



INVESTMENT COORDINATION COMMITTEE

MEMORANDUM

For : Heads of Departments/Agencies of the National Government, Government-Owned and Controlled Corporations, Government Financial Institutions, Local Government Units and All Others Concerned

**From : Secretary Carlos G. Dominguez
Department of Finance
Chair, ICC - Cabinet Committee**

Secretary Ernesto M. Pernia
National Economic and Development Authority
Co-Chair, ICC – Cabinet Committee

**Subject: REVISIONS ON ICC GUIDELINES AND PROCEDURES
(ICC ARRANGEMENTS AND POLICIES)**

Date: 30 September 2016

1. The NEDA Board, during its 14 September 2016 meeting, approved the recommendation of the Investment Coordination Committee (ICC) on the levels of approvals with regard to changes in project scope/cost, extension of project implementation or loan/grant validity, and change in project financing of ICC- and NEDA Board-approved projects.
2. The proposed arrangements/policies are expected to, streamline the ICC review procedures by delegating certain scopes of NEDA Board approvals to the ICC, the NEDA/ICC Secretariat, and/or the Department of Finance (DOF), with the NEDA Board focusing on approving new projects and major/substantial changes in NEDA Board-approved ongoing projects. Furthermore, it will allow for more effective and efficient implementation of projects and encourage agencies to better prepare, design and budget for projects for more prudent management of resources.
3. Accordingly, authority for acting on certain scopes are hereby modified as follows:

| Nature of Request | Decision Parameters | Level of Review |
|-------------------------------------|--|---------------------|
| 1. Change in Project Scope/ Cost | 1.1 Change in expected benefits (i.e., change in expected beneficiaries, service area, change in ICC/NB-approved design) | NEDA Board Approval |

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| | 1.2 Increase in total project cost by more than 10% | NEDA Board Approval |
| | 1.3 Increase in total project cost by 10% and below, but equal to or more than ICC/NB cost floor for review | NEDA Board Approval |
| | 1.4 Decrease in total project cost with request to use savings to expand scope or coverage | ICC Approval |
| | 1.5 Increase in total project cost by 10% and below, but less than ICC/NB cost floor for review | ICC Secretariat |
| | 1.6 Decrease in total project cost/ without change in project scope | ICC Notation |
| 2. Extension of Project Implementation / Loan/Grant Validity | 2.1 More than 24 months | NEDA Board Approval |
| | 2.2 More than 12 months up to 24 months | ICC Approval |
| | 2.3 12 months and below | ICC Secretariat / DOF approval |
| 3. Change in Project Financing | 3.1 Loan/Grant cancellation (partial or full) | ICC Approval |
| | 3.2 Loan/Grant cancellation (due to savings) | DOF Approval |
| | 3.3 Loan/Grant reallocation (across loan/grant allocation categories) | DOF Approval |
| | 3.4 Change in financing mix (between/among loan and grant proceeds and government counterpart) | DOF Approval |

2. All actions/decisions taken related thereto by the ICC, the ICC Secretariat, and the DOF will be reported to the Office of the President, through the Office of the Executive Secretary.
3. These modifications in the level of approvals shall be effective immediately.

For information and guidance.



SEC. CARLOS G. DOMINGUEZ
Department of Finance




SEC. ERNESTO M. PERNIA
National Economic and Development
Authority