Revised Guidelines for the Formulation, Prioritization and Monitoring of the Government's Infrastructure Flagship Projects (IFPs)

Background of List of IFPs: As contained in the 8-Point Socioeconomic Agenda of the President, the Government aims to capitalize on the gains and lessons learned from the Build, Build (BBB) program initiated by the previous administration. Promoted under the banner of "Build-Better-More", the new administration will sustain annual National Government (NG) spending on infrastructure at 5 to 6 percent of Gross Domestic Product (GDP), as projected by the NEDA Board Development Budget Coordination Committee (DBCC).

The IFPs are game-changing, transformative and urgently needed infrastructure projects of national significance that aim to showcase the overall Build-Better-More Program. The IFPs highlight the efforts of the Government in pushing the infrastructure agenda of the Administration.

Guidelines for the Formulation of the List of IFPs

- 1. <u>Rationale</u>. The Guidelines shall guide the formulation of the list of IFPs to ensure the alignment of the IFP portfolio to the priorities and strategies of the Administration as espoused in the Philippine Development Plan (PDP) 2023-2028 and 8-Point Socioeconomic Agenda of the President. The Guidelines also aims to facilitate the processing, approval, financing, funding and implementation of the identified flagship projects to ensure substantial implementation/completion by 2028.
- 2. <u>Coverage</u>. The Guidelines shall cover all Departments, Bureaus, Offices, and Agencies of the NG, including State Universities and Colleges (SUCs) and Government-Owned and/or -Controlled Corporations (GOCCs) with approved/proposed IFPs. The IFP list shall cover the following projects:
 - a. NG-funded infrastructure projects authorized in the General Appropriations Act (GAA) e.g., locally-funded, Official Development Assistance (ODA);
 - b. Public-Private Partnership (PPP) infrastructure projects in accordance with the Republic Act No. 11966 or the PPP Code of the Philippines. This may also include unsolicited proposals or projects initiated by the private sector, provided that approval from the Approving Authority has already been secured; and
 - c. Purely private infrastructure undertakings¹ that provide critical infrastructure and services, provided that the concerned/implementing private sector entities (PSEs):
 - i. secure endorsement for inclusion in the IFPs from an appropriate Implementing Agency (IA);

¹ Referring to infrastructure projects not involving any national government financing or assets and are being wholly constructed, operated, and owned by the PSE.

- ii. agree to be subjected to the regular progress reporting/monitoring mechanism set forth in Section E; and
- iii. agree that any information provided to NEDA will be made publicly available through the IFP dashboard, briefers/primers or any materials that NEDA may produce or use for promotion and dissemination purposes.

A. Inclusion of Projects in the List of IFPs

3. <u>Endorsement by the Head of Agency</u>. To ensure ownership, accountability and veracity of said proposals, all IAs shall be required to submit an endorsement/confirmation letter from their respective Heads and Heads of its Parent Agencies, as applicable.

Such endorsement/confirmation shall include a justification on its inclusion based on the parameters/criteria set forth in item 5.

- a. For NG-funded and PPP infrastructure projects, the concerned IA shall ensure the submission of its IFPs in the Public Investment Program (PIP) and the Three-Year Rolling Infrastructure Program (TRIP), if applicable², via the Public Investment Program Online (PIPOL) system; and
- b. For purely private undertakings, the endorsing IA shall be responsible for acquiring, verifying and submitting to NEDA, through its Head and the Head of its Parent Agency, as applicable, the required information from the PSE as enumerated in item 4 and other project details as may be required by the endorsing IA. All purely private-funded infrastructure should also be guided by the criteria listed in item 5, as deemed relevant.

However, it should be ensured that the endorsed purely private undertaking is within the mandate and/or the sector of the endorsing IA. Cases where multiple agencies disagree on who shall submit the purely private undertaking to NEDA and/or whether the project should be included/deleted from the list shall be elevated for decision of the NEDA Board Committee on Infrastructure (INFRACOM).

- 4. <u>Project Information.</u> The information provided by the IAs shall form the basis for the INFRACOM Secretariat processing using the criteria provided in the succeeding section. The required minimum information shall include the following:
 - a. Project title;
 - b. Implementing agency and PSE, as applicable;
 - c. Brief description, including project location;
 - d. Rationale/justification for its inclusion in the list of IFPs based on the criteria for inclusion, which shall also include the recommended objectives, goals, and desired outcomes of the Project, and its alignment with national and

² To be considered for inclusion in the TRIP, a project must be implementation-ready (either with approval from appropriate approving body [Level 1] or with project preparation document completed, for processing/approval of appropriate approving body [Level 2]).

- public sector strategic objectives including relevant development/sectoral masterplans;
- e. Total project cost, including annual and regional (if applicable) breakdowns;
- f. Fund source;
- g. Mode of implementation (legal framework);
- h. Implementation period, with groundbreaking (start of construction) and completion timelines; and
- i. Project status (completed, ongoing, approved for implementation, for government approval, under project preparation, pre-project preparation).
- 5. <u>Criteria for Inclusion in the List of IFPs</u>. The new IFP list will build on the previous list/s of IFPs and priority infrastructure projects for continuity. In the processing/selection of NG-funded projects and purely private undertakings proposed for inclusion in the new list of IFPs, the following will be considered:
 - a. Consistent with and highly contributes to national development objectives and priorities as espoused in the PDP 2023-2028, 8-Point Socioeconomic Agenda of the President, National Transport Policy, infrastructure masterplans, among others;
 - b. High impact projects costing at least PHP 2.5 billion;
 - c. All NG-funded projects proposed for inclusion in the IFP list shall be included in the PIP and/or TRIP, as applicable; and
 - d. For purely private undertakings, infrastructure must support any of the following:
 - i. Basic infrastructure needs/services; or
 - ii. Urgently-needed infrastructure that are responsive to current/ongoing national/local emergencies/states of calamity/crisis or foreseeable/recurring threats.³

B. Deletion of Projects from the IFP list

- 6. For both NG-funded and purely private undertakings, the concerned IA, through its Head and the Head of its Parent Agency, as applicable, may also request for the deletion/exclusion of a project from the current IFP list, and propose projects for inclusion in the list. The Head of Agency must submit a request to the INFRACOM citing justification/s for deletion/exclusion (e.g., issues concerning implementation readiness, viability issues, social and environmental safeguards, among others). For purely private undertakings, the PSE, cannot request for the deletion of its project, except when it will no longer pursue the project. In such cases, the PSE shall submit its request to the INFRACOM, including the justification for deletion/exclusion, through the endorsing IA.
- 7. For the following cases, the INFRACOM Secretariat may recommend delisting a project in the subsequent updating of the IFP list:
 - a. No substantial progress based on the updates submitted by the IA for a year; or

³ Such as the El Niño/La Niña Phenomena, traffic congestion in major urban areas, outbreak of disease/pandemic, and human or nature-induced calamities/disasters, among others.

- b. IA fails to include a project in its top priorities for the preparation of the annual proposed budget, as submitted to the Department of Budget and Management (DBM).
- 8. The INFRACOM Secretariat may recommend the delisting of a purely private undertaking for failure of the PSE to timely submit monitoring reports to NEDA for two consecutive quarters. Consequently, PSEs, whose private undertakings were delisted through this means, will be barred from submitting further projects for inclusion in the IFP list.

C. Updating of the List of IFPs

- 9. Updating of the IFP list shall be on a yearly basis, based on the following information:
 - a. Project status:
 - b. Changes in project timelines;
 - c. Changes on scope and objectives, if any;
 - d. Updated total project cost; and
 - e. Major bottlenecks and issues encountered, and actions taken/to be taken to address said issues.
- 10. For each updating period, deletion from/addition of projects in the IFP list may be recommended by IAs. Such recommendation shall contain the rationale/justification pursuant to item 5 for inclusion and to item 6 for deletion. The INFRACOM Secretariat may, likewise, recommend deletion of projects pursuant to item 7 above.
- 11. Projects approved by the NEDA Board Investment Coordination Committee (ICC) and finally confirmed by the NEDA Board, which are not in the current IFP list but meet the criteria indicated in these Guidelines, shall be included in the IFP list subject to endorsement/concurrence from the concerned IAs. The concerned IAs shall observe and comply with Sections A.3 and E concerning PIP/TRIP prioritization and progress monitoring, respectively.

D. Approval of the List

12. The list/updated list of IFPs, incorporating any proposed modifications thereto, shall be presented by the INFRACOM Secretariat to the INFRACOM for endorsement/approval and subsequently, to the NEDA Board for confirmation.

E. Monitoring of the IFP List and Reporting on Progress

13. The endorsement from the Head of Agency on the inclusion of new or confirmed projects for the list of IFPs shall include a commitment from the IA/PSE to provide information on the status of the IFP on a regular (i.e., monthly) basis, as will be

- required by NEDA as the lead or focal agency⁴ in monitoring the implementation of the IFPs.
- 14. For purely private undertakings, the abovementioned commitment shall include the PSE's concurrence to have the project information contained in the monitoring report it submits to NEDA to be made publicly available through the IFP dashboard, briefers/primers, or any materials that NEDA may produce or use for promotion or dissemination purposes.
- 15. Progress reports will include the issues encountered (including preparation and compliance of requisite documents for approval of projects, among others) and the actions taken/to be taken by the IA to address the issues and avoid delays in the project's timelines.
- 16. As part of the progress reporting, DBM will provide updates on the budgetary allocation of the IFPs.
- Subsequently, progress reports shall be submitted to the President/NEDA Board/INFRACOM and other oversight committees on a regular basis (i.e., quarterly).

F. Incentive Mechanism for IFPs

- 18. Anchored on a whole-of-government approach, the NG-funded projects included in the list of IFPs for the Build-Better-More Program shall be prioritized in the preparation of the annual proposed budget, evaluation, and approval to ensure timely implementation.
- 19. For NG-funded infrastructure projects, the Government shall provide adequate appropriations that will allow the concerned IAs to undertake project preparation (e.g., feasibility studies), acquire in advance the required right-of-way (ROW)/site, and implement the project. Towards this end,
 - a. The concerned IAs shall ensure top priority is accorded to the IFPs in their budget proposal to DBM; and
 - b. Additional provisions in the National Budget Call (i.e., Expenditure Management Framework and the General Guidelines, specifically for the composition of infrastructure projects and programs under the new/expanded projects and programs) shall be included by DBM.
- 20. All concerned national government agencies, including GOCCs and other government instrumentalities, as well as local government units shall streamline the processing and issuance of necessary licenses, clearances, permits, certifications or authorization in accordance with Executive Order No. 59 (s. 2024) and its Implementing Guidelines.

⁴ Pursuant to NEDA's program monitoring function in Executive Order No. 230

21. For purely private undertakings, additional incentives may be provided subject to further study by concerned agencies/inter-agency bodies pursuant to applicable laws, rules and regulations. Concerned agencies/inter-agency bodies shall notify NEDA of any additional incentive that may be granted to IFPs for promotion, information dissemination, and monitoring/reporting purposes.