

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: SEID

TA No. and Name TA 3805-PHI: Rural Road Development Policy Framework			Amount Approved: 720,000	
			Revised Amount: –	
Executing Agency: Department of Interior and Local Government (DILG)		Source of Funding: TASF	TA Amount Undisbursed 64,857.37	TA Amount Utilized 655,142.63
Date			Completion Date	
Approval 18 December 2001	Signing 12 April 2002	Fielding of Consultants 5 August 2002	Original 30 June 2003	Actual 31 August 2004
			Closing Date	
			Original 31 August 2003	Actual 29 August 2005
Description				
<p>The road network of the Philippines is extensive, consisting of nearly 200,000 kilometers (km) of national and rural roads. The rural roads network amounts to approximately 172,000km, of which 28,000km (16%) are provincial roads, 6,000 km (4%) are city roads, 16,000km (9%) are municipal roads, and 122,000km (71%) are barangay roads. These rural roads constitute a very important infrastructure system for the national economy since they support the transportation of agricultural goods and products from farm to internal and external markets, and therefore contribute to economic development and poverty reduction in the rural Philippines. The rural roads network, however, remains inadequate in terms of quality and capacity. The poor quality of the rural roads network is attributed mostly to lack of maintenance. Following the Local Government Code of 1991, management and maintenance of rural roads are the responsibilities of local government units (LGUs). However, due to the lack of effective procedures for funding, and provision of effective resources to implement road management and maintenance, most of the LGUs are not performing their responsibilities for rural roads. This has resulted to further deterioration of the already poor conditions of the rural roads network.</p>				
Objective and Scope				
<p>The objective of the TA was to help the Government formulate and prepare a rural road development policy framework (RRDPF) that will enable LGUs to effectively carry out their mandate for rural roads development and management. The scope of the TA included: (i) recommending strategies to strengthen planning and programming of rural roads; (ii) formulating a sustainable funding mechanism to support maintenance and rehabilitation of rural roads; (iii) preparing a rural road development financing framework; (iv) formulating an action plan to strengthen local road maintenance nationwide; and (v) proposing strategies and institutional mechanisms that would foster the development of LGU road management and operational capabilities.</p>				
Evaluation of Inputs				
<p>Inputs were provided as planned and were adequate to achieve the objectives of the TA. The inputs from the consultant team, consisting of 19 person-months of international consulting services and 11 person-months of domestic consulting services, provided expertise in rural road management, road maintenance management, road financing, local government financing, institutional development, road transport policies, and legal aspects related to rural road management. The consultant team achieved the tasks required in the terms of reference of the TA. The DILG counterpart, through a project office with a designated project manager and two project staff, provided good support to the consultant team, including collecting the available data, reports and plans; liaising with other government agencies and LGUs; and arranging workshops, training, seminars, and field visits. ADB provided close monitoring and reviewed the TA implementation at the inception, interim, and draft final stage.</p>				
Evaluation of Outputs				
<p>The TA achieved its objective by recommending a RRDPF to be implemented by the Government. The RRDPF focuses on provincial, municipal, and barangay roads, and includes the following key outputs:</p> <ul style="list-style-type: none">(i) strategies to strengthen local road planning and programming and project implementation and control, with the objective to improve the local transportation network efficiency and ensure consistency with development plans and land use plans;(ii) a model road inventory system for the four selected regions consistent with the functional road classification, which can be applied nationwide;(iii) a uniform set of appropriate geometric and structural standards for local roads;(iv) a workable approach for efficient and integrated local road network management and development planning;				

- (v) identification of the funding sources available for financing local road maintenance, rehabilitation and improvement;
- (vi) an estimate of the financial requirements for maintenance, rehabilitation and improvement of the local road network in the four selected regions;
- (vii) formulation of a sustainable funding mechanism to support maintenance and rehabilitation of local roads;
- (viii) proposal of a rural development financing framework;
- (ix) assessment of the cost-effectiveness of LGUs' road maintenance by administration compared with road maintenance by contract;
- (x) standard technical and administrative specifications to be used by LGUs for competitive bidding in local road construction rehabilitation and maintenance;
- (xi) identification of the scope for public-private partnerships in rehabilitating and maintaining local roads;
- (xii) a plan to help LGUs develop their road management capabilities;
- (xiii) terms of reference for a capacity building and training programme for local government officials covering technical, administrative and financial aspects of local road management;
- (xiv) an inventory of available human and equipment resources with LGUs and national government agencies; and
- (xv) strategies and institutional mechanisms that will foster the development of LGUs' road management and operational capacities.

The inception report, interim report, draft final report, and final report were of good quality and timely submitted. A total of nine workshops were successfully undertaken to bring awareness and enhance the interest of LGU decision makers for rural road maintenance. Training and seminars were successfully conducted to build capacity of LGU staff on road inventory, technical specifications for maintenance, etc. The required tasks of the original terms of reference were effectively achieved, and DILG was highly satisfied with the recommended RRDPF. DILG provided the needed support to the TA and its overall performance is rated as satisfactory. Draft reports submitted by the consultant team were thoroughly reviewed by DILG and ADB, and feedback was provided in a timely manner. The overall performance of ADB was satisfactory.

Overall Assessment and Rating

The overall rating of the TA is successful. The TA was relevant in bringing to national and local governments' understanding that the rural roads in the Philippines are in poor condition mainly due to a lengthy period of no maintenance, and analyzing the key causes of such. The TA was efficacious in helping prepare a RRDPF for DILG and LGUs to effectively carry out their mandate for rural road development and management. The TA implementation was efficient. The tasks specified in the terms of reference of the consultant team were successfully completed within the required time and budget. Additional tasks were pursued within the TA budget, to further help DILG finalize the RRDPF for implementation. To ensure the sustainability of its outcomes, the TA built up the capacities of LGU technical staff in rural road maintenance, improvement, and management through workshops and training programs and developed an implementation plan to help LGUs develop their road management capabilities in a long run. DILG, after completion of the TA, has been starting implementation of the recommended RRDPF through its own resources, which includes establishing a nationwide road inventory, disseminating and providing training of the appropriate geometric and structural standards for rural road maintenance, and dialoguing with other relevant national government agencies, particularly the government oversight agencies, on preparation and legalization of an overall policy for the development of the rural roads network in the Philippines, on the basis of the RRDPF. The TA also provided an entry platform of dialoguing with both national and local government for preparing a pipelined loan for rural roads development.

Major Lessons Learned

The TA achieved its target of recommending a policy framework for the rural road sector, including technical aspects, budgeting, financing and road management. However, the implementation of the recommended RRDPF is currently limited to its technical application. The lack of an overall framework for enhanced LGU budgeting and financing has prevented effective realization and full implementation of the RRDPF.

Recommendations and Follow-Up Actions

ADB is supporting Government's general efforts to improve the planning, budgeting and investment capacities of LGUs under a series of ongoing technical assistance projects, and proposed loan operations. The findings of this TA complement these other activities, and the RRDPF could be fully implemented when the overall framework is in place.