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# **LIST OF PRIORITY PROGRAMS AND PROJECTS FOR INCLUSION IN THE ANNUAL INVESTMENT PROGRAMS OF THE CITIES OF BATANGAS, ILOILO AND CAGAYAN DE ORO FOR CY 2013**

## **Investment Enabling Environment (INVEST) Project**

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By Orient Integrated Development Consultants, Inc. (OIDCI)  
FSS Building, 89 Scout Castor Street, Quezon City, Philippines  
Tel No.: 374.0757; Fax. No. 413.232

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# TABLE OF CONTENTS

<b>List of Acronyms and Abbreviations</b> .....	<b>iii</b>
I. Introduction .....	1
II. Programs and Projects that would be included in CY 2013	
Annual Investment Plan of the INVEST Partner Cities .....	3
A. Batangas City .....	3
B. Iloilo City .....	3
C. Cagayan de Oro City .....	3
III. Programs and Projects for Possible funding under Public-Private Partnership	
Agreements .....	5
A. Batangas City .....	5
B. Iloilo City .....	5
C. Cagayan de Oro City .....	5
IV. Next Steps .....	6

## LIST OF ACRONYMS AND ABBREVIATIONS

AIP	Annual Investment Plan
BOSS	Business One-Stop Shop
BPLS	Business Permit and Licensing System
CDC	City Development Council
CDI	Cities Development Initiative
CDO	Cagayan de Oro
CDP	Comprehensive Development Plans
CLUP	Comprehensive Land Use Plan
CPDO	City Planning and Development Office
CY	Calendar Year
ELA	Executive-Legislative Agenda
INVEST	Investment Enabling Environment Project
LCE	Local Chief Executive
LDC	Local Development Council
LDIP	Local Development Investment Program
LGU	Local Government Unit
MICE	Mindanao Institute for Conventions and Events
PPA	Program, Projects and Activities
PPP	Public Private Partnerships
RA	Republic Act
SP	Sangguniang Panglunsod
USAID	United States Agency for International Development

# I. INTRODUCTION

The Investment Enabling Environment (INVEST) Project, a project funded by the United States Agency for International Development (USAID) under its Cities Development Initiative, aims to assist three (3) partner cities create a conducive environment for business and economic opportunities to flourish. This will be achieved through streamlined business registration processes and improved investment planning and promotion.

One critical program area of the Project is the strengthening of linkages between and among the functions of planning, investment programming, and budgeting with the end in view of drawing up an annual budget consistent with, and supportive of, the development aspirations of the city's constituents. Given this, the Project undertook two (2) critical and interrelated activities, namely: (a) assessment of planning documents and processes; and (b) training on plan integration.

The assessment of the partner cities' planning documents and processes was intended to: (a) assess the internal and horizontal consistency of the planning documents; (b) determine the vertical consistency of the cities' development vision, thrusts and priorities with those of the province and region where these are located, as well as with the goals and objectives of the national government, particularly in achieving economic and investment growth; (c) determine the level of the private sector's participation in the whole development planning cycle; and (d) identify areas of assistance and other forms of interventions which the Project could provide in enhancing the planning documents and processes of the cities.

The results of the assessment revealed that despite varying depths of substance and analysis, all planning documents of the cities were found to be generally internally consistent. It was also found out that the Comprehensive Development Plans (CDPs), Comprehensive Land Use Plans (CLUPs), Local Development Investment Programs (LDIPs) and Annual Investment Programs (AIPs) of target cities largely exhibit horizontal consistency, except for Batangas City which formulates their AIPs independently of their CDPs. Moreover, the Annual Budget is normally aligned with the Executive Legislative Agenda (ELA), and that, as a result, it is often discrete from the CDP, CLUP, LDIP, and AIP. The other findings of the assessment include: (a) the CDP and CLUP being mostly consistent with higher-level plans, although levels of consistency and specificity in terms of vertical alignment vary; (b) the formulation of plans (CDP, CLUP, LDIP and AIP) following the normative process, except that this activity is initiated by the City Planning and Development Office (CPDO), in variance with the ideal and prescribed process of the local chief executive (LCE) making the call for the formulation of the CDP and the CLUP; (c) the minimal involvement of local representatives in the crafting of development plans despite RA 7160 or the Local Government Code vesting in the Local Development Council (LDC) the main responsibility of plan formulation with assistance from the CPDO ; (d) the absence of systematic tools for the prioritization of programs and projects; (e) the minimal involvement of the private sector in the formulation of development plans, investment programs, and annual budgets; and (f) the inability of local governments to tap or maximize funding sources for public sector projects other than locally generated funds.

Based on the results of the assessment, the Project proceeded with the conduct of the Training on Plan Integration on July 17 – 19, 2012 at Lancaster Hotel, Mandaluyong City. The training was intended to: (a) enhance the capacities of participants to determine and plan out the

implementation of specific strategic actions to promote economic and investment growth, taking into consideration the competitive edge of the city; (b) strengthen the link between and among the functions of planning, investment programming, and budgeting for the purpose of drawing up an annual budget consistent with, and supportive of, the development aspirations of the city's constituents; and (c) present a menu of strategies and mechanisms for generating and mobilizing financial resources for the implementation of the strategic programs and projects of the city.

To attain the objectives of the training and to generate the expected outputs, workshop sessions were held, as follows: (a) Workshop 1 – Generating Programs, Projects and Activities (PPAs) from the Analysis of the Local Economy: Theory of Cumulative Causation and the Concept of Economic Linkages; (b) Workshop 2 - Generating PPAs from the Analysis of the Local Economy: Money Flow Theory and the Concept of Area Income Multiplication; (c) Workshop 3 - Preparing Project Inputs to the LDIP/AIP; and (d) Workshop 4 - Determining Funds for Investment Programming in the Local Government Unit (LGU) Budget.

Given these workshop sessions and working on a common and broad development aspiration of “improving and promoting an environment that is conducive for business and investment at the city level,” the three (3) partner cities generated the following, which are presented in this report:

1. List of programs and projects for inclusion in the city's AIP for Calendar Year 2012; and
2. List of programs and projects which could be funded under public-private partnership (PPP) arrangements.

The lists generated during the training are considered critical and shall therefore be the subject of advocacy and lobbying at the LDC, specifically before the Local Finance Committees. Details, such as descriptions, components and specifications, of these programs and projects shall be formulated in further consultation with concerned city departments, as well as bodies and entities, both at the local and national levels, as may be deemed necessary.

## **II.**

### **Programs and Projects that should be Included in the CY 2013 Annual Investment Programs (AIP) of the INVEST Partner Cities**

It should be noted that the programs and projects generated by the partner cities are those that are intended to bridge the gap between what they already have and what are needed for them to attain a simple yet overarching aspiration of “improving and promoting an environment that is conducive for business and investment in the city.” These programs and projects were identified after an in-depth analysis on industry and location strengths of the city concerned, the efficiency level of local government operations, and internal and external business opportunities.

The following programs and projects were identified by the partner cities as critical in enabling the city to become more attractive for business and investment and hence, should be included in the cities’ AIPs for CY 2013:

#### **A. Batangas City**

1. Conduct of a feasibility study on the establishment of an integrated processing plant
2. Conduct of training on organic farming
3. Conduct of the City Business Forum
4. Road Widening and Riprapping
5. Construction of a public transport terminal
6. Upgrading of the City Slaughterhouse to an AAA classification
7. Construction of the Central Bus Terminal
8. Implementation of low- and medium-cost housing projects
9. Conduct of skills inventory mapping
10. Expansion of course offerings in the Colegiong Lungsod ng Batangas

#### **B. Iloilo City**

1. Construction of an AA standard slaughterhouse
2. Implementation of the Alaur River Project
3. Relocation Site
4. Iloilo-Guimaras Ferry Terminal
5. Iloilo-Bacolod Terminal
6. Iloilo RORO Terminal

#### **C. Cagayan de Oro City**

1. Implementation of the Socio-Economic Development Program, including the expansion of the City Scholarship Program to 1000 Students
2. Support to social infrastructure and special projects
3. Construction, repair, and rehabilitation of barangay projects and facilities
4. Rehabilitation of Golden Friendship Parks in Divisoria
5. Construction, maintenance, and repair of public buildings, including the purchase of heavy equipment
6. Construction, repair, and rehabilitation of local roads, bridges and traffic lights
7. Construction of a drainage system

8. Construction, repair and rehabilitations of farm-to-market roads, including roads leading to whitewater landing areas
9. Improvement and rehabilitation of public markets
10. Facilitation of investments through the streamlining of the BPLS and the improvement of the BOSS
11. Intensification of the Solid Waste Management Program – Improvement of Garbage Collection Project
12. Construction and operation of a sanitary landfill dumpsite
13. Construction of a wastewater treatment facility at the Westbound Terminal in Barangay Bulua
14. Riverbank Protection and Development (Additional Areas)
15. Construction of flood control programs/projects
16. Implementation of city reforestation Projects
17. Implementation of the City Livelihood Development Program

### **III.**

## **Programs and Projects for Possible Funding under Public-Private Partnership Arrangements**

While the city governments endeavor to put everything in order to spur the required and desired growth and development in their respective jurisdictions, they are constrained by meager financial resources and limited expertise to implement specific reforms and initiatives as well as programs and projects. Recognizing the importance of the private sector as a possible source of financial, manpower, material, and human resources, the training on plan integration introduced the concept of partnership between public and private sectors for the joint programming and implementation of priority programs and projects.

The partner cities identified are the following critical programs and projects which could be funded by the private sector and implemented jointly the both the local government and private sector. These programs and projects are intended to make the cities more attractive or to provide for the necessary facilities that make the cities more desirable and livable.

#### **A. Batangas City**

1. Conduct of the City Business Forum
2. Construction of a public transport terminal
3. Upgrading of the City Slaughterhouse to an AAA classification
4. Construction of the Central Bus Terminal
5. Implementation of medium-cost housing projects

#### **B. Iloilo City**

1. Redevelopment of the La Paz Market
2. Redevelopment of the Jaro Big Market
3. Iloilo City Sports and Convention Center at Barangay San Pedro, Molo
4. Iloilo City Social Hall and Dormitory
5. Implementation of the Land Reclamation Project
6. Implementation of the Arevalo Baywalk Wastewater Treatment Plant Project

#### **C. Cagayan de Oro City**

1. Establishment of Mindanao Institute for Conventions and Events (MICE) Bureau
2. Establishment of an assay laboratory accredited by the city government
3. Implementation of a solid waste management project
4. Implementation of a watershed management project
5. Implementation of a wastewater treatment/management project

**V.**  
**VI. Next Steps**

The steps that need to be undertaken to improve the chances of the priority programs and projects being implemented are:

1. Lobby for the inclusion of the programs and projects in the AIP CY 2013;
2. Provide the specifications of the programs and projects, such as their descriptions, components, estimated costs and other requirements;
3. Secure the approval of the programs and projects by the City Development Council (CDC) and SangguniangPanglungsod (SP); and
4. For programs and projects proposed for PPP funding, prepare project concept documents or business cases which could be used to solicit the engagement of possible or potential private sector partners.

The Project will check on the AIPs of the three (3) partner cities after these and the Annual Budgets had been approved by the concerned CDC and SP by the middle of October 2012 and determine whether or not these identified programs and projects have formally and favorably been considered by the CDC, SP and the Local Chief Executive.