

## MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS

This **AGREEMENT**, entered into by and between:

**PHILIPPINE BOARD OF INVESTMENTS**, a government agency organized under the laws of the Philippines with principal office at 385 Sen. Gil J. Puyat Avenue, Makati City, herein represented by the Undersecretary and Managing Head, **HON. ADRIAN S. CRISTOBAL JR.**, hereinafter referred to as "**BOI**".

– and –

**PUBLIC-PRIVATE PARTNERSHIP (PPP) CENTER OF THE PHILIPPINES**, a government agency organized under the laws of the Philippines with principal office at 8<sup>th</sup> Floor, One Cyberpod Centris, EDSA cor. Quezon Avenue, Barangay Pinyahan, Quezon City, herein represented by the Undersecretary and Executive Director, **HON. COSETTE V. CANILAO**, hereinafter referred to as "**PPPC**".

### WITNESSETH:

**WHEREAS**, as mandated under Executive Order No. 226<sup>1</sup>, the BOI shall develop and implement an investment promotion strategy for the Philippines and register and monitor qualified enterprises and administer investment incentives to registered enterprises;

**WHEREAS**, as mandated under Executive Order No. 8<sup>2</sup>, series of 2010, as amended by Executive Order No. 136<sup>3</sup>, series of 2013, the PPP Center shall facilitate the implementation of the country's PPP Program and Projects;

**WHEREAS**, under the 2011-2016 Philippine Development Plan, the PPP Program of the Philippines was established as a flagship infrastructure strategy to realize the Philippine Public Investment Program;

**WHEREAS**, Section 10 of Republic Act No. 7718<sup>4</sup> provides that "projects in excess of One Billion pesos (P1,000,000,000.00) shall be entitled to incentives as provided by the Omnibus Investment Code, upon registration with the Board of Investments".

<sup>1</sup> OMNIBUS INVESTMENTS CODE OF 1987.

<sup>2</sup> REORGANIZING AND RENAMING THE BUILD-OPERATE AND TRANSFER (BOT) CENTER TO THE PUBLIC-PRIVATE PARTNERSHIP (PPP) CENTER OF THE PHILIPPINES AND TRANSFERRING ITS ATTACHMENT FROM THE DEPARTMENT OF TRADE AND INDUSTRY TO THE NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY AND FOR OTHER PURPOSES.

<sup>3</sup> AMENDING CERTAIN SECTIONS OF EXECUTIVE ORDER NO. 8 (S. 2010) WHICH REORGANIZED AND RENAMED THE BUILD-OPERATE AND TRANSFER CENTER TO THE PUBLIC-PRIVATE PARTNERSHIP CENTER OF THE PHILIPPINES AND TRANSFERRED ITS ATTACHMENT FROM THE DEPARTMENT OF TRADE AND INDUSTRY TO THE NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY, AND FOR OTHER PURPOSES.

<sup>4</sup> AN ACT AMENDING CERTAIN SECTIONS OF REPUBLIC ACT NO. 6957, ENTITLED "AN ACT AUTHORIZING THE FINANCING, CONSTRUCTION, OPERATION AND MAINTENANCE OF INFRASTRUCTURE PROJECTS BY THE PRIVATE SECTOR, AND FOR OTHER PURPOSES"

*Handwritten signatures and initials:*  
mike  
[Signature]

**WHEREAS**, the Department of Trade and Industry (DTI) and PPP Center in a meeting held on 10 March 2015, agreed to simplify the process of BOI Registration and Evaluation process for PPP projects through a Memorandum of Agreement that will provide for an expedited process;

**WHEREAS**, during the PPP Governing Board meeting held on 25 March 2015, PPPC presented its proposal to develop a simplified BOI Registration and Evaluation process for PPP projects and was subsequently approved by the Board;

**NOW, THEREFORE**, for and in consideration of the above premises and the terms and conditions hereinafter set forth, the parties hereto hereby agree as follows:


### OBLIGATIONS OF THE PARTIES

#### A. PPPC:

1. Upon approval of a PPP project by the appropriate approving body [i.e. National Economic Development Authority (NEDA) – Investment Coordinating Committee (ICC) and/or NEDA Board] and before project bidding, PPPC shall prepare the following project details for submission to BOI;
  - a. Project Description (including technical specifications/structure or PPP contractual arrangement, government obligations, nature of concession agreements)
  - b. Project Timetable
  - c. Estimated Project Cost (in constant and current costs)
  - d. Yearly Investment Requirement  
(For projects with a gestation period of more than one year)
  - e. Project Financing
  - f. Sources and Projected Revenues

In the event of changes in the project details after issuance of the Notice of Award (NOA) to the proponent, PPPC shall provide BOI with updated information, as may be necessary;

2. Inform and encourage the proponent to register their PPP projects with the BOI.
3. Prepare an endorsement letter for the proponent, including information on whether the project is granted government guarantee, for submission to the BOI;
4. Assist BOI in securing all required information and/or clarification on the project; and
5. In coordination with the project proponent/registered enterprise, submit to BOI the Project Implementation Report including actual investments, employment generation, and status of project, annually.

*mdf*  
*mutre*  


**B. BOI:**

1. Upon receipt of project details from PPPC as specified in A. 1. hereof, BOI shall inform PPPC on the possible sources of revenues that may be entitled to BOI incentives;
2. Upon official acceptance of the proponent's documentary requirements as specified in the new BOI Form for PPP projects<sup>5</sup>, BOI through its Project Evaluation and Registration Division in charge of Infrastructure Projects, shall evaluate the said application and secure the BOI Management Committee's action within ten (10) working days, provided the following are complied with:
  - i. Publication of the application by the proponent within three (3) working days after official acceptance of said application; and
  - ii. Proof of publication is submitted to BOI by the proponent within six (6) working days after official acceptance of said application.

The BOI Management Committee's recommendation shall thereafter be submitted for action by the Board.

3. The BOI shall send its notice of Board action to the proponent within three (3) working days after the Board meeting. If approved:
  - i. The proponent shall submit its pre-registration requirements within sixty (60) calendar days from receipt of the notice;
  - ii. BOI shall inform PPPC on whether all sources of revenues to be generated by the project are entitled to BOI incentives.
4. BOI shall issue the Certificate of Registration within five (5) working days after the proponent's submission of the pre-registration requirements and payment of the registration fee; and
5. Upon receipt of the Certificate of Registration, acquaint the proponent represented by a responsible officer of the corporation on the Terms and Conditions of its registration, specifically the procedures in the availment of incentives.

*mt. ka*

**C. Both parties shall:**

1. Share information and updates on details of all PPP projects; updates on applicable registration process and guidelines on incentives availment; Investment Promotions Plan (IPP) formulation; guidelines for PPP projects;
2. Facilitate the registration of the proponent and monitor compliance with the terms and conditions of its registration.

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<sup>5</sup> Attached as Annex "A".

*mtk*  
*[Signature]*

II

**PROCESS FLOW**

<b>After Approval of the Project by Appropriate Approving Body</b>			
<b>Steps</b>	<b>Requirements/Output</b>	<b>Responsible Entity</b>	<b>Timeline</b>
1. Prepare all project details to be submitted to BOI	a) Project Description (including technical specifications/structure or PPP contractual arrangement, government obligations, nature of concession agreements) b) Project Timetable c) Estimated Project Cost (in constant and current costs) d) Yearly Investment Requirement (For projects with a gestation period of more than one year) e) Project Financing f) Sources and Projected Revenues	PPPC	Before bidding
2. Inform PPPC on the probable sources of revenues of the project that may be entitled to BOI incentives	Letter informing PPPC on the possible sources of revenues of the project that may be entitled to BOI incentives	BOI	Before bidding
<b>After Project Award to Winning Proponent</b>			
<b>Steps</b>	<b>Requirements/Output</b>	<b>Responsible Entity</b>	<b>Timeline</b>
1. Submission of complete documentary requirements by the Project Proponent using the BOI form for PPP projects	a. PPPC Endorsement Letter b. Filled-up BOI Form for PPP Project	PPPC  Proponent	
2. Preparation of Final Evaluation Report for ManCom recommendation to the Board	a. Publication of the application by the proponent within three (3) working days after official acceptance of said application; and b. Proof of publication is submitted to BOI by the proponent within six (6) working days after official acceptance of said application.	Proponent and BOI	Within ten (10) working days from official acceptance of complete documentary requirements

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*Handwritten signature*

3. Issuance of Notice of Board Action to project proponent	Letter to the proponent containing Board action	BOI	Within three (3) working days after Board meeting
4. Submission of pre-registration requirements	<p>a. Proponent's submission of pre-registration requirements as indicated in the notice issued by BOI</p> <p>b. Payment of registration fee</p>	Proponent	Within sixty (60) days after receipt of notice
5. Issuance of Certificate of Registration	Acquaint the proponent represented by a responsible officer of the corporation on the Terms and Conditions of its registration, specifically the procedures in the availment of incentives.	BOI	Within five (5) working days from submission of pre-registration requirements and payment of registration fee

*md.*

*mette*  
*[Signature]*

III

**EFFECTIVITY**

This agreement shall enter into force and effect on the date of signing by the parties hereof, unless either Party notifies the other of its intention to amend or terminate this agreement.

During the implementation of the agreement both Parties may propose in writing amendments to the agreement and to which the other Party will reply within ten (10) days upon receipt of such proposition.

The terms of the agreement, including its annexes, may be modified by mutual consent of the Parties.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed through its duly authorized representatives this 22 DEC 2015 day of 2015 in the City of \_\_\_\_\_, Philippines.


**PHILIPPINE BOARD OF INVESTMENTS**

**PUBLIC-PRIVATE PARTNERSHIP CENTER  
OF THE PHILIPPINES**

By:

By:

  
\_\_\_\_\_  
**ADRIAN S. CRISTOBAL JR.**  
Undersecretary and BOI Managing Director

  
\_\_\_\_\_  
**COSETTE V. CANILAO**  
Undersecretary and Executive Director

Signed in the presence of:

ACKNOWLEDGMENT

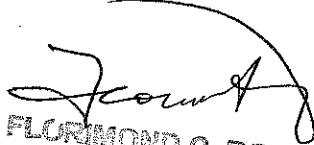
Republic of the Philippines)  
City of \_\_\_\_\_)SS.

BEFORE ME, a Notary Public for and in the City of \_\_\_\_\_, Philippines,  
personally appeared **ADRIAN S. CRISTOBAL JR.** and **COSETTE V. CANILAO** with  
~~EMPLOYEE ID AND PASSPORT NOS.~~ CA302 and FB 2087807 issued on 2010  
and 15 MARCH 2011 at MAKATI CITY and DEA MANILA, respectively, all known to  
me and to me known to be the same persons who executed the foregoing instrument and they  
acknowledged to me that the same is their free and voluntary act and deed, as well as of the  
entities they represented.

This instrument refers to a Memorandum of Agreement containing seven (7) pages  
including the page on which this acknowledgment is written, signed by the parties and their  
instrumental witnesses on each and every page thereof and sealed with my notarial seal.

WITNESS MY HAND on the \_\_\_\_\_ day of DEC 22 2015 2015 in the City of  
\_\_\_\_\_

Doc. No. 102 :  
Page No. 21 :  
Book No. 111 :  
Series of 2015

  
ATTY. FLORIMOND C. ROUS  
NOTARY PUBLIC  
UNTIL DECEMBER 31, 2015  
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IDP No. 257 07 Q. Y. 2014  
ROLL No. 00315 / 5-8-14  
SOLE No. 0001549  
TIN: 142-154-935

ms. ✓



**BOI FORM 501**  
**PUBLIC-PRIVATE PARTNERSHIP (PPP) PROJECTS**  
 (August 2015)

**APPLICATION NO.:** \_\_\_\_\_  
**DATE ACCEPTED :** \_\_\_\_\_  
**LAW:** E.O. No. 226: \_\_\_\_\_

**APPLICATION FOR REGISTRATION**

**Schedule 1: PROPONENT**

Name of Entity : \_\_\_\_\_  
 Office Address : \_\_\_\_\_  
 Telephone No : \_\_\_\_\_ Fax No. : \_\_\_\_\_  
 SEC/Registration No. : \_\_\_\_\_ Date : \_\_\_\_\_  
 Ownership : \_\_\_\_\_ % Filipino \_\_\_\_\_ % Foreign \_\_\_\_\_  
 (Nationality)  
 Authorized Capital : PhP \_\_\_\_\_

**CURRENT STOCKHOLDERS' PROFILE:**

Name	Nationality	Indicate if Director	Position or Designation in the Enterprise	Capital Stock (PhP)		% Ownership	Business Affiliation
				Subscribed	Paid-up		
<b>Total</b>							

Indicate in the Nationality if naturalized Filipino

**Schedule 2: CONTACT DETAILS**

**AUTHORIZED REPRESENTATIVE TO BOI**  
 Name : \_\_\_\_\_ Position : \_\_\_\_\_  
 E-Mail Address : \_\_\_\_\_  
 Landline/Cellphone No. : \_\_\_\_\_ Fax No. : \_\_\_\_\_

**Schedule 3: PROJECT PROFILE**

Name Of Project : \_\_\_\_\_  
 Site Address : \_\_\_\_\_  
 IPP Year: \_\_\_\_\_ Category : \_\_\_\_\_ Regular List \_\_\_\_\_ Special Laws List \_\_\_\_\_ Export Activities



Activity as Listed in the IPP : \_\_\_\_\_

Specific Products/Services:


Capacity/Year:

PROJECT DESCRIPTION:

**Schedule 4: TYPE OF PROJECT & STATUS**

New: \_\_\_\_\_

Expansion: \_\_\_\_\_

Modernization: \_\_\_\_\_

Existing: \_\_\_\_\_

% Increase in Capacity: \_\_\_\_\_

*(Note: Provide proof of qualification)*

STATUS:

\_\_\_\_\_ Pioneer

\_\_\_\_\_ Non-Pioneer

Justification for Pioneer Status:

**Schedule 5: Project Cost (in constant and current costs)**

Activity	Schedule (Month/Year)	Related Expenses	Cost (in PhP)
Secure necessary permits/licenses/registration paid to the government			
Development Costs			
Land Acquisition Costs		Land or initial deposit for lease of land	
Detailed Engineering Design Costs			
Civil Works		Machinery & equipment:	(A)
a. Equipment/Machineries			
b. Materials/Supplies			
c. Labor Costs			
c.1. Supervision and Consultancy Fees			
c.2. Laborers			
c.3. Machinery/Equipment			
Other Investment Phase Costs (?)			
Start of commercial operation		Working capital	
<b>Total Project Cost</b>			<b>(B)</b>

**Yearly Investment Requirement (For projects with a gestation period of more than one year)**

Year	Pre-Operating Period <i>Add columns if necessary</i>			Total
Investment Requirement (PhP)				

*Note: Total Investment Requirement should tally with the Total Project Cost*

**Schedule 6: Project Financing**

	(PhP)	Percent (%)
Equity		
Loan		
Other Source/s (please specify)		
<b>Total<sup>2</sup></b>	<b>(B)</b>	

<sup>2</sup> Total financing should tally with Total Project Cost in Schedule 5

**Schedule 7: Projected Revenues (Php' 000)**

Year	Revenue1	Revenue2	RevenueN	Total Revenue
1				
2				
3				
4				
...				
N				

**Assumptions used:**

**Schedule 8: Projected Jobs Generation/Annual Payroll**

Classification	Number of Personnel					Annual Payroll (P'000)				
	Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5
Direct Labor										
Indirect Labor										
Selling/Admin										
Total										

*Y1 is first year of commercial operation*

**Schedule 9: Indicative List of Machinery/ Equipment**

**A. For New and Expansion Projects**

Description / Type of Machine	Check if <sup>5</sup>			Country Source	End-use <sup>5</sup>	Qty No. of units	Unit Cost (Php)	Total Cost (Php)
	Already acquired	Already installed	For acquisition					
<b>Total:</b>								<b>(A)</b>

<sup>5</sup> Application or stage where the equipment will be used

**B. For Modernization Projects (Existing & Replacement)**

Process Flow/ Section	Existing Machines & Equipment					Replacement Machines & Equipment under Modernization Program		
	Machine Type/Model	Age/ Year Acquired	Quantity	Actual Capacity	End-Use	Quantity	Capacity	Expected Efficiency

*(Provide additional sheet if necessary)*

**Schedule 10: Financial Projections**

Financial Projections (at least 10 years projection): *(preferably in Excel format)*

- Projected Income Statements (Itemized Cost of Goods Sold/Services and Operating Expenses) without ITH – as attachment

**For Enterprises with Existing Operations**

**Schedule 11: Actual Revenue Schedule (Volume & Value) - Past Three (3) Years Operations**

Year	Nature of Service/s <sup>6</sup>	% Capacity Utilization (if applicable)	Volume <sup>7</sup>		Rate		Total Projected Revenue		
			Domestic	Export	Domestic (Php)	Export (Php)	Domestic (Php)	Export (Php)	Total (Php)
	a.								
	b.								
	a.								
	b.								
	a.								
	b.								

<sup>6</sup> Add rows if necessary  
<sup>7</sup> Indicate unit of measure.

- Foreign exchange rate used (Php per US\$) : 

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**ATTACHMENTS:**

- a. Project site should be shown in Google Map. Sketches not acceptable (also indicate previously registered project, if any).
- b. Schematic Diagram showing Business Model of the activity being registered (clearly indicate how the proponent will earn revenues and make profit).

The applicant has read the Omnibus Investment Code of 1987 and the Rules and Regulations adopted by the BOI and commit itself to abide by the provisions thereof.

DONE IN THE CITY/PROVINCE OF \_\_\_\_\_ THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20 \_\_\_\_\_.

Printed Name & Signature  
 Applicant/Authorized Officer

REPUBLIC OF THE PHILIPPINES  
 CITY/PROVINCE OF \_\_\_\_\_ ) S.S.  
 MUNICIPALITY OF \_\_\_\_\_ )

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ In  
 the City/Province of \_\_\_\_\_ affiant exhibited to me his CTC  
 No. \_\_\_\_\_ issued at \_\_\_\_\_ on  
 \_\_\_\_\_ 20 \_\_\_\_\_.

**NOTARY PUBLIC**  
 Until Dec. 31, \_\_\_\_\_

Doc. No. : \_\_\_\_\_  
 Page No. : \_\_\_\_\_  
 Book No. : \_\_\_\_\_  
 Series of : \_\_\_\_\_

	1. Properly accomplished application form, duly signed and notarized
	2. For Corporations: Copy of the SEC Certificate of Incorporation, Articles of Incorporation (latest amended) and By-Laws  For Sole Proprietorships: Copy of the DTI Business Name Registration
	3. For Corporations: Latest General Information Sheet
	4. For Corporations: Board Resolution authorizing the officer to represent the company
	5. Latest Audited Financial Statements (AFS) for New Projects, last three (3) years AFS for those applying as Expanding Project
	6. List of BOI-registered Projects showing compliance with the Terms & Conditions, Status of Operation and Incentives Availed
	7. Proof of Publication (required within five (5) days from official filing)
	8. Endorsement from the PPP Center and/or other concerned agency; and
	9. Contract agreement with the concerned agency