia Development Bank (IADB)
- Laguna Federation of Rural Banks
- Cebu Federation of Rural Banks, Inc.
- Sugbuanon Rural Bank, Inc. (Cebu)
- Rural Bank of Loboc, Inc. (Bohol)
- Banco Santiago de Libon (Albay)



What has Been Done

Partner	Training Venue	Training Date	No. of Banks Trained
1) Laguna Federation of Rural Banks	San Pablo City, Laguna	December 12 and December 19, 2013	14 rural banks, 1 thrift bank
2) Banco Santiago de Libon	Libon, Albay	January 24, 2014	1 rural bank
3) North Luzon Confederation of Rural Banks (Region 2)	Santiago City, Isabela	February 5-6, 2014	21 rural banks
4) North Luzon Confederation of Rural Banks (Region I)	Baguio City	February 12-13, 2014	12 rural banks
5) Confederation of Southern Tagalog Rural Bankers	Batangas City	February 19, 2014	16 rural banks
6) Cebu Federation of Rural Banks, Inc.	Cebu City	March 21, 2014	18 cooperative and rural banks and 5 cooperatives
7) Bohol rural and cooperative banks	Tagbilaran City, Bohol	April 28, 2014	



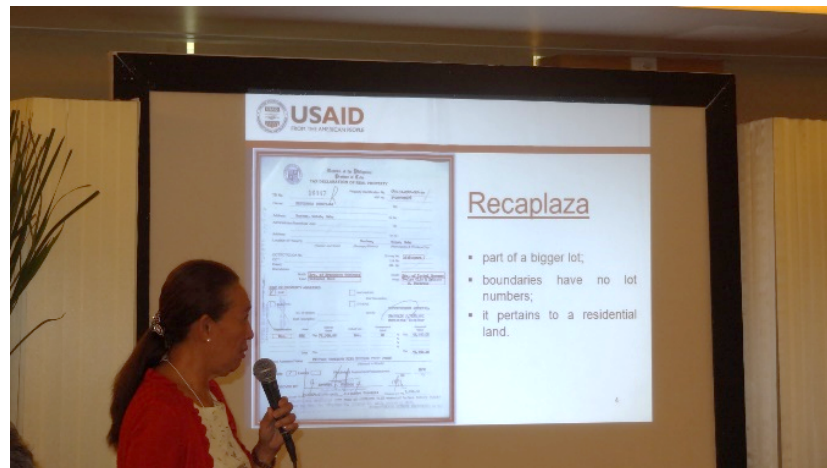
Atty. George Katigbak discusses RA 10023 and procedures and requirements for application for residential free patents to participants in the training conducted to Banco Santiago de Libon in Albay last January 24, 2014.



Group photo of the participants in the training conducted in Baguio City last February 13, 2014.



Open forum during the seminar on the conversion of tax declaration into titles last March 21, 2014 at Cebu City.



Dr. Diana Apistar explains the status of the subject lot covered by a particular tax declaration during the seminar in Cebu City.

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