

RURAL BANKERS ASSOCIATION
OF THE PHILIPPINES

62ND CHARTER ANNIVERSARY SYMPOSIUM

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Rural banks play an important role in economic inclusion





DBP partners with other stakeholders to fulfill its developmental role

DBP =
“Development
By
Partnership.”

DBP's Holistic Approach in Agricultural Financing wants to promote

Value Chain Cooperation Value Chain Coordination



Our Business Model in Isabela



Applies Production loan from Rural Banks



Partner Rural Banks

Accepts Loan Application

Evaluates and approves loan application

Release the loan to the farmer

Sends list of approved loan application to Farmer's Cooperative/Buyer

Finance Working Capital for Palay Procurement

FARMER COOPERATIVE



Farmer



Farmer



Farmer

Buys palay from member-farmer

Credits payment to farmers, net of loan amortization to Rural Banks

Credit loan payments to Rural Bank's account with DBP

Sends remittance report to Partner Rural Banks

Sells rice to off-takers



Off-takers



Buys rice from the Farmers' Cooperative

Credits/transfers payment to Cooperative's Account with DBP



- DBP's partnership with Isabela LGU, PayMaya, and Nagkaisang Magsasaka ng Isabela Agricultural Cooperative (NMIAC)
- Distribution of ATM ID cards to 6,678 rice and tobacco farmers in Isabela
- Thru ATM cards, the farmers can receive proceeds of the excise taxes
- NMIAC to use the Digital Banking Portal (DBP²) for viewing and monitoring cash balances and transaction history.
- Financing window for NMIAC members under the Expanded Rice Credit Assistance - Rice Competitiveness Enhancement Fund (RCEF)





Finding solutions to the concerns of rural banks

- Create new revenue lines w/o using balance sheets
- Go beyond mere remittance extensions
- Nationwide collections and payment network for insurance premiums and tuition payments
- Create larger participation in gov't securities or stock markets
- Re-examine nationwide payments and settlements system
- DBP working on a settlements platform with rural banks and SWIFT
- Platform premised on an open business and technology mode



DBP PASADA

DBP Program Assistance to Support Alternative Driving Approaches

- **Financing facility for PUVMP**
- **Eligible borrowers:** Transport cooperatives and corporations registered with the Office of Transport Cooperatives
- **Purpose:** For acquisition of modern jeepneys and construction of support facilities

DBP PASADA

PUV drivers

- Earn P700 per 8-hour shift
- Earn overtime pay
- Entitled to regular employment benefits

Passenger Assistance Officers:

- Earn P450/day
- Entitled to regular employment benefits





DBP PASADA

Taguig Transport Service Cooperative

- Acquired 30 PUVs through DBP financing
- Generated employment to at least 120 people



DBP PASADA

Best Innovation in Financial Services Award

The Global Sustainable Finance Awards, Karlsruhe, Germany





DBP's Support to the Peace Process

- DBP Trust Banking Group to serve as overall fund manager of the Office of the Presidential Adviser on the Peace Process (OPAPP)
- DBP to provide fiduciary arrangement support to OPAPP



DBP funds projects for socioeconomic growth in Mindanao

- DBP-financed Kitanglad Agri-Ventures Inc. and Unifrutti Tropical Philippines, Inc. in Barobo, Surigao del Sur.
- New plantation to provide jobs to 1,000 people in Mindanao.





“Let’s work closely in bringing financial services to small borrowers like farmers, fisherfolk, and entrepreneurs in the rural areas.

We can build on the gains of the burgeoning local economy and help improve the lives of more Filipinos nationwide”

Thank you.



We Build **Possibilities.**[®]

Development Bank of the Philippines

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