

CY 2012 ODA Portfolio Review
Lessons Learned from Completed Projects

Project Title	IA	DP	Lessons Learned
1. Agricultural Technology Education Project	DECS (DEPEd)	ADB	<ul style="list-style-type: none"> • Improve awareness of DAT-BAT programs in local communities and among potential students. • There is a need for further curriculum review, including strengthening entrepreneurship training in the ATE curriculum • Improving the provision of career guidance, counselling, and placement services • Strengthening credit arrangements to support self-employment of graduates • Reviewing the replicability of new ATE programs and the need for further support to ATE institutions not under the project • To minimize delays, allowance in project work plans should be made for increased flexibility in procurement to minimize the delays in other components. • Government should ensure that adequate provision is made for cooperation with the DAR and LGUs, to facilitate graduates' access to land and their transition to self-employment. Source: Project Completion Reports
2. Allah River Irrigation Project	NIA	ADB	<ul style="list-style-type: none"> • Close coordination is needed between the central organizations in Manila and the local counterparts in order to implement the program efficiently and in a timely manner. The DOH Central Office for example failed to assign a project coordinator which delayed the health component of the project by 7 years. The DPWH failed to coordinate with the local counterparts which resulted to the failure of the rural water supply component. • The bank should have monitored the project more closely especially during its early stages. This may have noted the over-optimistic implementation schedule prepared earlier which is not fit for a project of this magnitude. • The government and the executing and implementing agencies should have provided adequate and timely local counterpart funds. • The bank on the other hand should have provided close supervision by carrying out comprehensive reviews during the early years of project implementation. Source: Project Completion Report
3. Second Agusan Irrigation Project	NIA	ADB	<ul style="list-style-type: none"> • Even if project is fully completed, its success will depend on whether the command area of 5368 ha is fully irrigated and whether the cropping

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			<p>intensity and yield targets are achieved.</p> <ul style="list-style-type: none"> Follow up action required to ensure land development work is done as planned. Source: Project Completion Report
4. Road and Road Transport Sector Program Loan	DOTC/ DENR/ DPWH/ DTI	ADB	<ul style="list-style-type: none"> Program is generally successful in implementing the policy reforms as conceived at appraisal, especially in the fields of road maintenance privatization, liberalization of provincial passenger transport and road transport equipment imports, and environmental monitoring and improvement. Program would have been more successful if the policy reform package had also contained the enactment of the proposed new legislation together with the follow-up action plans to attain the expected sector efficiency improvements,
5. Arterial Road Links Development Project, Phase III	DPWH	JICA	<ul style="list-style-type: none"> Construction terms are delayed substantially due to procurement (consultants and construction contractor selection/contract) delay. Past experiences show that the Government approval processing time is much longer than expected. It is necessary to plan a realistic implementation program and procurement schedule after careful negotiation with clients at the time of appraisal. There were too many variations during implementation stage (work items, quantity, material changes etc.). It is necessary to upgrade supervision quality during construction and establish the appropriate auditing and inspection system as well as making efforts to improve accuracy and quality of the feasibility study. A Project Completion Report (PCR) was not prepared based on the JICA format. The submission date within 6 months after the completion of the project was not observed. It is needed to supervise/instruct the executing agencies to prepare a proper PCR within the time limit.
6. Mindanao Sustainable Settlement Area Development Project (MINSSAD)	DAR	JICA	<ul style="list-style-type: none"> Preparing an adequate baseline data is important in project design through establishment of a database from conducting comprehensive household survey in 2004 as well as in formulation of logframe where target indicators are identified. Formulating realistic target indicators is critical particularly in project purpose level and poverty incidence reduction. In terms of formulating targets on poverty incidence reduction, local poverty threshold and inflation rate per year should be considered as bases for identifying the target household income increase, which turned out to be higher than the break-even point of poverty threshold. To attain significant increases in rural household incomes, it may be

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			<p>encouraged that agricultural activities are able to graduate from subsistence to commercial level. As a starting point, techno-demo projects such as SRI, hybrid rice, rubber nurseries, and goat raising were implemented. Eventually, product and market transformation schemes have to be introduced.</p> <ul style="list-style-type: none"> • Crop diversification is critical in sustainable agriculture development. For technology demonstration projects, diversification of a few crops (one to three crops per site) would be advisable, provided appropriate zoning had been implemented. • Communicate project logical framework to stakeholders through regular meetings or brainstorming sessions. • To achieve high impact on poverty reduction, it seemed that it would be better if development initiatives are area-based, site-specific, and target group-focused. Source: Final Report on Initial Impact Assessment on MinSSAD published by Woodfields Consultants, Inc (firm commissioned by DAR)
7. Pampanga Delta Development Project-Irrigation Component (PDDP-IC)	NIA	JICA	<ul style="list-style-type: none"> • The utilization rate of irrigation pumps was significantly low due to the rising cost of fuel. The farmers' ability to pay irrigation service fees and the risk of higher fuel cost for pumping irrigation water should be carefully considered in introducing irrigation pumps. • Introduction of cash crops should be carefully reviewed even if these are expected to have high economic gains. Aside from climate, soil, profitability and market, there are also other factors such as cropping patterns, willingness of farmers to introduce cash crops, and their financial capacity that determine the outcome of this endeavor. • Risks of flooding due to lahar had been expected but were not reflected in the target setting of planted area and yield in the wet season. The agency should carefully set realistic goals and targets for planting in the wet season especially in flood-affected areas. • The use of parcellary mapping/surveys should be required in identifying the firmed-up service area (FUSA) for accuracy and ease of validation. Mere reliance on farmer's declarations in measuring the actual FUSA could lead to underdeclaration/overdeclaration of land area. Source: End-of-Project Report (EOPR) of NEDA
8. Third Davao del Norte Irrigation Project	NIA	ADB	<ul style="list-style-type: none"> • Significant impacts of irrigation component such as extensive adoption of modern varieties of paddy, higher usage of fertilizer, higher crop yields and improvement of incomes. • Thorough project preparation is needed to avoid future modifications, additional work arising from unnecessary and unavoidable problems. • Project design should be flexible in order to respond to changes in

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			<p>technical and socioeconomic circumstances during project implementation.</p> <ul style="list-style-type: none"> • Delays in project implementation were mainly due to the outdated criteria for assessing land values which contributed to the long and tedious process of rights-of-way and land acquisition. There is a need to update these criteria and to expedite the process; The Bank should take part in the process of land valuation and acquisition. • Evaluation of projects should involve not only the economic but also the social and environmental benefits derived from the project.
9. Fifth Road Improvement Project	DPWH	ADB	<ul style="list-style-type: none"> • Budgetary limitations and insufficient planning procedures have long affected the funds available for road construction and maintenance in the Philippines and the Project was no exception. The standard of maintenance of the project roads that have been completed and handed over to DPWH and DILG remains unsatisfactory. • During recent years, the record of the Philippines in providing audited accounts on a timely basis has not been good. Similarly, DPWH and DILG show little initiative in complying with covenants for BME
10. Small Farmers Credit Project	LBP	ADB	<ul style="list-style-type: none"> • ADB should focus on the viability of RFI rather than beneficiaries. Financial institutions which are viable and have sound risk management will have financing available and loans repaid. • Microcredit is critical and essential to economic development of the countryside. Farm cooperatives rely on credit institutions to continue with crop production and enlarge their scope of activities. FCs should not solely rely on the credit line but should begin to rely on CBU and savings mobilizations to avoid downgrading and disenfranchisement from credit institutions. Focus needs to be on microfinance than microcredit alone. • Rural institutions like LBP must prepare better appraisals of subprojects including risk analysis to protect their agricultural portfolio. Optimistic projections of crop yields should be reviewed more closely. Likewise, a monitoring system should be set up to detect overexposure on a particular portfolio. • Crop insurance is required by the government for subloans made through financial institutions. It needs to be reviewed and revised so as to provide adequate protection to both farmers and the rural credit institution. The current program has left many FCs in debt due to natural disasters and claims adjusters who unfairly underestimate the extent of damages based on regional average damages. Rural credit institutions should put pressure on the government to improve the program.

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			<ul style="list-style-type: none"> Investments should be carefully evaluated by the government. Technicalities arising from the government and agencies and the\he succeeding costs and damages should be shouldered in some way like a settlement with the affected FCs. When government pushes for innovations and seek support from the RFIs to finance the farmers' investment costs, the government should provide some guarantees to the financial institutions or other form of risk sharing for those loans.
11. Microenterprise Access to Banking Services Program	RBAP BSP	USAID	<ul style="list-style-type: none"> Focus on increasing volumes of loans in individual banks. Substantial benefit for the project beneficiaries will be realized if the relatively big MABS banks have increased participation in their areas. Conduct additional MABSTeRS training to endure that the banks have resident MABS expertise in their banks. Conduct a training of trainers in Mindanao to qualify more MABS consultants. Continue promotion of credit bureau participation in rural banks. Revisit and revise the software. Put in place licenses between rural banks and RBAP Complete development of PDA collections modules and credit bureau interface Increase capacity of ASEC and ISSEC outreach and communication of the benefits for RB2000 Develop a RB2000 training program for rural banks to be delivered by roll out companies Train one more roll out company.
12. Bohol Irrigation Project Stage 2	NIA	JICA	<ul style="list-style-type: none"> Revision of design due to unforeseeable physical condition at the time of the original design due to the increase in work quantity for the construction of the diversion dam and the irrigation facilities since the assumed elevation shown in the GFC/ shop drawings did not fit the elevation of the dam site. Original completion date was scheduled last 2005 instead of 2008. Delay in completion was caused by the shortage of funds (re-enactment of budget from 2004-2006 and delayed approval of project cost adjustment due to high contract costs) or fluctuations of exchange rate, procurement problems (late timeline for pre-qualifications and bidding) and mostly unusual circumstances beyond the control of the executing agency (delayed approval of adjusted program costs) Increase in irrigable area due to the project resulted to increased in farmers' productivity and income. The reservoir dams can be developed

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13. Judicial Reform Support Project	SC	WB	<p>into tourist attractions. Source: JICA Format Project Completion Report</p> <ul style="list-style-type: none"> • It was suggested during the 20th Annual ODA Review (2010) that in addition to improving the Judiciary's capital stock, it is also critical to sustain the gains and adopt lessons learned from the JRSP, and replicate these in other courts. Below are issue-based lessons learned which have been identified from among others risk areas included in the WB Project Appraisal Document (PAD). The lessons learned are interrelated such that they may stem from a common issue or concern. • Early engagement of Project Staff and Outsourcing of Non-core Technical Experts. An issue raised was on the SC's manpower shortage and skills gaps. While the SC was able to hire external experts for its Management Information Systems Office and Financial Management Unit to address these gaps, the timing of the hiring contributed to the start-up delays of the project. There should therefore be a mechanism for IAs to establish PMOs even before project/loan effectiveness date. • Stakeholder Strategy/Managing the Stakeholders. Harnessing the support of critical beneficiaries/stakeholders at the start of implementation paves the way for ease of adopting and adapting to the innovations introduced under the JRSP. Case-in-point for the project is that at start-up there was a perception among judges that the Pilot Model Courts were mainly improvement of physical facilities as opposed to the real objective of the component which includes among others technological changes towards a more effective and accessible judiciary. With the objective of improving ICT came the need for judges and court personnel to also gear-up in terms of technological skills. Involving the judges during the design phases of the pilot interventions would have among others, minimized misconceptions, provided a venue to solicit inputs from the court personnel and judges and in a way minimized resistance. The practice would have encouraged early adoption and smoothen transition during the institutionalization phase of project interventions. • SC PMO and JRSP Technology/Knowledge Transfer. The SC PMO at appraisal was flagged to be at risk of effectively coordinating multiple contributions from its development partners. As such, the JRSP provided technical support to the SC PMO given its wider exposure with donor related project implementation procedures. The JRSP has become a venue and instrument for technical knowledge transfer. It is expected therefore that unified PMO may minimize redundancies and/or overlap of activities across ongoing projects of the SC, or for that matter all agencies

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			<p>with a portfolio of projects. There should be effort however, towards the sustainability/institutionalization of the technology transferred.</p> <ul style="list-style-type: none"> • Procurement Process. The JRSP was twice extended due to procurement delays. Despite the JRSP having its own Procurement Manual, the SC-PMO still experienced in some of its contracts breach of the prescribed timelines under RA9184. The contracts had to pass through a series of approval levels within the SC (BAC, Legal Department, Chief Justice or En Banc). As was prescribed under RA9183 for the government-wide procurement, so should the SC prescribe internal guidelines for strict compliance to contain delays. • Piloting Projects. Given the nature of the intervention, it is expected that bottlenecks will be encountered. Case in point for the JRSP is the establishment of Halls of Justice. The sites for the pilot HOJs were delayed due to difficulties in site identification and feasibility analyses. There should have been early identification and F/S activities of pilot areas such that said activity should have been undertaken before loan effectiveness. • Scheduling and Strict Monitoring of Activities. During the JRSP's reconfiguration/re-evaluation, a realistic procurement-cum-implementation plan was developed by the Supreme Court. This is in cognizance of the remaining 6 month implementation duration. During this period the plan was strictly adhered to, maximizing the realization of target outputs. At start-up the SC had undertaken the same vigilance with the intention to minimize incidence of time and cost overrun. In particular, their practice of managing "critical path" factors (WB Aide Memoire for the First JRSP Supervision Mission: 16-20 February 2004). It should be noted however, despite the efforts that there were factors beyond the control of the JRSP that ultimately led to the downsizing of the project scope.
14. Bago River Irrigation System Rehabilitation and Improvement Project	NIA	JICA	<ul style="list-style-type: none"> • Substantial revision of design due to unforeseeable physical condition at the time of original design (soil condition) [comment on this]. Revision as a result of the detailed design, unrealistic technical design, unrealistic estimation of supply and demand. • Issues and concerns encountered during the implementation of the project. Procurement delays of ICB contract and also with the issuance of the Notice To Proceed. There were also delays in the mobilization and actual start of the project. • Quarry materials issue: Sources backed out which caused changes in the design of the canal. [discuss] • Leakage problems in the existing Bago River Siphon. Repair to stop the

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			<p>leakage and or reconstruction of siphon structure will be needed in near future.</p> <ul style="list-style-type: none"> • A delay of almost 2 years or 23 months. Limited quarry sources, additional structures and facilities as per farmers' requests, redesigning of canal sections and structures and unfavourable weather conditions. Source: JICA Format project Completion Report