

TITLE:**CAUAYAN CITY'S PPP ON LOCALIZING SUSTAINABLE DEVELOPMENT GOALS****SUMMARY:**

In January 2016, the thrust of the Local Government of Cauayan, Isabela focused on localizing the 17 Sustainable Development Goals launched by the United Nations aimed to end poverty, protect the planet and ensure prosperity for all. Cauayan City took the lead in initiating the implementation of these goals in the local level calling this advocacy as “Labing Pitong Hamon sa Bawat Cauayeño” with the belief that local government units have a big role in making the world a better place for the future generations. One of these goals is Goal 17, Partnership for the Goals which requires the inclusive partnership between the local governments, the private sector and civil society. To implement this goal, the City of Cauayan strengthens its efforts in promoting the Public-Private Partnership which entices the business sector to be involved in the implementation of developmental projects.

The Public-Private Partnership has been one of the innovations in local governance introduced during the first term of Mayor Bernard Dy. At present, Cauayan City maintains to be the pioneer and proponent of the Public-Private Partnership and we have been chosen to be the benchmark of the other LGU's in the region in the adoption of PPP. There have lots of projects already implemented through the PPP including the creation of the first eco-tourism park in the City, the Hacienda de San Luis; the rehabilitation of the Public Market for a more convenient market center; and the rehabilitation of Rural Health Unit 1 to efficiently provide medical services to the people. The City Government will continue to encourage the participation of the private sector to increase infrastructures and projects with the end view of providing the best of services to the people.

PROJECT DESCRIPTION:

One of the major innovations that the City Government of Cauayan, Isabela has implemented in terms of local governance is its evolution as a COLLABORATIVE GOVERNMENT. It involves the active participation of the three pillars of the society: Local Government, Civil Society and the Business Sector to come up with innovations suited to the needs of the different sectors.

One of the projects of collaborative governance is the implementation of the Public-Private Partnership. Cauayan City, Isabela is the first local government unit in Region 2 to adopt and implement the Public-Private Partnership Code which entices the business sector to be involved in the implementation of developmental projects. By definition, PPP is a contractual agreement between the Government and a private firm targeted towards financing, designing, implementing and operating infrastructure facilities and services that were traditionally provided by the public sector. Its legal basis is stated in Section 20, Article 2 of the 1987 Philippine Constitution which provides that “The State recognizes the indispensable role of the private sector, encourages private enterprise, and provides

incentives to needed investments.” Congress enacted two primary laws to implement the same:

- a. **Government Procurement Reform Act (RA 9184)** for the procurement of goods, supplies and services;
- b. **RA 6957 as amended by RA 7718 or the Philippine BOT Law** which provided a more focused framework in PPP infrastructure development.

The enactment of RA 6957 allowed LGUs to enter into contractual arrangements with the private sector to implement infrastructure projects through two variants – Build-Operate-and-Transfer (BOT) and Build-Transfer-and-Operate (BTO). The BOT Law broadens the list of PPP government implementing agencies such as government owned and controlled corporations (GOCCs), government financing institutions (GFIs) and state universities and colleges (SUCs); putting in place incentives for attracting private sector investments to venture into PPP projects; and allowing negotiated unsolicited proposals provided that these comply with conditions outlined in the law.

IMPLEMENTATION PROCEDURES:

As initial steps in promoting and implementing the PPP, we organized the following activities:

- **Business Council Meeting**

Business groups in Cauayan City were gathered during the Business Council Meeting held at Isabela Hotel, Cauayan City. It was during this meeting that the concept of Public-Private Partnership was introduced, emphasizing that the Constitution “recognizes the indispensable role of the private sector as an important partner in the attainment of development objectives.”

- **PPP Summit for PPP-LGU Reform and Development Strategy**

At this forum, the dissemination of the concept of PPP became provincial-wide, where business groups, together with other agencies within the Province of Isabela, participated to learn about PPP.

- **Endorsement of PPP to Regional Development Council**

We have already endorsed with the Regional Development Council of Cagayan Valley during the RDC-RPOC Meeting the advocacy of LGU-Cauayan City to enjoin the other local government units in the region to adopt the Public-Private Partnership Code for the implementation of infrastructures, development and social service-related projects towards public good.

To formally implement the PPP, the Cauayan City Council enacted Ordinance No. 2013-015 entitled “An Ordinance adopting and pursuing a Public-Private Partnership (PPP)

approach towards development, creating a PPP regulatory authority, and providing appropriations and incentives thereof and for other purposes in the City of Cauayan, Isabela.”

PROJECT RESULT/IMPACT:

The major accomplishments of the PPP are the creation of the Hacienda De San Luis, the awaited tourist destination in Cauayan City, Isabela and the city’s first eco-tourism park; the rehabilitation of the Cauayan City Public Market which is now called as the PriMark; and the rehabilitation of Rural Health Unit I. Future projects include the establishment of slaughter house, entertainment area, waste water treatment plant, and the outsourcing of garbage collection and security details.