

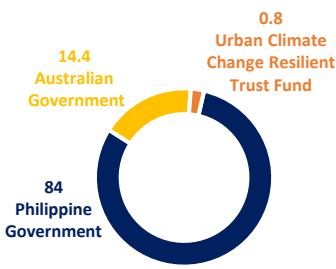


The **PDMF** is a revolving fund created under **EO No. 8, s.2010** as amended by **EO 136, s.2013** managed by the PPP Center.

It is established to enhance the investment environment for PPPs and develop a robust pipeline of viable and well prepared PPP infrastructure projects in accordance with the **BOT Law, Government Joint Venture Guidelines, and LGU PPP Codes**.

The facility has a total funding of **USD 99.2 M**, with contributions from the Government of Australia and the Urban Climate Change Resilience Trust Fund (UCCRT) through the Asian Development Bank (*Technical Assistance 7796-PHI: Strengthening PPPs in the Philippines*).

FUND CONTRIBUTION (in USD million)



PDMF-FUNDED SERVICES

PROJECT PREPARATION AND TRANSACTION ADVISORY (PPTA)	PROBITY ADVISORY	IMPLEMENTATION MONITORING
SOLICITED MODE <ul style="list-style-type: none"> Conduct of feasibility study PPP project structuring Preparation of tender documents Management of bid process Assistance during financial close UNSOLICITED MODE <ul style="list-style-type: none"> Negotiation of approved parameters, terms & conditions Assistance in the management of Swiss Challenge until financial close 	<ul style="list-style-type: none"> Examination of bid documents Assessment of and advisory on probity issues 	<ul style="list-style-type: none"> Engagement of Independent Consultant for: Monitoring of construction and/or O&M Certification of compliance with technical requirements and design

PDMF BENEFITS

ACCESS TO BEST PRACTICES/ TECHNOLOGY

through high-caliber international and national experts

INTEGRATED SUPPORT

across a project's life cycle from project development, bid process and award, to implementation/ operations monitoring

RECRUITMENT OF CONSULTANTS HANDLED BY PPP CENTER

in coordination with the Implementing Agency (IA)/Local Implementing Entity (LIE); PPP Center enters into a contract with the consultant, with the conforme of the IA

PAYMENTS TO CONSULTANTS INITIALLY PAID THROUGH PDMF

for reimbursement by the project's winning bidder and/or IA/LIE through normal budgetary process

CONSULTANTS ARE PAID ON A MILESTONE BASIS

No pre-termination charges or success fee

CONSULTANT CONTRACT MANAGEMENT HANDLED BY PPP CENTER

Consultant's outputs jointly approved by PPP Center and IA/LIE

SPECIFIC SUPPORT FOR LOCAL PPP PROJECTS

- Local PPP Strategy**
- PDMF Committee for Local PPP Projects**
- Additional funding to PDMF**

A specialized assistance program of the PPP Center for LIEs to develop policy reforms for an enhanced PPP-enabling environment, to improve skills through capacity building, and to assist in the project development and management of PPP projects. In support of the Local PPP Strategy, the **PDMF was made more accessible to LIEs** through various initiatives such as the creation of the Local PDMF Committee and inclusion of Joint Venture arrangements among the projects eligible for PDMF support.

The PDMF Committee expanded its membership to include heads of the NEDA Regional Development Group and its Regional Offices to gain **local perspectives** in the deliberation of PDMF proposals from LIEs.

UCCRTF contributed **USD 0.8 Million** to the PDMF to support **local and climate change-resiliency PPP projects**

PDMF APPLICATION

IA/LIE completes the PDMF application requirements

Eligible Projects:

- ✓ Included in the list of priority government projects (for solicited projects)
- ✓ Projects pursuant to BOT Law and its IRR, Government Joint Venture Guidelines, or LGU PPP Codes

APPLICATION REQUIREMENTS:

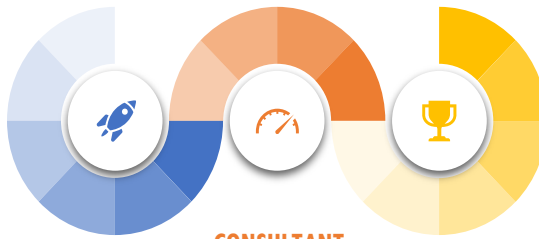
- Endorsement letter* from the head of the IA/LIE, with the following submissions:
- Duly accomplished PDMF Forms
 - Nomination of IA/LIE representatives to the Project Committee, Special Bids and Awards Committee and its Technical Working Group
 - Authority to sign the Technical Assistance Agreement (TAA)

* For solicited PPP projects, the endorsement shall also confirm the project's inclusion in the list of government priority projects (PIP, RDIP, etc.)

APPROVAL PROCESS

- PPP Center's evaluation of **complete** PDMF application takes up to 2 weeks
- PDMF Committee meets quarterly to deliberate on PDMF applications
- Upon PDMF Committee's approval, PPP Center and IA/LIE execute a Technical Assistance Agreement (TAA)

PROCESS OVERVIEW



CONSULTANT ENGAGEMENT

- PPP Center and the IA/LIE select consultants
- PDMF consultants are onboard in approximately 100 days from TAA execution
- PDMF consultants provide a complete package of services: FS preparation, PPP project structuring, management of bid process, and assistance in financial close
- PPP Center manages the PDMF consulting contracts, including payments to consultants

REIMBURSEMENT

(PDMF Cost + 10% Cost Recovery Fee)

For Project Preparation and Transaction Advisory:

- **Reimbursement by the winning bidder of the PPP project**, as a condition precedent to the signing of the PPP contract
- **Reimbursement by the IA/LGU**, if there is/can be no winning bidder (e.g., project is discontinued or not pursued through PPP)
 - Reimbursement due at 50% of actual PDMF cost drawn + 10% cost recovery fee if the reason is beyond the control of IA/LIE, subject to approval by the PDMF Committee

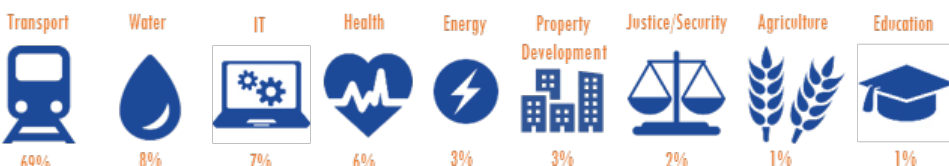
For Probity Advisory / Implementation Monitoring:

- **Reimbursement shared by IA/LIE and PPP project concessionaire**

FUND STATUS

As of April 2022

Since 2011, the **PDMF** has supported 46 projects in the PPP Program. 28 out of 46 PDMF-supported projects are from the **TRANSPORT SECTOR**.



\$56.6M

Committed fund since 2011

PDMF Fund Utilization Rate

57%

PDMF Contributions Utilized as of March 31, 2022

