

- For patented SMART Solutions
  1. Intellectual Property (IP) registration issued by Intellectual Property Office
  2. If borrower is an assignee of an IP registration, Deed of Assignment of the patents and Rights to the invention/new technology must be presented
- For internet infrastructure, i.e. 5G internet connectivity infrastructures
  1. DICT Certificate of frequency allocation
  2. DICT-issued permits and clearances
  3. Other Requirements for Infrastructure (see list below)\*

#### Pre-release Requirements

- Environmental Compliance Certificate/Certificate of Non-coverage, if applicable
- Building/Development Permit, if applicable
- Monetary Board Opinion for LGUs and GAs with borrowing authority
- Insurance policy/coverage through LBP Insurance Brokerage, Inc. (LIBI), if applicable
- Contractor's All Risk Insurance, if applicable

#### \*OTHER REQUIREMENTS FOR INFRASTRUCTURE

##### National Government Agencies

- Department of Environment and Natural Resources
  1. Certificate of Non-coverage
  2. Environmental Clearance Certificate
  3. Hazardous waste generator registration permit
  4. Protected areas clearance
- Civil Aviation Board
  1. Height Clearance
- Department of Health
  1. Radiation Clearance
- Department of Energy
  1. Generator Set Operation Permit
- National Commission on Indigenous Peoples
  1. Permits related to possession, ownership, purchase, importation of radio equipment, and construction of radio station, among others
  2. Department of Public Works and Highways - issued permits

##### Local Government

- Building Permit
- Occupancy Permit
- Certificate of electrical installation (local power connection)
- Tower Fee
- Zoning Clearance
- Special Use Permit

For more information, contact:

#### Programs Management Department II

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## SMART in City Development Lending Program

### Sustainable Multi-dimensional Approach using Revolutionized Technologies

The LANDBANK Sustainable Multi-dimensional Approach using Revolutionized Technologies (SMART) in City Development Lending Program aims to promote sustainable, high-quality living, and efficient economies in cities and local governments across the nation.

The Program provides financial support for the development of intelligent communication technology in infrastructures and everyday digital applications toward creating a more interconnected network of industries and communities with a highly open environment for vital information exchange.

Based on the framework for the ASEAN Smart Cities of 2018, the SMART in City Development Program complements the sustainable development thrust of the National Government, aiding in finding solutions for overpopulation and poverty alleviation in urban communities.

## ELIGIBLE BORROWERS

- Cities and Highly Urbanized Local Government Units (LGUs)
- Other entities with proposed viable technology projects in a city or in highly urbanized LGUs:
  1. Small and Medium Enterprises (SMEs)
  2. Corporations (at least 60% Filipino-owned)
  3. Cooperatives/Associations, i.e., electric cooperatives and transport cooperatives
  4. Government-Owned and Controlled Corporations(GOCCs)/Government Agencies (GAs) that have borrowing authority
  5. Non-Government Organizations (NGOs) with legal personality to borrow

## ELIGIBLE PROJECTS

- Integrated transport infrastructures and systems which combine different modes of transport in one transport hub complete with maps within different modes of transport showing interchanges with other systems, timetables that optimize transfers between systems and interoperable ticketing that allows transfers between systems; An infrastructure that will maximize ease and efficiency for the commuters in terms of time, cost, comfort, safety, accessibility and convenience
- Computer-aided, Artificial Intelligence (AI) and Internet of Things (IoT) inspired health care facilities, equipment and services
- Data-monitored or AI-controlled Electric Bus Rapid Transit Systems
- Setting up of 5G internet infrastructures and related systems and/or infrastructures
- Computerization of data, processes and services of cities and highly urbanized LGUs
- IoT-monitored and controlled public transport hubs, public parking places
- AI and IoT-monitored and controlled traffic management systems and robot-aided enforcement of traffic and management of commuters
- Electric vehicles for officers of companies and the establishment or support infrastructures like electric chargers in company itself and in the employee's residence, in gasoline stations or establishment of stand-alone electric charging stations
- Motor vehicles battery swapping stations and electric vehicles manufacturing and/or repair companies
- AI-controlled urban hydroponics
- Robot-controlled and automated assembly line of manufacturers or business
- Automated and on-line systems for service providing companies
- Mobile and web applications and software development/ launching like Grab, Waze, and AirBnB

- Setting up of Wi-Fi kiosks in Government and private offices to facilitate e-transactions and online researches
- Acquisition of machineries, equipment, modular technology and other components in support to smart solutions projects/innovations
- Installation of cyber security systems and infrastructures
- Other AI, IoT or robotic projects

## LOAN PURPOSE

- Project preparation, Research and Development Expenses, policy and framework planning (LGU and Green Climate Fund borrowers)
- Working Capital
- Permanent Working Capital
- Capital Expenditures

## CREDIT FACILITY

- Short Term Loan/Line (STLL)
- Term Loan

## LOANABLE AMOUNT/ PROJECT COST SHARING

Shall be based on the total project cost requirement but should be within the borrower ceiling per borrower type

### Project Cost Sharing Limits

- 80:20 for private borrowers
- 90:10 for LGUs/GOCCs/GAs,

## LOAN TENOR

- STLL – via up to 360 days PN
- Term Loan
  1. Permanent Working Capital/Project Preparation – maximum of five (5) years inclusive of six (6) months grace period on principal repayment
  2. Capital Expenditures – based on the project's cashflow up to maximum of fifteen (15) years inclusive of grace period on principal repayment of up to three (3) years but should not exceed its estimated economic useful life of the financed project

## REPAYMENT

Interest and principal payable monthly, quarterly, semi-annually or annually depending on the borrower's cash flow

## INTEREST RATE

Prevailing LANDBANK interest rate at the time of availment

## FEES AND CHARGES

Standard and latest LANDBANK fees and charges apply

## SECURITY/COLLATERAL

- For LGUs – assignment of Internal Revenue Allotment
- For other borrowers, any or combination of the following:
  1. Real Estate Mortgage
  2. Chattel Mortgage
  3. Hold-out on Deposits
  4. Other Securities acceptable by the Bank

## CREDIT ENHANCERS

- Post Dated Checks
- Pledge of Shares
- Assignment of Receivables, Contract Receivables and/or Insurance
- Guarantee cover, if applicable
- Joint and Several Signatures of Principal Stockholders/ Officers

## DOCUMENTARY REQUIREMENTS

### Pre-processing Requirements

- Standard LANDBANK Pre-processing documentary requirements
  1. Business Permit
  2. Copy of Articles of Incorporation
  3. By-laws/SEC/DTI Registration
  4. Pre/Feasibility Study, if applicable
  5. Business Plan
  6. Financial Documents
    - a. for existing business; audited 3 years F/S, Interim F/S, projected income statement, balance sheet and cash flow with basic assumptions
    - b. for start-up businesses; projected financial statement, balance sheet and cash flow with basic assumptions
  7. Valid certificates/permits/licenses clearances from concerned government entities
  8. Brief History of Business

### Project Specific Pre-processing Requirements

- For LGUS with SMART City Projects
  1. Profile of the urbanized LGU or City
  2. Approved SMART City Project Proposal
  3. Implementation Plan
  4. Financial Plan
- For Energy Projects
  1. Certificate of Approval for Smart Meter Use by ERC
  2. ERC-approved Advance Metering Infrastructure, if applicable
  3. Renewable Energy Service Contract, if applicable
  4. Certificate of Registration from DOE, if applicable
  5. Implementation Plan, if applicable