

SIXTEENTH CONGRESS OF THE REPUBLIC  
OF THE PHILIPPINES  
*First Regular Session*



Senate  
Office of the Secretary

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SENATE  
P.S. Res 408

RECEIVED BY: ja

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Introduced by Senator Poe

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**RESOLUTION**

**URGING THE PROPER SENATE COMMITTEE/S TO REVIEW THE PUBLIC-PRIVATE PARTNERSHIP (PPP) SCHEME, THE GOVERNMENT'S CENTERPIECE PROGRAM, WITH THE END IN VIEW OF HARNESSING ITS FULL POTENTIALS IN GENERATING INVESTMENTS AND MORE EMPLOYMENT OPPORTUNITIES AND SPEEDING UP IMPLEMENTATION OF KEY INFRASTRUCTURE PROJECTS, TAKING INTO CONSIDERATION THE PROMOTION OF THE INTEREST OF THE STATE AND THE PEOPLE**

Whereas, a public-private partnership (PPP) is a government service or private business venture funded and operated through a partnership of the government and the private sector, which provides a public service or project and assumes substantial financial, technical and operational risks in the project<sup>1</sup>;

Whereas, Republic Act No. 6957 or the Build-Operate-Transfer (BOT) Law, as amended by R.A. No. 7718, and its implementing rules and regulations, R.A. No. 7160 or the Local Government Code of 1991, and the respective charters and legal mandates of state-owned enterprises and regulatory agencies provide for a legal framework for PPP projects;

Whereas, among the 10-member Association of Southeast Asian Nations, the Philippines ranked highest in terms of PPP readiness, according to Intracscope 2011 study commissioned by the Asian Development Bank;

Whereas, President Aquino touted the PPP scheme during his first State of the Nation Address in 2010 to address the government's lack of financial resources in pushing for infrastructure initiatives, encourage investments in tourism and provide employment;

Whereas, while the Aquino administration officially unveiled the PPP program to investors in November 2010, the program has been hit by delays, with the head of the PPP Center, an attached agency of NEDA tasked to facilitate development of PPP projects, resigning and the government awarding only a few projects to successful bidders at a slow pace;

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<sup>1</sup> [http://en.wikipedia.org/wiki/Public%E2%80%93private\\_partnership](http://en.wikipedia.org/wiki/Public%E2%80%93private_partnership)

Whereas, despite much hype of the PPP framework being pushed as a flagship program of the Aquino administration, only four PPP initiatives have been awarded to date—Daang Hari-South Luzon Expressway (SLEX) Link Road project, Phase 1 and Phase 2 of the School Infrastructure Project and the Ninoy Aquino International Airport Expressway—while 40 other key projects are still pending procurement of transaction advisor, preparation of feasibility studies, finalization of project structure, approval of the Investment Coordination Committee technical board Cabinet committee, approval of the National Economic Development Authority (NEDA) and bidding stage;

Whereas, investors have complained of a tedious process of multi-agency approvals of revisions to draft concession agreements, as officials have acknowledged that amendments to current laws and its implementing rules and regulations governing PPP projects is a must to swiftly roll-out big ticket infrastructure items;

Whereas, while there is a need to fast track implementation of PPP initiatives in view of an increased investor sentiment to the Philippines, the terms of the projects must be mutually acceptable to both government and prospective partners from the private sector and in the best interest of the people;

**NOW, THEREFORE BE IT RESOLVED**, as it is hereby resolved by the Philippine Senate, to urge the proper Senate committee/s to conduct a review of the Public-Private Partnership (PPP) scheme, billed as the Aquino administration's centerpiece program, with the end in view of harnessing its full potentials in generating investments and more employment opportunities and speeding up implementation of key infrastructure projects, taking into consideration the promotion of the interest of the state and the people,

Adopted,

  
GRACE POE