

**REPUBLIC OF THE PHILIPPINES**  
**Department of Budget and Management**  
**Public-Private Partnership Center**

**JOINT MEMORANDUM CIRCULAR NO. 2018-01**

Date: ~~DEC 21 2018~~

**TO:** CONCERNED IMPLEMENTING AGENCIES OF PPP PROJECTS

**SUBJECT:** REPORTING OF PPP PROJECT SPENDING AND CONTINGENT LIABILITIES

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**1. Background**

- 1.1. The present administration committed to increase the infrastructure spending over the medium-term, as anchored in both the 0-10 Point Socio-Economic Agenda and the Philippine Development Plan 2017-2022. Moreover, it is vital for the government to manage the exposure of the national government to fiscal risks. To effectively deliver these, there is a need to review and monitor the projected and actual cost of gross cash investment flows, and to ensure the timely compliance of the implementing agencies (IA) with their obligations arising from PPP projects.
- 1.2. During the 16th PPP Governing Board (PPPGB) meeting on March 22, 2018, the PPPGB issued Resolution No. 2018-03-04, instructing the formulation of a joint memorandum circular (JMC) between the DBM and the PPP Center, which shall standardize the reporting and monitoring of public and private sector spending on PPPs, including contingent liabilities arising from the same.

**2. Objectives**

This Circular aims to:

- 2.1. standardize the reporting and monitoring of: (a) public and private sector spending on PPPs; and (b) contingent liabilities arising from PPP projects, both preferably via electronic means to facilitate speedy transmission, exchange of feedback, and management of data volume; and
- 2.2. improve and regularly update the database of PPP project information to include projected and actual spending on PPPs, including contingent liabilities arising from the same, for the use of relevant agencies and oversight bodies, and to help the government track infrastructure spending targets and fiscal risks.

### 3. Reporting Framework

- 3.1. For newly-signed PPP contracts, the IA shall submit to the PPP Center, within fifteen (15) business days after signing, the following:
  - a. yearly projected spending of the IA on the PPP project, as prescribed in "Form A – Public Sector Budget Strategy"<sup>1</sup>; and
  - b. monthly projected public and private sector spending of the PPP project for the remaining months of the current year, as prescribed in "Form B – Projected Monthly Spending for PPP Project".
- 3.2. Within twenty (20) business days from the close of every quarter thereafter, the IA shall submit to the PPP Center the monthly actual public and private sector spending of each PPP project, as prescribed in "Form C – Actual Monthly Spending for PPP Project".
- 3.3. Within fifteen (15) business days from the start of the succeeding calendar years, the IA shall submit to the PPP Center the monthly projected public and private sector spending of the PPP project of the current year, as prescribed in Form B.
- 3.4. The duties of the IAs pertaining to the monitoring and reporting of contingent liabilities for its PPP projects shall be in accordance with the "Implementing Rules and Regulations for the Special Provision on the Use of Unprogrammed Appropriations for the Risk Management Program of the General Appropriations Act" and all its succeeding amendments, as issued by the Technical Working Group on Contingent Liabilities and as approved by the Development and Budget Coordinating Committee (DBCC) (attached as "Annex A").
- 3.5. Within thirty (30) business days from the close of every quarter, the PPP Center shall prepare and submit the following:
  - a. to the DBCC and the PPPGB, copying the Investment Coordination Committee - Secretariat, a consolidated report as prescribed in Form D – Summary Report<sup>2</sup>, on:
    - i. the public and private sectors' projected and actual spending for PPP projects; and
    - ii. the physical accomplishment of PPP projects, from information gathered by the PPP Center pursuant to the PPPGB Resolution No. 2015-09-01: Guidelines on PPP Monitoring Framework and Protocols;
  - b. to the BSP, a report on the private sector's actual spending for PPP projects with foreign investments;
  - c. to the PSA, a report on the private sector's actual spending for PPP projects, including copies of the accomplished Forms A and C;

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<sup>1</sup> In accomplishing Form A, the yearly projected spending indicated by the IA must be consistent with their requested government support via Letter of Commitment (LOC) pursuant to DBM National Budget Circular No. 564 – Guidelines for Issuance of LOC Covering National Government Support for Multi-year Solicited PPP Projects, if applicable.

<sup>2</sup> Copies of accomplished Forms A, B, C shall be attached to Form D.



- d. to the appropriate oversight bodies, a list of IAs which fail to submit reports, as prescribed in this JMC; and,
  - e. any other reports relating to public and private sector spending on PPPs, as required by oversight bodies and agencies.
- 3.6. As may be necessary, the DBM and PPP Center may require from IAs additional information on public and private sector spending on PPPs and contingent liabilities arising from the same.
- 3.7. The PPP Center shall improve and regularly update the database of PPP project information to include actual and projected spending on PPP projects, and PPP contingent liabilities.

#### **4. Transitory Provision**

For existing PPP contracts, the IAs shall submit to the PPP Center Forms A, B, and C, which are attached as annexes to this JMC, within twenty (20) business days from the effectivity of this JMC.

#### **5. Freedom of Information**

All reports generated under this JMC shall be subject to the PPP Center's Freedom of Information (FOI) Manual<sup>3</sup>.

#### **6. Resolution of Issues**

Issues and concerns that may arise in the implementation of this JMC, including cases not covered herein, shall be submitted to the PPP Center and the DBM for joint resolution.

#### **7. Separability Clause**

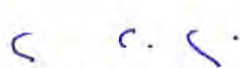
If any provision of this JMC is held invalid or unconstitutional, the other provisions are not affected thereby and shall remain valid and subsisting.

#### **8. Repealing Clause**

All issuances, rules, and regulations contrary to or inconsistent with the provisions of the JMC are hereby repealed, modified, or amended, accordingly

#### **9. Effectivity**

This Circular shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation.

  
**BENJAMIN E. DIOKNO**  
Secretary  
Department of Budget and Management



  
**FERDINAND A. PECSON**  
Executive Director  
Public-Private Partnership Center

<sup>3</sup> The PPP Center's FOI Manual may be found at <https://ppp.gov.ph/freedom-of-information/>.

## FORM A - PUBLIC SECTOR BUDGET STRATEGY FOR PPP IMPLEMENTATION

This form shall contain the yearly projected costs to be incurred by the implementing agency (IA) in implementing the PPP project. This shall be submitted by the IA to the PPP Center fifteen (15) business days after signing of each contract. In accomplishing Form A, the yearly projected spending indicated by the IA must be consistent with their requested government support via Letter of Commitment (LOC) pursuant to DBM National Budget Circular No. 564 – Guidelines for Issuance of LOC Covering National Government Support for Multi-year Solicited PPP Projects, if applicable

\*As a guide, IAs may derive past information on PPP projects awarded prior to the issuance of the JMC, by looking at the following documents: Past GAAs of the agency, Budget Execution Documents, Budget and Financial Accountability Reports, Project Proponent's Financial Bid, Multi-Year Obligational Authority, IC Reports, Respective agency worksheets, and Other related documents

1. Name of Project:	
2. Project Site/Location/Region:	
3. Implementing Agency:	
4. Implementing Agency's Funding Source(s):	
5. Project Proponent:	
6. NEDA Board Approved Project Cost (in PHP):	
7. Contract Cost (in PHP):	
8.A. Development Cost (in PHP)	8.B. Funding Source:

9. FUNDING REQUIREMENTS BY COMPONENT (in PHP Million)	Funding Source	YEAR 1 (20__)	YEAR 2 (20__)	YEAR 3 (20__)	YEAR 4 (20__)	YEAR 5 (20__)	YEAR 6 (20__)	YEAR 7 (20__)	YEAR 8 (20__)	YEAR 9 (20__)	YEAR X (20__)	TOTAL
A. Right-of-Way												
i. Acquisition of Land												
ii. Relocation of Utilities												
iii. Relocation of Informal Settler Families												
iv. Others (please specify)												
B. Independent Consultant												
C. Other Consultancy Services												
D. Availability Payments												
E. Viability Gap Funding												
F. Real Property Tax												
G. Funding for Project Management Office												
H. Others (please specify)												
<b>TOTAL ANNUAL REQUIREMENT (A+B+C+D+E+F+G+H)</b>												

Prepared by:

Reviewed by:

Noted by:

Approved by:

Name

Project Manager

Name

PMO Director/Head

Name

Finance Service Director/Head

Name

Head of Agency

## FORM B - PROJECTED MONTHLY SPENDING FOR PPP PROJECT

This form shall contain the projected monthly spending of both project proponent and implementing agency to be spent for the PPP project. This shall be submitted by the IA to the PPP Center fifteen (15) business days after signing of contract.

\*As a guide, IAs may derive past information on PPP projects awarded prior to the issuance of the JMC, by looking at the following documents: Past GAAs of the agency, Budget Execution Documents, Budget and Financial Accountability Reports, Project Proponent's Financial Bid, Multi-Year Obligational Authority, IC Reports, Respective agency worksheets, and Other related documents

1. Name of Project:	
2. Implementing Agency:	
3. Project Proponent:	

### PROJECT PROPONENT

4. DISBURSEMENT PROGRAM BY COMPONENT (in PHP Million)	YEAR X (20__)												Total	Remarks	
	Q1			Q2			Q3			Q4					
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			
A. Capital Expenditure															
i. Engineering Design															
ii. Civil Works															
iii. Construction Supervision															
iv. Others (please specify)															
B. Operational Expenditure															
C. Independent Consultant															
D. Other Consultancy Services															
E. Concession Payments															
F. Real Property Tax															
G. Others (please specify)															
<b>TOTAL MONTHLY DISBURSEMENT PROGRAM (A+B+C+D+E+F+G)</b>															

### IMPLEMENTING AGENCY

5. DISBURSEMENT PROGRAM BY COMPONENT (in PHP Million)	Funding Source	YEAR X (20__)												Total	Remarks
		Q1			Q2			Q3			Q4				
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
A. Right-of-Way															
i. Acquisition of Land															
ii. Relocation of Utilities															
iii. Relocation of Informal Settler Families															
iv. Others (please specify)															
B. Independent Consultant															
C. Other Consultancy Services															
D. Availability Payments															
E. Viability Gap Funding															
F. Real Property Tax															
G. Funding for Project Management Office															
H. Others (please specify)															
<b>TOTAL MONTHLY DISBURSEMENT PROGRAM (A+B+C+D+E+F+G+H)</b>															

Prepared by:

Reviewed by:

Noted by:

Approved by:

Name  
Project Manager

Name  
PMO Director/Head

Name  
Finance Service Director/Head

Name  
Head of Agency

# FORM C - ACTUAL MONTHLY SPENDING FOR PPP PROJECT

This form shall contain the actual monthly spending of both project proponent and implementing agency spent for the PPP project. This shall be submitted by the IA to the PPP Center twenty (20) business days from the close of every quarter thereafter.  
 \*If there are any changes/updates made from the previous year, kindly submit the updated Form C for the previous year to the PPP Center.

1. Name of Project:	
2. Implementing Agency:	
3. Project Proponent:	

## PROJECT PROPONENT

4. DISBURSEMENTS (in PHP Million)	YEAR X (20__)																Total	Remarks
	Q1				Q2				Q3				Q4					
	Jan	Feb	Mar	Sub-Total	Apr	May	Jun	Sub-Total	Jul	Aug	Sep	Sub-Total	Oct	Nov	Dec	Sub-Total		
A. Capital Expenditure																		
i. Engineering Design																		
ii. Civil Works																		
iii. Construction Supervision																		
iv. Others (please specify)																		
B. Operational Expenditure																		
C. Independent Consultant																		
D. Other Consultancy Services																		
E. Concession Payments																		
F. Real Property Tax																		
G. Others (please specify)																		
<b>TOTAL DISBURSEMENTS (A+B+C+D+E+F+G)</b>																		

## IMPLEMENTING AGENCY

5. DISBURSEMENTS (in PHP Million)	Funding Source	YEAR X (20__)																Total	Remarks
		Q1				Q2				Q3				Q4					
		Jan	Feb	Mar	Sub-Total	Apr	May	Jun	Sub-Total	Jul	Aug	Sep	Sub-Total	Oct	Nov	Dec	Sub-Total		
A. Right-of-Way																			
i. Acquisition of Land																			
ii. Relocation of Utilities																			
iii. Relocation of Informal Settler Families																			
iv. Others (please specify)																			
B. Independent Consultant																			
C. Other Consultancy Services																			
D. Availability Payments																			
E. Viability Gap Funding																			
F. Real Property Tax																			
G. Funding for Project Management Office																			
H. Others (please specify)																			
<b>TOTAL DISBURSEMENTS (A+B+C+D+E+F+G+H)</b>																			

Prepared by:

Reviewed by:

Noted by:

Approved by:

Name  
Project Manager

Name  
PMO Director/Head

Name  
Finance Service Director/Head

Name  
Head of Agency

## FORM D - SUMMARY REPORT

This form shall contain the summary of the projected and actual spending of the implementing agency and the project proponent, as well as the physical accomplishment, for each of the PPP projects. This shall be submitted by the PPP Center to the DBCC and the PPP Governing Board, copying the ICC-Secretariat, thirty (30) business days from the close of every quarter.

Project Name	Year X QX						Cumulative (as of date)						Remarks
	Financial			Physical			Financial			Physical			
	Projected (in PhP Million)	Actual (in PhP Million)	Accomplishment (in %)	Projected	Actual	Accomplishment (in %)	Projected (in PhP Million)	Actual (in PhP Million)	Accomplishment (in %)	Projected	Actual	Accomplishment (in %)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
<b>A. Project Name (A.1. + A.2.)</b>													
<i>A.1. Implementing Agency</i>													
<i>A.2. Project Proponent</i>													
<b>B. Project Name (B.1. + B.2.)</b>													
<i>B.1. Implementing Agency</i>													
<i>B.2. Project Proponent</i>													
<b>C. Project Name (C.1. + C.2.)</b>													
<i>C.1. Implementing Agency</i>													
<i>C.2. Project Proponent</i>													
<b>X. Project Name (X.1. + X.2.)</b>													
<i>X.1. Implementing Agency</i>													
<i>X.2. Project Proponent</i>													
<b>TOTAL</b>													

Prepared by:

Approved by:

Name  
Position

Name  
Position

**INSTRUCTIONS IN FILLING UP  
FORM A: PUBLIC SECTOR STRATEGY FOR PPP IMPLEMENTATION**

General Information	
<b>1. Name of Project</b>	Indicate the name of the PPP project, as specified in the PPP contract
<b>2. Project Site/Location/Region</b>	Indicate the city/municipality, province, and region of the project where it is being implemented
<b>3. Implementing Agency</b>	Indicate the name of the government agency/ies authorized to implement the PPP project (i.e. the government agency signatory to the PPP contract)
<b>4. Implementing Agency's Funding Source(s)</b>	Indicate all applicable funding sources used for the PPP project (e.g. PPP only, ODA and PPP, GAA and PPP, etc.)
<b>5. Project Proponent</b>	Indicate the name of the private sector partner for the PPP project (the private entity signatory to the PPP contract), including names of former/original private sector partners and previous iterations, if any)
<b>6. NEDA Board Approved Project Cost (in PHP)</b>	Indicate the NEDA Board Approved Project Cost in Philippine Pesos
<b>7. Contract Cost (in PHP)</b>	Indicate the contract cost as stated in the PPP contract or the Project Proponent's submitted financial model during the bid submission date
<b>8. A. Development Cost</b>	Indicate the total cost spent for all pre-investment activities for the PPP project (e.g. costs for pre-feasibility study, feasibility study, business case, transaction advisory, etc., whichever are applicable)
<b>8. B. Funding Source</b>	Indicate all applicable funding sources for the identified development costs in 8.A. of the PPP project (e.g. GAA for feasibility study, PDMF for transaction advisory, etc., whichever are applicable)
9. Funding Requirement by Component (in PhP Million)	
<b>A. Right-of-Way (ROW)</b>	Indicate the total annual budget requirements for all costs related to the ROW Acquisition
<b>i. Acquisition of Land</b>	Indicate the annual budget requirements for all costs related to the acquisition of land
<b>ii. Relocation of Utilities</b>	Indicate the annual budget requirements for all costs related to the relocation of utilities
<b>iii. Relocation of Informal Settler Families</b>	Indicate the annual budget requirements for all costs related to the relocation of informal settler families
<b>iv. Others (please specify)</b>	Indicate the annual budget requirements for <b>Other Items</b> related to the ROW Acquisition
<b>B. Independent Consultant</b>	Indicate the annual budgetary requirements for the services of the Independent Consultant of the project. In case the Independent Consultant shall be jointly funded by the government and the project proponent, only the costs shared by the government will be reported in this form.
<b>C. Other Consultancy Services</b>	Indicate the annual budgetary requirements for Other Consultancy Services (e.g. technical consultant, works engineer, etc.) needed for the project, if any. In case Other Consultancy Services shall be jointly funded by the government and the project proponent, only the costs shared by the government will be reported in this form.
<b>D. Availability Payments</b>	Indicate the annual budgetary requirements for Availability Payments (e.g. Lease Payments, Annual Grantor Payment, Amortization Payments, etc.), if the project is an availability-based PPP
<b>E. Viability Gap Funding</b>	Indicate the annual budgetary requirements for the Viability Gap Funding indicated in the signed PPP contract
<b>F. Real Property Tax</b>	Indicate the annual budgetary requirements for Real Property Taxes
<b>G. Funding for Project Management Office</b>	Indicate the annual budgetary requirements for the funding of the Project Management Office of the Implementing Agency, if any
<b>H. Others (please specify)</b>	Indicate the annual budgetary requirements for <b>Other Items</b> not mentioned above, in relation to implementation of the project, if any
<b>Total</b>	Indicate the total for each specific component (Year 1 - Year X)
<b>Total Annual Requirements</b>	Indicate the total annual requirement of all components
<b>Funding Source</b>	Indicate the funding source to be used for the particular budget item (e.g. GOCC's corporate fund, GOCC's subsidy from GAA, IA's GAA, IA's ODA, etc.)

**INSTRUCTIONS IN FILLING UP  
FORM B: PROJECTED MONTHLY SPENDING FOR PPP PROJECT**

General Information	
<b>1. Name of Project</b>	Indicate the name of the PPP project, as specified in the PPP contract
<b>2. Implementing Agency</b>	Indicate the name of the government agency/ies authorized to implement the PPP project (i.e. the government agency signatory to the PPP contract)
<b>3. Project Proponent</b>	Indicate the name of the private sector partner for the PPP project (the private entity signatory to the PPP contract), including names of former/original private sector partners and previous iterations, if any)
4. Disbursement Program by Component (in PhP Million) - Project Proponent	
<b>A. Capital Expenditure</b>	Indicate the total monthly disbursement program of the Project Proponent on the CAPEX requirements of the project.
<b>i. Engineering Design</b>	Indicate the monthly disbursement program of the Project Proponent related to the engineering design in relation to the CAPEX requirements of the project



<b>ii. Civil Works</b>	Indicate the monthly disbursement program of the Project Proponent related to the civil works (e.g. Equipment/Machineries, Materials/Supplies, Labor Costs) in relation to the CAPEX requirements of the project
<b>iii. Construction Supervision</b>	Indicate the monthly disbursement program of the Project Proponent related to construction supervision in relation to the CAPEX requirements of the project
<b>iv. Others (please specify)</b>	Indicate the monthly disbursement program of the Project Proponent for <b>Other Items</b> in relation to the CAPEX requirements of the project, if any
<b>B. Operational Expenditure</b>	Indicate the monthly disbursement program of the Project Proponent for the Operational Expenditure of the project
<b>C. Independent Consultant</b>	Indicate the monthly disbursement program of the Project Proponent for the services of the Independent Consultant of the project. In case the Independent Consultant shall be jointly funded by the government and the Project Proponent, only the costs shared by the Project Proponent will be reported in this item.
<b>D. Other Consultancy Services</b>	Indicate the monthly disbursement program of the Project Proponent for Other Consultancy Services (e.g. technical consultant, works engineer, etc.) needed for the project, if any. In case the Other Consultancy Services shall be jointly funded by the government and the Project Proponent, only the costs shared by the Project Proponent will be reported in this item.
<b>E. Concession Payments</b>	Indicate the monthly disbursement program of the Project Proponent for Concession Payments, if any
<b>F. Real Property Tax</b>	Indicate the monthly disbursement program of the Project Proponent for Real Property Taxes
<b>G. Others (please specify)</b>	Indicate the monthly disbursement program of the Project Proponent for <b>Other Items</b> not mentioned above, in relation to the implementation of the project, if any
<b>Total</b>	Indicate the total disbursement program for each specific component (Q1-Q4)
<b>Total Disbursement Program</b>	Indicate the total disbursement program of the Project Proponent for the implementation of the project for the specified month
<b>Remarks</b>	Indicate any remark or note relevant to the financial spending of the PPP project, such as cause of delays, underspending, among others
<b>5. Disbursement Program by Component (in PhP Million) - Implementing Agency</b>	
<b>A. Right-of-Way</b>	Indicate the total monthly disbursement program of the Implementing Agency on the ROW Acquisition of the project
<b>i. Acquisition of Land</b>	Indicate the monthly disbursement program of the Implementing Agency related to the acquisition of land
<b>ii. Relocation of Utilities</b>	Indicate the monthly disbursement program of the Implementing Agency related to the relocation of utilities
<b>iii. Relocation of Informal Settler Families</b>	Indicate the monthly disbursement program of the Implementing Agency related to for the relocation of informal settler families
<b>iv. Others (please specify)</b>	Indicate the monthly disbursement program of the Implementing Agency for <b>Other Items</b> , if any
<b>B. Independent Consultant</b>	Indicate the monthly disbursement program of the Implementing Agency for the services of the Independent Consultant. In case the Independent Consultant shall be jointly funded by the government and the Project Proponent, only the costs shared by the Implementing Agency will be reported in this form.
<b>C. Other Consultancy Services</b>	Indicate the monthly disbursement program of the Implementing Agency for Other Consultancy Services (e.g. technical consultant, works engineer, etc.) needed for the project, if any. In case the Other Consultancy Services shall be jointly funded by the government and the Project Proponent, only the costs shared by the government will be reported in this item.
<b>D. Availability Payments</b>	Indicate the monthly disbursement program of the Implementing Agency for Availability Payments (e.g. Lease Payments, Annual Grantor Payment, Amortization Payments), if the project is an availability-based PPP
<b>E. Viability Gap Funding</b>	Indicate the monthly disbursement program of the Implementing Agency for Viability Gap Funding indicated in the signed PPP contract
<b>F. Real Property Tax</b>	Indicate the monthly disbursement program of the Implementing Agency for Real Property Taxes
<b>G. Funding for Project Management Office</b>	Indicate the monthly disbursement program for the funding of the Project Management Office of the Implementing Agency
<b>H. Others (please specify)</b>	Indicate the monthly disbursement program for <b>Other Items</b> not mentioned above, in relation to the implementation of the project, if any
<b>Total</b>	Indicate the total disbursement program for the specified year for each specific component (Q1-Q4)
<b>Total Monthly Disbursement Program</b>	Indicate the total monthly disbursement program of the Implementing Agency for implementation of the project for the specified month
<b>Funding Source</b>	Indicate the funding source (GOCC's corporate fund, GOCC's subsidy from GAA, IA's GAA, IA's ODA, etc.) to be used for the particular budget item
<b>Remarks</b>	Indicate any remark or note relevant to the financial spending of the PPP project, such as cause of delays, underspending, among others

**INSTRUCTIONS IN FILLING UP  
FORM C: ACTUAL MONTHLY SPENDING FOR PPP PROJECT**

<b>General Information</b>	
<b>1. Name of Project</b>	Indicate the name of the PPP project, as specified in the PPP contract

2. Implementing Agency	Indicate the name of the government agency/ies authorized to implement the PPP project (i.e. the government agency signatory to the PPP contract)
3. Project Proponent	Indicate the name of the private sector partner for the PPP project (the private entity signatory to the PPP contract), including names of former/original private sector partners and previous iterations, if any)
<b>4. Disbursements (in PhP Million) - Project Proponent</b>	
<b>A. Capital Expenditure</b>	
i. Engineering Design	Indicate the monthly actual disbursements by the Project Proponent for engineering design in relation to the CAPEX requirements of the project
ii. Civil Works	Indicate the monthly actual disbursements by the Project Proponent for civil works (e.g. Equipment/Machineries, Materials/Supplies, Labor Costs) in relation to the CAPEX requirement of the project
iii. Construction Supervision	Indicate the monthly actual disbursements by the Project Proponent for construction supervision in relation to the CAPEX requirement of the project
iv. Others (please specify)	Indicate the monthly actual disbursements for other items spent by the Project Proponent in relation to the CAPEX requirements of the project, if any
<b>B. Operational Expenditure</b>	
Indicate the monthly actual disbursements by the Project Proponent for the Operational Expenditure of the project	
<b>C. Independent Consultant</b>	
Indicate the monthly actual disbursements by the Project Proponent for the services of the Independent Consultant of the project. In case the Independent Consultant shall be jointly funded by the government and the Project Proponent, only the costs shared by the Project Proponent will be reported in this item.	
<b>D. Other Consultancy Services</b>	
Indicate the monthly actual disbursements by the Project Proponent for Other Consultancy Services (e.g. technical consultant, works engineer, etc.) needed for the project, if any. In case the Other Consultancy Services shall be jointly funded by the government and the Project Proponent, only the costs shared by the Private Proponent will be reported in this item.	
<b>E. Concession Payments</b>	
Indicate the monthly actual disbursements by the Project Proponent for Concession Payments, if any	
<b>F. Real Property Tax</b>	
Indicate the monthly actual disbursements by the Project Proponent for Real Property Taxes	
<b>G. Others (please specify)</b>	
Indicate the monthly actual disbursements for <b>Other Items</b> spent by the Project Proponent not mentioned above, in relation to the implementation of the project, if any	
Total	Indicate the total actual disbursements for the specified year for each specific component (Q1-Q4)
Total Monthly Disbursements	Indicate the total monthly disbursements by the Project Proponent for the implementation of the project for the specified period
Remarks	Indicate any remark or note relevant to the financial spending of the PPP project, such as cause of delays, underspending, changes made from previous submissions, among others
<b>5. Disbursements (in PhP Million) - Implementing Agency</b>	
<b>A. Right-of-Way</b>	
Indicate the total monthly disbursements by the Implementing Agency on the ROW Acquisition of the project	
i. Acquisition of Land	Indicate the monthly actual disbursements by the Implementing Agency for the acquisition of land
ii. Relocation of Utilities	Indicate the monthly actual disbursements by the Implementing Agency for the relocation of utilities
iii. Relocation of Informal Settler Families	Indicate the monthly actual disbursements by the Implementing Agency for the relocation of informal settler families
iv. Others (please specify)	Indicate other monthly actual disbursements by the Implementing Agency, if any
<b>B. Independent Consultant</b>	
Indicate the monthly actual disbursements by the Implementing Agency for the services of the Independent Consultant. In case the Independent Consultant shall be jointly funded by the government and the project proponent, only the costs shared by the Implementing Agency will be reported in this form.	
<b>C. Other Consultancy Services</b>	
Indicate the monthly actual disbursements by the Implementing Agency for Other Consultancy Services needed for the project, if any. In case the Other Consultancy Services shall be jointly funded by the government and the Project Proponent, only the costs shared by the government will be reported in this item.	
<b>D. Availability Payments</b>	
Indicate the monthly actual disbursements by the Implementing Agency for Availability Payments (e.g. Lease Payments, Annual Grantor Payment, Amortization Payments), if any	
<b>E. Viability Gap Funding</b>	
Indicate the monthly actual disbursements by the Implementing Agency for Viability Gap Funding	
<b>F. Real Property Tax</b>	
Indicate the monthly actual disbursements by the Implementing Agency for Real Property Taxes	
<b>G. Funding for Project Management Office</b>	
Indicate the monthly actual disbursements for the funding of the Project Management Office of the Implementing Agency	
<b>H. Others (please specify)</b>	
Indicate the monthly actual disbursements for <b>Other Items</b> disbursed by the Implementing Agency not mentioned above, in relation to the implementation of the project, if any	
Total	Indicate the total actual disbursements for the specified year for each specific component (Q1-Q4)
Total Monthly Disbursements	Indicate the total monthly actual disbursements by the Implementing Agency for implementation of the project for the specified month

<b>Funding Source</b>	Indicate the funding source (GOCC's corporate fund, GOCC's subsidy from GAA, IA's GAA, IA's ODA, etc.) used for the particular budget item
<b>Remarks</b>	Indicate any remark or note relevant to the financial spending of the PPP project, such as cause of delays, underspending, among others

**INSTRUCTIONS IN FILLING UP  
FORM D: SUMMARY REPORT**

<b>General Information</b>	
<b>1. Project Name</b>	Indicate the name of the PPP Project, as specified in the PPP contract and consistent with the NEDA Board and/or ICC approval of the said project, along with the names of the Implementing Agency and the Project Proponent  Indicate the sum (in boldface) of the items under Project Proponent and the Implementing Agency as given in Columns 2, 3, 4, 8, 9, and 10.
<b>Quarterly Financial Spending of the PPP Project</b>	
<b>2. Projected Financial Spending (in PhP Million)</b>	Indicate the projected quarterly spending for the PPP Project as reflected in Form B. Ensure that the entries in Column 2 are consistent with those in Form B.
<b>3. Actual Financial Spending (in PhP Million)</b>	Indicate the actual quarterly spending for the PPP Project as reflected in Form C. Ensure that the entries in Column 3 are consistent with those in Form C.
<b>4. Accomplishment (in %)</b>	Indicate the accomplishment (in percentage) of the actual quarterly spending against the projected quarterly spending of the PPP project.
<b>Quarterly Physical Accomplishment of the PPP Project</b>	
<b>5. Projected Physical</b>	Indicate the projected physical accomplishment of the PPP project for the particular quarter
<b>6. Actual Physical</b>	Indicate the actual physical accomplishment of the PPP project as of the end of the quarter
<b>7. Accomplishment (in %)</b>	Indicate the accomplishment (in percentage) of the actual quarterly physical accomplishment against the projected quarterly physical accomplishment of the PPP project
<b>Cumulative Financial Spending of the PPP Project</b>	
<b>8. Projected Financial Spending (in PhP Million)</b>	Indicate the projected cumulative spending of the PPP Project as reflected in Form B. Ensure that the entries in Column 8 are consistent with those in Form B.
<b>9. Actual Financial Spending (in PhP Million)</b>	Indicate the actual cumulative spending of the PPP Project as reflected in Form C. Ensure that the entries in Column 9 are consistent with those in Form C.
<b>10. Accomplishment (in %)</b>	Indicate the accomplishment (in percentage) of the actual cumulative spending against the projected cumulative spending of the PPP project.
<b>Cumulative Physical Accomplishment of the PPP Project</b>	
<b>11. Projected Physical</b>	Indicate the projected cumulative physical accomplishment of the PPP project
<b>12. Actual Physical</b>	Indicate the actual cumulative physical accomplishment of the PPP project
<b>13. Accomplishment (in %)</b>	Indicate the accomplishment (in percentage) of the actual cumulative physical accomplishment against the projected cumulative physical accomplishment of the PPP project
<b>14. Remarks</b>	Indicate any remark or note relevant to the financial spending and physical accomplishment of the PPP project, such as cause of delays, underspending, among others

**SUGGESTED SIGNATORIES**

<b>1. Prepared by</b>	The suggested signatory shall be the project officer in charge of managing the respective PPP project
<b>2. Reviewed by</b>	The suggested signatory shall be the Project Management Office director/head of the implementing agency
<b>3. Noted by</b>	The suggested signatory shall be the Finance Division/Service director/head of the Implementing Agency
<b>4. Approved by</b>	The suggested signatory shall be the head of the implementing agency or any authorized representative

## **IMPLEMENTING RULES AND REGULATIONS FOR THE SPECIAL PROVISION ON THE USE OF UNPROGRAMMED APPROPRIATIONS FOR THE RISK MANAGEMENT PROGRAM OF THE GENERAL APPROPRIATIONS ACT**

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To effectively carry out the Risk Management Program provision of the General Appropriations Act (GAA), the Development Budget Coordination Committee (DBCC), pursuant to the powers vested in it under Executive Order No. 292, s. 1987, hereby promulgates the following rules and regulations to govern the use of Unprogrammed Appropriations for the Risk Management Program (RMP).

### **1. GENERAL STATEMENT**

- 1.1 ***Rationale for the RMP.*** The RMP shall serve as a measure to manage the National Government's fiscal risks arising from Public-Private Partnership (PPP) Projects, to strengthen the country's credibility among the private sector, and to ensure timely compliance with the contractual obligations of Implementing Agencies.
- 1.2 ***General Policies on the Use of Unprogrammed Appropriations for the RMP.***
- i. Payments for obligations arising from events specified in a PPP Contract, whose occurrence, timing, and/or amount are certain shall be coursed through the standard appropriations process. The use of Unprogrammed Appropriations for the RMP shall be limited to payment for obligations defined in Section 3 of the IRR (Coverage).
  - ii. Disbursements from the Unprogrammed Appropriations for the RMP shall be approved by the DBCC, which, if circumstances warrant, may elevate the matter to the President for appropriate action.
  - iii. Disbursements from the Unprogrammed Appropriations for the RMP shall be subject to existing laws, rules, and regulations, including DBCC Resolution No. 2015-2, which approved the creation of the Technical Working Group on Contingent Liabilities (TWG-CL).

### **2. DEFINITION OF TERMS**

The following definition of terms shall apply for purposes of the IRR:

***Contingent Liability*** shall refer to an obligation that may or may not arise from events specified in a PPP Contract, the occurrence, timing, and/or amount of which are uncertain. These events are:

- i. Regulatory risks;
- ii. Force majeure;
- iii. Breach of government warranties; and
- iv. Material Adverse Government Action.

***Contract Management and Risk Mitigation Plan*** or ***CMRMP*** shall refer to the summary of the National Government's risks in a PPP Project, and ways to mitigate such risks, as prescribed in the form hereto attached as "Annex A".

***Implementing Agency*** or ***IA*** shall refer to National Government Agencies (NGA), Government-Owned or -Controlled Corporations (GOCC), Government Financial Institutions, and State

Universities and Colleges authorized to undertake PPP Projects pursuant to Republic Act (RA) No. 6957, as amended by RA 7718, and its Revised Implementing Rules and Regulations.

**PPP Contract** shall refer to the signed agreement between an IA and a private sector entity that was awarded a PPP Project or its successor-in-interest.

**PPP Project** shall mean any project implemented through RA 6957, as amended.

### 3. COVERAGE

3.1 **Use of Unprogrammed Appropriations for the RMP.** Disbursements from the Unprogrammed Appropriations for the RMP may be allowed to pay for:

- i. Contingent Liabilities; and
- ii. Subject to the existence of the conditions in Section 3.2, obligations which are not Contingent Liabilities but, due to exceptional and urgent circumstances, require payment in case of non-performance.

3.2 **Exceptional and Urgent Circumstances – Conditions.** By way of exception, disbursements from the Unprogrammed Appropriations for the RMP may be allowed in order to meet an IA's obligation that is not a Contingent Liability as defined in the IRR, subject to the following conditions:

- i. Non-performance of the obligations is highly likely to result in termination by the private sector entity due to the IA's default;
- ii. There is no other option to avoid termination; and,
- iii. Termination has substantial financial or other material consequences.

3.3 **Exclusions.** Notwithstanding Sections 3.1 and 3.2, Unprogrammed Appropriations for the RMP cannot be used in the following:

- i. PPP Projects of GOCCs, where the obligation in the PPP Contract is not guaranteed by a performance undertaking or a similar instrument issued by the National Government.
- ii. PPP Projects of local government units.

### 4. PROCEDURE FOR AVAILING OF UNPROGRAMMED APPROPRIATIONS FOR THE RMP

4.1 **Conditions for Availment.** Unprogrammed Appropriations for the RMP may be availed only if the following conditions exist:

- i. The conditions for the use of Unprogrammed Appropriations under the GAA have occurred;
- ii. There is a valid commitment and/or obligation in the PPP Contract, upon which a claim arises.
- iii. Payment for the Contingent Liability was not covered by appropriation or any other funding source, because the events and circumstances from which the obligation arose were unknown or could not have reasonably been foreseen



during the budget preparation process. This requirement is waived in the case of payments for obligations described in Section 3.1 (ii).

- 4.2 **Request for Availment.** The Head of the IA or, in case of PPP projects with co-grantorship, the grantor that has the primary responsibility on the financial aspect of the project, must submit to the DBCC, through the TWG-CL Secretariat, a written request for funds from the Unprogrammed Appropriations for the RMP and certify the following:

- i. The claim arises from a valid commitment and/obligation in the PPP Contract.
- ii. An updated CMRMP was submitted in accordance with Section 6.3.
- iii. The conditions under Section 4.1 have been met.

The request shall include all details of any options to defer or delay payment and the consequences of such deferral or delay. The TWG-CL and the DBCC shall use the information to evaluate the merits of the use of Unprogrammed Appropriations for the RMP to avoid interest penalties or otherwise.

The foregoing requirements must also be submitted for requests for obligations under Section 3.2 of the IRR.

- 4.3 **Supporting Documents.** In addition to the letter, the IA shall submit the following documents:

- i. Private sector entity's notice of demand;
- ii. Certified true copy of the resolution approving the PPP Project by the National Economic and Development Authority Board or the investment Coordination Committee, in accordance with RA 6957, as amended by RA 7718;
- iii. IA's budget strategy for the obligations in the PPP Contract;
- iv. IA's summary of the PPP Project's term sheet, which must include technical, economic, financial, social and environmental appraisal of the PPP Project.

The TWG-CL may require such other relevant documents and information as may be necessary for the evaluation of the request.

- 4.4 **Certification from the Bureau of the Treasury (BTr).** Upon request of the IA, the BTr shall certify whether funds for the use of Unprogrammed Appropriations for the RMP are available, in compliance with existing laws, rules, and regulations.

- 4.5 **TWG-CL Evaluation.** Within thirty (30) business days from a complete submission of documents, the TWG-CL shall review the IA's request and submit its recommendation to the DBCC. If a recommendation is not submitted within the 30-day period, the TWG-CL Secretariat shall automatically elevate the request to the DBCC for resolution.

- 4.6 **DBCC Resolution.** The DBCC shall decide on the request and, if circumstances warrant, may refer the matter to the President. The decision of the DBCC shall be documented in a signed resolution, which shall state:

- i. Its action on the IA's request (i.e. approved, disapproved, or referred to the President); and

- ii. The amount that may be disbursed from the Unprogrammed Appropriations for the RMP.

The TWG-CL Secretariat shall promptly furnish the IA with a copy of the DBCC's resolution.

- 4.7 ***Disbursement.*** If the IA's request is approved by the DBCC or the President, the IA shall submit a Special Budget Request, together with the DBCC's resolution and the BTR's certification to the Department of Budget and Management (DBM), furnishing copies thereof to the members of the TWG-CL, for the release of the Special Allotment Release Order (SARO) and the corresponding Notice of Cash Allocation (NCA).

Upon receipt of the Special Budget Request, the DBCC's resolution, and the BTR's certification, the DBM shall release the SARO and Advice of Notice of Cash Allocation Issued (ANCAI) to the IA, and the NCA to the authorized government depository bank concerned. The ANCAI shall include instructions to the IA to immediately settle the claims covered by the SARO and NCA.

The IA shall observe the pertinent budgeting, accounting, and auditing rules and regulations in the disbursement of funds.

- 4.8 ***Confirmation of Payment.*** The IA shall furnish the TWG-CL and DBCC with a copy of the proof of payment to the private sector entity within five (5) business days from the date of payment.

## 5. ACCOUNTABILITY MEASURES AND DISCLOSURE

- 5.1 ***Responsibility to Report to Congress and Other Hearings.*** To ensure accountability, when an IA has used Unprogrammed Appropriations for the RMP, regardless of whether claims arising from Contingent Liabilities were due to the fault or negligence of the IA, the IA shall be required to explain the circumstances and reasons leading to the use of Unprogrammed Appropriations for the RMP and/or prepare reports for Congressional inquiries, hearings or other meetings for similar purposes.
- 5.2 ***Disclosure Requirements.*** The DBCC shall include a disclosure of IAs that have used Unprogrammed Appropriations for the RMP in its budget submission to Congress. The DBCC shall cause the inclusion of relevant details on expected disbursements from the Unprogrammed Appropriations for the RMP in the annual Fiscal Risk Statement.
- 5.3 ***Actions Against Erring Officials or Employees.*** Sections 5.1 and 5.2 of the IRR shall apply without prejudice to any administrative, civil, or criminal charges that may be filed against erring officials or employees.

## 6. REPORTING AND MONITORING

- 6.1 ***Duty to Submit Documents; Recording.*** Upon the execution of a PPP Contract, the IA shall submit to the TWG-CL Secretariat certified true copies of such PPP Contract, the CMRMP, and other relevant documents, including guarantee agreements or performance undertakings, as may be applicable. The TWG-CL Secretariat shall check the completeness of the IA's submission, and maintain a complete record of all submitted documents, including copies of reports on material changes and updated CMRMPs required in Sections 6.2 and 6.3.

- 6.2 ***Duty to Report Material Changes.*** If, at any time, the IA becomes aware of a material change in circumstances or an event that significantly increases the likelihood of claims arising from Contingent Liabilities, the IA shall promptly submit to the TWG-CL Secretariat a report detailing the change in circumstances or event, the estimated cost of the Contingent Liabilities, and details of all remedial and mitigating actions that were taken by the IA. The TWG-CL Secretariat shall furnish copies of the report to the members of the TWG-CL.
- 6.3 ***Duty to Update CMRMP.*** Within ten (10) business days from the close of every quarter, the IA shall submit an updated CMRMP to the PPP Center for each of its PPP Projects. The updated CMRMP must include information on the PPP Project's status, likelihood of claims arising from Contingent Liabilities (i.e., low, medium, or high), and estimated amounts based on the computations set for this purpose. Within fifteen (15) business days from the close of every quarter, the PPP Center shall furnish copies of the updated CMRMPs to the TWG-CL Secretariat and submit to all members of the TWG-CL a list of PPP Projects which do not have updated CMRMPs.
- 6.4 ***Duty to Estimate Contingent Liabilities.*** The TWG-CL Secretariat shall periodically calculate the estimated cost of Contingent Liabilities. As may be necessary, it may require additional information on Contingent Liabilities from an IA.

## 7. FINAL PROVISIONS

- 7.1 ***Resolution of Related Issues.*** Any clarification as to the applicability of the IRR shall be referred to the DBCC, through the TWG-CL.
- 7.2 ***Applicability.*** The IRR shall apply for as long as the GAA for succeeding fiscal years appropriate an amount for the government's RMP to cover commitments made by, and obligations of, the National Government in agreements covering PPP projects, pursuant to the relevant provision in the GAA, or unless otherwise revoked by the DBCC.
- 7.3 ***Revisions.*** The DBCC may revise the IRR as it deems necessary for the implementation of the RMP, and after consultation by the TWG-CL with affected stakeholders.
- 7.4 ***Separability Clause.*** If any provision of the IRR is declared unconstitutional, the same shall not affect the validity or legality of the other provisions.
- 7.5 ***Effectivity.*** The IRR shall take effect immediately.

**SALVADOR C. MEDIALDEA**

Executive Secretary  
Member

**ERNESTO M. PERNIA**

Secretary for Socioeconomic Planning  
Member

**CARLOS G. DOMINGUEZ**

Secretary of Finance  
Vice Chairperson

**BENJAMIN E. DIOKNO**

Secretary of Budget and Management  
Chairperson