

CY 2012 ODA Portfolio Review
Lessons Learned from Project Implementation

Sector	Pre-Project Implementation	Budget- Related and Funds Flow	Project Management	LGU – Related
<p>Agriculture, Agrarian Reform and Natural Resources (AARNR)</p>	<p>1. Completeness and Adequacy of Preparatory Works - Adequate preparation (establishment of PMO, detailed engineering and design, etc.) prior to loan signing should be undertaken for the project to immediately take off. NISRIIP experienced minor delays due to the delayed establishment of its PMO. In the case of ARIIP, the completed preparatory works of its DED just a few months after loan signing was a significant factor in the project's on-time implementation. (NIA)</p> <p>2. Behavioural Changes and Institutional Strengthening – For projects involving LGUs, behavioural changes and institutional strengthening take time and hence this should be considered in designing future projects. (LLDA)</p>	<p>1. Development of More Practical Cost Sharing Schemes - Cost sharing with LGUs has encouraged local executives to invest in agrarian reform sector and deepened their commitment in performing their responsibilities in implementing and sustaining the project. More practical cost sharing schemes should be developed as most LGUs seek additional funding support from senators, congressmen, and governors to be able to participate in the project. This will not only allow LGUs to meet their local counterpart but will also minimize delays in project implementation. (DAR)</p> <p>2. Synchronization of Planning and Budgeting Activities – Must ensure timely execution of activities to avoid delays in the process. (DENR)</p>	<p>1. Empowerment of Beneficiaries - Investing in capacity-building activities and empowerment of beneficiaries increase the likelihood of sustainability and reduces the risk of project benefits being lost. (DA)</p> <p>2. Institutionalization of Mainstreaming Mechanism - DAR was able to institutionalized a mainstreaming mechanism of coordinating and managing FAPs at all levels (from national, provincial, local, and ARC). This mechanism proved to be effective in the following aspects: (a) gathering stakeholders support; (b) instilling social acceptability at the grassroots level; and (c) sustaining project benefits.</p> <p>Likewise, this mechanism has nurtured the organizational capacity and technical proficiency of its organic staff in monitoring project implementation and in ensuring attainment of project outcomes and outputs.</p> <p>Further, this mechanism was complemented by conducting consultations, technical assistance,</p>	<p>1. Project Convergence - The effectiveness of rural infrastructure facilities increases significantly and even generates greater benefits and outcomes when complemented with social and economic services by the concerned LGU. InFRES provided the necessary infrastructure facilities such as FMRs, RWSS and CIS which was complemented by LPG-SEED's microfinance, alternative livelihood and capacity-building activities. (DA)</p>

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			<p>trainings, and meetings to stakeholders particularly at the local and ARC level. As a result, stakeholders have deeper understanding and commitment in executing their respective roles and responsibilities. (DAR)</p> <p>3. Streamlining of Project Processes - DAR streamlined its project approval and implementation processes by simplifying its minimum documentary requirements. This strategic measure proved to be helpful in assisting LGUs to facilitate project approval and request for releases as well as to achieve better project financial performance. (DAR)</p> <p>4. Project Integration to Regular Functions/ Operations - For purposes of ownership, this activity would ensure sustainability of project outputs. (DENR)</p> <p>5. Well-staffed and Capacitated Project Management Office (PMO) - A well-staffed and capacitated PMO facilitates timely project implementation. The limited manpower of the PMO has always been reported as one of the contributory factors in the delayed implementation of projects, i.e.,</p>	

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			<p>PIDP and PDDP-IC. On the other hand, the adequate number of and well-trained PMO of ARIP contributed to the project's good performance. (NIA)</p> <p>6. Fast- Tracking of Procurement Activities - Based on the experience of ARIP, the fast procurement of civil works resulted in the good performance of the project for the year. (NIA)</p> <p>7. Post-Rationalization Plan - The Rationalization Plan which started in 2008 aimed to merge offices and streamline functions in NIA. The Plan should have minimized, if not eliminate, overlapping and duplicating functions, and improve on the agency's systems and procedures. In the case of NIA, the implementation of the Rat Plan became a contributory factor to the delayed implementation of its projects. As the Rat Plan is expected to be completed in December 2012, the NIA has to assess and determine lapses in the Plan implementation. NIA's strategy or measures to be taken after the Rat Plan should also be determined. (NIA)</p>	

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Governance and Institutions Development (GID)			<p>1. NPSTAR's challenges were mainly due to changes/additional requirements by the BIR that are not covered under the existing goods or consulting services contracts. In addition, the project is also instituting systemic reforms that would require cultural changes within the BIR's including the adoption of specific performance/accountability indicators. Given these, the BIR could have minimized delays and overruns had there been clearer statement of requirements, more and early user involvement and open and clear communication lines among the stakeholders. <i>(BIR)</i></p> <p>2. Advocacy Programs - The SC PMO should have an advocacy program for new administrations to keep ongoing projects within the leader's priority concerns and keep them abreast with the pace of project implementation. <i>(SC)</i></p> <p>3. Project Complementation - There also is the SC realization that it would take more than one project, to reform the Judicial Sector. The SC has therefore in its portfolio a number of ODA as well as locally funded projects that target specific judicial reform areas. <i>(SC)</i></p>	

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Industry, Trade and Tourism (ITT)	<p>1. Flexibility of Project Design - Project Design should be flexible especially for financial intermediaries to easily adapt to changing markets conditions. For example, the GEF grant Project Preparation Fund (PPF) component which has a prior review threshold of US\$100,000 is too low and restrictive considering that small contracts for consultancy services is at US\$200,000 based on the World Bank Procurement Guidelines. Since it was already stipulated in the agreement and cannot easily be changed, it resulted to lower utilization of the PPF component. (DBP)</p>		<p>1. Duplicity of Projects Catering the Same Markets - There is a danger in implementing two (2) programs that cater to the same market which the WorldBank has designed. Although RPP-AF is a loan and the ECs-Partial Credit Guarantee, the programs indirectly compete in the electric cooperatives' market. In such a case, it slows down the utilization much more limits the market of the credit facility. The design should have been complementation arrangement such as that in excess of the guarantee limit, the project should tap RPP-AF. (DBP)</p> <p>2. Technical Assistance - Provision of Technical Assistance which included capacity building is an essential component in marketing a relending project. Since not all clients are familiar with World Bank guidelines and processes, it is important to explain the significance of compliance with the Bank's requirements. (DBP)</p> <p>3. Setting of Key Performance Indicators - The Key Performance Indicator should have been adjusted to include new customers connected through rehabilitation and upgrading of distribution</p>	

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			<p>systems. The existing KPI only includes new customer provided with mini-grid electrical system or individual renewable energy technologies. <i>(DBP)</i></p> <p>4. Provision of Trainings - Providing BDS trainings to MEs that were already MFI sub-borrowers (or track 1 convergence mode) was found to be a successful convergence approach. MEs that are first provided with BDS still find it difficult to obtain credit from MFIs (specifically Level 1 MEs). On the other hand, the MEs already with credit are able to sustain their operations and activities, and are likely to find BDS trainings useful as well. <i>(DTI- SBC)</i></p> <p>5. Through RUMEPP's decentralized implementation, financial management, accounting and procurement processes were facilitated in the project areas. However, this approach also posed difficulty in terms of planning and preparation of regional AWPBs, which subsequently delayed submission of overall WPBs required for budget release. <i>(DTI- SBC)</i></p>	

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Social Reform and Community Development (SRCD)	<p>1. Conditioning Phase and Synchronicity of Project Activities with the Operations of the Agency</p> <p>- There should be lead time for agencies to prepare for project implementation phase. As experienced in PRIME and EPIP, initial stages of the project were characterized with low disbursement figures. There are also no baseline data available as well as the lack of personnel to implement said projects. This could have been avoided if factors, such as institutional mechanisms are set in place prior to project implementation. (DepEd)</p>		<p>1. Aptitude/ Number of Employees to Perform Project Activities – Issues in EPIP's implementation could also be attributed to heavy workload and lack of personnel to implement the project. As a result, the management considers multitasking of concerned component heads. While it may be a cost-efficient solution in the short-run, it may compromise quality of outputs in the future. DepEd must ensure that prior to implementation, a definite number of employees are in place to perform project tasks. For now, DepEd must provide incentives to these personnel who are performing several functions. (DepEd)</p> <p>2. Responsive M&E System – While it is essential that monitoring and evaluation systems are in place, DepEd must ensure that these are responsive to the needs of the management (cases in point are EPIP and the unreported ODA grants). A high bar on the quality (critical indicators that matter) and periodicity of providing information to key decision makers must be set to facilitate better project implementation. (DepEd)</p> <p>3. Community-Driven Projects - The</p>	<p>1. LGUs Role in Project Implementation - The importance of the LGU's role especially local officials and the communities in the operations and maintenance of the completed subprojects such as roads, school buildings and water supply projects. (ARMM Government)</p>

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			<p>top needs of the poor, as reflected by the communities' choice of sub-projects, appear to be in-sync with sub-projects of relatively high economic viability. This is particularly observed for water systems and roads. It was noted that schools, while included in the top three sub-projects, have lower economic viability compared to other sub-projects. The possibility of underestimating the benefits of school construction is however recognized. (DSWD)</p> <p>4. Performance Monitoring - Monitoring of performance can be ensured by including specific activities for M&E under the project components (e.g., conduct of spot checks and impact evaluation). (DSWD)</p>	