



# FINANCIAL EXECUTIVES INSTITUTE OF THE PHILIPPINES (FINEX)

February 2, 2023

**MR. RONALD R. GOLDING**

Director General  
Senate Economic Planning Office  
Senate, Republic of the Philippines

Dear **Mr. Golding**,

Thank you for inviting FINEX to provide comments on Senate Bill Nos. (SBNs) 765, 1022, 1251, 1344 and 1613.

Below are the comments for consideration of the honorable senators:

SB 1613 - STRENGTHENING PUBLIC-PRIVATE PARTNERSHIPS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES - Sens. Zubiri and Villanueva

SB 765 - Sen. Sonny Angara

1. We endorse Sec. 14 of SB 1613, *Mandatory inclusion of Dispute Avoidance and Alternative Dispute Resolution (ADR) mechanism*. The private sector needs reassurance that there will be recourse should a dispute arise between the contracting parties.
2. Solicited Proposals - We suggest that a clause for Material Adverse Government Action (MAGA) be included in the law and not just an IRR where it can easily be revoked. The contracting parties to a PPP are not equal partners, as one party is subject to the rules and regulations the other party may impose. The private sector needs reasonable assurance that the assumptions under which they submitted a proposal will not be suddenly changed where such changes are entirely within the control of government.
3. Unsolicited Proposals (Sec. 10 e) - *Implementing agency has the right "to automatically reject or formally reject the unsolicited proposal after evaluation."* Rejection of an unsolicited proposal should be formal and documented, after due evaluation, and should carry the appropriate explanation for reference and to avoid possible appearances of favoritism or lack of transparency.
4. (Sec. 25, PPP Center) - We suggest that we change the wording to have the PPP Center be headed by an Executive Director with *at least* the rank of an Undersecretary, to be appointed by the Pres and term co-terminus with him. This will allow the position to be elevated to a full Cabinet Secretary if necessary.

As always, we would be glad to assist the Senate and attend hearings and public consultations on the bill.

Thank you very much.

Very truly yours,



**Wilson P. Tan**  
President

***Forging Ahead: Accelerating Inclusive and Sustainable Growth***