

SBF Project Implementation Monitoring Report

Philippines: Metro Manila Flood Management Project

1. Project Information

| | | | |
|-------------------------------|--|--------------------|-------------------------|
| Project ID: | 000023 | Investment Number: | L0023A |
| Member: | Philippines | Region: | South-Eastern asia |
| Sector: | Water | Sub-sector: | |
| AIB Financing Type: | Loan: 207.6 USD million | Co-financier(s): | IBRD |
| E&S category: | A | Borrower: | Republic of Philippines |
| Red Flags Assigned: | 1 (Q1: 1) | Monitoring Regime: | Regular Monitoring |
| Implementing Agency: | Department of Public Works and Highways DPWH, Metro Manila Development Authority (MMDA) | | |
| Project Team Leader: | Sangmoo Kim | | |
| Project Team Members: | Irish Fe Aguilar, Social Development Specialist Gerardo Pio Parco, Sr. Environmental Specialist Giacomo Ottolini, Procurement Consultant Yi Geng, Sr. Financial Management Specialist Haiyan Wang, Sr. Finance Officer | | |
| Completed Site Visits by AIB: | Mar, 2018 Mar. 5-12, 2018 Oct, 2018 Oct. 1-10, 2018 Jun, 2019 Jun. 3-7, 2019 Jan, 2020 Jan. 20-24, 2020 Dec, 2020 Dec. 7 – 10, 2020 (virtual) Apr, 2021 Apr 12-16, 2021 (virtual) | | |
| Planned Site Visits by AIB: | Dec, 2021 Nov-Dec 2021 (virtual) | | |

2. Project Summary and Objectives

The Project aims to improve flood management in selected areas of Metro Manila. The Project focuses on 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 urban residents while the direct Project beneficiaries, i.e., those adversely affected by regular flooding, are estimated at 1.7 million.

The project objective will be achieved through the following activities: (i) modernizing of drainage areas, involving construction of new pumping stations or rehabilitation of existing ones and associated drainage infrastructure; (ii) strengthening of solid waste collection and disposal; and (iii) supporting participatory housing and resettlement, involving land acquisition, housing construction, rental support and livelihood assistance.

3. Key Dates

| | | | |
|----------------|---------------|------------------------|---------------|
| Approval: | Sep. 27, 2017 | Signing: | Dec. 19, 2017 |
| Effective: | Mar. 15, 2018 | Restructured (if any): | |
| Orig. Closing: | Nov. 30, 2024 | Rev. Closing (if any): | |

4. Disbursement Summary (million)

| | | | |
|---------------|-------|---------------------------|--|
| Currency: | USD | | |
| a) Committed: | 207.6 | b) Cancellation (if any): | |

| | | | |
|-----------------|-------|---|--------------------|
| c) Disbursed: | 10.9 | d) Most recent disbursement: (amount / date) | 4.2, Jul. 30, 2021 |
| e) Undisbursed: | 196.7 | f) Disbursement Ratio(%) ¹ : | 5.3 |

¹ Disbursement Ratio is defined as the volume (i.e. the dollar amount) of total disbursed amount as a percentage of the net committed volume, i.e., $f = c / (a - b)$

5. Project Implementation Update

Project implementation has been progressing slower than originally agreed timelines. The COVID-19 pandemic has significantly impacted the project progress, particularly procurement process since Mar. 16, 2020. The construction of Balut pumping station is completed and the installed system functioned well during Typhoon Ulysses. Procurement for the modernization of the Vitas pumping station is completed, using the innovative method of Design, Supply, and Install (DSI) tender. The contracts for the pump stations at Labasan and Paco, using DSI, are expected to be awarded in Q4 2021. This procurement will be followed shortly for remaining pumping stations. A number of activities related to solid waste management are ongoing, including cleaning of waste from pumping stations and increased efforts to recycle waste, including plastics. All these activities are geared towards achieving the project development objective.

| Component s | Physical Progress | Environmental & Social Compliance | Procurement |
|--|--|---|---|
| Component 1: Modernizing drainage areas (USD168.84 million) (USD168.84 million) | The modernization of the Balut Pumping Station (PS) has been completed. | After completion of works in the Balut Pumping Stations, no other civil works have been started. Procurement for the modernization of Vitas pumping station was completed and a contract has been awarded. The ESMPs for works in these pumping stations have been completed and are still valid. | Procurement for Vitas PS modernization is completed. Various procurement activities are ongoing including: (i) procurement of PSs at Paco and Labasan; (ii) the first procurement package for dredging; (iii) procurement of modern de-silting equipment. |
| Component 2: Minimizing solid waste in waterways (USD21.6 million) | A number of activities related to solid waste management are ongoing, including cleaning of waste from pumping stations, community-based awareness creation initiatives, and increased efforts to recycle waste, including plastics. | The PMU has screened the activities under Component 2 which are currently being carried out. These have been assessed to have positive impacts and minimal negative impacts. These are in compliance with the ESMF. | The contract for a consultancy services for the preparation of the solid waste master plan has been awarded. |
| Component 3: Participatory housing and resettlement (USD7.64 million) | n/a | The Vitas RAP has been approved by WB and preparation for relocation is on-going. This includes finalizing memorandum of understanding with receiving/host local government units. | n/a |
| Component 4: Project management and coordination (USD9.0 million) | n/a | Both DPWH and MMDA maintain environmental and social safeguards specialists in their respective teams. | n/a |

Financial Management:

Financial Management support for DPWH is being provided by the PMC consulting firm. The PMC support has facilitated the submission of the overdue financial reports. MMDA has a qualified financial management specialist on board and the agency has been consistently compliant with its submission of financial reports. Project audit report of year 2020 for DPWH with an unqualified (clean) audit opinion has been provided to the Bank, the submission of such report for MMDA has been extended to December 31, 2021 as agreed by the leading co-financier.

6. Status of the Grievance Redress Mechanism (GRM)

GRM is operational using the Grievance Redress Systems (GRS) of DPWH and MMDA with dedicated people. Complaints or suggestions can be registered through general departmental hotlines, text messages, websites, and walk-ins. No grievance has been registered.

7. Results Monitoring

Baseline Year: Jan. 1, 2017 End Target Year: Jan. 1, 2024

Project Objective Indicators #1

Flood-prone areas that are free of water within 24 hours after a major rainfall event (Ha)

| Year | Target | Actual | Others, if any |
|--------------|--------|--------|----------------|
| Jan. 1, 2017 | 0 | - | |
| Jan. 1, 2018 | 0 | - | |
| Jan. 1, 2019 | 0 | - | |
| Jan. 1, 2020 | 400 | - | |
| Jan. 1, 2021 | 1500 | - | |
| Jan. 1, 2022 | 3000 | - | |
| Jan. 1, 2023 | 4200 | - | |
| Jan. 1, 2024 | 4900 | - | |

Project Objective Indicators #2

Direct Project beneficiaries, of which females (million (Females))

| Year | Target | Actual | Others, if any |
|--------------|-------------|--------|----------------|
| Jan. 1, 2017 | 0 | - | |
| Jan. 1, 2018 | 0 | - | |
| Jan. 1, 2019 | 0 | - | |
| Jan. 1, 2020 | 0.55 (0.27) | - | |
| Jan. 1, 2021 | 0.71 (0.35) | - | |
| Jan. 1, 2022 | 1.16(0.58) | - | |
| Jan. 1, 2023 | 1.40(0.70) | - | |
| Jan. 1, 2024 | 1.70 (0.85) | - | |

Project Objective Indicators #3

Solid wastes collected at targeted existing pumping stations (1000 cu.m)

| Year | Target | Actual | Others, if any |
|--------------|--------|--------|----------------|
| Jan. 1, 2017 | 17 | - | |
| Jan. 1, 2018 | 17 | - | |
| Jan. 1, 2019 | 17 | - | |
| Jan. 1, 2020 | 17 | - | |
| Jan. 1, 2021 | 13.5 | - | |
| Jan. 1, 2022 | 11.4 | - | |
| Jan. 1, 2023 | 9.5 | - | |
| Jan. 1, 2024 | 8.5 | - | |

Project Objective Indicators #4

Households successfully resettled from areas where they would obstruct proper O&M of the drainage systems. (Number)

| Year | Target | Actual | Others, if any |
|--------------|--------|--------|----------------|
| Jan. 1, 2017 | 0 | - | |
| Jan. 1, 2018 | 0 | - | |
| Jan. 1, 2019 | 0 | - | |
| Jan. 1, 2020 | 137 | - | |
| Jan. 1, 2021 | 1451 | - | |
| Jan. 1, 2022 | 2500 | - | |
| Jan. 1, 2023 | 2500 | - | |
| Jan. 1, 2024 | 2500 | - | |

Project Objective Indicators #5

Beneficiaries satisfied with reduced vulnerability to flooding in Project areas (Percentage)

| Year | Target | Actual | Others, if any |
|--------------|--------|--------|----------------|
| Jan. 1, 2017 | 0 | - | |
| Jan. 1, 2018 | 0 | - | |
| Jan. 1, 2019 | 0 | - | |
| Jan. 1, 2020 | 0 | - | |
| Jan. 1, 2021 | 20 | - | |
| Jan. 1, 2023 | 50 | - | |
| Jan. 1, 2022 | 70 | - | |
| Jan. 1, 2024 | 80 | - | |

Intermediate Result Indicators #1

Existing pumping stations rehabilitated (Number)

| Year | Target | Actual | Others, if any |
|--------------|--------|--------|----------------|
| Jan. 1, 2017 | 0 | - | |
| Jan. 1, 2018 | 0 | - | |
| Jan. 1, 2019 | 0 | - | |
| Jan. 1, 2020 | 5 | - | |
| Jan. 1, 2021 | 10 | - | |
| Jan. 1, 2022 | 21 | - | |
| Jan. 1, 2023 | 36 | - | |
| Jan. 1, 2024 | 36 | - | |

Intermediate Result Indicators #2

New pumping stations constructed and operational (Number)

| Year | Target | Actual | Others, if any |
|--------------|--------|--------|----------------|
| Jan. 1, 2017 | 0 | - | |
| Jan. 1, 2018 | 0 | - | |
| Jan. 1, 2019 | 0 | - | |
| Jan. 1, 2020 | 0 | - | |

| | | | |
|--------------|----|---|--|
| Jan. 1, 2021 | 0 | - | |
| Jan. 1, 2022 | 0 | - | |
| Jan. 1, 2023 | 6 | - | |
| Jan. 1, 2024 | 20 | - | |

Intermediate Result Indicators #3

Barangays with improved solid waste management programs in place. (Numbers)

| Year | Target | Actual | Others, if any |
|--------------|--------|--------|----------------|
| Jan. 1, 2017 | 0 | - | |
| Jan. 1, 2018 | 0 | - | |
| Jan. 1, 2019 | 0 | - | |
| Jan. 1, 2020 | 25 | - | |
| Jan. 1, 2021 | 75 | - | |
| Jan. 1, 2022 | 125 | - | |
| Jan. 1, 2023 | 200 | - | |
| Jan. 1, 2024 | 200 | - | |

Intermediate Result Indicators #4

Community consultations undertaken (Numbers)

| Year | Target | Actual | Others, if any |
|--------------|--------|--------|----------------|
| Jan. 1, 2017 | 3 | - | |
| Jan. 1, 2018 | 3 | 3 | |
| Jan. 1, 2019 | 6 | 6 | |
| Jan. 1, 2020 | 12 | - | |
| Jan. 1, 2021 | 24 | - | |
| Jan. 1, 2022 | 30 | - | |
| Jan. 1, 2023 | 30 | - | |
| Jan. 1, 2024 | 30 | - | |

Intermediate Result Indicators #5

Grievances registered related to delivery of Project benefits that are actually addressed (percentage)

| Year | Target | Actual | Others, if any |
|--------------|--------|--------|----------------|
| Jan. 1, 2017 | 0 | - | |
| Jan. 1, 2018 | 90 | - | |
| Jan. 1, 2019 | 90 | - | |
| Jan. 1, 2020 | 90 | - | |
| Jan. 1, 2021 | 90 | - | |
| Jan. 1, 2022 | 90 | - | |
| Jan. 1, 2023 | 90 | - | |
| Jan. 1, 2024 | 90 | - | |

Remarks: The differences between the target and the actual is explained in section 5.