

GUIDELINES FOR ACCOMPLISHING ICC-PE FORMS NO. 1
GENERAL INFORMATION

1. Indicate the project title used in the project's Feasibility Study.
2. The description of the project must be a concise description of the components of the project and must give information on the objectives and envisioned output of the proposed project. It should give information if the project is multi-purpose in nature. It should also indicate if the project is only a phase of bigger, multi-phased project, or part of an IAD.
3. Indicate in project location the province or provinces where the project's plants and/or installations are to be constructed. For example, it should indicate the province(s):
 - a. where the manufacturing of an industrial project is located;
 - b. where the dam of hydroelectric project is to be constructed and its electrochemical equipment equipment's located; and
 - c. where the proposed highway project traverses
4. Total project cost shall include all project expenditures from detailed engineering/design until the completion of construction, but prior to operation. It is expressed in Philippine peso. Total project cost is the sum of the foreign component and local component.

To foreign component of the total project cost is the total among which provided by foreign sources. (Refer to ICC-PE Form No. 2). It is expressed in equivalent Philippine peso.

The exchange rate used to convert the foreign currency into peso must be indicated.

In cases where a project may have two or more foreign sources, indicate the exchange rate of all foreign sources.

The local component of total project cost is the total amount which is provided by local sources (Refer to ICC-PE Form No. 2). Indicate the sources of local counterpart requirements, i.e. budgetary outlay, internally-generated funds, domestic loans, etc.

5. The proposed date of start of construction and the target date for completion of construction should be indicated. The two dates define project implementation schedule. For a multi-phased project, the implementation schedule of all stages/phases of the project should be indicated. For single-phased projects, fill-up space for phase I only.

6. The estimated life of the project is the number of years the project will be in operation. It excludes the construction years of the project. The start of project life is the first year when it is in operation. The end year is the year when flow of project benefits and costs are expected to terminate.
7. The implementing agency(s)/firm(s) is the entity given the primary responsibility for carrying out or coordinating project activities.

GUIDELINES FOR ACCOMPLISHING ICC-PE FORM NO. 2

1. Indicate the sources of financing, whether local or foreign, or both.
2. Indicate the actual years when funds will be obtained.
3. Under LOCAL SOURCE (I), state amounts of financing corresponding to the appropriate types and sources indicated. These should refer to finances obtained from local sources and should be expressed in pesos.
 - a) Budget appropriations refers to amounts appropriated out of the funds in the National Treasury for the operation of the Government of the Republic of the Philippines.
 - b) Equity refers to capital invested in local firms by Philippine nationals, and includes retained earnings. For government corporations, this should exclude contributions derived from budgetary appropriations.
 - c) Bonds and Notes are evidences of Indebtedness which may be interest or non-interest bearing, issued by domestic borrowers to domestic lenders under which the issuer agrees to repay the principal at a stated future date. Bonds are negotiable instruments with fixed interest rates and fixed maturity date which is longer than a year.
 - d) Direct borrowing are loans directly obtained from the indicated sources – deposit money banks, specialized banks, thrift banks, and other financial institutions (as defined below).
 - e) Deposit money banks consist of commercial banks and rural banks, accepting demand deposits.
 - f) Specialized government banks consist of government performing specific economic functions as Development Bank of the Philippines (DBP), Land Bank of the Philippines (LBP) and the Philippine Amanah Bank (PAB).
 - g) Thrift banks are composed of savings and mortgage banks, stock savings and loan associations and private development banks.
 - h) Other financial institutions are those institutions regularly engaged in the lending of funds obtained from the public through the issuance of their own debt instruments (but not in the form of deposits) and/or those Institutions that are regularly engaged in lending of funds but do not obtain funds from the public (either in the form of deposits or other evidences of indebtedness).
 - 1) Those which are regulated by or under supervision of Central Bank include investment houses, financing companies, managers, leading investors, pawnshops, money brokers, and

the Government Service Insurance System and Social Security System (SSS).

- 2) Those which are not regulated by or are under the supervision of Central Bank include the private insurance companies.
4. Under foreign Source (II), also state amounts of financing corresponding to appropriate types and sources indicated. These should refer to finances obtained from foreign sources and should be expressed in terms of pesos. Use the same exchange rates assumption used in ICC-PE Form No. 1.
- a) Foreign loans (whether fixed or revolving, in cash or in kind) are borrowing secured from foreign sources, which for our purpose should include offshore banking units located in the Philippines.
 - b) Under direct obligation, the proponent or the end-user is the primary borrower.
 - c) Concessional loans are foreign borrowing with maturities of over 15 years. For our purposes, ignore the interest rate definition.
 - d) Commercial loans are foreign borrowings with maturities of up to 15 years.
 - e) Foreign loans form relending lines are loans wherein the proponent is the end-user but not the primary borrower. In a separate sheet, please specify details, i.e., 1) source of loan, e.g., DBP, PNB, etc., and 2) other particulars on the credit line, if available.
 - f) Bonds and Notes are as defined in 3 (c) except that these are issued to foreign lenders.
 - g) Equity include capital invested in local firm by non-Philippine nationals, whether in the form of foreign exchange in other assets, including reinvested earnings and capitalized expenses.
 - h) Under “Other” (11.3), include financing obtained from sources other than those specified under II.1 and II.2.

**GUIDELINES FOR ACCOMPLISHING ICC-PE FORM NO. 3:
Estimated Project Cost, Investment Phase**

1. Indicate the costs incurred during the investment phase of the project. Investment/implementation phase covers the detailed project engineering stage and the construction/installation stage of the project.
2. Expenditures for detailed engineering and other expenditures before start of construction in year 1 are considered year 0 expenditures.
3. All costs must be expressed in constant prices. Thus, any contingency for domestic and foreign inflation of the general price level should be excluded. However, physical contingency allowances as projected say, by the engineers, are included in costs calculation.
4. Foreign exchange costs include costs of all materials, equipment and manpower (supervision and technical assistance) for which offshore procurement would be required to satisfy the needs and specifications of the project. Foreign exchange costs should include both direct and indirect costs. Direct foreign exchange costs are cost of equipment and materials which are directly imported (CIF prices). Indirect foreign exchange cost should include costs of inputs imported for the local production of materials used in construction.

Foreign exchange cost should be expressed in US dollars or its equivalent in US dollars in cases where currency other than US dollar is used.

5. The estimated project cost required in ICC-PE Form No. 3 should include the following:
 - a. Costs should specify taxes and duties paid by the project. For example, if the project pays \$10,000 for an imported equipment and P2,000 for import tax of the same equipment, the relevant cost is the \$10,000, plus the P2,000 paid for tax.
 - b. Cost should indicate interests on loans and other loan charges on a separate schedule.
6. The cost of the following item should be indicated:
 - (a) Civil works which cover the construction of access roads, bridges, camp, operator's village, diversion works, materials processing plants, dam, spillway powerhouse, shafts and associated works expenditures must indicate: i) expenditures including rent on equipment and machineries used in civil works, (ii) materials and supplies and (iii) labor costs. Labor costs should indicate: (iii) a. costs of direct supervision and consultancy fees (also known-as engineering and administrative costs) and (iii) b. salaries engineering and administrative costs and (iii) b. salaries and wages for laborers and construction works.

- (b) Machineries and equipment include costs of mechanical or electrical equipment installed for the project. These are different from the equipment and machineries used in the civil works.
 - (c) Land acquisition costs are payments made for the acquisition of land for project use.
 - (d) Other investment costs, the catch-all item, is the total costs not reflected above. The components of these costs must be specified in a separate sheet.
 - (e) Total foreign exchange cost is the sum of the foreign exchange costs of the above items (a) to (d). Total local costs is the sum of the local costs of same items (a) to (d).
7. Item 6 refers to the total amount of subsidies received by the project. Subsidies usually take the form of price reductions (price subsidy) on materials and supplies purchased by the project. The subsidy is the difference between the purchase price by the project and the market price of goods, and is the amount that is shouldered by government. The subsidy may also take the form of lowered rates for utilities (power and water) consumed by the project. Indicate in the space provided the total amount of subsidies which is expected to be availed of by the project. Also enumerate the subsidized items.
8. If investment costs are incurred after year 4, use additional sheets.

**GUIDELINES FOR ACCOMPLISHING ICC-PE FORM NO. 4:
Annual Operations and Maintenance Costs**

1. The operational phase of the project is the phase following the completion of project construction/implementation. Year 1 is the first year of operation. Cost items which should be indicated are:
 - a. equipment/machineries
 - b. materials and supplies
 - c. labor costs (payments to personnel)
 - d. utilities and oil costs
 - e. depreciation
 - f. other operating and maintenance (O & M) costs
 - g. taxes
2. The annual operations and maintenance (O & M) costs apply to O & M for all project components. For example, if a multipurpose project has an irrigation project as one of its components, the O & M for the irrigation project has to be included. Furthermore, if the irrigation component involves associated costs for agriculture extension and services, the associated costs should also be included as O & M costs.
3. The costs should include replacement costs necessary to replace existing equipment and machineries when their useful life is completed. These are entered as equipment/machineries costs.
4. Estimates are required for the entire life of the project. Use a separate sheet for additional specifications.
5. For the definition of foreign exchange costs, labor costs, subsidies, refer to Guidelines for Accomplishing ICC-PE Form No. 3.

**GUIDELINES FOR ACCOMPLISHING ICC-PE FORM NO. 5:
Estimated Project Benefits and Revenue**

A. Benefits

1. The basic guide to identifying items of benefit is the definition of benefit itself, i.e., in terms of the income objective, benefit constitutes an increase in the economy's real resources through either increases in output or savings in resource use.

In the use of transport facilities, for instance, the set of direct benefits may include:

- a. reduced vehicle operating costs;
- b. lower maintenance costs;
- c. fewer accidents;
- d. savings in time for passenger and freight; and
- e. production increases (in the case of developmental transport).

Admittedly, only the first two benefits and the last are easily quantifiable (and practical) however, the effects of the other benefits on national income (e.g. value of each human life saved in terms of the capacity to earn during productive life) should be quantified.

2. Specify the source of benefit in the space provided. For more than two sources, use additional sheets. Example of benefit sources are:

- a. value of increased rice production (irrigation project)

Note: The increased value of production attributable to the project and considered project benefit is the increment between "Without-the-project" and "With-the-project" value of production net of associated production costs. (For more information, refer to A Guide to Project Development NEDA, 1978)

- b. vehicle operating savings (highways/road projects)
- c. income derived from sale of the product (for industrial projects)

For multi-purpose projects, project benefits for each project components should be presented.

3. Present the following in the Worksheets provided:
(Use additional sheets when needed)

- a. sample steps used in the calculation of the value of benefits;
- b. the sources of data;
- c. the methods of projections, for all projections made; and
- d. all assumptions used.

4. The project benefits should be estimated for the entire life out the project. Use additional sheets when necessary.

B. Revenue

For income-generating projects, indicate the project's income in another sheet. This should be supported by projected production volume and the prices used in projecting income.

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ICC-PE FORM NO. 1
GENERAL INFORMATION

1. Project Title _____

2. Description of Project _____

3. Project Location _____

GENERAL INFORMATION (CONTINUED)

- 4. Total Project Cost P _____ Exchange rate: _____
- a. Foreign Component P _____
- b. Local Component P _____

5. Implementation Schedule

<u>Phase/stage</u>	<u>Date of Start of Construction (Month/Year)</u>	<u>Target Date for Completion of Construction (Month/Year)</u>
I	_____	_____
II	_____	_____
III	_____	_____

6. Estimated life of the Project _____ years

7. Implementing Agency(s)/Firm(s) _____

Prepared by : _____
Telephone Number : _____
Office Address : _____
Date Prepared : _____

SOURCES OF FINANCING

	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR N
I. LOCAL SOURCE						
1. Budget Appropriation						
2. Equity ^{1/}						
3. Bonds and Notes						
4. Direct Borrowing						
a) Deposit Money Banks						
b) Specialized Banks (DBP, LBP, PNB)						
c) Thrift Banks						
d) Other Financial Institutions						
i) Those regulated by or under supervision of the Central Bank						
ii) Those which are not regulated by or under supervision of Central Bank (e.g. private Insurance companies)						

^{1/} For government corporations equity should exclude contributions derived from budgetary appropriations.

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 ICC-PE FORM NO. 3
 ESTIMATED PROJECT COST
 INVESTMENT PHASE

All costs are expressed in constant _____ (indicate year) prices.

In _____ Units

	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4
1. Civil Works					
a. Equipment/Machineries					
Foreign Exchange Costs	\$				
Local Costs	P				
b. Materials/Supplies					
Foreign Exchange Costs	\$				
Local Costs	P				
c. Labor costs					
c.1 Supervision and Consultancy Fees					
Foreign Exchange Costs	\$				
Local Costs	P				
c.2 Laborers					
Local Costs (skilled)	P				
(unskilled)	P				

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 ICC-PE-FORM NO. 3 (CONTINUED)
 ESTIMATED PROJECT COST
 INVESTMENT PHASE

In _____ Units

	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4
2. Machineries/Equipments					
Foreign Exchange Costs	\$				
Local Costs	P				
3. Land Acquisition Costs	P				
4. Other Investment Phase Costs (Specify)					
Foreign Exchange Costs	\$				
Local Costs	P				
5. Total costs (1-4)					
Total Foreign Exchange Costs	\$				
Total Local Costs	P				
6. Subsidies	P				
What are the subsidized items?	_____				

Assumptions:

Prepared by : _____
 Telephone Number : _____
 Office Address : _____
 Date Prepared : _____

ANNUAL OPERATIONS AND MAINTENANCE COST

OPERATIONAL PHASE

Indicate the year when the Project starts operation _____

ITEM	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR ...	YEAR N
1. Equipment/Machineries							
Foreign Exchange Costs	\$						
Local Costs	P						
2. Materials/Supplies							
Foreign Exchange Costs	\$						
Local Costs	P						
3. Labor Cost							
Supervision/Consultancy							
Foreign Exchange Costs	\$						
Local Costs							
Laborers (Skilled)	P						
Laborers (Unskilled)	P						
4. Utilities (Electricity, Water etc.)							
Foreign Exchange Costs	\$						
Local Costs	P						
5. Oil Costs							
Foreign Exchange Costs	\$						
Local Costs	P						

ITEM	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR ...	YEAR N
6. Other O & M Costs (Specify)							
Foreign Exchange Costs	\$						
Local Costs	P						
7. Total O & M Costs							
Foreign Exchange Costs	\$						
Local Costs	P						
8. Subsidies	P						

What are the subsidized items? _____

Prepared by : _____
 Telephone Number : _____
 Office Address : _____
 Date Prepared : _____

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 ICC-PE FORM NO. 5
 ESTIMATED PROJECT BENEFITS

Sources of Project Benefits _____

YEAR	VALUE OF BENEFITS	YEAR	VALUE OF BENEFITS
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

Assumptions:

Prepared by : _____
 Telephone Number : _____
 Office Address : _____
 Date Prepared : _____