



PPP in the Philippines

12th Regional EFA National Coordinator Meeting
July 25-28, 2011
Seoul, Republic of Korea

PPP for School Infrastructure

Background

- As of SY 2010-2011, the classroom shortage in public schools stands at 66,800.

SY 2010 Shortages	Classrooms	Teachers	Seats	Toilets
Kinder	14,924	27,852	NA	NA
Elementary	28,344	27,270	1,510,805	78,415
Secondary	23,532	46,290	1,062,407	57,432
Total Shortages	66,800	101,612	2,573,212	135,847

- Using more conservative parameters (single shift, 1:45 class ratio, and higher participation rates), the shortage could reach as high as 152,569.

	REGIONS	Elem Schs	High Schs	TOTAL	%
1	NCR	16,345	7,619	23,964	15.71
2	Region IV-A	12,014	6,494	18,508	12.13
3	ARMM	10,834	2,570	13,404	8.79
4	Region VII	8,514	3,666	12,180	7.98
5	Region III	6,421	4,061	10,482	6.87
6	Region V	7,365	2,639	10,004	6.56
7	Region VIII	7,205	1,811	9,016	5.91
8	Region XII	5,687	1,902	7,589	4.97
9	Region X	5,359	1,718	7,077	4.64
10	Region XI	4,935	1,836	6,771	4.44
11	Region VI	4,012	2,391	6,403	4.20
12	Region IX	4,608	1,382	5,990	3.93
13	Region IV-B	4,378	1,343	5,721	3.75
14	CARAGA	3,721	1,129	4,850	3.18
15	Region I	2,601	1,627	4,228	2.77
16	Region II	2,697	872	3,569	2.34
17	CAR	2,281	532	2,813	1.84
	TOTAL	108,977	43,592	152,569	100.00

Why the need for PPP?

- DepEd's appropriation of PhP 11.3 billion for basic education facilities in 2011 can only address 15.60% of the current backlog.
 - DepEd Schoolbuilding Program – 8,997 units
 - Regular Program (DPWH-implemented) – 1,430 units
- Enrolment grows every year, thus the requirements of schools are also increasing.

	Classrooms	Teachers	Seats	Toilets
SY 2011 Incremental Requirements	39,767	44,487	1,814,348	36,286
SY 2011 Estimated shortage	75,986	73,902	2,298,912	121,334

PPP Modality

- To plug the deficiencies in classrooms by 2013, DepEd is considering a PPP arrangement for school infrastructure.
- Modality: **Finance-Design-Build-Transfer**
 - Contractor: project financing, design and construction
 - Government: repayment upon transfer of classrooms
- Legal framework: BOT Law, solicited bid
- Scale: nationwide roll-out; pilot in Regions III and IV-A; site appraisal on-going for Region I

Core Objectives

- Scale:** 10,000 units per contract (economic lot)
- Cost savings:** lower cost due to scale economies and use of technology
- Timeliness/speed of delivery:** completion of construction within 1-2 years
- Quality:** new technologies must meet minimum performance standard specifications of DepEd

Packaging the PPP

- Package:
 - Classrooms with blackboards, electrical system (and water system for 2-storey structures)
 - Classrooms with blackboards, chairs, desks, restrooms, electrical and water systems

Packaging the PPP

- 3 standard designs are chosen for the PPP.

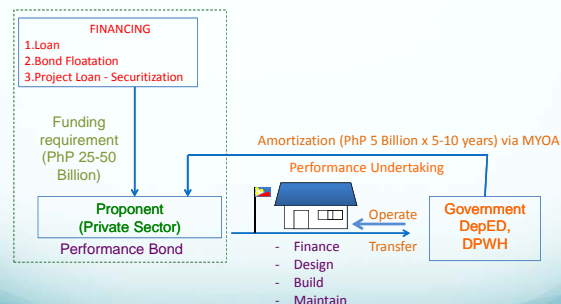
DEPED MODEL SCHOOL BUILDINGS	DESCRIPTION
SINGLE STOREY	
Type I	1 classroom
Type II	2 classrooms
Type III	3 classrooms
TWO-STOREY	
Type IV	2 classrooms
Type V	4 classrooms
Type VI	6 classrooms
Type VII	8 classrooms
THREE-STOREY	
Type VIII	9 classrooms
Type IX	15 classrooms

Example of Economic Lot

- Area: Region III, Sites A-D
- Economic Lot: 10,000 classrooms

STANDARD MODELS	DEMAND	NO. OF CLASSROOMS BUILT
Type I – One storey, 2 classrooms	4,000 units	8,000 classrooms
Type II – Two storey, 4 classrooms	500 units	2,000 classrooms
TOTAL		10,000 classrooms

Proposed Business Model



Timetable

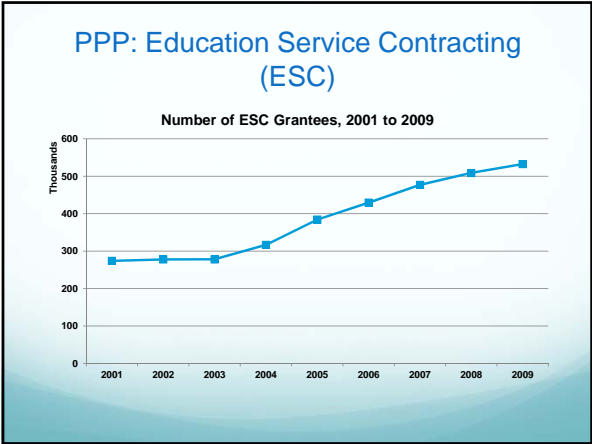
	2011												2012		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			
Stage 1: Pre-Project Launch															
Task 1: Site Assessment/Appraisal															
Task 2: Private Sector Consultations															
Task 3: Prepare Business Case and FS															
Task 4: Survey of Available Technologies															
Task 5: Secure NEDA ICC approval															
Stage 2: Project Launch															
Task 1: Finalize Invitation to Bid, Info Memo and draft Contracts															
Task 2: Publication/Release Invitation to Bid and Info Memo															
Stage 3: Pre-qualification															
Stage 4: Negotiation/Dialogue															
Stage 5: Submission of Final Proposals															
Stage 6: Selection and award of Final/Preferred Bidder															

PPP: Education Service Contracting (ESC)

• Main objective of this PPP is to increase access and improve quality of education;

• The government contracts with private high schools to enroll student in areas where there is a shortage of places in public schools;

• Assistance is given only to students at institutions that charge low fees and serve low-income families;



Thank You