



# **Over 170 Infrastructure Projects in the Philippine Government's PPP Procurement Pipeline**

The PPP Center of the Philippines disclosed that a total of one hundred seventy-three (173) infrastructure projects with a total cost of Php 3.17 trillion (~USD 56 billion),<sup>1</sup> are and will be procured under Republic Act No. 11966, otherwise known as the "Public-Private Partnership (PPP) Code of the Philippines" ("**PPP Code**").<sup>2</sup> These projects cover national and local projects which are at various stages of development from conceptualization, evaluation, approval, all the way to procurement. They consist of airports, railways, toll roads, busway, ports, ferry system, power generation, irrigation, water supply, solid waste management, hospitals and dialysis centers, transport terminals, information technology, parks, housing and dormitories, classrooms, training centers, public markets, and commercial complex, among others.

Owing to the uniform and simplified PPP procurement process introduced by the PPP Code, it appears that the Philippine government is now able to develop infrastructure projects for solicited PPP procurement more efficiently, and to closely monitor submissions of unsolicited PPP projects by the private sector. It is worthy to note that the PPP Code has provided a uniform approval and procurement process for PPP infrastructure projects, regardless of the contractual arrangement adopted, and the government implementing agency.

<sup>&</sup>lt;sup>1</sup> 1 USD = Php 57.00 conversion rate.

<sup>&</sup>lt;sup>2</sup> See <u>03-List-PPP-projects-pipeline-20241015.pdf</u>, last accessed on 24 October 2024 at 3:00 pm.



#### Solicited PPP Projects

A total of 95 national and local PPP solicited projects with a total project cost of Php 1.2 trillion ("USD 21 billion) are now in the pipeline, with the Php 1.2 billion Negros Occidental Bulk Water Supply Project expected to the awarded by end of this year, and the Php 9.49 billion UP-PGH Manila Cancer Center Project to be awarded by 2025.<sup>3</sup> With the PPP Code limiting the requirement of an approval from the Investment Coordination Committee ("**ICC**") and the NEDA Board to national projects with a project cost of at least Php 15 billion ("USD 263 million), government agencies, including local government units, have clearly been encouraged to implement their infrastructure projects through PPP. Local projects regardless of project cost and national projects with less than Php 15 billion project cost shall now only be approved at the implementing agency level, unless specific conditions exist that would require the approval of the ICC.

### **Unsolicited PPP Projects**

Notable in the Government's PPP pipeline is the increase in the unsolicited PPP projects submitted by the private sector. A total of 78 national and local PPP unsolicited projects with a total project cost of Php 2.1 trillion ("USD 37 billion) are reported to have been submitted to the government and undergoing the unsolicited PPP procurement process at various stages. This number may have been due to the simplified and uniform process for submission of unsolicited PPP projects under the PPP Code, which has been centralized to the PPP Center of the Philippines ("**PPP Center**") via an online submission portal. The PPP Center is now tasked to review all submissions to determine completeness of the proposal and the appropriate government approving body, before endorsing the same to the appropriate implementing agency for the latter's evaluation. This gives any private proponent a sense of certainty and security as regards their compliance with the requirements for unsolicited projects under the PPP Code, as well as the approval process that must be undertaken by the implementing agency in relation to the unsolicited PPP project.

## **Key Contact**



#### Christine Antonio

Partner, Ocampo & Suralvo Law Offices, Philippines <u>cantonio@ocamposuralvo.com</u>

OCAMPO & SURALVO

<sup>&</sup>lt;sup>3</sup> See <u>Gov't lines up 169 PPP projects for implementation - Philippine Daily Inquirer</u>, last accessed on 24 October 2024 at 2:00 pm.