



U.S. TRADE AND DEVELOPMENT AGENCY

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USTDA GRANT TO SUPPORT RURAL PHILIPPINE ELECTRIC COOPERATIVES

MANILA, PHILIPPINES (September 12, 2008) – Strengthening the capacity of rural electric cooperatives to meet the growing demand for power in the Philippines is the goal of a USTDA grant awarded today to the Rural Electrification Distribution Financing Corporation (REFC). The grant will provide technical assistance to the REFC to improve the supply of electricity, while reducing distribution losses and increasing financial viability for rural electric cooperatives.

The \$404,510 grant was conferred during a signing ceremony held at the U.S. Commercial Service Office in Manila. The grant was signed by Senior Commercial Officer Patrick Wall and REFC President Lamberto M. Canlas on behalf of the U.S. Government and REFC, respectively.

Currently, over 100 rural electric cooperatives serve approximately seven million customers throughout the Philippines. The REFC was formed in 2000 by 15 founding rural cooperatives as a financing arm to provide expert guidance and loans to help improve the electric distribution system in the Philippines. Filipino rural electric cooperatives have successfully met customer demand, however rapid growth of their customer base has strained their ability to proactively plan and invest in distribution system repairs. To gain an advantage over these operational challenges, REFC is working to reduce the distribution system losses to improve electricity delivery and expand to underserved areas.

The USTDA grant awarded today will assist the REFC in identifying specific equipment needs to achieve maximum distribution performance while minimizing energy losses and power outages. The technical assistance program will also provide the REFC with investment analysis, detailed engineering and construction plans, comprehensive financing plans, and establish material and equipment standards to strengthen current utility procurement practices.

The REFC has selected the National Rural Electric Cooperative Association International, Ltd. (NRECA), based in Arlington, Virginia, to provide the USTDA-funded assistance. In addition to the USTDA grant awarded today, NRECA will share in the cost and contribute significant additional resources toward the completion of the technical assistance program.

(More)

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair, open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis

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