

Annex 8: PTC Forms

PTC Form 1: Proposed General Parameters, Terms, and Conditions

Legal Bases: Section 7(c) of the PPP Code, and Section 30 of its IRR

Objective: To establish the parameters, terms, and conditions (PTCs) of the proposed PPP project to be set forth by the Approving Body

- Instructions:
- 1. In column G of the matrix below, provide sufficient details of the proposed PTC to the extent that it will aid the decision of the Approving Body.
 - 2. In case a listed PTC does not apply to the project concerned, indicate "Not applicable" in column G of the matrix below.
 - 3. Details of the PTCs provided in the matrix below must be consistent with the financial model and the draft contract.
 - 4. The IA shall answer all PTC Forms and each of its questions squarely and clearly.
 - 5. References to external documents must not be made except for references to laws, rules, guidelines, issuances and other similar documents.

Official Project Name

1. Proposed PTCs for the proposed PPP project

Group No.	Item No.	PTCs			Describe the proposed PTC to the extent that will aid the detailed evaluation of the IA
1	1.1	Scope of the project	Construction	What assets shall be constructed?	
	1.2		Supply	What assets shall be supplied?	
	1.3		Operation	Shall operation be part of the scope? If yes, what operation activities are included?	
	1.4		Maintenance	Shall maintenance be part of the scope? If yes, what maintenance activities are included?	
	1.5		Capacity augmentation/expansion/extension	Shall capacity augmentation/expansion of the system, or extension of alignment be part of the scope? If yes, what augmentation/expansion/extension activities are included?	
	1.6		Financing	Which elements shall be financed by the private sector?	
	1.7			What is the maximum Debt-to-Equity ratio allowed for this project?	
2	2.1	Estimated Project Cost	Estimated Project Cost as defined in the PPP Code and its IRR	What is the estimated project cost?	
3	3.1	Contractual arrangement	Contractual arrangement	What shall be the contractual arrangement of the project?	
4	4.1	Term	Contract duration	How long shall the contract be in effect?	
	4.2		Contract effectivity	When shall the contract be effective?	
5	5.1	Bid Parameter	Bid parameter	What is the proposed bid parameter for the project?	

Group No.	Item No.	PTCs			Describe the proposed PTC to the extent that will aid the detailed evaluation of the IA
6	6.1	General performance standards and targets	Capacity	What shall be the required capacity of the project? E.g., No. of passengers per year (for airport), or no. of patients per day (for hospital project)	
	6.2		Quality performance specifications	What shall be the performance standards and targets for: a) environmental quality b) natural and cultural resources sustainability c) climate change and hazards, and environmental considerations d) equity in development benefits, including GEDSI e) health and safety f) service quality g) asset quality h) safeguards that will protect the interests of the government and the public	
	6.3		Other performance specifications	What are the other performance specifications of the project?	
7	7.1	Obligations related to construction & supply of assets	Delivery of project site/right-of-way (ROW)	What government assistance needed for securing project site/ROW?	
	7.2			If an unsolicited project, how shall the implementing agency be compensated?	
	7.3		Assets to be constructed/supplied by the private proponent	Of the total assets to be constructed (see Item No. 1.1 above), what assets shall be constructed by the private proponent?	
	7.4			Of the total assets to be supplied (see Item No. 1.2 above), what assets shall be supplied by the private proponent?	
	7.5		Assets to be provided by the implementing agency	What assets shall be supplied by the implementing agency?	
	7.6			If an unsolicited project, how shall the implementing agency be compensated?	
	7.7			Under what conditions will the transfer of the asset occur? (e.g., as-is-where is basis)	
	7.8		Assets to be constructed/supplied by the incorporated JV	Which assets shall be provided/constructed by the Incorporated JV?	
	7.9		Failure to meet obligations	What are the consequences/penalties for failure to meet obligations related to supply of assets by the implementing agency?	
	7.10			What are the consequences/penalties for failure to meet obligations related to construction / supply of assets by the private proponent?	
8	8.1	Obligations related to operation	Assignment of responsibility for operations	Of the operations in Item No. 1.3, which shall be under the private proponent's responsibility?	
	8.2			Shall the above include commercial operations? If yes, what shall be allowed?	
	8.3			Of the operations in Item No. 1.3, which shall be under the implementing agency's responsibility?	
	8.4		Failure to meet obligations	What are the consequences/penalties for failure to meet obligations related to operations by the private proponent?	

Group No.	Item No.	PTCs			Describe the proposed PTC to the extent that will aid the detailed evaluation of the IA
9	9.1	Revenues going to the private proponent	Tariffs paid by users	What Tariffs will be charged for the project?	
	9.2			How much shall be the Tariffs at the start of operation?	
	9.3			What shall trigger the adjustment of Tariffs?	
	9.4			What shall be the formula for the adjustment of Tariffs?	
	9.5		Payments coming from the agency	Are there payments coming from the government (e.g. availability payments, milestone payments, amortization payment)? If yes, ensure that details are provided in PTC Form 2.	
	9.6		Other sources of revenues	What other sources of revenues will be available to the private proponent?	
10	10.1	Revenues going to the implementing agency	Share in project revenues	Which of the project revenues shall be shared with the implementing agency?	
	10.2			How much shall be the implementing agency's share?	
	10.3		Other Payment/s to the implementing agency	Are there other payments/revenues that will accrue to the implementing agency?	
	10.4			What is the schedule of the payments to be made by the private proponent (amount of each payment, due date)?	
11	11.1	Transfer at the end of the contract	Assets to be transferred	What assets shall be transferred to the implementing agency?	
	11.2			What shall be the required condition of the assets when transferred to the implementing agency?	
	11.3			Who shall shoulder costs related to transfer of assets to the implementing agency?	
12	12.1	Public bidding process and comparative challenge process	Manner and period of the public bidding process or comparative challenge process	How shall the public bidding process or comparative challenge process be conducted (single-stage or two-stage bidding)?	
	12.2			For unsolicited proposals, how long shall the period for the comparative challenge process be (i.e., not less than ninety (90) calendar days and not more than one (1) year)?	
13	13.1	Contract variation	Allowable variations for the project	What are the allowable variations for the project?	
	13.2		Thresholds/limitations on contract variations	What shall be the thresholds/limitations on the following variations, if allowed under Item 13.1? -Changes in the approved scope of works, decrease in the performance standards, deferment of committed service levels, or change in the contractual arrangement; -Extension in the contract term -Variation that will result in an increase in the financial liabilities of the government	

Group No.	Item No.	PTCs			Describe the proposed PTC to the extent that will aid the detailed evaluation of the IA
14	14.1	Joint Ventures	Type of JV	Will the project be undertaken through a contractual JV or a JV Company?	
	14.2		Government Undertakings	What are the Government Undertakings, including equity contribution and other allowable Government Undertakings for the JV?	
	14.3		Private proponent contribution	What will be the required equity contribution from the private proponent? What is the total amount of this contribution?	
	14.4		Profit sharing	What is the proposed profit sharing between the implementing agency and the private proponent?	
15	15.1	Other major government obligations	Other major government obligations	What other major obligations shall the government undertake for the project (e.g., assurance of no competing facilities, etc.)?	
16	16.1	Other PTCs	xxx	xxx	
	16.2		xxx	xxx	

2. Other PTCs to be threshed out in the PPP contract

a. The following PTCs shall be part of the terms of the contract, and the implementing agency is given the authority to finalize the terms during contract drafting, subject to the review of relevant authorities.

Group No.	Item No.	Parameter, term, or condition	
1	1.1	Start of concession	If a concession agreement, event that shall trigger the start of the concession.
2	2.1	Implementation milestones	Implementation milestones, including those for securing other approvals, period within which Financial Close shall be achieved by the proponent, and the project completion date.
3	3.1	Performance Security	The project shall require the following performance securities for each stage of project implementation, as applicable: a. Construction Performance Security b. Operation Performance Security c. Warranty Security d. Handback Security
	3.2		For each security, the contract shall identify the form, which may be any or a combination of the following: a. Cash b. Bank draft or guarantee confirmed by a local bank (in the case of foreign bidders bonded by a foreign bank) c. Letter of credit issued by a reputable bank d. Surety bond callable on demand issued by the GSIS or by surety or insurance companies duly accredited by the office of the Insurance Commissioner
	3.3		The amount of each security to be set by the agency.
4	4.1	Contingent Liabilities	Contingent liabilities to be assumed by the government for the project as listed in PTC Form 4, including all other contingent liabilities to be assumed by the government that are present in the project but not covered in PTC Form 4, shall be transparent in the contract and shall contain the following information, as applicable: a. Specific risk events that would trigger such liabilities b. The probability or likelihood that such risks will occur c. A condition to negotiate a remedy or cure for a risk event d. A term for curing period e. The manner of compensation for the economic impact on the Project Proponent, if compensation is financial f. The method or principle of calculation of financial compensation g. The materiality threshold h. The cap on compensation i. A condition to include step-in rights j. Parameters for payments if terminated

5	5.1	Obligations related to construction & supply of assets	Procedure for handover of project site/right-of-way (ROW)
	5.2		Representatives of parties in the group that will monitor the progress of construction
	5.3		Roles and responsibilities of the representatives from each party
	5.4		Condition of the assets that will be handed over by the agency to the proponent
	5.5	Obligations related to operation	Representatives of parties in the group that will monitor the performance during operation
	5.6		Roles and responsibilities of the representatives from each party
6	6.1	Revenues going to the agency	Accounting for fees, tolls, charges paid by users collected by the proponent on behalf of the agency
	6.2		Procedures for remittance of such fees, tolls, charges paid by users to the agency
	6.3		Accounting for revenues that shall be shared by the proponent with the agency, if any
	6.4		Procedures for remittance of such revenues to the agency
	6.5		Accounting for government share in the upside, if such revenues be shared with the government
	6.6		Procedures for remittance of such revenues to the agency
7	7.1	Other obligations of the parties	Acceptance tests and procedures
	7.2		Kinds of assistance needed from agency, if any
	7.3		Compensation for providing such assistance, if such assistance shall be compensated
	7.4		For contingent liabilities arising from risks:
	7.5		a. Private proponent's compensation for contingent liabilities
	7.6		b. Source of fund in case of monetary payments of contingent liabilities
	7.7		c. If the agency shall avail of the PPP Risk Management Fund
	7.8		Loan or financing documents that will be executed by proponent with its lender for the project
	7.9		Manner by which the private partner discloses its loan or financing documents to the agency
8	8.1	Lock-in period or the holding conditions for the proponent	Lock-in period or the holding conditions which the proponent cannot sell the ownership, rights, or interest in the PPP project, if applicable
9	9.1	Insurance	Minimum risk insurance coverage as may be required for the project, such as Contractors' all risk, motor vehicle, workforce's compensation, third party liability, force majeure, or comprehensive general liability insurance, as may be applicable.

10	10.1	Lender step-in rights	Conditions and procedures for lender step-in rights
11	11.1	Permitted security interest	Conditions for acceptable permitted security interest
12	12.1	Resolution of corruption	Manner and procedures for resolution of corruption
13	13.1	Applicable laws, rules, and regulations	Compliance with applicable laws, rules, and regulations
14	14.1	Dispute avoidance and Alternative Dispute Resolution (ADR) mechanisms	Use of dispute avoidance and Alternative Dispute Resolution (ADR) mechanisms pursuant to RA No. 9285 or the "Alternative Dispute Resolution Act of 2004"
15	15.1	Ownership and retention of patents, technology and consultant reports	Manner and procedures for ownership and retention of patents, technology and consultant reports
16	16.1	Contract termination	Termination Payment Formula formulated in accordance with the guidelines issued by the PPPGB a. implementing agency b. private proponent c. Force majeure and other no-fault termination events d. Other termination events
	16.2		Events of contract termination for the: a. Agency b. Proponent c. Force majeure and other no-fault termination events d. Other termination events
	16.3		Other provisions related to events that may lead to Termination including the following: a. remedies, curing periods b. lender step-in rights c. remittance procedures, default d. written notice requirements

b. In accordance with relevant laws/issuances, the submission of the document below shall be required, as applicable, on the deadline prescribed by the Approving Body.

Group No.	Item No.	Parameter, term, or condition	
1	1.1	Environmental Impact Statement (EIS)/	The proponent shall secure other necessary approvals such as environmental clearances from the DENR. The ICC Project Evaluation Procedures and Guidelines requires to ensure that the project does not adversely affect the environment and/or that appropriate measures are taken to protect the environment.
	1.2	Environmental Compliance Certificate/ Certificate of Non-Coverage	For environmentally critical projects or projects located in environmentally critical area, the Environmental Compliance Certificate (ECC) shall be <u>a condition precedent to construction start</u> For non-environmentally critical projects or projects that are not located in environmentally critical areas, the Certificate of Non- Coverage (CNC) shall be obtained and submitted <u>prior to the implementation of the project.</u>

Annex 8: PTC Forms

PTC Form 2: Government Undertakings, and Other Financial Obligations of the Government

Legal Bases: Sections 3(gg), 7(a)(1)(ii)(5), 10(c), and 11(b) of the PPP Code, and Sections 4(fff), 24.4(e), 50, and 103(c)(iii) of its IRR

- Objectives: 1) To establish whether the proposed government undertakings are compliant and within the allowable thresholds indicated in the above legal bases
- 2) To disclose other financial obligations of the government for the project

Official Project Name

Solicited or Unsolicited project? (Solicited/Unsolicited)

Joint Venture (JV) project? (Yes/No)

National or local project? (National/Local)

1. Government undertakings (GU)

a. List all GUs proposed for the project and the estimated value of each GU (sorted by type of GU)

Type of GU (refer to Section 4 of its IRR for the definition of each type)	Specific details of the proposed GU	Specify type of GU in the form of a Subsidy, or a contribution to a JV	Value of each GU	Source/reference for the indicated value of the GU ¹	Nature of compensation	Value of compensation for each GU to be paid by the proponent to the government ²	Net estimated value of Subsidy
1 ---		---					0.00
2 ---		---					0.00
3 ---		---					0.00
4 ---		---					0.00
5 ---		---					0.00
6 ---		---					0.00
7 ---		---					0.00
8 ---		---					0.00
9 ---		---					0.00
10 ---		---					0.00
Total			0.00			0.00	

¹ Corresponding source/reference documents for the indicated value of the GU must be included in the submission

² Section 10(c) of the PPP Code, and Section 50 of its IRR, provide that payment of ROW related costs and contribution of assets, properties, and rights may be allowed in unsolicited proposals if the government receives appropriate compensation, which shall in no way be lower than the value of the costs of ROW to be acquired and the usufruct of assets, properties, and rights contributed

b.i. FOR NON-JV PROJECTS: Assessment on whether the total value of Subsidy does not exceed the threshold set under Section 3(gg) of the PPP Code, and Section 4(fff) of its IRR

Item	Amount
Total Project Cost	
Threshold for Subsidy falling under types 1 and 2 (50% of total project cost) ³	0.00
Total Estimated Value of Subsidy falling under types 1 and 2	0.00
Less: Value of Compensation of Subsidy falling under types 1 and 2, if any	0.00
Net Estimated Value of Subsidy	0.00
% to Total Project Cost	#DIV/0!

³ Section 3(gg) of the PPP Code, and Section 4(fff) of its IRR, provides that subsidy falling under items 1 and 2 in the same sections shall not exceed fifty percent (50%) of the Project Cost

b.ii. FOR JV PROJECTS: Assessment on whether the total value of the implementing agency (IA)'s equity contribution, including contribution of assets, properties, and rights, and other allowable GUs do not exceed the set threshold under Section 11(b) of the PPP Code and Section 103(c)(iii) of its IRR

Item	Amount
Total Project Cost (for contractual JV) / Outstanding Capital Stock (for JV company)	
Threshold for IA's contribution in the JV in the form of equity contributions and other allowable government undertakings⁴	0.00
Total Estimated Value of IA's contribution in the JV in the form of equity contributions and other allowable government undertakings	0.00
% to Total Project Cost	#DIV/0!

⁴ Section 11(b) of the PPP Code, and Section 103(c)(iii) of its IRR, provides that the total value of IA's equity contribution, including contribution of assets, properties, and rights, and other allowable GUs shall not exceed 50% of the Project Cost (for contractual JV) or 50% of outstanding capital stock (for JV company)

b.iii. FOR NATIONAL JV PROJECTS: Assessment on whether the total value of the IA's equity contribution, including contribution of assets, properties, and rights, and other allowable GUs, exceeds the set threshold for ICC approval under Section 7(a)(1)(ii)(5) of the PPP Code and Section 24.4(e) of its IRR

Item	Amount
IA's asset position	
As of 2023	
As of 2022	
As of 2021	
Latest audited financial statement	
Threshold for IA's contribution in the JV⁵	0.00
Total Estimated Value of IA's contribution in the JV	0.00
% to IA's asset position as of the latest audited financial statements	0%

⁵ Section 24.4(e) of the PPP Code IRR provides that if the contribution of an IA exceeds 50% of its entire assets, based on either the average of its values for the last three (3) years or the latest audited financial statement, whichever is lower, the proposed National PPP Project shall be approved by the ICC.

2. Other Financial Obligations of the Government

Type of financial obligation ⁶	Description	Mode of payment	Total Nominal Amount (in PhP)	Source/s of funding	Schedule (Month/Year)	Amount to be paid on scheduled payment
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total			0.00			0.00

⁶ Financial obligations of the government include Availability payments, Amortization payments after construction of the infrastructure under BT, BTO & BGTOM arrangements, Lease payments under BLT arrangements, Share in the cost of an independent consultant, Cost of acquiring and delivering the right of way, Construction works or cost of construction works assumed by the IA, Capex costs assumed by the IA, among others.

Annex 8: PTC Forms
PTC Form 3: Proposed Risk Allocation and Risk Mitigation Plan

Legal Bases: Section 7(b) of the PPP Code and Section 28(k), and 55(c) of its IRR

Objective: 1) To identify the proposed risk allocation between the private proponent and the government
2) To identify the probability of risks, mitigating measures, and estimated costs

Official Project Name

1. Proposed Risk Allocation of Risks Identified in GPRAM and the Corresponding Contingent Liabilities (CLs) of the Government

Item No.	Type of Risk	Details of the risk	As per GPRAM issued Aug. 2016, who should take the risk ? G - gov't P - proponent P&G - gov't & proponent	For the Project, who shall take the risk? G - gov't P - proponent P&G - gov't and proponent	Details of the position on each risk including key risk factors and justifications for risk allocations deviating from GPRAM	For risks that will be assumed by the GOVERNMENT						
						Who shall assume the risk within the government? (Implementing Agency or National Government)	Probability that such risk will occur	Will this risk expose the government to fiscal or financial obligations (CLs)? (if yes, answer succeeding columns)	Specific risk event that would trigger a CL	Risk mitigating measure/ appropriate action plan to manage each type of risk	Estimated cost in implementing the risk mitigating measure	Target dates to have each measure in place
1	Existing structure and assets (refurbishment / extensions)	Risk that existing structures (e.g., buildings, rail lines) and other assets (e.g., computer systems) are inadequate to support new improvements or structures / activities subject of or involved in PPP contract, resulting in additional construction, time, and cost that may be necessary to replace, strengthen, or improve the existing structures or assets to enable it to successfully support the project	P&G			---	---	---				
2	Existing facilities: Current service contracts	Uncertainties inherent in existing contracts for the delivery, upkeep or refurbishment of the asset lead to unexpected benefits or costs for the proponent and/or interface issues	P&G			---	---	---				
3	Existing facilities: Current Government employees	Risks relating to uncertainties and costs in utility of current employees and in retrenching redundant employees	G			---	---	---				
4	Geotechnical site conditions	Risk that unanticipated adverse geological conditions (geotechnical risk) are discovered which cause construction or maintenance costs to increase and/or cause construction delays	P&G			---	---	---				
5	Permits and approvals / Site preparation	Risk that necessary approvals may not be obtained or may be obtained only subject to unanticipated conditions, which have adverse cost and time consequences (e.g. prolonged delay)	P&G			---	---	---				
6	Environmental liabilities existing prior to the project	Risk that the project site is contaminated requiring significant remediation expenses	P&G			---	---	---				
7	Environmental liabilities created during operation	Risk that the use of the facility / project site over the contract term has resulted in significant environmental liabilities (clean up or rehabilitation required to make the site fit for future anticipated use)	P			---	---	---				
8	Cultural heritage	Risk of costs and delays associated with the discovery of archaeological and cultural heritage attributable directly to the Government's mandated process of conserving, protecting, regulating, and disposition of said discovery	P&G			---	---	---				
9	Availability of site	(i) Risk that tenure / access to a selected site which is not presently owned by Government or proponent cannot be negotiated (ii) Risk of costs and delays in negotiating land acquisition	P&G			---	---	---				
10	Design / Technical risk	Risk that the design of the facility is substandard, unsafe, or incapable of delivering the services at anticipated cost and specified level of service (often resulting in long term increase in recurrent costs and long term inadequacy of service)	P&G			---	---	---				
11	Interconnectivity risk	Interconnectivity refers to the physical linkage of a project to another or to part of a network	P&G			---	---	---				

Item No.	Type of Risk	Details of the risk	As per GPRAM issued Aug. 2016, who should take the risk ? G - gov't P - proponent P&G - gov't & proponent	For the Project, who shall take the risk? G - gov't P - proponent P&G - gov't and proponent	Details of the position on each risk including key risk factors and justifications for risk allocations deviating from GPRAM	Who shall assume the risk within the government? (Implementing Agency or National Government)	Probability that such risk will occur	Will this risk expose the government to fiscal or financial obligations (CLs)? (if yes, answer succeeding columns)	Specific risk event that would trigger a CL	Risk mitigating measure/ appropriate action plan to manage each type of risk	Estimated cost in implementing the risk mitigating measure	Target dates to have each measure in place
12	Inter-operability risk	Interoperability risk refers to the risks associated with achieving clear and efficient operational arrangements with other facility operator/s which have to be considered in the project design and operation system requirements	P&G			---	---	---				
13	Construction	Risk that events occur during construction that prevent the facility from being delivered on time and on cost	P			---	---	---				
14	Commissioning	Risk that either the physical or the operational commissioning tests which are required to be completed for the provision of services to commence, cannot be successfully completed	P			---	---	---				
15	Interest rates prior to construction completion	Risk that prior to completion, interest rates may move adversely	P			---	---	---				
16	Interest rates post-completion of construction	Risk that after completion, interest rates may move adversely	P			---	---	---				
17	Exchange rate	Risk that during operation, exchange rates may move adversely, affecting the proponent's ability to service foreign denominated debt and obtain its expected profit	P			---	---	---				
18	Inflation	Risk that value of payments received during the term is eroded by inflation	P&G			---	---	---				
19	Financing unavailable	Risk that when debt and/or equity is required by the private firm for the project, it is not available then and in the amounts and on the conditions anticipated	P			---	---	---				
20	Sponsor risk	Risk that the proponent is unable to provide the required services or becomes insolvent	G			---	---	---				
21	Change in ownership	Risk that a change in ownership or control of the proponent results in a weakening in its financial standing or support or other detriment to the project	P&G			---	---	---				
22	Tax changes	Risk that before or after completion, the tax impost on the proponent, its assets or on the project, will change	P&G			---	---	---				
23	Lessee risk	Risk that the major critical assets necessary for the operational stage of the project are acquired through leases and that the proponent defaults on those lease obligations. This leads to the assets being foreclosed and the operations of the project being interrupted	P			---	---	---				
24	Inputs / Operating cost overrun	Risk that required inputs during the operations stage cost more than anticipated, are of inadequate quality or are unavailable in required quantities	P			---	---	---				
25	Maintenance and refurbishment	Risk that design and/or construction quality is inadequate resulting in higher than anticipated maintenance and refurbishment costs	P			---	---	---				
26	Changes in output specification outside agreed specification range (including modifications and augmentations)	<p>Risk that Government's output requirements are changed after contract signing whether pre or post commissioning</p> <p>Change prior to commissioning may require a design change with capital cost consequences depending on the significance of the change and its proximity to completion</p> <p>Change after completion may have a capital cost consequence or a change in recurrent cost only (for example, where an increase in output requirements can be accommodated within existing facility capacity)</p>	P&G			---	---	---				

Item No.	Type of Risk	Details of the risk	As per GPRAM issued Aug. 2016, who should take the risk ? G - gov't P - proponent P&G - gov't & proponent	For the Project, who shall take the risk? G - gov't P - proponent P&G - gov't and proponent	Details of the position on each risk including key risk factors and justifications for risk allocations deviating from GPRAM	Who shall assume the risk within the government? (Implementing Agency or National Government)	Probability that such risk will occur	Will this risk expose the government to fiscal or financial obligations (CLs)? (if yes, answer succeeding columns)	Specific risk event that would trigger a CL	Risk mitigating measure/ appropriate action plan to manage each type of risk	Estimated cost in implementing the risk mitigating measure	Target dates to have each measure in place
27	Operator failure / shortfall in service quality	Risk that a subcontract operator may fail financially or may fail to provide contracted services to specification (Failure may lead to service unavailability and a need to make alternate delivery arrangements with corresponding cost consequences)	P			---	---	---				
28	Technical obsolescence or innovation	Risk that the nature of the contracted service or its method of delivery is not keeping pace, from a technological perspective, with competition and/or public requirements Proponent's revenue may fall below projections either via loss of demand (user pays model) to competing services and/or operating costs increasing Government may wish to change specifications of contracted service	P&G			---	---	---				
29	Third party liability	Risk that third parties file suits or claim damages against Government for faults of the proponent and vice versa	P&G			---	---	---				
30	Demand risk	Risk that operating revenues fall below forecast as a result of decrease service volume (i.e., traffic volume, water or power consumption) attributable to an economic downturn, competition in the relevant market tariff increases, or change in consumer habits	P&G			---	---	---				
31	Changes in competitive network	Risk that an existing network is extended / changed / re-priced so as to increase competition for the facility	P			---	---	---				
32	Ancillary commercial businesses	Risk that ancillary commercial business operations adversely impact the proponent's fulfillment of PPP contractual obligations and/or pose additional exposures for Government	P			---	---	---				
33	Industrial relations	Risk of strikes or industrial action causing delay and cost to the project	P			---	---	---				
34	Approvals	Risk that additional necessary approvals required during the course of the project cannot be obtained	P&G			---	---	---				
35	Changes in Law / Policy	Risk of a change in law / policy of Government only, which could not be anticipated at contract signing and which has adverse effects on revenues, capital expenditure or operating cost of the proponent	P&G			---	---	---				
36	Economic Regulation	Risk that where there is a statutory economic regulator involved there are pricing or other changes imposed on the proponent which do not reflect its investment expectations	G			---	---	---				

Item No.	Type of Risk	Details of the risk	As per GPRAM issued Aug. 2016, who should take the risk ? G - gov't P - proponent P&G - gov't & proponent	For the Project, who shall take the risk? G - gov't P - proponent P&G - gov't and proponent	Details of the position on each risk including key risk factors and justifications for risk allocations deviating from GPRAM	Who shall assume the risk within the government? (Implementing Agency or National Government)	Probability that such risk will occur	Will this risk expose the government to fiscal or financial obligations (CLs)? (if yes, answer succeeding columns)	Specific risk event that would trigger a CL	Risk mitigating measure/ appropriate action plan to manage each type of risk	Estimated cost in implementing the risk mitigating measure	Target dates to have each measure in place
37	Availability of Government Appropriations	Risk in delays in Government contractual payments to the proponent arising from unavailability of Government budgetary appropriations	G			---	---	---				
38	Changes in statutory rates of general application	Risk of changes in minimum wages and other regulated rates of general application affecting the proponent	P			---	---	---				
39	Force majeure risk	Risk that inability to meet contracted service delivery (pre or post completion) is caused by reason of force majeure events	P&G			---	---	---				
40	Default and termination	Risk of 'loss' of provision by the proponent of contracted services upon the premature termination of project contract	P&G			---	---	---				
41	Residual value on transfer to Government	Risk that on expiry or earlier termination of the services contract the asset is not in the required condition term	P			---	---	---				

2. Proposed Risk Allocation of other Risks Identified and the Corresponding Contingent Liabilities (CLs) of the Government

					For risks that will be assumed by the GOVERNMENT						
Item No.	Type of Risk	Details of the risk	For the Project, who shall take the risk? G - gov't P - proponent P&G - gov't and proponent	Details of the position on each risk	Who shall assume the risk within the government? (Agency/LGU or National Government)	Probability that such risk will occur	Will this risk expose the government to fiscal or financial obligations (CLs)? (if yes, answer succeeding columns)	Specific risk event that would trigger a CL	Risk mitigating measure/ appropriate action plan to manage each type of risk	Estimated cost in implementing the risk mitigating measure	Target dates to have each measure in place
1	Other risk identified				---	---	---				
2	Other risk identified				---	---	---				
3	Other risk identified				---	---	---				

Annex 8: PTC Forms
PTC Form 4: Identified Interconnection and Interface Risks, and Mitigating Measures

Legal Bases: Section 30(e) of the PPP Code and Section 22 of its IRR

- Objectives 1) To identify actual and potential interconnection and interface risks between the proposed project and other government projects, if any.
2) To identify plan/measures to address all interconnection and/or interface risks between and among relevant facilities.
3) To serve as basis when crafting the Memorandum of Agreement (MOA) containing an interconnection/interface plan agreed upon by relevant parties.

Official Project Name
[Empty box]

1. Does the project have any interconnection or interface risk? [Yes] [No]

If no, there is no need to answer the table below.
If yes, provide the required details in the table below. For projects with multiple interconnection/interface issue with the proposed subject project, provide the specific details in separate rows, as needed.
a. If the proposed subject project or a significant part thereof has an interconnection/interface risks that fall under any of the following conditions, fill-out the table below:
i. The proposed subject project or a significant part thereof has the same alignment or site with the other project/s
ii. The proposed subject project or a significant part thereof has the same catchment area with the other project/s
iii. The proposed subject project caters to affected markets or groups such that it may negatively affect the economic benefits, demand, and/or financial viability of the other project/s

Table with 7 columns: Project name, Type of facility, Status, Concerned entity/ies of the relevant facility, Nature of the interconnection/ interface, Specific details of the interconnection and/or interface, What is the proposed plan to address the identified interconnection or interface?
5 rows of empty data fields.

b. If the proposed subject project or a significant part thereof has interconnection/interface risks that do not fall under the conditions provided in (a) above, fill-out the table below:

Table with 7 columns: Project name, Type of facility, Status, Concerned entity/ies of the relevant facility, Nature of the interconnection/ interface, Specific details of the interconnection and/or interface, What is the proposed plan to address the identified interconnection or interface?
5 rows of empty data fields.

Annex 8: PTC Forms

PTC Form 5: Mandatory Provisions in the Draft PPP Contract

For unsolicited proposals

Legal bases: See column "PPP Code/IRR Section" (Column D) of the table below.

Objectives: To ensure that mandatory provisions in a PPP contract, pursuant to the PPP Code and its IRR, are included in the submitted draft contract

Official Project Name

No.	Provisions that are explicitly required to be included in the draft contract	PPP Code/ IRR Section	Identify the section/s in the draft contract that pertains to the provision
1	Specific contractual arrangement, term, and scope of work	Section 84, PPP Code IRR	
2	Minimum performance standards and specification	Section 84, PPP Code IRR	
3	KPIs, targets, and procedures for measuring and reporting results, including dimensions of gender equality, disability and social inclusions (GEDSI)	Section 84, PPP Code IRR	
4	Implementation of milestones, including those for securing other approvals, period within which Financial Close shall be achieved by the Private Partner, and the project completion date <i>Failure to achieve Financial Close within such period, without the fault of the government, shall subject the Private partner to penalties under the signed PPP Contract.</i>	Section 84, PPP Code IRR	
5	Cost recovery scheme via proposed Tariff, as the case may be	Section 84, PPP Code IRR	
6	Obligation of the Private Partner to disclose loan or financing documents, as required under the PPP Code IRR	Section 84, PPP Code IRR	
7	Liquidated damages as contemplated under the PPP Code IRR	Section 84, PPP Code IRR	
8	Performance security requirements, including their validity and top-up mechanism procedures, contemplated under the PPP Code IRR	Section 84, PPP Code IRR	
9	Minimum insurance coverage as may be required for the project, such as Contractors' all risk, motor vehicle, workforce's compensation, third party liability, force majeure, or comprehensive general liability insurance, as may be applicable	Section 84, PPP Code IRR	
10	Acceptance tests and procedures	Section 84, PPP Code IRR	
11	Warranty period and procedures (after transfer) and warranty security	Section 84, PPP Code IRR	
12	Lock-in conditions, as applicable	Section 84, PPP Code IRR	
13	Grounds for contract termination, including events of default, and effects of contract termination, including formula for Termination Payment, and manner and timeline of payment	Section 84, PPP Code IRR	
14	Conditions and procedures for lender step-in rights	Section 84, PPP Code IRR	
15	Conditions for acceptable permitted security interest	Section 84, PPP Code IRR	
16	The manner and procedures for the resolution of corruption	Section 84, PPP Code IRR	
17	Wind-up and transfer measures pursuant to Section 22 of the Code	Section 84, PPP Code IRR	
18	Compliance with all other applicable laws, rules, and regulation	Section 84, PPP Code IRR	
19	Total cost of the project, project specifications, and features	Section 84, PPP Code IRR	
20	Gender, social, disability, and environment safeguards	Section 84, PPP Code IRR	

No.	Provisions that are explicitly required to be included in the draft contract	PPP Code/ IRR Section	Identify the section/s in the draft contract that pertains to the provision
21	Provisions on the use of dispute avoidance and Alternative Dispute Resolution (ADR) mechanisms pursuant to RA No. 9285, or the “Alternative Dispute Resolution Act of 2004” <i>The contracting parties shall be given complete freedom to choose which ADR mechanisms to be followed, subject to applicable laws, rules, and regulations.</i>	Section 84, PPP Code IRR	
22	Ownership or retention of patents, technology, and consultant reports	Section 84, PPP Code IRR	
23	Monitoring, evaluation and reporting scheme/plan for all safeguard-related mandatory provisions of the PPP Contract	Section 84, PPP Code IRR	
24	Provision requiring the procurement of Independent Consultant by the Implementing Agency, including roles and responsibilities	Section 110, PPP Code IRR; and Section 30(a), PPP Code	
25	Applicable interest rates to be applied in PPP contracts	Section 138, PPP Code IRR	
26	Temporary or Permanent Takeover by the Government	Section 150, PPP Code IRR	
27	In case of a JV Company, dividends from the net profits proportionate to the equity contributions of the Implementing Agency and the Private Sector Partner	Section 103 c(v), PPP Code IRR; and Section 11(e), PPP Code	
28	In case of JV projects, equity contribution, including assets, properties, and rights, and other allowable government undertakings not exceeding 50% of the Project Cost for Contractual JV; or 50% of the outstanding capital stock if JV Company	Section 103 c(iii), PPP Code IRR; and Section 11 (b)(1) and (2), PPP Code	
29	In case of JV projects, veto rights of the government	Section 103 c(i), PPP Code IRR; and Section 11 (a), PPP Code	