

Republic of the Philippines
Bangsamoro Autonomous Region in Muslim Mindanao
BANGSAMORO TRANSITION AUTHORITY
Cotabato City

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BTA PARLIAMENT
BTA Resolution No. 589



Introduced by:

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RESOLUTION URGING THE GOVERNMENT OF THE DAY (GOTD) THROUGH THE BANGSAMORO PLANNING AND DEVELOPMENT AUTHORITY (BPDA) TO ESTABLISH A PUBLIC-PRIVATE PARTNERSHIP (PPP) CENTER IN THE BANGSAMORO AUTONOMOUS REGION

WHEREAS, Section 1 of Republic Act No. 7718 or the Build-Operate-Transfer (BOT) Law, as amended, recognizes the indispensable role of the private sector as the main engine for national growth and development and provides the most appropriate incentives to mobilize private resources for the purpose of financing the construction, operation and maintenance of infrastructure and development projects normally financed and undertaken by the Government;

WHEREAS, Section 1 of Executive Order (EO) No. 8, s. 2010 reorganized and renamed the Build-Operate and Transfer Center to Public-Private Partnership (PPP) Center of the Philippines and transferred it to the National Economic and Development Authority (NEDA) as an attached agency;

WHEREAS, Executive Order No. 136, s. 2013 amended certain sections of EO No. 8, s. 2010 for a more efficient implementation of PPP programs and projects;

WHEREAS, Section 2, Article V of the Bangsamoro Organic Law (BOL) provides for the powers of the Bangsamoro Government, that include authority over public works and infrastructure;

WHEREAS, Section 2, Article XIII of the same law provides that in order to protect and improve the quality of life of its inhabitants, the development in the

Bangsamoro Autonomous Region shall be carefully planned taking into consideration the ecological balance and the natural resources that are available for the use of future generations;

WHEREAS, the Bangsamoro Autonomous Region as a new political entity, needs to catch up with other progressive regions in terms of sustainable infrastructure developments;

WHEREAS, the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) is the only region with an annual block grant but the said appropriation from the National Government is still not enough to finance its needed infrastructures, especially the big-ticket projects such as international airports, expressways, etc.;

WHEREAS, one viable option to help the Bangsamoro region finance these unfunded projects is through joint partnerships with the private sector, or PPP;

WHEREAS, PPP is a contractual agreement between the government and a private firm targeted towards financing, designing, implementing and operating infrastructure facilities and services that were traditionally provided by the public sector. It embodies optimal risk allocation between the parties - minimizing cost while realizing project development objectives. Thus, the project is to be structured in such a way that the private sector gets a reasonable rate of return on its investment;

WHEREAS, PPP offers monetary and non-monetary advantages for the public sector. It addresses the limited funding resources for local infrastructure or development projects of the public sector thereby allowing the allocation of public funds for other local priorities. It is a mechanism to distribute project risks to both the public and private sector.

PPP is geared for both sectors to gain improved efficiency and project implementation processes in delivering services to the public. Most importantly, PPP emphasizes Value for Money - focusing on reduced costs, better risk allocation, faster implementation, improved services and possible generation of additional revenue;

WHEREAS, there are currently no PPP centers established to cater to big infrastructure projects in the Bangsamoro Region;

WHEREAS, in order to facilitate the realization of sustainable development in the region, the Government of the Day should include as part of its priorities the establishment of PPP centers, that shall be adopted solely for the construction of BARMM flagship infrastructure projects;

WHEREAS, institutionalizing a PPP center in the region will allow public administration to concentrate on planning, policy and regulation while the private sector is empowered to improve the efficiency and quality of service in completing the project on time and as per approved plan;

WHEREAS, the most important reasons for adopting PPP for government construction projects are: 1) it reduces public sector administration cost; 2) it allows for shared risk; 3) it reduces the problem of public sector budget constraint; 4) the private sector possesses better mobility; and 5) the private sector has ability to raise funds for projects;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, by the Bangsamoro Parliament to pass and approve this urging the Government of the Day (GOTD) through the Bangsamoro Planning and Development Authority (BPDA) to establish a Public-Private Partnership (PPP) Center in the Bangsamoro Autonomous Region.

Adopted,


MP ENGR. BAIN TAN ADIL-AMPATUAN, MNSA