

Investment Coordination Committee

14 November 2007

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Outline

- **Mandate and Functions**
- **Structure and Membership**
- **Scope of Review/Coverage**
- **Workflow of Approval Process**

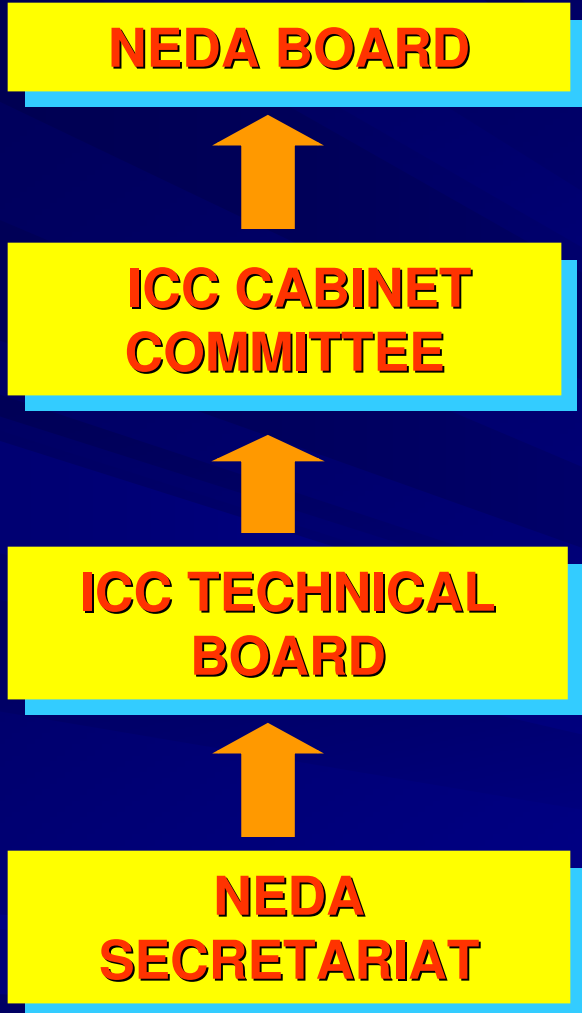
ICC Mandate

An inter-agency committee established under Executive Order No. 230, entitled “Reorganizing the National Economic and Development Authority”, engaged in rationalizing national public investments and expenditures.

ICC Functions



- **Review the fiscal, monetary and BOP implications of major capital projects (MCPs) and recommend to the President the timetable of the implementation of these projects and programs on a regular basis.**
- **Submit to the President a status of the fiscal (budgetary), monetary (credit), and BOP implications of MCPs advise the President on the domestic and foreign borrowing programs**
- **Review/evaluate specific MCPs with respect to technical, financial, economic, social, and institutional development, feasibility/viability as well as from the context of sectoral plans and geographical strategies, and submit to the NEDA Board (NB) for confirmation of ICC action.**



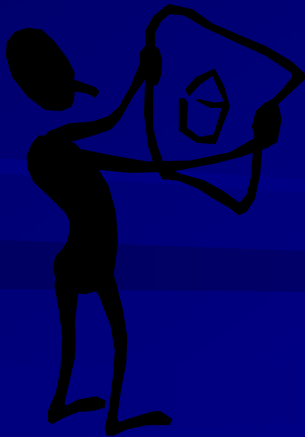
ICC STRUCTURE AND MEMBERSHIP



NEDA BOARD



**ICC CABINET
COMMITTEE**



ICC Cabinet Committee Membership:

Secretary of Finance -	Chairman
NEDA Director-General -	Co-Chairman
Executive Secretary -	Member
Secretary of Budget and Management -	Member
Secretary of Trade and Industry -	Member
Secretary of Agriculture -	Member
Governor of the Bangko Sentral ng Pilipinas -	Member
Secretary of Energy -	Member
BOT Center Exe. Director -	Member
Pres. FRDC-	Participant/Observer

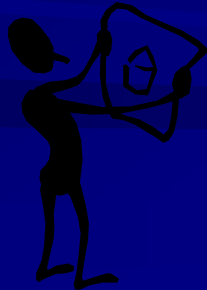
NEDA BOARD



**ICC CABINET
COMMITTEE**



**ICC TECHNICAL
BOARD**



The ICC Technical Board Membership:

NEDA -	Chairman
Department of Finance -	Co-Chairman
Office of the President -	Member
Department of Budget and Management -	Member
Department of Trade and Industry -	Member
Department of Agriculture -	Member
Bangko Sentral ng Pilipinas -	Member
Department of Environment and Natural Resources -	Member
BOT Center -	Member
Department of Energy -	Member
Pres. FRDC-	Participant/Observer

(per MO#114,8/292003)

Scope of ICC Review

- **Programs/projects of national line agencies with total cost of PhP500 million and above, regardless of financing**
- **New activities of GOCCs and GFIs requiring investments above PhP500 million that have to be financed by NG-guaranteed loan;**
- **BOT projects of national line agencies and GOCCs: those costing up to PhP300 million will be for ICC approval only while those above PhP300 million will have to be submitted to the NEDA Board for approval upon recommendation of the ICC**

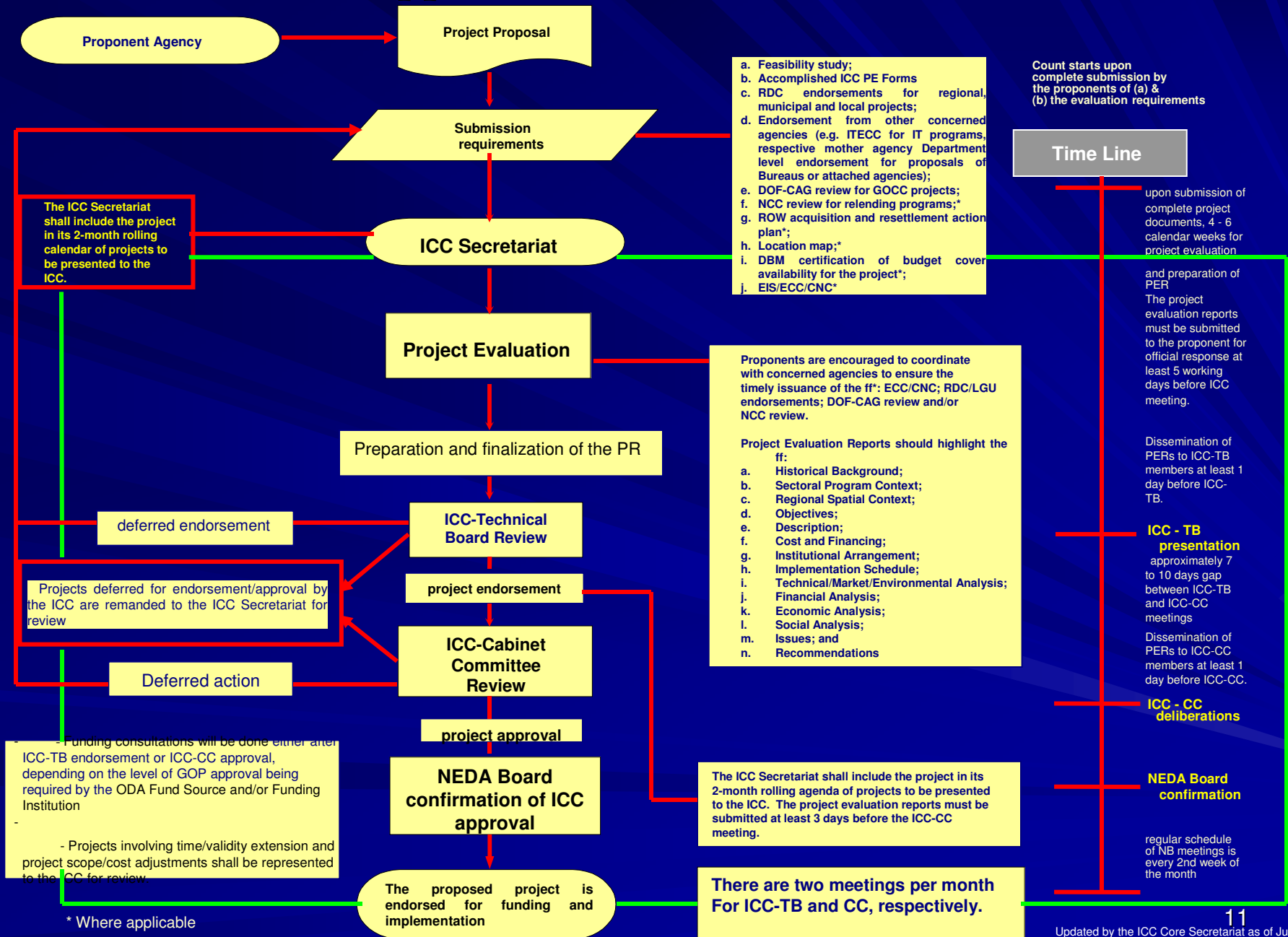
Scope of ICC Review

- **Local BOT projects to be implemented by LGUs costing above PhP200 million;**
- **Programs/projects costing PhP 500 million and above of private sector companies, private foundations and NGOs that are intending to tap concessional ODA loan financing through on-lending arrangements and/or NG financing guarantees.**

Scope of ICC Review

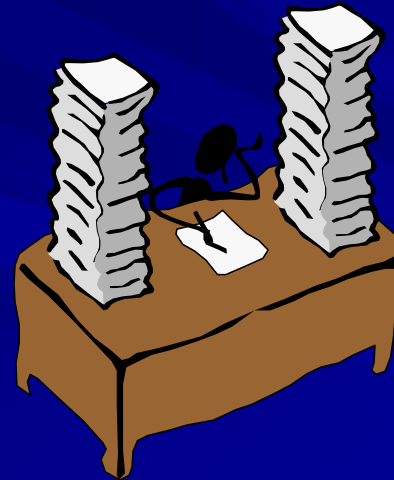
- **Ongoing programs/projects involving changes in scope, change in cost above established sensitivity parameters and budgetary allocation relative to original/prior ICC approval; or extension in implementation period or loan validity of more than 12 months; and**
- **Other programs/projects not defined above will be considered on a case-to-case basis as may be defined by the ICC and the ICC Secretariat.**

Flowchart of ICC Approval Process



Areas Covered by the ICC Project Evaluation

Financial
Economic
Technical
Environmental
Institutional
Social
Sensitivity analysis



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Areas Covered by the ICC Project Evaluation

1. Financial Evaluation:

Financial viability of a project and its ability to meet its operational costs and debt-service obligations



2. Economic Evaluation:

Project desirability in terms of its net contribution to the economic and social welfare of the country

Areas Covered by the ICC Project Evaluation

3. Technical Evaluation:

- a. project design
- b. advantages and limitations of technology to be used
- c. applicability of technology to local conditions
- d. environmental externalities, and
- e. feasibility of implementation



Areas Covered by the ICC Project Evaluation

4. Environmental Evaluation:

Assessment of potentially beneficial/harmful impacts of:

- a. environmentally critical projects, and
- b. projects on environmentally critical areas



Areas Covered by the ICC Project Evaluation

5. Institutional Evaluation:

Capability of the project proponent to implement the project considering:

- a. internal and external arrangements within and among proponents
- b. feasibility of proceeding as scheduled, and
- c. review of past performance



Areas Covered by the ICC Project Evaluation

6. Social Analysis:

Consideration of project benefits beyond those which are financial and economic, such as:

- a. income distribution effects
- b. employment linkages
- c. health and nutrition impact, and
- d. links to other quality of life indicators



Areas Covered by the ICC Project Evaluation

7. Sensitivity Analysis:

Case I: Variations in projected costs and revenues

Case II: Changes in implementation schedule/project life

Case III: Combination of Case I and Case II



Submission Requirements

- Feasibility Study
- Accomplished ICC PE Forms
- Endorsement of the concerned Regional Development Council for region-based projects
- Endorsement from other concerned agencies
- DOF – CAG review (GOCC and GFI)
- Environmental Compliance Certificate or Certificate of Non-coverage



Thank You