

2008 ODA PORTFOLIO REVIEW CLOSED LOANS BUT WITH INCOMPLETE PROJECT OUTPUTS

In the course of the review, **four** projects were identified to have closed loans but with incomplete outputs, as follows:

- **Pasig River Environmental Management and Rehabilitation Sector Development Program/PRRC** – Only 90 percent complete, as the Septage Treatment Plant (STP) was not completed and only 4.4. has. (out of a target 500 has.) of urban renewal areas were upgraded resulting in unlikely achievement of projected outcomes of reducing the BOD loading on the river by 21 tons per day and improving the living condition of 80,000 families through urban upgrading. The STP was only 27% complete as the contract was suspended and currently under arbitration with the contractor claiming about US\$6 M of the loan amount. MWSS committed to complete the STP and shoulder the cost for its completion. PRRC should ensure that MWSS is fully committed (financially) to carry this out.
- **LRT Line 1 Capacity Expansion Project, Phase II/LRTA** – The original scope of the project was substantially completed in August 2007. The proposed change in scope (with increase in cost) which was implemented as early as April 2008 was approved by the ICC-CC on 15 September 2008, but the loan for the project closed on 4 September 2008 after a second request for an extension was not granted by JICA. LRTA now proposes to finance the additional works through the Land Bank of the Philippines (LBP) Omnibus Credit Line.
- **LGU Urban Water and Sanitation Project APL2/DBP** – While the loan officially closed on November 2008, physical activities for uncompleted projects are continuing, with the DBP intending to finance said remaining activities using its own budget.
- **Second Magsaysay Bridge and Butuan City Bypass Road Project/DPWH** - Facilities (882-m cable-stayed bridge and 13.19 km bypass road with two small bridges) completed in CY2007. DPWH still needs to complete the connection bypass of the bridge project to the airport and the Bonbon access road (both outside the scope of the project) to fully attain the project objectives.