



Republic of the Philippines
OFFICE OF THE CITY MAYOR
City of Naga, 4400



EXECUTIVE ORDER NO. 036
Series of 2025

**AN ORDER ESTABLISHING THE PUBLIC-PRIVATE PARTNERSHIP UNIT
AND THE PRE-QUALIFICATION, BIDS AND AWARDS COMMITTEE**

WHEREAS, pursuant to Section 20, Article II Declaration of Principles and State Policies of the 1987 Constitution of the Republic of the Philippines, "the State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments."

WHEREAS, under Section 2 of Republic Act No. 11966, also known as the Public-Private Partnership Code of the Philippines (the PPP Code), "the State shall provide an enabling environment for the private sector to mobilize its resources to finance, design, construct, operate, and maintain infrastructure or development projects and services."

WHEREAS, Section 10, Chapter 1, Title III of the PPP Code Implementing Rules and Regulations (IRR) encourages implementing agencies, including LGUs, to set up its own PPP Unit and develop in-house personnel to undertake PPP projects and be responsible for planning, overseeing, implementing and monitoring PPP projects.

WHEREAS, Section 61, Chapter 1, Title VI of the PPP Code IRR mandates the creation, through an executive order, of a Pre-Qualification / Qualification, Bids and Awards Committee (PBAC) which will be responsible for all aspects of the pre-bidding and bidding processes for both solicited and unsolicited PPP projects.

WHEREAS, the City Government recognizes the importance of institutionalizing a dedicated PPP Unit and PPP Pre-Qualification, Bids and Awards Committee to ensure that all PPP projects are planned, procured, and implemented in a manner consistent with the principles of transparency, accountability, efficiency, and public participation;

NOW, THEREFORE, I, MARIA LEONOR GERONA ROBREDO, by the powers vested in me as Mayor of Naga, do hereby order the following:



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SECTION 1. CREATION AND COMPOSITION OF THE PPP UNIT.

The Public-Private Partnership Unit (PPP Unit) is hereby created.

It shall be composed of the following:

Head : Mr. Hubert Brocales, Supervising Administrative Officer
Members : Ms. Paola Velasco, Project Development Officer I
Ms. Angelica May Clarito, Investments Operations Specialist
Ms. Rose Clidoro, Administrative Officer

The PPP Unit may invite other resource persons, either from other offices, departments, government agencies or private companies, to observe and/or provide additional knowledge and expertise to support the activities of the PPP Unit.

SECTION 2. FUNCTIONS OF THE PPP UNIT. The PPP Unit shall be responsible for planning, overseeing, implementing and monitoring the PPP projects of the city and shall:

- A. serve as the focal point for all PPP projects in the city;
- B. for solicited PPP projects, be responsible for:
 - a. the development and preparation of PPP projects, including but not limited to the preparation of concept notes, the procurement of advisors and the coordination with the PPP Center;
 - b. driving the review and approval process in accordance with the requirements of the PPP Code and its IRR, and
 - c. the implementation of PPP projects, including but not limited to the procurement of independent consultants, the recommendation for the issuance of the required notices to the private sector partner in accordance with the signed PPP contract, and the recommendation for the release of the relevant performance securities;
- C. for unsolicited PPP projects, be responsible for:
 - a. the recommendation for the issuance of the relevant notices in accordance with the PPP Code and its IRR for the processing of unsolicited proposals;
 - b. the conduct of the detailed evaluation of unsolicited proposals in accordance with the PPP Code and its IRR, and relevant issuances by the PPP Governing Board, and
 - c. the recommendation for the acceptance or rejection of unsolicited proposals;



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- d. for PPP projects that have been awarded, establish a contract management plan in accordance with the PPP Code and its IRR;
- e. provide reports to the Mayor and the PPP Center;
- f. comply with other reporting and monitoring processes and procedures as may be required by the PPP Center, consistent with the PPP Code, its IRR, and the Project Monitoring Framework and Protocols to be issued by the PPP Governing Board, and
- g. perform such duties and functions necessary to effectively carry out its responsibilities.

SECTION 3. Meeting and Quorum of the PPP Unit. The PPP Unit shall meet at least every quarter, or as often as necessary as determined by the Chairperson, to review the pipeline of PPP projects and the status of PPP projects in various stages – development, approval, procurement or implementation. The quorum for the PPP Unit meeting shall be composed of a simple majority of all its members.

SECTION 4. Constitution of the PPP PBAC. The PPP Prequalification, Bids and Awards Committee (PPP PBAC) is hereby constituted and shall be composed of the following:

Chairperson: Maria Leonor Gerona Robredo, City Mayor

Voting Members:

- a. Maricor Gayanilo, City Treasurer
- b. Wilfredo Prilles, Jr., Head, City Planning and Development Office
- c. Atty. Angel Ojastro, City Legal Officer
- d. Reuel Oliver, Executive Director, Investment and Trade Promotion Office
- e. Councilor Francisco Mendoza, City Council Representative

Non-Voting Members:

- a. Chairperson of the PPP Unit, serving as secretariat
- b. A representative from the PPP Center
- c. two (2) representatives from and chosen by the accredited civil society organizations, people's organizations, and non-governmental organizations who are members of the local development council
- d. a representative from the Regulatory Body concerned duly authorized by its Head, who is knowledgeable with the PPP Project and who is to be invited on a project-to-project basis.



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Observers:

- a. a representative from COA
- b. a representative from the Department of the Interior and Local Government (DILG) Regional Office or Field Unit
- c. a representative from the National Economic and Development Authority (NEDA) Regional Office, for projects where NEDA Board or NEDA-Investment Coordination Committee approval is required under the PPP Code and its IRR
- d. a representative from a Securities and Exchange Commission-registered association related to the PPP Project.

The PPP PBAC may organize a Technical Working Group per project to assist in the pre-bidding and bidding process for solicited projects, and the comparative bidding process for unsolicited proposals.

SECTION 5. Rules for the Non-Voting Members and Observers. Non-voting members and observers shall be notified at least seven (7) calendar days before the following stages: prebid conference, opening of bids, evaluation of bids, contract award, and special meetings of the PPP PBAC. The absence of observers and non-voting members shall not nullify the PPP PBAC proceedings, provided that they have been duly invited in writing which includes via electronic mail.

In case the non-voting members cannot attend the PPP PBAC proceedings, they may be allowed to submit their written advice or opinions to the PPP PBAC within a period provided for by the PPP PBAC.

Non-voting members and observers shall be provided with the following documents free of charge: (a) minutes of BAC meetings; (b) abstract of bids; (c) post-qualification summary report; and (d) open proposals.

In all instances, non-voting members and observers other than the City Legal Officer shall be required to enter into a confidentiality agreement with the city.

Non-voting members can participate in the discussions and deliberations of the PPP PBAC. They may be consulted or be allowed to give advice or opinions to the voting members of the PPP PBAC.

Observers shall not influence or attempt to influence the votes/actions of the voting members of the PPP PBAC. Observers shall not be placed in a conflicted situation and, if placed in such a situation, shall immediately inhibit and notify the city in



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writing. Observers may however still prepare a report indicating their observations, submit the same to the PPP PBAC, copy furnishing the Mayor, and furnish a copy to the Office of the Ombudsman, if deemed necessary. The PPP PBAC shall respond to and document the action/s it has taken regarding the observations submitted to it.

SECTION 6. Functions of the PBAC. The PPP PBAC shall be responsible for all aspects of the pre-bidding and bidding process for both solicited and unsolicited PPP projects, including among others:

- a. preparation and issuance of the tender documents;
- b. publication of the Invitation to Qualify/Pre-qualify and Bid / for Comparative Proposals;
- c. assessment of qualification/pre-qualification of prospective bidders/challengers;
- d. conduct of pre-bid conferences and issuance of bid bulletins and supplemental notices;
- e. interpretation of the rules regarding the bidding;
- f. conduct of bidding;
- g. evaluation of bids;
- h. resolution of protests in accordance with Sections 82 and 83 of this IRR; and
- i. recommendation for the acceptance of the bid and/or for the award of the PPP Contract

SECTION 7. FUNDING. Funding for the operations of the PPP Unit and its operations shall be included in the city's annual local expenditure program under the Office of the City Mayor.

SECTION 8. AMENDMENTS AND INTERPRETATION. This Order may be amended or supplemented as may be deemed necessary, and shall be interpreted to give full force and effect to the attainment of the declared policy and the operationalization of the principles of good governance.

SECTION 9. REPEALING CLAUSE. All issuances and orders inconsistent with this Order are hereby repealed, amended, or modified accordingly.

SECTION 10. SEPARABILITY CLAUSE. If any provision of this Order is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in full force and effect.




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SECTION 11. EFFECTIVITY. This Order shall take effect immediately and shall remain in effect unless otherwise revoked or amended, or until superseded by an ordinance.

DONE in the City of Naga, this 15th day of August, 2025.


MARIA LEONOR GERONA ROBREDO
City Mayor

Attested by: **RAYNOR RODRIGUEZ**




REPUBLIC OF THE PHILIPPINES
Congress of the Philippines
Metro Manila

Nineteenth Congress
Second Regular Session

[REPUBLIC ACT NO. 11966, December 05, 2023]

AN ACT PROVIDING FOR THE PUBLIC-PRIVATE PARTNERSHIP (PPP) CODE OF THE PHILIPPINES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

Section 1. Short Title. - This Act shall be known as the "Public-Private Partnership (PPP) Code of the Philippines".

Section 2. Declaration of Policy. - The State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments. To this end, the State shall provide an enabling environment for the private sector to mobilize its resources to finance, design, construct, operate, and maintain infrastructure or development projects and services.

It is further declared that the State shall protect the public interest by providing affordable, accessible, and efficient public services. In order to achieve better quality of Public-Private Partnership (PPP) Projects at lower costs, the State shall ensure equitable risk allocation in PPP Projects, and that all PPP Projects yield sufficient Value for Money (VFM), promote sustainability, and advance public welfare.

The State shall pursue a policy of financing infrastructure and other development projects and services through all means available to effectively meet the objectives of the government. These may include appropriations, official development assistance (ODA), and PPPs, as well as combinations and variations thereof. The government shall determine the appropriate financing by considering budget availability, VFM, timelines, stakeholder commitments, and market capacity.

The State recognized the autonomy of local government units (LGUs) in entering and implementing Local PPP Projects to enable them to attain their fullest development as self-reliant communities and make them more effective partners in the attainment of national goals.

The State shall also ensure the integration of climate resilience, sustainability, and gender and development policies and programs in the planning, design, and implementation of PPP Projects.

The State shall take cognizance of partnerships that have not been submitted through the administrative process as long as they are PPPs as defined in this Code, and shall therefore subject such projects under its jurisdiction and rules.

Finally, it is declared that the State and LGUs shall affirm open, fair, transparent, and competitive selection as the central tenet for securing private investment in PPP Projects. It shall implement a policy of full public disclosure of all its transactions involving public interest, subject to terms and conditions as prescribed by pertinent laws.

Section 3. Definition of Terms. - As used in this Code:

(a) Approving Body refers to an entity authorized to approve PPP Projects, in accordance with Section 7 of this Code;

(b) Availability Payments refer to predetermined payments by the Implementing Agency to the Private Partner in exchange of delivering an asset or service in accordance with the PPP contract. Availability Payments shall not be construed as Government Undertakings, Subsidy, or government contribution;

(c) Construction refers to new construction, rehabilitation, improvement, expansion, alteration, and related works and activities including the necessary design, supply, installation, testing and commissioning of equipment, systems, plants, materials, labor and services, and related items needed to build or rehabilitate an infrastructure or development facility;

(d) Contingent Liability refers to an obligation that may arise from events specified in a PPP contract, the occurrence, timing, and amount of which are uncertain. These events include, but are not limited to, regulatory action, force majeure, breach of government warrantless, and material Adverse Government Action, among others;

- (e) Contractor refers to any entity allowed and duly registered and licensed under Philippine laws, which may or may not be Private Partner, that shall be responsible for the Construction and/or supply of equipment or services for PPP Projects;
- (f) Facility Operator refers to any entity allowed and duly registered and licensed under Philippine laws, which may or may not be the Private Partner, that shall be responsible for operating and/or maintaining a facility;
- (g) Financial Close refers to the specific milestone in a PPP contract where the Private Partner successfully secures all necessary protect and financing agreements. The achievement of such milestone confirms that all prior conditions have been met, allowing the Private Partner to draw down the financing to commence work on the PPP Project;
- (h) Generic Preferred Risk Allocation Matrix (GPRAM) refers to the document issued by the Investment Coordination Committee of the National Economic and Development Authority Board (NEDA Board - ICC), to guide government entities and the private sector in the optimal allocation of risks in structuring PPP Projects;
- (i) Government Financial Institutions (GFIs) refer to financial institutions or corporations in which the government directly or indirectly owns majority of the capital stock and which are either: (i) registered with or directly supervised by the Bangko Sentral ng Pilipinas; or (ii) collecting or transacting funds or contributions from the public and places them in financial instruments or assets such as deposits, loans, bonds and equity including, but not limited to, the Government Service Insurance System, the Social Security System, and the Maharlika Investment Corporation;
- (j) Government Instrumentalities with Corporate Powers (GICPs)/Government Corporate Entities (GCEs) refer to instrumentalities or agencies of the government, which are neither corporations nor agencies of the government, which are neither corporations nor agencies integrated within the departmental framework, but vested by law with special functions or jurisdiction, endowed with some if not all corporate powers, administering special funds, and enjoying operational autonomy usually through a charter;
- (k) Government-owned or -controlled corporation (GOCC) refers to any agency organized as a stock or nonstock corporation, vested with functions relating to public needs whether governmental or proprietary in nature, and owned by the Government of the Republic of the Philippines directly or through its instrumentalities either wholly or, where applicable as in the case of stock corporations, to the extent of at least a majority of its outstanding capital stock, as defined in Republic Act No. 10149, otherwise known as the "GOCC Governance Act of 2011", including GICPs, GCEs, GFIs, water districts, and economic zone authorities, which are hereby authorized to undertake PPP Projects with a Private Partner in accordance with the provisions of this Code;
- (l) Government Undertakings refer to any form of contribution and/or support, which the government may extend to a Private Partner for the implementation of PPP Projects, as provided under this Code;
- (m) Green Financing refers to investments that create environmental benefits in support of green growth, low-carbon, carbon avoidance, and sustainable development, and the use of alternative assets such as carbon credits, such as those pursuant to Article VI of the Paris Agreement, or ecosystem services;
- (n) Guarantee on Demand refers to an agreement where the Implementing Agency undertakes to assume the market demand risks associated with the PPP Project: provided, That the adoption of availability-based schemes and Availability Payments shall not be considered as Guarantee on Demand;
- (o) Guarantee on Loan Repayment refers to an agreement where the Implementing Agency guarantees to assume responsibility for the repayment of debt indirectly incurred by the Private Partner in implementing the PPP Project in case of loan default. As an exemption, government repayment of debt as part of Termination Payments shall not be considered as Guarantee on Loan Repayment;
- (p) Guarantee on Private Sector Return refers to an agreement where the Implementing Agency guarantees to provide a predetermined rate of return on the investment of the Private Partner. This shall not cover Termination Payments arising from government events of default;
- (q) Implementing Agency refers to a department, bureau, office, instrumentality, commission, authority of the national government, state university and college (SUC), local university and college (LUC), LGU, and GOCC;
- (r) Joint Venture (JV) refers to a national or local PPP contractual arrangement, whether solicited or unsolicited, where both the Implementing Agency performing its proprietary function and the Private Partner pool resources comprising of capital, services, or assets, including equipment, land, or intellectual property, to jointly undertake a specific investment activity within a specific period of cooperation to deliver an infrastructure or development project typically provided by the public sector;
- (s) Land Value Capture Strategies refer to a set of mechanisms used to recover and re-invest land-based value increases that arise in the catchment area of public infrastructure investments. For purposes of this Code, Land Value Capture Strategies may be employed to optimize the financial and economic efficacy of a PPP Project;

(ii) Those with Project Cost of below Fifteen billion pesos (P15,000,000,000.00) shall be approved by the Head of Implementing Agency: *Provided*, That if the Implementing Agency is an attached agency without a governing board, the Head of the department or agency to which the Implementing Agency is attached shall approve the PPP Project: *provided*, further, That if the Implementing Agency has a governing board, whether or not it is an attached agency, the governing board shall approve the PPP Project.

The NEDA Board - ICC may, as it deems necessary and in strict adherence with the principles of prudence and reasonableness, review, evaluate, and update the above threshold amounts.

Notwithstanding the above threshold, a proposed PPP Project which costs below Fifteen billion pesos (P15,000,000,000.00) shall be approved by the NEDA Board - ICC, if:

1. It physically overlaps with a project approved by a government authority or with a project being developed by another government entity based on national or sectoral development plans;
2. It negatively affects the economic benefits, demand, and/or financial viability of a project approved by a government authority or a project being developed by another government entity based on national or sectoral development plans;
3. It requires financial Government Undertakings to be sourced and funded under the General Appropriations Act (GAA);
4. It involves Availability Payments to be sourced and funded under the GAA; or
5. The contribution of an Implementing Agency in a proposed JV exceeds fifty percent (50%) of its entire assets based on its latest audited financial statements and other pertinent documents, and subject to Section 3(gg) of this Code.

For PPP Projects that do not fall under any of the above, the Implementing Agency shall notify the NEDA and the PPP Center in writing of such information and submit the project details for monitoring purposes.

National PPP Projects that encompass or extend beyond jurisdictional boundaries, or where bundling of similar projects can benefit from economies of scale and can increase the viability of a proposed PPP Project, may be jointly implemented by all Implementing Agencies concerned under a single PPP contract. In such cases, all the Implementing Agencies concerned shall secure the required approvals of all Approving Bodies concerned pursuant to the provisions of this Code.

(2) Local PPP Projects. - Local PPP Projects shall be approved by the respective local Sanggunians in the case of LGUs, or by the boards in the case of LUCs. Prior to approval, Local PPP Projects implemented by LGUs shall be confirmed by the respective local development councils (LDCs).

Proposed Government Undertakings using national government funds for Local PPP Projects shall be submitted to the NEDA Board - ICC for approval, upon review and endorsement by the respective RDCs. Such Government Undertakings shall include, among others, the following items to be provided by the National Government to a Local PPP Project: (i) Guarantees on Demand; (ii) Guarantees on Private Sector Return; (iii) Guarantees on Loan Repayment; (iv) VGF and other forms of Subsidy; and/or (v) monetary payment of Contingent Liability through the PPP risk Management Fund of the National Government as defined under Section 27 of this Code. Permits, clearances, licenses, or endorsements from national government agencies required for Local PPP Projects under laws, rules, and regulations shall not be considered as Government Undertakings by the National Government for Local PPP Projects.

The NEDA Board - ICC shall render its decision on such requested Government Undertakings within sixty (60) calendar days from receipt of complete requirements. The disapproval of the requested Government Undertakings within sixty (60) calendar days from receipt of complete requirements. The disapproval of the requested Government Undertakings shall not be considered as a disapproval of the Local PPP Project.

Local PPP Projects affecting national or sectoral development plans and national projects shall likewise secure the endorsement of the National Government through the respective RDCs, prior to endorsement of the LDC concerned and approval by the local Sangguniangs concerned in the case of LGUs, or by the boards in the case of LUCs. For this purpose, the NEDA shall provide the RDCs with copies of relevant national and sectoral development plans and updates thereof. For purposes of monitoring, the NEDA shall likewise provide the PPP Center copies of such plans.

Endorsements of the (i) LDCs for Local PPP Projects to be implemented by LGUs; and of the (ii) RDCs for PPP Project with proposed Government Undertakings using national government funds, and/or those that affect national and sectoral development plans, shall be processed within thirty (30) calendar days from submission of complete requirements. Failure of the LDC and/or the RDC to endorse the PPP Projects within the specified period shall be deemed an approval of the requested endorsement/s.