



Grant Assistance Report

Project Number: 40217
November 2006

Grant Assistance
Republic of the Philippines: Southern Leyte Landslide
Disaster Assistance Project
(Financed by the Japan Fund for Poverty Reduction)

Asian Development Bank

CURRENCY EQUIVALENTS
(as of 24 October 2006)

Currency Unit	–	peso (P)
P1.00	=	\$0.1998
\$1.00	=	P50.0450

ABBREVIATIONS

ADB	–	Asian Development Bank
PIM	–	project implementation manual
PIU	–	project implementation unit
PTAC	–	Provincial Technical Advisory Committee
TWG	–	technical working group

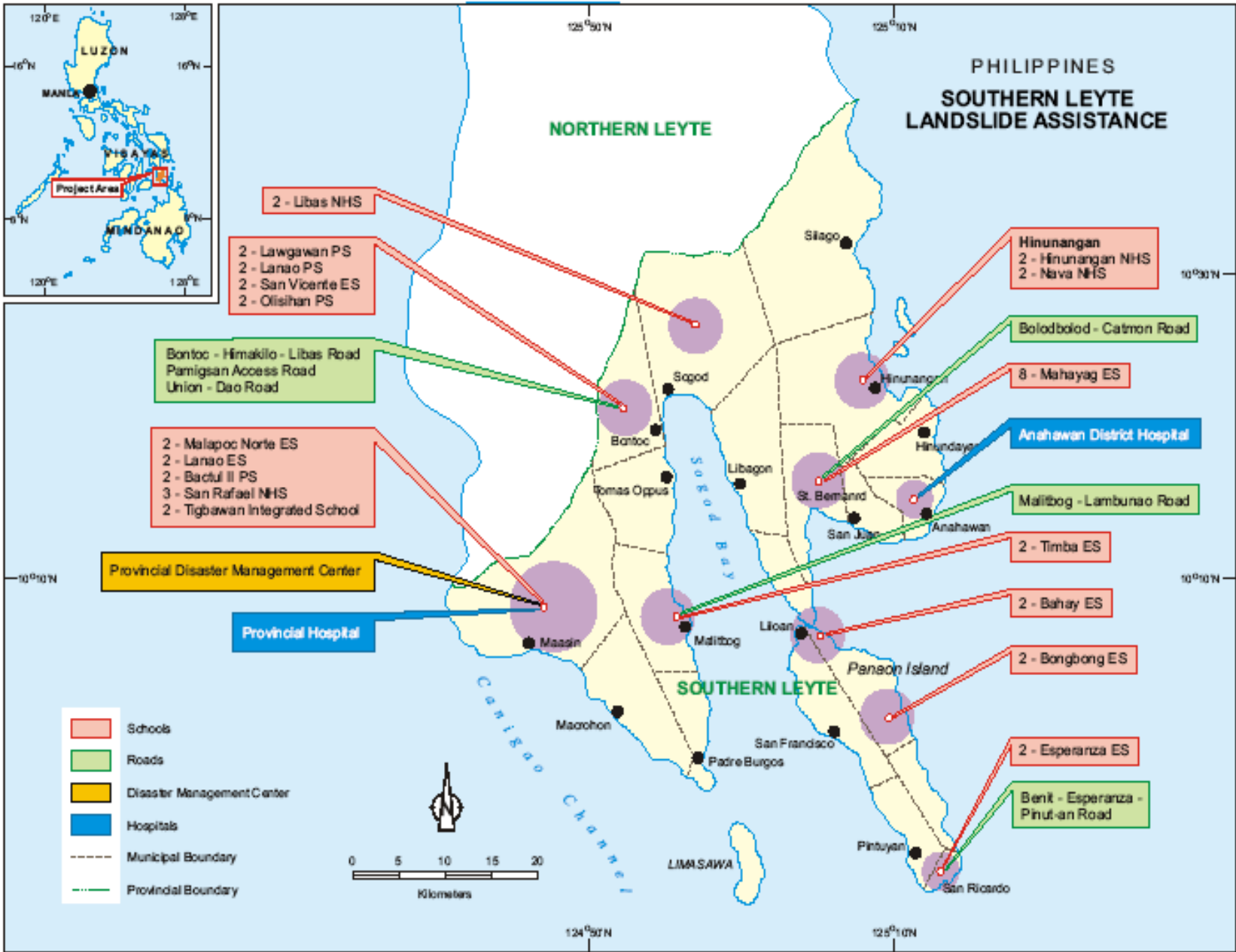
WEIGHTS AND MEASURES

km	–	kilometer
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NOTES

- (i) the fiscal year of the Government ends on 31 December.
- (ii) In this report, "\$" refers to US dollars.

Vice President	C. Lawrence Greenwood, Jr., Operations 2
Director General	R. Nag, Southeast Asia Department (SERD)
Country Director	T. Crouch, Philippines Country Office (PhCO)
Team leader	X. Jia, Senior Portfolio Management Specialist, PhCO



JAPAN FUND FOR POVERTY REDUCTION (JFPR)

JFPR GRANT PROPOSAL

I. Basic Data	
Name of Proposed Activity	Southern Leyte Landslide Disaster Assistance Project
Country	Philippines
Grant Amount Requested	\$3.0 million
Project Duration	2.5 years
Regional Grant	<input type="radio"/> Yes / <input checked="" type="radio"/> No
Grant Type	<input checked="" type="radio"/> Project / <input type="radio"/> Capacity building

II. Grant Development Objective(s) and Expected Key Performance Indicators

<p>Grant Development Objectives (GDO):</p> <p>The overall goal of this project is to rehabilitate and reconstruct key infrastructure facilities in the province of Southern Leyte that were damaged by the February 2006 landslides and to provide long-term mitigating measures. Specifically, this project seeks to (i) rehabilitate farm-to-market roads and construct an access road; (ii) upgrade the facilities and services of the provincial hospital of Southern Leyte and the Anahawan district hospital; (iii) construct an elementary school with complete facilities in St. Bernard, and provide additional classrooms to elementary and secondary schools in Southern Leyte; and (iv) establish a provincial disaster management center.</p>
<p>Expected Key Performance Indicators :</p> <p>(i) 27.1 kilometers of rehabilitated farm-to-market roads and 1 kilometer of a new access road; (ii) improved medical services and facilities in the provincial hospital of Southern Leyte and the Anahawan district hospital; (iii) (a) 1 elementary school with complete facilities in the municipality of St. Bernard; (b) 33 classrooms in various elementary and secondary schools of Southern Leyte; and, (iv) 1 functional provincial disaster management center in Southern Leyte</p>

III. Grant Categories of Expenditure, Amounts, and Percentage of Expenditures

Category	Amount of Grant Allocated in \$	Percentage of Expenditures (%)
1. Civil Works	2,177,393	73
2. Goods	363,154	12
3. Capacity Building	28,780	1
4. Consulting Services	158,140	5
5. Project Management/Coordination	69,850	2
6. Contingencies	202,683	7
Total	3,000,000	100
Incremental Cost	150,000	5

JAPAN FUND FOR POVERTY REDUCTION

**JFPR Grant Proposal
Background Information**

A. Other Data	
Date of Submission of Application	1 November 2006
Project Officer	Xinning Jia, Senior Portfolio Management Specialist
Project Officer's Division, E-mail, Phone	Philippines Country Office (PHCO) jjaxinning@adb.org 683-1010
Other Staff Who Will Need Access to Edit/Review the Report	Mila Navoa, PHCO
Sector	Multisector (Transport, Health, Education)
Subsector(s)	Roads, Health Systems, Basic/Secondary Education
Theme	Sustainable Economic Growth; Inclusive Social Development
Subtheme(s)	Developing Rural Areas, Human Development
Targeting Classification	Targeted Intervention (geographic poverty)
Was JFPR Seed Money used to prepare this grant proposal?	Yes [x] No []
Have SRC comments been reflected in the proposal?	Yes [x] No []
Name of Associated ADB Financed Operation(s)	
Executing Agency	Provincial Government of Southern Leyte
Grant Implementing Agency	Provincial Government of Southern Leyte

B. Details of the Proposed Grant**1. Description of the Components, Monitorable Deliverables/Outcomes, and Implementation Timetable**

Component A	
Component Name	Civil Works
Cost (\$)	2,557,487
Component Description	<p>This component consists of 4 subcomponents, which will address the needs for rehabilitation/disaster preparedness and mitigation in Southern Leyte, specifically:</p> <p>A.1 Roads Construction / Upgrade Subcomponent A.1 will include the urgently needed repair and rehabilitation of 27.1-kilometer existing road networks and construction of a 1-kilometer access road for the relocation sites: (i) Pob. Malitbog–Lambunao Road, Malitbog (4.4 km); (ii) Union–Dao Road, Bontoc (3.5 km); (iii) Pob. Bontoc–Himakilo–Libas Road, Bontoc (8.6 km.) (iv) Benit–Esperanza–Pinut-an Road, San Ricardo (6.1 km.) (v) Concreting of the Bolod-bolod–Catmon Road, St. Bernard (4.5 km) (vi) Construction of Pamigsian Access Road (1 km) Activities include: subgrade preparation; regraveling; ditching;</p>

<p>Component A</p>	<p>installation of cross drainage structure; widening of some sections; concreting of pavements for some road networks; construction of reinforced concrete box culvert; and construction of 2-lane 1-span slab bridge for some of the road networks.</p> <p>A.2 Hospitals Upgrade Subcomponent A.2 aims to provide diagnostic services (laboratory/testing) and improve the facilities in the provincial hospital of Southern Leyte and the Anahawan district hospital.</p> <p>Activities include construction of additional rooms; creation of separate out-patient facilities; establishment of a women's and child care facility; setting up of a laboratory facility; and staff training for operating and maintaining the new equipment.</p> <p>A.3 School/ Classrooms Establishment Subcomponent A.3 will (i) construct a new elementary school with complete facilities including 6 classrooms, toilets, tables and chairs, etc. for in-shift classes of about 400 pupils in the Mahayag relocation site of St. Bernard; and (ii) construct additional 33 classrooms in 13 elementary and secondary schools in Maasin, Bontoc, San Francisco, Liloan, San Ricardo and Hinunangan of Southern Leyte.</p> <p>A.4 Establishment of Provincial Disaster Management Center A two-story Provincial Disaster Management Center will be established to serve as the office to respond immediately to disasters in Southern Leyte, provide training and equipment for search and rescue operations, and coordinate activities during disasters.</p> <p>Activities include construction of a provincial disaster management center; purchase of rescue, communication, and transport equipment; conduct of training on disaster management and response to Southern Leyte emergency and rescue team and local government units; and regular coordination with local and national disaster coordinating councils.</p>
<p>Monitorable Deliverables/Outputs</p>	<p>A.1 Kilometers of roads rehabilitated/ constructed</p> <p>A.2 Number of additional diagnostic and other facilities established in the provincial hospital of Southern Leyte and the Anahawan district hospital</p> <p>A.3 Number of school and classrooms constructed</p> <p>A.4 Construction of a provincial disaster management center; purchase of rescue, communication, and transport equipment; and training in disaster management and response</p>
<p>Implementation of Major Activities: Number of months - grant activities</p>	<p>A.1 18 months</p> <p>A.2 24 months</p> <p>A.3 24 months</p> <p>A.4 24 months</p>

Component A	
Component B	
Component Name	Project Management and Coordination
Cost (\$)	239,830
Component Description	This component will support overall project management, coordination and reporting, ensuring a highly participatory management approach, and monitoring efficiency and effectiveness of project implementation.
Monitorable Deliverables/Outputs	Inception report, quarterly progress reports, annual report, monthly financial reports, audited annual financial reports, project completion report
Implementation of Major Activities: Number of months for grant activities	24 months

2. Financing Plan for Proposed Grant to be Supported by JFPR

Funding Source	Amount (\$)
JFPR	3,000,000
Provincial Government of Southern Leyte	173,910
Other Sources (In-kind contribution by communities of Southern Leyte)	11,250
Total	3,185,160

3. Background

The Province of Southern Leyte is one of the top 10 highly disaster-prone provinces in the country, and this has slowed down the economic development of the province. In 1990–1998, the province was among the top 20 poorest provinces in the Philippines. Although it has grown progressively in recent years and is no longer among the poorest since 2000, the recent landslide disaster in February 2006, which was the worst in the recent decade, caused immediate damage worth P168.9 million (about \$3.28 million) and could very well revert the province back to its old state.

Damage to property and infrastructure as a result of the area-specific landslides that hit Southern Leyte in the first quarter of 2006 was far-reaching. Although the major hit was in Barangay Guinsaugon of St. Bernard, where the worst “rockslide debris avalanche” buried about 1,112 residents in mud 30–40 meters high, other municipalities in Southern Leyte, i.e., San Francisco, Liloan, Sogod, San Ricardo, Bontoc, Malitbog, Hinunangan, and Maasin were also affected.

Among the effects of the landslides, the most critical are the following:

- (i) About 5,702 families need to be evacuated or relocated due to the presence of highly visible cracks on their land and houses;
- (ii) 35 kilometers of roads (provincial, municipal, and barangay roads) are damaged, making the road network impassable to traffic;
- (iii) 6,322 individuals that need medical attention cannot be accommodated in the provincial hospital and district hospitals of Southern Leyte due to lack of facilities; and
- (iv) 1 school in St. Bernard is completely destroyed, and another 52 school buildings or 104 classrooms in several municipalities have to be abandoned as strongly recommended by the Mines and GeoSciences Bureau (MGB) because those schools are in areas that are highly susceptible to landslides. ;

The Asian Development Bank (ADB) was one of the earliest development partners that responded immediately to the landslide disaster:

- (i) On 21 February 2006, President Kuroda stated to the Board that ADB will take a proactive stance in responding to the disaster in Southern Leyte.
- (ii) In April 2006, an ADB mission was fielded in Southern Leyte to visit the landslide site and relocation sites, and discuss with the provincial governor of Southern Leyte and other key officials ADB's possible assistance. The provincial government requested grant assistance for rehabilitation and construction of key infrastructure facilities.
- (iii) In July 2006, a JFPR consultant was engaged to validate the assessed needs prepared by the provincial government.
- (iv) In October 2006, a JFPR appraisal mission was fielded to prepare the JFPR grant proposal.

The rehabilitation assistance for Southern Leyte started in late March 2006. Despite the overwhelming support of various international and local institutions, the assistance has been focused on development of relocation sites, in particular construction of houses. The validated needs assessment identified the following immediate needs that are not addressed by the current assistance:

- (i) **Roads.** Of the 35-kilometer damaged road sections, only sections about 8 kilometers are being rehabilitated by the provincial government and local government units. There is an immediate need to improve the remaining 27 kilometers of roads in Bontoc, Malitbog, St. Bernard, and San Ricardo. Also, one access road is urgently needed for the relocation sites in Bontoc.
- (ii) **Hospitals.** There are currently four hospitals in Southern Leyte and the two biggest ones are the provincial hospital of Southern Leyte, which is based in Maasin City; and the Anahawan district hospital, which is in the north of Southern Leyte. These two hospitals are supposed to serve the medical needs of about 65% of the provincial population. In reality, however, they can only accommodate about 30% of these medical needs. An ocular inspection revealed that most portions of the two hospitals are old and dilapidated. They could not accommodate the 6,322 victims of the landslides since their combined bed capacity is only 150. The two hospitals, in particular the provincial hospital, have a poor layout that is not good for patients. For example, the Intensive Care Unit and Pediatric Ward are right beside the respiratory ailment ward where most patients suffer from tuberculosis. Furthermore, the imaging equipment (x-ray and ultrasound) in these hospitals are too antiquated to be able to properly diagnose illnesses. There is therefore an urgent need to upgrade the facilities of the provincial hospital of Southern Leyte and the Anahawan district hospital.
- (iii) **School and classrooms.** One elementary school with complete facilities is needed in St. Bernard to cater to the school needs of about 400 children, which stand for 43% of the total school population in the relocation sites in St. Bernard. In the municipalities of Maasin, Bontoc, Liloan, San Ricardo, San Francisco, and Hinunangan, 13 elementary and secondary schools still need additional 33 classrooms to accommodate 1,395 students in the five affected municipalities.
- (iv) **Disaster response and management.** Although the provincial government through the Southern Leyte emergency and rescue team immediately responded to the landslide disaster in February 2006, the team's responses and movements were very much constrained by the lack of rescue equipment (e.g., heavy-duty ropes and pulleys), communications equipment (e.g., hand-held radios), and most importantly, transport equipment to bring the victims to nearby hospitals and transport goods to the affected areas. Currently, the province has no functioning disaster management center where training on disaster response and management can be provided to local government units.

The proposed JFPR project will address these priority needs to rehabilitate key infrastructure facilities in Southern Leyte that were damaged by the February 2006 landslides and will provide long-term mitigating measures.

4. Innovation

The project is innovative as it combines disaster rehabilitation, preparedness, and mitigation activities that will ensure the sustainability of the project.

Furthermore, the project is innovative because it will adopt a participatory approach throughout the project cycle. First, needs assessment was undertaken to determine the extent of the disaster and possible assistance. Second, a Technical Working Group (TWG) was organized at the time of the preparation and design of the project. The TWG was composed of representatives of Provincial Governor's Office, Provincial Systems Administrator's Office, Social Welfare and Development, Education, Engineer's Office, Public Works and Highways, Agriculture, Planning and Development, Health, Environmental and Natural Resources, and Community Affairs. Third, during project implementation, a Provincial Technical Advisory Committee (PTAC) will be established to oversee implementation and provide guidance on policy directions of the project. Apart from the members of the TWG, PTAC will also include representatives from the nongovernment organizations, communities and local government units, for whom selection criteria will be developed in the project implementation manual during the implementation stage.

Lastly, this project is innovative since it will involve the local communities in the construction of the infrastructure facilities. The communities will be organized and trained to manage and maintain the infrastructure facilities after the project period.

5. Sustainability

The proposed sites for civil works under the JFPR proposal are cleared by MGB. While the school, hospitals, and the provincial disaster management center will be sustained through their own earnings, (e.g., school miscellaneous fees and donations, payments by paying patients, and fees for the use of venue and equipment by outsiders, and Internal Revenue Allotment [IRA] from local government units), roads will be maintained by local communities. The communities will be employed for construction and trained on-site for operation and maintenance of the roads, while the IRA of the concerned local government units (20% development fund) will be tapped.

6. Participatory Approach

The design, preparation, and implementation of the project adopt a participatory approach as follows:

- (i) The project was designed through a series of stakeholder consultations in both Manila and Southern Leyte, involving national, provincial, and local government units, development partners, civil society, nongovernment organizations, and communities.
- (ii) The TWG, which was organized during the preparation and design of the project, is composed of representatives of Provincial Governor's Office, Provincial Systems Administrator's Office, Social Welfare and Development, Education, Engineer's Office, Public Works and Highways, Agriculture, Planning and Development, Health, Environmental and Natural Resources, and Community Affairs.
- (iii) During the implementation of the project, PTAC will be established to oversee project implementation and provide guidance on policy directions of the project. Apart from the members of the TWG, PTAC will also include representatives from the nongovernment organizations, communities, and local government units.
- (iv) The project beneficiaries or the vulnerable families affected by the disaster will participate directly in implementing the project through their direct employment in rehabilitating the infrastructure facilities. The beneficiaries will also be trained on the operation and maintenance of roads.

Primary beneficiaries and other affected groups and relevant description	Other key stakeholders and brief description
Some 5,702 vulnerable families or 20,731 individuals directly affected by the landslides in the	<ul style="list-style-type: none"> • Provincial Government of Southern Leyte • Relevant national government agencies, in

<p>following municipalities:</p> <ul style="list-style-type: none"> • St. Bernard • Liloan • Sogod • San Francisco • Bontoc • Hinunangan • San Ricardo • Maasin • Malitbog 	<p>particular, National Disaster Coordinating Council, Department of Social Welfare and Development, Department of Public Works and Highways, and Department of Health</p> <ul style="list-style-type: none"> • Attached provincial offices such as Provincial System Administrator's Office, Provincial Social Welfare and Development Office, Provincial Health Office, Office of the Provincial Agriculturist, Provincial Planning and Development Office, Provincial Environment and Natural Resources Office, and Community Affairs Office • Local government units of St. Bernard, Liloan, Sogod, San Francisco, Bontoc, Hinunangan, San Ricardo, Maasin, Malitbog • Community associations • Nongovernment organizations that currently provide assistance in developing the relocation site
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7. Coordination

The project was developed in close consultation and coordination with other development partners, in particular the Japanese Embassy, Japan International Cooperation Agency, Japan Bank for International Cooperation, and United Nations Development Programme. A table of current assistance in Southern Leyte is in Appendix 6.

8. Detailed Cost Table

A summary cost table and detailed cost estimates are in Appendix 1.

C. Linkage to ADB Strategy and ADB-Financed Operations

1. Linkage to ADB Strategy

Document	Document Number	Date of Last Discussion	Objective(s)
Country Strategy and Program (2005–2007)		July 2005	ADB supports the establishment of key infrastructure facilities as they will contribute to more rapid poverty reduction.
Disaster and Emergency Assistance Policy		May 2004	ADB's long-term strategic framework, recognizes the need to reach out and assist people who are "pushed below the poverty line due to natural and man-made disaster."

2. Linkage to Specific ADB-Financed Operation

Project Name	N.A.
Project Number	
Date of Board Approval	
Loan Amount (\$ million)	

3. Development Objective of the Associated ADB-Financed Operation:

N.A.

4. List the main components of the Associated ADB-Financed Operation:

No.	Component Name	Brief Description
1.	N.A.	1.1 1.2
2.		2.1

5. Rationale for Grant Funding versus ADB Lending

Immediately after the Southern Leyte landslide disaster in February 2006, ADB identified the approved but unutilized loan resources of about \$48.1 million that could be reprogrammed for Southern Leyte assistance, including \$3.4 million from highly concessional ADF loans and \$44.7 million from OCR loans. The Government, considering the very limited financial capacity of Southern Leyte, requested ADB to provide grant assistance.

D. Implementation of the Proposed Grant

1. Provide the Name of the Implementing Agency	Provincial Government of Southern Leyte
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2. Risks Affecting Grant Implementation

Type of Risk	Brief Description	Measure to Mitigate the Risk
Institutional	<ul style="list-style-type: none"> The scheduled May 2007 election may cause delays in the implementation of the project. Commitment of local government units to the project Lack of available experienced personnel for implementing the project 	<ul style="list-style-type: none"> A separate and independent project implementation unit (PIU) will be set up for daily implementation issues. Prior to the project start-up, a commitment through a memorandum of agreement between the Office of the Provincial Governor, PIU and the Sangguniang Panlalawigan will be executed to ensure the continuity of project implementation. Close involvement of local government units in the design and implementation of the infrastructure projects and facilities Consultants to be recruited for project implementation will facilitate implementation process, and train the PIU staff on site. A staff consultant will be recruited during pre-implementation stage to prepare a project implementation manual, which

Type of Risk	Brief Description	Measure to Mitigate the Risk
	<ul style="list-style-type: none"> • Nonfamiliarity of PIU with ADB's guidelines and procedures 	<p>will guide the PIU during project implementation. Another staff consultant will be engaged during the implementation phase to monitor implementation progress, and assist in reporting, procurement, disbursement, and overall project management.</p> <ul style="list-style-type: none"> • A long-term staff consultant will be engaged to orient and assist the PIU in complying with ADB guidelines and procedures throughout project implementation.
Governance	<ul style="list-style-type: none"> • Transparency and accountability of the PIU • Community involvement and participation 	<ul style="list-style-type: none"> • The annual work program and financial plan of the PIU will be reviewed by PTAC and approved by the Office of Provincial Governor and ADB. • ADB's <i>Procurement Guidelines (2006)</i> and the <i>Guidelines on the Use of Consultants (2006)</i>, and procedures on disbursements will be followed during project implementation. • ADB will conduct regular review of the project during the implementation phase. • PTAC will include representatives of local communities, who will oversee project implementation and provide implementation guidance. • Similarly, communities will be mobilized and organized to undertake civil works required in the construction and rehabilitation of infrastructure, as well as maintain the same after project completion.

3. Incremental ADB Costs

Component	Incremental Bank Cost
Amount requested	\$150,000
Justification	Incremental costs are necessary to cover two staff consultants: one for the pre-implementation phase to expedite project start-up, and one for the implementation phase to assist in project implementation.
Type of work to be rendered by ADB	A staff consultant will be hired by ADB in accordance with ADB's <i>Guidelines on the Use of Consultants</i> in the pre-implementation phase to assist the provincial government of

	<p>Southern Leyte in (i) developing a project implementation manual (PIM); (ii) developing a work plan and implementation schedule; (iii) setting up the PIU; and (iv) orienting the PIU on the relevant ADB guidelines and procedures.</p> <p>A long-term staff consultant will be hired by ADB in accordance with ADB's <i>Guidelines on the Use of Consultants</i> during the project implementation phase to efficiently and effectively manage and operate the project based on the work plans; monitor implementation progress; and assist in reporting, procurement, disbursement, and overall project management; and coordinating between ADB and the provincial government of Southern Leyte.</p>
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4. Monitoring and Evaluation

Key Performance Indicator	Reporting Mechanism	Plan and Timetable for M&E
<ul style="list-style-type: none"> 28.1 kilometers of rehabilitated and new farm-to-market and access roads 	<ul style="list-style-type: none"> Inception report Quarterly progress reports 	<ul style="list-style-type: none"> 3 months after project start-up 1 month after every quarter for submission to the Office of the provincial governor and ADB. Such quarterly reports will be cumulative reporting of accomplishments The annual report is to be submitted on month 13 of project implementation. The project completion report is to be submitted on the last month of project implementation.
<ul style="list-style-type: none"> Improved medical services and facilities in the provincial hospital of Southern Leyte and the Anahawan district hospital 		
<ul style="list-style-type: none"> One (1) elementary school with complete facilities in the municipality of St. Bernard 	<ul style="list-style-type: none"> Annual report 	
<ul style="list-style-type: none"> One (1) functional provincial disaster management center in Southern Leyte 	<ul style="list-style-type: none"> Project completion report 	

5. Estimated Disbursement Schedule

Fiscal Year (FY)	Amount (\$)
FY 2007	1,050,000
FY 2008	1,650,000
FY 2009	300,000
Total Disbursements	3,000,000

Appendixes:

- Summary Cost Estimates
Detailed Cost Estimates
- Organizational Structure
- Implementation Schedule
- Funds Flow Arrangements
- Implementation Arrangements
- Existing Assistance in Southern Leyte

SUMMARY COST TABLE

(\$)

Category\Grant Components	Component A		Component B		Total	Percent
	Civil Works		Project Management & Coordination			
JFPR Grant Financing						
1. Civil Works	2,177,393				2,177,393	73
2. Goods	353,454		9,700		363,154	12
3. Capacity Building	20,340		8,440		28,780	1
4. Consulting	6,300		151,840		158,140	5
5. Project Management			69,850		69,850	2
6. Contingency	172,280		30,402		202,683	7
Total	2,729,768		270,232		3,000,000	100
Provincial Government Contribution	131,250		42,660		173,910	
In-kind Community Contribution	11,250				11,250	

JFPR = Japan Fund for Poverty Reduction
Source: ADB estimates.

DETAILED COST ESTIMATES

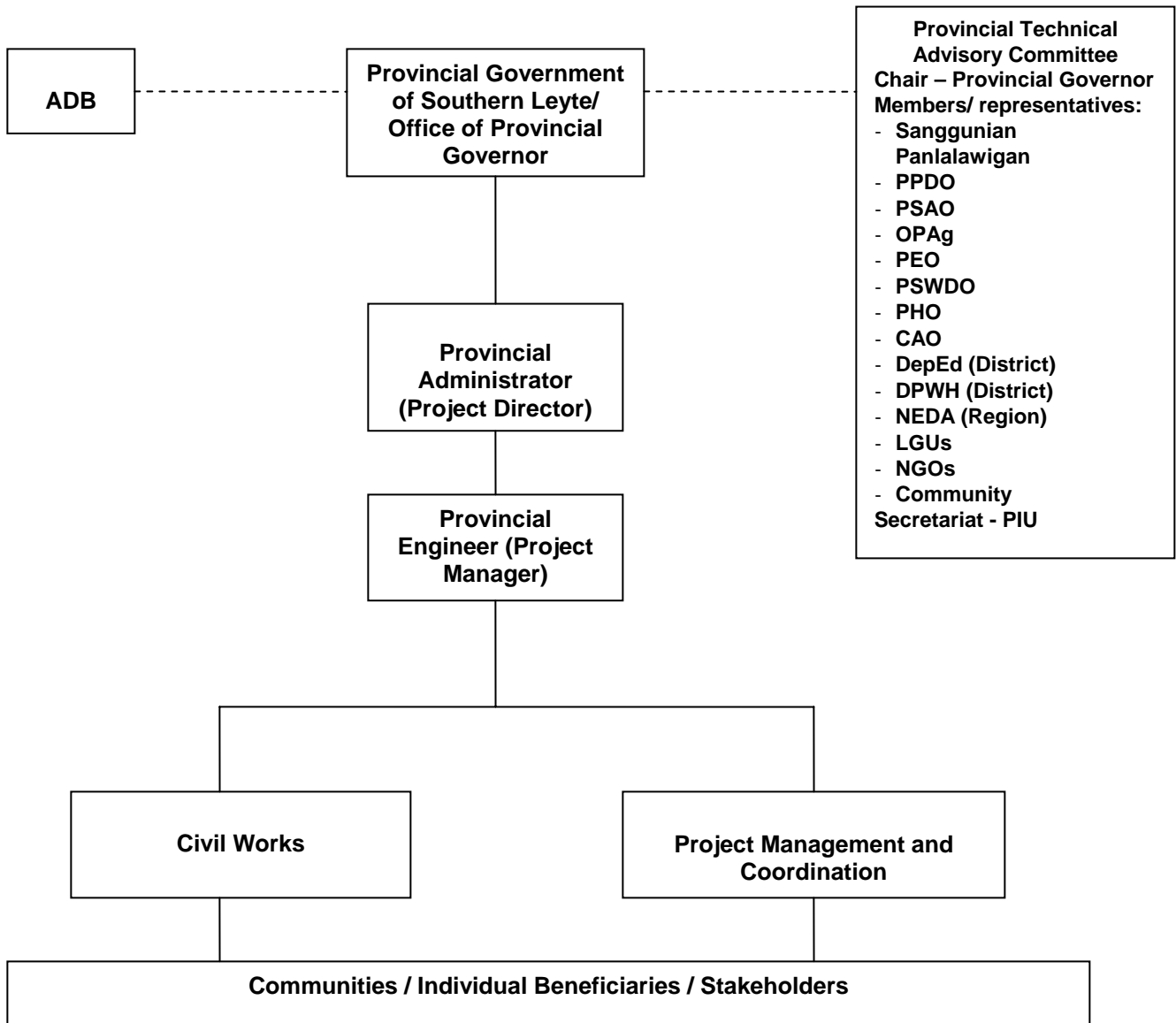
Code	Supplies and Services Rendered	Costs (\$)				Contributions			
		Unit	Quantity	Cost	Total	JFPR		Provincial Government of Southern Leyte	Communities
			Units	Per Unit		Amount	Method of Procurement		
Component A - Civil Works				Subtotal	2,699,987	2,557,487		131,250	11,250
Component A.1 Road Rehabilitation / Access Road Construction				Subtotal	1,301,900	1,264,400		26,250	11,250
A.1.1	Civil Works								
1.1.1	Surplus Common Excavation, excavation of structure, sub-grade preparation, concreting, aggregate course, RCPC (reinforced concrete pipe culvert), RCBC (reinforced concrete box culvert), Mobilization, Engineering	Unit	1*450,000 5*160,000		1,250,000	1,250,000	National Competitive Bidding (with abbreviated bidding period)		
A.1.2	Capacity Building / Training								
1.2.1	Community Participation in road rehabilitation/ construction (incl. costs for resource persons, venue and meals) @ 15 pax/lgu x 6 lgu x 3 days / session)	Activity	15*6*3	30	8,100	8,100			
A.1.3	Road Operations and Maintenance (70% from LGUs and 30% from communities)		3% of civil works costs		37,500			26,250	11,250
A.1.4	Consulting Services								
1.3.1	Feasibility study consultant (to cover socio-economic and environmental assessments of the proposed road networks) @ 45 person-days/ 2 sites x 2 consultants	Person - day	45*2	70	6,300	6,300			
Component A.2 - Upgrade of Hospitals				Subtotal	541,800	541,800		-	-
A.2.1	Civil Works								
2.1.1	Civil / Electrical Works	Unit			328,500	328,500	National Competitive Bidding (with abbreviated bidding period)		
A.2.2	Equipment / Supplies								
2.2.1	Laboratory equipment, imaging equipment (x-ray / ultrasound), ACUs	Unit of equipment	19	11,198	212,760	212,760	Shopping		
A.2.3	Capacity Building / Training								
2.3.1	Training of staff / technicians on use of laboratory and diagnostic equipment @ 3 / center x 3 centers x 2 days	Activity	3*3*2	30	540	540			
Component A.3 - School / Classroom establishment				Subtotal	614,735	614,735		-	-
A.3.1	Civil Works								
3.1.1	Construction of school buildings / classrooms	Unit	39	14,587	568,893	568,893	National Competitive Bidding (with abbreviated bidding period)		
A.3.2	Furniture / Equipment								
3.2.1	Classroom Chairs, Tables	Unit / set			45,842	45,842	Shopping		
Component A.4 - Establishment of a Provincial Disaster Management Center				Subtotal	241,552	136,552		105,000	-
A.4.1	Civil Works								
4.1.1	Construction of the Provincial Disaster Management Center Building (incl. of woodworks, steel and glass works, labor, land of 70 sqm.)	Lump Sum			135,000	30,000	Direct Contracting	105,000	

Code	Supplies and Services Rendered	Costs (\$)				Contributions			
		Unit	Quantity	Cost	Total	JFPR		Provincial Government of Southern Leyte	Communities
			Units	Per Unit		Amount	Method of Procurement		
A.4.2	Equipment / Supplies								
4.2.1	Communications (incl. VHF radios, base radios, laptop, dc/ac converters, aver vision, fax machine, etc.)	Unit			13,348	13,348	Shopping		
4.2.1.1	VHF Radio		12	128	1,536	1,536			
4.2.1.2	VHF Base Radio		3	218	654	654			
4.2.1.3	Laptop		3	2,000	6,000	6,000			
4.2.1.4	DC/AC Converter		3	60	180	180			
4.2.1.5	WIS		3	40	120	120			
4.2.1.6	Genset (1.8 KVA)		1	604	604	604			
4.2.1.7	Megaphone		4	90	360	360			
4.2.1.8	LCD Projector		1	2,000	2,000	2,000			
4.2.1.9	Desktop Computer with printer		1	800	800	800			
4.2.1.10	USB Flash Drive		2	40	80	80			
4.2.1.11	Aver Vision		1	800	800	800			
4.2.1.12	Fax machine		1	200	200	200			
4.2.1.13	Telephone Line		1	14	14	14			
4.2.2	Rescue tools / equipment (incl. vertex vent helmets, rescue gloves, facon harness petsl, pulley single, pulley twin, rescue 8, trauma kits, spine boards, etc.)	Unit			33,104	33,104	Shopping		
4.2.3	Transport (incl. pick-up truck, rescue boat, trailbikes)	Unit			48,400	48,400	Shopping		
4.2.3.1	Toyota Pick Up van		1	28,000	28,000	28,000			
4.2.3.2	Rescue Boat		1	16,000	16,000	16,000			
4.2.3.3	Honda xr 200 Trailbike		2	2,200	4,400	4,400			
A.4.3	Capacity Building / Training								
4.3.1	Training on the operations and maintenance of the search and rescue equipment, use of communications equipment and use of rescue transport equipment (10 members in 4 sites x 2 days / module x 3)	Activity	10*4*2*3	30	7,200	7,200			
4.3.2	Coordination training re MDCCs, PDCC, BDCCs, GOs, NGOs, and Gas (50 pax x 3 days)	Activity	50*3	30	4,500	4,500			
Component B - Project Management and Coordination					Subtotal	282,490	239,830	42,660	
B.1	Equipment, Furniture and Furnishings								
B.1.1	Desktop computer with printer	Unit	4	900	3,600	3,600	Shopping		
B.1.2	Laptop computer	Unit	2	1,800	3,600	3,600	Shopping		
B.1.3	Computer software	Unit	1	100	100	100	Shopping		
B.1.4	Flat bed scanner	Unit	1	120	120	120	Shopping		
B.1.5	Fax machine	Unit	1	280	280	280	Shopping		
B.1.6	Office furniture (tables, chairs, etc.)	Unit	10	100	1,000	1,000	Shopping		
B.1.7	Photocopying machine	Unit	1	1,000	1,000	1,000	Shopping		
B.2	Capacity Building / Training								
B.2.1	Strategic / Project Planning & Assessment (20 pax*3 days*2)	Lump Sum	20*3*2	30	3,600	3,600			
B.2.2	Coordination Meetings with stakeholders (4x a year)	Meetings	4	400	1,600	1,600			
B.2.3	Annual / Mid-term Reviews	Lump Sum	3	600	1,800	1,800			
B.2.4	Meetings of PTAC (1x a month / 24 months)	Activity	1*24	60	1,440	1,440			
B.3	Management Consultants / Staff								
B.3.1	Financial Auditing	Audit/year	2	2,000	4,000	4,000			
B.3.3	Project Director (40% of staff time for JFPR project)	person-months	30	680	20,400	8,160		12,240	

Code	Supplies and Services Rendered	Costs (\$)				Contributions			
		Unit	Quantity	Cost	Total	JFPR		Provincial Government of Southern Leyte	Communities
			Units	Per Unit		Amount	Method of Procurement		
B.3.4	Project Manager (60% of staff time for JFPR project)	person-months	30	660	19,800	11,880		7,920	
B.3.5	Engineer	person-months	24	1,400	33,600	33,600			
B.3.6	ME Officer	person-months	24	1,200	28,800	28,800			
B.3.7	Project Officer (Community Organizing / Training)	person-months	24	1,100	26,400	26,400			
B.3.8	Administrative / Finance Officer	person-months	30	800	24,000	24,000			
B.3.9	Administrative Assistant	person-months	30	500	15,000	15,000			
B.3.10	Driver / Messenger	person-months	30	250	7,500			7,500.00	
B.3.10	Travel and Per Diem								
B.3.10.1	PIU project staff / consultants travel to sites (7pax x 15 days/qtr x 7 qtrs)	per diem / day	7*15*7	30	22,050	22,050			
B.3.10.2	PIU project staff coordination to Manila (2paxx4daysx3trips)	per diem / day	2*4*3	40	960	960			
B.3.10.3	PIU coordination in Manila (airfare - 3 trips in 2 yrs.)	airfare	3*2	120	720	720			
B.3.10.4	Review missions (2/year x 7 pax)	Activity	3*7*2*2	120	10,080	10,080			
B.3.11	Operational Costs								
B.3.11.1	Report Preparation	Lump Sum	4	610	2,440	2,440			
B.3.11.2	Office Space	lumpsum / month	30	500	15,000			15,000	
B.3.11.3	Land transportation costs	lumpsum / month	30	700	21,000	21,000			
B.3.11.4	Office Costs (Supplies, utilities, etc.)	lumpsum / month	30	420	12,600	12,600			
	Components Sub-total				2,982,477	2,797,317		173,910	11,250
	Contingency				202,683	202,683			
	Total Project Cost				3,185,160	3,000,000		173,910	11,250

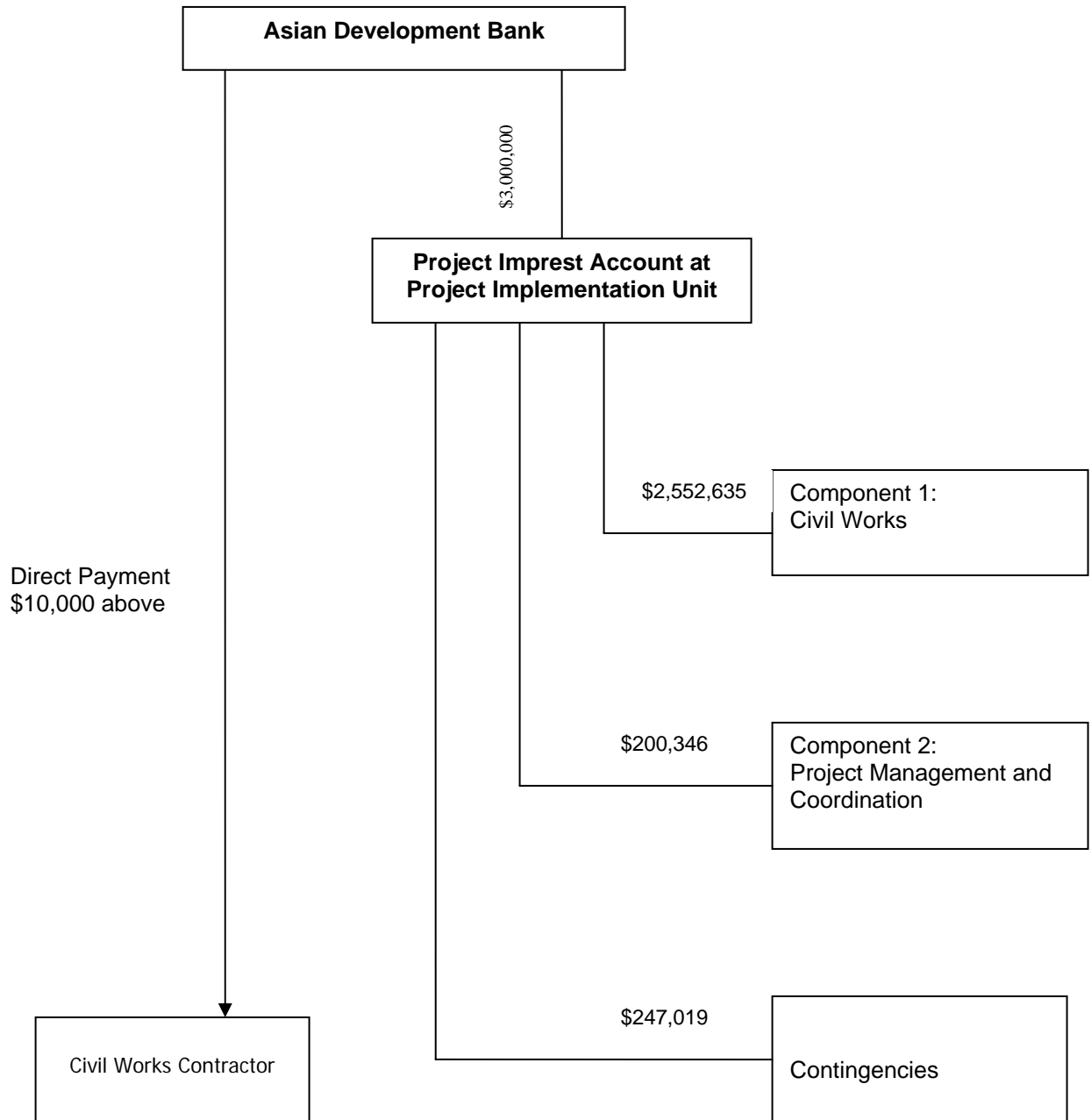
ACU = airconditioning unit; BDCC = Barangay Disaster Coordinating Council; DC/AC = direct current/alternating current; GO = Government organizations; JFPR = Japan Fund for Poverty Reduction; KVA = kilo volt amperes; LCD = liquid crystal display; LGU = Local Government Unit; MDCC = Municipal Disaster Coordinating Council; ME = monitoring and evaluation; NGO = non-government organizations; PDCC = Provincial Disaster Coordinating Council; PIU = project implementing unit; PTAC = Provincial Technical Advisory Committee; RCBC = reinforced concrete box culvert; RCPC = reinforced concrete pipe culvert; USB = universal service bus; VHF = very high frequency; WIS = wireless internet service;
Source: Asian Development Bank estimates.

ORGANIZATIONAL STRUCTURE



ADB = Asian Development Bank; CAO = Community Affairs Office; DepEd = Department of Education; DPWH = Department of Public Works and Highways; LGU = local government unit; NEDA = National Economic and Development Authority; NGO = nongovernment organization; OPAg = Office of the Provincial Agriculturist; PEO = Provincial Engineer’s Office; PHO = Provincial Health Office; PPDO = Provincial Planning and Development Office; PSAO = Provincial Systems Administrator’s Office; PSWDO = Provincial Social Welfare and Development Office.

FUND FLOW ARRANGEMENTS



IMPLEMENTATION ARRANGEMENTS

A. Project Implementation and Management

1. **Executing and Implementing Agency.** The provincial government of Southern Leyte through the Office of the Provincial Governor will be both the Executing Agency and Implementing Agency for the project. The provincial administrator will be appointed as project director and the provincial engineer will be the project manager. An organizational structure chart is in Appendix 2.
2. **Project Implementation Unit (PIU).** The provincial government will establish a separate PIU to undertake day-to-day implementation activities. The PIU will be based in Maasin, Southern Leyte and will be assisted by a team of locally based consultants, who will be engaged in accordance with ADB's *Guidelines on the Use of Consultants* (2006). The consultants will assist with procurement, construction supervision, community mobilization, and project management.
3. **Provincial Technical Advisory Committee (PTAC).** The PTAC will be established to provide the PIU with policy directions needed for effective and efficient implementation of the project. The PTAC will be chaired by the governor of Southern Leyte and will comprise representatives of Provincial Systems Administrator's Office, Social Welfare and Development, Education, Engineer's Office, Public Works and Highways, Agriculture, Planning and Development, Health, Environmental and Natural Resources, Community Affairs, local government units, nongovernment organizations, and local communities.
4. **Implementation Schedule.** The project will be implemented for 2.5 years starting February 2007 until July 2009. The implementation schedule is in Appendix 3.
5. **Procurement and Consulting Services.** All procurement under the project will observe ADB's *Procurement Guidelines* (2006). Recruitment of consultants will follow ADB's *Guidelines on the Use of Consultants* (2006).

B. Disbursements/Fund Flow

6. Although the funds are treated as grant funds, they will be disbursed in accordance with ADB's *Loan Disbursement Handbook*.
7. To facilitate day-to-day local expenditures of the project, ADB will channel the JFPR funds directly to a JFPR imprest account, which will be opened and maintained by the PIU, at a bank endorsed by the provincial government of Southern Leyte and acceptable to ADB. The provincial government and ADB will be kept informed by the PIU about all transactions and receive copies of all financial statements and audit reports. The JFPR imprest account will be managed by the PIU on the principle of co-signatory arrangement with the governor of Southern Leyte, based initially on the first 6-month activity plan and related budget, and afterwards on the approved annual work plan and budget.
8. ADB will initially channel 10% of the grant amount or 6 months projected expenditure, whichever is less, to the imprest account as advance for day-to-day project implementation during the inception period. ADB will replenish funds every 3–6 months, based on the replenishment requests from the PIU through the provincial government and in accordance with ADB's statement of expenditures procedure. The replenishment will be based on the fund release criteria to be specified in the project implementation manual (PIM), which will be prepared after project approval, and consistent with the target implementation schedule. The statement of expenditures procedure will apply to all payments and transactions under \$10,000 to ensure speedy project implementation. Detailed implementation arrangements, such as fund flow, replenishment, and administrative

procedures will be established between ADB and the provincial government through the JFPR Letter of Agreement, and detailed in the PIM. The schematic fund flow for the project is shown in Appendix 4.

C. Operation and Maintenance

9. All infrastructure facilities rehabilitated and reconstructed under the project will be operated and maintained either by the provincial government, local government units or community associations during and after completion of the works and depending on the agreed upon arrangements. Training of counterpart staff will be in the contracts for supervisory consultants and the contractor of civil works.

D. Environmental and Social Measures

10. The project will have a significantly positive impact on the environment as it will rehabilitate damaged key infrastructure facilities. Road rehabilitation and construction will occur on the existing right-of-way and the project does not entail land acquisition and resettlement.

11. Community involvement and participation will be encouraged. During implementation, local communities will be mobilized, organized and trained to operate and maintain the infrastructure after the project period.

LIST OF EXISTING ASSISTANCE IN THE PROVINCE OF SOUTHERN LEYTE

Assistance	Total No. Providers	International Agency	Partners	Local Agencies
A. Housing Units	1,862	Government of Japan	Department of Social Welfare and Development / Habitat for Humanity	United Churches of Christ in the Philippines
		Federation of Filipino Chinese Chamber of Commerce and Industry	Gawad Kalinga	Society of St. Vincent de Paul / Daughters of Charity
		Australian Agency for International Development	Philippine National Red Cross	GMA Kapuso Foundation
		International Federation of the Red Cross	Philippine National Red Cross	Energy Group of Companies / PETRON
		Caritas International	Diocesan Action Center / NASSA	SMART Communications
		American International Group	Gawad Kalinga	Emilio Yap /Manila Bulletin
		Toshiba Corporation	Department of Social Welfare and Development /	
		Chinese Government Canadian Government Korean Churches Relief Team		
B. School Buildings	64	Australian Agency for International Development	United Nations Children and Education Fund	Philippine National Police
		Federation of Filipino Chinese Chamber of Commerce and Industry	Gawad Kalinga	Department of Labor and Employment
		Chinese Government Western Union	Habitat for Humanity	Quezon City Government
C. Health Centers	10	International Federation of the Red Cross	Philippine National Red Cross	Department of Health
		Japanese Embassy	Department of Social Welfare and Development / Habitat for Humanity	Plan International
		Toshiba Corporation		Emilio Yap /Manila Bulletin
D. Livelihood		Australian Agency for International Development	Save the Children Federation	Philippine Business for Social Progress
		Canada Fund	Leyte Community Development Enterprise	Plan International
		Toshiba Corporation	Department of Social Welfare and Development / Habitat for Humanity	World Vision

Source: Provincial Government of Southern Leyte