



REVISED GUIDELINES IN THE SELECTION OF TOURISM INFRASTRUCTURE PROJECTS TO BE FUNDED AND UNDERTAKEN BY THE TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY (TIEZA)

I. PURPOSE

- To prescribe the criteria and procedures in the selection of tourism infrastructure projects for funding and/or implementation by the Tourism Infrastructure and Enterprise Zone Authority (TIEZA).

II. COVERAGE

- These Guidelines shall apply to all tourism infrastructure projects requested by various interested third parties. All tourism infrastructure projects must be included in the priority clusters, areas, identified in the National Tourism Development Plan (NTDP).

III. INDISPENSABLE REQUIREMENTS

CRITERIA FOR APPROVING TOURISM INFRASTRUCTURE PROJECTS

The proposed tourism infrastructure projects shall be considered for funding based on the following criteria:

1. The project should involve development, rehabilitation and enhancement of tourism historic sites, cultural and heritage sites, and ecotourism sites; Priority shall be given to those sites identified in the National Tourism Development Plan. These include construction, improvement and rehabilitation of facilities and infrastructure, the primary purpose of which is to develop and preserve the tourism sites to promote and increase tourism in the area or locality.
2. No Tourism infrastructure projects on privately-owned area shall be eligible for funding.
3. The guidelines and criteria in the selection of tourism infrastructure projects shall refer to the system of prioritizing, processing and evaluating the various project requests.

CRITERIA FOR APPROVING TOURISM INFRASTRUCTURE PROJECTS

The two major considerations are the following:

A. Tourism-Related.

- To develop existing tourist clusters, development areas and sites, and promote the potential touristic areas and activities that would display the Filipino people's rich heritage and culture

B. Government-Owned.

- Government infrastructure projects should be undertaken on government property.
- If privately-owned, prior cession of ownership or use thereof in favor of the Government should be executed
- In cases where a proposed project otherwise substantially meets all the necessary criteria but is privately-owned, only technical assistance may be extended; provided, however that if the said site has been declared by the National Historical Institute (NHI) as a national shrine, national monument, national landmark, heritage house or historic site, then the project may be considered for possible full assistance with a contribution from the NHI. TIEZA shall undertake to execute the appropriate Memorandum of Agreement with the NHI for this purpose.

IV. PROCEDURE

A. Submission, Review and Approval of Concept Proposal

1. The proponent shall submit a concept note on the proposed tourism infrastructure projects, specifying briefly, the following:
 - a. nature and description of the tourism infrastructure project
 - b. whether it is a tourism site identified in the NTDP and local tourism plan of the LGU
 - c. tourism or cultural or heritage site to be developed or enhanced
 - d. expected economic benefits from the tourism infrastructure projects, if funded
 - e. cost estimate of the tourism infrastructure project
 - f. project management (define accountabilities/roles and responsibilities by the proponent, actual implementer etc.)
 - g. action plan to ensure sustainability of the tourism infrastructure project
 - h. the economic impact of the proposed development and how it will contribute to local and economic development (e.g., initiating or increasing employment and livelihood opportunities)



A. Submission, Review and Approval of Concept Proposal

2. Review by the Corporate Planning Department and Infrastructure sector based on the criteria specified herein
 3. Recommendation by TIEZA management
 4. Approval by the TIEZA Board.
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B. Post-approval Requirements

➤ Upon approval for funding by the TIEZA Board, the proponent of the tourism infrastructure projects shall comply with the following:

1. Environmental Laws and Regulations (i.e. Environmental Compliance Certificate);
2. RA 9184 or the Government Procurement Reform Act
3. Other relevant laws such as National Building Code etc.

➤ The proponent shall endeavor to include in the implementation of the project the following:

1. Application of eco-friendly waste management technologies and best environmental practices such as recycling, waste segregation, reduction and disposal;
2. Application of concepts on “green-building” or resource conservation in the planning, design and construction of projects; and,
3. Application of the appropriate measures to ensure its sustainability and maintenance, and the identification of the sources of funds therein.

B. Post-approval Requirements

- The proponent shall submit a detailed work and financial plan (activities, timeline and budget) to TIEZA
- The proponent shall be required to provide a counterpart contribution to the project, which may be in the form of financial/labor/materials and/or combination of any of the latter. The ratio of counterpart to the grant shall be calibrated according to the LGU classification and in accordance with existing policies of government as enunciated by the National Economic Development Agency (NEDA), and as indicated in the following schedule:
 - 1st and 2nd Class – 50%
 - 3rd and 4th Class – 30%
 - 5th and 6th Class – 10%
- TIEZA and the proponent shall execute the appropriate agreement for the implementation of the project

C. Post-implementation requirements

- submission of physical accomplishment report
- submission of financial report

D. The project is subject to post audit by the Resident Auditor of TIEZA.



E. TIEZA management shall submit at every Board meeting a progress report of all the projects approved, proposals submitted and reviewed therein.

V. SPECIFIC CRITERIA

A. Ecological and Cultural Consideration (25%). It is imperative that ecological considerations be made before infrastructure projects are undertaken. To avoid dissonance and ensure full-protection of the environment and the ecosystem, the following considerations shall be required, to wit:

- a. Compliance with pertinent Environmental Laws and Regulations (i.e. Environmental Compliance Certificate);
- b. Use and application of impact prevention and mitigation measures, eco-friendly waste management technologies and best environmental practices such as recycling, waste segregation, reduction and disposal;
- c. Advocacy on “green-building” or resource conservation in the planning, design and construction of projects;
- d. Coordination with the proper government agency and local government unit concerned.
- e. The proposed project must be such that it respects the local culture and boosts the people’s sense of cultural and national pride.

❖ TIEZA in coordination with the DENR Regional Office concerned shall check the status of the site investigated using approved land classification map (or LC Map) as reference to be able to make sure if the subject site has been classified as Alienable and Disposable by the appropriate authorities. Please clarify why this is necessary.

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- B. Economic Consideration (20%).** The project must be in conjunction with and shore up a declared national policy, that is, the indispensability of tourism in the national economy. Tourism is declared as an industry of national interest and importance.
- C. Sustainability (20%).** It refers to the ability of the project to generate revenues to cover the expenses for its maintenance, operations and services during its projected lifetime without additional infusion of TIEZA subsidy. In connection therewith, the project proponent must clearly indicate and lay out the project's revenue-generating potential taking into consideration the changing times as well as the social, economic and political factors that could possibly affect its sustainability.
- D. Community & Stakeholder Consideration (15%).** Stakeholders primarily include the immediate vicinity, the communities surrounding the same and the government agencies that will affect or will be affected by the proposed project. Consultation with them and the community is a must.
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E. Financial Consideration (10%). The proponent shall be required to provide a counterpart contribution to the project, which may be in the form of financial/labor/materials and/or combination of any of the latter. The ratio of counterpart to the grant shall be calibrated according to the LGU classification and in accordance with existing policies of government as enunciated by the National Economic Development Agency (NEDA), and as indicated in the following schedule:

1st and 2nd Class – 50%

3rd and 4th Class – 30%

5th and 6th Class – 10%

❖ Upon approval by the TIEZA Board, the proponent will be given 6 months to comply with all necessary paper and legal requirements and to start construction of the project utilizing first their own funds and resources before funds of the Authority will be released.

F. Cultural (10%). The proposed project must be such that respects the local culture and boosts the people's sense of cultural and national pride.

Priority Projects.





- Generally, projects that will be given priority for funding will be those that are consistent with the National Tourism Development Plan, and the improvement or construction of tourist facilities that have direct revenue generating features sufficient to sustain their operating and maintenance costs.
- The least priority shall be given to proposals for projects that have no direct impact to tourism and projects whose funding may be sourced from other government agencies and/or entities, whether national or local.
- Road network projects may be considered provided they lead to tourist destinations, consistent to those identified with the NTDP, subject to the criteria of the DOT.





VI. PROCEDURES AND ROLES OF THE PARTIES INVOLVED

The following specifications shall define the roles of the parties concerned and the procedures to be observed and complied with in the processing of requests, viz:

A. ROLE OF PROPONENT


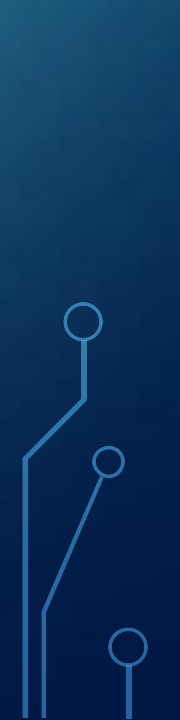
1. Submit to TIEZA or to the DOT Regional Office the letter-request together with a brief description and pictures of the proposed project as well as the appropriate Resolution from its Sangguniang Bayan or Panlungsod or Panlalawigan, as the case may be, urging TIEZA to provide financial assistance for the project.
2. Upon advice of TIEZA, undertakes preparation of detailed architectural-engineering plans, program of work and the financial and operational study of the project. The financial aspect shall include breakdown of project cost; projected income statement (ten-years); assumptions applied in forecasting the revenue, expenditure and clientele and other relevant information which proponent wishes to emphasize.

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3. Upon advice of TIEZA, submits copies of legal documents that may be required in the project, such as but not limited to titles of property, deeds of donation, rights-of-way, and other legal documents that may be deemed necessary.
 4. Upon advice of TIEZA, assists the Authority's technical team in the conduct of on-site project evaluation, provides necessary manpower support, secures their safety and extends to them whatever assistance that may be required.
 5. Assists TIEZA in whatever manner feasible during the actual construction of the project and sees to it that project implementation is in accordance with approved standards, plans and specifications. The proponent shall monitor actual implementation of projects and any deviations shall be reported immediately to TIEZA management.

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6. Prior to implementation, enters into a Memorandum of Agreement with TIEZA for the actual operation and maintenance of project. The terms and conditions of such MOA shall be mutually agreed upon between the proponent and TIEZA, provided, that the proponent shall have sole responsibility in the project's operation and maintenance, including the financial responsibility required thereto. For this purpose, the proponent shall include in its annual budget the necessary amount to cover the maintenance of the project. Further, TIEZA shall not commence construction until this provision on budget shall have been complied with.
 7. Upon completion of construction, accepts the project pursuant to the Memorandum of Agreement.



B. ROLE OF THE DOT REGIONAL OFFICES:

1. Receive project proposals and prescreen the documentation requirements based on a detailed checklist to be provided by TIEZA.
 2. Forward to TIEZA complete project proposals, return to proponent incomplete ones.
 3. Extend whatever support is feasible to proponent and/or TIEZA.
 4. Assist in the monitoring of project implementation
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C. ROLE OF TIEZA:

1. Evaluates closely all project proposals in accordance with this set of criteria, guidelines and the National Tourism Master Plan as well as the budget ceiling approved by the TIEZA Board for every current year.
2. Within thirty days from receipt of the letter-request from the proponent, informs proponent of the status of said request, i.e. whether the project is within the priority or low priority category and accordingly advice proponent of whatever activities it will further undertake, if applicable.
3. Enters into a Memorandum of Agreement with the proponent, requiring the latter, among others, to submit the approved budget which includes an appropriation for the operation and maintenance of the project.
4. Conduct bidding and implements construction of project in accordance with the standards and specifications, and as well as existing government rules and regulations.
5. Upon completion, turns-over project to proponent for management and operation in accordance with the MOA.
6. Coordinates and advises concerned Regional Office to require the project proponent to submit annual report of the status of project implementation, management and operation in accordance with MOA.

VII. CHECKLIST OF REQUIREMENTS:

- A. Project proposal;
- B. Feasibility study (if there is any);
- C. Detailed estimates;
- D. Cost-benefit analysis of the project;
- E. Structural designs;
- F. Land ownership documents, including the size of the land;
- G. Resolution of municipal/provincial board re: merits of the proposal and endorsement of Congressman/Senator; and
- H. Approved budget re: maintenance and operational costs of the project, stating clearly the cost and source of its counterpart fund
- I. Environmental Impact mitigation and prevention measures to be adopted