MALACANANG Manila

MFN 10622

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 144

REORGANIZING AND CONVERTING THE COORDINATING COUNCIL FOR PRIVATE SECTOR PARTICIPATION (CCPSP) AND ITS TECHNICAL SECRETARIAT TO THE BUILD-OPERATE AND TRANSFER (BOT) CENTER, TRANSFERRING ITS ATTACHMENT FROM THE OFFICE OF THE PRESIDENT TO THE DEPARTMENT OF TRADE AND INDUSTRY AND FOR OTHER PURPOSES

WHEREAS, Section 12 of Republic Act No. 7718, otherwise known as the Amended BOT Law, identifies the Coordinating Council of the Philippine Assistance Program (CCPAP) as the agency responsible for the coordination and monitoring of projects implemented under the BOT Law;

WHEREAS, Rule 14 of the Implementing Rules and Regulations (IRR) of the Amended BOT Law directs concerned agencies and LGUs to periodically submit to the BOT Center of the CCPAP the status of BOT projects authorized under the BOT Law and likewise submit a copy of all unsolicited proposals that they receive and all other related documents. The BOT Center is further mandated to guide the agencies/LGUs in the preparation and development of the BOT projects, and at the end of every calendar year, the CCPAP shall report to the President and to Congress on the progress of all projects implemented under the BOT Law;

WHEREAS, the CCPAP, which was created under Administrative Order 105, series of 1989, was reorganized and converted into the Coordinating Council for Private Sector Participation (CCPSP), by virtue of Administrative Order No. 67, series of 1999, as amended by Administrative Order No. 103, series of 2000;

WHEREAS, Administrative Order No. 67 mandates CCPSP as the government agency responsible for facilitating, coordinating, and monitoring build-operate and transfer (BOT) and private sector participation (PSP) projects;

WHEREAS, Administrative Order No. 103, series of 2000 designated the Chairman of the Presidential Committee on Flagship Programs and Projects as the exofficio Chairman of CCPSP;

WHEREAS, the CCPSP Technical Secretariat is presently attached as an autonomous unit to the Office of the President;

WHEREAS, to more effectively carry out its role in the BOT process, the CCPSP Technical Secretariat should be rationalized and placed in the mainstream of bureaucracy;







WHEREAS, under the Administrative Code of 1987, the Department of Trade and Industry is mandated to promote and develop an industrialization program effectively controlled by Filipinos and shall act as catalyst for intensified private sector activity in order to accelerate and sustain economic growth;

WHEREAS, the Philippine development plan (MTPDP) specified that, through its continuing commitment to deregulation and privatization, the government will increasingly mobilize the private sector to accelerate the financing, construction, and operation of major infrastructure facilities; obtain the required infrastructure through competitive markets with minimum fiscal burden and government contingent liabilities, while protecting the public interest; ensure that users will have adequate, safe, efficient, reliable, and affordable infrastructure services; provide private proponents, who will be generally selected through competition under fair and transparent terms, a level playing field with reasonable returns and sharing of risks;

WHEREAS, to implement the Philippine development plan, there is a need for greater coordinating between the lead government agency that facilitates, coordinates and monitors build-operate and transfer (BOT) and/or private sector participation (PSP) projects, and the Department of Trade and Industry as the agency mandated to act as catalyst for intensified private sector activity in order to accelerate and sustain economic growth;

WHEREAS, under Section 1, Chapter 1, Title I, Book III of Executive Order No. 292 or the Administrative Code of 1987, the President shall have control of all executive departments, bureaus and offices;

WHEREAS, Section 31, Chapter 10, Title III, Book III of the Administrative Code of 1987 provides continuing authority to the President to reorganize the administrative structure of the Office of the President;

NOW, THEREFORE, I, GLORIA MACAPAGAL ARROYO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. <u>The BOT Center.</u> The Coordinating Council for Private Sector Participation is hereby converted to the Build-Operate and Transfer Center (BOT Center), and the CCPSP-Technical Secretariat is hereby converted to the Project Monitoring Office, which shall be transferred as an attached unit from the Office of the President (OP) to the Department of Trade and Industry (DTI).

SEC 2. <u>Powers and Functions of the BOT Center.</u> The BOT Center shall have the function of promoting investments in BOT and similar projects.

The BOT Center shall have the following powers:





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- a) Coordinate and monitor the BOT/PSP Program of the government and implement Section 12 (Coordination and Monitoring of Projects) of Republic Act 7718, otherwise known as the Amended BOT Law, and Rules 3 and 14 of the Implementing Rules and Regulations (IRR) of the Amended BOT Law.
- b) Promote and market the BOT/PSP program, including the formulation and implementation of a promotion and marketing plan, providing service as a "BOT Information Center" for investors/developers as well as government agencies;
- c) Assist in the formulation of policies and implementation guidelines, in consultation with appropriate oversight committees, implementing agencies, Local Government Units and private sector on various aspects of BOT/PSP project development that will ensure transparent and expeditious implementation of BOT/PSP programs and projects of the government;
- d) Undertake activities related to the development of build-operate and transfer (BOT) and/or private sector participation (PSP) programs and projects, including projects with ODA financing under the BOT Law;
- e) Assist in BOT/PSP project development by providing technical assistance to national implementing agencies, including government owned and controlled corporations, and Local Government Units;
- f) Establish, manage and administer a revolving fund to be known as the Project Development Facility (PDF), a technical assistance fund for the preparation of feasibility studies and bid documents that will help prepare publicly bid BOT/PSP projects to tendering stage, and would allow for the recovery of the seed capital funded from the grant and to use the re-flows for other BOT/PSP project preparation/studies;
- g) Provide training and capacity building on BOT/PSP project development;
- h) Conduct project facilitation and assist agencies/LGUs in addressing impediments in the implementation of BOT/PSP projects;
- i) Perform business development and investment-related activities in support of the other functions and mandate of the Department of Trade and Industry;
- j) Prepare and submit to the President and to Congress reports on the implementation of the PSP programs and projects of the government; and





k) Perform such other functions as may be assigned by the BOT Board and/or the President.

SEC 3. <u>The Executive Director.</u> The BOT Center shall be headed by the Executive Director with the rank of Undersecretary, who shall be appointed by the President of the Philippines, and shall report to the Secretary of the Department of Trade and Industry.

SEC 4. <u>*Powers and Functions of the BOT Center. -*</u> The BOT Center shall have the following power and functions:

The Executive Director shall run the day-to-day administration of the BOT Center.

SEC 5. <u>Investment Promotions.</u> – The BOT Center is an investment promotion body, not a regulatory or approving authority.

SEC 6. <u>Membership to the Investment Coordination Committee (ICC).</u> The Executive Director of the BOT Center shall retain membership to the Technical Board and Cabinet Committee of the Investment Coordination Committee.

SEC 7. <u>*Transitory Provisions.*</u> In accomplishing the acts of reorganization herein prescribed, the following transitory provisions shall be complied with:

- a) The Executive Director of the CCPSP-Technical Secretariat shall now be the Executive Director of the BOT Center.
- b) Existing personnel of the CCPSP-Technical Secretariat are hereby transferred to the BOT Center.
- c) All funds, records, equipment and facilities belonging to CCPSP-Technical Secretariat are hereby transferred to the BOT Center and all appropriations in favor of the CCPSP-Technical Secretariat shall be transferred to the BOT Center through the DTI, subject to government auditing and accounting laws, rules, and regulations. Future appropriations for the BOT Center shall be included in the annual budget of the Department of Trade and Industry.

SEC 10. <u>*Repealing Clause.*</u> All executive and administrative issuances, memorandum orders, or parts thereof, which are inconsistent with the provisions of this Executive Order, are hereby repealed or modified accordingly.





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SEC 11. Effectivity. - This Executive Order shall take effect immediately.

Done in the City of Manila, this 2^{nol} day of November , in the year of Our Lord, two thousand and two.

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By the President:

ALBERTO G. ROMULO Executive Secretary

