

Table 11

**13th ODA PORTFOLIO REVIEW**  
**Projects with Possible Cancellations in CY 2005 and Beyond**  
**As of 31 December 2004**

<b>Funding Source/Project Title</b>	<b>Possible Loan Amount for Cancellation in 2005 and Beyond (\$M)</b>	<b>Reason/s for Cancellation</b>
Community Based Resources Management Project <b>DOF Total</b>	1.22 <b>1.22</b>	Foreign exchange differential
Mindanao Basic Urban Services Sector Project  <b>LBP Total</b>	15.00  <b>15.00</b>	(i) Slow pace in sub-project preparation by DILG; (ii) non-assurance on the availability of GOP grant; (iii) projected utilization of the fund up to program closing date is 36%; and (iv) to cut down losses of the Bank from Commitment and guarantee fees and foreign exchange cover.
Special Economic Zones Environment Management Project  <b>PEZA Total</b>	20.19  <b>20.19</b>	The amount was a result of the reduced scope of works as follows: i) Procurement of equipment; ii) Deletion of Consultancy Services for Solid Waste Management and Urgent Planning; and iii) Deferment of implementation of the construction component (STP and WRF) of the Bataan, Baguio City and Cavite Economic Zones.
Agrarian Reform Communities Project Agrarian Reform Infrastructure Support Project <b>DLR Total</b>	20.51 55.81 <b>76.32</b>	Unutilized loan balance Unutilized loan balance
Land Administration and Management Project  Water Resources Development Project Southern Mindanao Integrated Coastal Zone Management Project  Investment Component of the Metro Manila Air Quality Improvement Sector Development Program <b>DENR Total</b>	1.01  1.20 5.98  54.59 <b>62.78</b>	The amount will be cancelled under LAMP after its project completion in December 2004. In 2003, LAMP incurred an 11% cost overrun to cover the expenditure for the 15th month extension. The project cost increased from P 520.927 M to P 579.119 M. Excess funding The change in scope from the General Santos Sewage Treatment Project to 7 Septage Treatment Facilities is projected to result in a ¥ 646 Million unutilized loan balance. Limited number of projects in the pipeline willing to adopt the design-build-lease arrangement and the expensive cost of WB funds
Laguindingan Airport Development Project	22.55	The amount may be cancelled if, per Amendment Agreement signed on 13 Jan 2004, the goods and services to be financed out of the proceeds of the loan shall not be procured within 18 months after the agreement signing date, or by July 2005.

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Maritime Safety Improvement Project <b>DOTC Total</b>	43.65 <b>66.20</b>	Budget Constraints
Cordillera Highland Agriculture Resource Management Project  <b>DA Total</b>	0.30  <b>0.30</b>	This is the unutilized amount in the Imprest Account of ADB SF loan intended for the 6-month extension of the project. The DBM has already denied DA request for realignment to cover the appropriation of this amount on 28 March 2005.
Pinatubo Hazard Urgent Mitigation Project II Metro Manila Interchange IV  <b>DPWH Total</b>	14.01 51.32  <b>65.33</b>	Unutilized loan balance DPWH was advised by OP to defer implementation, following MMDA recommendation. In this regard, DPWH may cancel since the remaining period of loan validity will not be enough to complete the project. Loan closes September 2016.
LGU Urban Water Sanitation Project <b>DBP Total</b>	15.00 <b>15.00</b>	Unutilized loan balance
Rural Water Supply and Sanitation Project Phase V  <b>DILG Total</b>	4.41  <b>4.41</b>	Only 19.48% of the 2,480 water supply and sanitation facilities can be implemented due to limited financial capacity of LGUs and DILG and proximity of the loan closing date (March 2007).
<b>GRAND TOTAL</b>	<b>326.76</b>	