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April, 13, 2005

MEMORANDUM

TO : All DENR Officials, Regional Executive Directors,
Bureau Directors and Heads of Attached Agencies

FROM : The Undersecretary
Management and Technical Services

SUBJECT : REVISIONS TO THE ICC GUIDELINES AND
PROCEDURES AS UPDATED ON 4 AUGUST
2004 (RAISING THE ICC PROJECT COST
FLOOR TO PhP500 MILLION)

We are forwarding a copy of a memorandum of the Chair and Co-chair of the ICC-Cabinet Committee, dated 4 March 2005, regarding the revisions of the ICC Guidelines and Procedures updated on 4 August 2004, raising the ICC Project Cost Floor to PhP500 Million.

For your information and guidance.


ARMANDO A. DE CASTRO

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INVESTMENT COORDINATION COMMITTEE

MEMORANDUM

FOR Heads of Departments/Agencies of the National Government, Government-Owned and Controlled Corporations, Local Government Units and All Others Concerned

FROM Acting Secretary Cesar V. Purisma
Department of Finance and
Chair, ICC-Cabinet Committee

Secretary Romulo L. Neri
National Economic and Development Authority, and
Co-Chair, ICC-Cabinet Committee

SUBJECT Revisions to the ICC Guidelines and Procedures as Updated on 4 August 2004 (Raising the ICC Project Cost Floor to PhP500 million)

DATE 4 March 2005

1. The ICC Cabinet Committee discussed and adopted on 2 March 2005 the proposed subject revisions. This is consistent with the Presidential directive to "authorize agencies to approve contracts amounting to less than P500 million, except BOT, without going through the NEDA-ICC process, as long as DBM can certify the availability of funds", as reported by the Cabinet Secretary on 15 December 2004 (copy of memorandum attached). The ICC Guidelines and Procedures as updated on 4 August 2004 are hereby revised.
2. Effective immediately, the scope of the ICC review and decision shall now cover major capital projects costing PhP500 million and above per project instead of the current PhP300 million project cost floor. The foregoing, however, excludes projects to be pursued through BOT and its variant schemes, for which the scope of ICC review shall cover the following:
 - (a) For projects of national line agencies and GOCCs implemented through the BOT and its variant schemes
 - i. Those costing up to PhP300 million shall be submitted to the ICC for its approval; and

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- ii. Those costing more than PhP300 million shall be submitted to the NEDA Board for its approval, upon recommendation of the ICC.
 - (b) For local BOT projects to be implemented by local government units (LGUs) costing above PhP200 million.
3. Approval of projects and contracts costing below PhP 500 million is delegated to heads of agencies and Governing Boards for GOCCs/GFIs subject to the following conditions:
 - (a) The project is included in the Medium-Term Public Investment Program (MTPIP).
 - (b) The project resource requirement is within the annual, multi-year budget ceiling of the agency or annual capital expenditure program of the GOCC/GFI as certified by the DBM and DOF, respectively. The certification of DOF shall consider the impact of the project on the CPSD.
 - (c) The financial and economic viability as well as project benefits are established.
 - (d) The agency/GOCC/GFI approval of the project is consistent with existing applicable laws, rules and regulations.
4. The agency/GOCC/GFI shall submit to the ICC Secretariat, for information, pertinent documentation accordingly.
5. Please refer to the revised ICC Guidelines and Procedures (as of 4 March 2005) via the NEDA website through: <http://www.neda.gov.ph>.

For information and guidance.



ACTING SECRETARY CESAR V. PURISMA
Department of Finance



SECRETARY ROMULO L. NERI
National Economic and Development Authority