



**Philippine - German**



**Environment & Rural Development (EnRD) Program**



**DENR**

**Supported by**



**LBP**

**Community Based Forest and Mangrove Management  
Project (CBFMMP)**



**Panay and Negros**

**PROGRESS REPORT NO. 1**

**February 2011**

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**ACRONYMS**

CBFM	Community-Based Forest Management
CBFMA	Community-Based Forest Management Agreement
CBFMMP	Community-Based Forest and Mangrove Management Project
CENRO	DENR Community Environment and Natural Resources Office(r)
DENR	Department of Environment and Natural Resources
DFS	Deutsche Forstservice GmbH
EnRD	(GIZ) Environment and Rural Development Program
FASPO	DENR Foreign Assisted and Special Projects Office
FC	Financial Cooperation
FLUP	Forest Land Use Plan
GIZ	Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation, created by merging GTZ, DED and InVent)
KfW	Kreditanstalt für Wiederaufbau (German Development Bank)
LBP	Land Bank of the Philippines
LGU	Local Government Unit
LGU-ENRO	LGU Environment and Natural Resource Office(r)
NRM	Natural Resource Management
NSC	National Steering Committee
PEA	Project Executing Agency
PENRO	DENR Provincial Environment and Natural Resources Office(r)
PO	People Organization
PMU	Project Management Unit
RED	DENR Regional Executive Director
RPC	Regional Project Management Committee

RTD DENR Regional Technical Director

TA Technical Assistance

## SUMMARY

### 1. Status of the Project

By end of December 2010 the project status is as follows:

- 15 municipalities (total project target) have already submitted eligible project proposals and have been endorsed by the NSC for project support. The available loan and grant funds of 4.685 million EUR have already been fully committed.
- In July 2010 the Project Operational Guidelines and the Operations Plan have been finalized and were endorsed by the NSC.
- As of December 2010 nine out of 15 LGUs have a FLUP and four a Co-Management Agreement. The remaining six FLUPs are under preparation and shall be ready within the next few months.
- A total of 39.6 million PhP equal to 0.66 million Euro of loan funds have already been released to five LGUs.

### 2. Planned Activities for the next six Months

Among the priority activities for the next six months are:

- Facilitate signing of overall project agreements between LGUs, DENR and LBP, loan agreements between LGUs and LBP, and reforestation grant agreements between LGUs and DENR.
- Follow-up project vehicle procurement and FC grant fund downloading to field implementing level
- Support finalization and approval of remaining six FLUPs, facilitate the conclusion of 11 Co-Management Agreements and initiate issuance of sub-agreements with household groups.
- Support second batch partner LGUs to finalize their proposals (NRM and infra/ livelihood) and assist all 15 LGUs in implementation.

- Assist partner LGUs in participatory planning of forest rehabilitation measures, selection and delineation of compartments (incl. GPS boundary survey and mapping)
- Support nursery establishment and seedling procurement, verify seedling production and delivery as condition for material subsidy payment.
- Assist in planting and maintenance activities, carry out M&E check of reforestation success as precondition for labor subsidy payment.
- Analyse value chains for selected forestry and agroforestry products
- Identify and package viable agroforestry based livelihood options, link POs with service agencies and potential buyers/processors
- Conduct quarterly meetings of RPC and NSC
- Develop and maintain GIS database for reforestation areas
- Conduct baseline socio-economic study

### **3. Issues and Action Required**

The following issues need further attention:

- One vital pre-requisite for any project support to NRM is the security of tenure including the land use right of the participating POs, households or household groups. The present discussions re. co-management and sub-agreements have soon to lead to secure tenurial instruments in all project sites.
- Some of the partner LGUs have also received grant funds from GTZ, but have not yet liquidated their cash advances from December 2009 or incurred problems during audits. Before receiving additional funds from KfW they should properly liquidate and account their previous advances.
- The procurement of project vehicles and downloading of FC operational funds to the field implementing level deserves full attention, so the Project will become fully operational.



## **1 OVERVIEW OF THE PROJECT AND THE FC COMPONENT**

The Project concerns the support for the Community Based Forest and Mangrove Management Project (CBFMMP) in Panay and Negros (“Project”). The purpose of the Project is the sustainable use of forests and mangroves and the increase of income of the participating families. This is to contribute to the sustainable management of forests and mangroves under co-management agreements, CBFMAs and other community-based tenurial instruments and to the alleviation of poverty and improvement of livelihood in the rural areas of Panay and Negros.

Consistent with the Loan and Financing Agreement (LFA) executed between the Federal Republic of Germany and the Republic of the Philippines in January 2009, the Project shall be implemented for a period of seven years starting from the effectivity date of the LFA (i.e. until about December 2015).

The Project comprises the provinces of Aklan, Antique, Capiz, Iloilo (within Panay island), and Negros Occidental in Region VI (Western Visayas), and Negros Oriental in Region VII (Central Visayas).

Community-based natural resource management shall be supported through NRM-focused loan/ grant investment packages. These packages (total of EUR 4.685 million or around Peso 330 million without contingencies) will consist of a mix of NRM, livelihood and infrastructure. It is expected that the project packages will have the following shares in overall financing: about 40% grant funding for NRM (total budget Peso 160 million), 42.5% loan funding for infrastructure and income-generating livelihood (total budget Peso 170 million), plus an average of 17.5% equity. The same ratio shall apply to all classes of LGUs.

The Project shall achieve the following outputs:

1. DENR and LBP staff, participating LGUs and POs in Panay and Negros are capacitated in planning for and implementing CBFM project packages including dealing with conflicts
2. A total of 9,000 ha of forests, mangroves and agroforestry areas have been established / rehabilitated through LGUs, POs and/or rural households

3. Livelihood projects (run by LGUs, e.g. rural markets) that contribute to sustainable forest and mangrove management have been introduced and implemented
4. Rural infrastructure in support of livelihood has been improved (such as farm-to-market roads, water supply etc)
5. CBFM beneficiaries supported in value-adding and marketing of forestry and agro-forestry products
6. Project steering, planning, management and M&E provided

## **2 STATUS OF PROJECT IMPLEMENTATION**

### **2.1 Highlights for the Reporting Period**

For the period July to December 2010 the following highlights can be reported:

- 15 municipalities (total project target) have already submitted eligible project proposals. Seven proposals (first batch) have already been approved by the NSC for financing, another eight (second batch) have been endorsed for future project support. The available loan and grant funds of 4.685 million EUR have already been fully committed.
- As of December 2010 nine out of 15 LGUs have a FLUP and four a Co-Management Agreement
- Eight LGUs have signed a Financing Agreement with DENR (for grant funds) and five a loan agreement with LBP. A total of 39.6 million PhP loan funds were already released and used for infrastructure improvement.
- The conditions for KfW fund release were finally met and the first tranche was transferred in December 2010 (has not reached the implementing level, though)
- The consulting contract for the TA component was signed in December 2010

### **2.2 Monitoring of Outcome Indicators**

The following outcome indicators have been identified in the Operations Plan and shall be the reference for result reporting:

- For the 15 municipalities in Panay and Negros, whose financial project proposals were accepted by the screening committee, a minimum of 10 municipalities implement the proposals by December 2010 and other 5 by December 2011.
- Status as of Dec. 2010: A total of nine municipalities have signed a financing agreement with DENR (two in January 2011) and/or a loan agreement with LBP and implement them.

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- Forest, mangrove and agroforest cover in the supported municipalities has increased by 9,000 has. by the end of the Project.
    - Status as of Dec. 2010: Reforestation activities have not started yet, but nurseries are being established
  
  - All 15 participating LGUs have prepared FLUPs, obtained Co-management Agreements and concluded sub-agreements with POs and households; forestry measures are implemented according to FLUP and management plans (by end of Project).
    - Status as of Dec. 2010: Nine out of 15 LGUs have a FLUP and four a Co-Management Agreement. In Negros Oriental sub-agreements with households are being concluded. The implementation of forestry measures under the Project has not started yet.
  
  - At least 35,000 people in 7,000 households have benefited from the Project by the end of 2014.
    - Status as of Dec. 2010: Socio-economic baseline study to assess project participation is on the way (researchers contracted and TOR agreed, will start as soon as FC funds are available).
  
  - At least 80% of the targeted 7,000 households received at least 50% of the calculated benefits from the sub-project/100% labor subsidy in case of labor only (by end of Project).
    - Status as of Dec. 2010: Baseline survey shall be carried out in first quarter of 2011, impact assessment in 2014.
  
  - At least 30% of recorded conflicts over natural resources have been constructively handled by relevant partners and mitigated by 2014.
    - Status as of Dec. 2010: Six conflicts have been recorded in the participating municipalities: two landuse-related conflicts and four boundary-related conflicts. One landuse-related conflict has escalated (mining firm threatened to sue LGU Carles if they go ahead with reforestation on Calagnaan island), but in January 2011 a joint meeting with the mining firm, lawyers and DENR was held to find a compromise. The boundary-related conflicts are being addressed within FLUP.

### 2.3 Progress in Delivering the Intended Outputs

The intended outputs and indicators below are taken from the Operations Plan (updated 10 February 2011) and form the basis for output monitoring.

#### 1. DENR and LBP staff, participating LGUs and POs in Panay and Negros are capacitated in planning for and implementing CBFM project packages including dealing with conflicts

- By 12/2010, at least 15 LGUs have been enabled to submit eligible project and financing proposals
  - Status as of Dec. 2010: All 15 LGUs have submitted project proposals. A first batch of seven proposals have been officially endorsed for financing by the NSC, the second batch of eight proposals is expected to be endorsed in February 2011.
  
- By 12/11, at least 15 FLUPs and Resource Management Plans are implemented as per agreement
  - Status as of Dec. 2010: Nine FLUPs have been prepared and are being implemented. The remaining six FLUPs and the resource management plans shall be finalized/prepared in 2011.
  
- By 06/2012 at least 100 persons from DENR, LGU and POs have been capacitated to fulfill their functions, improved awareness and at least 80% of them are satisfied with the training
  - Status as of Dec. 2010: Around 180 participants have been trained and capacitated (esp. in FLUP). A client satisfaction survey (financed by GIZ) shall be carried out in March/April 2011.
  
- By Dec 2010, at least 80% of DENR and LGU personnel involved in the Project and POs confirmed being well capacitated to constructively deal with conflicts in CBFM areas, a systematic way of resolving resource-related conflicts is in place (procedure, designated persons etc) and by 06/13 at least 30% of recorded conflicts have been resolved
  - Status as of Dec. 2010: A client satisfaction survey (financed by GIZ) shall be carried out

in March/April 2011.

- At least 15 participating LGUs have entered into and are implementing Co-Management Agreements with a total area of 50,000 ha by 2012
  - Status as of Dec. 2010: In Negros Oriental four municipalities have already entered into Co-management Agreements, with a combined forest land area of about 42,000 ha.

## **2. Forests and mangroves are rehabilitated through LGUs, POs and/or rural households**

- Additionally 9,000 ha. of forests, mangroves, rattan enrichment and fruit tree orchards have been established and are managed by LGUs, POs and/or households according to the work plans
  - Status as of Dec. 2010: Planting activities have not started yet.
- The volume and value increments of the reforestation measures correspond to at least 75% of the estimates in the proposals/feasibility study (assessment in 2015)
  - Status as of Dec. 2010: Planting activities have not started yet.
- Decrease of natural forest in participating LGUs not more than 5 % from 2009 to 2014 (baseline FLUP).
  - Status as of Dec. 2010: The last of the 15 participating LGUs were finally known in December 2010 and the baseline forest area shall be assessed based on their FLUPs.
- Sustainable and productive cropping systems on forest land have been adapted by at least 60% of households involved in the agro forestry model by 2014
  - Status as of Dec. 2010: Implementation of agroforestry measures has not started yet.

**3. Livelihood projects (run by LGUs) that contribute to sustainable forest and mangrove management have been introduced and implemented**

- At least 80% of targeted beneficiaries (male and female) confirm that they receive at least 50% of intended benefits from proposed LGU-managed livelihood projects by 2014
  - Status as of Dec. 2010: Impact study shall be carried out in 2014

**4. CBFM beneficiaries supported in value-adding and marketing of forestry and agro-forestry products**

- By 12/2014, at least 80% percent of CBFM beneficiaries (male and female) are satisfied with the support provided in value-adding and marketing of forestry and agro-forestry products (Customer Satisfaction Survey)
  - Status as of Dec. 2010: Activity has not started yet.
  
- By 12/2014 the average income of households participating in livelihood projects increases by 30% and more than 80% of supported households are above the poverty threshold of 11,500 Peso per capita
  - Status as of Dec. 2010: Activity has not started yet. Baseline study in first quarter of 2011.

**5. Rural infrastructure in support of livelihood has been improved**

- At least 80% of targeted households confirm that they receive at least 50% of intended infrastructure benefits by 2014
  - Status as of Dec. 2010: Impact study shall be carried out in 2014
  
- After 6 years (end of 2015) at least 70% of the created infrastructure is still being maintained

- Status as of Dec. 2010: All created infrastructure is still fully operational
  
- By 12/2014 the procured road-construction equipment has been used at least to 50% for the improvement of barangay roads
  - Status as of Dec. 2010: Three LGUs have acquired road construction equipment, and all three are using it almost exclusively to improve/maintain barangay roads

#### **6. Project steering, planning, management and M&E provided**

- By 12/2014 all available investment funds have been released and the approved project packages have been implemented
  - Status as of Dec. 2010: Out of the available FC loan funds of 2.415 million Euro, already 0.94 million Euro (39%) have been released and used for infrastructure improvement. From the available grant investment funds (2.270 million Euro) none have been released yet.
  
- At least 80% of participating LGU personnel directly involved in project implementation confirm in a Customer Satisfaction Survey by 2012 that the DENR and LBP project offices and responsible staff provide the required support services
  - Status as of Dec. 2010: CSS planned for march/April 2011, financed by GIZ.
  
- All project implementing guidelines are in-place and adopted by 12/2010.
  - Status as of Dec. 2010: Implementing guidelines adopted by NSC.
  
- Organizational and functional structure of the project established and operationalized by 12/2010.
  - Status as of Dec. 2010: Project is fully operational.



Table 2-1: Status of Project Municipalities as of December 2010

Province	LGU	FLUP completed	Co-Mgmt.	FA with DENR	Loan with LBP	KfW Assistance						
						Total FC PhP	KfW Loan PhP	KfW Loan released	Grant PhP	Grant released	Tot. refo ha	Infra-loan for
<b>First Batch LGUs</b>												
Aklan	Libacao	X		X	X	28.875.000	14.875.000	14.875.000	14.000.000		860	road equipment
Antique	Sebaste	X		X	X	28.875.000	14.875.000	6.978.749	14.000.000		850	water system
Iloilo	Carles	X		X	X	28.875.000	14.875.000	2.830.711	14.000.000		880	fish market
Negros Oriental	Bayawan	X	X	X		28.830.200	14.875.000		13.955.200		854	water, aquaculture
	Sta. Catalina	X	X	X		24.282.016	12.290.016		11.992.000		777	water system, FMR
	La Libertad	X	X	X (Jan 2011)		14.850.000	7.650.000		7.200.000		476	road equipment
Negros Occidental	Ilog	X		X	X	28.875.000	14.875.000	14.875.000	14.000.000		858	road equipment
<b>Total First Batch</b>						<b>183.462.216</b>	<b>94.315.016</b>	<b>39.559.460</b>	<b>89.147.200</b>	<b>0</b>	<b>5.555</b>	
<b>Second Batch LGUs</b>												
Aklan	Altavas	70%				13.993.000	7.000.000		6.993.000		375	road equipment
Antique	Lauaan	X				20.690.000	10.700.000		9.990.000		587	rural market
	Anini-y	80%				4.578.000	2.300.000		2.278.000		166	water system
Capiz	Dumarao	95%			X	20.700.000	10.700.000		10.000.000		611	road equipment
Iloilo	Passi	70%				20.623.000	10.625.000		9.998.000		595	FMR, rural market
Negros Oriental	Bindoy	X	X	X (Jan 2011)		14.408.000	7.400.000		7.008.000		404	road equip., saw mill
Negros Occidental	Candoni	60%				20.700.000	10.700.000		10.000.000		602	road equipment
	Kabankalan	95%				20.700.000	10.700.000		10.000.000		594	FMR, rural market
<b>Total Second Batch</b>						<b>136.392.000</b>	<b>70.125.000</b>	<b>0</b>	<b>66.267.000</b>	<b>0</b>	<b>3.934</b>	
<b>Grand total</b>						<b>319.854.216</b>	<b>164.440.016</b>	<b>39.559.460</b>	<b>155.414.200</b>	<b>0</b>	<b>9.489</b>	
in Euro (1 EUR =		<b>60</b>				5.330.904	2.740.667	659.324	2.590.237	0		
Available German FC w/o contingencies (EUR):							<b>2.415.000</b>		<b>2.270.000</b>			
						<b>Gap (EUR)</b>	KfW loans on first-come first-served basis,	<b>325.667</b>	<b>320.237</b>	when committed grant funds not sufficient, use		
						<b>Gap (PhP)</b>	when finished LBP provides regular funds	<b>19.540.016</b>	<b>19.214.200</b>	savings & contingencies (KfW non-objection 08 Oct		

Table 2-2: Status of Forest Rehabilitation as of December 2010

Province/ Municipality	(1) Tree Plantation				(2) ANR/Enrichment Planting				(3) Rattan Enrichment				(4) Mangroves				(5) Agroforestry				(6) Total Forest Rehabilitation			
	Target (ha)	Reported planted	Passed 1 <sup>st</sup> M&E	Passed 2 <sup>nd</sup> M&E	Target (ha)	Reported planted	Passed 1 <sup>st</sup> M&E	Passed 2 <sup>nd</sup> M&E	Target (ha)	Reported planted	Passed 1 <sup>st</sup> M&E	Passed 2 <sup>nd</sup> M&E	Target (ha)	Reported planted	Passed 1 <sup>st</sup> M&E	Passed 2 <sup>nd</sup> M&E	Target (ha)	Reported planted	Passed 1 <sup>st</sup> M&E	Passed 2 <sup>nd</sup> M&E	Target (ha)	Reported planted	Passed 1 <sup>st</sup> M&E	Passed 2 <sup>nd</sup> M&E
Aklan																								
Altavas													188				187				375	0	0	0
Libacao	250				130				180							300				860	0	0	0	
Antique																								
Anini-y					62				50				5			49				166	0	0	0	
Lauaan	210				100				50							227				587	0	0	0	
Sebaste	195				255											400				850	0	0	0	
Capiz																								
Dumarao	176				160				50							225				611	0	0	0	
Iloilo																								
Carles	130				100				210				20			420				880	0	0	0	
Passi	150				149											296				595	0	0	0	
Negros Occidental																								
Candoni	172				80				100							250				602	0	0	0	
Ilog	215				123								290			230				858	0	0	0	
Kabankalan	172				82				50				40			250				594	0	0	0	
Negros Oriental																								
Bayawan	170				100				157							427				854	0	0	0	
Bindoy	200				104											100				404	0	0	0	
La Libertad	122				184											170				476	0	0	0	
Sta. Catalina	122				300				50				5			300				777	0	0	0	
<b>Total</b>	<b>2,284</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,929</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>897</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>548</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,831</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,489</b>	<b>0</b>	<b>0</b>	<b>0</b>

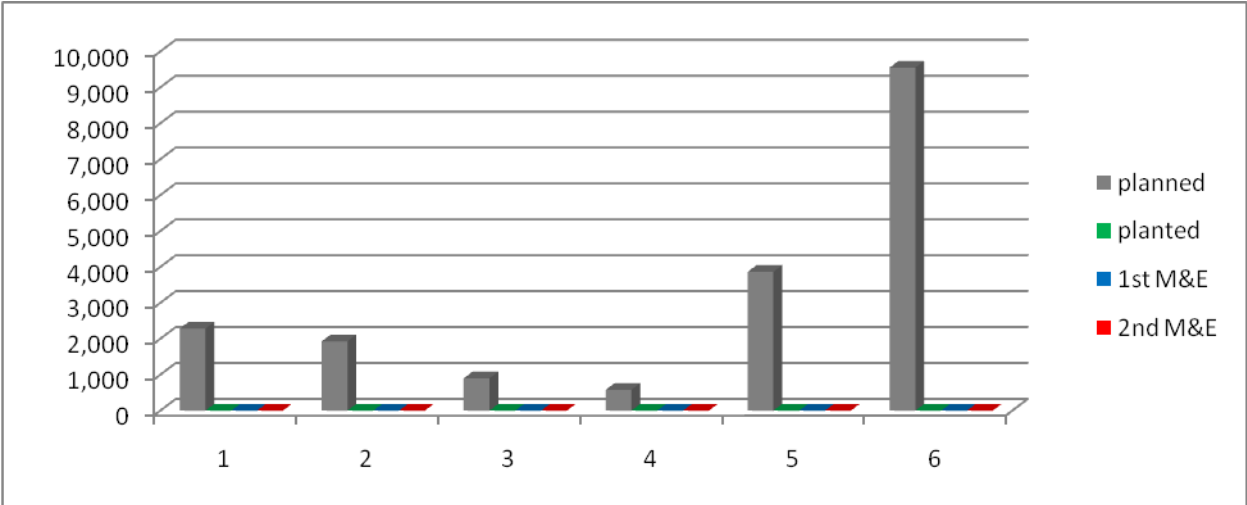


Table 2-3: Status of Infrastructure Improvement

Province/ Municipality	Intended Infrastructure	Requested Loan (Peso)	Released Loan (Peso)	in %	Implementation Status
Aklan					
Altavas	Road equipment	7.000.000			
Libacao	Road equipment	14.875.000	14.875.000	100%	Equipment purchased
Antique					
Anini-y	Water system	2.300.000			
Lauaan	Rural market	10.700.000			
Sebaste	Water system	14.875.000	6.978.749	47%	Under construction
Capiz					
Dumarao	Road equipment	10.700.000	<sup>1)</sup>		Equipment purchased
Iloilo					
Carles	Rural market	14.875.000	2.830.711	19%	Under construction
Passi	FM road, rural market	10.625.000			
Negros Occidental					
Candoni	Road equipment	10.700.000			
Ilog	Road equipment	14.875.000	14.875.000	100%	Equipment purchased
Kabankalan	FM road, rural market	10.700.000			
Negros Oriental					
Bayawan	Water impounding, aqua-cultu	14.875.000			
Bindoy	Road equipment, sawmill	7.400.000			
La Libertad	Road equipment	7.650.000			
Sta. Catalina	Water system, FM road	12.290.016			
Total demand		164.440.016	39.559.460	24%	
Available KfW loan		144.900.000		27%	

<sup>1)</sup> LBP released already 13 million Peso from regular funds, 10.7 million Peso shall come from KfW loan

### 3 ISSUES TO BE ADRESSED

#### 3.1.1 Land Tenure under Co-management Agreement

One vital pre-condition for KfW-assisted reforestation projects is the security of tenure for the farmers planting trees. They must not be seen as paid laborers but as “owners” of their land who are supported to establish and manage forest and agroforest plantations on a long-term basis (i.e. for at least 25 years). They must also be allowed to harvest the trees later on. During the Feasibility Study it was the perception that a Co-Management Agreement between a LGU and the DENR provides security of tenure for 25 years, and the LGU can enter into sub-agreements with households or household groups (Individual Property Rights or IPRs). The DENR in several Regions (incl. Region 7, Negros Oriental) shares this view. The DENR in Region 6 (Panay and Negros Occidental), however, sees a Co-Management Agreement only as a management tool and not as a tenurial instrument. Even under FLUP and Co-Management the untenured forest land is still considered “open access” and the farmers participating in the

Project have no land use rights over the established forestry and agroforestry plantations and are not allowed to harvest the planted trees. Eventually the DENR can issue tenurial instruments at a later stage.

Without security of tenure right from the start, however, a basic pre-requisite for KfW-assisted forestry projects is lacking. The DENR Region 6 intends to issue a Regional Memorandum Circular allowing the Co-Management Steering Committee of LGU and DENR to issue sub-agreements with local households, so they can start planting trees (is no land use right, though). In the spirit of devolution of forest management functions to the LGUs and to provide security of tenure to all households planting trees it is strongly suggested to declare a Co-Management Agreement a tenurial instrument for LGUs. This issue should be included in the policy dialogue on national level, to create the same legal basis for all Regions in the Philippines.

### **3.1.2 Treatment of Slow Implementors**

Several partner LGUs have also received grant funds from GIZ, but three have not yet liquidated their cash advances from *December 2009* or incurred problems during audits. Thus the agreed afforestation targets (although modest) cannot be achieved within the given time frame. Since it cannot be excluded that these LGUs show the same behavior towards the KfW assistance it is suggested to clearly remind them of the clearing mechanisms stipulated in the operational guidelines for slow-implementing and slow-liquidating LGUs (that funds can be transferred to more active LGUs).

### **3.1.3 Procurement of Project Vehicles and Downloading of FC Operational Funds**

The procurement of project vehicles has to be approved by the Office of the President. The request is already pending for several months (since mid 2010), no approval yet and the eight vehicles cannot be purchased. Without mobility the Project cannot be implemented, however. DENR FASPO is kindly asked to follow-up the matter in Manila.

The conditions for disbursement of FC grant funds were finally met in December 2010 and KfW transferred the first tranche. Until now (February 07 2011) the money did not reach the field

implementing level yet, however. FASPO is kindly ask to follow this up with the DoF and take the necessary action, so the baseline study can start and partner LGUs can obtain a downpayment to initiate seedling production and site preparation.

## **4 ACTION PLAN**

### **4.1 Priorities for next six Months**

According to the updated annual work plan for 2011 the following activities have priority for the next six months (January to June 2011):

#### **Under Output 1 (Planning and capacity building)**

- Facilitate the creation of Environment and Natural Resources Offices within partner LGUs and formation of multi-sectoral steering committees (seven ENROs and MSCs by June 2011)
- Support finalization and approval of remaining six FLUPs
- Facilitate the conclusion of 11 Co-Management Agreements and initiate issuance of sub-agreements with household groups.
- Support second batch partner LGUs to finalize their proposals and assist all in implementation.
- Capacity building and training for DENR, LBP, LGU and PO staff

#### **Under Output 2 (Forest rehabilitation)**

- Assist partner LGUs in participatory planning of rehabilitation measures, selection and delineation of compartments (incl. GPS boundary survey and mapping)
- Support nursery establishment and seedling procurement, verify seedling production and delivery as condition for material subsidy payment.

- Assist in planting and maintenance activities, carry out M&E check of reforestation success as precondition for labor subsidy payment.
- Support key farmers in establishment of on-farm demonstrations and field training

**Under Output 3** (LGU livelihood)

- Support interested LGUs in finalizing eligible proposals, e.g. for village markets or water impounding/aquaculture)
- Provide TA for project implementation and monitoring

**Under Output 4** (Household-based livelihood)

- Analyse value chains for selected forestry and agroforestry products
- Identify and package viable agroforestry based livelihood options, link POs with service agencies and potential buyers/processors

**Under Output 5** (Infrastructure)

- Assist second batch LGUs in finalising their infrastructure proposals
- Facilitate issuance of Environmental Compliance Certificate / Certificate of Non-Coverage
- Encourage cost recovery system

**Under Output 6** (Project management)

- Prepare and update annual and quarterly work and financial plans
- Follow-up vehicle procurement and FC grant fund downloading
- Conduct quarterly meetings of RPC and NSC
- Develop and maintain GIS database for reforestation areas

- Conduct baseline socio-economic study
- Facilitate signing of overall project agreements between LGUs, DENR and LBP, loan agreements between LGUs and LBP, and reforestation grant agreements between LGUs and DENR.



**5 CONSULTING INPUTS PROVIDED**

Table 5-1 shows the consulting inputs provided during the reporting period July to December 2010, the accumulative inputs until now and the remaining person-months.

*Table 5-1: Consulting Inputs Provided*

Position	Name	Total PM in contract	PM in reporting period	Total PM provided	Remaining PM	2010	2011	2012	2013	2014	2015
<b>International Advisers</b>		<b>15,00</b>	<b>1,60</b>	<b>1,60</b>	<b>13,40</b>						
Chief Adviser	Dr. Jurgen Schade	15,00	1,60	1,60	13,40	■	■	■	■	■	■
<b>National Long-Term Experts</b>		<b>84,00</b>	<b>12,00</b>	<b>12,00</b>	<b>72,00</b>						
CBFM Coordinator Iloilo	Mr. Anselmo Cabrera	42,00	6,00	6,00	36,00	■	■	■	■	■	■
CBFM Coordinator Dumaguete	Mr. Fidel Vicente	42,00	6,00	6,00	36,00	■	■	■	■	■	■
<b>National Short-Term Experts</b>		<b>5,00</b>	<b>0,00</b>	<b>0,00</b>	<b>5,00</b>						
As required	Approval by DENR	5,00	0,00	0,00	5,00		■	■	■	■	■
<b>Local Support Staff</b>		<b>168,00</b>	<b>24,00</b>	<b>24,00</b>	<b>144,00</b>						
Secretary Iloilo	Ms. Maricel Jarencio	42,00	6,00	6,00	36,00	■	■	■	■	■	■
Secretary Dumaguete	Ms. Milagrena Baguio	42,00	6,00	6,00	36,00	■	■	■	■	■	■
Driver Iloilo	Mr. Gerardo Flores	42,00	6,00	6,00	36,00	■	■	■	■	■	■
Driver Dumaguete	Mr. Vernon Kinilitan	42,00	6,00	6,00	36,00	■	■	■	■	■	■
PS: The staffing schedule for 2014 and 2015 shall be reviewed during a joint DENR/KfW mission in 2013						■	planned				
						■	delivered				





	ACTIVITY	2010				2011				2012				2013				2014				2015			
		I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
1.3	Facilitate preparation and issuance of policies and tenure supporting FLUP implementation and Co-Management																								
	Facilitate issuance of Co-management Agreement																								
	Facilitate issuance of tenure in untenured areas, including ID of possible alternative instruments																								
	Facilitate issuance of ordinance in support of FLUP implementation																								
	Issuance of DENR-Regional Memorandum Circular for Co-management																								
1.4	Help LGUs prepare detailed project proposals on NRM and Infra																								
1.5	Increase capacity of DENR and LGUs in conflict management and resolution																								
	Inventory and document conflicts in participating LGUs																								
	Capacitate DENR and LGUs in resolution and management of NRM/FRM-related conflicts																								
	Assist in resolution of forest land use conflicts																								
1.6	Prepare training plan and topics (with modules) based on TNA/impact assesment																								
1.7	Conduct trainings to increase capacity of DENR, LGUs, and POs																								
1.8	Conduct exposure trips/experiential learnings for DENR/LGUs/POs																								
1.9	Annual monitoring of capacitation outcomes																								
<b>2</b>	<b>Forest and Mangrove are rehabilitated through LGUs, POs and/or rural households</b>																								
2.1.	Conclude afforestation contracts																								
2.2.	Support evelopment/rehabilitation of forestlands based on approved FLUP and DPPs (5 categories)																								
2.3.	Conduct field validations LGUs/POs NRM accomplishments																								
2.4.	Establish on-farm demonstrations on agroforestry and silvicultural practices and organize field visits																								

	ACTIVITY	2010				2011				2012				2013				2014				2015			
		I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
<b>3</b>	<b>Livelihood projects (operated by LGUs) that contribute to sustainable forest and mangrove management have been introduced and implemented</b>																								
3.1.	Support interested LGUs in the preparation of technical and financing proposal for livelihood projects	→																							
3.2.	Provide TA for implementing and monitoring livelihood projects					→																			
<b>4</b>	<b>CBFM beneficiaries supported in livelihood projects, especially value-adding and marketing of forestry and agroforestry products</b>																								
4.1.	Assist POs in the assessment and ID of viable livelihood projects through TA/coaching on proposal preparation,					→																			
4.2.	Support income generating pilot measures in existing plantations (thinning and harvesting operations)					→																			
4.3.	Facilitate project proposal preparation for POs and submission to funding agencies					→																			
4.4.	Analyse value chain for forestry and agroforestry products for LGUs/POs					→																			
4.5.	Provide training, technical support and assist for value-adding and marketing of selected forestry/agroforestry					→																			
4.6.	Participate in trade fairs and facilitate Investor's Forum on small and medium scales enterprises					→																			
<b>5</b>	<b>Rural Infrastructure in support of livelihood has been improved</b>																								
5.1	Assist LGUs to prepare feasibility and detailed engineering studies, submit technical and financing proposal to LBP	→																							
5.2	Facilitate conclusion of loan contracts		→																						
5.3	Facilitate issuance of ECC/CNC (both infra and livelihood)			→																					
5.4	Monitor the implementation of infrastructure/livelihood projects					→																			
5.5	Encourage maintenance and cost recovery					→																			

