



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

I. Project Information

Project Code	CLPCL
Project Title	Introductory Course on Public-Private Partnership (PPP) for LGUs
Project Start	2016-10-03
Project End	2016-11-15
Project Price	Php 234,000
Client Organization	Various LGUs

II. Project Team

Project Manager	Jannis T. Montañez
Team Members	Alvin P. Principe, Gilbert E. Lumantao, Michelle N. Belga Ma. Narcielyn P. Rizal, Clesa V. Corona
Supervising Fellow	Imelda C. Caluen
Consultants/ Resource Persons	Feroisa Francisca T. Concordia, Agape Sem B. Comendador

III. Project Details

Project Description	<p>For the past years, the PPP program has been geared towards achieving social and economic development, and improving the quality of life of the Filipino people.</p> <p>Local government units (LGUs) play a crucial role in the PPP as their policies and actions have a direct impact on rural development, investment generation and job creation. Republic Act 7718 or the amended Philippine Build, Operate and Transfer (BOT) Law provides clear policies on how LGUs can pursue infrastructure and development projects through private sector partnership.</p> <p>The DAP has forged a Memorandum of Understanding with the PPP Center as one of its institutional partners in providing capacity-building intervention to LGUs. In this light, the DAP's Center for Governance conducted this first course offering on PPP.</p>
Project Objective	The course is aimed at equipping LGUs with basic knowledge on PPP, including the LGUs' role and benefits, and the key steps and standards of the PPP process.
Focus Area	Local Governance
Project Type	Training
Regional Coverage	National Coverage



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

IV. Project Accomplishments

Key Activities Implemented

Major Outputs

A. Course Design

The LGDO team, in consultation with the Center for Governance (CFG) directors and partners from the Public-Private Partnership (PPP) Center, designed a three-day introductory course for local government units (LGUs). Main references used were the PPP Manual for LGUs and the PPP Center's presentation materials.

After a series of review and consultation, the team came up with the following course outline/design:

Session 1: Overview of the PPP Program in the Philippines

The session centers on clarifying what PPP is, including the roles of the public and private sector, the eligible types of project, general forms / structure, and the legal and regulatory framework. It likewise tackles the evolving role and mandate of the PPP Center in the program.

Session 2: The PPP Process

This session discusses the four phases of the PPP process: *Project Development, Approval, Procurement, and Implementation and Monitoring*, particularly, the key steps and requirements that LGUs should comply when pursuing a project for PPP. It guides the participants how to identify, screen, prioritize, and assess the potentials of a project for PPP, the possible structure or modality to pursue, the bidding procedures and requirements, and how to manage the project agreement and actual implementation.

Session 3: PPP Project Concept Development

This session guides the participants on how to develop a project concept note (PCN) that should discuss the initial information and ideas about the LGU project. This includes identifying the project objectives, stakeholders, costs, and key activities.

B. Conduct of the Introductory Course

The Course was conducted on October 19-21, 2016 at the DAP Rizal Hall in Pasig City. Twenty-five (25) representatives from 12 LGUs (6 provinces, 4 cities, and 2 municipalities) and 1 private company (Maynilad) attended the course, including Vice Governor Victorino Dennis Socrates of Palawan, and Mayor Jaime Villanueva of Tiwi, Albay. Other participants represented key offices like the Office of the Mayor, planning and development, legal, and administration / general services.

Resource speakers were from the DAP-CfG and the PPP Center.

Day 1 – October 19, 2016

Session 1 started with an overview of the country's PPP program by Director Feroisa Francisca Concordia, of PPP Center's Capacity Building and Knowledge Management Service. Dir. Concordia explained the specific roles of a private company under PPP and cited factors that clearly define if an LGU's partnership with the private sector is considered a PPP or a mere participation in government



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

projects.

The discussion likewise allowed the participants to clarify their concerns about PPP and its difference from their usual engagement with the private sector through Joint Venture. Dir. Rois also explained the difference between an availability-based and a concession-based PPP. She was quick to note and to remind the LGUs that PPP is just one of their options and is not meant to address all the problems of their respective LGUs.

The last part of this session centered on clarifying the role and mandate of the PPP Center. Dir. Concordia emphasized that their office provides technical assistance to LGUs and monitors PPP project implementation, among other services, but does not include provision of financial assistance.

Participants were also given the chance to ask questions and to clarify matters concerning PPP. Among the points raised and clarified centered on the following:

- There are differences between RA 9184 (Government Procurement Reform Act) and RA 7718 (Build-Operate-Transfer Law). In terms of bid parameter, RA 9184 has minimum requirements. It does not have specifications on quality. For BOT, on the other hand, quality is specified specifically in terms of flexibility and innovation. Furthermore, BOT looks into how much will be charged from the LGU and how much will be the revenue share.
- If an item can be procured through RA 9184, then so be it. PPP is only an option, a procurement mode.
- Choosing between PPP and JV depends on the project.
- LGUs need to be assured that the Commission on Audit understands the PPP concept. They can also make its own code concerning PPP. The Department of the Interior and Local Government (DILG) has a PPP Code template developed by Atty. Alberto Agra in partnership with the PPP Center. The said template used the BOT law as basis.
- Coordination with stakeholders should happen even during the feasibility stage of a PPP project. This may help avoid certain problems like what was experienced by Maynilad whose water pipe lines are usually affected during construction of facilities / actual implementation of infrastructure projects. In cases, like this, it's important that the cost of the damage is included in the total project cost.
- The implementing agency, or in their case, the LGU, can penalize the private sector if it does not comply with the contract provisions.

Dir. Concordia then proceeded to Session 2 which centered on the four phases of the PPP process and their corresponding requirements, including the need to set up a project team and governance structure and to create a local PPP ordinance. She also stressed that their PPP should be aligned with the LGU plans and integrated in their programming process that involves local bodies like the *Sanggunian*, development council, and finance committee.

Dir. Concordia also cited four important factors that should be considered in PPP. In terms of the project itself, it should have a strong economic or development impact; it is included in the Local Development Investment Programs (according to Sec. 2.3 of the revised IRR of the Build-Operate-Transfer Law); the project is commercially sustainable; and has indication of efficiency gains. She also stressed the importance of the LGUs' commitment to the project and the sufficiency and availability of resources when engaging in PPP.

She also briefly discussed the Multi-Criteria Analysis (MCA) approach that is meant to help LGUs identify, select, and prioritize PPP projects. She noted that the MCA Screen is not a "one size fits all" approach, thus, it should be tailored to each sector's own project dynamics and typologies. However, once the MCA screen criteria are established, they should not be changed throughout the evaluation period.



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

Failure to pass the MCA Screen does not mean that the project is not viable anymore, or no longer worth pursuing. Dir. Concordia clarified that the project may still be reconsidered to qualify for PPP if the elements or circumstances that made it fail the screen improved. She likewise advised the participants to undertake further analysis to determine the project's feasibility for other financing options like the traditional public procurement or Official Development Assistance (ODA) if in case their projects fail the MCA Screen.

Other points emphasized in Session 2 is the need to conduct a PPP project study to identify and assess the financial viability, risks, and the social and environmental impact, among others. Dir. Concordia also discussed the expected roles of the LGUs in project development including the possibility of engaging consultants, seeking external funding and / or technical assistance for the Business Case Development. At this point, she also mentioned that DAP may have the technical capacity to assist LGUs for this requirement.

She also gave a quick overview of the review, appraisal, and approval process including the roles of the Investment Coordination Committee – Technical Working Group and Cabinet Committee. Once approved, the LGU may already proceed to the third phase that is procurement where a PPP Pre-qualification, Bids, and Awards Committee is required as provided in Republic Act 7718 (Build-Operate-Transfer Law). At this point, Dir. Concordia also briefly discussed the generic bid documents, the procurement tracks for solicited and unsolicited proposals, and the difference of a single- and two-stage bidding process.

The fourth and final phase of the PPP process is the actual implementation of a PPP project. She emphasized the value of managing the PPP agreement and the key activities that an LGU has to undertake during project implementation, including the operation and maintenance requirement.

She also mentioned the need to develop a project concept note which was further discussed in the next two days of this introductory course.

Among the points raised and clarified centered on the following:

- For solicited proposals, Dir. Concordia clarified that it is the government's due diligence wherein the approving authority sets the parameter. As for the unsolicited proposals, one does not need a feasibility study. The private sector will do it. There will also be no equity or any other form of contribution from the local government. The private sector sees a business opportunity so they will submit a feasibility study and a draft contract. This will be part of their investment.
- The LGU has the right to accept or reject an unsolicited proposal, so it is a risk on the part of the private sector. Look into the reasonable rate of return and at the quality of output.
- In PPP, do not just focus on the project cost but also on the bid parameters.
- The PPP Center can assist LGUs in reviewing the project documents. It can also help link them with other development partners in terms of the feasibility study development.
- The private sector will partner with LGUs with clear and defined long-term vision and plan.
- It is important to invite "would-be" partners and consult them about the proposed project.
- If an LGU will be reclaiming land for a project, it should take note of the role of the Philippine Reclamation Authority.
- Ensure project sustainability.
- The approving body for an LGU's PPP is their Local Chief Executive.



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

Day 2 – October 20, 2016

The Management of Learning on the second day of the course centered on reviewing the important points emphasized by Dir. Concordia about PPP and the process that LGUs have to undertake when pursuing a potential project for PPP.

Agape Sem Comendador, PPP Center's Training Specialist, also facilitated a workshop to further review and clarify the MCA Screen as an approach to PPP project identification and prioritization.

Participants were asked to identify one project of their respective LGUs or groups and analyze the same using the MCA Screen. Mr. Comendador explained the scoring guidelines: *Exceptional*, equivalent to 3, is for the full achievement of the requirements specified in the criteria with demonstrated strengths, no risks, weaknesses or omissions; and *Fair* (or 2) for some achievement of the requirements with some risks, weaknesses or omissions which are possible to correct / overcome and make the project acceptable. The lowest score is 1 or *Unacceptable*, when there is no achievement of the requirements specified in the documentation, for that criterion or category. There are also numerous errors, risks, weaknesses or omissions which are difficult to correct or overcome and make acceptable. This makes it totally deficient and non-compliant.

The participants were asked to multiply the scores with the weight of each evaluation criterion to get the score per each criterion. Their overall total project scores were computed by summing all the scores of the drivers. Mr. Comendador also emphasized that the LGU can assign the weights per criterion as long as the total is 100. It may also add or delete a driver based on the group's decision.

He noted that the suggested passing score of the project is at least 2 points so it may be considered for project development. The higher the score, the higher are the chances of being prioritized for further development.

This exercise was meant to help the participants gain a better understanding of how MCA screening is actually done when analyzing a local project. They also realized the importance of information when doing MCA which can eventually help an LGU prepare its Project Concept Note (PCN).

After this activity, the discussion centered on some essential components of the PCN that was first mentioned by Dir. Concordia in the previous session.

a. Defining Project Outcome and Scope

DAP Vice-President and CFG Managing Director Imelda Caluen first gave a quick overview of the PCN as an essential document that has the initial information about the proposed PPP project and is therefore useful for its intended users such as project planners, decision-makers, project beneficiaries and the PPP Center.

VP Caluen provided the participants with some important reminders in preparing a PCN. One point that she emphasized was the need to present relevant data and to be clear with the desired PPP project results and scope. She further noted the critical part of the PCN, that is, the project rationale that should describe the urgency of the situation and justify the value of the project. LGUs do not have to include an extensive discussion of the LGU profile. The rationale, she further noted, serves as the springboard to define the project scope.

She then linked project rationale with project objectives. She shared some pointers when writing these two essential components of the PCN, including the common mistakes that participants should avoid when they prepare one for their respective LGUs.



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

In her discussion on project objective formulation, VP Caluen reminded the participants to describe general and specific objectives in the context of benefits to target groups / beneficiaries. Objectives will help determine if the project is possible or too ambitious. She also noted that general and specific objectives are the "purpose" and "output" levels in the logical framework matrix, respectively. Specific objectives are activity-level objectives.

The last part of VP Caluen's presentation centered on the "Project Description" section of a PCN, including the need to clearly state specific deliverables that, she said, "must be necessary and adequate to achieve project objectives". Project deliverables, on the other hand, must also be supported with necessary and adequate project deliverables. She also emphasized that a project should be time-bound. It has a definite start and a definite end.

The participants were then asked to prepare a project overview, specifically, a rationale, set of objectives, and description, in preparation for their PCN presentation on the next day.

Since the participants were asked to bring a copy of their development plans, it was clarified if they can adopt the same objectives stated there if in case the project that they intend to pursue is already in that same plan.

In such case, VP Caluen clarified that the plans will be more useful in setting the context. They can also draw from it some data or information that may be useful and appropriate for their PCN. The participants were also encouraged to revisit the way the statements are formulated in the plans and see if they can still be improved to fit the PCN requirement.

b. Identifying Stakeholders

DAP-Center for Governance's (CFG) Director of the Operations Management Office (OMO), Alvin Principe, delivered a comprehensive discussion on stakeholder identification, analysis, and management.

He first identified and distinguished the three types of stakeholders: primary, secondary and key stakeholders, before teaching the participants how to analyze or map stakeholders that may influence a project or be affected by it. He emphasized that in doing this exercise, it is important for LGUs to understand their stakeholders' interests and expectations and their possible relationships or linkage.

Director Principe also noted that addressing stakeholders' interests and concerns should be prioritized and the ways or approach to address them should be decided upon by the LGU. It is equally important that they are managed well, including the use of effective communication. He further noted that the identification and involvement of stakeholders contributes to the success of the project. If LGUs are able to do this, they "are already two, three, four times ahead".

Based on the ¹PPP Manual for LGUs as reference, Director Principe also discussed the "Stakeholder Support" as one of the Multi-Variate Analysis (MVA) criteria for the selection of PPP projects for LGUs.

He then led the participants to the exercise that required the participants to accomplish the

¹ A knowledge product of the PPP Center with technical contributions from the following: National Consultants and GHD Pty. Ltd, Asian Development Bank, World Bank, and the Development Academy of the Philippines.



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

Stakeholder Analysis Matrix (SAM) using his inputs and proposed guide questions. Their outputs, or at least the identified key beneficiaries and affected parties and those that their LGU needs to cooperate or coordinate with, were shared to the panel on Day 3 as part of the PCN of their respective LGUs.

c. Estimating Project Costs

CFG's Policy Research Office (PRO) Director Gilbert E. Lumantao delivered his lecture on project cost estimation as part of PCN preparation. He presented four possible ways that may be used by the LGUs when estimating costs.

One is the analogous estimating that simply compares the cost of the project with those of similar projects previously completed. Parametric estimating, on the other hand, uses historical or statistical data to calculate costs. It takes variables from similar projects and applies them to the current project being proposed. The third method is called "bottom-up estimating" wherein the cost of each single activity is determined with the greatest level of detail at the bottom level and then rolled up to calculate the total project cost. Another method is the "three-point estimating". As the name itself connotes, it uses the average of three estimates to reduce the uncertainties, risks, and biases.

Director Lumantao also cited the usual project requirements or components that entail major costs: *capital costs* (like land acquisition, planning and feasibility studies, construction, equipment and furnishings, etc.); *operation and maintenance costs* (land rent, labor and material for maintenance and repairs, insurance and taxes, utilities, etc.).

He also noted that while the LGUs may venture into private sector partnership through PPP, there are also other sources of financing to consider such as using the LGU funds (taxes and fees, Internal Revenue Allotment), transfers from the National Government Agency, Official Development Assistance (ODA), and loans and borrowings (proceeds from loans, bond issuance). He also encouraged the LGUs to also consider other possible revenues that may be generated from the project which may also solicit interest from the private sector.

Just like the two previous sessions, the discussion helped the participants to at least come up with their own project estimates based on the available information and figures that they have relative to the project they have identified for PPP. Dir. Lumantao further noted that for their PCN, the participants can use whatever methodology in estimating the costs provided that they disclose how they arrived at the amount and its limitations, if there are any.

Day 3 – October 21, 2016

LGU Presentation and Critiquing of Project Concept Note (PCN)

The third and final day of the course centered on the LGUs' presentation and critiquing of their PCNs using the outline provided by the training team and also based on the inputs shared by the three resource persons from DAP. Copies of their PCNs are attached to this report.

Eleven (11) PCNs were critiqued by a panel of experts from the PPP Center (Dir. Concordia and Mr. Comendador) and DAP-CFG (VP Caluen, Director Principe and Director Lumantao).



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

LGU/ Participant	Project Title	Inputs/ Comments
City of Iloilo	Installation, Operation and Maintenance of a Processing Facility for Waste Reduction	<p>Dir. Feroisa Concordia</p> <ul style="list-style-type: none"> • Solid waste management is a good project. • The project name should clearly show what you really want to do—establishment of a new facility or upgrading of the existing facility? • Consider breaking the project into components as this will involve many activities. • What types of garbage should be in the sanitary landfill? There are preparatory works in solid waste management (e.g. segregation of wastes) which the private sector cannot do. <p>VP Imelda Caluen</p> <ul style="list-style-type: none"> • Think of a project title that clearly depicts what the project is all about. • Project Rationale: The statements on the “increasing number of population” and “increasing volume of garbage” should be supported by data. • Be clear on your objective. Will it be to minimize wastes or generate energy/power? • The group thinks that generating energy will be a natural consequence of the project if there is a technology that will be provided by the private sector. This might also be put as project objective. The objective can be “to utilize the residual wastes as energy source”. <p>Mr. Agape Sem Comendador</p> <ul style="list-style-type: none"> • Clarification: Is the focal unit for the project Plantilla-based? Is the Solid Waste Management Board (SWMB) an organic office in the City? There should be an accountable unit within the LGU. The SWMB can be added in the offices involved in the project, but the focal unit should be the people who are more established in the LGU. • Expand the rationale to lead the readers into actually realizing the need. • The project is quite small; it might be better to present the project in such a way that they will hit two birds at the same time. Present the need for energy within Iloilo City and that there is a problem in the sanitary landfill. Hence, Iloilo City wants to implement the waste to energy facility and not just the waste reduction facility. • What's in it for the private sector? Add that in the rationale.
City of Santa Rosa	BOT of a 17 Km Pedestrian and Bike Lane Green Park	<p>Dir. Feroisa Concordia</p> <ul style="list-style-type: none"> • Supports the city's “greening” initiative. • The title is clear, although the scope is very broad. Consider breaking the project into components and see



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

		<p>which component should undergo PPP.</p> <ul style="list-style-type: none"> Establish how the private sector will benefit from the project. A master plan may be needed for this. <p>VP Imelda Caluen</p> <ul style="list-style-type: none"> The rationale has essentially captured what the LGU wants to do. It is supported by data. There are repeating objectives. Part of the general objective is repeated in the specific objectives. The specific objectives should be within the control of the project manager/s. For example, social interaction and decrease in greenhouse gases are not within the LGU's control. They can only be effects. The "PPP flavor" cannot be seen in the concept note. It appears like just a regular LGU project. The project's possible attraction to the private sector cannot be seen yet, except that if the LGU puts this access, there will be opportunities for businesses like the bike rentals. <p>Mr. Agape Sem Comendador</p> <ul style="list-style-type: none"> The rationale is already very comprehensive. The information presented is extensive. A potential project is on the 15-hectare shore land eco-tourism park. Just add the construction of access roads as a component. It seems like one of the activities points to unsolicited mode which contradicts with the other three activities. Reconsider this activity if it will be unsolicited. For the purposes of coming up with a PCN, this is a good output. <p>Participant:</p> <ul style="list-style-type: none"> Emphasize waste management (if that is covered by this project). Managing the wastes should be included in the concept note since a lot of people will be going there if the project will push through.
City of Muntinlupa	Construction and Operation of New Muntinlupa Public Market Building	<p>Dir. Feroisa Concordia</p> <ul style="list-style-type: none"> The rationale and components are very clear, as well as the sequencing of activities. May include the relocation in the bundle/package with the private sector. The role of the government is to provide the site/land. The City just needs to establish the tariff setting during the feasibility study preparation. Look into the Tanauan City Public Market as example. This is not a very complex project, but looks urgent, so the City may want to hire someone to do the feasibility study. <p>VP Imelda Caluen</p> <ul style="list-style-type: none"> The necessary elements are here. It's also good to hear that it's part of the LGU plan, so it will be easier to



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

		<p>implement.</p> <ul style="list-style-type: none"> • There are already existing models that the City may use as reference. Take note of the "what-not-to-do". • May also study the transformation center of Malaysia, wherein the services follow the one-door policy. <p>Mr. Agape Sem Comendador</p> <ul style="list-style-type: none"> • The public market is one of the very common projects assisted by the PPP Center. • As also mentioned by Dir. Concordia, the City may also want to look into the Tanauan City Public Market which has four (4) floors—1st and 2nd floors house the market while the 3rd and 4th floors have the parking and warehouse. • Explore the possibility of putting up a transport terminal to control traffic within the area.
Province of Quezon	Construction, Operation and Maintenance of Niyugyogan Village	<p>Dir. Feroisa Concordia</p> <ul style="list-style-type: none"> • Align the project with the priority of the Province since it was mentioned that it wants to develop its agriculture industry. Revisit the plans of the Province to come up with the project. • Look into the competitive advantage of the Province versus the project requirements like energy which the business park will need. <p>VP Imelda Caluen</p> <ul style="list-style-type: none"> • May want to limit the discussion in the rationale. Putting too much information there may just confuse the reader. Include the vision of the Province in the rationale. Manage what information should be included. • When do we say it is PPP or an investment promotion type of project? As presented in the PCN, the Province has a land and it wants the private sector to invest. • May include in the discussion the capacity for power in the Province. • A feasibility study may be really needed. Is there a demand? • What is the value-adding of putting up a Province's own training center, the costs of which will be shouldered by the LGU? <p>Mr. Agape Sem Comendador</p> <ul style="list-style-type: none"> • May include in the rationale the national initiative of the government to decongest Metro Manila since the location of Quezon is very strategic. This will establish the need without mentioning the vision of the Province. • The private sector can take on the construction of the training center; the government will then take on the management. • May also want to benchmark with Iloilo. I think they were able to negotiate the construction of a convention



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

Municipalities of Tiwi, Albay and Garcia-Hernandez, Bohol, and Maynilad Water Services, Inc.	Improvement and Financing of Tiwi Municipal Water System	<p>center within the business park.</p> <p>Dir. Feroisa Concordia</p> <ul style="list-style-type: none"> • A study for the design of the catchment is needed. • Instead of just providing assistance, the City should lead the conduct of public consultation then it's the private sector that will assist. • Introduce the users pay principle wherein the people will get good quality of service and comfort in return. • May also consider the protection of watershed which should be led by the LGU. • The market sounding and public consultation activities can be under the feasibility study preparation part. <p>VP Imelda Caluen</p> <ul style="list-style-type: none"> • The rationale is brief but clear. To improve this, just supply data to quantify how urgent the need is. • The objectives are logically developed that one can see how an objective leads to the realization of the general objective. The specific objectives tell what they will do which is good. <p>Mr. Agape Sem Comendador</p> <ul style="list-style-type: none"> • Consider the willingness and capacity to pay of the stakeholders which can be addressed in the study and financial projections that will be done.
Province of Cebu	Upgrading of Provincial Hospitals	<p>Dir. Feroisa Concordia</p> <ul style="list-style-type: none"> • This is a very good project because it is developmental in nature. • Appreciates the willingness of the Province to provide subsidies. • Allow the private sector to build a pharmacy. It will also be good if the patients will enjoy the benefits of the PhilHealth. • May include in the contract that the private sector will consider retaining the existing hospital employees subject to their competency. • It is a very bold project; thus, it must be studied very carefully. • If this project will push through, the Province should really pay close attention to the study which may provide the basis for the subsidy that it will provide. <p>VP Imelda Caluen</p> <ul style="list-style-type: none"> • May include as part of your objectives, "ensuring the efficient operation and management of the facility". • May also want to rethink the other objectives stated in its PCN like the decrease in mortality and morbidity rates. If the LGU is not in full control of the matter and is only contributing to it, then it should be included in the general objective. Otherwise, at the end of the day, the Province may be held accountable to the specific



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

		<p>objectives.</p> <ul style="list-style-type: none"> Consider expounding the part where you mentioned that the private sector will administer or manage the facility. <p>Mr. Agape Sem Comendador</p> <ul style="list-style-type: none"> Reconsider using availability-based PPP. Good that it has considered inter-LGU cooperation. The Province just needs to ensure their buy-in of the project. Validate later on how these prototype hospitals will affect the nearby hospitals. Explore the viability of the paying patients covering the costs of the non-paying patients. <p>Participant:</p> <ul style="list-style-type: none"> Concern is about the private sector administering the facility, especially that there is a need to manage the existing employees.
Province of Nueva Ecija	Development, Operation and Management of the Nueva Ecija Government Center and Central Business Hub	<p>Dir. Feroisa Concordia</p> <ul style="list-style-type: none"> It's good that the rationale included decongesting Cabanatuan City. With that, the Province needs the support of the nearby municipalities. Another selling point is the presence of good access roads. The project needs a very strong market study as the potential market should be clear. <p>VP Imelda Caluen</p> <ul style="list-style-type: none"> The challenge now is how the Province can convince the decision makers that this will be a viable undertaking. To improve its PCN, the Province needs to highlight its competitive advantages. Discuss how putting all government offices in one roof will benefit the LGU. <p>Mr. Agape Sem Comendador</p> <ul style="list-style-type: none"> The potential market should really be established. The concept note is very straightforward. Just provide more details. Harness the efficiency gains that the Province wants to achieve through PPP. <p>Participant:</p> <ul style="list-style-type: none"> Consider the external factors like the decision of the government agencies.
Province of Negros Occidental and the City of Sagay	Construction of Himoga-an Mini Hydro-Power Project	<p>Dir. Feroisa Concordia</p> <ul style="list-style-type: none"> It will be good if the team can consult the National Government Agencies (NGAs) such as the Department of Energy (DOE), Philippine National Oil Company (PNOC) Renewable Corporation (RC), and National Grid Corporation of the Philippines (NGCP), to know the amount of electricity that will be generated.



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

		<ul style="list-style-type: none"> It is good that the team was able to identify the focal person and not just the focal unit. <p>VP Imelda Caluen</p> <ul style="list-style-type: none"> The objectives are very clear. The team was able to link the need to the objectives. It is very technical, but the project cost is quite high. <p>Mr. Agape Sem Comendador</p> <ul style="list-style-type: none"> May add the PNOC RC as one of the stakeholders for the project. Check if there was indeed a feasibility study conducted for this project. The project concept note is a useful tool to re-endorse the project to the Local Chief Executive (LCE).
Province of Palawan	Operation and Maintenance of Hospital and Health Facilities in Palawan	<p>VP Imelda Caluen</p> <ul style="list-style-type: none"> The objectives are very good. The rationale provides the necessary data, so the deciding factor will be the design and model of PPP. <p>Dir. Gilbert Lumantao</p> <ul style="list-style-type: none"> Consider putting up only one or two hospitals first then test if it works. May also look into the stakeholders who may oppose to the project. <p>Mr. Agape Sem Comendador</p> <ul style="list-style-type: none"> The project cost is quite high, so the Province has to look into the financial projections of the project. This will also be a new learning for the PPP Center since the project will be using a different modality. For a project concept note, this is really a good start for a project concept note.
Province of Quezon (another participant)	Business Park IT – BPO Industry (2 nd project presented by the Province)	<p>Dir. Feroisa Comendador</p> <ul style="list-style-type: none"> Any private sector will be cautious if there is a third party involved such as the cooperative. If there is a third party, the sharing will be a concern. The plan is good because it is zeroing in on the agriculture sector. But explore what other intervention can be done aside from PPP. The PCN should state the role of government in agribusiness. What the Province wants is for this Niyogniyogan Village to pass on the marketing to the private sector. However, that is huge. Consider risk sharing. It will be difficult to find a private sector who will take on marketing the agricultural products. The PCN has already tied up the discussion with the thrust of the Province, so at least it has a buy-in. Just need to focus and avoid “white elephants”.



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

		<p>VP Imelda Caluen</p> <ul style="list-style-type: none"> • Revisit the objectives as they are only the possible consequences of the project. • The concept is not that clear yet. • The financial study should show the schedule and method of revenue sharing. <p>Dir. Gilbert Lumantao</p> <ul style="list-style-type: none"> • This is a project that has to be carefully studied. Check if people will really go there and if they are willing to pay. <p>Mr. Agape Sem Comendador</p> <ul style="list-style-type: none"> • Include the features of the Niyogniyogan Village. Will there be a commercial space for the cooperatives as well as a commercial space dedicated for a private partner? • Regarding the institutional arrangements, one concern that should be carefully looked into is the need to enter into a tripartite agreement with the cooperative and private partner. • The Province should consider the need to purchase a land. • There is logic in the rationale as it explains how the project connects with the thrust of the Province.
Province of Siquijor	Installation of Submarine Cable Connecting Nearest Point of Negros Oriental and Siquijor to Serve as Dual Purpose Highway Channels for Communication Lines and Energy Power Lines	<p>VP Imelda Caluen</p> <ul style="list-style-type: none"> • There is indeed a serious problem on connectivity. • Make the most out of the support from government agencies such as the Department of Information and Communications Technology (DICT). <p>Dir. Gilbert Lumantao</p> <ul style="list-style-type: none"> • The concept is very clear, including the objectives. Just supply more details. • This may be pursued as it will benefit the people in Siquijor. The project is really delicate, though, since there are big players in the TelCo industry. <p>Mr. Agape Sem Comendador</p> <ul style="list-style-type: none"> • Carefully check the project costs. • The project development duration is rather short, based on the indicative project timeline presented.

Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

Project
Impact

The over-all course evaluation rating of 4.71 shows the participants' positive feedback which, as mentioned in their written evaluation, was "very informative" and was "effectively handled" by the training team. Many of them cited the discussion and exercise on Project Concept Note (PCN) preparation as the topic /session that they like best about the course. One participant also noted the "very interactive discussion" and the fact that they were able to produce an output that they can bring home and use in their respective LGUs.

The said outputs were also reflective of what they learned from the course. They did not only become more familiar with the PCN outline but were also able to identify appropriate projects that may help address some urgent needs of their localities. The challenge posed to the LGUs to come up with a clear project concept pushed each group to deliver the expected output. They managed to present their own PCNs despite the limited data and information that most of them had at that moment.

The activity was also an opportunity for some LGUs to assess the potentials of the project that they were considering for PPP, based on the knowledge they gained about the PPP standards and process as well as on the feedback of the panel of reviewers during their PCN presentation.

Furthermore, a 22% average increase in knowledge was recorded based on the pre- and post-course test of the participants or at least those 11 who answered the two questionnaires.

Table 1. ²COMPLETED PRE- AND POST-TEST

PARTICIPANTS	LGU	ASSESSMENT SCORES				
		PRE		POST		
1. PADUGA, FILBERT	Palawan	6	40%	10	67%	27%
2. SOCRATES, DENNIS	Palawan	9	60%	10	67%	7%
3. VILLEGAS, JAYCEL	Nueva Ecija	9	60%	13	87%	27%
4. GALILA, ISABELITA	Nueva Ecija	7	47%	12	80%	33%
5. PEREZ, MARIA ODESA	Quezon	7	47%	11	73%	27%
6. TUMULAK, JOSE GONZALO	Cebu	10	67%	12	80%	13%
7. CAPARAS, AARON SAGE	Cebu	11	73%	14	93%	20%
8. MONTENEGRO, JONIE	Cebu	7	47%	11	73%	27%
9. SALISE, NILO	Garcia-Hernandez	6	40%	3	20%	-20%
10. TRINIDAD, ANICIA	Maynilad	4	27%	11	73%	47%
11. DELLOSA, JANNEBELLE	Maynilad	6	40%	12	80%	40%
Total		745	49.70%	1082	72.12%	22%

² Some participants arrived late on the first day; lecture was about to start so they were no longer asked to answer the pre-test questionnaire.

Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

Seven other participants also passed the 15-item post-course questionnaire (score of 7 and above); thus, an 89% passing rate (17 out of 19 participants) was achieved with an average score of 10.

Table 2. POST-COURSE TEST

PARTICIPANTS	LGU	SCORE	
1. PADUGA, FILBERT	Palawan Province	10	67%
2. SOCRATES, DENNIS	Palawan Province	10	67%
3. VILLEGAS, JAYCEL	Nueva Ecija Province	13	87%
4. GALILA, ISABELITA	Nueva Ecija Province	12	80%
5. PEREZ, MARIA ODESA	Quezon Province	11	73%
6. TUMULAK, JOSE GONZALO	Cebu Province	12	80%
7. CAPARAS, AARON SAGE	Cebu Province	14	93%
8. MONTENEGRO, JONIE	Cebu Province	11	73%
9. SALISE, NILO	Garcia-Hernandez, Bohol	3	20%
10. TRINIDAD, ANICIA	Maynilad	11	73%
11. DELLOSA, JANNEBELLE	Maynilad	12	80%
12. LONZAGA, MA. CONCEPCION	Sagay City	7	47%
13. ESPINOSA, JANE	Negros Occidental Province	8	53%
14. SAHAGUN, JEFRIE	Palawan Province	9	60%
15. SAMSON, PEDRO	Siquijor Province	6	40%
16. BAJAS, ANNA CHARISSE	Quezon Province	11	73%
17. LUCINO, ERMIN	Santa Rosa, Laguna	9	60%
18. ESTRERA, GENALYN	Muntinlupa City	11	73%
19. VILLANUEVA, JAIME	Tiwit, Albay	13	87%
Total		10.16	68%

Lessons Learned

As a pilot run of the new course design, the activity was an opportunity for the team to observe the proceedings and to generate feedback from the LGUs. The following points are deemed helpful in refining some of the sessions, including logistical concerns that may be considered in the next run.

- This course was ran simultaneously with another LGDO PO Course (Effective Local Legislation). The ELL course was postponed and was rescheduled on the same week as the PPP Course. While both training teams managed to successfully conduct the simultaneous run, it was not that easy, given the limited DAP training staff and resource persons that may be tapped for the



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

technical and administrative requirements, not to mention the limited facilities that may be utilized. The simultaneous run likewise hindered the LGDO staff from attending the other PO course which could have helped them understand better the local legislation and/or the PPP for LGUs.

- The announcement for the LGDO PO course line-up for 2016 was released in July 2016 but this did not help in ensuring on-time feedback / confirmation from the LGUs. The request sent to the presidents of the LGU leagues was more helpful as most of the participants learned about the course through the endorsement sent by the league presidents / secretariat office. This may be done again for the succeeding PO courses but the training team should allot more time (at least two weeks) for the leagues to endorse and disseminate the course information / invite and for the concerned Local Chief Executives (LCEs) to review and respond to the invite.
- The participation of representatives from the private sector (Maynilad) was helpful especially during the final workshop session on PCN preparation since one LGU team's project was relevant to Maynilad's programs. However, it may not always be the case in the succeeding run. Should DAP and PPP Center decide to still accommodate participants from the private sector, it may help ensuring that their engagement will really be beneficial to their company's interest and potential engagement in PPP at the local level.
- Doing workshop exercises helps but will be a challenge for those LGUs with only one or two representatives. One option is to join them in other groups. While this will allow the participant/s to try applying what they learned and to have a better grasp of how it is actually done, the output may not be applicable or relevant to what their LGU exactly needs.
- Availability of data and other information about the LGU and their potential projects is important and crucial in the course workshop. This helps the participants ensure that they can come up with a relevant Project Concept Note (PCN) that they can bring home and improve further based on the feedback during the panel review. Instead of just knowing the PCN outline and content, the participants can prepare an honest-to-goodness output that will be useful especially for those LGUs who are seriously considering PPP for their projects.
- Given the number of LGU participants who had to present their PCNs, the session had to be extended to accommodate and give equal time for the presentation and feedback sharing. A simultaneous session could have helped but was not possible then because of the limited number of panel members from DAP and PPP Center. It could have also limited the opportunity for the LGUs to learn from other presentations and to also share their insights and relevant experiences with their fellow LGUs.
- The interest of the LGUs to learn and understand PPP was evident in sessions 1 and 2. It will be helpful for the training team, especially the assigned resource person, to anticipate simple to complex questions from a mixed group of LGU participants who may or may not have prior orientation or knowledge on the basics of PPP. It may also be an advantage if the resource person comes from the PPP Center.



Center for Governance

(Center)

2016 PROJECT ACCOMPLISHMENT REPORT

- The DAP function rooms (Confucius and Kennedy) may not be conducive for this kind of training that requires more space for small group workshops and discussion. The Rizal Hall and Middle Virata are better options.

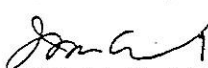
V. Attachments

- Summary of Course and Resource Persons Evaluation
- One-point lesson
- News Release for DAP Developments

Prepared by:

JANNIS T. MONTAÑEZ
Project Manager

Approved by:

 10 JAN 2017
IMELDA C. CALUEN
Center Head