

Project Summary Information (PSI)

Project No: 000023

Project Name	Metro Manila Flood Management Project
Country	Republic of the Philippines
Sector	Water/Flood Management
Project No	000023
Borrower	Republic of the Philippines
Implementation Agencies	Department of Public Works and Highways, Metro Manila Development Authority, (support by National Housing Authority and Social Housing Finance Corporation)
Environmental and Social Category	Category A
Date of PSI prepared or updated	September 29, 2017
Date of Concept Approval	February 10, 2017
Date of Appraisal Approval	July 19, 2017
Date of Board Approval	September 27, 2017

I. Introduction

The Philippines is the second populous country in ASEAN whose economy has grown steadily over the past decade to emerge as a vibrant middle-income country. The robust economic growth has been characterized by strong macroeconomic fundamentals, which has led to low and stable inflation, healthy current account surplus and a falling debt burden. Despite a solid macro-economy and impressive growth in poverty reductions, considerable challenges remain in achieving a sustained inclusive growth.

Vulnerability to poverty remains a major concern in the Philippines. New and better jobs are needed for millions of Filipinos who are still informally employed with limited skills. They hover just above the poverty line, cycling in and out of poverty. Achieving a pattern of inclusive growth that creates jobs and reduces poverty is a long standing challenge facing the country.

Geographically, the Philippines is highly vulnerable to natural disasters with exceptionally high exposure to cyclones and floods. The country, on average, is struck by 20 cyclones every year causing widespread flooding across the country including Metro Manila where more than 15% of the country's population live. The Government of Philippines (GoP) – after the widespread destruction caused by tropical storm Ondoy (internationally named Ketsana) in 2009 – stepped up its efforts to improve flood management in Metro Manila to make it a safer place for its inhabitants. A comprehensive Flood Management Master Plan for the Greater Metro Manila Area was prepared and approved by GoP in 2012 recommending a set of structural, non-structural and institutional measures for implementation. Urban drainage, a crucial element in the city's Master Plan, relies on a combination of drainage channels, waterways and pumping stations.

GoP has already initiated the implementation of the Master Plan with the priority activities that can be implemented quickly. This includes cleaning and dredging of water ways, river bank protection and modernization of some of pumping stations. But these activities need to be scaled up and some of the larger and more complicated priority structural and non-structural measures have to be taken up with the support of development partners.

The World Bank (WB) will be the lead financier of the Project and will administer the Bank's loan on behalf of the Bank, including procurement, disbursements, environmental and social safeguard compliance, and project monitoring and reporting.

II. Project Objectives and Expected Results

The Project objective is to improve flood management in selected areas of Metro Manila. The Project results will be measured in terms of flood-prone areas that are free of water after a major rainfall event, direct Project beneficiaries including women, solid waste collected at targeted pumping stations, households permanently resettled from affected drainage areas and satisfaction of beneficiaries with reduced vulnerability to flooding.

III. Project Description

The Project will focus on about 56 potentially critical drainage areas with an approximate land area of 11,100 ha or over 17 percent of the total area of Metro Manila. The total population of these drainage areas is estimated at 3.5 million while the direct Project beneficiaries, i.e., those adversely affected by regular flooding, are estimated at 1.7 million. The components of the Project are summarized below:

(i) Modernizing of Drainage Areas

The component will modernize approximately 36 existing pumping stations and construct approximately 20 new pumping stations in areas where the population has grown rapidly over the past few years. The associated infrastructure such as flood gates, trash racks, drainage channels and other mechanical equipment will either be newly constructed or rehabilitated.

(ii) Minimizing Solid Waste Dumped in Waterways

The component will improve solid waste management practices within selected drainage areas. The collection and disposal system in the vicinity of pumping stations as well as in the upstream catchment areas will be strengthened.

(iii) Participatory Housing and Resettlement

The component will support land acquisition, site development, housing construction, upfront capital subsidy, rental support (for transitional period, as needed), livelihood assistance programs, and various technical assistance and capacity-building activities that will help strengthen the communities and implementing agencies.

(iv) Project Management and Coordination

The component will provide project management support to the implementation units for timely and effective delivery of the Project, including monitoring and evaluation, procurement, financial management, and safeguard monitoring, etc.

IV. Environmental and Social Category

The Bank has decided to use the WB's Environmental and Social Safeguard Policies (Safeguard Policies), since (i) they are consistent with the Bank's Articles of Agreement and materially consistent with the provisions of the Bank's Environmental and Social Policy and relevant Environmental and Social Standards; and (ii) the monitoring procedures that the WB has in place to ascertain compliance with its Safeguard Policies are appropriate for the Project. Under the WB's Safeguard Policies, the Project has been assigned Category A. The Environmental and Social Management Framework (ESMF) for the project has been disclosed on the WB website: <http://projects.worldbank.org/P153814/?lang=en&tab=documents&subTab=projectDocuments>

V. Estimated Project Cost and Financing Source

The Project is estimated to cost US\$ 500 million. The financing sources are as follows (in US\$ million):

Loans/Credits/Others	Amount
Borrower	84.79
AIIB	207.60
World Bank	207.60
Total	500.00

VI. Implementation

Project Implementation Period: October 2017 – May, 2024

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