

ULAP'S STATEMENT OF SUPPORT FOR THE ENACTMENT OF THE PUBLIC-PRIVATE PARTNERSHIP ACT

The Union of Local Authorities of the Philippines (ULAP), in recognizing the tremendous strides of local government units (LGUs) to carry out the responsibilities devolved by the 1991 Local Government Code, the constitutionally acknowledged importance of private sectors in fostering national growth and development, and the call of His Excellency Ferdinand Marcos for more public-private-partnership (PPP) projects for the country's economic resurgence, fully supports the enactment of the Public-Private Partnership (PPP) Act.

With its promise of setting an enabling environment that will foster the growth of public-private partnerships, the PPP Act aims to strengthen the government's ability to partner with the private sector to build, operate, and maintain infrastructure and development projects usually funded and undertaken by the government.

ULAP supports the enactment of said PPP Act and shall proactively participate in the legislative mills and in the development of the subsequent Implementing Rules and Regulations to represent the best interests of its member leagues and the local government units.

In pursuing this development strategy, LGUs can co-develop with the private sector more and better expressways, roads, bridges, subways, monorails, power generation, socialized housing, health care, traffic management systems, solid waste management systems, waste-to-energy projects, tunneling projects, township development, water treatment and distribution, and information technology, among others, all aimed at building a better quality of life for all.

To this end, ULAP supports the policy that "regardless of project cost, local PPP projects shall be approved by the local Sanggunians in the case of LGUs, or by the boards in the case of local universities and colleges (LUCs) and that prior to approval, local PPP projects implemented by LGUs shall be confirmed by the respective local development council."

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However, local PPP projects affecting national development or master plans and national projects shall secure the endorsement of the national government through the respective RDCs, prior to approval by the local Sanggunians in the case of LGUs, or by the boards in the case of LUCs to ensure alignment of plans and projects between the national and local governments.

ULAP likewise supports the proposed policy that "proposed Government Undertakings using national government funds for Local PPP Projects (including, among others,: (i) Guarantees on Demand, (ii) Guarantees on Private Sector Return, (iii) Guarantees on Loan Repayment; (iv) Viability Gap Funding and other forms of Subsidy; (v) payment of Contingent Liability, including Termination Payments) shall be submitted to the ICC-NEDA for approval, upon review and endorsement by the respective RDCs and the disapproval of said Government Undertaking shall not be construed as a disapproval of the local PPP project.

Finally, ULAP, as part of its continuing promotion of PPPs at the local level, calls for the sector-specific technical assistance and capacity building to ensure equitable capacity among LGUs to access potential PPP investments and for the private sector to invest in local PPP projects for local and national development.

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ULAP is the umbrella organization of all leagues of local government units and local government officials in country, serving as the focal representative and mouthpiece of the subnational government in all policy and program platforms to amplify our unified advocacy towards the strengthening of LGUs into able partners in nation-building.

Learn more at <u>www.ulap.net.ph</u>.

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