

CY 2011 ODA Portfolio Review
ACTIONS TAKEN BY IAS ON THE RECOMMENDATIONS OF THE CY 2010 ODA REVIEW

Recommendations	Issues Being Addressed	Progress / Actions Taken	Responsible Entity
Department of Agrarian Reform (DAR)			
DAR with its strong commitment to deliver the necessary development reforms among the poorest municipalities needs to intensify their campaign to tap other sources of LGU counterpart.		DAR to provide update	DAR
Fast track completion of the remaining subprojects under ARCDP2.		DAR to provide update.	DAR
Submit the Project Completion Report of completed projects not later than six months after completion (MINSSAD).		DAR to provide update.	DAR
Continue to monitor LGU compliance on the MOU, particularly on the O&M of the completed subprojects and periodic reports to NEDA-PMS.		DAR to provide update.	DAR
Continue/maintain routine monitoring and re-orientation visits, particularly in areas with remaining activities might post risks to sustainability of project gains.		DAR to provide update.	DAR
Continue to closely analyze/ scrutinize LGU pipeline projects and closely work with BLGF to ensure LGUs borrowing capacity in putting up required counterpart		DAR to provide update.	DAR
Department of Environment and Natural Resources (DENR)			
Ensure completion of remaining project activities by March 2012	LAMP2 - Project will not be completed by original closing date	Project closing date was extended up to December 2012	DENR, LRA, BLGF
Submit further justification on the proposed mainstreaming and roll-out of activities and identify which activities will be funded by loan proceeds and which will be funded using GOP funds.	LAMP2 - Roll-out and mainstreaming activities to other regions	Revised request for Additional Financing still being finalized by DENR	DENR, BLGF
Decide whether to include roll-out and mainstreaming			

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activities to the proposed Additional Financing or proposed Phase			
<p>Draft a catch-up or revised work and financial plan which indicate full utilization of the loan by loan closing date; Otherwise, identify activities that can no longer be carried-out. Request for cancellation of loan amounts intended for these activities to save on commitment fees.</p> <p>If DENR decides to continue with the loan, ensure that remaining balance of US\$28 million can be utilized by June 2013.</p> <p>Strengthen M&E operations.</p> <p>Continue the regular/ quarterly fielding of FASPO and FMS staff to facilitate preparation of SOEs.</p> <p>Clear backlog of unliquidated expenditures.</p>	ICRMP - Low physical and financial performance	DENR is still in the process of reviewing project activities and financial performance of the project.	DENR
<p>Ensure that remaining balance of US\$32 million can be utilized by Dec 2012; Draft a catch-up or revised work and financial plan which indicate full utilization of the loan by loan closing date.</p> <p>Clear backlog of unliquidated expenditures.</p> <p>Accelerate loan and grant disbursements through big ticket activities.</p>	Underutilization of loan funds under NPS-ENRMP	Ongoing activity	DENR
Development Bank of the Philippines (DBP)			
Continue to plan out and agree on financial targets for demand driven projects			DBP and FI
Fast track negotiation on the issue of high cost of funds (RPP & CBHC)			DBP and FI
Take a proactive stance in clearing the ODA portfolio of the agency			DBP and FI
Work out an assistance mechanism for borrowers who			DBP

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are in the process of complying with the environmental requirements in order to expedite the release of funds			
Conduct more information dissemination through regional road shows that will promote the use/applicability of the facility and assist the marketing departments on pricing, credit evaluation, environmental assessment, and granting loans approval			DBP
Ensure no overlapping on eligible projects that will be funded between LIDP and the proposed WB project – Regional Infrastructure for Growth Project (RIGP) so as to serve a greater number of target beneficiaries			DBP
Department of Education (DepEd)			
		Drawing from previous agency ODA Review recommendation, DepEd is able to document and track progress of the achievement of Projects implemented from past years. However, the need to establish a more realistic agency performance targets for future reviews was not yet realized. As a result, several ODA-funded projects are facing project extension issues.	
Department of Energy (DOE)			
During the 19 th ODA review, it was recommended that the department should immediately coordinate to NEDA its plans for loan reallocation and extension of implementation period and loan validity.	PEEP – Loan reallocation and extension of implementation period and loan validity	Done by DOE in 2011	DOE
Department of Health (DOH)			
Strengthen coordination with different stakeholders to facilitate resolution of implementation issues as they arise.		Regular Technical Coordination Meetings with DOH Technical Offices and Development Partners was undertaken for immediate	

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		<p>resolution of project related issues and concerns.</p> <p>Conduct Joint Field monitoring activities in the sites regularly utilizing standard monitoring templates.</p>	
Establish/strengthen a clear reporting and feedback mechanism particularly on funds flow, funds utilization and report on project progress		M&E for FAPs was developed to assess the project performance indicators, i.e. physical accomplishment, financial accomplishment and time elapsed.	
Department of Transportation and Communication (DOTC)			
		Instituted new systems on project review, public bidding procedures, and creation of organizational units	
		Evaluation of incomplete projects and assessed according to their impact on the country	
Need to fast-track the implementation of the New CNS/ATM Systems Development Project	DOTC to prepare a catch-up plan to accelerate completion of New CNS/ATM Systems Development Project	Contract Packages 1 and 2 have been awarded and being implemented.	(DOTC to update)
Obligate funds and make expenditures for CNS/ATM Systems Development Project and GMA Ports in 2011	To improve the absorptive capacity of DOTC		(DOTC to update)
Department of Public Works and Highways (DPWH)			
Create PMOs for J-RUPP and MCC projects	To improve institutional arrangements in the implementation and/or monitoring of	Department Orders No. 34 & 28 s. 2011 created the J-RUPP PMO and PMO-MCC	

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	two new projects		
Issue a department order prescribing guidelines for the conduct of pre-procurement, procurement, and implementation activities for foreign-assisted civil works projects	On improving checks and balances in procurement and project implementation	DO No. 9 s. 2011 prescribes guidelines for the conduct of pre-procurement, procurement and implementation activities for civil works under FAPs The guidelines also details the corresponding responsibilities and authorities & concerned key offices & officials with clear delineations between PMO & various DPWH-CO units	PMO and the various DPWH Central Office units
CSO Partnership Committee to practice DPWH commitment with CSO partnerships	On promoting transparency and accountability	DO no. 14 s. 2011 created CSO Partnership Committee to put into practice DPWH commitment in partnering with CSOs and engaged and involved them in governance. Committee is task to develop a policy through a department order on public disclosure at the DPWH	CSO Partnership Committee , DPWH
	DPWH to improve on disbursement target setting	Continuing	DPWH
DPWH to request the immediate cancellation of the unutilized balances of the UK loans	On the TPK project for early termination of contract, and MMURTRIP for closed loan	Already Complied with	DPWH
DPWH to complete development and subsequent application of its cost estimation system as basis for establishing cost of civil works for procurement	Cost overrun	DPWH is requested to give updates/remarks	DPWH
DPWH and GOP to strictly apply readiness filters in proposed projects		DPWH is requested to give updates/remarks	DPWH and GOP
DPWH to strictly adhere to procurement schedules and		DPWH is requested to give	DPWH

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timelines		updates/remarks	
DPWH to designate an appropriate body within the Department to report on outcomes	Report on outcomes of projects not in the scope of PMO reporting system	Still an issue	DPWH
DPWH to provide sufficient maintenance funds for completed facilities		DPWH is requested to give updates/remarks	DPWH
DPWH to sustain business process improvements being carried out.		Complied. The DPWH created the Institutional Capacity Development (ICD) Steering Committee and Core Team thru a department order to promote good governance and implementation of the DPWH Transformation Program and in recognition of the role of "Change Agents" in institutionalizing the various business improvements implementation projects developed under the Road Information and Management Support System and in implementing business process improvements under the ICD.	DPWH
Land Bank of the Philippines (LBP)			
Beef-up marketing strategies & capacity building activities for its client LGUs on: a) procurement	WB prescribed guidelines constrain LGUs in accessing the Project funds	Conduct road shows to LGUs and other eligible borrowers on the features of S2LDIP, procurement, environment and social safeguards) required by WB.	
b) Environment safeguards	Loan facility requirements too stringent and necessary issuance of environmental	Conduct capacity building to LGUs and lending centers as regards procurement, environmental and social preparation requirements of the program.	

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	clearance by DENR make the requirements of the facility contentious		
c) Social safeguards	<p>Insufficient manpower and limited technical capacity of LGUs to comply with the social safeguards of the Project as required by WB.</p> <p>Most FS submitted has vague discussion on social preparation activities or none at all.</p>	Provide pro-forma bidding documents for procurement, checklist of requirements for social and environmental safeguards in complying with the requirements of the program.	
Laguna Lake Development Authority (LLDA)			
LLDA continue to provide funds for mainstreaming activities from its corporate funds or seek grant assistance from donor agencies	<p>Slow mainstreaming of activities under Component</p> <p>Some support activities not carried-out.</p>	Ongoing activity using LLDA corporate funds	LLDA
Continue to work closely with COA, MDFO and concerned LGUs on how to expedite processing of pre-audit certificates	Delayed release of funds to LGUs because of pre-audit requirement of COA.	<p>Issuance of COA Circular No. 2011-002 dated July 22, 2011 on Lifting of Pre-Audit of Government Transactions.</p> <p>Withdrawal of selective pre-audit on government transactions.</p>	
Coordinate closely with concerned LGUs to expedite processing of financial liquidation reports.	Slow processing of financial liquidation reports.	Ongoing activity	

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Ensure funding requirement of support activities either thru the corporate funds of LLDA or seek grant assistance from the WB	Non-extension of the grant validity and cancellation of PhP37M grant amount for institutional and capacity building to support activities under additional financing.	Ongoing activity using corporate funds	
Include the financial and institutional stability of the LGUs as one of the criteria in approvals of sub-projects proposed by LGUs. And also include sustainability and O&M plan in project proposals.	Weak revenue collection, financial and facility management of sub-projects particularly eco-tourism		
The original loan will close on 30 April 2011. Negotiation for additional financing should be completed before the revised loan closing date.	Non-completion of loan negotiation for the additional financing by 30 April 2011	Done. The AF became effective in July 2011.	
National Irrigation Administration (NIA)			
Institutionalize continuous monitoring of its recently completed projects, particularly those with remaining works and issues that pose threat to sustainability, and achievement of set higher order objectives.		NIA to provide update	NIA
NIA to conduct further study and in-depth analysis of its completed projects in terms of service area, cost and time to serve as inputs in the design of new projects	Quality at entry	NIA to provide update	NIA
Focus on fast tracking HCAAP implementation and undertake permanent solutions to address recurring issues in implementation		NIA to provide update	HCAAP PMO/ NIA
Ensure full completion of Banaoang Pump Irrigation Project		NIA to provide update	PMO/ NIA
Close monitoring of PIDP implementation to ensure that		NIA to provide update	PMO/NIA

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issues are immediately acted upon and avoid further negative slippage			
Agno has set a high disbursement target of US\$ 45.178 million for 2011; NIA should ensure that this is attained		NIA to provide update	PMO/NIA
Philippine National Police (PNP)			
	Improper treatment of ten prints, resulting in less number of ten prints being recorded and transmitted to the PNP - CL	Issuance by the PNP Chief of LOI 02/2011 – For the enhancement of the field practice of collecting ten prints from suspects. The LOI further establishes the accountability of station commanders, investigators, and fingerprint technicians;	PNP
Supreme Court (SC)			
Rebidding of Contract for Angeles HOJ civil works under the JRSP		Contract for continuation of civil works for the Angeles City HOJ was awarded by the Court on 21 July 2011	
Procurement of remaining activities under JRSP		Eight contracts were awarded in 2011	
Coordination with oversight agencies in preparation for the second loan validity extension of JRSP		A series of meetings were held between NEDA and SC in preparation for the Project's ICC re-evaluation. SC's request for a 12 – month extension of JRSP was approved by the ICC – CC on 29 April 2011.	
Harmonization of RP and IP activities with the budget cycle of UNDP	Enhancing Access for the Pillars of Justice	No update provided by the SC.	