



Left to Right: Korean Engineering and Construction (KEC) Managing Director Jaeho Lee, KEC Executive Vice President Duck Kim Chang, Davao City Acting Assistant City Planning and Development Coordinator Froilan Rigor and NEDA XI RD Maria Lourdes D. Lim, CESO II

## **NEDA XI Briefs Korean Investors on Undertaking Public-Private Partnership (PPP) Projects**

***(Davao City, 15 July 2016).*** The Korean Engineering and Construction (KEC) headed by its Executive Vice President Duck Kim Chang together with Acting Davao City Assistant City Planning and Development Coordinator Froilan Rigor met with NEDA XI Regional Director Maria Lourdes D. Lim, CESO II on 15 July 2015 at the NEDA-RDC XI Board Room. During the said meeting, the KEC was briefed on the salient provisions of the Philippine BOT Law (RA 7718) specifically on the conditions for unsolicited proposals. Director Lim likewise explained the process for approval of project proposals for purely Government funded projects and those for Public-Private Partnership (PPP).

It was emphasized during said meeting that prior to submission of project proposals to the PPP Center or to the NEDA Board-Investment Coordination Committee (ICC) Secretariat, the proponent government entity (agency or local government unit) should have undertaken a thorough evaluation of the proposal as part of its due diligence. This is to ensure that all information and assumptions are valid and that appropriate consultations with stakeholders have been conducted.

Mr. Chang expressed his appreciation for the assistance provided by NEDA XI. He said that the meeting made them understand the processes implemented by the Philippine Government.

In addition, Director Lim advised Engineer Rigor to ensure that priority projects of the City Government of Davao should be included in the City's Local Development Investment Program, as well as, in the Comprehensive Land Use Plan (CLUP) since these are the major references by the Regional Development Council (RDC) in reviewing and endorsing projects to the NEDA Board-ICC.

On another note, Engineer Froilan informed Director Lim that the Davao City PPP Board issued PPP Board Resolution No. 02-16 on 28 January 2016, resolving that the PPP Board of Davao City return to the KEC its unsolicited proposal for a Davao Light Rail Transit (LRT), due to the government equity restrictions for unsolicited proposals in

Section 10 of the BOT Law, and for the KEC to reconsider alternative financial schemes for the proposed LRT project.

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(Emily Jeanette R. Salvado, NEDA XI)