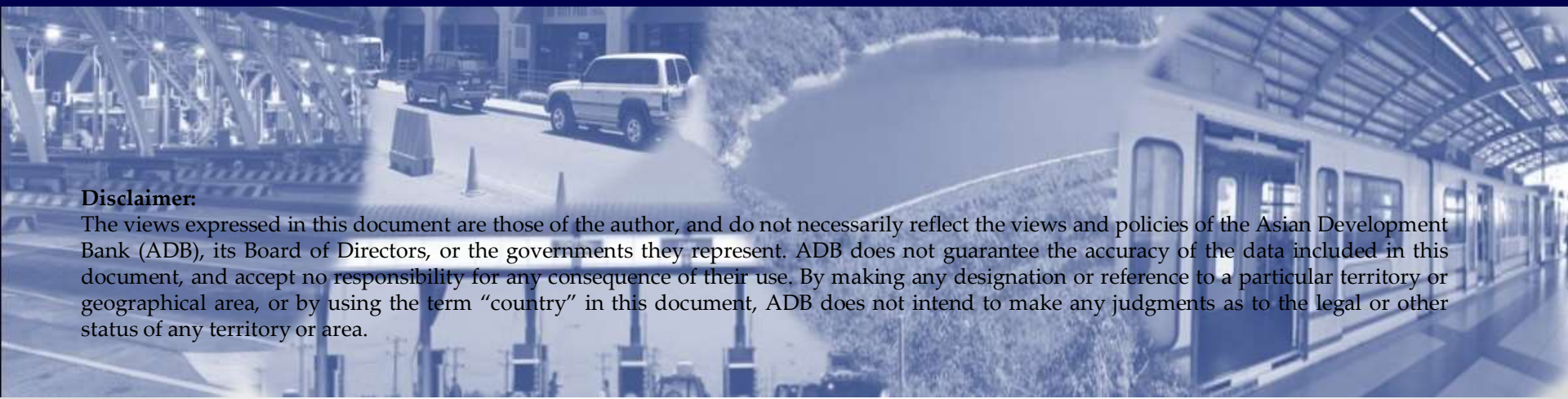




The Experience of the PPP Center of the Philippines

Disclaimer:

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The Philippine PPP Agenda

PPP Program is geared towards
INCLUSIVE GROWTH



PPP as one of the strategies
to accelerate
**INFRASTRUCTURE
DEVELOPMENT**



Private sector as
**PARTNER IN
DEVELOPMENT**



PPP Center as the
**CHAMPION FOR
PUBLIC-PRIVATE
PARTNERSHIPS**



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**PUBLIC-PRIVATE PARTNERSHIP
CENTER**

The PPP Center

Per Executive Order No. 8, s. 2010,
as amended by **Executive Order No. 136**
signed last 28 May 2013:

- BOT Center renamed as **PPP Center**
- PPP Center Services:
 - Provide **advisory services**
 - **Facilitate development** of PPP projects
 - **Manage** the Project Development and Monitoring Facility
 - **Capacitate** national implementing agencies and LGUs
 - Advocate **policy reforms**
 - **Monitor implementation** of PPP projects
- **Expanded mandate:**
 - BOT Law
 - Joint Venture arrangements
 - Other PPP arrangements
- PPP Center to directly report to the **PPP Governing Board**



Institutional Evolution of the PPP Center

Evolving Institutional Role in Critical Phases of Private Sector Engagement

Aquino Administration 1986-1992

- *BOT Law (RA 6957)*

Ramos Administration 1992-1998

- *Amended BOT Law (RA 7718)*
- *BOT Center under Office of the President - CCCPAP*

Estrada Administration 1998-2001

- *Renamed BOT program to PSP program*
- *CCPSP under the Office of the President*

Arroyo Administration 2001-2010

- *Revert to BOT Program*
- *BOT Center under DTI*

Aquino Administration 2010-Present

- *Renamed PPP Center and attached to NEDA*



Institutional Arrangement

Institutional Arrangement

- **Contracting Parties/ Implementing Agencies**
 - National Line Agencies
 - Government Corporations
 - Local Government Units
- **Review and Approving Bodies**
 - Inter-Agency Investment Coordination Committee (ICC)
 - NEDA Board
- **Coordinating and Monitoring Agency**
 - The Public-Private Partnership Center
- **Other Government Bodies Concerned**
 - Policy-making Bodies (PPP Governing Board)
 - National and Sectoral Regulatory Bodies

PREQUALIFICATION, BIDS AND AWARDS COMMITTEE (PBAC)

- Responsible for all aspects of the pre-bidding and bidding process, including the preparation of tender documents, conduct and evaluation of bids, and interpretation of the rules regarding the bidding, among others



The Project Development & Monitoring Facility (PDMF)



The PDMF

- **Revolving fund** that supports pre-investment activities to ensure project viability/bankability through engagement of high-caliber consulting firms
- **PDMF Panel of Consulting Firms**: 22 internationally-renowned consortia of consulting firms under Indefinite Delivery Contracts (IDCs)
- **Scope of services**
 - Feasibility studies
 - Project structuring
 - Bidding documents, including PPP contract
 - Support during the bidding process until financial close

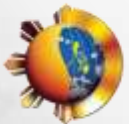


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PDMF Fund

- **USD 18 million** from AusAID through ADB
- **USD 51 million** from GOP

Revolving Feature: Project development cost + 10% cost recovery fee to be reimbursed by the successful bidder



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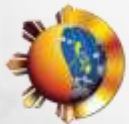
Consultant Selection

Stage 1: Pre-qualification of Consulting Firms

- Quality-based selection
- Firms (consortia) are retained for 3 years on indefinite delivery contracts (IDC) without commitment
- IDCs are used when consultants are required to provide “on call” specialized services/advice on a particular activity, the extent and timing of which cannot be defined in advance

Stage 2: Call-Down Assignment

- Fixed-budget selection
- Electronic submission of technical and financial proposals
- Lump-sum contract



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Advantages of Tapping the PDMF

- Shorter timeline for procuring consultants
- Access to associations of international and national consulting firms pre-qualified to provide project preparation and transaction support services
- Access to full range of services (i.e., from preparation of FS and tender documents, bid process management until financial close)



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Robust PPP Pipeline of Projects



PPP PROJECTS

(By Project Status as of November 2014)

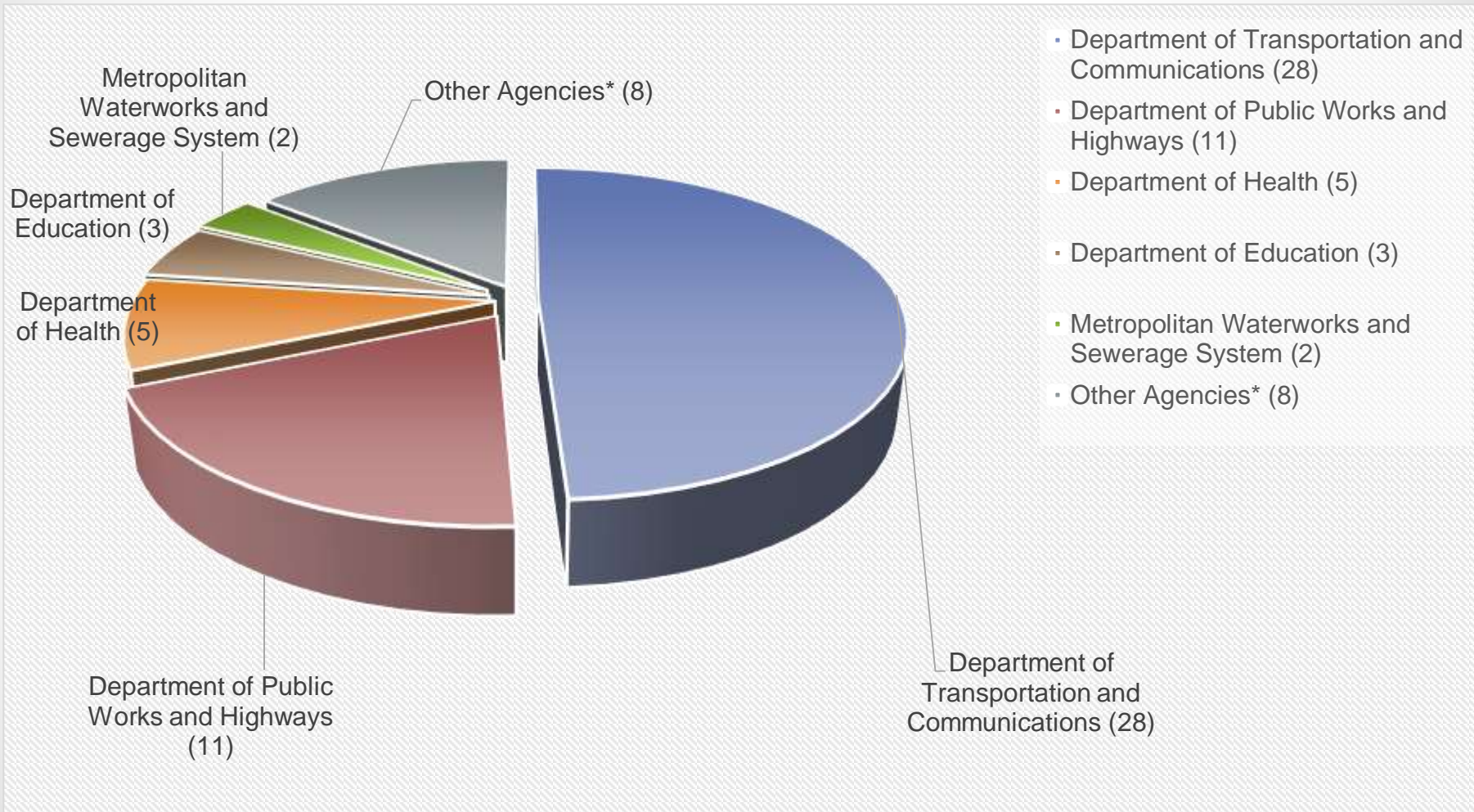
Status	No. of Projects	Estimated Cost (in million USD)
PROJECTS UNDER IMPLEMENTATION		
Awarded	8	2,833.33
Other projects for implementation	3	2,132.44
Sub-total	11	4,965.77
PPP PIPELINE		
Projects for awarding	1	786.67
Projects under procurement	6	3,831.56
Projects approved for roll-out	8	4,070.49
For approval of relevant government bodies	1	428.89
Projects with ongoing studies	9	6,882.89
For procurement of consultants	10	TBD
Under conceptualization or development	11	TBD
Sub-total	46	16,000.49*
TOTAL	57	20,966.26*

*This does not include 28 projects with no estimated costs yet.



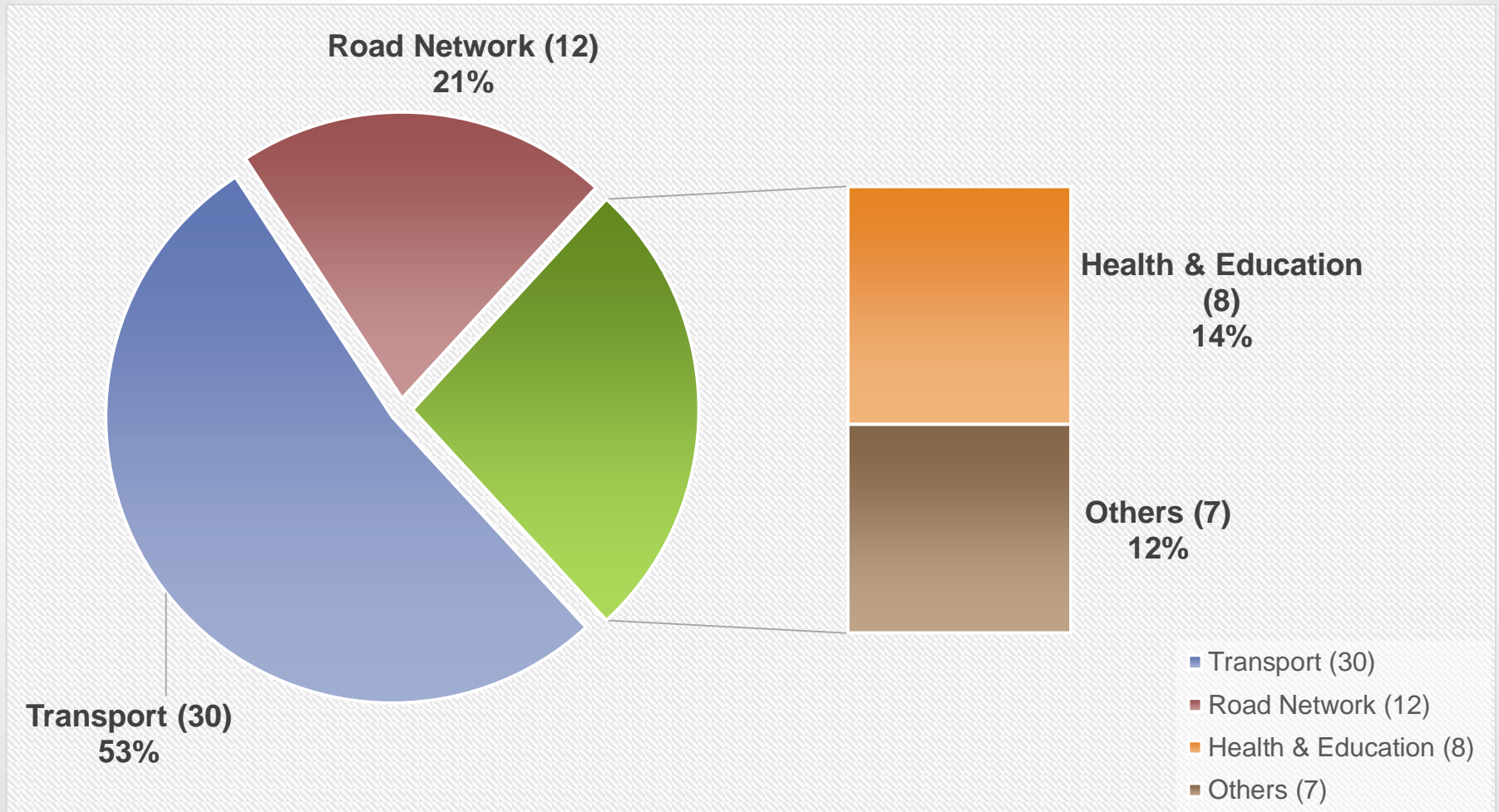
PPP Projects

(By Implementing Agency)



PPP Projects

(By Sector)



AWARDED PROJECTS (1/2)

PROJECT	BRIEF DESCRIPTION	ESTIMATED COST (USD)	STATUS
1 Daang Hari-SLEX Link Road Project	Construction of a 4-km toll road connecting the cities of Las Piñas and Bacoor to the South Luzon Expressway	44.67 M	Construction on-going; 55% completed (as of 25 October 2014)
2 PPP for School Infrastructure Project (Phase I)	Construction of 9,300 classrooms in various sites in Regions I, III and IV-A	361.78 M	2,078 sub-projects (7,288 classrooms) completed; 364 sub-projects (1,683 classrooms) under construction; and 75 sub-projects (333 classrooms) under pre-construction (as of 31 Oct. 2014)
3 NAIA Expressway Phase II	Construction of an expressway & a feeder road that will connect NAIA Terminals, Skyway, and Manila-Cavite Toll Expressway	344.89 M	Construction on-going; 12.52% complete (as of 20 October 2014)
4 PPP for School Infrastructure Project (Phase 2)	Construction of 4,370 classrooms in various sites in Regions, I, II, III, X, CAR, and CARAGA	85.78 M	64 sub-projects (111 classrooms) completed; 305 sub-projects (803 classrooms) under construction; and 1,559 sub-projects (3,456 classrooms) under pre-construction stages (as of 31 October 2014)



AWARDED PROJECTS (2/2)

PROJECT	BRIEF DESCRIPTION	ESTIMATED COST (USD)	STATUS
5 Modernization of the Philippine Orthopedic Center	Construction of a 700-bed capacity super-specialty tertiary orthopedic hospital	126.44 M	On-going pre-construction activities; On-going procurement of Independent Consultant (IC)
6 Automatic Fare Collection System	Replacement of the old magnetic-based ticketing system with contactless-based smart card technology for LRT Lines 1 & 2 and MRT Line 3	38.22 M	On-going pre-operation activities
7 Mactan-Cebu International Airport (MCIA) New Passenger Terminal Building	Construction of a new passenger terminal building with a capacity of 8 million passengers per year; and O&M of old and new facilities	389.33 M	O&M Start Date (start of 25 year concession period) on 1 November 2014; On-going pre-construction activities; On-going procurement of Independent Consultant (IC)
8 LRT Line 1 Cavite Extension and Operation & Maintenance	Extension of the current 11.7-km LRT Line 1 to Bacoor, Cavite; and O&M of the 32.4-km integrated LRT Line 1 system	1.44 B	Ongoing preparation for procurement of Independent Consultant (IC)
TOTAL COST OF AWARDED PROJECTS :		2.83 B	



What we want to achieve by 2016

1. Robust pipeline of PPP projects

- at least **50** projects in the pipeline in various stages of the project cycle
- at least **15** PPP contracts signed
- at least **5** projects completed
- at least **10** infrastructure projects handed over to the private sector for Operation & Maintenance (O&M)

2. Solid PPP legal and policy framework

3. Transparent, predictable and tested procedures

4. Standard contract agreements that uphold reasonable returns and fair risk allocation to the private sector while safeguarding public interest



THANK YOU

**PUBLIC-PRIVATE PARTNERSHIP CENTER OF THE PHILIPPINES
NEDA COMPLEX, EDSA, DILIMAN, QUEZON CITY**

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