

Build Build Build success hinges on execution, say econ experts

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Execution will pose a bigger problem and will be the decisive element in the success of the Duterte administration's Build Build Build agenda, economic experts said.

In a recent forum organized by local think tank Stratbase Albert del Rosario Institute (ADRI), economist Alvin Ang presented his special study, "Financing Inclusive Infrastructure," where he identified serious challenges the government must overcome to deliver on the President's infrastructure agenda.

The study pointed out that the issue is not whether private-public partnership (PPP) or official development assistance (ODA) is better but is ultimately an issue of whether the Philippines can address the myriad of execution issues.

"The MRT-7 is a prime example of this, as the contract was awarded and signed in 2008 and yet construction only took off eight years later in 2016," he said.

In particular, Ang cited perennial problems beyond the approval and bidding stages, from the securing of right of way, procurement, budget bottlenecks and other issues of a "poor knowledge management" nature.

"This is not so much different with the issues related to doing business in the country which appears as the perennial reason why foreign investors are not coming in. We need to improve governance at different levels whether business or infrastructure related."

"It will be critical that the first half of 2018 will reflect a much-improved infrastructure spending and faster implementation of programs as people expect movement and not just press releases. This same source of political capital might be eroded sooner when people's expectations are not met." Ang said.

Dindo Manhit, president of Stratbase ADRI, added that the impetus for a massive infrastructure build-up is the country's poor state of infrastructure, "as evidenced by our poor performance in several global rankings."