

PPP Conversations #5 with LLDA

By **Alberto Agra**

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On May 24 the Philippine Reclamation Authority, led by its General Manager (GM) Janilo Rubiato, and the Laguna Lake Development Authority (LLDA), represented by GM Jaime Medina, signed an Expression of Cooperation (EOC). The cooperation sets in motion two strategies aimed at advancing President Duterte's "Build, Build, Build" program along Laguna Lake.

Pursuing legal reclamation, addressing illegal reclamation activities and undertaking developmental and sustainable projects along Laguna Lake will be jointly explored and addressed by the two government agencies through government-to-government (G2G) arrangements and public-private partnerships (PPPs). Your columnist, who witnessed the EOC signing, discussed the two-pronged strategy with LLDA general manager Medina.

•What is your concept of PPP?

The concept of PPP, as the name implies, is a contractual arrangement between a public and private establishment and/or entities where, through mutual agreements, utilizes the skills of the private sector for the delivery of certain services to the general public at no cost to the public sector (government). In a softer approach, PPP shall mean that the public (people) shall have a chance to do business with the private sector.

•What makes PPP a viable approach toward the development of Laguna Lake?

PPP is viable since the LLDA, being the sole agency mandated to protect and develop the Lake, has no financial capability to undertake massive infrastructure development for Laguna Lake. The LLDA needs the financial resources of the private sector to undertake soft and hard infrastructure.

•How will G2G arrangements complement PPPs for the Lake?

G2G arrangements shall stabilize, complement and give focus to all efforts done for the development of the Lake. It provides synergy and minimizes costs. In terms of solicited and unsolicited PPP proposals, the LLDA has never ventured into this kind of contractual arrangement. Sometime in 2014 the LLDA is a party to a project proposed by the Department of Public Works and Highways (DPWH), where the DPWH is the implementer and the LLDA is the cooperating agency. As cooperating agency, the LLDA was supposed to issue the authority to reclaim and other administrative permits that may be needed prior to the implementation of the project.

•What do you think are the challenges and risks of PPPs for the Lake?

Challenges and risks abound in the pursuance of PPPs, specifically for Laguna Lake. It is considered a challenge because PPP is a way to go forward, because the government can utilize the resources of the private sector for the provision of services whose direct beneficiaries are the

people. It is risky because the government might not be able to fulfill arrangements as specified in the contracts, thus, penalties may occur to the detriment of the taxpayers, and/or the private sectors may not effectively deliver the committed projects and/or services. Also, private business interests will inevitably come into play, so the preservation of the Laguna Lake as a living natural resource should at all times be of paramount concern. There is a need for close government supervision and monitoring on the projects undertaken.

•What is your message to the public?

Rest assured that Laguna Lake, being a vital resource within the Laguna de Bay region, shall be the LLDA's utmost priority. The LLDA shall ensure that sustainable development shall be adhered to.