

Definition of Terms

<p>Project context in the Department's overall strategy/program</p>	<p>This pertains to the overview of the concerned Department's national strategy and program, including overall development outcomes, timelines, and investment requirements, and the specific link of the proposed project outputs, timelines and investment requirements to achieve the Department's national strategy and program.</p> <p><i>(Source: Briefing on the ICC Approval Process for Solicited and Unsolicited PPP Projects, April 2021)</i></p>
<p>Sectoral program context</p>	<p>This section provides a brief overview of sector targets, existing programs and sectoral gaps based on existing master plans/sectoral programs, how the proposed project addresses the needs, priorities and objectives of the sector, and linkage of the proposal with other initiatives in the sector as well as related projects in other sectors.</p> <p><i>(Source: ICC Project Evaluation Report Format as of June 28, 2004)</i></p>
<p>Regional and spatial context</p>	<p>This section indicates the geographical coverage of the proposed project and its linkage with other projects within the region and across the country. For area specific projects, justification for the choice of area/s should be clearly stated. This may include, as annexes, location map and other relevant technical diagrams.</p> <p><i>(Source: ICC Project Evaluation Report Format as of June 28, 2004)</i></p>
<p>Analysis of technical solutions or alternatives, including analysis of risks and impacts</p>	<p>An analysis of project design and technology alternatives (advantages/disadvantages) which have been identified to achieve the objective of the project. It must include the criteria and justification for choosing the project, project location and/or alignment (e.g. alternative alignments for rail and road projects, location for airport), results of geotechnical investigation, and chosen technology, as may be necessary. It must also show the viability of implementing the selected alternative considering technical characteristics and geologic conditions, physical resource requirements, construction/operation plans, and risks and costs to mitigate the impact of identified technical risks.</p> <p>The analysis must also include a discussion on the details of the new technology/concept involved in the project, if applicable.</p> <p><i>(Source: Briefing on the ICC Approval Process for Solicited and Unsolicited PPP Projects, April 2021)</i></p>
<p>Stakeholders analysis</p>	<p>Pursuant to the ICC Guidelines on RDC Endorsement dated June 8, 2016, public consultations (e.g., with local governments, Sanggunians, etc.) should be undertaken and the official documentation of such consultations should be submitted to the ICC.</p> <p>The PPPGB Resolution No. 2016-06-02 provides the guidelines on</p>

	<p>institutionalizing the consultation and engagement of the public. Said guidelines include the institutional responsibilities of the Agency, the development of a consultation plan, and the communication platforms to be employed. The stakeholder analysis should include a discussion on the results of the conducted public consultations, including how concerns are mitigated.</p> <p><i>(Sources: (1) Revisions to the ICC Guidelines and Procedures on Regional Development Council (RDC) Endorsement and Public Consultation Requirements for Proposed Programs and Projects, June 2016 and (2) PPPGB Resolution No. 2016-06-02: Guidelines on Public Consultation and Engagement for PPP Projects, June 2016)</i></p>
Project costs	<p>This is the total cost to be expended to plan, develop and construct the project to completion stage including but not limited to cost of feasibility studies engineering and design, Construction, equipment, land and right-of-way, taxes imposed on said cost, and development cost (Section 1.3 (bb) of the Revised 2022 BOT Law IRR)</p> <p>For operations and maintenance PPP projects, the Project Cost refers to the present value of the costs incurred in delivering the contracted service, including any reinvestment requirements as provided in the approved contract.</p> <p>Project cost should also include cost of a chosen technology and mitigating related risks and impacts.</p> <p><i>(Source: Section 1.3 (bb) of the Revised 2022 BOT Law IRR)</i></p>
Demand analysis	<p>An analysis of the market as well as the existing and projected demand for the project. This includes assumptions in the demand forecast, the historical data used as basis in the forecast, if any, and an assessment on the appropriateness of project interventions, considering market characteristics (e.g., user fees vs willingness-to-pay).</p> <p><i>(Source: Briefing on the ICC Approval Process for Solicited and Unsolicited PPP Projects, April 2021)</i></p> <p>As applicable, the analysis shall include information/findings on the alternatives available to users of the project and barriers to entry into the market/s affected by the project.</p> <p>The analysis may include a demand model such as those generated through modeling softwares (e.g. Strada, CUBE, PTV Vissim). The model must be consistent with the financial and economic models and an electronic copy must be submitted.</p>
Financial analysis	<p>An analysis of the financial sustainability of the project and its ability to meet operational costs and debt service obligations. It should include discussion of information on tariff setting and parametric formula. Cash flows should be expressed in nominal terms. All monetary values shall be expressed/converted</p>

	<p>into local currency, i.e., PHP. It should include: i) Table of assumptions; ii) Resulting viability indicators and corresponding assessment, among others. It must also include sensitivity analysis, and an assessment of the recommended reasonable Rate of Return.</p> <p><i>(Source: Briefing on the ICC Approval Process for Solicited and Unsolicited PPP Projects, April 2021)</i></p>
Economic analysis	<p>An analysis of project desirability in terms of its net contribution to the economic and social welfare of the country as a whole. It should include description of economic costs and benefits streams considered, table of assumptions (including ICC-prescribed shadow factors for unskilled labor and foreign cost component), and resulting viability indicators with corresponding assessment. It should also include a sensitivity analysis with corresponding assessment.</p> <p><i>(Source: Briefing on the ICC Approval Process for Solicited and Unsolicited PPP Projects, April 2021)</i></p>
Project safeguards	<p>An evaluation of whether project safeguards on the following areas are integrated in the project design, and high-level safeguards performance indicators are included in the monitoring and evaluation plan (e.g., KPIs):</p> <ol style="list-style-type: none"> 1. Environmental quality <ul style="list-style-type: none"> - Compliance with environmental standards - Environmental impact/stressors and specific measures/facilities, procedures and systems to address these throughout the project life is identified 2. Natural and cultural resources sustainability <ul style="list-style-type: none"> - Conservation/regulation of use of natural resources - Biodiversity and ecosystems preservation - Cultural resources and heritage preservation 3. Climate change and hazards <ul style="list-style-type: none"> - Resiliency/adaptation measures are identified - Contribution to GHG reduction (e.g., adoption of the Philippine Green Building Code) 4. Equity in development benefits <ul style="list-style-type: none"> - Conduct of due diligence and public consultations with legitimate stakeholders including Indigenous People (IP) / Indigenous Cultural Communities (ICCs), if any, to ensure that relevant concerns are addressed and project benefits are equitably shared - Resettlement / compensation for the displaced / project-affected people (PAP) - Gender equity to ensure that applicable gender-related features and systems are integrated in the project design - Senior citizens & PWD access / inclusivity 5. Health and safety <ul style="list-style-type: none"> - Compliance with workplace standards - Implementation of cyber-security standards/good practices <p><i>(Source: PPPGB Resolution No. 2018-12-02 on Safeguards in PPP:</i></p>

	<i>Mainstreaming Environmental, Displacement, Social and Gender Concerns dated December 14, 2018)</i>
Value for money analysis	<p>An analysis applied to PPP projects at the project development stage to determine the appropriateness of undertaking them as PPPs and for assessing whether they provide better value for money in comparison to the traditional public procurement option. This shall determine the procurement approach that provides the maximum benefit for the government which could include benefits from private sector innovation, financing, efficiencies in construction and operations and project risk transfer.</p> <p><i>(Source: PPPGB Circular No. 09A-2016 Policy on Assessing Value for Money in Public-Private Partnership Projects dated June 21, 2016)</i></p>
Firm liabilities	<p>These are foreseeable and definite liabilities, as described in the provisions of a contract. These include, but are not limited to, milestone payments, amortization payments, availability payments, viability gap funding, variation payments, and payment for settlement of undisputed claims.</p> <p><i>(Source: Section 15.1 of the Revised 2022 BOT Law IRR)</i></p>
Contingent Liabilities	<p>These are liabilities that may be incurred from events specified in a contract, the occurrence, timing, or amount of which are uncertain. These include, but are not limited to MAGA, force majeure, breach of government warranties, and failure to deliver contractual obligations.</p> <p><i>(Source: Section 15.1 of the Revised 2022 BOT Law IRR)</i></p>
Independent Property Appraiser (IPA)	<p>This refers to a disinterested person or entity that provides an objective estimate or appraisal of the value of a property.</p>
Right-Of-Way and Resettlement Action Plan	<p>The right given by one landowner to another to pass over the land, construct a roadway or use as a pathway, without actually transferring ownership. A right of way may arise, (a) by prescription and immemorial usage; (b) by grant; (c) by reservation; (d) by custom; (e) by acts of the legislature; (f) from necessity, when a man's ground is enclosed and completely blocked up, so that he cannot, without passing over his neighbor's land, reach the public road.</p> <p>The ICC recognizes the effective role of the local government units (LGUs) in providing assistance in the processes involved including the negotiation for resettlement sites and provision of essential public services to the project affected families.</p> <p>For unsolicited proposals, the project proponent should design and submit the right-of-way (ROW) acquisition plan and resettlement action plan. For solicited proposals, the Agency/LGU should provide a good description and the extent of the project's ROW cost.</p> <p>These plans will aid the evaluation of the social acceptability and feasibility of the project.</p> <p><i>(Source: ICC Checklist of Documentary Requirements for Unsolicited Public Private Partnership (PPP) Proposals as of 6 October 2020. Updated on 14</i></p>

	<i>December 2020)</i>
Project Description	<p>This section presents the project's configuration and scope of works particularly a brief description of the components, the location and the areas of service/influence. This should clearly indicate the outputs (e.g., products, services, target users) of the project.</p> <p><i>(Source: The ICC Project Evaluation Report Format as of June 28, 2004)</i></p>