

## Philippines inks \$141 million financing deals with China

[Mary Grace Padin](#) (The Philippine Star) - April 13, 2018 - 12:00am

MANILA, Philippines — The Philippine government has signed loan and grant agreements worth \$141 million with the Chinese government for the implementation of various infrastructure projects in the country, the Department of Finance (DOF) reported yesterday.

Among these is the \$62.09 million Preferential Buyer's Credit Loan Agreement on the Chico River Pump Irrigation Project, signed by Finance Secretary Carlos Dominguez and Chinese Ambassador Zhao Jinhua.

Dominguez also signed the \$79 million Agreement on Economic and Technical Cooperation with China Commerce Minister Zhong Shan to fund at least four other infrastructure projects.

These agreements were two of the six accords signed by Manila and Beijing during the visit of President Duterte to Hainan, China.

According to the DOF, the \$62.09 million loan agreement for the Chico River irrigation system covers 85 percent of the project's total contract cost amounting to \$73.04 million.

The dollar-denominated loan carries an interest rate of two percent per annum with a maturity of 20 years, inclusive of a seven-year grace period.

The irrigation project seeks to provide a stable supply of water to around 8,700 hectares of agricultural land, benefiting 4,350 farmers and their families living in 21 barangays in the provinces of Cagayan and Kalinga.

Meanwhile, the DOF said the 500-million renminbi (\$79 million) Agreement on Economic and Technical Cooperation aims to finance various projects, including the construction of the Binondo-Intramuros and Estrella Pantaleon bridges in Metro Manila, and the feasibility study for the Davao City Expressway Project.

It will also cover the provision of radio and broadcasting equipment to the Presidential Communications Operations Office, and the implementation of the Philippine-Sino Center for Agricultural Technology-Technical Cooperation Program Phase III.

The DOF said the total grant for these four projects amounts to 335.97 million renminbi. The remaining amount of 164.03 million renminbi will be used to finance other projects.

Earlier, Finance Assistant Secretary Maria Edita Tan said Manila and Beijing may likely sign two more loan agreements this year.

These include deals for the P10.9-billion New Centennial Water Source-Kaliwa Dam Project and the P151.3-billion North to South Railway Project spanning Manila to Legaspi City.

Read more at <https://www.philstar.com/business/2018/04/13/1805330/philippines-inks-141-million-financing-deals-china#CEIRW9orPmrdAHpw.99>