

DOCUMENTARY REQUIREMENTS FOR GUARANTEE APPROVAL

- Guarantee Application Form
- Business Registration Documents
- Board resolution/clearances to borrow
- Renewable Energy Contract with DOE
- Feasibility Study/ Business Plan including financial projections for the term of the loan
- Power Supply or Energy Sales Agreement with Offtaker
- Latest available 5-year audited financial statements
- Latest interim financial statements
- Necessary certificates and permits from the following agencies, if relevant:
 - Department of Energy (DOE)
 - Department of Environment and Natural Resources (DENR)
 - Natural Water Resource Board (NWRB)
 - National Commission on Indigenous Peoples (NCIP)
- Certificate of indebtedness of all outstanding debts with debt service schedules

DOCUMENTARY REQUIREMENTS AFTER GUARANTEE APPROVAL

- Loan approval memo from lender
- Appraisal report of offered collateral/s, if applicable
- Signed Loan and Guarantee Agreements
- Signed Collateral Agreements
- Pro-forma Amortization Schedule/Promissory Note
- Other documents specific to the project that may be necessary

Note: Documents submitted must be certified true copies if not original.

For more details on the DOE-LGF, please contact:

The DOE-LGF Program and Fund Manager

LGUGC
LGU GUARANTEE CORPORATION

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DOE-LGF is a capacity -building project to remove barriers to Renewable Energy (RE) development. It is implemented by DOE with LGUGC as Guarantee Program Manager.

The project aims to reduce green house gas (GHG) emissions by promoting the use of renewable energy resources in the country.



LGUGC
LGU GUARANTEE CORPORATION

Renewable Energy



DEPARTMENT

DOE OF ENERGY

LOAN

GUARANTEE

FUND

DOE-LGF



WHAT IS THE DOE-LOAN GUARANTEE FUND?

The Global Environment Facility, through the United Nations Development Programme (UNDP), established a US(\$)1.606 MM Loan Guarantee Fund (LGF) to provide loan guarantees to developers of RE projects in remote off-grid locations availing of loans from reputable financial institutions, called the Capacity Building to Remove Barriers to Renewable Energy Development (CBRED) Loan Guarantee Fund. UNDP's participation terminated in 2011 but the Department of Energy (DOE) continued the program and the appointment of LGUGC as Guarantee Program Manager (GPM).

ELIGIBLE BORROWERS

Institutional as well as individual borrowers that have approved project loans for eligible RE projects may apply.

The Institutional borrowers should be legally existing in the Philippines with minimum ownership composition of 60% Filipino. These could be:

- Local Government Units
- Rural Electric Cooperatives
- Private Corporations
- Private individual project developers
- Non-government Organizations (NGO's)
- People's Organizations (PO's)
- Renewable Energy Technology (RET) Providers
- RE Suppliers
- Micro Financing Institutions (MFI's, Coops, Credit NGO's, Rural Banks)*
- Any duly organized group with juridical personality that has an approved project loan from any reputable financing institution

** Provided the main project loan is not funded by the RE Micro Finance Fund of the DOE*



For Individual borrowers, the loan guarantee application can be coursed through an accredited financial institution or RET supplier for batches of a minimum of ten (10) households, provided the main project loan is not sourced from the DOE Micro Finance Fund.

ELIGIBLE PROJECTS

The DOE-LGF will give priority to the following:

- Hydropower (Pico-hydro, Micro-hydro, Mini-hydro)
- Biomass-based systems (Biogas, direct burning for power and non-power applications)
- Wind (power and non power)

GUARANTEE COVERAGE

The DOE-Loan Guarantee Fund will provide guarantee up to a maximum of 85% of the principal amount, but the guaranteed amount should not exceed P 50MM per project or beneficiary

GUARANTEE TERM

Up to Ten (10) years

GUARANTEE and PROCESSING FEES

Annual guarantee fee equivalent to 1/4 of 1% of the guaranteed amount will have to be paid on a quarterly basis, one quarter in advance

PhP 1,000.00 one-time processing fee payable on or before initial loan release



