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2016 ANNUAL REPORT

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ABOUT THE COVER

It's all about increased infrastructure spending for the Duterte administration, as the country gears to catch up with its Asian neighbors. Ramping up infrastructure spending will ensure the country's high economic growth and Build Build Build, the administration's comprehensive infrastructure program, has at least 75 major projects in the pipeline involving mass transport systems, railways and roads. As one of the key implementing agencies for the Build Build Build program, BCDA focuses for the next six years in assisting the government with this. In particular, it is directly involved in four major projects: the Bonifacio Global City to Ninoy Aquino International Airport Bus Rapid Transit (BGC-NAIA BRT) System, the Subic-Clark Cargo Railway, the Clark International Airport, and the New Clark City. This, along with its mandate of building new cities outside of Metropolitan Manila continuously provide a mechanism for private sector enterprises and international agencies to take part in groundbreaking projects that open more economic opportunities for Filipinos.





time ensured that Filipino soldiers can look forward to a brighter future.

“The BCDA is an important contributor in our efforts to strengthen and enhance the capabilities of our Armed Forces.”

Let me thank everyone in the organization for being honest, dedicated and competent public servants. It has blazed the trail toward complete transparency by instituting live internet broadcast of all its public bidding procedures in line with the government’s zero tolerance for corruption. Indeed, we must always act with public interest in mind, and I am glad to say that the BCDA’s actions have reflected this guiding principle.

Congratulations for a job well done!

RODRIGO ROA DUTERTE
President
Republic of the Philippines

Boldness, Transparency, and a Strong AFP

My warmest greetings to the **Bases Conversion and Development Authority (BCDA)** as it releases its **2016 Annual Report**.

The BCDA is an important contributor in our efforts to strengthen and enhance the capabilities of our Armed Forces. The Php35 billion that it has raised to date, including the almost Php4 billion in 2016, have been invaluable

in procuring new military assets and in giving our soldiers the proper training and equipment for the many battles they face.

I congratulate today’s BCDA for honoring contractual obligations and ending the practice of filing frivolous cases that cost government hundreds of millions of pesos. By instilling a new paradigm of boldness, swift action and complete transparency as well as by adopting innovative and daring measures, the BCDA has increased savings and raised revenues while at the same

Big Plans, High Hopes

GREGORIO D. GARCIA III
Chairman

When President and CEO Vivencio and I first stepped into the lobby of BCDA, we saw the typical government office lobby donned with pictures of past and present officials and we looked at each other and nodded in agreement, “Those photos have to go.” If you drop by the offices of BCDA at BGC today, those photos that used to dot its lobby walls are gone. (They have been relocated.) Instead, the lobby is dominated by a photo mural that reminds us all and everybody else that BCDA exists to “help strengthen the Armed Forces while we build great cities.”

Sure, it’s a minor and insignificant change to the unobservant, but it’s a big psychic mindset that has to be tattooed in our minds, and hearts as well, if we want change in the next chapter of BCDA.

Change has begun.

Since its birth, BCDA has always delivered on its financial mandate. To date, more than Php35 billion has been raised and remitted to the national coffers to help modernize the country’s Armed Forces.

In 2016, BCDA delivered Php3.7 billion versus Php3.5 billion of the previous year, or an increase of Php200 million.

Given the current and future value of the real estate at the disposition of the



BCDA, converting prime properties into cash is not rocket science. But the challenge is on how to monetize, and maximize, these assets long-term without necessarily selling outright all the properties assigned to the BCDA for disposition.

To this end, management has embarked on a journey to find the best financial model that should perpetually ensure a recurring income for the Armed Forces, while delivering periodic windfalls. We applaud them for this foresight.

The bigger challenge is not in just improving revenues, but in how we can leave a legacy to the country.

We are inspired by Daniel Burnham, the American architect and urban designer who said: “Make no little plans. They have no magic to stir men’s blood and probably themselves will not be realized. Make big plans; aim high in hope and work remembering that a noble, logical diagram once recorded will never die, but long after we are gone will be a living thing, asserting itself with ever growing insistency. Remember that our sons and grandsons are going to do

things that would stagger us. Let your watchword be order and your beacon beauty. Think big.”

Think big is not think sprawl though. Think big is think happy. Happier people.

Mayor Enrique Peñalosa, mayor of Bogota in 2007, said it succinctly: “Most things people buy in stores give them a lot of satisfaction the moment they buy them. But after a few days, that satisfaction decreases and months later, it completely melts away. But great public space is a kind of magical good. It never ceases to yield happiness.”

“Cities must be regarded as more than engines of wealth. They must be viewed as systems that should be shaped to improve human well-being.”

And that we shall do in all our developments. The first proof of this will be our work in Clark and New Clark City.

The masterplanning of New Clark City, already at par with the cities of tomorrow, will soon be submitted for approval after additional inputs and insights from its stakeholders have been done.

The tweaks center on HUMANITY. Streets must be built for people not for cars. There should be parks, parks, and more parks. Mass transportation should



**WE HELP STRENGTHEN OUR ARMED FORCES
WHILE WE BUILD GREAT CITIES.**

be given a lot of thought, and not just be an afterthought. Modern public housing should be available. The city must be ready for the internet of things, as well as reliable and renewable power at affordable prices.

We want Clark and New Clark City to be the next Asian hub. And after completion, we want it to be one of the top five cities in Asia.

New Clark City will be just a 15-minute connection from Clark International Airport. And speaking of the airport, BCDA will, with the Department of Transportation (DOTr), fast track the expansion of the Clark International Airport. We will implement the masterplan of the Aeroport De Paris, a grant from the French government, to build a new terminal to accommodate 8 million passengers and ready by 2020. And it will be expandable to service up to 80 million passengers annually. The groundbreaking should happen by December 2017.

BCDA is also part of the Build, Build, Build team that will build a fast train system from Tutuban to Clark.

“The bigger challenge is not in just improving revenues, but in how we can leave a legacy to the country.”

The other big challenge will be how to masterplan and integrate into one connected economic and tourism zone the BCDA properties in Poro Point, Camp John Hay and the Clark Freeport and Clark Special Economic Zone in Pampanga and Tarlac. Individually, they are strong. But together, they will be awesome. Once connected and developed, these BCDA subsidiaries will be a unified economic powerhouse for the country.

And finally, what else to do with BGC, McKinley Hill and McKinley West? There is still work to be done. We are working with our partners there to start a bus rapid system, improve traffic, add additional entry and exit points, develop covered pedestrian walkways, open more parks, and strengthen security. We need all these to justify the reputation of this contiguous area as the financial capital of the country.

So much work to start and do in five years' time. But I am optimistic that with the hardworking officers and staff of BCDA led by Vivencio Dizon, the wisdom of its new members of the Board, the support of other government agencies, the inspiration from President Rodrigo Roa Duterte, and the blessings of the Almighty, we shall succeed.

Because failure is not an option.

The Will to Get Things Done

VIVENCIO B. DIZON
President and CEO

“Dogs bark but the caravan moves on.”
—Arab Proverb

Despite the noise against the Duterte administration over the course of its first year in office, one thing clearly sets this government apart—the WILL to get things done. The President’s leadership and his no-nonsense approach has injected new life and passion into the hopes and aspirations of the Filipino people.

Change has indeed come.

But what we, the newly appointed officials of the Bases Conversion and Development Authority (BCDA), have realized is that over the past 25 years, the most disruptive and transformative changes in the Philippine landscape have actually occurred in the sites of former military bases.

BCDA has been at the center of this positive change.

For 25 years, BCDA has acted as an enabler—a conduit between the government and the private sector in building for progress and prosperity—creating not just cities but premier communities where people live with dignity.



Fulfilling its mandate to convert and develop former military bases into centers of economic growth, BCDA, together with its partners have built great cities. These include the former 25-hectare Villamor Airbase which has been converted to Newport City—the country’s urban integrated tourism resort complex feature a strong I.T. component and airport-related businesses and of course, Bonifacio Global City (BGC), a former military base that has been transformed into the country’s premier business and financial center.

Strengthening our Armed Forces, while Building Great Cities

While building great cities, BCDA has been a driving force in strengthening our Armed Forces. From 1993 until 2016, BCDA has contributed upwards of Php35 billion from its asset disposition program for the modernization of the Armed Forces as well as built various facilities that directly benefit our soldiers. This year alone BCDA remitted more than

Php4 billion to the national coffers, Php3.6 billion of which to the AFP, consistent with its contribution last year.

However, as we enter the institution’s 25th year, the challenge is to now make giant leaps into the future. BCDA should not just be an enabler and builder but evolve into a TRAILBLAZER that develops cities that are not just better than those that we have now but at par with the best in the world. And while doing so, provide a long-term and sustained inflow of

“BCDA should not just be an enabler and builder, but evolve into a TRAILBLAZER that develops cities that are not just better than those that we have now, but at par with the best in the world.”

resources to not only modernize our Armed Forces but dramatically improve the quality of life of our soldiers.

Focus, Disruption, Humanity

As you will see in the succeeding pages, our future plans are centered on three principles that are meant to inject new life and purpose in BCDA:

FOCUS—We must set our eyes on what we can achieve within the President’s term to ensure that our people feel the benefits immediately without losing sight of our vision for the future.

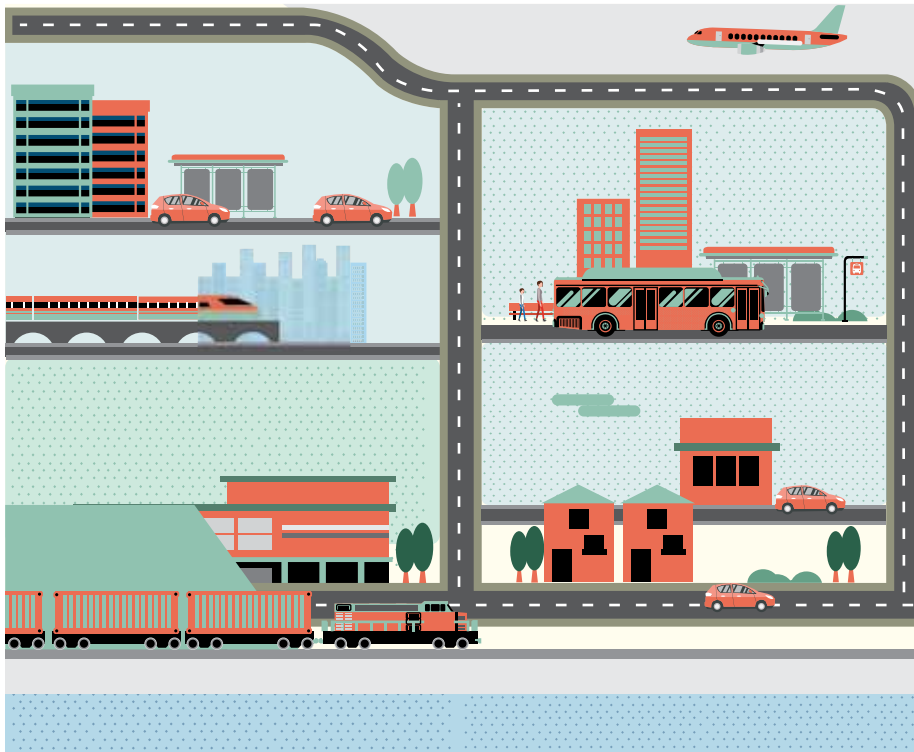
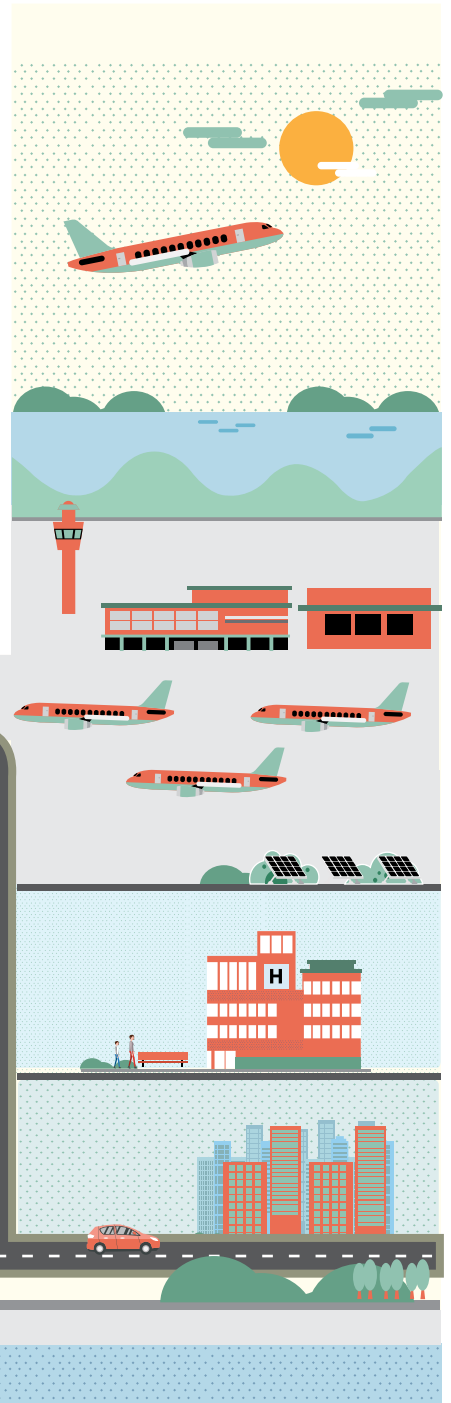
DISRUPTION— We need to **CHANGE** both our mindset and the way we do things.

HUMANITY—Everything we do should boil down to one thing: making the lives of our people better. This is the essence of our existence. In the words

of renowned architect Frank Gehry, “We must take the risk building for humanity.”

Finally, allow me to recognize the men and women of BCDA, these passionate, professional, and persevering people who have served the country over the past 25 years prove that government can truly be an instrument of and for the people.

There’s no looking back from here on, the caravan of real change must not stop.





AFP Modernization

The Armed Forces of the Philippines is the BCDA's main beneficiary, and 2016 saw Corporate Social Responsibility efforts for the three branches of the military, namely the Philippine Army, the Philippine Navy and the Philippine Air Force. The new BCDA, under the Duterte administration, pledges to "go over and above what the past BCDA has done for the military," making investment in the Filipino soldier its avowed task and priority.



The Filipino Soldier:
A Story of Transformation



Honoring the
Filipino Soldier



A Story of Caring



The valiant men and women of the Armed Forces of the Philippines are ready to protect and serve the country—maintaining its peace, order and security



The Filipino Soldier: A Story of Transformation

The transformation of the AFP goes deeper and is more complex than just the beefing up of assets.

At various points in our history, the term “military” would have been synonymous—or at least linked—to the Katipunan, to uprisings against our colonizers, to martial law, and even to kidnap-for-ransom operations.

But slowly, these images of the Filipino soldier began to change.

It started with the EDSA People Power Revolution, when the top brass broke away from the stranglehold of then President Ferdinand Marcos. Images of soldiers holding rifles with flowers tucked into the muzzles and shaking hands with crowds became indelibly stamped onto our collective consciousness.

Later on, we saw them at the forefront during natural disasters such as Tropical Storm Ondoy and Typhoon Yolanda (Haiyan). And after encounters or ambushes, we saw their bodies in flag-draped caskets, and mourned with their widows and children.



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From being a henchman, villain, and overall bad guy, the Filipino soldier became our friend—someone we could trust.

‘An Investment’

Indeed, today’s military is drastically different. Once plagued with corruption, low morale, and other issues, the AFP is enrolled in the Performance Governance System (PGS), an initiative of the Institute for Solidarity in Asia that uses Kaplan and Norton’s Balanced Scorecard, developed in Harvard Business School, to manage performance and measure results.

Since 2012, they have been following the AFP Transformation Roadmap (AFPTR) to 2028, with the vision: “A world-class Armed Forces, source of national pride.” In 2015, the AFP was one of 12 government agencies recognized as “Islands of Good Governance.”

Brig Gen Paterno Morales, chief of the AFP’s Office for Strategic Studies and Strategy Management, says that the PGS aligns all the efforts of the AFP towards a common goal. He cites the disbursement of funds as the primary—and from an operational standpoint, perhaps the most important—benefit of the PGS.

“It’s easy to ask for funds because there’s a process,” he says. “This is aligned with the Operational Performance Indicator Framework of the Department of Budget and Management, so it’s easy to justify requests.”

Other benefits of adopting the PGS, Brig Gen Morales says, are discipline (“You are setting your own targets, so you know what to do to improve”), transparency and accountability, and having a multi-sectoral governance council (MSGC) that lobbies for them. “The members of the MSGC are



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passionate about helping us because they see that we are an investment,” he adds.

An investment. Modernization is an investment. The strategic sealift vessels, the FA-50 fighter jets, C-130 planes, night fighting systems—these are all

investments. But the most important investment here is the investment in the Filipino soldier. It’s the man or woman behind the rifle, so to speak, who is world-class. It’s he or she who is a source of national pride.

- 1 Filipino soldiers selflessly sacrifice their lives for the Filipino people
- 2 The acquisition of brand new FA-50 fighter jets is part of the Philippine Air Force’s military capability upgrade under the AFP modernization program
- 3 The very first Strategic Sealift Vessel (SSV) of the Philippine Navy—BRP Tarlac (LD-601) was officially welcomed with arrival honours at Manila’s South Harbour on May 16, 2016. A second SSV is set to be delivered to the PN first quarter of 2017



Honoring the Filipino Soldier

No story of BCDA would ever be complete without the story of the Armed Forces of the Philippines. The AFP is the main beneficiary of BCDA by virtue of RA 7227, which created BCDA and establishes one of the agency's mandates: to raise funds from the sale of portions of military camps. In part, these funds would finance the AFP Modernization Program.

The program was created in 1995 through RA 7898 to strengthen our Armed Forces. Although it was intended for 15 years, it never really fulfilled its objectives. It was extended by the Aquino administration for another 15 years through RA 10349, signed in 2012.

Under the revised modernization program, the military has taken on more complex and more challenging roles: soldier, defender of our natural resources, protector in times of natural and man-made disasters, and enforcer of foreign and domestic policies. Taking on these roles, and developing and enhancing capability for them, is a challenge in itself. After all, modernization—in the context of the AFP—is much more than just upgrading equipment.



'An Opportunity'

When the Philippines was listed as the sixth worst army in the world in 2015 by the website We Are The Mighty (WATM), it was a wake-up call.

"The President of the Philippines vowed to upgrade the country's aging Navy and Air Force to the tune of USD1.7 billion, the Philippine Congress passed a bill appropriating USD2 billion for the effort and... that's it," WATM said.

Yet, "the Philippines' Naval and Air Forces are still nearly 60 years old and its ships are old U.S. Coast Guard cutters," the WATM report concluded.

As AFP spokesperson, then Col Restituto F Padilla Jr was reported to have responded by saying, "We view the article with an open mind and see this as an opportunity to once again call on the legislative to support an expedited and sustained capability upgrade of your Armed Forces."



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- 1 President Duterte visits the First Scout Ranger Regiment (FSRR) Headquarters in Camp Tecson in San Miguel, Bulacan
- 2-3 Wounded soldiers at the AFP Medical Center in Quezon City are visited by the President

Funding AFP Modernization

The WATM report notwithstanding, former President Aquino was reported to have completed more AFP modernization projects than his predecessors—65 as of January 2016, as compared to the combined total of 45 of the past three administrations.

With tension mounting over the West Philippine Sea and the continued presence of internal threats, President Duterte has vowed to continue AFP modernization.

But the reality is that any plan for modernization amounts to nothing

without the proper funding. Department of National Defense (DND) Secretary Delfin Lorenzana was quoted as saying, “We have been underfunded for the past 50 years.” He also noted that our Southeast Asian neighbors spend an average of about 2.5% of their GDP for defense.

As one military officer puts it, “The AFP modernization program will guide the development of the Armed Forces—in fact, the transformation of the Armed Forces—given the right funding by the government.”

Contribution to Modernization

BCDA’s part in AFP modernization has been significant, to say the least. Since 1993, the agency has generated Php79.88 billion from its asset disposition program. The bulk of this amount, Php35.4 billion, was for AFP modernization.

In fact, BCDA’s contributions to the nation’s coffers have been steadily growing. From July 2010 to December 2015, BCDA remitted Php9.548 billion to the Bureau of Treasury—an increase of 15.97% from the total remittance of Php8.233 billion from 1993 to June 2010.

In 2016 alone, BCDA remitted Php4 billion to the Bureau of Treasury.

Of the total amount remitted in 2016, Php3.6 billion was allotted for AFP modernization.

‘Over and Above’

Clearly, BCDA has contributed in a big way through the billions it has poured into the AFP Modernization Program. But the relationship between BCDA and the AFP—that hasn’t been so clear.

“BCDA, through the years, has lost its focus on improving our military,” BCDA President and CEO Vivencio Dizon says. “If you talk to the military, they will tell you, ‘We never felt BCDA was a real partner for us.’ This must change.” Mr. Dizon added.

Mr. Dizon says all this will change under the Duterte administration.

Beginning early on in his term, President Duterte has made it apparent that the men and women of the Armed Forces are important. He has addressed soldiers at military camps from Nueva Ecija to Maguindanao, sat on hospital beds of those wounded during encounters in Sulu and Basilan, and visited wakes of the fallen. At one camp, he was reported as telling soldiers:

Info BCDA’s contributions to the AFP, by the numbers

Php 24B
total amount
remitted to the AFP from
May 1993–December 2016

Php 1.4B
total amount spent for
replicated facilities
(e.g. housing units,
hospitals, museum,
church, etc.)

Php 3.6B
for AFP Modernization
Program in 2016 alone



DND and AFP officials, and Taguig City 2nd District Congresswoman Pia Cayetano unveil the AFP Tribute Wall at the BCDA Executive Offices Lobby



“I salute you for your sacrifice and hard work. Being a soldier is not easy. It is fraught with danger....And I know you are a special breed.”

Under President Duterte, there will be a “new BCDA,” Mr. Dizon says. “The new BCDA will go over and above what the ‘past BCDA’ has done for the military,” he emphasizes.

Focusing on the Military

To further underscore the agency’s renewed commitment to the AFP, the walls of the BCDA executive offices lobby have been converted into a permanent exhibit of sorts. An eye-catching display of men in uniform representing the Philippine Army, Navy, and Air Force proudly announces: “We help strengthen our Armed Forces while we build great cities.”

This is BCDA’s AFP Tribute Wall, unveiled in December 2016. It is a

declaration that BCDA is setting its sights on improving and deepening its relationship with the military.

Already, the agency has begun shifting its Corporate Social Responsibility (CSR) projects to focus more on the AFP. The recent approval of the donation of a new panoramic X-ray machine and six dental chairs to the Philippine Navy Dental Dispensary signals the start of this shift.

More importantly, however, the BCDA is setting in motion plans to allot a bigger portion of the proceeds of a disposition to the AFP. This scheme has long been in the pipeline, but BCDA is now seriously looking into it.

Taking its cue from the new administration, BCDA will continue to come up with projects and programs to benefit the military.



A Story of Caring

The story of the AFP is one of triumph and loss, of order and upheaval, of heroism and heartache.

More than that, it's a story of men and women—husbands and wives, fathers and mothers, sons and daughters—who would give their lives for our country in a heartbeat. Indeed, theirs is the only profession that is duty-bound to do so. As one military officer so succinctly yet passionately put it, “All we need is an order to die.”

BCDA pays tribute to these men and women of the AFP, who go above and beyond the call of duty to keep our nation free. Through its CSR projects, it aims to contribute to the development of “a world-class Armed Forces, source of national pride.”



There's No Place Like Home

After being awarded a housing unit in 2012, Lt Col Rexel Falsis shares what it's like living in Paoville Delta.

Lt Col Rexel Falsis considers himself a lucky man.

When he completed almost 10 years' tour of duty in Mindanao as a major in 2011, and was assigned Chief of the Armed Forces of the Philippines Transient Facilities Management Branch under the Army Housing Office (AHO) in Fort Bonifacio, he did not know where he and his family would live. He had no quarters in Metro Manila, as he was from Iloilo, while his wife was from Baguio.

Falsis stayed at the AHO staff house in the AFP JUSMAG housing facilities. But with plans to develop the area into a commercial complex, he knew he needed to find a residence of his own. The facilities were being replicated in Fort Bonifacio by BCDA, but the priority for relocation to the new housing facility was the families living in the JUSMAG area who would be displaced by the development. He was only no. 25 in the list for housing.

"I was hoping this would be my opportunity to have a house in Metro Manila," Falsis recalls. "But I was worried. I wasn't a real resident [in JUSMAG]—it was the AHO that had a house there," he adds.



Fortunately, he was awarded a unit at the Philippine Army Officers' Village (Paoville) Delta, BCDA's Php700-million replication project.

A Load Off His Mind

The replication provided the AFP with 12 medium-rise condominium buildings: 10 in Fort Bonifacio, with nine buildings allotted to the Philippine Army and one to the Philippine Navy; and the remaining two in Villamor Air Base, for the Philippine Air Force.

The buildings were all completed and turned over in late 2012. Each building has four floors, with four units per floor or a total of 16 units per building. Each unit measures 100 square meters and has three bedrooms, a maid's quarters, and a balcony. A laundry drying area on the roof deck and parking on the ground floor, with two parking slots assigned to a unit, complete the amenities.

Falsis, whose promotion to lieutenant colonel took effect in December 2015, says he applied for a housing unit as a second lieutenant, after getting married

(being married is a requirement for eligibility, regardless of rank). From 1998, he was awarded the unit in 2012. "I did not approach anybody for help," he points out. "I went through the process, so I can say the awarding was fair."

Paoville Delta is located just a few minutes from his office, making it convenient for him to go to and from work everyday. And because he pays for the use of the unit with his quarters' allowance—Php800 only, deducted from his monthly salary—he can channel his finances to other things that his family needs.

Other three-bedroom condominium units in the vicinity are a little more than half the size of his unit, and are rented out for about Php30,000 to Php50,000 monthly. Not having to deal with this expense is a load off his mind. "I can accomplish my work without so many burdens and worries," he says. "I'm thankful for it."



At present, 12 housing buildings with a total of 192 units have been provided by BCDA, which serve as homes to the active military personnel of the AFP

Life in Paoville Delta

Paoville Delta is situated on a gentle slope in a quiet corner of the camp. It's peaceful, with lots of fresh air and nothing to break the silence but the occasional airplane whizzing overhead. After school, children go outside to play or ride their bikes. The neighbors are friendly and greet you with a smile. It's home.

Falsis' unit is on the top floor. There's no elevator, but he's not complaining. "On my first day here, I was dog-tired, gasping for breath going up the stairs," he narrates. "Now, I'm used to it. It's exercise."

Getting the unit was a happy moment for him and his family, Falsis says, adding that he appreciated the unit as soon as he saw it. His children study and enjoy life in Metro Manila, which is something he wanted them to experience. Their relatives from the province can easily visit them because Paoville Delta is near the airport.



More importantly, however, he knows it's a secure place for his family to live in if he's assigned outside Manila.

"I would like to take this opportunity to thank our Philippine government, particularly the Philippine Army, the AFP as a whole, and of course the BCDA, for granting me this housing unit for the comfort of my family while I am in the active service," Falsis says. When he retires in 2022, he plans to look for a house in Manila or in the nearby area.

Reflecting on his good fortune, Falsis hopes even the enlisted personnel—especially those from outside Metro Manila—would be given the chance to have housing. "I hope we can have additional housing for the soldiers so they can have security for their families and they can render service well, regardless of where they're assigned."



More Than Just a Chair

Budget constraints can't stop Col Ruth Valdevilla from serving the men and women of the Philippine Navy.

To many, a dental chair conjures uncomfortable visions of tooth extractions and root canals. It's probably the last place they would want to be.

At the 131st Philippine Navy Dental Dispensary (PNDD) at the Bonifacio Naval Station, a dental chair is more than just an apparatus. To PNDD Commanding Officer (CO) Col Ruth Valdevilla, a dental chair can spell the difference between efficiency and ineptitude.

The dispensary provides a full range of dental services to the men and women of the Philippine Navy, and to their dependents. They handle 250 to 300 cases a week and conduct dental missions, doing the rounds among the different battalions in Basilan, Sulu, and Cotabato.

But there was a time when their ability to provide these services was contingent on whether the dental chairs or their attachments—compressors, lights, and cuspidors—were functioning properly. The chairs were old and had seen better days, having been damaged when the dispensary was flooded during Tropical Storm Ondoy (Typhoon Ketsana). It was time for an upgrade.



Dental Chairs

With the cost of a chair in the hundreds of thousands and the PNDD's budget for materials at only Php800,000 a year, Valdevilla knew she had to find another way to get new chairs. "I resorted to soliciting," she says. After all, the priority of the Philippine Navy is the ships and equipment needed for maritime security, she adds.

Then one auspicious day in 2015, Retired Vice Admiral Ferdinand Golez—who served as the Navy Flag Officer in Command (FOIC) from 2008 to 2010—sat in one of the dispensary's old dental chairs as Valdevilla's patient. Not knowing that he was on BCDA's Board of Directors, Valdevilla asked him where she might



be able to solicit for new chairs. Golez encouraged her to write to BCDA.

Valdevilla did, and her request for six dental chairs was approved. A Deed of Donation was executed between BCDA and the Philippine Navy in December



2015, and in September 2016, BCDA turned over the dental chairs, with a total value of Php900,000, to the PNDD.

Wish List

Valdevilla's wish list did not end with the six dental chairs, however. She saw the need for a new digital panoramic X-ray—a state-of-the-art apparatus that shows a patient's teeth, gums, upper, and lower jaws, and surrounding tissues, in one image.

A panoramic X-ray helps in many ways. To get an overview of a patient's dental health, a complete set of X-rays of his/her teeth would be required. This would be composed of 18 different angles or views—time-consuming to



get, and potentially wasteful, especially if some areas are free from cavities or other dental conditions.

Because it captures the equivalent of all the 18 X-rays at one time, a panoramic view would save time in examining and diagnosing these conditions. The patient wouldn't have to wait long for treatment, and would be able to report for work sooner. This is especially important if the patient is a soldier needed in the field. "In the case of road accidents involving motorcycles, it would help us see if there are fractures," Valdevilla adds. "We could refer the patient [to a hospital] right away."

Valdevilla made a formal request with their headquarters for the X-ray, but it could not be accommodated in the budget. So she turned to BCDA again.

A Morale Booster

The BCDA Board of Directors approved the donation of the X-ray and six more dental chairs in December 2016. The estimated total for the additional equipment is Php3.8 million.

Valdevilla is very grateful to BCDA for the support. The new panoramic X-ray machine would enable the dental staff to assess a patient's dental health more quickly, and therefore lessen the patient's downtime. She says that their existing

X-ray—old, but still functioning—will go to the dispensary in Sangley Point in Cavite.

The additional chairs would increase the dispensary's current 10-chair capacity to 12. Already, the new chairs have been a big help, she says, adding that it enables them to work faster. The dentists' work is no longer interrupted by malfunctions of the chair or its components.

This has boosted the morale of her staff. "Their work is now lighter and smoother—less strenuous," she says. The chairs have also brightened up the dispensary and have given the dentists a sense of pride, she adds. "You can't look good if your dental chair is obsolete!" she laughs.

But there's still a long way to go. Valdevilla—who incidentally is the first woman CO of the PNDD—wants to do more for the dispensary before she retires in about two years. She wants to upgrade the dispensary's equipment and materials so they can in turn improve the services they offer to Navy personnel.

It won't be easy, but Valdevilla is up to the challenge. "Instead of getting discouraged, you just find a way," she says. "You have to strategize—so you won't fail in providing services to these soldiers."



Healthcare in the Supersonic Age

Thanks to the government's budgetary support for AFP modernization, the Philippine Air Force (PAF) has returned to the supersonic age.

After retiring its US-made F-5 fighter jets in 2005, the PAF was able to procure 12 FA-50 jets from South Korea to the tune of Php18.9 billion. The first two of these jets were delivered in November 2015, and the last batch is expected in 2017.

Part of the PAF's modernization program under Flight Plan 2028, the equipment upgrade is complemented by the replication of military facilities undertaken by BCDA.

When the 25-hectare Newport City was developed in Villamor Air Base, a total of Php1.84 billion was spent for the replication of PAF and community facilities. Some Php627 million of this went to the replication of military facilities which include the PAF General Hospital and PAF Officers' Quarters, among others. A total of Php567 million was spent for the replication of community facilities such as Philippine State College of Aeronautics (PhilSCA), Villamor Airbase Elementary School, Pasay City South High School etc.

"The Philippine Air Force has a very responsive healthcare system," says AFP



spokesperson Brig Gen Restituto F Padilla Jr, a PAF officer.

Citing the traffic issue in Metro Manila, Padilla says it is a plus to have a hospital in close proximity to one's home.

Having a health facility right inside the base allows the residents to avail of healthcare services without having to travel to V. Luna Medical Center or the Veterans Memorial Medical Center, both in Quezon City.

Among the military facilities replicated by BCDA in Villamor Air Base are the PAF General Hospital and the PAF Officers' Quarters.

This convenience was underscored when his wife, Jessica Bautista-Padilla, needed medical attention. She says she went to the hospital a number of times

The Philippine Air Force General Hospital inside Villamor Airbase in Pasay, City

for blood transfusion. The hospital was easily accessible not only to her as a patient, but also to family and household members who visited or stayed with her. "The kids could even walk to the hospital, if there was no driver available," Jessica adds.

Padilla says the majority of beneficiaries of military hospitals are the families who hold the fort down while the man or woman in uniform is away. "It would be best if there will be a periodic or regular upgrade of such health facilities," he adds.

This would set the minds of all AFP personnel at ease, especially when they are on assignment away from their families, patrolling the skies in the PAF's new supersonic jets.



Sundalo Ko, Bayani Ko

Bonifacio Global City, a former camp of the Philippine Army, was the perfect venue for the “Sundalo Ko, Bayani Ko” (My Soldier, My Hero) program, an initiative that recognizes the service of the Armed Forces of the Philippines (AFP) through promos and discounts in select BGC stores.

Twenty-four BGC merchants from Market! Market!, Bonifacio High Street and BHS Central joined the program, granting benefits that are exclusive to the AFP and their dependents. Among participating stores and brands are The List Salon Spa Dermatology, Istudio, Brothers Burger, Murrays, New Orleans, Pier at Claw Daddy, JBL Sound Gallery, Rekado, Faburrito Stopover, Inc., Nailandia, Wendy’s, The Coffee Bean and Tea Leaf, Shawarma Bros., 121 Grille and Restaurant, Wasabi Warriors, Zao Vietnamese Bistro, Teeth Avenue Dental Clinic, ECHOstore, Collezione C2, Barenaked, Odyssey, Red Ribbon, Converse, and Silverworks.

To avail of the benefit, troops and their dependents are asked to show their AFP Identification Card.

The Mind Museum also offers free entrance to the children of soldiers with the rank of E4 (Sergeants and below),



while accompanying adults get a special rate of Php190 for entrance tickets valued at Php650.

The program is a joint CSR project of BCDA, in cooperation with the Fort Bonifacio Development Corporation (FBDC), Station Square East Commercial Corporation (Market! Market!), and Serendra.

Sundalo Ko, Bayani Ko is a continuing program that was launched in March 22, 2014 in celebration of the 117th anniversary of the Philippine Army.

BCDA, with its private partners, will continue to engage with merchants in former military camps like BGC to expand the program further as a joint CSR initiative that underscores the exercise of Filipino patriotism in honor of our country’s defenders, the AFP.





Build Build Build

Being one of the key implementing agencies for the government's Build Build Build program, the BCDA is deeply involved in game-changing solutions to the country's epic congestion and traffic problem. The agency is focused on assisting in the Duterte administration's massive infrastructure program, providing mechanisms for private sector enterprises and international agencies to take part in groundbreaking projects that open more economic opportunities for Filipinos.



Clark International
Airport



New Clark City



Subic-Clark
Cargo Railway



BGC-NAIA Bus Rapid
Transport System

Artist's rendition of Clark International Airport





BUILD BUILD BUILD: The Inside Track

BCDA's contribution to infrastructure's golden age

Depictions of the Philippines in various media platforms are a study in contrast. At best, it is a tropical paradise or a land of charming idyllic towns with unparalleled tourist attractions; at worst, it is a nation filled with destitute informal settlements whose National Capital Region ranks fifth in the world in terms of horrendous traffic conditions.

The two contrasting images may not be necessarily mutually exclusive. However, the latter seems more congruent with the fact that a significant portion of the country is highly urbanized. Six out of 10 Filipinos live in over 140 cities and some 1,500 municipalities that merge to define metropolitan regions. Local figures mirror global statistics: More than half of the world's population resides in urban districts; and according to the United Nations, by 2050 the number will most likely climb to 70%.

To say rapid urbanization is a major factor in any infrastructure development is an understatement.

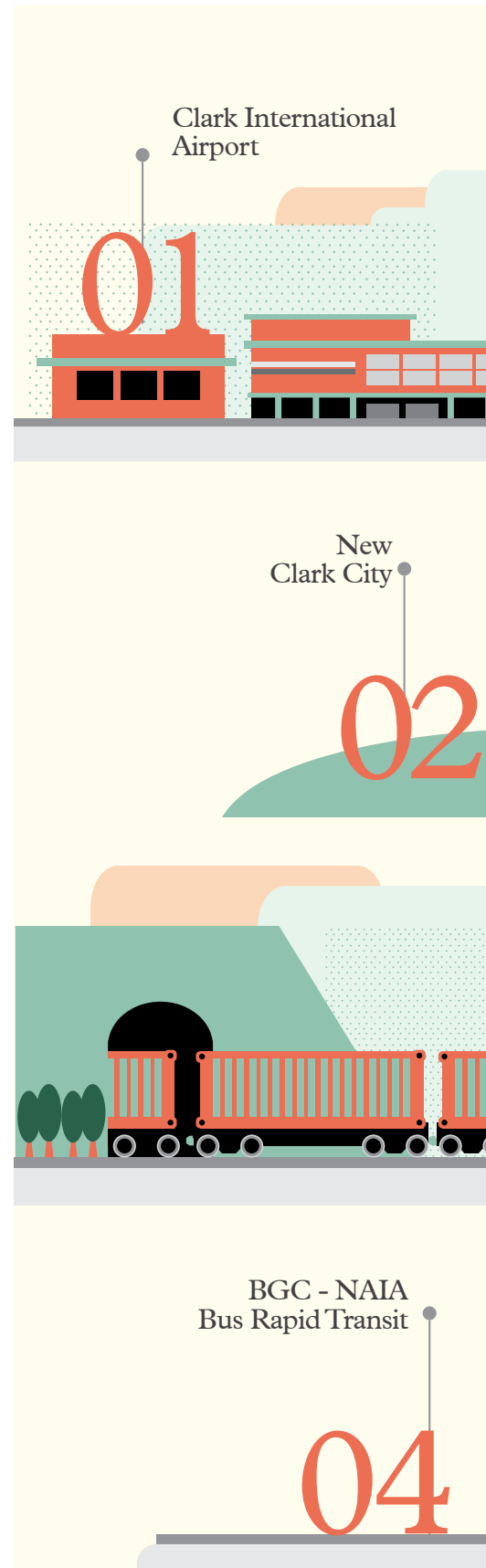
While infrastructure—at least by its definition as the underlying structures that support systems—is inherently inconspicuous especially when things generally work well, it plays a pivotal role in urban development. Failure to repair, rebuild or replace infrastructure will make cities vulnerable, we are told by the independent American foreign aid agency Millennium Challenge Corporation that funded a climate-smart road project in post-Haiyan Tacloban. Like the obvious needed to be stated.

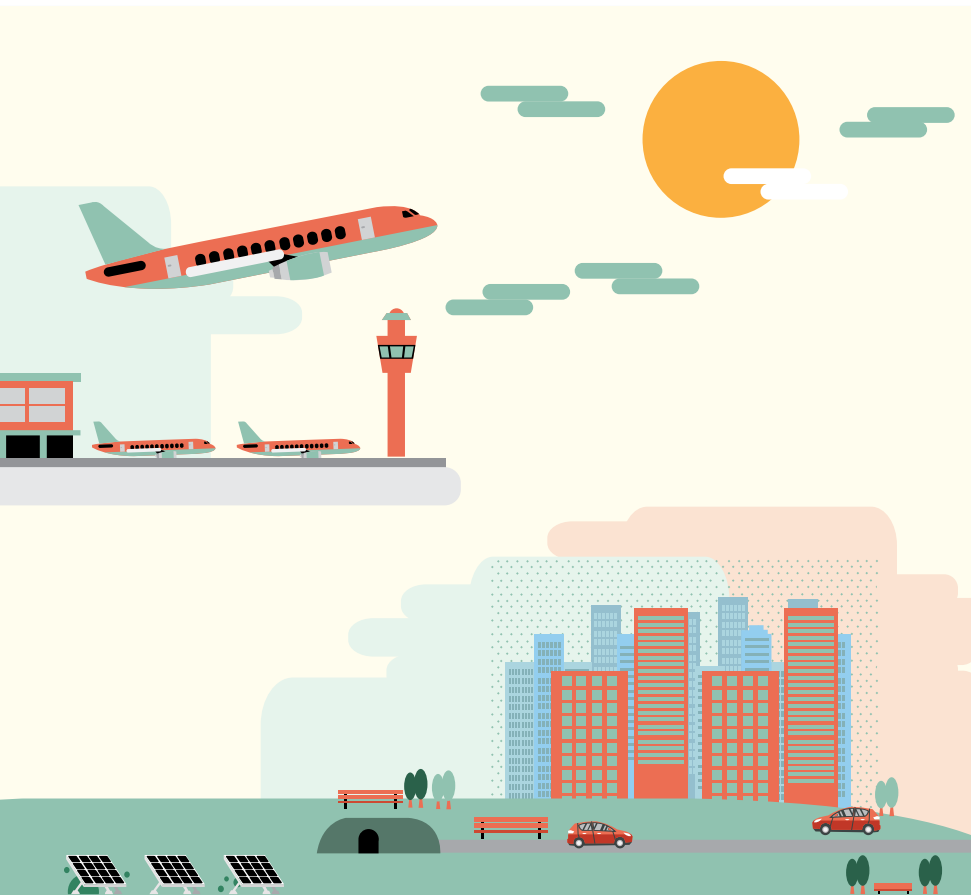
The Road to Poverty Reduction

Acceleration of infrastructure development is one of the reforms identified in President Duterte's term.

Public spending on mass transport systems, railways and roads is seen to reach over 7.2% of the GDP by the end of President Duterte's term.

Considering the previous administration's underspending in infrastructure—only 2.9% of the Gross Domestic Product (GDP) in six years in an effort, mistaken or not, to minimize graft and corruption—Php8 trillion seems a staggering amount of taxpayers' money allocated for projects. But according to Asian Development Bank (ADB), "Developing countries in Asia and the Pacific will need to spend up to USD1.7 trillion a year, or USD26 trillion through 2030, to meet their infrastructure needs and to maintain the region's growth momentum." The ADB

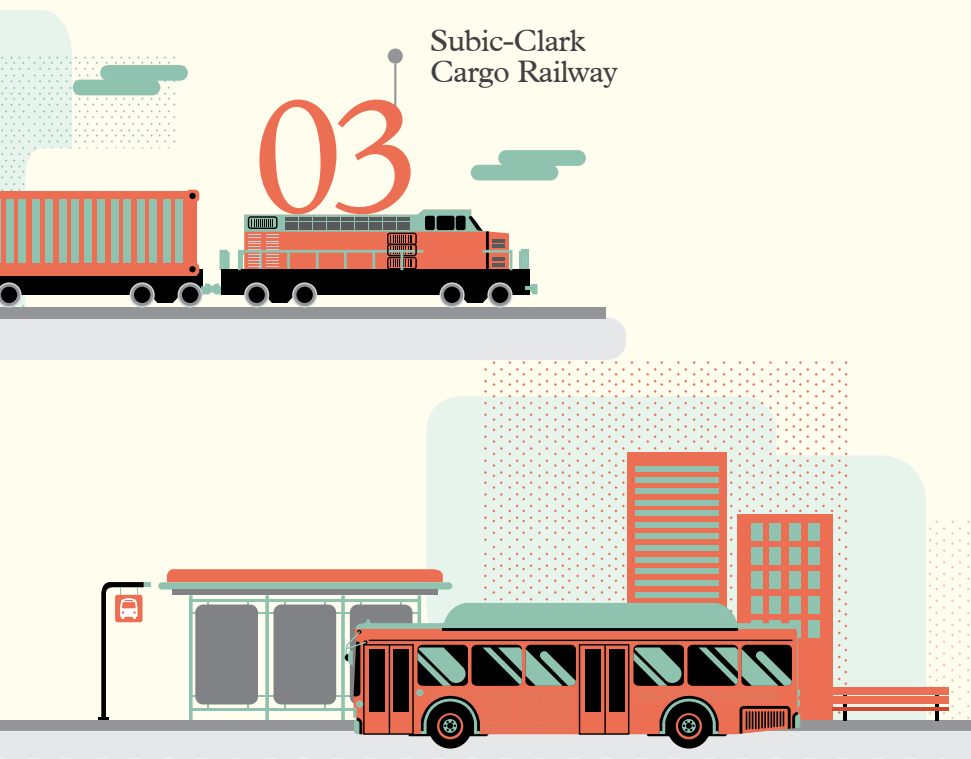




study stated that many economies in the region lack modern ports, railways and roads to better connect them to larger domestic and global markets.

The current administration is all too aware of this. A report from the Philippine Institute for Development Studies showed that in the first year of the Duterte regime, infrastructure spending represented 5.4% of the country's GDP—the highest since the Marcos era.

The huge leap is deliberate. Studies have shown that lack of infrastructure expenditure is an economic drag. According to Nomura, an Asia-based financial services group with an integrated global network in 30 countries, the Philippines ranks 95th out of 138 countries in terms of quality of infrastructure, and that it is behind most of its Southeast Asian neighbors.



The correlation between reducing poverty and building, rehabilitating or replacing roads, bridges and railways is not unfounded. Increased infrastructure spending is directly proportional to employment generation, especially in the following sectors: construction, wholesale/retail trade, forestry, fabricated metal products, renting, and other business activities. More jobs lead to lower poverty incidence. The equation might seem simplistic but it makes sense.



1

Mobility, Connectivity and More

Economic indicators claiming that the Philippines loses to traffic congestion as much as 4.6% of its GDP annually or as much as Php3 billion per day might not immediately resonate among minimum wage earners or the under- or unemployed. But frustration with the inability to move from point A to point B (especially when job commute is involved) within a reasonable timeframe does. Hence, the interest generated by the unveiling of “high impact projects” that promise significant cuts in travel time and faster delivery of goods and services.

Build Build Build, the administration’s comprehensive infrastructure development program, has at least 75 major projects in the pipeline including the construction and/or rehabilitation of 20 roads, two bridges, four flood-control projects, two dams, 23 railway

systems, seven airports, two transport terminals, three bus rapid transit systems, and one information technology facility. When those numbers are invoked, calling the initiative “the boldest, most ambitious infrastructure plan” in the country’s history doesn’t sound an exaggeration.

Major Players

The BCDA is one of the key implementing agencies for the Build Build program. It works closely with the Department of Finance (DOF), the Department of Public Works and Highways (DPWH), the Department of Transportation (DOTr), the Department of Budget and Management (DBM), and the National Economic Development Authority (NEDA).

Of the listed “game-changing solutions” to what has become epic congestion and traffic problems, BCDA is directly involved in, among others, (1) the

Bonifacio Global City to Ninoy Aquino International Airport Bus Rapid Transit (BGC-NAIA BRT) System, which will reduce travel time from Fort Bonifacio to NAIA to only 20 minutes from the current 45 minutes; (2) the Subic-Clark Cargo Railway, which will provide faster and more efficient transport of goods and services between the Subic Seaport in Zambales and the Clark International Airport in Pampanga; (3) Clark International Airport, which will provide a new passenger terminal building under this administration to accommodate 8 million passengers per annum, decongesting air traffic in NAIA; and (4) the New Clark City, a carefully master planned community strategically located in Central Luzon poised to be the next big metropolis.

The last quarter of 2016 saw BCDA signing of Memoranda of Understanding with China Communication Construction Co. Ltd.’s subsidiaries for the Subic-Clark Cargo Railway project and



2



3

Artist's renditions of
BCDA big-ticket projects:

- 1 Clark International Airport
- 2 BGC-NAIA Bus Rapid Transit System
- 3 Subic-Clark Cargo Railway

the BGC-NAIA BRT system; CFLD Singapore Investment PTE Ltd. for real estate development in New Clark City; Huawei Technologies Philippines, Inc. for the Safe City Solutions of New Clark City; Memorandum of Cooperation (MOC) with Japan Overseas Infrastructure Investment Corporation for Transport and Urban Development (JOIN) for the Development Management Framework of New Clark City, and Memorandum of Understanding (MOU) with Hitachi Asia Ltd. and The Power Grid Solution Ltd. for the establishment of New Clark City's energy management system, district cooling system, energy storage and distributed energy resources, and total energy network system.

If You Build, They Will Come

In the Malacañang press conference that launched the Build Build Build program in the fourth quarter of 2016, the thrust toward non-National Capital Region (NCR)-centric development was underscored.

Socioeconomic Planning Secretary Ernesto Pernia emphasized the need for an increased infrastructure spending for the Philippines to catch up with its Asian neighbors. According to a report from the International Monetary Fund (IMF), government underspending on infrastructure projects has been the cause of why the Philippines has been lagging behind its Asian peers in terms of investment.

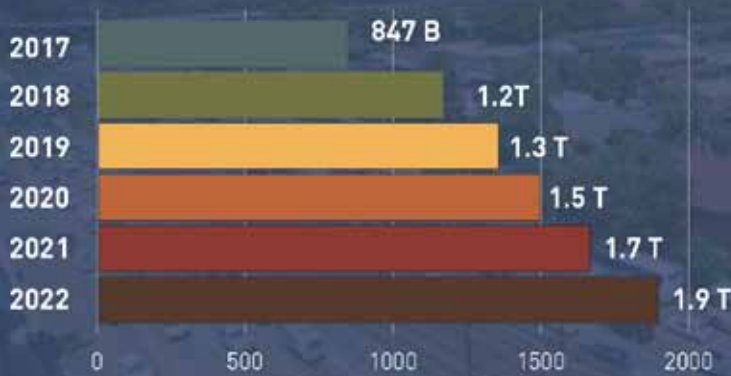
“At 21.8 percent of GDP [gross domestic product] in 2014, the investment rate in the Philippines is well below regional peers, as reflected in its low capital stock and infrastructure quality,” the IMF report stated.

Thus, government is set to increase infrastructure spending to 5.4% of the GDP in 2017 alone to finance projects in transportation, water resources, social infrastructure, energy, ICT (information and communication technology) and others.

Regional development—i.e., spreading economic activities to other potential growth areas—is one of the strategies emphasized in the “Roadmap for Transport Infrastructure Development for Metro Manila and Its Surrounding Areas,” a study done by Japan International Cooperation Agency (JICA) and approved by the previous administration.

Better north-south connectivity via efficient multi-modal public transport networks supported by good roads and railways form part of the “Dream Plan”

BOLDEST, MOST AMBITIOUS INFRASTRUCTURE PROGRAM IN HISTORY (in PHP)



PHP 8.4 T in 6 years

USD 160 B
(est)



Source: Philippine Institute for Development Studies

1



2

- 1 BUILD, BUILD, BUILD infrastructure spending plan
- 2 BCDA PCEO Vivencio Dizon at the signing of Memorandum of Understanding with Chinese firms during President Duterte's state visit to China in October 2016
- 3-4 Malacañang launch of the BUILD, BUILD, BUILD Infrastructure plan with (L-R): DPWH Sec. Mark Villar, NEDA Sec. Ernesto Pernia, DOTr Sec. Arthur Tugade and BCDA PCEO Vivencio Dizon



3



4

to provide reasonable ways of moving, an investment that enables people to commute from suburban areas where they have access to affordable housing in a more spacious and safer area.

Decentralization is a terrain not unfamiliar to BCDA considering its special economic zones in Pampanga (Clark), Bataan (Morong), La Union (Poro Point), and Baguio (Camp John Hay). Major infrastructure projects within and around these properties have been fueling economic activities and attracting investments in these growth centers—a testament to the possibilities promised by Build Build Build.

Shifting air traffic to Clark International Airport (the DOTr hopes to have the new terminal operational by 2020) will decongest NAIA. It will also help get off EDSA at least 3.5 million cars daily—and consequently cut down the Pnp3 billion we lose to traffic per day.

Work in Progress

President Duterte plans to present his administration's ambitious infrastructure program to top business leaders at the World Economic Forum in Cambodia in May 2017. It will be the first international launch of Build Build Build, funding for which will mostly be sourced from the national budget but will also need a huge local as well as foreign private sector component.

Philippine infrastructure development complements the Association of Southeast Asian Nations' eight-year connectivity masterplan, according to the country's economic advisors.

Governments across the globe acknowledge the advantages of public-private partnerships in pushing forward vital infrastructure projects.

According to NEDA, there are 75 public-private partnership projects currently in the pipeline, 15 of which are already in different stages of implementation.

With its 24-year history of PPP engagements in building integrated dynamic business centers and vibrant communities, the BCDA Group—Bases Conversion and Development Authority, Clark Development Corporation, John Hay Management Corporation, Poro Point Management Corporation, and North Luzon Railways Corporation—has a wealth of experience to taste.

BCDA President and CEO Vivencio Dizon said that the agency's focus for the next six years is to assist in the government's massive infrastructure program as well as to build new cities outside of Metropolitan Manila. New Clark City is easily BCDA's centerpiece project within the Build Build Build program.

Government agencies such as BCDA are enablers, Mr. Dizon affirmed. It provides mechanisms for private sector enterprises and international agencies to take part in groundbreaking projects that open more economic opportunities for Filipinos.

Clark Development Stakeholders' Roadshow

BCDA launches the government's Build Build Build plan in Central Luzon

The Bases Conversion and Development Authority (BCDA) brought to Central Luzon the government's ambitious six year-infrastructure development plan "Build Build Build." The Clark Development Stakeholders Roadshow was launched at the Royce Hotel, Clark Freeport Zone, Pampanga on November 25, 2016. The event focused on the Clark Infrastructure Development Plan as anchored on President Rodrigo R. Duterte's 0+10 socioeconomic agenda.

Heads of BCDA, Clark Development Corporation (CDC), and Clark International Airport Corporation (CIAC) shared with stakeholders the key infrastructure projects envisioned to propel the Clark Freeport and Special Economic Zone to achieve its full potential. Some of the featured projects were the Clark International Airport New Passenger Terminal Building, the Manila-Clark Railway, the Subic-Clark Cargo Railway, and projects lined up for New Clark City.

A Manifesto of Support was signed by local government leaders from Pampanga and Tarlac, members of the House Oversight Committee on Bases Conversion, and BCDA, CDC, CIAC, and Subic-Clark Alliance for Development Council (SCADC) officials.



New Clark City

TARLAC

The BCDA's largest and most ambitious project New Clark City is a mixed-use master planned community, where self-sufficiency and totality define the combination of business, commercial, residential, institutional, and industrial zones. The city will be powered by the most innovative energy technologies, putting it in the league of the most advanced cities in the world.



The Rise of a
Green and Smart City



Interconnectivity



The Call for Clark



NXCities Philippines

A city should not only be functional and efficient, but also sustainable, utilizing innovations to bolster the long-term





The Rise of a Green and Smart City

The environment, recognized as the most precious resource of our times, must no longer be a dispensable element in urban planning. A truly innovative city must be able not only to preserve this resource, but integrate it into urban lifestyle and culture. It must also be able to utilize its environmental resources to mitigate or withstand the onslaught of natural calamities, which frequently devastate most Philippine urban and agricultural areas.

The great attraction of the Philippines is its tropical beauty—beaches, mountains, fields, around which has sprung its vibrant cities and towns. In a country blessed with natural abundance, it's not difficult to imagine paradise—created around nature's best, while possessing access to modern comforts.

While the congested mega-city that is Metro Manila may no longer fit the bill, there is relief in knowing that the direction of green living is going north of the metro—towards the historic and verdant city of Clark, now poised to showcase the fusion of world-class urbanity and the charmed, laidback lifestyle Filipinos immensely enjoy in the countryside.

New Clark City is a development that dares to reimagine how a city should be—thereby reinventing its elements. Its



infrastructure must be created around the needs and desires of its residents. It should be beautiful, yes—for a livable space is also one that delights the senses and feeds the soul. A city should not only be functional and efficient, but also sustainable, utilizing innovations to bolster the long-term—a city that sees far into the future.

The city of the future is being built from the ground up—a fresh, green start. The site is some 9,450 hectares of the Clark Special Economic Zone. This model city, unprecedented in the country, is New Clark City, a mixed-use master planned community. Self-sufficiency and totality define the combination of business, commercial, residential, institutional, and industrial zones.

“The rate of growth in Central Luzon is reaching its peak, and infrastructure is the key to propel this development,” says BCDA President and CEO Vivencio



New Clark City is a carefully master planned community situated in the heart of Central Luzon, where nature, lifestyle and business, education, and industry converge into a global city based on principles of sustainability.



Dizon. New Clark City, he adds, “is our largest and the most ambitious project yet. It aims to promote inclusive growth that could boost the country’s global competitiveness.”

Sustainable and Smart

The conservation strategy for the new development involves transforming only a third of the area, leaving the rest to agricultural and forest cover. The world-class city will be powered by the most innovative energy technologies—with initiatives being made in securing truly sustainable and renewable energy generation, such as solar power, and explorations into hydro, and liquefied natural gas. “Smart grid” technology is being sourced, and this revolutionary energy transmission and management will put New Clark City in the league of the most advanced cities in the world.



Info

New Clark City by the numbers upon full development

USD 30.94B
(est)

gross output contribution to the country’s Gross Domestic Product (GDP)

1.02M
residents



582,000
workers

Investment Opportunities



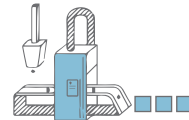
Mixed-Income Housing Project

The New Clark City Mixed-Income Housing Project will provide affordable housing units to employees working in the city and in nearby areas.



National Government Center

The National Government Center will host Satellite Offices of all the branches of the Philippine Government; the Executive, Legislative and Judiciary, as well as their attached agencies.



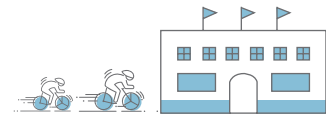
Food Processing Terminal & International Food Market

The New Clark City Food Processing Terminal and International Food Market is envisioned to be a “stock exchange” of fresh produce and processed products that will serve domestic and international markets.



BCDA Smart Cities

The Safe and Smart Cities Project is an Information and Communications Technology (ICT) infostructure project that aims to create a digital railway system in BCDA-owned special economic zones and surrounding areas.



Philippine Sports City

BCDA, in partnership with the Philippine Sports Commission, will build a mixed-use sports complex inside the New Clark City, with all the facilities and amenities for staging local and international events and also for the development of Philippine sports.



Artist's Perspective of New Clark City



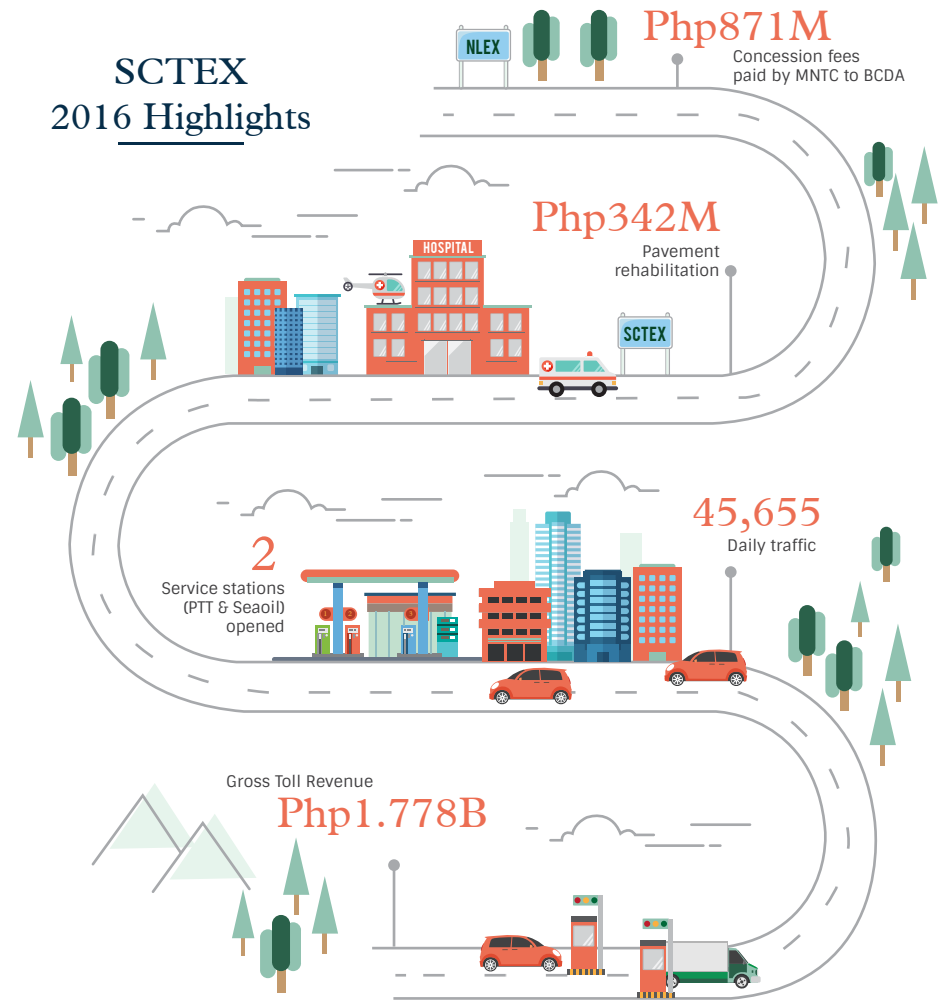
Connectivity is a priority in New Clark City. “We are choosing the best partners to provide the best-in-class Information and Communications Technology (ICT) infrastructure for the new city. Among the components, there will be world-class broadband and security technology and connecting all of that into the mass transportation technology. It will also include the latest Internet of Things (IOT) technologies,” Mr. Dizon adds.

The Character of a City

The expanse of the former military base becomes an environment where nature is front and center. Clark is already known for its parks, and New Clark City will have at its heart, a wide-open public space, making a statement about the importance of a green breathing space in a dynamic city. Taking cues from some of the world’s most famed cities, whose characters are tied to its large, beautiful parks, New Clark City clusters its busiest areas around the central park, itself primed to be a significant tourist attraction. Its business districts and commercial areas are situated next to its green heart, allowing for a synergy between work and leisure.

A stone’s throw away will be medical facilities, schools, sports centers, and government offices. New Clark City has allocated 70 hectares for the use of a satellite facility of the country’s premier university, the University of the Philippines (UP). The UP campus in Clark will offer an undergraduate program and master’s programs in line with developing the competencies needed in the growth of the region.

Clark International Airport is being geared towards becoming a global gateway, with state-of-the-art facilities and capacity. Land access to New Clark City will be varied and convenient, firstly through the Subic-Clark-Tarlac Expressway (SCTEX), now boasting a speedier access from the NLEX, with travel time cut by a considerable



40 minutes between the two major road networks. Ease of access is also one of the 2016 achievements, with standardization of toll collection and improved infrastructure along transport routes from Manila to Subic or Tarlac. Under BCDA’s partnership with the Manila North Tollways Corporation (MNTC), the gross toll revenue for the year 2016 saw a 22 percent increase, to Php1.778 billion from Php1.452 billion in 2015. Nearing completion is the seven-kilometer MacArthur Access Road, one of the two primary roads to New Clark City. The second, the Clark-Bamban-Access Road, is currently in the middle of construction.

The Philippine government, recognizing the expanding economic potential of Clark, has started the studies for the development of the 70-kilometer Subic-Clark Cargo Railway Project, which traverse parallel to the SCTEX, and the Subic Freeport Expressway (SFEX), giving business and industry in the area a lot to look forward to. Travel by rail to Manila will also be a breezy option—less than an hour—with the government’s pledge to complete the North Railway line of the Philippine National Railway by 2021. These exciting projects leave no room for doubt as to New Clark City’s value as a new hub for living and business.

Following the awarding of the contract to Filinvest Land Inc. as joint partner in developing New Clark City, the company and BCDA signed a 50-year joint venture agreement in the first part of 2016. This marked the official beginning of breaking ground on 288 hectares within the site, along with the remittance to BCDA of the Php160 million from Filinvest for development rights.

“New Clark City clusters its busiest areas around the central park, itself primed to be a significant tourist attraction. Its business districts and commercial areas are situated next to its green heart, allowing for a synergy between work and leisure.”

The master plan for the city is being undertaken by the joint venture of Japanese engineering firm Nippon Koei, Singapore firm AECOM and PHILKOEI International, under a collaboration with BCDA and international partner Japan Overseas Infrastructure Investment Corporation for Transport and Urban Development (JOIN). Out of this partnership will come the comprehensive master development plan, targeted for completion by third quarter of 2017.

The groundbreaking ceremony on April 11, 2016 signaled the transition from vision to reality of what will perhaps be the country’s first modern city, and the beginning of the transformation it can bring to the lives of countless Filipinos.



Building Urban Platforms for Innovation, Inclusion and Resilience

To drumbeat the launch of the New Clark City, BCDA hosted the country’s very first international forum on urbanization and city building dubbed “NXCities Philippines” last March 8, 2016 at the Shangri-La Hotel in Bonifacio Global City, Taguig City.

NXCities Philippines became a platform for CEOs, urban planners, designers, tech luminaries, as well as political leaders from Asia, the Americas and Europe to tackle the

critical components in building inclusive, resilient and sustainable cities that will soon be applied to New Clark City—a 9,450-hectare land in Central Luzon which aims to address the rising urbanization problems in Metro Manila.

The first of its kind in the Philippines, the conference put together thinkers, builders, architects and urban planners who have shared their ideas in sustainable development.



The Call of Clark

New Clark City waits and looks ahead, ready to embrace progress while keeping a foot firmly on the ground.

The next five decades will see the transformation of what was formerly an isolated portion of Clark Air Base into a booming and vibrant metropolis—the New Clark City.

Small steps had already been taken. Guided by the principle of maximizing the natural environment through preservation, a Conceptual Master Development Plan was crafted in 2015 by international master planning firm, AECOM.

With the first strides come recognizable changes aimed to shape the commercial, industrial and residential landscape of Clark's 9,450-hectare area. First phase of development is aimed at 1,098 hectares that would serve as the core from which future development would radiate.

A mixed income housing project aimed at, though not limited to, the future minimum wage earners of New Clark City. It will have delivered 2,000 housing units upon its



completion. BCDA had already signed a memorandum of understanding (MOU) with PAG-IBIG Fund to facilitate marketing, financial, and other technical services to future house owners.

BCDA has also allocated spaces for the development of the University of the Philippines, Technological University of the Philippines, and Philippine Science High School to equip the manpower resources of the New Clark City with the right skill set to match future demand in the field of science, technology and arts.

Through the Japan Overseas Infrastructure Investment Corporation for Transport and Urban Development (JOIN), the New Clark City will be part of development projects by Japanese companies which have a target investment of JPY 30 trillion by 2020. Jobs in the fields of power, transportation and other industrial zones are expected to provide employment to countless Filipinos.

Pursuing a vision of progress anchored on social responsibility, Xeric AB in partnership with the IVL Swedish



- 1 New Clark City mixed-income housing project
- 2 Aerial view of the master planned community

Environmental Research Institute, which is jointly owned by the Government of Sweden and non-profit organization ElectriCITY, will provide training and education of sustainable resource and waste management geared on small and medium enterprises.

To ensure an influx of business investments, New Clark City has made tax and fiscal incentives anchored on exemption from local and national taxes. This can be enjoyed in exchange for a general 5 percent tax on gross income.

Locators will also enjoy tax- and duty-free importation of equipment and raw materials and receive real estate tax exemptions. In addition, they will be allowed free movement for their finished goods within the Freeport, and be eligible for special investor visas.

In this monumental undertaking, BCDA has gained the support of the International Finance Corporation-World Bank and Asian Development Bank, which will render knowledge sharing of best practices on sustainable city development and partnership,

particularly in financing schemes and providing transaction advisory services.

In the long run, an estimated 1.02 million residents will populate the New Clark City and 582,000 of these will belong to the city's workforce. This will bring in roughly USD30.94 billion annually or four percent to the nation's Gross Domestic Product (GDP).

New Clark City waits and looks ahead, ready to embrace progress while keeping a foot firmly on the ground.



Interconnectivity



International and domestic flights are coursed through the Clark International Airport, located in the cities of Angeles and Mabalacat in Pampanga, for around 24 million target passengers from Central and Northern Luzon. The airport's accessibility through SCTEX opens a door to efficiently serve passengers from the catchment areas, providing them an alternative to Manila's Ninoy Aquino International Airport.

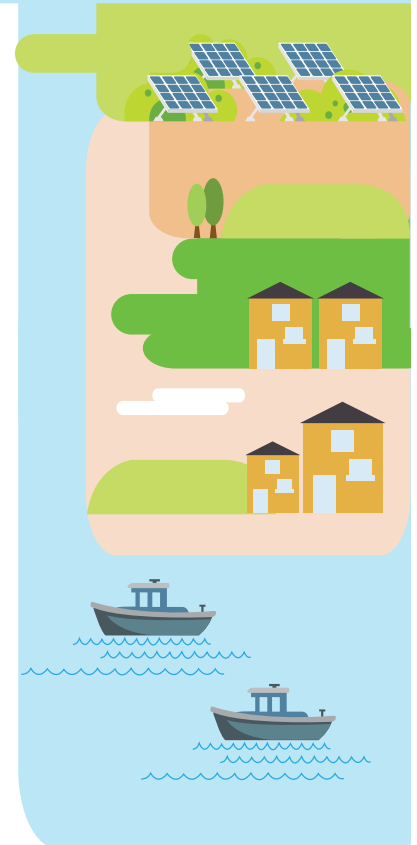
For most visitors, the Subic-Clark-Tarlac Expressway (SCTEX) has been the main entry point. Situated north of Manila, the 93.77-kilometer (58.27 mi.) SCTEX started operations in April 2008 and serves to facilitate travel efficiency in the key economic areas of Subic Bay Freeport in Zambales, Clark Freeport Zone in Pampanga, and Central Techno Park in Tarlac. It also connects major infrastructures like the Seaport in Subic and Clark International Airport in Pampanga.

With the forged agreement between BCDA and the Manila North Luzon Tollways Corporation (MNTC), SCTEX was integrated with the North Luzon Expressway (NLEX) via

Mabalacat Interchange. Toll revenues and expenditures will be equally shared by SCTEX and MNTC from 2015 to 2043.

Farther north is the station in Tarlac City which links SCTEX with the Tarlac-Pangasinan-La Union (TPLEX) and will soon be connected to the Central Luzon Link Expressway (CLLEX) giving a seamless travel to Cabanatuan City in Nueva Ecija.

International and domestic flights are coursed through the Clark International Airport, located in the cities of Angeles and Mabalacat in Pampanga, for around 24 million target passengers from Central and Northern Luzon. In partnership with the DOTr, the airport's accessibility through SCTEX opens a door to efficiently serve passengers from the catchment areas, providing them an alternative to Manila's Ninoy Aquino International Airport. As of 2016, Clark International Airport served 951,007 flyers; this number is expected to rise with the completion of the project by 1st quarter of 2020. What will be called "Mixed-Use Terminal" aims to serve 8 million passengers annually.



725
Flights via
Qatar Airways

518
Flights via
Emirates

DOHA

DUBAI

1,458
Flights via
Asiana Airlines
and Jin Air

INCHEON

407
Flights
via Jin Air

BUSAN

1,078
Flights via
Cebu Pacific
Cathay Dragon



HONG KONG

379
Flights via
Cebu Pacific

MACAU

7
Flights via
Alphaland Airlines
*chartered flights



BALESIN

**CLARK
INTERNATIONAL
AIRPORT**

30
Flights via
Philippine Airlines

CATICLAN

323
Flights via
Cebu Pacific



CEBU

1,218
Flights via
Cebu Pacific
Tigerair SG (Scoot)



SINGAPORE





Drivers of Future Growth

OUR SUBSIDIARIES

The BCDA subsidiaries in charge of its special economic zones in Pampanga, Bataan, La Union, and Baguio are mandated to enable locators to generate productive activity, including employment, export and investment. Projects within and around these growth centers continue to fuel economic activities and attract investments over the years.



Clark Freeport &
Special Economic Zone



John Hay Special
Economic Zone



Poro Point
Freeport Zone



Bataan
Technology Park



Global Gateway Logistics City Aeropark Towers



Clark Freeport & Special Economic Zone: Asia-Pacific Economic Haven

The strategically-located Clark Freeport and Special Economic Zone continues to post revenues, attract locators, and bring in tourists, even as it is poised to be transformed into an airport-driven urban center.

Clark Freeport and Special Economic Zone (CFSEZ), is a former military base set to be transformed by 2020 into a modern industrial estate and premier service and logistics hub, with facilities for training, conferences, tourism and leisure. It is managed by Clark Development Corporation (CDC), a subsidiary of BCDA, mandated to enable locators to generate productive economic activity including employment, export and investment.

Clark's strategic location is right at the heart of growing markets in the Asia-Pacific region. It is within the major growth corridor, and is one and a half to four hours away from other major Asian destinations. No other place in Asia can offer an equidistant travel time other than Clark.

The master plan for the 4,400-hectare main zone and 27,600-hectare sub zone will transform the zone into an airport-driven urban center perfect for the requirements of high-end IT enabled industries, aviation and logistics related enterprises, tourism, and other sectors.



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- 1 Texas Instruments
- 2 Artist's rendition of Marriott Hotel
- 3 Phoenix Semiconductor Philippines Corporation
- 4 Artist's rendition of Hilton Clark Sunvalley Resort
- 5 Clark Sun Valley Golf and Country Club

Advantages include: access to Clark's 2,376-hectare modern aviation complex designated as the country's future premier gateway site; modern telecommunications facilities, power and water supply, waste management, vast road network and other infrastructures; waiver of local and national taxes, provision for 100% foreign equity on most industries, duty-free status and other fiscal and non-fiscal incentives; ready access to a pool of highly trainable and English proficient skilled labor; and access to several industrial and technology parks located within the zone."

Foreign and local business projects have chosen to locate inside the Clark Freeport Zone since 1993. A good number of American, Japanese, Taiwanese, Korean and other foreign firms—including Phoenix Semiconductor Philippines Corp., UPS International Inc., Nanox Philippines,

Inc., Sumidense Automotive Technologies, Donggwang Clark Corporation, IQOR Philippines, Texas Instruments, Rolls-Royce, SMK Electronics (Phils.) Corp., Yokohama Tire Philippines, L&T International Group Philippines, Inc., and Foton Motors, Inc.—are enjoying Clark's advantages.

Financial Highlights

Gross revenues in 2016 of Php1.64 billion is 6% higher than the 2015 revenues of Php1.55 billion. Unaudited figure for the year shows a net income of Php783 million, which is 12% higher compared to 2015's Php697 million. The 2016 ending cash position of Php2.753 billion improved by 18% compared to the 2015 figure. A record total of Php700 million cash dividends was remitted to the National Government, the highest single remittance so far.

Business Development Highlights

The six percent increase of new locators at 895, from 2015 figures of 824, is due to the entry of businesses dominated by those engaged in the commercial (32%), ICT (24%), and service (23%) sectors mostly under subleasing agreements. New locators belonging to the other sectors complementary to the work-live-play business environment of Clark have also added up: industrial (12%), tourism (4%) institutional (2%) and logistics (1%).

There was an 11.8% increase of new jobs created at 93,467, compared to 2015's 82,382 with an 8% increment. The 2016 increase was brought about by the expansion of the manufacturing and ICT sectors.

Breakthrough projects were the following: Filinvest Mimosa, Inc. with an area of 201.64 hectares and a committed investment of Php5 billion; MSK Group Work Clark with an area of 3.1 hectares and a committed investment of Php354.65 million; Punta Design, Inc. with an area of 0.9 hectares and a committed investment of Php50 million; Ecell Group of Companies/ Ecell Philippines, Inc. with an area of 0.21 hectares and a committed investment of Php58.8 million; and Fontana Development Corporation with an additional committed investment of Php38.77 billion within nine to 10 years for Entertainment, Business Zone, American Town, and Wilderness Area.

Business Enhancement Highlights

In CY2016, imports within the Zone totaled to USD3.24 billion while exports amounted to USD3.32 billion.

It is also worth mentioning that CDC's major accomplishment in its business enhancement efforts for 2016 is the reduction in the processing time of business permits for its locators. The issuance of 253,149 permits were facilitated by the Business Enhancement Group, where a significant 99.8% of the permits were processed within the 52% reduced processing time reckoned from 2012 levels. This brings down the processing time from the usual 3-5 days to 1.5-2.5 days.

Tourism Highlights

CDC bagged the "Destination of the Year" award at the first Sports Tourism Awards event in November 2016 spearheaded by Selrahco Management. The judges were from the public and private sectors representing the Philippine Olympic Committee, Philippine Sports Commission, Department of Tourism, Strategic Works, Inc., and Selrahco Management.

Year-round special events, intensified media promotions, outdoor advertising, participation in travel and tourism expositions, hosting VIP tours, and tri-media exposure resulted to increased awareness and the positive reputation of Clark as a tourist destination.

Clark tourist arrivals were as follows: hotel occupancy was 1,106,535; educational tours reached 90,315; Clark Museum visitors were 39,860; events/open spaces tourists were 222,707; Clark Airport domestic arrivals were 25,150; and Clark Airport international arrivals were 432,133.

Clark found its niche as a multi-sports destination with the successful hosting of some of the country's newest and

popular sporting events, namely three Color Manila Runs (the Carnival Run, the Challenge Run, and the Blacklight Run, which was the most attended Color Manila running event with 5,000 participants). The other big sporting events were PAL Inter Club Golf Tournament, Beach Volleyball Republic, Clark Bike Tour, Pinas Cup 2016, and Powerman Duathlon Pilipinas.

The 20th Philippine International Hot Air Balloon Fiesta held on February 11-14, 2016 set a new record of 112,069 visitors. Meanwhile, the CDC-organized Clark Festival 2016 posted an estimated 26,350 visitors last December 3-4, 2016, up from 23,000 in 2015.

CSR Projects

CDC provides a range of services, such as provision of direct financial assistance and other material assistance, including infrastructure, road improvement, water system upgrading and other basic services under its HELPS initiatives. HELPS stands for Health, Education, Livelihood, Partnership, Services/Special Projects.

Under Health, it had a dental mission, medical missions, and a feeding mission, among others. Under Livelihood, it conducted job fairs, skills training, a seedling dispersal project, distribution of the "Pangkabuhayan Kart," and more. Under Partnership, it had a solar lamp project ("Tanging Tanglaw"; see story on page 55), a clean-up project, and educational-related projects, among others. Under Special Projects, it had a wheelchair and crutches distribution, gift-giving projects for various homes and foundations, a community outreach project, among others

EXPLORE CLARK

There are lots of things to see in and around the Clark Freeport. Do plunge right in to explore the Zone's many attractions and its immediate surroundings. The following are just a few things you can see and do in Clark and its environs.



EXPERIENCE THE PHILIPPINES IN MINIATURE

Nayong Pilipino in Clark Freeport Zone is a theme park of sorts, featuring scale versions of the country's amazing attractions. Among the draws in *Nayong Pilipino* are replicas of the Banaue Rice Terraces and the Barasoain Church of Malolos, Bulacan.



SCALE AN ACTIVE VOLCANO

You could sign up for a tour package or trek up Mount Pinatubo on your own. Mount Pinatubo is site of the second largest volcanic eruption in the twentieth century. The crater lake, created by the 1991 eruption of Mount Pinatubo, turns to different shades of emerald green, mint, or blue green depending on the season or weather.

SEE SLICES OF HISTORY

If you are looking for slices of history, look no further than the Clark Parade Grounds in Clark Freeport Zone, Pampanga. The Parade Grounds stands on the original site of Fort Stotsenburg, home of the 1st Philippine Artillery Regiment in the 1920s.

You will find there the Stotsenburg Posts dating back to 1902, and a President Manuel Roxas Marker and Statue. Manuel Roxas delivered his last speech at the original Kelly Theater in Clark Field just hours before succumbing to cardiac arrest. Nearby is the flagpole that has been located there since 1906.

On the western gate of the Parade Grounds is the 26th Cavalry Memorial, erected to remember "the gallant dead 26th Cavalry Philippine Scouts, United States Army, Commemorating Their Heroic Actions in Lingayen, Luzon, Bataan, 1941-1942." Beside that is the US Army Air Corps and Philippine Air Force Monument.

FESTIVAL TIME

FEBRUARY: Clark Air Field is home to the annual Philippine International Hot Air Balloon Festival. It is the longest-running event of its kind in Asia. The four-day festival, held in February, features hot air balloon exhibitions, formation flying, paragliding, and skydiving. The festival was conceptualized as a way of reviving Central Luzon's economy after the devastation brought about by the 1991 Mount Pinatubo eruption.



APRIL: Foodies rejoice. Pampanga is famous for many of its sumptuous recipes. *Sisig*, one of the province's biggest hits, is the star in the annual *Sisig Fiesta* every April at the Angeles City Museum.

NOVEMBER-DECEMBER: Nearby San Fernando City hosts the Giant Lantern Festival every Christmas season. The first lantern competition was organized in honor of first lady Aurora Aragon Quezon in 1931, while the first battery-operated giant lantern was said to have been invented in 1940.



NOT YOUR TYPICAL MUSEUM EXHIBIT

The Clark Museum and 4-D Theater hosts historical artifacts, photographs, dioramas, and interactive displays that aims to tell the story of the Filipino spirit.

The Air Force City Park within the Clark Freeport Zone has real fighter jets and helicopters from the Philippine Air Force on display.



Experience 4-D Theater with the whole family

AND NOW FOR SOMETHING COMPLETELY DIFFERENT

For lovers of dogs and military history, there's the Military Working Dogs Cemetery, the final resting place of military dogs of the 3rd Security Police Group of the Republic of the Philippines. The cemetery is believed to be the remnant of the largest K-9 section in the United States Air Force.

The 20th Philippine International Hot Air Balloon Fiesta set a new record in 2016 with 112,069 attendees





Cool Heads in Camp John Hay

It was business as usual with growth registered in 2016 at the John Hay Special Economic Zone despite the heated legal tussle within its premises.

The John Hay Special Economic Zone (JHSEZ), otherwise known as Camp John Hay, is an established premier resort and tourism attraction in Baguio City. The BCDA oversees the property through its subsidiary John Hay Management Corporation (JHMC).

JHMC President and CEO Allan Garcia says: “We remain to be a strong catalyst for economic growth and job generation in the Cordillera Region, unwavering in its mandate to develop the 625-hectare Camp John Hay as a premier tourist and investment destination, a center for human resource development, effective and efficient regulator in the John Hay Special Economic Zone (JHSEZ) and the John Hay Reservation Area (JHRA); and faithful stewards of forest watershed areas with the goal of sustainable multiple use.”

JHSEZ continues to attract choice hotels, restaurants, and BPO (business processing outsourcing) firms, which complement the world-class golf course and country club of Camp John Hay. Other tourist attractions within JHSEZ are the Historical Core, Shalan Ti Kabadjo, and Tree Top Adventure Baguio.

The Zone registered growth in 2016 despite the unresolved issue of possession of the 247-hectare prime property within the JHSEZ between BCDA and the private developer Camp John Hay Development Corporation (CJH Devco) and its sub-lessees. Although this restricted new business development and the generation of revenues by JHMC, the corporation achieved many



milestones that have contributed to its growth and efforts toward financial viability.

Investments and Corporate Milestones

The locators in the JHSEZ increased by 54% over the past six years, with a total of 120 business enterprises as of December 31, 2016.

Employment increased by 9% with a total of 5,523 employed (from 5,090 in 2015), with the BPO facilities of Intercontinental Hotels Group (IHG) and Convergys accounting for 64% or 3,667 of these jobs. Notably 95% of this workforce is sourced from the BLISTT (Baguio City, La Trinidad, Itogon, Sablan, Tuba, Tublay) and the Cordillera.

There were 85,669 tourists who visited the Historical Core alone (compared to 69,987 in 2015). The marketing of the Historical Core for corporate events and family occasions was intensified with 54 events, functions and eco-tours held during the year.

The overall boost in tourism for Camp John Hay can be attributed to the promotion of the Camp for recreational and eco-cultural tourism, for M.I.C.E.

(Meetings, Incentives, Conventions and Exhibitions), and the opening of the TPLEX (Tarlac-Pangasinan-La Union Expressway) up to Urdaneta City, Pangasinan in 2015.

In March 2016, the JHMC and BCDA signed a contract with Riverflow Ventures and Power Energy Corporation—the consortium of a Turkish company, Vendeka Bilgi Teknolojileri Ticaret Limited Sirketi, and Isabela Power Corporation—for the long-term lease of Camp John Hay Mini-Hydro Power Plant. This is for the reconstruction, operation and maintenance of the 38-hectare BCDA property, which is projected to generate an estimated 3 megawatts of renewable and clean energy. The comprehensive feasibility study was undertaken in 2016, and the development stage started in 2017.

In March 2016, the Rustan Coffee Corporation—Starbucks signed a five-year lease contract with the BCDA and JHMC for a 206-square meter property along Sheridan Drive.

The total revenues generated by JHMC from existing contracts and other regulatory fees increased by 24%, and amounted to Php137, 059,760.06.



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- 1 The Manor at Camp John Hay
- 2 Bell Amphitheater
- 3 Guests continue to enjoy green open spaces inside the Camp
- 4 Treetop Adventure



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In October 2016, the JHMC Board approved the Asset Disposition Manual, which contains the guidelines for the disposition of land and other assets of the Corporation to prospective investors for business development.

Among the major infrastructure projects undertaken by JHMC in 2016 were the asphalt overlay road projects of the Cemetery of Negativism Road, the roads leading to the BCDA cottages, Starbucks, Cantinetta and the AIM-Igorot Lodge along Sheridan Drive, and the Voice of America (VOA) Lohomes along Loakan Road, covering a total area of 7,843 square meters.

In the area of forest and environment management, the deputation of 38 JHMC personnel and security providers as DENR Officers to enforce environment and forest protection laws, rules and regulations within Camp John Hay were renewed. Sanitation cutting activities were also undertaken, with a total of 43 dead and/or pest-infested pine trees undergoing sanitation cutting with the requisite permits from the

DENR-CAR. In compliance with the National Greening Program, 2,670 trees were planted and 8,000 tree seedlings were propagated. To prevent and control the spread of forest fires, a total of 132,526 square meters of firelines within the JHRA were maintained, representing a 163% increase in the area (as compared to 50,878 square meters in 2015).

In its goal to establish its Environmental Management System certifiable to ISO 14001:2015 standards, JHMC developed the Solid Waste Management Manual and Hazardous Waste Management Guidance Manual, approved by the JHMC Board in June 2016.

The Special Economic Zone Administration Department (SEZAD)/ One-Stop-Action Center (OSAC)/ Customs Clearance Area (CCA) shortened the processing time for the issuance of regulatory permits for renewals to an average of eight minutes,

Info Camp John Hay by the numbers in 2016

5,523 
Total number of employment

120 
Total number of business enterprises located in Camp John Hay

85,669 
Total number of tourists

and for new applications to an average of one calendar day (as compared to 15 minutes and three days, respectively, in 2015). The establishment of a Business Center at the SEZAD was approved by the JHMC Board, to provide locators a centralized office for payment of lease rentals and CUSA, as well as the issuance of all requisite permits in the Zone.

As part of its CSR, the construction of a three-storey, six-classroom building for the Country Club Village Elementary School was approved through the initiatives of JHMC and the barangay, and completed in December 2016.



Leisure Estate in the Making

Poro Point Freeport Zone works its way from being a profit-generating enterprise three years running to becoming a high-end leisure estate in 2017 onwards

Poro Point Freeport Zone (PPFZ), the zone in Northern Luzon being managed by BCDA's implementing arm—Poro Point Management Corporation (PPMC), is decidedly moving towards its long-term direction to become an international gateway for trade, business and tourism by 2020.

Developing the PPFZ has long been seen to spur tourist traffic and economic activity in La Union, and complement the other BCDA economic zone in the north—Baguio's John Hay Special Economic Zone. PPFZ is key to integrate existing economic zones in Metro Manila, Central Luzon and North Luzon.

BCDA has opened up North Luzon by connecting La Union to the Metro Manila-Clark Freeport Zone via expressways—NLEX, SCTEX and TPLEX going to Baguio and La Union. La Union, at the edge of TPLEX, and its connectivity to Baguio helps the Cordilleras region become more accessible to Manila-Clark as well.

The connected economic zones of BCDA are Poro Point Freeport Zone (North Luzon), John Hay Special Economic Zone (North Luzon), Clark Special Economic Zone (Central Luzon), Bataan Technology Park (Central Luzon), Fort Bonifacio-Global



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City, and Villamor Airbase-Newport City (NCR-Metro Manila). The connectivity of BCDA's economic zones, being the economic drivers in their respective regions, are designed to further economic activity in Luzon.

Pushing Forward

PPFZ's advantage is its infrastructure, being a freeport, with an airport and an international seaport. This profitable GOCC (government owned and controlled corporation) registered a net income in 2016, for the third consecutive year starting in 2014.

The corporation's financial performance significantly improved in 2014, 11 years since its creation, when it reported a net income of Php7.8 million. This was followed by a net income of Php9.2 million in 2015, and Php10.07 million in 2016.

For 2016, efforts were geared towards marketing and promoting PPFZ as a tourist destination. PPMC focused on showcasing the Zone's various tourism opportunities.

Tourism Draws

The Poro Point Baywalk was opened to the public on February 14, 2016 with its first event, "Valentine Date by the Bay," featuring a dating game, performances, and a Rock and Rave Party. The 1.3 kilometer baywalk features an Events Center, pedestrian walk and separate bicycle lane, parks, playgrounds, picnic area, gazebos, and commercial strip. Activities organized by various agencies, both government and private, and civil society groups were held, including fun runs, team-building activities, zumba sessions, a sportsfest, and a regional fire olympics.

There are 44 cut lots along the baywalk's commercial strip that can be leased for tourism and commercial enterprises that form part of the development of the mixed-use commercial area inside the Zone. In 2016, the services of a licensed real estate broker were engaged to boost the marketing and promotion efforts for the baywalk commercial lots, and to reach potential markets in Manila and other areas of La Union.



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- 1-2 Thunderbird Resorts, Poro Point built 47 additional villas, expanded its Fiesta Casino and Agora Event Center, and developed a recreational park, among others
- 3 Poro Point Lighthouse
- 4 The 9-hole The Cliffs Golf Course inside Thunderbird Resorts, Poro Point

PPMC joined tourism fairs as well to showcase the tourism facilities in PPFZ. Among these were the NLEX “Tara na sa Norte” Tourism and Travel Fair, Philippine Travel Mart, Annual Region I Tourism Convention, North Philippines Travel Expo, and activities of the Association of Tour Guides of La Union.

PPMC likewise established linkages with government. Notably, the Bangko Sentral ng Pilipinas-Investor Relations Office visited and conducted shoots and interviews for the inclusion of PPFZ in their audio-video presentation on the Philippine economy. Site inspections and meetings with the Department of Tourism (DOT) and Tourism

Infrastructure and Enterprise Zone Authority (TIEZA), as well as the DOT Market Development Group-Cruise Tourism Group were conducted to explore proposed tourism programs and projects inside the Zone—including the San Fernando International Seaport, La Union and nearby provinces—for the planned North Luzon Cruise Ship destinations.

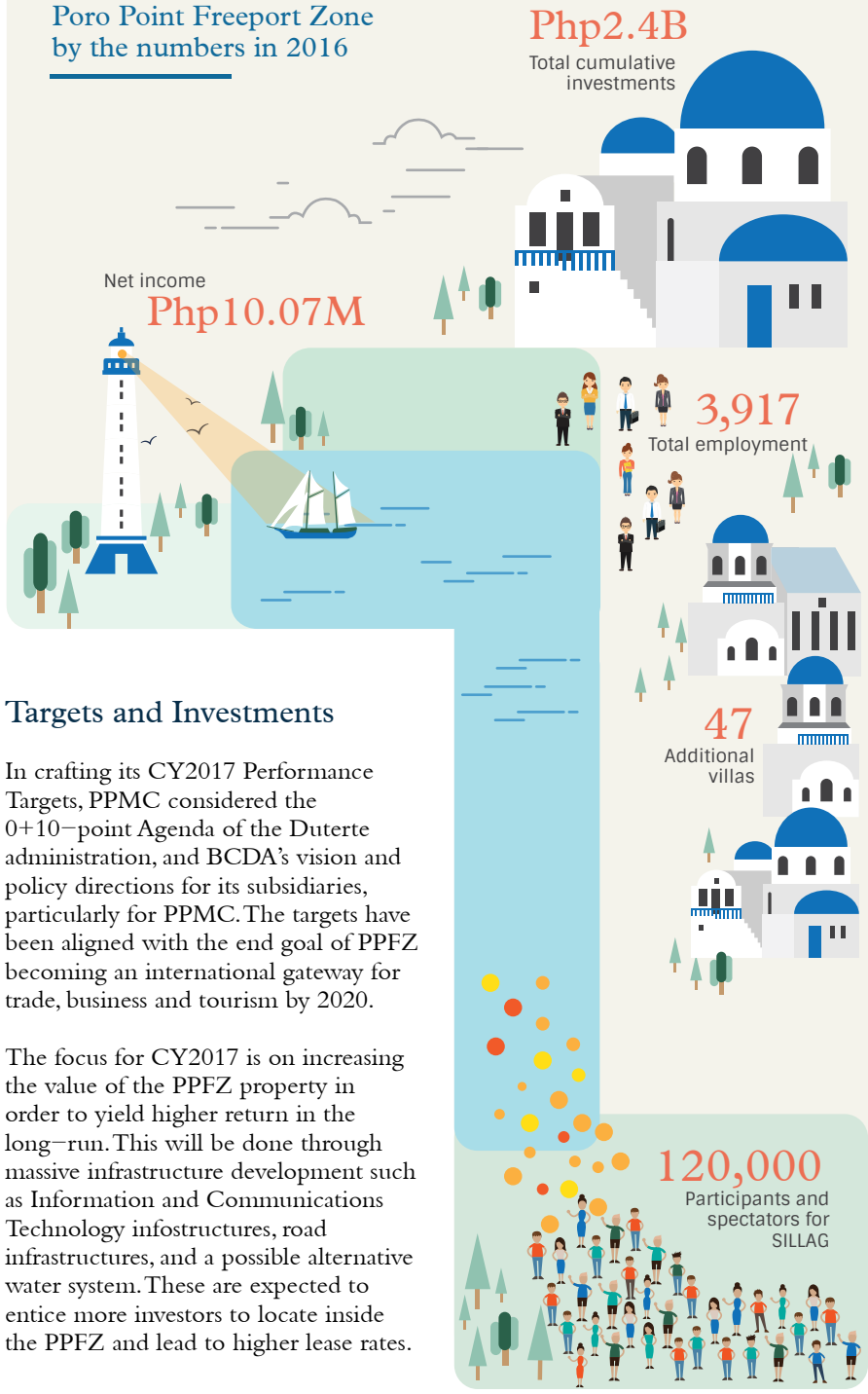
The Sillag Poro Point Festival of Lights (SILLAG), which started in 2012, is now part of the integrated tourism efforts of La Union. Held for three (3) days every month of April at the Poro Point Baywalk and Events Center, the festival has consistently gained a lot of support from partners

in government and private sectors, and has attracted increasing domestic and foreign tourists each year. From 4,000 in 2012, participants and spectators rose to 18,000 in 2013, to 29,000 in 2014, to 60,000 in 2015, and to a whopping 120,000 in 2016.

Thunderbird Pilipinas continues to develop the tourism facilities inside the PPFZ. The new development projects in 2016 included: 47 additional villas to be operated as additional lodging units; Fiesta Casino expansion; expansion of the outdoor swimming pool and construction of an additional infinity pool; expansion of the Agora Events Center; and development of a recreational park that includes a clubhouse with gym and lap pool, outdoor sports facilities, Matisse maze gardens and fountains, and a chapel.

Info

Poro Point Freeport Zone
by the numbers in 2016



Targets and Investments

In crafting its CY2017 Performance Targets, PPMC considered the 0+10-point Agenda of the Duterte administration, and BCDA’s vision and policy directions for its subsidiaries, particularly for PPMC. The targets have been aligned with the end goal of PPFZ becoming an international gateway for trade, business and tourism by 2020.

The focus for CY2017 is on increasing the value of the PPFZ property in order to yield higher return in the long-run. This will be done through massive infrastructure development such as Information and Communications Technology infrastructures, road infrastructures, and a possible alternative water system. These are expected to entice more investors to locate inside the PPFZ and lead to higher lease rates.

There will also be the disposition of such areas as the Poro Point Lighthouse area, and the development of an ICT Park/Hub at the San Fernando Airport. Additional investments will come from Thunderbird Pilipinas Hotels and Resorts, Inc.

PPMC will further streamline its frontline services, upgrade its Quality Management System certifiable to ISO 9001:2015, undertake its reorganization, and automate its Import and Export Systems.

The corporation will continue to pursue community projects to improve the quality of life of the impact



communities through its CSR program PPMC HELPS. HELPS stands for the program components: Health, Education/Environment, Livelihood Program, and Strengthening linkages/ Sports program. CSR programs in 2016 included fun runs, typhoon assistance, a disaster preparedness program, improvement of schoolrooms and school grounds, rehabilitation of the PNP Provincial Firing Range Project, coastal clean-up projects, the Poro Marine Protected Area Project, mangrove tree-planting activities, and a livelihood training on Food Processing, Product Enhancement, Packaging and Labeling.



Ranked 3rd in the Nationwide Corporate Governance Assessment among 90 GOCCs and 1st in the Trade, Area Development and Tourism Sector

PPMC was conferred an Award for Excellence in Corporate Governance by the Governance Commission for Government Owned or Controlled Corporations (GCG) besting other GOCCs.

PPMC was top 3 among the 90 GOCCs and ranked 1st among the 17 GOCCs under the Trade, Area Development and Tourism Sector, which underwent the Corporate Governance Scorecard (CGS) assessment conducted by the Institute of Corporate Directors commissioned by the GCG.

The award is a welcome opportunity as PPMC competes in the global stage. It demonstrates PPMC's commitment to good governance and this increases investor confidence in the Poro Point Freeport Zone.

Significant Accomplishments

- Cumulative investments totaled Php2.4 billion, an increase of more than Php418 million or 20.76% from 2015's validated investments.
- Revenue target of Php87 million was met, bringing the cumulative revenues to more than Php920 million since PPMC's creation in 2003. Revenues inside the Zone were generated from lease rentals, airport fees and charges, share on gross gaming revenue, revenue share on sale of real estate, regulatory fees, and other miscellaneous fees. It improved its revenue collection efficiency rate from 97.65% in 2015 to 98% in 2016.

- PPMC registered a net income for the third consecutive year. For CY 2016, it reported a net income of Php10.07 million, a 9% increase or Php0.8 million more than in CY 2015.
- Total employment generated in 2016 stood at 3,917, of which 3,712 or 94.77% were residents of La Union. All of PPMC's locators with employment commitment to hire residents from the impact areas achieved 110% of their respective employment commitments.
- The business environment was improved with the approval of funding of vital road infrastructures.
- PPMC further streamlined its Frontline Services reducing the turn-around time for vital processes, which redounded to greater stakeholder satisfaction.
- PPMC was awarded its ISO 9001:2008 Certification on March 3, 2015 with validity until February 27, 2018. It underwent and passed the Re-surveillance Audit by TÜV Rheinland Philippines, Inc. on November 14 and 15, 2016.
- Thirty-nine PPMC stakeholders gave it a high satisfaction rating in the Stakeholders Satisfaction Survey conducted by Saint Louis College. The five main criteria were timeliness, ease of access, staff, quality, and outcomes.



Of Shrines and Industries: Bataan Technology Park

This histo-cultural and educational destination holds vast potential as a retirement haven, a corporate training hub, and a zone for environment-friendly small- and medium-scale industries

Bataan Technology Park (BTP), the Main Zone of the Morong Special Economic Zone in Bataan, is growing in popularity as the eco-tourism and heritage hub of Central Luzon. It occupies 365 hectares along the rolling hills of Morong and overlooks the West Philippine Sea. It is a mere 20-minute drive from Subic and 2 ½ hour-drive from Manila via the SCTEX.

BTP was formerly the Philippine Refugee Processing Center (PRPC), established by the United Nations for Indochinese refugees, from 1980 to 1994. It is now marked by important monuments and shrines built by refugees, which include the Freedom Plaza, the Indochina Map, the Buddhist Temple I and II built by Vietnamese refugees, the That Luang built by Lao refugees, the Refugee Boat, and image of the Blessed Mother built by Vietnamese Catholic refugees, the Vietnamese Monument, the Bayon Monument, and an image of Saint Pope John Paul II.



Current locators—namely the Equinet Support, Inc. (operator of Camp Kanawan that hosts Kai Lodge and Sage Leaf Hotel), Morong Power and Water Corporation (MPWC), and Vietnamese Cemetery—are occupying 71.12 hectares of land. The BTP also awaits prospective development of SOLEQ/Hours Solar Farm.

The Camp Kanawan within the BTP has become popular for seminars and corporate training and development activities. BTP's popularity continues to grow, in coordination with a network of other tourism attractions and beach resorts in the region, and because of its accessibility from Metro Manila through the NLEX and SCTEX.





The Camp Kanawan within the BTP has become popular for seminars and corporate training and development activities

Zone Developments in 2016

- Continued lease of a 4,500-sqm lot to Morong Power and Water Corporation (MPWC) for a water treatment facility, contracted in August 2015 to be completed by the second quarter of 2018. The lease contract value is Php107.3 million, and the estimated investment commitment is Php495 million.
- Prospective lease of up to 60 hectares of land for a Solar Farm to SOLEQ in May. Prospective lease of contract value is Php107.3 million, and estimated investment commitment is Php161 million.
- Lease by Equinet Support, Inc. of the 10.4-hectare Camp Kanawan (formerly Atmanda Ecopark) in July, with a lease contract value of Php87 million and estimated investment commitment of Php161 million.

Future Developments

BCDA will be conducting a master planning exercise by 2018 for the 365-hectare BTP to update and rationalize its land use.





Giving Back

BCDA's key Corporate Social Responsibility involvements in 2016 involved donating solar-powered lamps to Aetas through the DoE's One-Child, One Lamp campaign; training indigenous Aeta women referred to as "Solar Lolas" on the production of solar lighting equipment through its "Tanging Tanglaw Project"; funding the training of PHL-Microsat researchers and engineers, who developed Diwata-1; and other local community initiatives.



Lighting the Future



No Sci-fi



Caring for the
Community



Lighting the Future

The image of a nine-year-old boy doing his homework on a wooden bench parked by a fast food window to catch the light from the store went viral in various social media in 2015. Daniel Cabrera has since come to represent some 600,000 Filipino children who live in off-grid communities and therefore have no access to electricity. For their after-school study hours, these kids use kerosene lamps that are not only a fire hazard but also emit toxic fumes that may cause health problems.

Through the LightED PH: One Child, One Lamp campaign, the Department of Education, in partnership with various non-government organizations (NGOs), provides solar lamps to the many “Daniels” across the country, allowing them to continue their studies at night as well as reduce their exposure to harmful kerosene fumes.

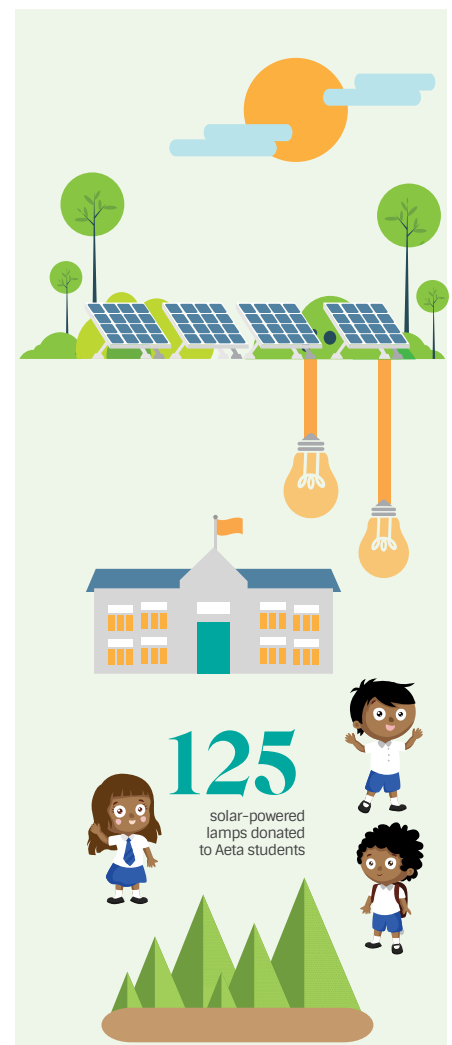
The Bases Conversion and Development Authority (BCDA), through the One Child, One Lamp project, donated solar-powered lamps to 125 Aeta students from the Manabayukan Elementary School—

one of the more than 300 indigenous peoples community schools guided by Pamulaan, which promotes culturally sensitive academic curricula. The school is located at the foot of Mt. Pinatubo in Barangay Patling in Capas, Tarlac, part of which is a military reservation under the jurisdiction of BCDA.

Further, BCDA, CDC and the Diwata–Women in Resource Development Inc. (DIWATA) signed an agreement for the use of the Women’s Center facility in Clark Freeport Zone to train more solar engineers among the women of the indigenous Aeta community, referred to as “Solar Lolos” for its “Tanging Tanglaw” Project.

The project entails training of mature women, who are no longer primary care givers of their families, into solar engineers. The vision is to provide assistance not only for community development and support to basic services for the Aeta community, but more importantly to empower the Aeta women. This is part of BCDA’s and CDC’s Gender and Development (GAD) community relations program and corporate social responsibility program.

The project is a result of the 6-month training of four “Solar Lolos” in India’s Barefoot College on fabricating, installing, repairing, and maintaining solar lighting equipment. After training, each pair of “Solar Lolos” are now responsible for solar electrifying 100 households in their community, and for repairing and maintaining the equipment for a minimum of five years.





No Sci-fi

Cash from converted camps helps Philippine S&T soar to the skies

The title might sound presumptuous but the truth is the training of the Philippine Scientific Earth Observation Micro-satellite (PHL-Microsat) Program’s researchers and engineers who designed, developed and assembled the country’s first micro-satellite, Diwata-1, was financed by funds generated from BCDA’s Asset Disposition Program (ADP).

The PHL-Microsat program is a collaboration among the University of the Philippines-Diliman, Japan’s Hokkaido University and Tohoku University, and the Department of Science and Technology (DOST), which is one of the 14 government beneficiary

agencies entitled to a share of proceeds from the ADP.

The successful development and launch in 2016 of Diwata-1 is a pioneering step not only for the local scientific community but also for the entire country. Images downloaded from the satellite support various applications related to environmental monitoring, resource assessment, and disaster risk reduction and management.

“There are potential benefits that we can get out of being capable in this particular area, not only in disaster risk reduction or those related to climate change, but we can also monitor our natural resources, our agricultural crops, even our settlements, the hazards that are existing or shall we say posing risks,” said Science and Technology Secretary Fortunato T. dela Peña.

The Filipino engineers and scientists who designed, developed and assembled Diwata-1, the Philippines’ first micro-satellite

Not Just Diwata

Between May 1993 and March 2016, DOST has received Php423 million from BCDA’s net proceeds from the sale of metro camps.

According to DOST, almost half of the funds was spent on 124 scientists and engineers for individual training and 349 for group training. Moreover, individual training grants in emerging technologies such as microsatellite development, big data, technology transfer, genomics, bioinformatics, epigenetics, climate change adaptation, and disaster risk reduction were given



Diwata-1

to researchers in specific fields to bridge the competency gap in human resource for research and development. Group training grants were awarded to groups of scientists, researchers, engineers, laboratory technicians, and technical supervisors to address specific needs such as food safety, S&T needs for the halal industry, curriculum development for Philippine Science High School (PSHS), among others.

About the same time Diwata-1 was being launched, BCDA and DOST signed a Memorandum of Agreement for the construction within New Clark City of a large-scale fabrication laboratory to be managed, operated and maintained by the PSHS. Dubbed “Super Fab Lab,” it will house off-the-shelf, industrial-grade fabrication and electronic tools, open source software and programs designed by researchers at the Massachusetts Institute of Technology-Center for Bits and Atoms (MIT-CBA).

Through these S&T-driven projects, BCDA hopes to contribute to the government’s efforts to deliver its promise on sustaining and accelerating economic growth by “maximizing the demographic dividend and vigorously advancing science, technology, and innovation.”*

**Philippine Development Plan*



Caring for the Community

Tarlac Anti-Rabies Campaign

BCDA joined the Department of Health in its campaign for responsible pet ownership in Capas, Tarlac last November 10, 2016. With the goal of keeping families in Barangay Sta. Lucia healthy and safe, Dr. Joy Lagayan of the Bureau of Animal Industry gave a seminar on the topic. Housewives, mothers and household help, along with barangay health officials attended the seminar, while some 20 volunteers from BCDA, DOH and barangay workers were on hand to assist. The activity was part of BCDA’s Gender and Development (GAD) Program, and the BCDA Corporate Volunteer Program. Campaign sponsors were the Animal Welfare Coalition, the Department of Agriculture, and Merial Philippines-Pets, an animal health company.

Ambulance for Capas Terrain

BCDA donated a four-wheel drive Pajero as an ambulance to the local government of Capas, which will be used mainly for emergency response operations

in the rocky and mountainous areas of the municipality. BCDA Vice President for Business Development and Operations Group, and New Clark City Project Management Office Head Joshua Bingcang turned over the ambulance key to Capas Mayor Reynaldo Catacutan last October 7, 2016.

Office Equipment for Bgy. Sta. Lucia

BCDA donated office equipment, namely computers, clerical chairs and office tables, to Barangay Sta. Lucia in Capas last October 12, 2016. Barangay Chairman Victorino Escoto had sent a letter asking for help to address his barangay’s various needs, given their limited resources. Representatives from the BCDA Procurement and Property Division turned over the donation to the barangay.

BCDA Financial Report 2016

BCDA's accomplishment in achieving its mandate is better gleaned from the cash it has generated from its disposition activities which amounted to Php2.5 billion and Php3.8 billion in 2016 and 2015, respectively. An Asset Disposition Report for the period 1993-2015 is included in this report to complement the discussions under each of the financial statements presented herein.*

Statement of Financial Position

	2016	2015
		As restated
ASSETS		
Current Assets		
Cash and cash equivalents	2,520,422,518	3,799,845,461
Investment in UITF	6,868,047,115	8,982,746,407
Receivables	4,651,666,124	4,671,313,193
Inventories	729,918,095	748,362,270
Prepayments and other current assets	2,290,364,845	2,153,556,815
Total Current Assets	17,060,418,697	20,355,824,146
Non-Current Assets		
Investments in affiliates	18,437,603,309	19,069,029,850
Investment in government bonds	4,522,564,297	3,295,590,686
Investment in stocks	103,024,319	103,024,319
Property and equipment - net	1,469,455,262	1,528,420,680
Service concession asset	27,544,828,341	27,004,591,582
Investment properties	44,949,597,056	44,881,085,484
Deferred tax asset - net	3,141,549,093	2,694,476,249
Other non-current assets	10,885,981,714	11,750,421,743
Total Non-Current Assets	111,054,603,391	110,326,640,593
TOTAL ASSETS	128,115,022,088	130,682,464,739
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payables	1,660,389,828	1,733,876,439
Inter-agency payables	4,836,869,940	7,727,554,329
Current portion of long term borrowings	810,314,567	747,220,208
Provisions	20,152,746	23,954,585
Other payables	673,866,918	866,309,191
Total Current Liabilities	8,001,593,999	11,098,914,752
Non-Current Liabilities		
Long-term borrowings	19,447,549,618	18,680,505,200
Deferred credits	9,862,023,037	9,527,120,873
Total Non-Current Liabilities	29,309,572,655	28,207,626,073
TOTAL LIABILITIES	37,311,166,654	39,306,540,825
EQUITY	90,803,855,434	91,375,923,914
TOTAL LIABILITIES AND EQUITY	128,115,022,088	130,682,464,739

CY 2016: Financial Position

BCDA's total assets stood at Php128.12 billion as of December 31, 2016, consisting primarily of cash and financial instruments amounting to Php14.01 billion, investment properties and investment in affiliates amounting to Php44.50 billion and Php18.44 billion, respectively. BCDA showed a healthy financial position with current ratio of 2:1, a measurement of its ability to meet its short-term financial obligations.

Total liabilities stood at Php37.31 billion, of which 79% is long term-liabilities and deferred credits. With a manageable Debt-to-Equity ratio of 41% and Debt-to-Total Assets ratio of 29%, BCDA still has room to secure additional financing for its infrastructure and expansion projects as may be necessary.

In this regard, BCDA maintains excellent business relationships with its various creditors to which BCDA may avail of additional loan facilities, if needed.

Truthfulness and fairness/fair representation of the 2016 Annual Financial Statements/Report included in this publication

The BCDA Management, led by its President and CEO, has authorized the publication of the said Annual Financial Statements/Report. This is evidenced in Board Resolution No. 2017-07-127

Statement of Income

For the Years Ended December 31, 2016 and 2015

	2016	2015 (as restated)
REVENUES		
Lease revenue	912,731,981	813,540,079
Concession fee	904,059,493	150,748,162
Revenue from JV Arrangements	843,865,835	903,569,143
Interest income	288,554,008	184,429,850
Dividend revenue	30,980,125	471,520,206
Sales revenue	16,800,639	71,783,221
Toll fees	-	1,081,139,027
Other business revenue	606,561,743	443,639,328
TOTAL REVENUES	3,603,553,824	4,120,369,016
EXPENSES		
Personal Services	280,473,938	245,097,773
Maintenance and Other Operating Expenses (MOOE)	2,341,864,337	3,650,375,208
TOTAL OPERATING EXPENSES	2,622,338,275	3,895,472,981
NET OPERATING INCOME	981,215,549	224,896,035
OTHER INCOME (EXPENSES)	(284,520,052)	211,469,646
INCOME BEFORE INCOME TAX	696,695,497	436,365,681
INCOME TAX BENEFIT	392,700,586	405,803,346
NET INCOME *	1,089,396,083	842,169,027

CY 2016: Results of Operations

BCDA generated total revenues of Php3.60 billion for 2016, 13% lower than the Php4.10 billion revenue generated from the previous year mainly due to lower dividend income received by BCDA in 2016. Total revenues composed of lease income, concession fees, share in the income of joint venture arrangements together with interest income provide a steady stream of cash flow to BCDA, reinforcing its healthy financial position and creditworthiness.

Total operating expenses decreased by 33% which resulted to an improved operating profit margin of 27%. Excluding unrealized foreign exchange loss of Php1.67 billion in 2016, BCDA registered net operating income of Php1.09 billion or a growth of 29% from the previous year.

*By virtue of the laws governing the sharing of asset disposition proceeds, BCDA follows a unique accounting and business model which is not easily discernible from the traditional financial statements presentation. Depending on the applicable law (RA No. 7227, as amended by RA No. 7917 or EO No. 309), BCDA distributes from 50% to 72% of the net proceeds from its asset disposition activities to the different beneficiaries stated in the applicable law, but mainly to the AFP for its modernization program. The remaining BCDA share is used to fund the conversion and viable development for the former military baselands undertaken by its subsidiaries or by BCDA itself, such as financing partly the construction and maintenance of the Subic-Clark-Tarlac-Expressway (SCTEX).

As a further complication, RA 7227 provides that BCDA record its share in the net disposition proceeds as additional paid-up capital from the National Government if the asset disposition activity is an outright sale. If the transaction is a lease or joint venture other than sale, proceeds are recorded as revenue in its Income Statement. In view of this, the Income Statement of BCDA reflects only a portion of the disposition activities of BCDA, while the rest have to be gleaned from the changes in the Equity in the Balance Sheet and the Statement of Cash Flows.

- Net income excludes the unrealized (paper) foreign exchange loss of Php1.67 billion in 2016 and Php1.07 billion in 2015

Statement of Cash Flows

For the Years Ended December 31, 2016 and 2015

	2016	2015 (as restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of transferred properties	115,166,089	552,155,521
Proceeds from Joint Venture Projects	1,762,433,576	2,697,825,125
Proceeds from leases	764,905,363	665,887,327
Total proceeds from asset disposition	2,642,505,028	3,915,867,973
Proceeds from toll operations	-	1,210,210,391
Proceeds from Concession Fee	862,810,645	3,503,345,082
Dividends received	30,896,792	684,034,425
Escrow – Return of rental per CJJH arbitration decision	-	(1,421,096,052)
Miscellaneous receipts	40,844,974	110,618,582
Operating expenses	(1,258,449,275)	(1,968,652,328)
Remittance to Bureau of Treasury	(3,540,791,673)	(1,708,031,721)
Net cash from operating activities	(1,222,183,509)	4,326,296,352
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of investment	315,000,000	1,500,000,000
Acquisition of property and equipment and payment of various infrastructure projects	(119,685,495)	(112,615,663)
Interest income from cash equivalents and short/long term investment	308,948,189	172,861,556
Initial deposit - BCDA Directors and Officers' Liability (DOLF)	(24,000,000)	-
(Increase)/decrease in short-term investments	940,216,539	(408,545,050)
BEPF Seed Money	3,000,000	3,000,000
Investment/Advances in subsidiaries and affiliates	(4,659,380)	-
Net cash used in investing activities	1,418,819,853	1,154,700,843
CASH FLOWS FROM FINANCING ACTIVITIES		
Amortization of JICA loan and financing charges	(1,050,281,389)	(917,369,898)
Dividends paid to the National Government	(88,281,755)	(500,000,000)
Collection/(Refund) of performance, bid bonds and bid securities	4,707,645	26,326,028
Collection of guarantee deposit/development control fees	28,360,059	39,011,210
Payment of Guarantee Fees to Bureau of Treasury	(370,926,572)	(1,000,000,000)
Net cash used in financing activities	(1,476,422,012)	(2,352,032,660)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	362,725	703,711
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,279,422,943)	3,129,668,246
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	3,799,845,461	670,177,215
CASH AND CASH EQUIVALENTS AT END OF YEAR	2,520,422,518	3,799,845,461

CY 2016: Cash Position

BCDA's total cash position amounted to Php13.91 billion in 2016 and Php16.1 billion in 2015. These amounts consisted of cash and cash equivalents of Php2.50 billion and Php3.80 billion for 2016 and 2015, respectively. The remaining balance of Php11.41 billion in 2016 and Php12.30 billion in 2015 were placed in short and long-term instruments (i.e. UITF and government bonds) with government financial institutions to maximize earnings.

Operating

BCDA's total cash position amounted to Php13.91 billion in 2016 and Php16.1 billion in 2015. These amounts consisted of cash and cash equivalents of Php2.50 billion and Php3.80 billion for 2016 and 2015, respectively. The remaining balance of Php11.41 billion in 2016 and Php12.30 billion in 2015 were placed in short and long-term instruments (i.e. UITF and government bonds) with government financial institutions to maximize earnings.

Investing

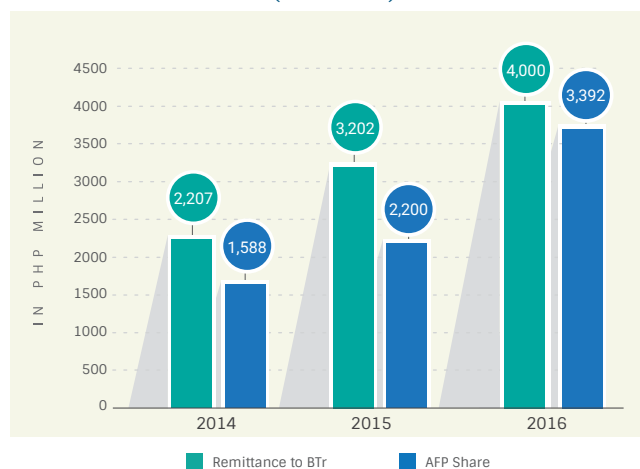
Cash flows from investing activities resulted in a net cash inflow of Php1.42 billion which was mainly attributable from the net proceeds of maturing/disposal of investments and interest earned thereon.

Financing

This year's financing activities resulted in a net cash outflow of Php1.48 billion mainly due to the remittance of amortization payment for the JICA loan of Php1.05 billion, Php370 million guarantee fees to the Bureau of Treasury, and dividend remittance to the National

Government of Php88 million. Dividends paid to the National Government and payment of guarantee fees to the Bureau of Treasury in 2016 are lower than the amounts paid in 2015.

Remittances to BTr and AFP Share
(2014-2016)



Parent Company Statements of Changes in Equity

For the Years Ended December 31, 2016 and 2015

	2016	2015 (as restated)
CAPITAL	75,327,951,615	75,310,524,920
RETAINED EARNINGS	15,366,315,312	16,037,396,996
OTHER COMPREHENSIVE INCOME	109,588,507	28,001,998
TOTAL	90,803,855,434	91,375,923,914

The equity dropped from Php91.38 billion in 2015 to Php90.80 billion in 2016, attributable to the result of BCDA operations, and dividend declaration of Php88 million.



Asset Disposition Proceeds

BCDA's total proceeds from its Asset Disposition Program for the period May 1993 to December 2016 amounted to Php79.88 billion, up by Php7.88 billion or an 11 percent increase from the previous year's Php72 billion level.

The said increase is attributed to escalation based on contract. Note that no disposition activities in 2016 were undertaken due to the election ban and change in BCDA management.

The breakdown of the Php79.88 billion gross proceeds are as follows: Php37.42 billion from sales; Php26.53 billion from joint venture; Php7.52 billion from lease; and, Php8.41 billion from other receipts.

Distribution of Proceeds

The Armed Forces of the Philippines Modernization Program had the lion's share of the disposition proceeds, getting 38 percent or Php30.67 billion of the total Php79.88 billion. The said amount does not include the Php1.2 billion spent for the replication of military facilities affected by the conversion and development in the former military bases and camps.

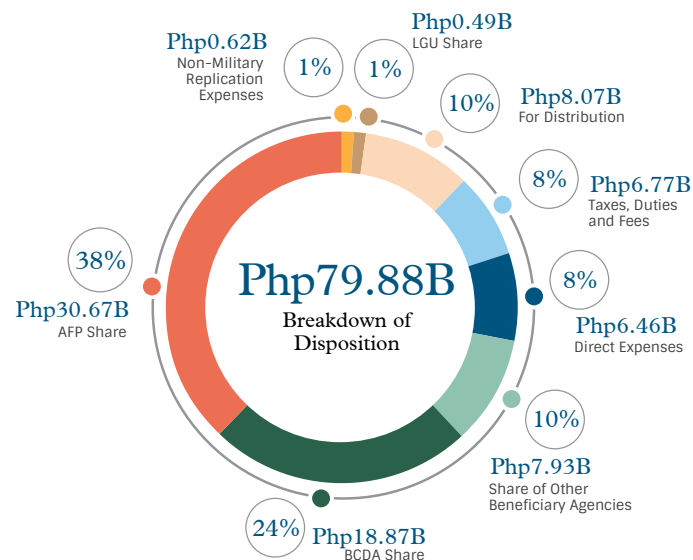
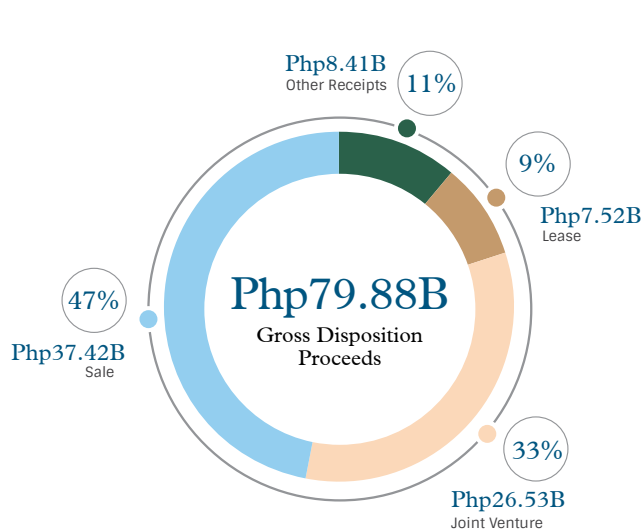
The share of BCDA accounts for 24 percent or Php18.87 billion, while the share of other beneficiary agencies* accounts for 10 percent or Php7.93 billion. Local government units also benefit from the asset disposition program accounting for 1 percent or Php.490 million of the proceeds.

Disposition-related expenses which are deducted from the gross proceeds include: Php6.46 billion for direct expenses on site development and infrastructure projects, relocation of informal settlers, survey, titling, appraisal and administrative expenses; Php6.77 billion for taxes, duties and fees; and, Php.620 million for the replication of non-military facilities.

The remaining Php 8.07 billion is up for distribution to beneficiary agencies and is scheduled for remittance to the National Treasury in the first quarter of 2017.

BCDA remits the proceeds from the disposition program annually to the National Treasury. After remittance, it is the responsibility of the Department of Budget and Management to release the respective shares of beneficiary agencies based on the budget execution guidelines and the approved fiscal program of the government.

**National Housing Authority, National Home Mortgage Finance Corporation, Home Insurance and Guarantee Corporation; Philippine Health Insurance Corporation; Department of Public Works and Highways and Department of Transportation; Philippine Veterans Affairs Office; Commission on Higher Education; Department of Science and Technology; Office of the Secretary, Department of Justice and the Ombudsman; National Bureau of Investigation, Bureau of Corrections, Philippine National Police, and the Bureau of Jail Management and Penology; Supreme Court of the Philippines and the Lower Courts, Sandiganbayan, Court of Appeals and Court of Tax Appeals; Department of Education and Department of Social Welfare and Development; Department of Labor and Employment; Mount Pinatubo Assistance, Rehabilitation and Development Fund; and, Philippine Economic Zone Authority.*



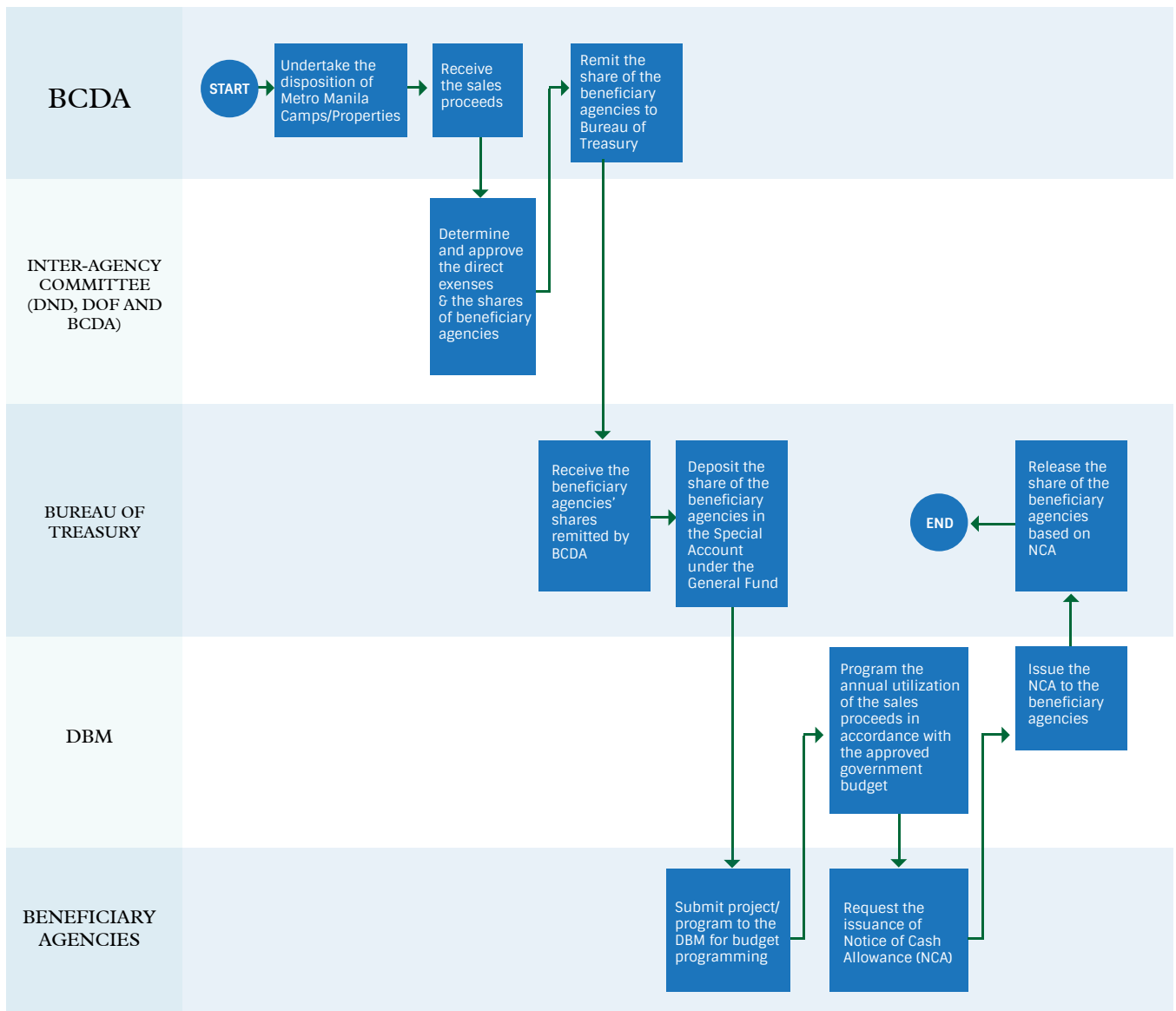


Flow of Disposition Proceeds

BCDA adopts two different procedures in the determination and remittance of disposition proceeds, depending on whether the disposition is in the nature of sale transaction or non-sale transaction, e.g. joint venture, leases. The determination of expenses related to non-sale transactions is jointly approved by the BCDA and the Department of National Defense (DND). On the other hand, expenses related to the sale transactions are determined and approved by the Inter-Agency Committee (IAC) created under Administration Order No. 236 (1996) composed of representatives from DND, BCDA and the Department of Finance (DOF). The following shows the processes involved:

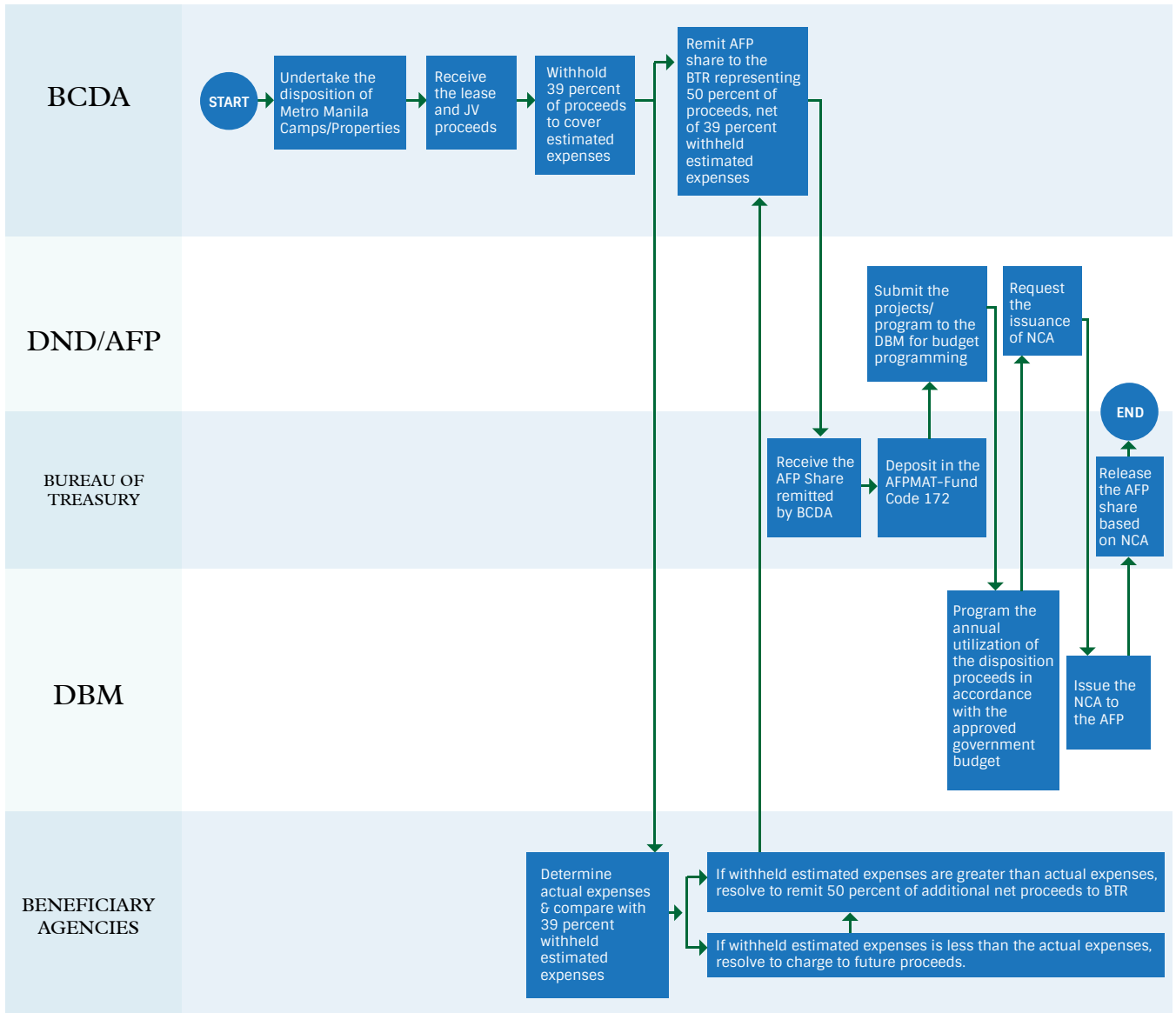
SALE TRANSACTIONS

Based on Administrative Order No. 236, January 8, 1996 (Prescribing Rules and Regulations on the Collection, Remittance and Utilization of Sales Proceeds under Republic Act No. 7917)



NON-SALE TRANSACTIONS

Based on Executive Order No. 309, November 2, 2000 (Prescribing Rules and Regulations for the Distribution of Proceeds of Leases, Joint Ventures, and Transactions other than Sale Involving Portions of Metro Manila Military Camps under Republic Act No. 7227, as amended by Republic Act No. 7917)





Corporate Governance

The Bases Conversion and Development Authority (BCDA) is committed to employ good governance practices in the pursuit of its mandate to develop former military bases and Metro Manila camps into productive commercial uses for the benefit of the country, the Armed Forces and other government beneficiaries.

The BCDA Board of Directors sets policies that guide Management in the implementation of its duties and responsibilities with utmost integrity and transparency. This affirms that the Authority is fully compliant with the Code of Corporate Governance.

GOVERNANCE FRAMEWORK

BCDA remains responsive to its stakeholders and serves as a steadfast steward of state resources by adopting the Governance Commission for GOCCs' (GCG) **Code of Corporate Governance for GOCCs**.

The **BCDA Manual of Corporate Governance**, duly approved by the Board on July 9, 2014 through Board Resolution No. 2014-07-115, aims to actively promote and pursue corporate governance reforms and to consciously observe principles of accountability, transparency, and professionalism within the organization. It contains the detailed duties and responsibilities of the Board to the state and its stakeholders, and provides the structure through which the objectives of the corporation are set and the means to achieve these.

The Manual of Corporate Governance is envisioned to steer the BCDA organization towards excellence and competitiveness, locally and globally, thus enabling it to be a valuable partner of the government in national development and infrastructure development. The Board acknowledges that this manual serves as a guide in the achievement of BCDA's corporate goals while adhering to the principles of good corporate governance.

GOVERNANCE POLICIES

1. Institutionalization of Integrity Management

In its commitment to institutionalize the principles of good corporate governance in the entire organization, BCDA launched the **Strengthen Integrity Development in BCDA (STRIDE-BCDA)** Project to establish an integrity management system in the organization. This project gave rise to the development of BCDA's Code of Conduct, Integrity Policy, Whistleblowing Policy and No Gift Policy.

a. *BCDA Code of Conduct*

Through the BCDA's Integrity Management System, the **BCDA Code of Conduct** was approved by the BCDA Board in 2015. It incorporates the organization's Whistleblowing Policy and No Gift Policy. These policies comprise a set of integrity standards that promote transparency and accountability in BCDA's processes, as well as address areas vulnerable to conflicts of interests. Observance of the Code was further reiterated in 2016 through Office Order No. 004, where the BCDA Management, led by its President and CEO, directs all officers and employees to strictly observe the provisions of the BCDA Code of Conduct.

The BCDA Code of Conduct takes into consideration the policies instituted by the Civil Service Commission (CSC) relating to integrity, transparency and accountability in government. It sets forth the principles, corporate values and the rules of conduct of BCDA officers and employees that govern their conduct, actions, and decisions when performing official duties and responsibilities.

The implementation of the Code of Conduct formed part of BCDA's deliverables to the GCG in its 2016 Performance Scorecard to further enhance transparency and to fully comply with the good governance conditions.

b. *Whistleblowing Policy*

BCDA’s Whistleblowing Policy promotes responsible reporting and disclosure of vital information in response to the detection of fraud, bribery and corruption within the organization. It aims to encourage concerned individuals to testify on matters involving the actions or omissions of the BCDA officers and employees, including the members of the BCDA Board, that are illegal, unethical—violative of good governance principles and entail unhealthy business practices that are grossly disadvantageous to BCDA.

c. *No Gift Policy*

On the other hand, BCDA’s **No Gift Policy** adheres to the highest form of ethical standards and leads the BCDA organization to demonstrate fairness, professionalism and deliver quality services without expectations of any undue favor or reward.

d. *Code of Conduct and Ethical Standards for Public Officials and Employees*

Further, BCDA adheres to Republic Act (RA) 6713 or the **Code of Conduct and Ethical Standards for Public Officials and Employees**. This is cascaded to new employees through the Values for Institutional Effectiveness Workshop (VIEW) conducted by the Organizational Development and Management Department (ODMD).

The Board of Directors, top management and employees, upon the discharge of his/her duties, are required to take an **oath of office**. This is an affirmation by the said public official to uphold and defend the Constitution; that he/she will bear true faith and allegiance to it; obey the laws, legal orders and decrees promulgated by the duly constituted authorities; will faithfully discharge to the best of his/her ability the duties of the office or position upon which he/she is about to enter; and that he/she voluntarily assumes the obligation imposed by his/her oath of office, without mental reservation or purpose of evasion.

2. **Compliance with Principles on Sustainable Development**

In the development of each master planned community and in the construction of major infrastructure, BCDA considers both the environment and sustainability of the project—bearing safety, creativity, efficiency and innovation in mind.

Sustainability is the foremost consideration in the development of BCDA’s flagship project—the New Clark City, envisioned to be the country’s first smart, green and disaster-resilient metropolis. Its development is driven by BCDA’s vision to integrate the best practices in urban planning, green city development and smart city solutions.

a. *Stewardship*

As a steward of state resources, BCDA complies with relevant laws and regulations in its project development and asset disposition activities that are environmentally friendly and consistent in promoting sustainable development.

Primarily, BCDA takes direction from its Charter, **Republic Act 7227**, as amended, and **Executive Order No. 62**—the Implementing Rules and Regulations of RA 7227. These guide BCDA in its asset disposition activities. Joint venture projects, on the other hand, are implemented in accordance with **Guidelines and Procedures for Entering into Joint Venture Agreements between Government and Private Entities issued by the National Economic and Development Authority (NEDA)**.

EO 62 requires the conduct of environmental impact assessment studies of all major projects which affect the environment. It further reiterates the strict enforcement of environment preservation standards by BCDA’s subsidiaries and attached authorities. The said NEDA guidelines prescribe the “Minimum Designs, Performance Standards/ Specifications and Economic Parameters” required of JV activities which include the need for proposals to conform

with appropriate environmental standards of the Department of Environment and Natural Resources (DENR), to be considered responsive. In compliance with these guidelines, approval of contracts for implementation entails securing the appropriate environmental clearances from the DENR following DENR Administrative Order No. 96-37, among other laws.

For every development project, there is an approved master plan and design standards and guidelines which direct project implementation and optimizes land development. These follow relevant laws and regulations such as **Republic Act No. 6541** or the **National Building Code of the Philippines**, and directives of the DENR and the Civil Aviation Authority of the Philippines (CAAP).

b. *Corporate Social Responsibility*

BCDA's quest for inclusive and sustainable growth gave birth to the **BCDA Corporate Social Responsibility (CSR) Philosophy**, which states that, "BCDA is committed to fulfill its mandate to its stakeholders by improving the quality of life of and giving dignity to the workforce, their families, and the communities that it develops through the conversion of former military bases and other properties into premier sustainable centers of economic growth."

The BCDA Manual of Corporate Governance refers to the Authority's CSR Philosophy which identifies five major target stakeholders, namely: the Armed Forces of the Philippines (AFP), project-affected communities, internal organization, the environment, and victims of natural calamities.

INSTITUTIONAL MECHANISMS

1. Internal and Audit Controls

The creation of a Board Audit and Corporate Governance Committee (BACGC) ensures that the internal auditors have free and full access to all the company's records, properties and personnel relevant to the internal audit activities and that the activities are free from interference.

In 2016, the Committee reviewed the audit report on the Market! Market! and the Heritage Park Perpetual

Care Fund (PCF) and General Fund (GF) and recommended solutions that would address the audit findings.

Further, BCDA continues to improve its internal processes by seeking ISO 9001:2008 certification for its Quality Management System—pursuant to Executive Order 605, which institutionalizes standards and mechanisms in implementing the government quality management program. To date, BCDA has successfully maintained its ISO 9001:2008 certification for its Provision of Conversion and Development Services for Land and Assets under the jurisdiction and control of the BCDA, as conferred by third party auditor TÜV Rheinland Philippines.

This contributed to BCDA's improved responsiveness to its stakeholders and compliance with world-class standards in customer service.

2. Risk Management System

The Board Legal and Risk Management and External Relations Committee reviews and evaluates legal strategies and issues, risk management measures, and public affairs issues to ensure that risks are identified and are addressed immediately and accordingly.

The Committee undertook the following for the past year: a) Reviewed and recommended for Board approval the legal strategies on various cases filed by or against BCDA; b) Reviewed and recommended for Board approval the revised budget of the BCDA Legal Services Department; c) Reviewed and recommended measures on legislative proposals affecting BCDA; d) Assessed the Annual Planning Program of the Planning Services Department (PSD) as it relates to risk management; e) Reviewed and evaluated public affairs issues affecting BCDA activities, programs and projects, as identified and presented by Management. Further, the Committee reviewed and evaluated the measures recommended by Management to address such issues for consideration of the Board.

To ensure that risk factors facing the organization are adequately identified, accurately assessed, and properly prioritized, BCDA developed the risk profile of the organization. The risk profile was developed through the concerted effort and inputs of the different BCDA departments and units after a series of workshops and discussions among members of management.

The BCDA risk profile matrix contains: (a) the various risk factors the organization faces; (b) the probability of such risks occurring; (c) the impact of the risk factors to the organization; (d) the initiatives to avoid such risks from occurring; (e) the action plans should the risk occur; and (f) the responsible units tasked with implementing the risk management and mitigation strategies.

A total of 27 risk factors were identified. The risk factors were categorized as either External Risks or Internal Risks. External Risks include: (1) Business and Financial Risks; (2) Political Risks; (3) Natural Risks; and (4) Security Risks. Internal Risks, on the other hand, cover: (1) Technological Risks; and (2) Human Risks. All risk factors identified in the BCDA risk profile have risk management and mitigation strategies and action plans.

After careful review of the organization's risk management system and finding it to be adequate, the BCDA Board approved the BCDA Risk Profile through Board Resolution No. 2016-05-094.

3. Continuing Education

The members of the BCDA Board further enhanced their knowledge and skill set as key decision-makers through capability building and training activities which are deemed necessary for them to fully understand and effectively lead the implementation of good governance principles in accordance with conditions prescribed by the GCG.

In 2016, the members of the Board attended several training programs such as Emerging Trends in Real Estate Asia Pacific 2016, Philippine Business Investment Forum, Forum on Redefining the Next Asian Town, Gender and Development (GAD) Symposium, Seminar on R.A. No. 9184 and the Use of Agency Procurement Compliance and Performance Indicators, Corporate Governance Orientation Program (CGOP) for GOCCs, Professional Directors Program, Enhancing Audit Committee Effectiveness, among others.

COMPLIANCE WITH GCG REQUIREMENTS

BCDA entered into Performance Agreements with the GCG which enumerates BCDA's strategic objectives in contributing to national economic development. BCDA successfully met or exceeded targets for all identified commitments in 2016, to wit:

1. Developing baselands into world-class economic centers

BCDA identified two measures to achieve this objective.

First, BCDA committed to dispose 300 hectares of economic zones/areas under its stewardship. By end-2016, BCDA exceeded its target, disposing 318 hectares of land. This milestone resulted in partnerships formed for New Clark City which include the Joint Venture Agreement between BCDA and Filinvest Land, Inc., for the development of a 288-hectare area; the partnership with the Technological University of the Philippines (TUP) for the establishment of a center specializing in industrial and technology skills development; and, the lease of an area in the Bataan Technology Park to Equinet Support, Inc. for the development of Camp Kanawan (formerly Atmanda Ecopark).

Second, BCDA committed to generate actual investments from economic zones in the amount of Php500 million. BCDA exceeded this target by generating Php632 million in actual investments.

2. Optimizing the benefits of the country from the conversion and development of the baselands

The measures of success in optimizing benefits from the conversion and development of baselands are based on BCDA's total remittance to the National Government and the results of the BCDA Stakeholder Satisfaction Study conducted by an independent third party in accordance with GCG's PES.

In 2016, BCDA was able to remit Php4 billion pesos to the Bureau of Treasury (BTr). This amount enables the National Government to fund socio-economic projects with a significant portion dedicated for the Modernization Program of the Armed Forces of the Philippines (AFP). This amount exceeds the target of Php3 billion and is representative of BCDA's commitment to the AFP.

On the other hand, the results of the 2016 BCDA Stakeholder Study generated a total score of 98.5 percent, which is 8.5 percent higher than the satisfaction level in 2015. BCDA's performance was gauged based on the following variables: Timeliness; Ease of Access; Staff; Quality; and Outcome—as identified by the GCG's Performance Evaluation System (PES) which aims to measure the "Social Impact Perspective" of GOCCs on its stakeholders.



3. Achievement of the best value from the disposition of lands

BCDA identified target amounts representing cash proceeds from business contracts in BCDA-administered economic zones amounting to Php1.8 billion and from regular accounts amounting to Php2.7 billion. BCDA exceeded such targets by generating Php2.2 billion and Php3.6 billion in cash proceeds, respectively.

4. Strengthening and streamlining project management processes

BCDA identified four factors to monitor internal business processes:

First is the adherence of BCDA's contracts to approved contract checklist. In 2016, BCDA exceeded the target of 90 percent based on the monitored contracts of the Subsidiaries, Affiliates and Projects Monitoring Department (SAPMD) which reported that all contracts are compliant with the said checklist.

The 240-hectare Bonifacio Global City formerly known as Fort Bonifacio, is now one of the premier business and residential districts in the country generating funds for the modernization program of the AFP

The second and third measures are the reduction of average turnaround time to prepare contracts and the turnaround time for the Finance Service Group (FSG) to act on budget-related requests of subsidiaries. Based on its 2016 performance, BCDA exceeded the prescribed turnaround time of 10 days. Actual period of contract preparation is only 7.55 days, while the average response time for FSG is 9.92 working days.

The final measure is the successful implementation of the computerized accounting system and its deployment in one BCDA subsidiary, the Clark Development Corporation (CDC). By end 2016, the said system was successfully rolled out in CDC with a sign-off sheet documenting training for each of the system's business processes.



5. Development of a quality management system for all processes

BCDA passed the surveillance audit conducted by TÜV Rheinland Philippines which granted ISO 9001:2008 certification for the system employed by BCDA for the Provision of Conversion and Development Services for Land and Assets under the jurisdiction and control of the BCDA.

6. Optimized use of information technology

BCDA employs a two-fold approach to achieve this objective. First, BCDA implemented the Information and Communication Technology (ICT) plan, which entails the automation of six office processes. Second, the Merchant Registry Module under the ezBiz project was operational by end-2016. The ezBiz project is a means to facilitate the entry and registration of more investors/locators in the country by making available an efficient online system resulting to greater ease in doing business in the country.

7. Establishment of a competency-based framework for BCDA personnel

BCDA recognized the need to establish a competency-based framework model and to institutionalize an

Also generating funds for the AFP modernization is the former Villamor Airbase in Pasay City. Now known as the Newport City, this 25-hectare property is the country's world-class urban integrated tourism resort complex featuring a strong I.T. component and airport-related businesses

Integrity Management Plan and Code of Conduct. The target for the year was the completion, approval and posting of a Terms of Reference (TOR) for the competency-based framework model. For 2016, BCDA was able to prepare the necessary documents in aid of procurement. This will contribute to the enhancement of the quality of service delivered by BCDA officers and employees guided by its development mandate.

Further, BCDA now implements an integrity management system which paved the way for the establishment of the BCDA Code of Conduct. Through this, stakeholders can expect the highest form of ethical standards and professionalism by members of the BCDA corporate body.



Our Leaders

BOARD OF DIRECTORS

1 GREGORIO D. GARCIA III Chairman

Mr. Greg Garcia is a marketing and communications professional with a strong exposure in banking and real estate development.

He is a leading marketing and political consultant.

Mr. Garcia has a well-earned marketing and branding reputation and was chairman and chief creative officer of Leo Burnett Advertising, a key position he held for 20 years. Leo Burnett Philippines is one of the biggest advertising agencies in the country. It has handled Procter and Gamble, McDonald's, Phillip Morris, Kimberly Clark, and Unilab, among others.

Earlier in his career he worked for Ace Compton as Creative Head and moved on to work for Mr. Tomas Aguirre, founder of Banco Filipino where he held the position of Vice President. He was founding director of the Advertising Board of the Philippines, founding chairman of the Creative Guild of the Philippines, and founding director of the Bank Marketing Association of the Philippines.

He is a recipient of the Lifetime Achievement Award of the Creative Guild and the Maverick Award of the Association of Philippine Advertising Agencies.

Greg finished all his schooling in Colegio de San Juan de Letran. He is married to Myrna Nuyda of Camalig, Albay and has three daughters who are all in the fields of arts and culture.

Trainings:

- Corporate Governance Orientation Program (CGOP) for GOCCs
- BCDA Group President's Caucus

2 VIVENCIO B. DIZON President & CEO

Mr. Dizon is formerly a consultant to Senate Majority Leader Alan Peter Cayetano.

In 2011, he was appointed as Undersecretary for Political Affairs under the Office of the President.

He holds a Master of Science degree in Development Economics at the University of Reading in the United Kingdom. Finishing his degree with distinction, he was a recipient of the British Chevening Scholarship Awards, which is granted to outstanding emerging leaders and enabling them to pursue graduate studies at any UK university. He received his Bachelor of Arts degree in Economics and Bachelor of Science in Commerce degree in Management of Financial Institutions from the De La Salle University in Manila, Philippines. Subsequently, he joined the DLSU faculty as Assistant Professor in Economics.

He joined the team of Senator Edgardo J. Angara as his Chief of Staff in 2002. In 2005, he worked as a Senior Lecturer in Economics, Finance and Statistics for the Bachelor of Science in Business Administration program of the University of Northern Virginia, Prague Campus.

He was also formerly the Vice President for Corporate Communications of

the Strategic Alliance Holdings, Inc. - Technologies (SAHI-TECH), a post he held for four years.

Trainings:

- Corporate Governance Orientation Program (CGOP) for GOCCs
- BCDA Group President's Caucus

3 ATTY. ARISTOTLE BANZON BATUHAN Director

Born September 7, 1966 in Cebu City, Aristotle B. Batuhan obtained his Bachelor of Laws from the University of Philippines in 1992, and his Master of Laws from Harvard Law School, Cambridge, Massachusetts, U.S.A, in 1995. At Harvard, his areas of concentration included constitutional law and public international law. Upon graduation from Harvard, he worked briefly as a visiting foreign attorney at the prestigious law offices of Hale & Dorr in Boston.

From 1996 to early 1999, Atty. Batuhan worked as a senior associate at SyCip Salazar Hernandez & Gatmaitan, the largest law firm in the Philippines. His practice areas included corporations, foreign investments, project finance, public utilities [telecoms and water], banking, securities and privatization. He also has experience in corporate, civil and criminal litigation, and has argued cases before labor and other administrative tribunals.

Atty. Batuhan was tapped to join the Presidential Management Staff, Office of the President in April 1999, with the rank of presidential assistant. He was tasked to review foreign-funded projects

and government infrastructure contracts. He resigned his post in October 2000. Atty. Batuhan also served as Senior Legal Consultant at the Office of the Presidential Chief of Staff from January 2006 to early 2007.

Atty. Batuhan co-founded Batuhan Blando Concepcion Law Offices in October 2001 and was its Managing Partner until July 20, 2010, when he was appointed as Undersecretary of the Department of Transportation and Communications (DOTC).

He resigned from DOTC on October 15, 2011 and resumed his private practice as Special Counsel at Batuhan Blando Concepcion & Trillana Law Offices.

Atty. Batuhan serves as President and Chief Executive Officer of Motoring Ventures Phils., Inc.

Trainings:

- Corporate Governance Orientation Program (CGOP) for GOCCs
- BCDA Group President's Caucus

4 VADM FERDINAND S GOLEZ (RET)
Director

Mr. Golez has a highly accomplished and well-decorated career in the naval profession. He has profound experience in the leadership and management of major commands of the Navy—the most recent of which was his almost two-year tour of duty at the helm of the Philippine Navy as its Flag Officer In Command—the highest and most coveted position in the Navy.

He rose to the top command as manager and leader of a 23,000-strong

sailor and marine force. His expertise spans naval and maritime operations, intelligence and strategic planning, national security administration, resource allocation, and organizational development. Among his major achievements are his establishment and institution of the Philippine Navy Board of Advisers (a multi-governance sector coalition composed of experts and leaders in various sectors of society), the conduct of Maritime Security Forums from 2008-2010 in different Naval Forces around the archipelago, and all relevant activities to jumpstart the future Navy that everyone in this maritime nation can be proud of.

After his naval career, he joined the Energy Development Corporation as Head of its Security Department in August 2010, where he plans, devises and implements a working security system to ensure uninterrupted power production in all areas where all renewable power is generated.

Training:

- Transition Conference of the BCDA Group

5 GERARD R. SENO
Director

Mr. Seno is a labor rights advocate and an educator.

His expertise ranges from project development, monitoring and implementation in the fields of union organizing, workers' education, construction health and safety, promotion and management of cooperatives, policy research and advocacy, industrial relations and collective bargaining, among others.

He is currently the National Executive Vice President of the Associated Labor Unions (ALU). He is also Labor Sector Representative of various groups which include the Tripartite Efficiency and Integrity Board (TEIB); the Tripartite Industrial Peace Council (TIPC); Bank Industry Tripartite Council (BITC), and the Construction Industry Tripartite Council (CITC). He is also Mill Worker Sector Representative of the Sugar Tripartite Council (STC), among other key positions. He is a co-convenor of of Nagkaisa, a broad coalition of labor centers, national federations, industry unions in private and public sector, informal sector, and other organizations aimed to promote trade union unity, decent work, security of tenure, among others.

He was first appointed to BCDA as Director in 2001, a position he held until 2010. As such, he served in the boards of BCDA's subsidiaries and affiliates which include the BCDA Management and Holdings, Inc., the John Hay Management Corporation, the Bataan Technology Park, Inc. and the Fort Bonifacio Development Corporation.

He was one of the delegates to the International Labor Conference in Geneva, Switzerland held June 1-13, 2015. Among conferences attended since June 2012-2015 were the European and Global Lafarge-Holcim Conference, held June 16-17, 2015 in Zurich Switzerland; the International Transport Workers' Federation 43rd Congress in Sofia, Bulgaria; the Japan Autoworkers Union 43rd Convention in Haneda, Japan in 2014; and the Workshop on Labor Management Relations with Special Focus on the Automobile Industry sponsored by Asian Productivity Organization in Tokyo, Japan in 2013.

He graduated with Bachelor of Laws and Bachelor of Science in Business Administration degrees from University of San Carlos, Cebu City in 1986 and 1981, respectively.

Mr. Seno was born in Cebu on November 8, 1959. He is married to Maria Theresa Carolina and is blessed with three children.

Trainings:

- NXCities Philippines Conference: Building Urban Platforms for Innovation, Inclusion and Resilience
- 45th Convention of Japan Automobile Workers' Union (JAW)
- Member, Workers Delegation 105th Session of the International Labor Conference
- Transition Conference of the BCDA Group

6 MGEN ROMEO V POQUIZ (RET)

Director

Mr. Poquiz is a multi-awarded military officer, aviator, ground combat commander, leader and manager who served with distinction in the Armed Forces for 37 and a half years. He retired in 2014 as a Major General and as Commander of the 2nd Air Division (Air Force in the Visayas). His other positions in the service include, among many others: The Air Force Inspector General, Commander of the Air Force Special Operations Wing, Commanding Officer of the Air Force Finance Center, and Commanding Officer of the AFP Pension Management Center. He also served as Trustee of the AFP Savings and Loan Association, which has resources of about Php40 billion.

He is widely known in the entire Armed Forces of the Philippines as the Air Force officer, a military pilot, who commanded a newly-created Air Force ground counter-insurgency unit which fought many battles against the communist terrorists. Under his leadership, his unit, the famous 740th Combat Group, was declared The Best Battalion of the Southern Luzon Command, winning over Army Special Forces and Infantry Battalions also operating in Southern Tagalog and Bicol regions.

Aside from air and ground field operations and leadership, Mr. Poquiz also has expertise in Security, Logistics, Intelligence, Comptrollership, Resources Management, Education and Training, Crisis Management and Strategic Planning. He is the only AFP officer who has such varied areas of specialization. He served in various capacities in these areas.

He graduated in 1981 from the Philippine Military Academy with a Bachelor of Science degree. He also earned his Master's Degree in Management, major in Finance from the Naval Postgraduate School in the USA in 2000. His skills were further honed in various other courses, trainings and seminars, among which are: Project Management Course and Senior Executive Management Seminar from the Asian Institute of Management; Negotiation Skills Seminar from the Ateneo Graduate School of Business; and Corporate Governance Seminars from the Institute of Corporate Directors in 2006 and 2017.

In the US, he took up the International Defense Management Course in 1996 and the International Defense Resources Management Applications Course in 1998. He also attended the North Atlantic Treaty Organization (NATO) Codification Systems Seminar in 1999.

7 YUSOP JIMLANI

Director

Mr. Yusop A. Jimlani is a retired Colonel of the Philippine Army who facilitated the surrender of Moro National Liberation Front Chairman Sulaiman Ranain of the Davao Revolutionary Committee (DRC), followed by four other foreign trained commanders of batch 300 to include several armed/unarmed followers.

He's also the only Muslim officer who served as an aide-de-camp during the time of President Corazon C. Aquino, as assigned to foreign presidents.

As a proud Muslim, Mr. Jimlani wrote a book titled *Soldier's Handbook to Understand Muslims*—the first ever handbook aimed at educating soldiers on Muslim culture and traditions especially those assigned in Mindanao.

He was hired as consultant by former Davao City Mayor and now President of the Philippines Rodrigo R. Duterte.

Top Management and Officers



In Photo: President and Chief Executive Officer Vivencio B. Dizon and Executive Vice President and Chief Operating Officer Aileen Anunciacion R. Zosa



Seated (L-R): Vice President for Financial Services Group and Chief Finance Officer Atty. Nena D. Radoc, Officer-In-Charge for Corporate Services Group (January to October 2016) Patrick Roehl C. Francisco, and Officer-In-Charge of the Legal Services Department Atty. Elvira V. Estanislao

Standing (L-R): Vice President for Business Development and Operations Group Joshua M. Bingcang, and Officer-In-Charge for Corporate Services Group (November to December 2016) BGen Carlos F. Quita (Ret)

Not in photo: Corporate Secretary Atty. Shelah Mae W. Famador



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