

**STATUS OF PROJECTS IN EXECUTION – FY06**  
**SOPE**  
**REGION: EAST ASIA AND PACIFIC**  
**COUNTRY: PHILIPPINES**

**Operations Policy and Country Services**  
**SEPTEMBER 19, 2006**



# Report on the Status of Projects in Execution - FY06

## SOPE

Region: East Asia and Pacific

Country: Philippines

### Introduction

The Status of Projects in Execution (SOPE) Report for FY06 provides information on all IBRD/IDA projects that were active on June 30, 2006.

The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. In accordance with the Bank's revised disclosure policy, since FY02, the SOPE Report is available to the public.

The report is intended to bridge the gap in information available to the public between the Project Appraisal Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

In addition to the project progress description, the FY06 SOPE report<sup>1</sup> contains project level comparisons of disbursement estimates and actual disbursements, and a table showing the loan/credit/grant amount and disbursements to date for all active projects.

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<sup>1</sup> Notes:

- Amounts for Projects in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Loans, which provide quick-disbursing external financing to support policy and institutional reforms. For these loans, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed conditions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus may not include a graph.



**Country: Philippines**

**Project Name (ID): PH ODS INVESTMENT PROJECT ( P004406 )**

**Country:** Philippines

**Board Approval Date :** 09/27/1994

**Midterm Review Date :** 08/07/2007

**Closing Date :** 06/30/2010

**Loan/Credit/Grant Number :** WBTF-21931

**Sector(s):** Other industry (67%), Agro-industry (31%), Central government administration (1%), Banking (1%)

**Theme(s):** Pollution management and environmental health (P), Environmental policies and institutions (P), Other financial and private sector development (S)

**Project Development Objectives:**

The overall objective of the Project is to assist the Recipient to phase-out the use of ODS within its territory through the introduction of appropriate technology measures, institutional strengthening, implementation of specific cost effective investments to reduce consumption of ozone depleting substances, and the implementation of Sector Plans.

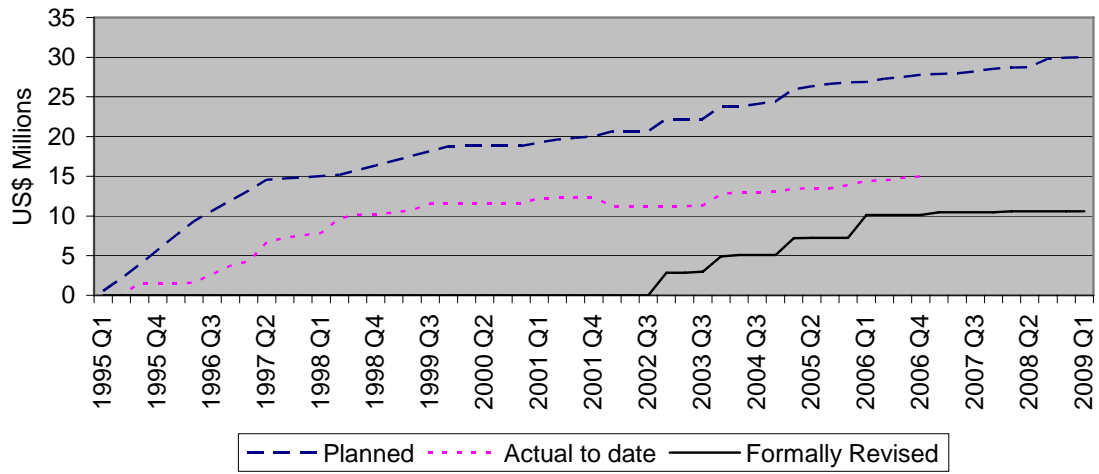
**Progress toward achieving development objective(s):**

Implementation for the entire project is underway on schedule. The total ODS consumption reported for 2005 is 1050 tons which is significantly lower than the maximum ODS consumption committed by the country to the Montreal Protocol at 1509 tons. Eight individual enterprises have received grant assistance. In addition, grant assistance to small servicing shops by vouchers is being implemented and equipment supplies have been delivered to the training institutes and service shops. For the phasing out use of methyl bromide applications; implementation is also underway.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| WBTF-21931                    | Effective     | 30.00         | 14.97            | 15.03              | 0.00                |





**Project Name (ID):** WATER DISTRICTS DEVELOPMENT PROJECT ( P004576 )

**Country:** Philippines

**Board Approval Date :** 09/09/1997

**Closing Date :** 12/31/2006

**Loan/Credit/Grant Number :** IBRD-42270, IBRD-42280

**Sector(s):** General water, sanitation and flood protection (85%), Central government administration (15%)

**Theme(s):** Pollution management and environmental health (P), Municipal governance and institution building (P), Other financial and private sector development (P), Other urban development (P), Decentralization (S)

**Project Development Objectives:**

1. To help local government units (LGUs) and water districts of participating cities plan and implement sewerage, drainage, and sanitation investments within the areas of their jurisdictions; 2. To assist the Government in developing a system of public performance audits, by which consumer feedback on water utility performance is available in a transparent manner to providers of those services.

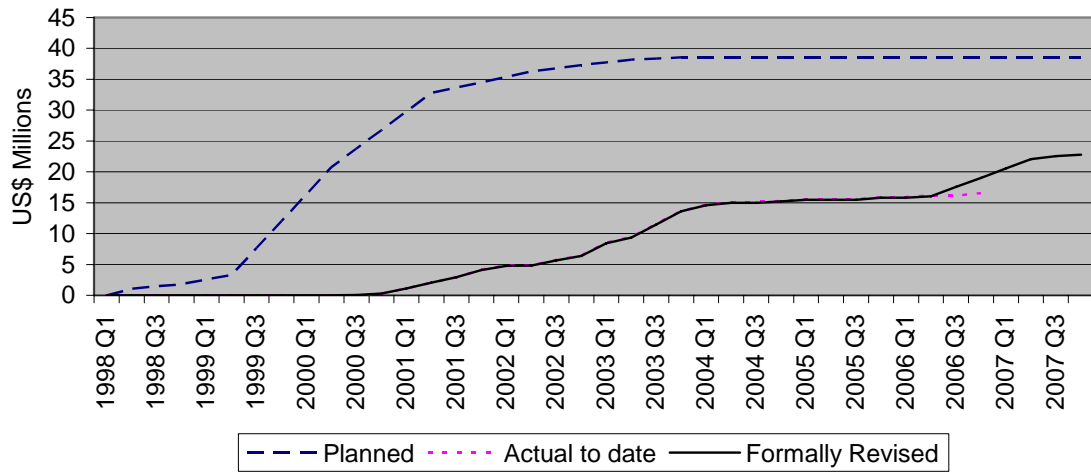
**Progress toward achieving development objective(s):**

1) The project set up procedures for long-term financing of LGUs using Government financial intermediaries, and has successfully assisted 12 participating LGUs and water districts to plan and implement sewerage, drainage, and sanitation investments within their jurisdictions. Also, nine LGUs have legal and regulatory frameworks approved by the local legislature to contract out operations and maintenance. 2) The Public Assessment of Water Services was developed and implemented transparently. The necessary elements for public performance audits, incorporating consumer feedback on water utility performance, were provided and tested in over 100 districts, but could not be fully implemented due to legal issues.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|--------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-42270               | Closed        | 2.30          | 1.97             | 0.00               | 0.33                |
| IBRD-42280               | Effective     | 36.30         | 14.54            | 6.36               | 15.40               |





**Project Name (ID):** PH - COMMUNITY BASED RESO ( P004595 )

**Country:** Philippines

**Board Approval Date :** 03/24/1998

**Midterm Review Date :** 04/11/2001

**Closing Date :** 06/30/2007

**Loan/Credit/Grant Number :** IBRD-42990, JPN-29437

**Sector(s):** General agriculture, fishing and forestry (45%), Water supply (20%), Roads and highways (20%), Sub-national government administration (8%), Other social services (7%)

**Theme(s):** Environmental policies and institutions (P), Land administration and management (P), Decentralization (S), Rural services and infrastructure (S)

**Project Development Objectives:**

The objective is to reduce rural poverty and environmental degradation through support for locally generated and implemented natural resource management projects.

**Progress toward achieving development objective(s):**

The project is expected to achieve its development objectives. As of July 2006, implementation progress has resulted in the achievement of about 85% of its overall physical targets and disbursement of about 81% of the loan. This has led to the issuance of about 250 Community Based Forest Management Agreements (62% of targeted number of tenurial instruments to be provided by the Department of Environment and Natural Resources to the communities) covering about 39,000 hectares (40% of area to be secured for community management) thus securing community management and protection of the resources.

Significant implementation progress is also reflected in the provision of 103 livelihood activities benefiting around 12,000 households. The Initial Project Impact Assessment report indicates that 80% of project beneficiaries are experiencing an increase in their incomes brought about by the livelihood and enterprise development interventions supported by the project.

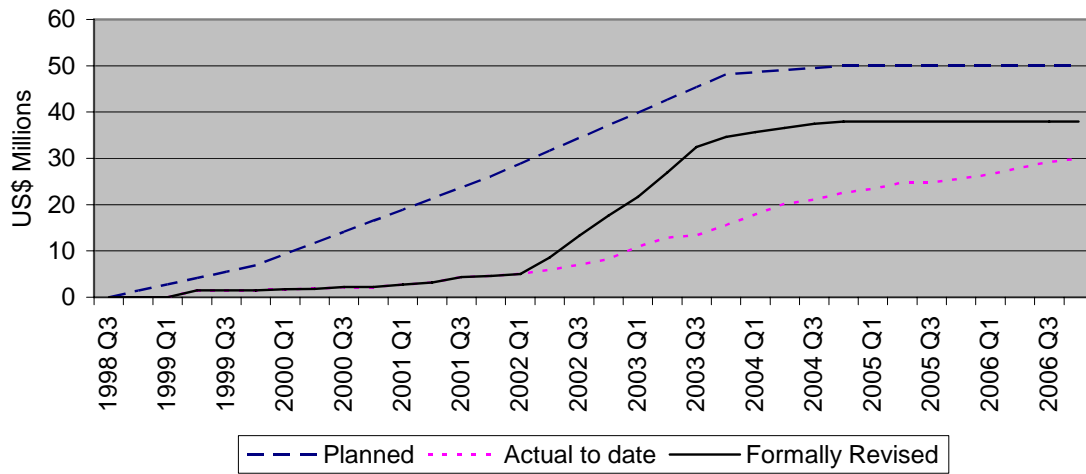
To sustain these achievements, around 84% of Local Government Unit and People's Organization Sustainability Plans have been finalized and in some cases ratified by the local governments, and a number of these plans is already being implemented.

A one-year extension of the loan's closing date was approved to ensure the completion of all sub-project activities and securely put in place the mechanisms needed to sustain project gains.



**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-42990                    | Effective     | 50.00         | 29.99            | 8.01               | 12.00               |
| JPN-29437                     | Closed        | 0.35          | 0.30             | 0.00               | 0.05                |



**Project Name (ID):** Local Government Finance & Development Project (LOGOFIND) ( P048588 )

**Country:** Philippines

**Board Approval Date :** 03/23/1999

**Closing Date :** 06/30/2008

**Loan/Credit/Grant Number :** IBRD-44460, JPN-27048

**Sector(s):** Sub-national government administration (30%), Housing construction (20%), General transportation (20%), Health (15%), Animal production (15%)

**Theme(s):** Municipal finance (P), Municipal governance and institution building (P)

**Project Development Objectives:**

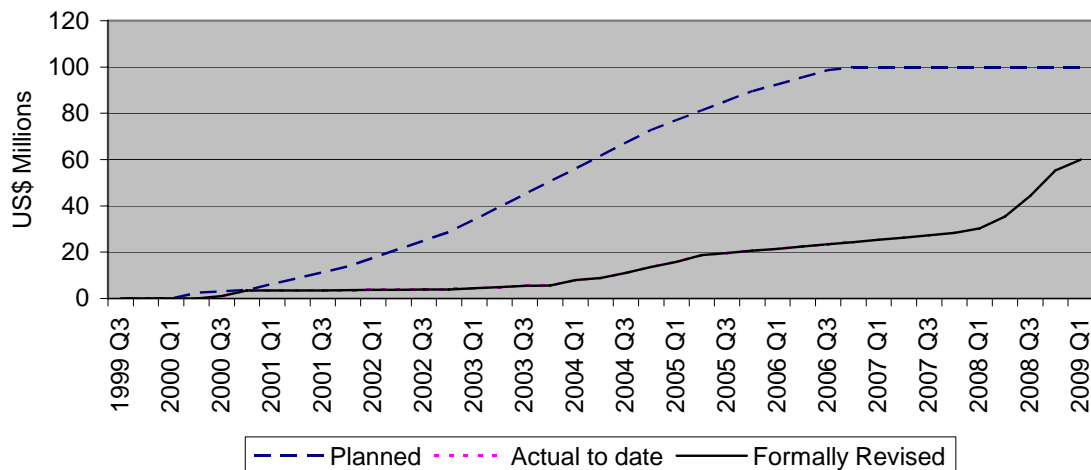
To assist participating Local Government Units (LGUs) in expanding and upgrading their basic infrastructure, services and facilities and in strengthening their capacities in municipal governance, investment planning, revenue-generation, and project development and implementation.

**Progress toward achieving development objective(s):**

The project's overall performance is improving. It is contributing to expanding infrastructure in participating LGUs, and is increasing their capacity in municipal governance, planning, and revenue generation. Strengthening the Municipal Development Fund Office is proceeding more slowly, but the recent closing date extension will provide more time to achieve this goal within current constraints.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| Loan/Credit/Grant | Status    | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------|-----------|--------|-----------|-------------|--------------|
| IBRD-44460        | Effective | 100.00 | 24.75     | 35.25       | 40.00        |
| JPN-27048         | Closed    | 0.97   | 0.90      | 0.00        | 0.07         |



**Project Name (ID):** PH-RURAL FINANCE III ( P057598 )

**Country:** Philippines

**Board Approval Date :** 12/03/1998

**Midterm Review Date :** 11/29/2002

**Closing Date :** 12/31/2006

**Loan/Credit/Grant Number :** IBRD-44130

**Sector(s):** General finance (96%), Micro- and SME finance (3%), General public administration (1%)

**Theme(s):** Rural markets (P), Small and medium enterprise support (S)

**Project Development Objectives:**

The objectives are to: (a) provide financial support to the rural economy to overcome the difficulties created by the regional financial crisis; (b) assist the government in its efforts to alleviate rural poverty through the provision of financial and institutional support to the country's micro-finance system; and (c) strengthen Land Bank of Philippines as the main financial institution serving the rural areas and People's Credit and Finance Corporation (PCFC) as the country's main conduit for micro-finance while enforcing financial discipline on Participating Financial Institutions (PFIs).

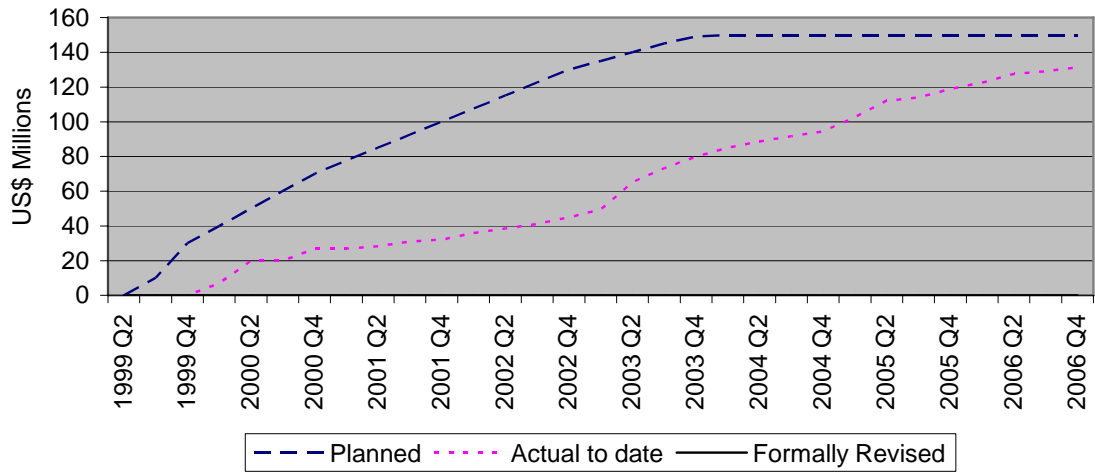
**Progress toward achieving development objective(s):**

The project continues to disburse funds through private financial institutions to credit-worthy farm and non-farm business activities in rural areas. As of August 2006, US\$130 million (of US\$150 million) has been drawn down for lending by the Land Bank to small, medium and large projects through 43 financial intermediaries accredited by the Land Bank. Some 85,000 small loans have been provided to micro-entrepreneurs through 64 accredited institutions by the PCFC. Repayment rates are about 97%. The Land Bank and the PCFC have institutional strengthening plans which are on target.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-44130                    | Effective     | 150.00        | 131.33           | 18.67              | 0.00                |





**Project Name (ID):** Metro Manila Urban Transport Integration Project ( P057731 )

**Country:** Philippines

**Board Approval Date :** 06/21/2001

**Midterm Review Date :** 03/31/2005

**Closing Date :** 03/31/2007

**Loan/Credit/Grant Number :** IBRD-70580

**Sector(s):** Roads and highways (81%), General transportation (16%), Sub-national government administration (3%)

**Theme(s):** Access to urban services and housing (P), Other urban development (P)

**Project Development Objectives:**

To improve the operational efficiency and safety of the transport system of Metro Manila, with better opportunities to use public transport and nonmotorized transport;

Global Environment Facility (GEF) objective: to reduce greenhouse gas emissions by promoting the use of zero-emission bicycle and pedestrian transport

**Progress toward achieving development objective(s):**

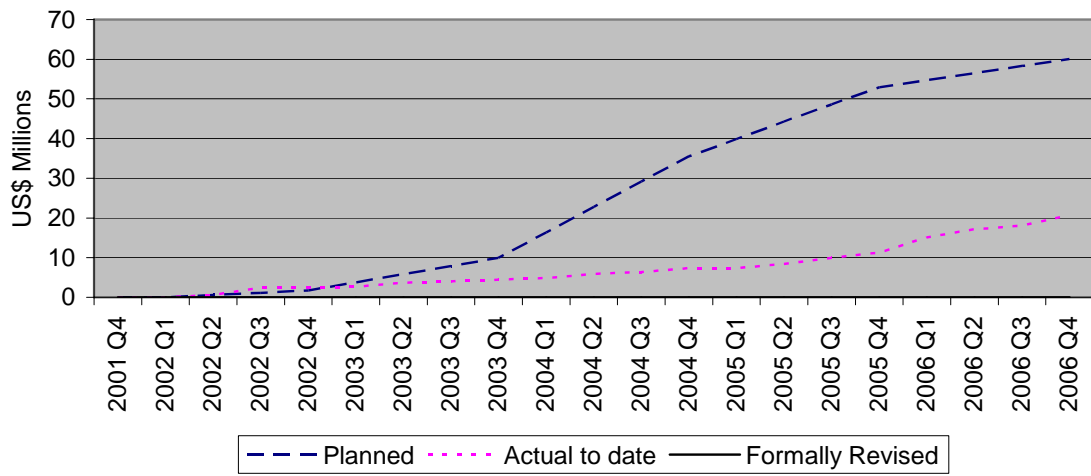
Project-related activities supporting pedestrian separation and modal transfers are significantly improving transportation. While some specific project tasks have been delayed or modified and need concerted action, the policies and programs of the Metro Manila Development Authority (MMDA) generally support the project's objectives.

GEF: The Bikeway program has had high visibility and attracts good usage. Traffic counts conducted recently indicate 1-2% increase in bike usage per year. The project is one of the winners of the Gawad Galing Pook 2005 Top Ten Outstanding Programs in Local Governance in the Philippines, increasing the chance of replication in other parts of the country.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-70580                    | Effective     | 60.00         | 20.74            | 39.26              | 0.00                |





**Project Name (ID):** First National Roads Improvement Project ( P039019 )

**Country:** Philippines

**Board Approval Date :** 02/15/2000

**Midterm Review Date :** 07/19/2002

**Closing Date :** 03/31/2007

**Loan/Credit/Grant Number :** IBRD-70060, JPN-25396

**Sector(s):** Roads and highways (82%), Central government administration (18%)

**Theme(s):** Infrastructure services for private sector development (P), Other financial and private sector development (S), Technology diffusion (S), Pollution management and environmental health (S)

### Project Development Objectives:

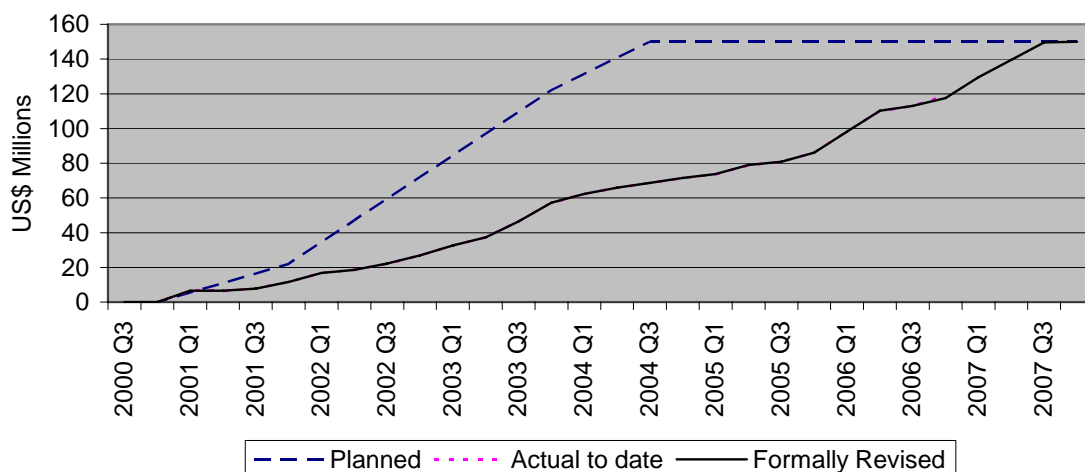
To ensure the preservation of an improved national roads system in an environmentally, socially and financially sustainable manner

### Progress toward achieving development objective(s):

Physical investment targets have been met or exceeded, but the implementation period has been extended by nearly three years. The asset management and business systems for managing the national network have been largely developed and institutionalization is underway. The agency is showing commitment to employ its new tools, especially for financial management. However, the agency also faces considerable challenges in terms of staff turnover and external pressure to adopt subjective instead of system-based decision information. Since the initial stage, little further progress has been made on sector reform for establishing a road authority or a fuel levy.

### Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )

| Loan/Credit/<br>Grant | Status    | Amount | Disbursed | Undisbursed | Cancellation |
|-----------------------|-----------|--------|-----------|-------------|--------------|
| IBRD-70060            | Effective | 150.00 | 118.92    | 31.08       | 0.00         |
| JPN-25396             | Closed    | 0.99   | 0.67      | 0.00        | 0.32         |



**Project Name (ID):** Support for Strategic Local Development and Investment Project ( P064925 )

**Country:** Philippines

**Board Approval Date :** 06/29/2006

**Closing Date :** 06/30/2012

**Loan/Credit/Grant Number :** IBRD-48330, JPN-25775, JPN-52417

**Sector(s):** General water, sanitation and flood protection (50%), Roads and highways (20%), Renewable energy (13%), Sub-national government administration (9%), Housing construction (8%)

**Theme(s):** Other urban development (P), Municipal finance (P), Decentralization (S), Other financial and private sector development (S)

**Project Development Objectives:**

To improve local public service provision and management by facilitating Local Government Unit (LGU) access to viable financing to implement strategic infrastructure investments

**Progress toward achieving development objective(s):**

The project was just approved on June 29, 2006.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-48330                    | Not Effective | 100.73        | 0.00             | 100.73             | 0.00                |
| JPN-25775                     | Closed        | 0.50          | 0.00             | 0.00               | 0.50                |
| JPN-52417                     | Effective     | 0.98          | 0.32             | 0.66               | 0.00                |



**Project Name (ID):** Judicial Reform Support Project ( P066076 )

**Country:** Philippines

**Board Approval Date :** 08/19/2003

**Midterm Review Date :** 01/15/2007

**Closing Date :** 12/31/2009

**Loan/Credit/Grant Number :** IBRD-71910, JPN-26102, JPN-50807

**Sector(s):** Law and justice (100%)

**Theme(s):** Judicial and other dispute resolution mechanisms (P), Access to law and justice (P), Legal institutions for a market economy (P), Other public sector governance (S)

**Project Development Objectives:**

The objective is to develop a more effective and successful judicial system that would foster public trust and confidence, by ensuring speedy and fair disposition of justice to all by improving the efficiency of case adjudication and access to justice; upgrading the integrity of the judiciary; strengthening institutional capabilities; and promoting stakeholder support for judicial reform.

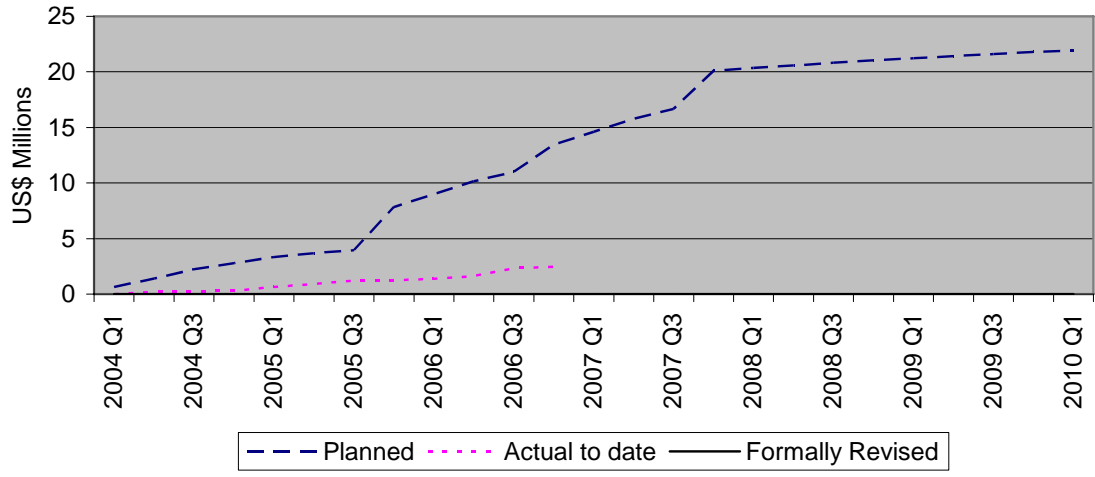
**Progress toward achieving development objective(s):**

Progress toward meeting the development objectives has been positive in FY06. The Supreme Court's overall Action Plan for Judicial Reform (APJR), is fully operational and supported by the Chief Justice himself and all the Justices. The Management Committee with membership from senior Supreme Court Justices manages the JRSP. In addition, seminars have been held for advocacy activities among stakeholders. The needed infrastructure in the judiciary has been created and the work plan and installation of the computer aided transcription system formulated. The Supreme Court's Project Operations Manual is operational in guiding the implementation of the Project. The Infrastructure Master Strategic Plan, and the Information System Master Plan are being implemented and monitored. The significant achievement in FY06 progress has been the installation of 3 mobile courts providing access to justice to the poor and the underprivileged, the completion of the user's survey which provided the baseline data for the project performance indicators; the procurement and installation of various ICT equipment to lower courts; closer coordination between the Court, other government agencies and donor partners. With implementation progress lagging behind as captured in the June 2006 Supervision Mission, four key actions are agreed to move the project forward and addressed procurement delays and slow disbursements. This will be the primary tasks of the Program Management Office and the JRSP Management Committee in the next six months. The mid term review is scheduled in April 2007.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-71910                    | Effective     | 21.90         | 2.47             | 19.43              | 0.00                |
| JPN-26102                     | Closed        | 0.31          | 0.31             | 0.00               | 0.01                |
| JPN-50807                     | Closed        | 0.30          | 0.26             | 0.00               | 0.03                |





**Project Name (ID):** Rural Power Project ( P066397 )

**Country:** Philippines

**Board Approval Date :** 12/04/2003

**Midterm Review Date :** 03/11/2007

**Closing Date :** 12/31/2009

**Loan/Credit/Grant Number :** IBRD-72040, JPN-26103, JPN-26668

**Sector(s):** Power (50%), Renewable energy (50%)

**Theme(s):** Infrastructure services for private sector development (P), Rural services and infrastructure (P), Climate change (P), Other financial and private sector development (P)

**Project Development Objectives:**

APL1: To (a) test and demonstrate viable business models that maximize leveraging of public resources with private investment for decentralized electrification; (b) support transformation of electric cooperatives (ECs); and (c) avoid carbon dioxide emissions through wider use of renewable energy.

GEF: to mitigate global climate change caused by greenhouse gas (GHG) emissions through wider user of clean energy technologies

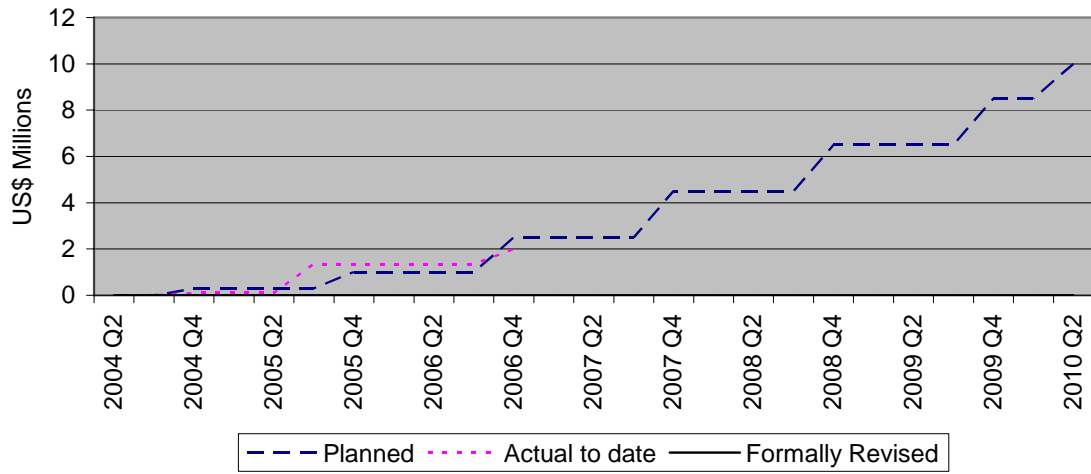
**Progress toward achieving development objective(s):**

All participating ECs exceeded the minimum target of financial viability. The Department of Energy (DOE) has made substantial progress on the policy front, including the issuance of a circular on photovoltaic (PV) subsidy rationalization and drafting rules and regulations for subsidy allocation and tariff-setting. The number of Renewable Energy Technology companies (seven) accredited and operating in rural areas already exceeds the minimum target number (four) at the end of the program and the Development Bank of the Philippines already approved two mini-hydros subprojects that will, upon operation in 2006-07 result in 13,184 tons of carbon dioxide (CO2) emissions avoided per year. However, delays have been encountered in the operationalization of the loan guarantee fund and in PV market penetration.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-72040                    | Effective     | 10.22         | 2.00             | 8.40               | 0.00                |
| JPN-26103                     | Closed        | 0.65          | 0.63             | 0.00               | 0.02                |
| JPN-26668                     | Closed        | 0.60          | 0.59             | 0.00               | 0.01                |





**Project Name (ID):** Electric Cooperative System Loss Reduction Project ( P066532 )  
**Country:** Philippines  
**Board Approval Date :** 04/29/2004  
**Midterm Review Date :** 06/30/2008  
**Closing Date :** 12/31/2011  
**Loan/Credit/Grant Number :** MULT-53360, MULT-53361, WBTF-52038  
**Sector(s):** Power (100%)  
**Theme(s):** Climate change (P), Infrastructure services for private sector development (S)

**Project Development Objectives:**

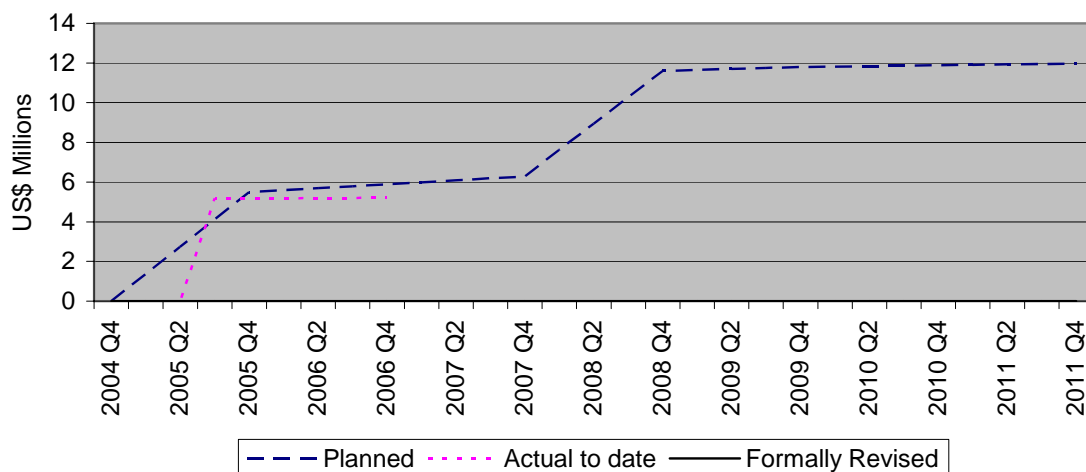
The project objective is to achieve significant and sustained energy efficiency improvements in electric cooperatives (ECs) in order to provide current and prospective viable EC customers with reliable and least-cost power supply over the long term. The global objective of the Global Environment Facility (GEF) is to reduce green house gas (GHG) emissions by removing barriers to energy efficiency investments in the rural power distribution sub-sector.

**Progress toward achieving development objective(s):**

The LGU Guarantee Corporation (LGUGC) has strengthened its Project Management Office (PMO) and achieved significant progress in project implementation. However, the capacity building component implemented by the Department of Energy (DOE) is progressing slower than expected. Immediate strengthening of the PMO is needed in areas of project management, procurement and other implementation support.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| Loan/Credit/Grant | Status    | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------|-----------|--------|-----------|-------------|--------------|
| MULT-53360        | Effective | 11.12  | 5.11      | 6.02        | 0.00         |
| MULT-53361        | Effective | 0.88   | 0.12      | 0.75        | 0.00         |
| WBTF-52038        | Closed    | 0.35   | 0.35      | 0.00        | 0.00         |



**Project Name (ID):** LGU Urban Water and Sanitation Project APL2 ( P069491 )

**Country:** Philippines

**Board Approval Date :** 10/18/2001

**Closing Date :** 11/30/2006

**Loan/Credit/Grant Number :** IBRD-70800, JPN-25626, JPN-25857

**Sector(s):** Water supply (70%), Sanitation (20%), Sub-national government administration (6%), Flood protection (4%)

**Theme(s):** Municipal finance (P), Other financial and private sector development (P), Other urban development (P), Municipal governance and institution building (S), Public expenditure, financial management, and procurement (S)

**Project Development Objectives:**

To assist selected Local Government Units (LGUs) to provide sustainable water and sanitation services and to strengthen their institutional and technical capacity for planning, budgeting and financial management of local services, including for water supply and sanitation.

**The Project was restructured during the 2006 Fiscal Year**

Following a cancellation of 50% of the original Loan amount, the project's key indicators were reduced similarly to adjust to project realities.

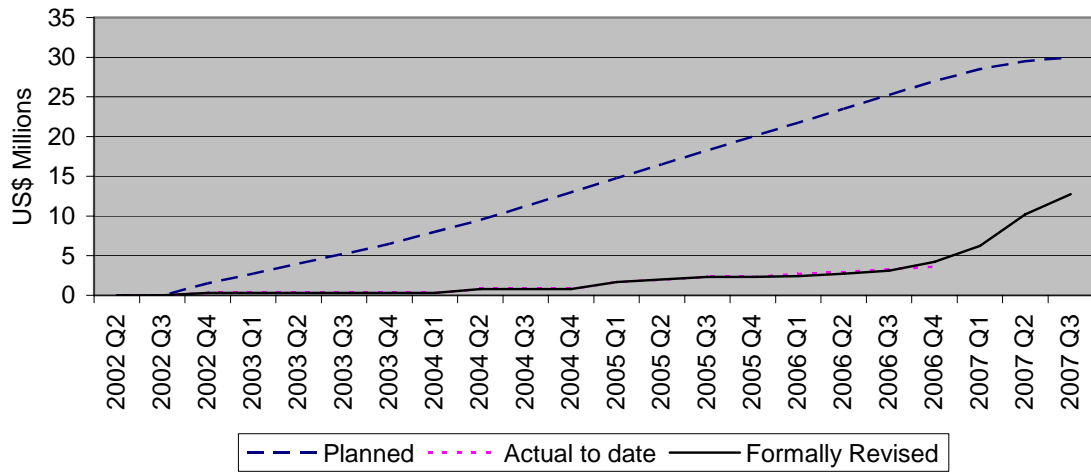
**Progress toward achieving development objective(s):**

Project implementation has been slow due to low demand from LGUs and Water Districts. The project has prepared a healthy pipeline of sub-projects, however, with other donors offering more advantageous lending terms, LGUs have migrated to them for financing. Currently, seven water supply systems are being implemented and three additional systems are likely to be managed by private operators. The seven systems are being completed and are likely to be operated sustainably. Even with a smaller number of LGUs and Water Districts, the Project remains viable and can achieve its objectives with the revised indicators.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-70800                    | Effective     | 31.98         | 3.59             | 12.54              | 17.28               |
| JPN-25626                     | Closed        | 1.00          | 0.98             | 0.00               | 0.02                |
| JPN-25857                     | Closed        | 0.50          | 0.49             | 0.00               | 0.01                |





**Project Name (ID):** Philippines-2nd Social Expenditure Management ( P069916 )  
**Country:** Philippines  
**Board Approval Date :** 06/04/2002  
**Closing Date :** 12/31/2006  
**Loan/Credit/Grant Number :** IBRD-71180, JPN-26242, JPN-52836  
**Sector(s):** General education (70%), Health (20%), General water, sanitation and flood protection (5%), Roads and highways (5%)  
**Theme(s):** Education for all (P), Health system performance (S), Other communicable diseases (S), Decentralization (S), Other accountability/anti-corruption (S)

**Project Development Objectives:**

The objectives are to: (i) improve basic social services, and (ii) improve systems (procurement financial management, information human resources in the education, health, and social welfare and development departments.

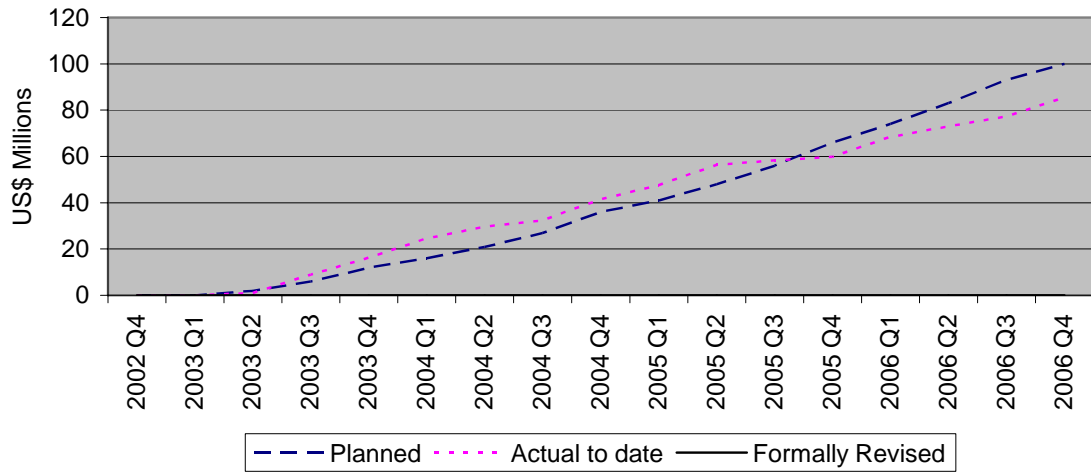
**Progress toward achieving development objective(s):**

The project continues to achieve significant improvements in institutional reforms while meeting the need for basic social services. National implementation and management of Comprehensive Development and Social Services program has been completed and the final projects remaining have now been turned over to the 371 municipalities and 539 barangays nationwide. Textbooks have been delivered and Department of Education has been concentrating on improving textbook content through its new textbook policy. Reforms in the management and delivery of protective services are continuing. All social sector department central offices have installed the National Government Accounting Systems financial management system and the rollout to regional offices has commenced. Procurement services have been set up in all social sector departments.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|--------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-71180               | Effective     | 100.00        | 85.54            | 14.46              | 0.00                |
| JPN-26242                | Closed        | 0.92          | 0.53             | 0.00               | 0.39                |
| JPN-52836                | Effective     | 0.20          | 0.07             | 0.13               | 0.00                |





**Project Name (ID):** Laguna de Bay Institutional Strengthening and Community Participation/LISCOP ( P070899 )

**Country:** Philippines

**Board Approval Date :** 12/04/2003

**Midterm Review Date :** 01/15/2007

**Closing Date :** 01/31/2009

**Loan/Credit/Grant Number :** IBRD-72050, JPN-26664, JPN-53322, NETH-52826

**Sector(s):** General water, sanitation and flood protection (100%)

**Theme(s):** Environmental policies and institutions (P), Pollution management and environmental health (P), Participation and civic engagement (P), Water resources management (S)

**Project Development Objectives:**

The overarching objective of the project is to assist the Laguna Lake Development Authority (LLDA), Local Government Units (LGUs) and other stakeholders to improve the environmental quality of the Laguna de Bay watershed by bringing: (1) behavioral changes and activities undertaken by watershed users; and (2) improved planning, regulatory instruments and incentives, and participation in the environmental management of the Laguna de Bay watershed.

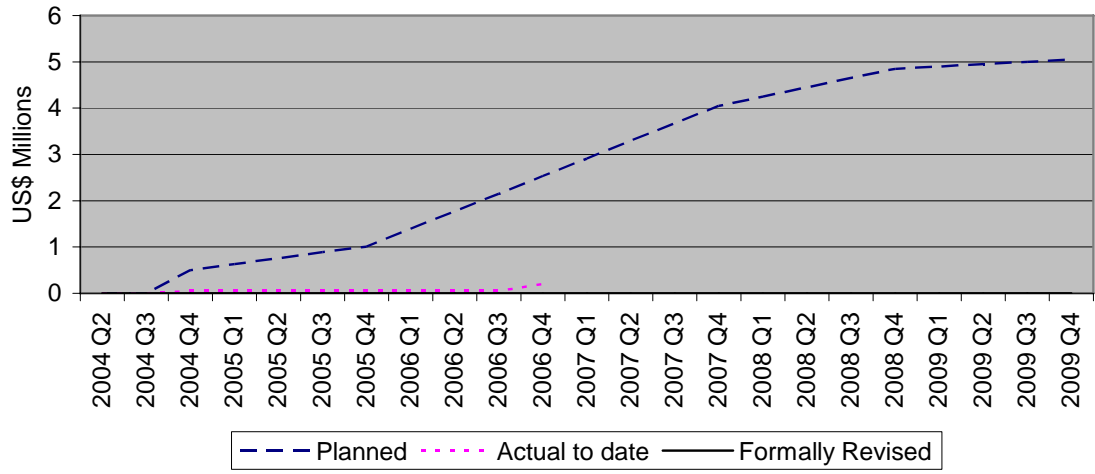
**Progress toward achieving development objective(s):**

The LLDA has made progress by responding to the issues raised during previous missions and for taking extra efforts to bring the Project on track. There is a healthy pipeline of subprojects, which is an indication of the LGUs commitment to the Project. Progress made in improving LLDA's regulatory instruments and the capacity building programs for LLDA, LGUs and river councils will help sustain the project. However, there is a need for the DENR to provide budget cover to the Project amounting to PhP70.9 million to implement the seven approved subprojects programmed this year.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|--------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-72050               | Effective     | 5.00          | 0.20             | 4.80               | 0.00                |
| JPN-26664                | Closed        | 0.99          | 0.20             | 0.00               | 0.79                |
| JPN-53322                | Effective     | 0.36          | 0.07             | 0.29               | 0.00                |
| NETH-52826               | Effective     | 5.00          | 2.31             | 2.69               | 0.00                |





**Project Name (ID):** Second Agrarian Reform Communities Development Project ( P071007 )

**Country:** Philippines

**Board Approval Date :** 11/26/2002

**Midterm Review Date :** 09/05/2005

**Closing Date :** 12/31/2007

**Loan/Credit/Grant Number :** IBRD-71520, JPN-26432, JPN-51601, JPN-53822

**Sector(s):** General public administration (25%), Roads and highways (25%), Water supply (25%), Agricultural marketing and trade (25%)

**Theme(s):** Rural services and infrastructure (P), Participation and civic engagement (P), Rural policies and institutions (P), Land administration and management (P)

**Project Development Objectives:**

The objective of the project is to reduce rural poverty and enhance the quality of life of the target beneficiaries, comprising mainly agrarian reform beneficiaries.

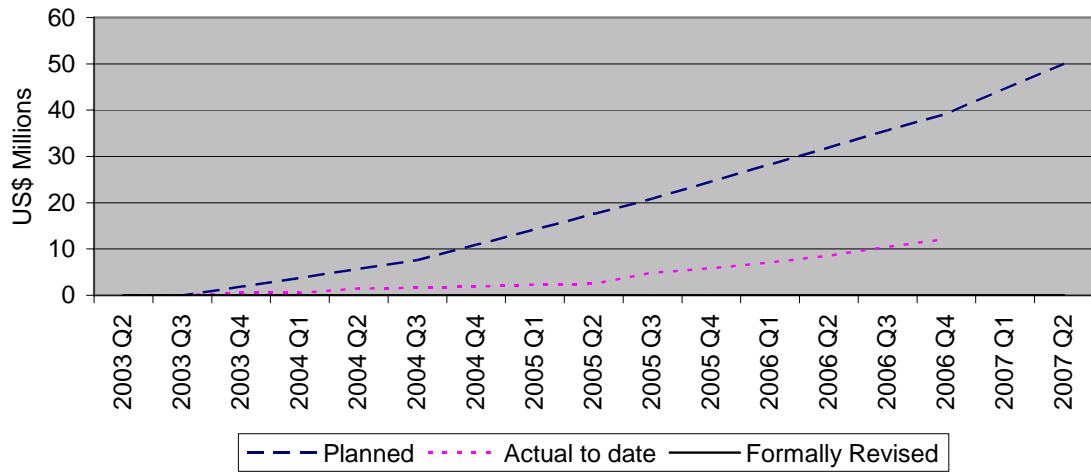
**Progress toward achieving development objective(s):**

Progress towards meeting the project's development objective has been good, with improved performance and increased outputs in all project components. Some of the reported initial results and benefits are: (a) 50-100% increase in the average crop yield; (b) financial access of about 18,200 clients to microfinance institutions amounting to US\$1.87 million; (c) financial support to the construction and/or rehabilitation of 241 community-based infrastructure sub-projects, of which 51 have been completed; (d) the generation of savings and capital build-up by the project beneficiaries amounting to US\$270,000; and (e) the strengthening of community and peoples' organizations through organizational development and capability-building activities.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-71520                    | Effective     | 50.00         | 12.17            | 37.83              | 0.00                |
| JPN-26432                     | Closed        | 0.67          | 0.61             | 0.00               | 0.06                |
| JPN-51601                     | Effective     | 2.00          | 0.84             | 1.16               | 0.00                |
| JPN-53822                     | Effective     | 1.15          | 0.26             | 0.89               | 0.00                |





**Project Name (ID):** LAND ADMINISTRATION AND MANAGEMENT II PROJECT  
( P073206 )

**Country:** Philippines

**Board Approval Date :** 05/31/2005

**Midterm Review Date :** 03/31/2008

**Closing Date :** 03/31/2011

**Loan/Credit/Grant Number :** IBRD-72980

**Sector(s):** Central government administration (65%), Sub-national government administration (30%), Tertiary education (5%)

**Theme(s):** Land administration and management (P), Other public sector governance (P), Personal and property rights (P), Other rural development (S), Law reform (S)

**Project Development Objectives:**

The project's objectives are to: (a) improve land tenure security; (b) facilitate the development of land markets; and (c) increase government revenues from property taxes.

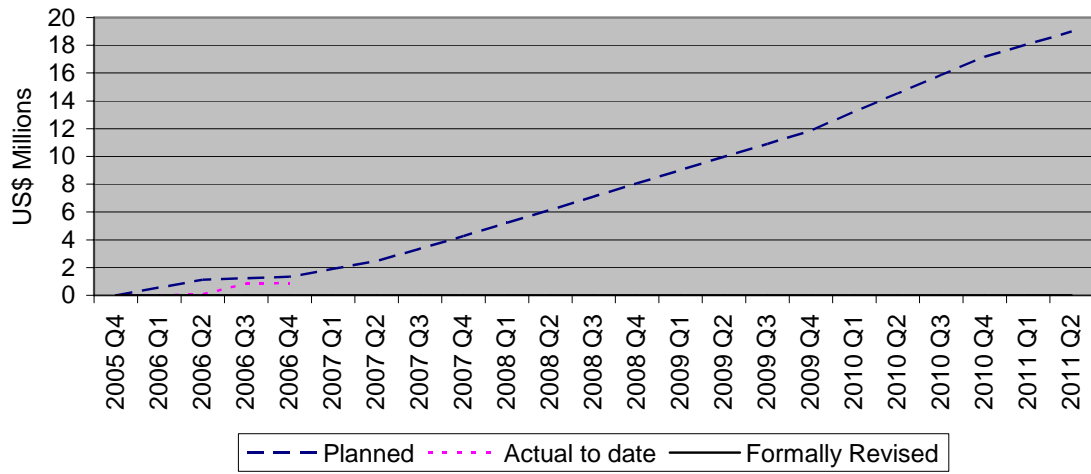
**Progress toward achieving development objective(s):**

The Loan became effective October 1, 2005. The project follows an initial four-year project during which the emphasis was placed on the development of the necessary policy and institutional framework for land administration reform and the testing of alternative approaches to land titling. The project continues to support policy and institutional reform. The Bank's development partner, the Australian Government, funded technical assistance to bridge the gap between the first and second projects. The project is experiencing a slow start-up and progress with implementation is being impaired by limited counterpart funding of key staff positions. Technical implementation of land titling and "one-stop-shop" service delivery is continuing in a single province, Leyte, and will be expanded to a second province in 2007. Progress with land valuation is also limited.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-72980                    | Effective     | 19.00         | 0.89             | 18.10              | 0.00                |





**Project Name (ID):** ARMM Social Fund Project ( P073488 )

**Country:** Philippines

**Board Approval Date :** 12/05/2002

**Midterm Review Date :** 01/23/2006

**Closing Date :** 06/30/2008

**Loan/Credit/Grant Number :** IBRD-71530, JPN-26833

**Sector(s):** Other social services (100%)

**Theme(s):** Conflict prevention and post-conflict reconstruction (P), Rural services and infrastructure (P), Participation and civic engagement (S)

**Project Development Objectives:**

The objectives are to: (a) provide and/or improve sustained access to social and economic infrastructure and services by the poor and conflict-affected poor communities; (b) provide capacity building for women, youth and other community groups for improving food security, employment opportunities and household incomes; (c) strengthen social cohesion and partnerships between and within communities in the Autonomous Region in Muslim Mindanao (ARMM); and (d) improve local governance and institutional capacities with a focus on improved transparency and accountability in the allocation and management of public resources by the participating communities, local government units (LGU) and ARMM Regional Government.

**Progress toward achieving development objective(s):**

The Project has demonstrated positive developments over the last 12 months:

(a) There has been a dramatic increase in the results of the Community Development Assistance (CDA) Component since the execution of the Program Contract in July 2005. As of April 2006, the CDA has now reached 463 villages (barangays) with 520 sub-projects approved, 304 completed and 142 under construction. The number of completed sub-projects represent an increase of 1,322% over the May 2005 figures.

(b) The Strategic Regional infrastructure Component continues to progress well with six completed sub-projects, six under construction, and one undergoing revision of feasibility study and site appraisal.

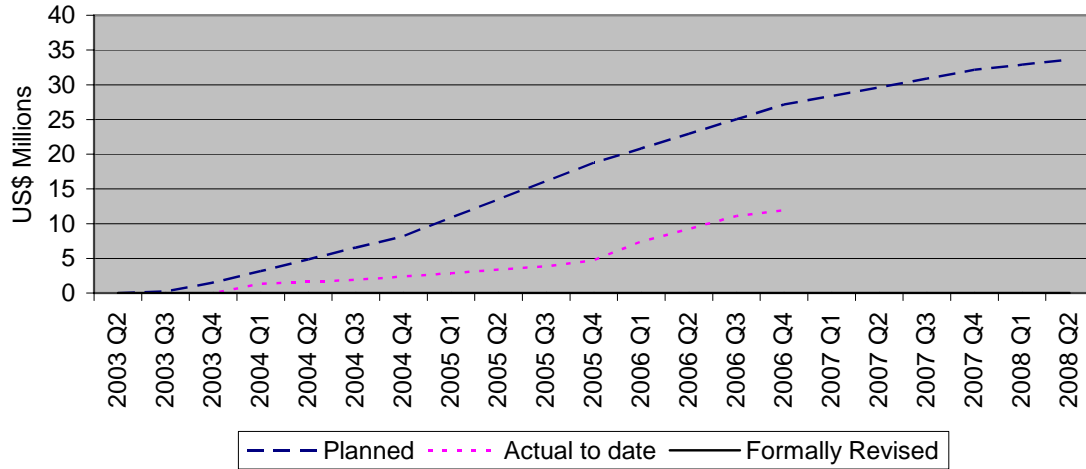
(c) Under the Institutional Strengthening and Governance Component, the Community-based Education sub-component, is implemented in partnership with the Basic Education for Assistance in Mindanao (BEAM-AusAID) Project and ARMM Department of Education, has achieved strong results. Information dissemination activities continue to be well implemented through the utilization of print, broadcast and



television media to reach target audiences within the region.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| Loan/Credit/Grant | Status    | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------|-----------|--------|-----------|-------------|--------------|
| IBRD-71530        | Effective | 33.60  | 11.90     | 21.70       | 0.00         |
| JPN-26833         | Closed    | 0.80   | 0.75      | 0.00        | 0.05         |



**Project Name (ID):** Diversified Farm Income and Market Development Project ( P075184 )

**Country:** Philippines

**Board Approval Date :** 06/22/2004

**Midterm Review Date :** 12/22/2006

**Closing Date :** 06/30/2009

**Loan/Credit/Grant Number :** IBRD-72360, JPN-50628

**Sector(s):** Agricultural marketing and trade (60%), Sub-national government administration (15%), Agricultural extension and research (15%), Central government administration (5%), Roads and highways (5%)

**Theme(s):** Rural services and infrastructure (P), Export development and competitiveness (P), Infrastructure services for private sector development (P), Rural markets (S), Technology diffusion (S)

**Project Development Objectives:**

The objective of the project is to strengthen the capacity of the Philippine Department of Agriculture (DA) to provide market-oriented services to increase agricultural competitiveness and rural incomes.

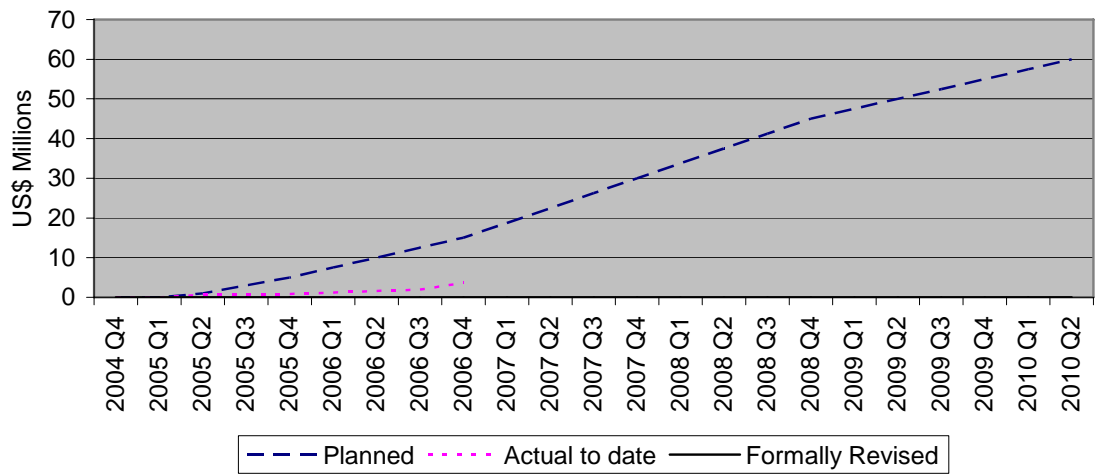
**Progress toward achieving development objective(s):**

The project is experiencing implementation difficulties and is lagging behind its physical and disbursement targets. These lags in implementation progress, 20 months since loan effectiveness, are symptomatic of the difficulties being encountered within and outside of the DA bureaucracy in pushing for institutional reforms under a difficult political economy context. It is critical that in the next six months, proactive action be taken by the DA and the oversight agencies in focusing and integrating their efforts in addressing and resolving the causes of the significant lags in implementation. A Performance Monitoring Plan for the next six months, intended to serve as a management tool, has been agreed with Government, although it may well take more than 6 months to fully bring the project back on track in its progress towards achieving its development objectives. The implementing agency and the oversight agencies fully recognize and reaffirm the relevance and importance of pursuing the project's development objectives, as well as the agreed institutional reforms underpinning the design of the project.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|--------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-72360               | Effective     | 60.00         | 3.60             | 56.40              | 0.00                |
| JPN-50628                | Closed        | 0.63          | 0.52             | 0.00               | 0.11                |





**Project Name (ID):** National Sector Support for Health Reform ( P075464 )

**Country:** Philippines

**Board Approval Date :** 06/29/2006

**Closing Date :** 06/30/2011

**Loan/Credit/Grant Number :** IBRD-73950, JPN-50629

**Sector(s):** Health (40%), Compulsory health finance (40%), Non-compulsory health finance (10%), Central government administration (10%)

**Theme(s):** Health system performance (P), Social risk mitigation (S), Administrative and civil service reform (S), Other communicable diseases (S), HIV/AIDS (S)

**Project Development Objectives:**

To improve priority public health outcomes and increase utilization of health services by the poor in participating localities for conditions or diseases subject to intervention under the Project; and to increase financial protection of indigent households from the costs of health care.

**Progress toward achieving development objective(s):**

The project was not effective before the close of the reporting period.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-73950                    | Not Effective | 110.00        | 0.00             | 110.00             | 0.00                |
| JPN-50629                     | Closed        | 1.03          | 0.75             | 0.28               | 0.00                |



**Project Name (ID):** Kapitbisig Laban sa Kahirapan-Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS) Project ( P077012 )

**Country:** Philippines

**Board Approval Date :** 09/17/2002

**Midterm Review Date :** 01/19/2006

**Closing Date :** 06/30/2009

**Loan/Credit/Grant Number :** IBRD-71470, JPN-50944, JPN-54218, JPN-56159

**Sector(s):** General water, sanitation and flood protection (20%), Roads and highways (20%), Health (20%), General education (20%), Other social services (20%)

**Theme(s):** Participation and civic engagement (P), Decentralization (P), Improving labor markets (P), Other accountability/anti-corruption (P), Rural services and infrastructure (S)

**Project Development Objectives:**

The objective of the Project is to assist the government in strengthening participation of poor communities in barangay governance, and developing their capacity to design, implement and manage development activities that reduce poverty.

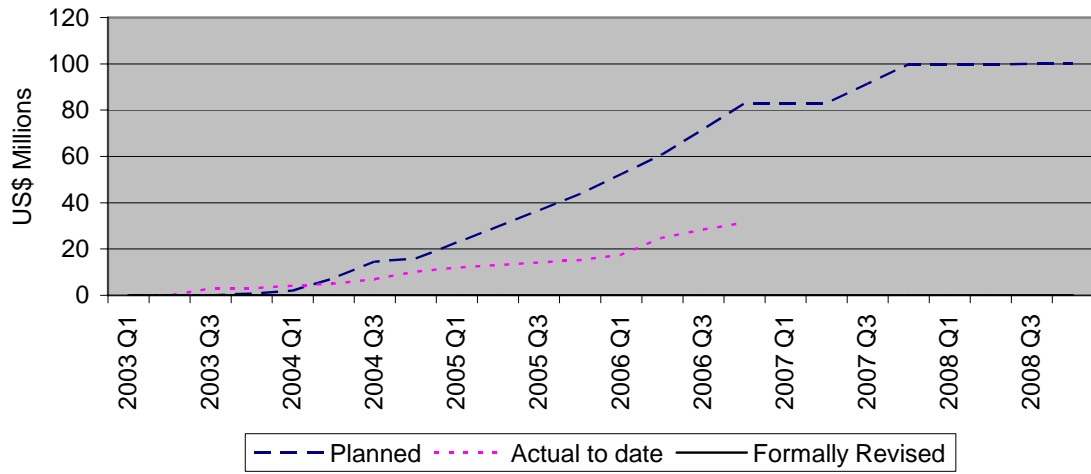
**Progress toward achieving development objective(s):**

The project is currently active in 129 of the poorest municipalities. The accomplishments to date have already been significant; in communities where the project is active it has: trained more than 138 thousand community volunteers; enhanced people's participation in the preparation of local development plans; implemented the sustained delivery of key local public goods through more than 1,566 funded sub-projects; municipalities have provided significant support towards implementing community sub-projects in terms of cash contributions, technical support and monitoring as committed through a memorandum of agreement with each participating municipality; some municipalities have already adopted key operational features of the KALAHI approach in the operations of their regular planning and budgeting systems; and a formal impact evaluation framework has been designed to track and measure quantitative and qualitative changes in the quality of life.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|--------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-71470               | Effective     | 100.00        | 31.35            | 68.65              | 0.00                |
| JPN-50944                | Closed        | 0.72          | 0.54             | 0.17               | 0.00                |
| JPN-54218                | Effective     | 2.00          | 0.34             | 1.66               | 0.00                |
| JPN-56159                | Not Effective | 0.36          | 0.00             | 0.36               | 0.00                |





**Project Name (ID):** Philippines-Second Women's Health & Safe Motherhood ( P079628 )

**Country:** Philippines

**Board Approval Date :** 04/21/2005

**Midterm Review Date :** 12/31/2008

**Closing Date :** 06/30/2012

**Loan/Credit/Grant Number :** IBRD-72900, JPN-51880

**Sector(s):** Health (75%), Central government administration (15%), Sub-national government administration (5%), Compulsory health finance (3%), Other social services (2%)

**Theme(s):** Population and reproductive health (P), Health system performance (P), HIV/AIDS (S), Social safety nets (S), Administrative and civil service reform (S)

**Project Development Objectives:**

The project will contribute to the national goal of improving women's health by:

1) Demonstrating in selected sites a sustainable, cost-effective model of delivering health services that increases access of disadvantaged women to acceptable and high quality reproductive health services and enables them to safely attain their desired spacing and number of children.

2) Establishing the core knowledge base and support systems that can facilitate countrywide replication of the project experience as part of mainstream approaches to reproductive health care within the framework of the Health Sector Reform Agenda.

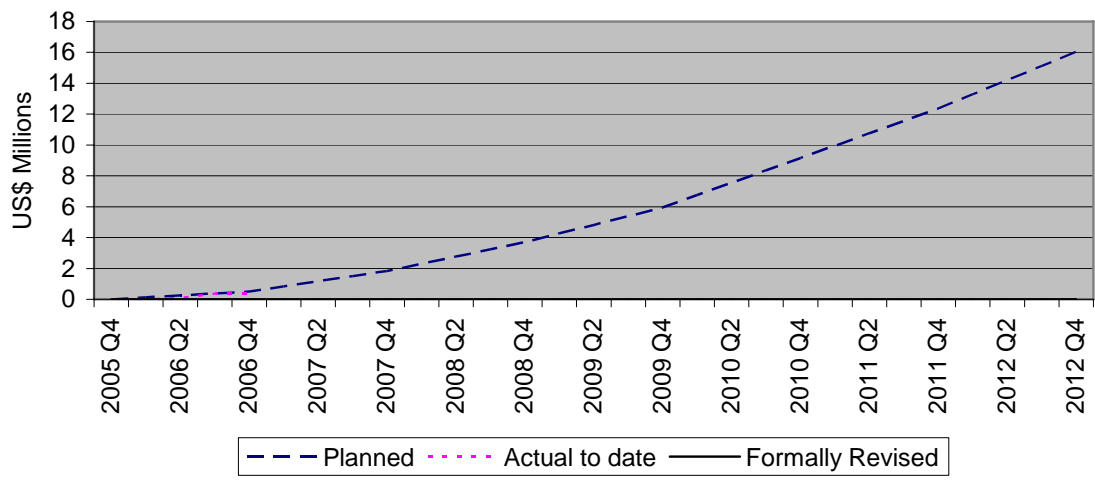
**Progress toward achieving development objective(s):**

The Project became effective in the latter part of the reporting period and was still in too early a stage for meaningful progress.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|--------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-72900               | Effective     | 16.00         | 0.38             | 15.62              | 0.00                |
| JPN-51880                | Closed        | 1.34          | 0.68             | 0.00               | 0.66                |





**Project Name (ID):** Manila Third Sewerage Project ( P079661 )

**Country:** Philippines

**Board Approval Date :** 06/21/2005

**Closing Date :** 06/30/2010

**Loan/Credit/Grant Number :** IBRD-73110, JPN-53321

**Sector(s):** Sewerage (50%), Sanitation (50%)

**Theme(s):** Pollution management and environmental health (P), Access to urban services and housing (P), Other human development (S)

**Project Development Objectives:**

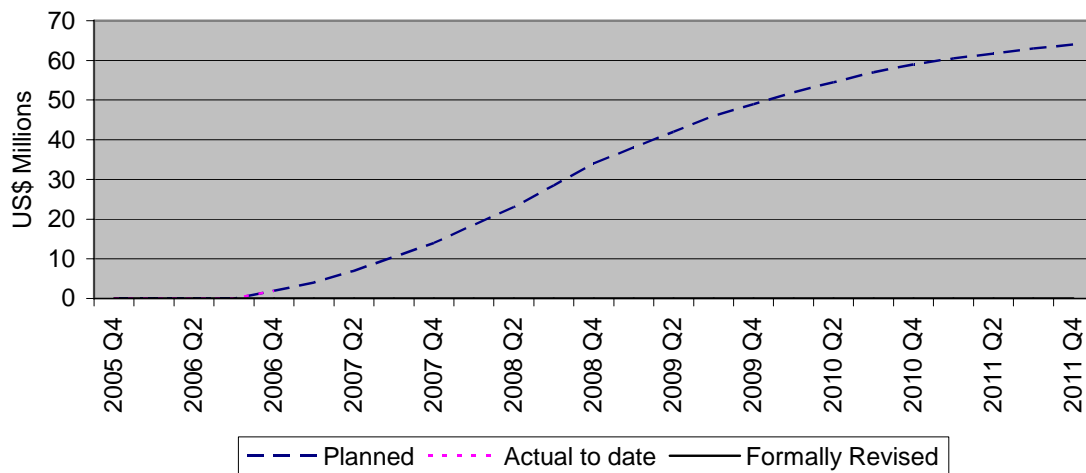
To increase the coverage and effectiveness of sewerage service delivery in participating areas of Metro Manila and to establish the financial and technical viability of new approaches for sewage management in Metro Manila

**Progress toward achieving development objective(s):**

The project just became effective on March 6, 2006. Key procurements are underway that will ultimately lead to achieving increased coverage of sewerage service delivery.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| Loan/Credit/Grant | Status    | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------|-----------|--------|-----------|-------------|--------------|
| IBRD-73110        | Effective | 56.71  | 2.00      | 54.73       | 0.00         |
| JPN-53321         | Closed    | 0.98   | 0.93      | 0.00        | 0.04         |



**Project Name (ID):** National Support for Basic Ed ( P094063 )  
**Country:** Philippines  
**Board Approval Date :** 06/20/2006  
**Closing Date :** 12/31/2011  
**Loan/Credit/Grant Number :** IBRD-73930, JPN-55141  
**Sector(s):** Primary education (60%), Secondary education (40%)  
**Theme(s):** Education for all (P)

**Project Development Objectives:**

To improve quality and equity in learning outcomes for all Filipinos in basic education.

**Progress toward achieving development objective(s):**

The project was not effective before the close of the reporting period.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

| <b>Loan/Credit/<br/>Grant</b> | <b>Status</b> | <b>Amount</b> | <b>Disbursed</b> | <b>Undisbursed</b> | <b>Cancellation</b> |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-73930                    | Not Effective | 200.00        | 0.00             | 200.00             | 0.00                |
| JPN-55141                     | Effective     | 0.91          | 0.31             | 0.60               | 0.00                |

