

CY 2012 ODA Portfolio Review
Actions Taken on Key Implementing Issues Encountered
(Updates as of 30 June 2013)

Project/IA/DP	Issue Details	Updates as of June 2013
Start-up Delay		
1. National Irrigation Sector Rehabilitation and Improvement Project (NISRIIP)/NIA	Project management office has yet to be established;	An ADHOC PMO was already established in January 2013.
2. Improvement of Flood Forecasting and Warning System for Magat Dam and Downstream/DOST	Technical specification of equipment and other project deliverables are still being finalized;	Norway is finalizing the technical specification of equipment and preparing the bidding documents. Bidding will be held in the Philippines. Representatives from Norway will also be joining the TWG of the PAGASA-Bids and Awards Committee.
3. Laguna de Bay Institutional Strengthening and Community Participation Project – Additional Financing (LISCOP-AF)/LLDA/WB	Delays in the preparation of subprojects	No update provided.
4. Provincial Towns Water Supply and Sanitation Project III (PTWSSP III)/LWUA/	Organizational changes within the agency affected finalization of project agreements; slow decision-making process of water districts; and, delay in the final list of beneficiaries due to the competing initiatives of LWUA to extend interest-free financial assistance versus the full regular loan under the PTWSSP III.	<ul style="list-style-type: none"> • Expedited the signing of the Project Agreements by the current LWUA Administrator, and the agreements were forwarded to KfW so that the latter could provide deposits to the disposition fund • Meetings with concerned organizations to speed up decision-making were conducted • LWUA has already finalized the list of beneficiaries. The project is now on the stage of loan approval.
Budget and Funds Flow Bottlenecks		
1. Integrated Coastal Resource Management Project /DENR/ADB	<ul style="list-style-type: none"> • Unavailability of cash stalled the continuous implementation of projects i.e., rehabilitation/reforestation of mangrove and watershed areas, and enterprise development projects 	<ul style="list-style-type: none"> • To date, there is available cash amounting to P8.447 M (LP – P6.973 M; GP – 1.747 M) which may be used for the implementation of project activities. A total of P41.887 M (LP – P34.110 M; GP – P7.777 M) is expected to be released by the DBM

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	<ul style="list-style-type: none"> Low turnover of liquidation reports by the Project Implementing Units resulted in corresponding delay in payment of outstanding dues and demandable accounts 	<p>to support activities such as reforestation and rehabilitation of mangrove & watershed, implementation of enterprise development, bio-conservation projects, and conduct of research studies, etc.</p> <ul style="list-style-type: none"> As of May 2013, liquidation turnover has already improved with a rating of 1.2% from a rating of 0.7% in December 2012, and expected to improve further with a coaching being undertaken by the Project Accounts Management Division with the Regions.
2. National Program Support for Environment and Natural Resources Management Project /DENR/WB	Slow liquidation of funds by some regional/local implementing units causing delay in the replenishment of funds and project implementation	Liquidation of project funds has increased from December 2012 to May 31, 2013 (SIM: 73%, GEF: 74%). Constant follow-up to implementing units relative to fund liquidation is being done by FASPO and FMS.
3. Support to the Philippine Basic Education Reforms (SPHERE)/DepEd/AusAID	<ul style="list-style-type: none"> Re-issuance of lapsed Sub-AROs: The provision of the LRMD basic office equipment, software and furniture at the Regional and Division Office awaits release of SARO from DBM to re-issue sub-AROs Replacement of recipient divisions and schools of School- Based Management (SBM) grants:PhP9.5 million – worth of grants originally intended for ARMM to be re-directed to other Division and Schools which is undisbursed since 2010 	No update provided.
4. Education Performance Incentive Partnership (EPIP)/DepEd/AusAID	Low compliance to standard auditing and accounting regulations in the	No update provided.

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	disbursement of funds	
5. Infrastructure Support Project/DA/ADB	Delayed release of Certificate of Availability of Funds (CAF) by MDFO due to pending liquidations	All LGUs have been issued with CAF by the MDFO
6. Logistics Infrastructure Development Project/DBP/JICA	Slow sub-loan releases	<p>For the period of January to June 2013, P394.8 million has been released to borrowers, an increase of 4.66% in utilization rate.</p> <p>DBP is looking into options in reducing overall cost of funds.</p> <p>DBP and the LIDP-TA Consulting Team held FGDs on various sub-sectors of logistics infrastructure.</p>
7. Provincial Towns Water Supply and Sanitation Project-III (PTWSSP-III)/LWUA/KfW	Delay in the initial KfW deposit to the disposition fund account. The disposition fund will be used for various activities under the Project (e.g. conduct of geotechnical investigation, conduct of drilling of exploratory wells, and purchase of requisite goods/equipment).	With the submission of the signed Project Agreement to KfW, the initial deposit to the disposition fund was made on 18 Sept. 2012.
Prolonged Procurement		
1. National Program Support for Environment and Natural Resources Management Project(NPSENRM)/DENR / WB	<ul style="list-style-type: none"> Failed bidding for 20 trash boats and two in-site water quality monitoring equipment. Prolonged negotiation with the consultant and further revision of the contracting documentation as required by WB resulted in delayed engagement of consultants for the conduct of research and study on the total maximum daily load within Manila De Bay. Delayed seedling production activities under the National Greening Program (NGP) due to 	<ul style="list-style-type: none"> Rebidding proceeded last April 18, 2013. The TWG is now finalizing the evaluation report for submission to the BAC before the end of June 2013. U.P. Diliman to proceed with the conduct of the study upon approval of by the DENR of the final draft of MOA All the Regions have almost completed the production of targeted number of seedlings. To date, 45,650,900 (91%) out of the targeted 50,287,001 seedlings have been produced. The remaining target is under the DENR-

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	tedious procurement process.	PTFCF-FPE Partnership which is targeted to be completed by end of June 2013.
2. Integrated Coastal Resources Management Project(ICRMP)/DENR/ADB	Long procurement process delayed the engagement of consultants for the following policy studies: (1) Environmental and Social Impact Assessment; (2) Environmental Hazard Management, and (3) Live Reef/Food Fish Trade.	Consultants to undertake the 3 remaining policy studies are now on board. Activities relative to the conduct of the policy studies are on-going.
3. Support to the Philippine Basic Education Reforms (SPHERE)/DepEd/AusAID	<ul style="list-style-type: none"> • PhP48 million worth of classrooms and school furniture did not meet procurement criteria of WB. • Lack of Bidders for classroom construction resulting in non-release of No Objection Letter (NOL) from WB. • Conduct of several re-bidding in different sites due to non-availability of suppliers and/ or different interpretation of the Regional BAC on the procurement process. • Change in technical specification for the Instructional Materials Council Secretariat (IMCS) delayed procurement of ICT equipment/ software, furniture and basic office equipment. 	No updates provided.
4. Mindanao Roads Improvement Project (MRIP)/DPWH/Saudi Fund	<ul style="list-style-type: none"> • Bidding failure and prolonged procurement of civil works for the Cotabato City East Diversion Road subproject. • Rebidding of contract packages for the Lake Lanao Circumferential Road and Basilan Circumferential Road subprojects following the contract termination of 	<ul style="list-style-type: none"> • CCEDR is now ongoing at 18.42% accomplishment as of May 2013. • For LLCR, the contracts were awarded on 30 Jan 2013, but are still undergoing contract perfection. • For the BCR, the Notices to Proceed were issued on 18 January 2013 and 1

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	previous contractors.	February 2013 for contract packages 3A-New and 3B-New, respectively. Physical accomplishments as of May 2013 are: 15.62% for CP 3A-New, and 25.38% for CP 3B-New.
5. National Roads Improvement and Management Project-Phase II (NRIMP)/DPWH/WB	Extended procurement process for several contract packages due to additional information and justification requested by WB prior to the issuance of NOL to award the contract.	DPWH requested a 2-year loan extension from Dec 2012 to Dec 2014, which was approved by the ICC on 22 Nov 2012. The project is now on a catch-up phase, with most sub-projects ongoing.
6. Central Luzon Link Expressway Project (CLLEX)/DPWH/JICA	JICA did not concur with DPWH's decision to declare failure of bidding for the procurement of consultancy services for DED. DPWH was requested to reconsider its decision.	<p>As a result of discussions with JICA, the PMO made recommendations to the DPWH BAC for Consultancy Services to (1) cancel the previous resolution that declared a failure of bidding, and (2) proceed with the recommended approval of the combined results of the technical and financial proposals.</p> <p>JICA gave its concurrence on 10 May 2013 to award the contract to the highest rated bidder. Contract negotiations are now ongoing.</p>
7. Road Upgrading and Preservation Project (RUPP)/DPWH/JICA	<p>Prolonged procurement has delayed implementation of the Institutional Capacity Development and the Asset Preservation components by five and six months, respectively.</p> <p>Procurement of four units Road Surface Profilometer (RSP) and two units Falling Weight Deflectometer (FWD) still ongoing. Procurement of the RSP was delayed due to the required clarifications on the type of vehicle being offered by the lowest bidder while for the FWD, no bids were received, thus a failed</p>	<p>As of May 2013, the ICD component is progressing as scheduled (actual accomplishment of 63.45% vs. target of 62.60%). Also, the Notice of Award for the procurement of the FWD was issued on 13 June 2013, while the contract for the supply of the RSPs is being finalized and pending approval.</p> <p>Meanwhile, the Asset Preservation component is in project preparation stage, progressing as scheduled at 86.36% as of May 2013. Also, 7 civil works contracts under preventive maintenance for</p>

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	<p>bidding was declared, and a second bidding was undertaken.</p> <p>Procurement of CS for the DED and CW Supervision was delayed due to the failure of short listing of consultants. Procurement was scheduled to be completed by June 2012 but the contract was only awarded in December 2012.</p>	the annual work program year 1 are ongoing.
8. Bacolod-Silay Airport Access Road Project (BSAARP)/DPWH/Korea EDCF	Prolonged financial negotiations with the Korean contractor for consulting services.	DPWH requested for an 11-month loan extension from Apr 2013 to Mar 2014, which was endorsed by the ICC on 23 Jan 2013. The project is 91.66 percent complete.
9. Provincial Towns Water Supply and Sanitation Project Phase III (PTWSSP-III)/LWUA/KfW	Unfamiliarity of the water districts' BAC with the requirements under the KfW Procurement Guidelines	KfW's procurement guidelines literature were sent to WDs in order to familiarize themselves w/ KfW's procurement processes and requirements. In addition, LWUA is planning to send resident engrs. to assist BACs of WDs.
10. Participatory Irrigation Development Project (PIDP)/NIA/WB	NIA prioritized activities for its RatPlan, resulting in delayed/prolonged procurement of civil work contracts.	IA requested DBM payment of RP funding gap under EO 366/718 in the amount of P128,185,856 equivalent to 30% of the total funding gap of P427,286,186.84. The remaining 70% in the amount of P299,100,331 will be shared by NIA.
11. Strengthening the Disaster Risk Reduction(DRR) Capacity of LGUs Affected by Typhoon PARMA in Central Luzon/DILG/AECID	Delays in procurement of equipment due to coordination problem (e.g. issue on the number of equipment and final lists) between PDRPMC and DILG-Nueva Ecija	Procurement for Nueva Ecija was completed and for delivery. For the water treatment plant equipment, procurement was delegated to DILG-BAC and is in process.
12. Philippine Poverty Environmental Initiative/DILG/UNDP	Delayed hiring of consultant for the PPEI-EITI Component 4 led by DENR-MGB.	The consultant was hired last October 2012; hence the fast tracking of expected deliverables of the project.
13. Provincial Roads	Failed biddings for several	Procurement of projects with

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Management Facility (PRMF)/DILG/AusAID	road maintenance contracts in Bukidnon and Bohol since no bids were received.	failed biddings was not pursued. AusAID is now preparing new approach to have commercially viable maintenance contracts.
14. Philippine Energy Efficiency Project (PEEP)/DOE/ADB	ADB will not finance the pilot testing of the Lamp Waste Management Facility since the decision to have PNOC as the operator of the facility did not undergo bidding process.	DOE will manage the pilot testing of the Lamp Waste Management Facility.
Projects with LGU-Related Issues		
1. Infrastructure Support Project (DA/ADB)	Slow progress of construction in Region 8 due to poor management by the LGUs	The six (6) remaining LGUs have completed their sub-projects. One LGU has completed only 72.97% so DA gave this LGU a Certificate of Non-completion and informed that it may not be able to qualify in future DA projects due to unsatisfactory performance. While the other LGU is expected to fully complete its sub-project by 30 June 2013 (the deadline given to them). Overall accomplishment of Region 8 as of May 2013 is 97.49%.
2. Agrarian Reform Communities Project 2 (DAR/ADB/OFID)	<ul style="list-style-type: none"> Weak internal financial management system of some LGUs. LGUs experienced difficulties to comply with requirements in order to facilitate request for fund releases and liquidation reports resulting in low disbursements of ADB loan and no disbursements of OFID loan. 	<ul style="list-style-type: none"> To strengthen LGU financial management system, as well as to improve capabilities of involved DAR project personnel, several workshops and capability building measures were conducted on financial management, procurement processes and contract management, and infrastructure quality design monitoring and durability system, and O&M system. On procurement, both the DAR and the ADB provided assistance in reviewing the procurement process, ensuring that GOP and ADB procurement guidelines are being followed.

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	<ul style="list-style-type: none"> • Suspension of NG-LGU Cost Sharing Policy. • Limited experience of some LGUs in managing and implementing subprojects including packaging of project proposals and other documentary requirements. 	<ul style="list-style-type: none"> • To resolve confusion on the implication on the project of the suspension of the NG-LGU cost sharing policy, DAR conducted a series of meetings with the ADB and the DOF-MDFO. Thus, fund releases to LGUs which were initially put on hold started to be released by the ADB and the MDFO.
3. Philippine Poverty-Environment Initiative Ph I/DILG/UNDP	Poverty-Environment link not integrated in the local development plans of LGUs.	<p>In 2012, a Handbook on Mainstreaming P-E linkage was developed to ascertain that the national-local direction for inclusive green growth is considered in mainstreaming of P-E linkages in LGU governance.</p> <p>A "Toolkit on Mainstreaming P-E Linkages for an Inclusive Green Growth" was also developed which consists of Participants' Guidebook and Facilitators' Manual.</p> <p>A monitoring and evaluation tool was also designed to identify the level of mainstreaming P-E linkages into LGU plans, programs and budget system.</p>
4. Local Government Support Program for Economic Development/DILG/CID A	<ul style="list-style-type: none"> • Changes in local leadership resulted in changes in enabling environment and priorities. • Passive participation by LGUs and LED stakeholders in economic profiling • LGUs undermine the effort of DILG to pursue effective local economic governance and competitiveness. • Conflicting priorities for new LED programming for LGUs 	No update provided.
5. Environmental Development Project /DBP/JICA	<ul style="list-style-type: none"> • Difficulty of Water Districts to avail of loan due to the slow issuance of LWUA Waiver. Water districts 	<ul style="list-style-type: none"> • With LWUA letter dated June 15, 2013 clarifying that waiver are issued by the LWUA administrator

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	<p>outside Metro Manila are within LWUA's jurisdiction. Water districts need to secure waiver from LWUA to avail of the loan from DBP.</p> <ul style="list-style-type: none"> • Delay in the approval of sub-loans due to requirement of BSP for all borrowers to secure Monetary Board Opinion when applying for a loan. 	<p>within two weeks to 60 days provided all documents are complete</p>
6. Support for Strategic Local Development and Investment Project (LBP/WB);	<p>Delay in the approval of sub loans due to requirement of BSP for all borrowers to secure Monetary Board Opinion when applying for a loan.</p>	<p>LBP participated in a meeting among implementing agencies and NEDA on June 21, 2013 regarding the required MB opinion in order to come up with a possible resolution on the issue.</p>
7. Community-Based Forest and Mangrove Management Project (LBP/KfW);	<p>Delay in the approval of sub loans due to requirement of BSP for all borrowers to secure Monetary Board Opinion when applying for a loan.</p>	<p>LBP participated in a meeting among implementing agencies and NEDA on June 21, 2013 regarding the required MB opinion in order to come up with a possible resolution on the issue.</p>
8. Logistics Infrastructure Development Project (DBP/JICA);	<p>Delay in the approval of sub-loans due to requirement of BSP for all borrowers to secure Monetary Board Opinion when applying for a loan.</p>	<p>For the period January to June 2013, two (2) accounts amounting to ₱119.55M have secured MB Opinion. As of June 2013, five (5) accounts are still awaiting for MB Opinion with total loan amount of ₱1.09B. DBP has been closely coordinating with the LGUs/GOCCs, DOF and BSP in order to fast track the issuance of an MB Opinion. As a result of the Bank's direct coordination with DOF and the borrower (Cebu Ports Authority (CPA)), the application for an MB Opinion is now at the level of the DOTC Secretary for review.</p> <p>DBP identified in its marketing units the personnel and</p>

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		account officers who would closely monitor borrowers' compliance for credit requirements.
9. Laguna de Bay Institutional Strengthening Community Participation Project/LLDA/WB	Delay in the approval of sub-loans due to requirement of BSP for all borrowers to secure Monetary Board Opinion when applying for a loan.	No update provided.
10. Community Based Forest and Mangrove Management Project (DENR/Germany)	<ul style="list-style-type: none"> The appreciating value of Peso against the Euro effectively reduced the available Peso for relending to LGUs. Subprojects preparation normally takes longer time. Also, scouting and marketing for subprojects are a continuous effort due to fall-out of some subprojects from their pipeline caused by some reasons like change in local political leadership and change in LGUs priorities. 	<p>DENR has already secured approval of the KfW on the use of project contingency funds to cover the requirement of the LGUs for the subprojects.</p> <p>All partner LGUs already has an approved subproject, including the replacement of the LGU which backed out from the project. The project has already signed 15 sub-loan and sub-grant agreements with partner LGUs.</p>
11. Integrated Coastal Resource Management Project/DENR/ADB	Delay in implementation of LGU subprojects was brought about by the difficulty of LGUs in: (a) securing the Seal of Good Housekeeping which is an additional requirement for the issuance of the Certificate of Borrowing Capacity; and (b) tedious process in complying with environment and social safeguards.	<ul style="list-style-type: none"> All 17 subprojects have already secured the Seal of Good Housekeeping from the DILG. A consultant had already been engaged to assist the LGUs in complying with the environmental and social safeguards.
Projects with sustainability and O&M Issues		
1. ARMM Social Fund Project (ASFP)/ARG/WB, JICA	Some facilities provided with equipment such as health facilities do not have electricity and remained unused.	Measures to address the said issues are expected to be taken once new local officials in the ARMM Region have been sworn in by 30 June 2013.
2. National Program Support for Tax Administration Reform (NPSTAR)/BIR/WB	<ul style="list-style-type: none"> Delays in user acceptance testing (UAT) for the Collection Reconciliation System (CRS) due to new data requirements. Delays in UAT for the 	<ul style="list-style-type: none"> There were 3 UATs conducted for the CRS; a Certificate of Acceptance and Operationability was also issued on May 3 followed by a pilot

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	<p>Software Solution for Tax Rulings in Case Management System due to change requests/additional scope of services.</p> <ul style="list-style-type: none"> Enhancement of Electronic Letter of Authority Monitoring System (eLAMS) is not yet operational. 	<p>implementation of the system to selected BIR offices using the system.</p> <ul style="list-style-type: none"> This project has no more delays in deliverables. eLAMS deliverables have all been submitted and delivered by the contractor and accepted by BIR.
3. National Program Support for Environment and Natural Resources Management Project (NPSENRMPP)/ DENR/WB	<p>Sustainability of the adoption of the Integrated Ecosystem Management (IEM) Framework to enhance the current ecosystem management in the four pilot project areas.</p>	<ul style="list-style-type: none"> Sustainability measures/mechanisms already and/or being put in place. R5: Ongoing enhancement of the existing sustainability plan. R12: Preparation of LGU sustainability plan in connection to LGU subprojects. Final draft of the Dept. Administrative Order on the Adoption of IEM in DENR plans and programs, has been submitted to the DENR Policy Technical Working Group (PTWG) for further review and DENR Secretary's actions. As an interim action, the DENR PPSO issued IEM-consistent budget guidelines in formulating programs, activities, and projects (PAPs) for priority watersheds and highly diverse areas in their 2014 budgetary submissions.
4. Rural Micro-Enterprise Promotion Programme (RuMEPP)/ DTI-SBC/IFAD	<p>Some Level 1 MEs unlikely to sustain operations because of weak institutional and market linkages; and access to credit (some Level 1 MEs are not qualified to be given credit by the accredited MFIs)</p>	<ul style="list-style-type: none"> Linked Level 1 MEs to more established Level 3 MEs to help lower level MEs sustain operations DTI, PMU and relevant stakeholders drafted a sustainability plan with focus on ensuring that MEs already assisted can sustain activities Drafted AWPB for 2013 to include sustainability measures.
Issue on Right of Way (ROWA) and Land Acquisition		
1. New Communications,	ROW issues concerning the	The technical working group

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Navigation and Surveillance/Air Traffic Management Systems Development Project (New CNS/ATM Systems)/ DOTC/JICA	new radar site at Pasuquin, Ilocos Norte. An alternative site at Laoag Airport is available but with reduced en-route ATC coverage.	(TWG) comprised of representatives from the Philippine Air Force and CAAP are in the process of resolving the issue. The TWG is scheduled to convene a meeting on 1 July 2013 for final resolution of the issue.
2. Gapan-San Fernando-Olongapo Road Project II (GSO II)/ DPWH/Korea EDCF	Some RROW claims were still pending payment due to difficulty experienced by the claimants in complying with documentary requirements.	DPWH has been closely coordinating with the local District Engineering Office, who is conducting the house-to-house coordination with the affected owners to give assistance in securing necessary documents to support their payment. The DPWH meets with all the stakeholders involved in the RROWA issue twice a month.
Other Implementation Issues		
Inadequate Manpower		
1. Education Performance Incentive Partnership (EPIP) (Components 1-3) /DepEd/AusAID	No available data from component implementers (e.g., accounting, Office of Planning Services, National Educators' Academy of the Philippines).	No update provided.
2. Participatory Irrigation Development Project (PIDP)/NIA/WB	Inadequate number of personnel in the PMO caused delays in project implementation.	Additional 13 positions for PIDP-PMO were already approved by DBM.
3. Fingerprint Project/ PNP/JICA	<ul style="list-style-type: none"> Declining number of PNP-Crime Lab counterparts. Re-assignment of trained police investigators to non-investigative works. 	A Letter of Instruction (LOI) was signed by the PNP Chief instructing among others, that trained fingerprint examiners are not to be transferred to other units for at least one year after the conduct of training for field investigators unless under exceptional circumstances
DED/Project Design		
4. Tulayng Pangulo Para sa Kaunlarang Pang-Agraryo (TP-KAP)/ DAR/France	Delays in the construction of bridges due to problems in the selection/finalization of project sites and unsuitability of project design to local sites.	To date, although the manufacture and delivery of bridge materials have been completed, DAR is still awaiting OP and DOJ clearance to proceed with the implementation of the project. Only the construction of the first 24 bridges is being

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		processed/implemented.
5. Judicial Reform Support Project (JRSP)/ SC/WB	For Angeles City Hall of Justice Project, the passing of the new law requiring the provision of automatic fire sprinkler system (AFSS) in buildings affected the approved project budget and design	The issue was addressed during the reconfiguration/re-evaluation of the project. The Angeles City Hall of Justice was completed with a revised cost to accommodate the provisions of the law on AFSS.
Poor Knowledge Management		
6. National Industry Cluster Capacity Enhancement Project (NICCEP)/ DTI-SBC/JICA	No numerical baseline targets were set prior to, and at the onset of project implementation.	Numerical targets for baseline indicators were set for CY 2013 to cover the remaining project implementation period.
Environmental Safety		
7. Angat Water Utilization and Aqueduct Improvement Project-Phase II (AWUAIP-II)/ MWSS/China	Issuance of work stoppage order due to environmental health and safety concerns in the operation of steel pipes manufacturing plants affecting nearby residents.	Per consultation meeting with agency reps last April 2013, this issue had already been resolved.
Poor Performance of Contractors		
8. Provincial Roads Management Facility (PRMF)/DILG/AusAID	Poor performance of some contractors in implementing Year 2 road rehabilitation projects. As a result, one project in Surigao del Norte was terminated.	<p>Out of 14 road-rehabilitation projects, 3 were already completed, 3 substantially completed, and 1 more project (Bukidnon) for termination.</p> <p>Meanwhile, the terminated contract in Surigao del Norte will not be rebid. The Facility re-packages the next physical works contracts for the 10 partner provinces for implementation during AusAID's 2013-2014 Fiscal Year.</p>
Contract Issues		
9. New Communications, Navigation and Surveillance/Air Traffic Management Systems Development Project (New CNS/ATM Systems)/DOTC/JICA	COA Notice of Disallowance (ND) of advance payment for Package 2 and interim payments for Package 1 issued in May 2011, leading to contract suspension effective November 2011. Resumption of contracts is dependent on resolution of the ND issue.	On 30 Jan 2013, the COA Notice of Disallowance was lifted. On 30 May 2013, the contract amendment was signed by the DOTC and the contractor, setting the resumption of contractor's work by 1 July 2013 for completion of remaining works within 2015.

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10. Bridge Construction/ Replacement Project (DPWH/Spain)	The EURO 21.245 million Supplemental Loan and Restructuring Contract Proposal approved by the NEDA Board on 4 September 2012 was suspended in view of the on-going investigation by the Senate Blue Ribbon Committee on the President's Bridge Program.	DPWH, thru a letter dated 22 February 2013, informed DOF that it shall reprogram the project for local financing.
Low Fund Utilization		
11. Credit Line Energy Efficiency and Climate Protection Project (LBP/KfW)	Most subprojects proposed to be funded under the project are not qualified given their intended scope and cost resulting in zero utilization of loan funds.	KfW consultants are currently conducting interviews and gathering data relative to the study that it is conducting on the CLEECF. The study is expected to be completed in September. If results of the study are acceptable and approved by LBP management, the latter will send a request to NEDA for extension of project implementation based on the re-design study.