

**FOREIGN-ASSISTED AND SPECIAL PROJECTS OFFICE  
PROJECT MANAGEMENT AND COORDINATION SERVICE**

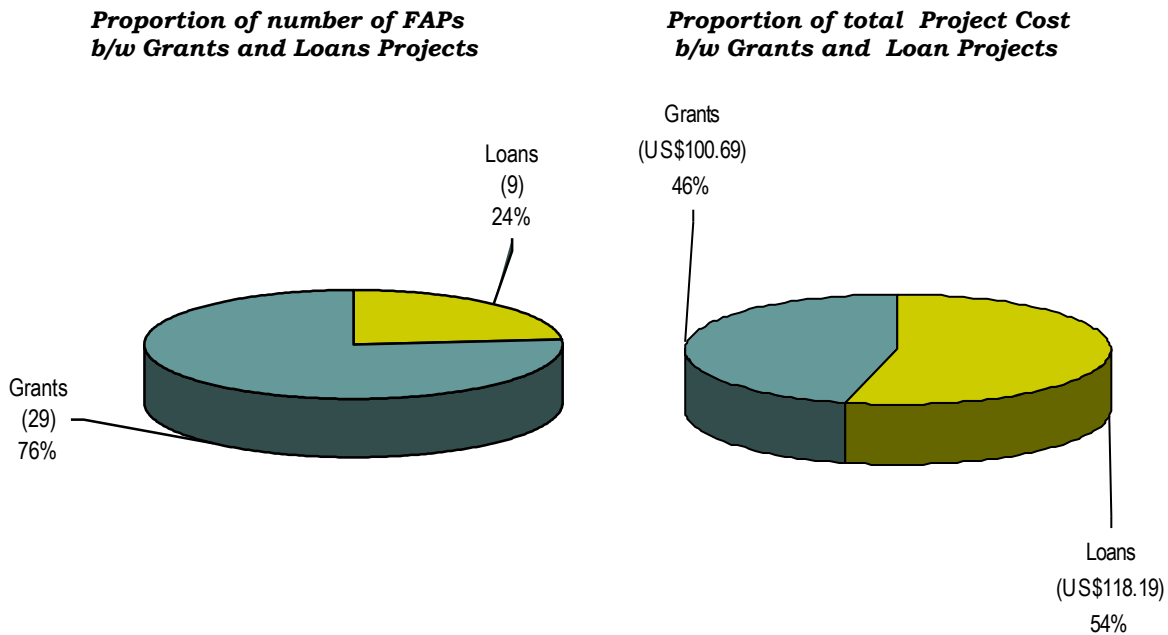
**PERFORMANCE OF GRANT-ASSISTED PROJECTS  
2004 ANNUAL REPORT**

**Executive Summary**

**Overview**

In CY 2004, the Department implemented a total of thirty-eight (38) foreign-assisted projects (FAPs) classified as follows: nine (9) projects were loan-assisted, four (4) projects involved interagency arrangements where DENR is the lead agency; five (5) projects were also interagency but where DENR is only a component (other government agencies serve as lead); and twenty-nine (29) projects were implemented through grants.

*As of December 2004*



For details, please see Table \_\_\_\_, Summary of Ongoing FAPs.

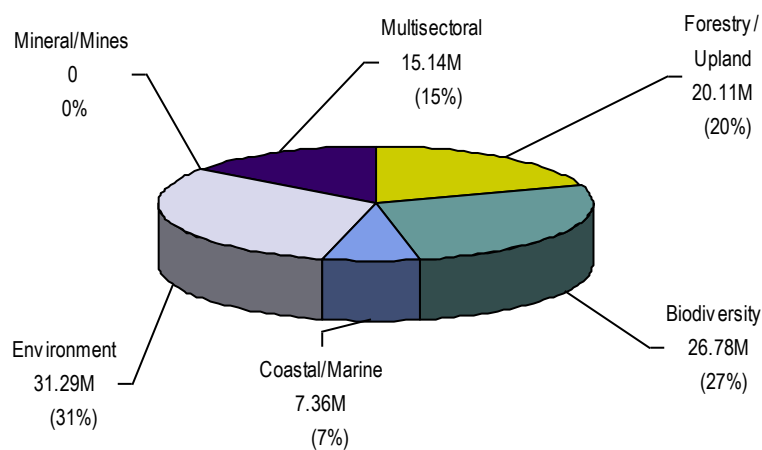
Of the 29 grant-assisted FAPs (please see Table A, Overall List of Grant FAPs), the GOP provides, to some extent, GOP fund counterpart to nine (9) projects for implementation. These projects, although categorized as technical assistance projects, have development/investment-type activities that would require GOP cash counterpart (please see Table B, List of Grant-FAPs w/ Development Activities). Two of these projects have a completion date of until end of CY2004, however, one was granted a second phase (EcoGov Project 2) while the other (ARCBC) is being given a six-month probationary period until end of June 2005 to work on the requirements for its next phase. This report shall focus on the contributions of grant-assisted projects, particularly on nine (9) projects that are being provided with GOP cash counterpart.

The remaining twenty (20) grant-assisted projects are technical assistance or study-type projects ranging with duration from one to five years. Nine of these projects have been completed by end of CY2004. These study-type projects are being implemented by the respective sector bureaus or attached agencies (e.g. Research and Development of Electronic Navigation Chart under NAMRIA; RP-Korea Mineral Exploration Cooperation Project under MGB) and concerned DENR offices (e.g. ENR Shell Program by the Planning and Programming Office; Pagbilao Carbon Sink Project by ERDS-Region IVA). These projects do not require fund counterpart from the GOP and instead provide in-kind contribution in the form of personnel, office space, sundries, and the like (*please see table C, Status of TA projects*).

Project costs of these 38 FAPs aggregate to about US\$218.88M (*please see Table D, Project Cost by Fund Source*). Of this amount, grant-assisted projects contribute about US\$85.41M in grant proceeds and US\$15.28M as GOP counterpart or a total of US\$100.69M (46%) of the total project cost.

By sector, the environment sector garnered the highest share in terms of project cost among other grant-assisted projects with a total of US\$31.29M (31%), followed by biodiversity conservation at US\$26.78M (27%). The forestry/upland sector got US\$20.11M (20%) and Multisectoral projects with US\$15.14M (15%). The sector on coastal and marine conservation was granted a total cost of US\$7.36M (7%). Although we have two study-type projects in the Minerals/Mines sector, we have no data on the cost of these studies. (*Please refer again to Table A*).

**Ongoing GRANTs Projects by Sector  
(In Million US\$)  
as of December 2004**



## **Highlights of Project Accomplishments/Milestones (January to December 2004)**

### **BIODIVERSITY CONSERVATION-RELATED PROJECTS**

#### **1. ASEAN Regional Centre for Biodiversity Conservation (ARCBC)**

##### **a. Networking and Institutional Building**

- Produced and distributed the draft catalogue and directories of biodiversity conservation experts.
- Conducted and participated in the ASEAN and international workshop, i.e., 14<sup>th</sup> Meeting of AWGNCB; 15<sup>th</sup> ASOEN Meeting; 8<sup>th</sup> IAMME meeting; 9<sup>th</sup> Steering Committee Meeting; 8<sup>th</sup> Steering Committee meeting.

##### **b. Training and Extension**

- Provided training activities on Park Management and TNA for Cambodia and Lao.
- Developed and distributed the Manual on a common Regional Occupation Standards for Protected Areas and Biodiversity Conservation

##### **c. Research and Development**

- Provided funds for Research Grant Projects to ASEAN member countries.
- Developed, produced and distributed various books on biodiversity such as, precious plants, climbing plants, medicinal plants, compendium of botanical specimens, and publications of research results.

##### **d. Database and Information System**

- Organized conferences on database such as, Global Taxonomic Initiative in September 2004, Harmonization of Reporting to Multilateral Agreements related to Biodiversity, Lucid Workshop.
- Conducted follow-up workshop on standardization of habitat classification.

#### **2. Samar Island Biodiversity Conservation Project (SIBP)**

##### **a. *Establishment and Operationalization of an Adaptive Management Framework***

- Re-filed the SINP Bill in the 13<sup>th</sup> Congress that commenced in July 1, 2004 despite intense lobby of the mining group to allow extraction of bauxite minerals in the core area of the Park.
- Obtained the full support of LGUs throughout Samar Island for the legislation of the SINP.

- Completed the Biological Resource Assessment (BRAs) in the eight (8) watershed areas of the SINP and established the set of indicators for biannual study and database for monitoring BRA. Results of the BRAs are important inputs in the preparation of the Management Plan.
- Established 8 sites for the Biodiversity Monitoring system.

**b. Establishment and Strengthening of Protected Area Institution**

- Established the Protected Area Office (PAO) and designated the Project Manager of the SIBP as concurrent PASu of the SINP. A total of 17 permanent staff from various DENR-R8 field units has been detailed in the PAO.
- Developed a capability-building program for the PA staff.
- Formally organized the Protected Area Management Board (PAMB) for the SINP and conducted orientations to various members of said PAMB.
- Finalized the designs of PA infrastructure facilities including its specific locations.
- Finalized the Integrated Forest Protection Plan for Samar Province.
- Activated and operationalized one (1) Multi-Sectoral Forest Protection Committee in Eastern Samar.

**c. Establishment of a Community-Based Conservation Framework**

- Formed and/or reactivated 62 Barangay Development Councils, which were assisted in the preparation of the Community Development and Resources Management Plan and Annual Work Plan
- Conducted Survey and Registration of PA Occupants in 191 barangays of the SINP.

**d. Internalize Conservation Objectives in Sectoral Development Planning**

- Completed a study on the technical skills and awareness of the local planners and the LGU-ENROs regarding the environment.

**e. Established an Alternative Conservation Enabling Livelihood**

- Completed the study on the “Assessment and Determination of the Current Practices in the Production and Harvesting of Rattan and Almaciga Resins”.
- DENR-8 has completed the inventory of the existing NTFP resources inside the 6,000 hectares CBFM areas of KAPPAS, a local Peoples’ Organization in Eastern Samar. However, data analysis is still to be completed.
- Completed the inventory of the existing non-timber forest product resources inside the 6,000 hectares CBFM areas of KAPPAS (Katatapuran na Pederasyon nga Parag-uma han Samar).

- Provided a total of 16 livelihood assistance to the target beneficiaries.
- Completed and reviewed the Feasibility Studies of the Pinipisakan Falls.

## **COASTAL AND MARINE-RELATED PROJECTS**

### **3. Partnerships in Environmental Management for the Seas in East Asia-Manila Bay Environmental Management Project (PEMSEA-MBEMP)**

#### **a. Refined Risk Assessment**

- Conducted presentation of Refined Risk Assessment Document to Manila Bay stakeholders on August 4, 2004 at Sulo Hotel. The Refined Risk Assessment document was a major output of the project component Refined Risk Assessment produced by multi-disciplinary and interagency TWG.

#### **b. Civil Society Participation**

- Drafted an integrated communication advocacy plan which will be the framework of communication principles and programs provided in the Manila Bay Coastal Strategy.
- Participated in various activities such as: Takbo Para sa Kalikasan Presented some topics on the radio (Solid Waste Management, Alamin ang Kapaligiran, etc.)
- Packaged semi-technical articles for publication to CANOPY International
- Conducted various activities in coordination with LGUs/NGOs/stakeholders such as mangrove planting in Naic, Cavite, Las Pinas, Paranaque; presentation of Manila Bay Environmental Project to a Symposium re: Water for Life;

#### **c. IIMS/GIS**

- Completed the data gathering/encoding and collation of bio-resources category: Morphological descriptions and illustration of seaweeds and corals and fish inventory.
- Produced digital copy of Population Census 2002 and map sources used in coastal strategy report.

#### **d. Resource Valuation**

- On-going implementation of the research proposal entitled “Valuation of Fish Port and Fish Resources in Manila Bay”. A team conducted a survey/interview with the areas of Brgy. Tambo, Parañaque City, Bernabe Compound, Las Piñas. Data on annual fish landed on year 2000-2002 in Navotas fish port has already been collected.
- Conducted an on-going review for the progress report submitted by the consultant.

- Prepared the budget proposal for the ground truthing of the mangrove forests and mudflats areas along the coasts of Cavite, Bataan, Bulacan and Pampanga.

**e. Coastal Land-Sea Use Zonation**

- Developed project proposal for Coastal Land-sea Use Zonation in Bataan. The proposal was approved last February 2004
- The Bataan Coastal Care Foundation, Inc. under the Provincial Government of Bataan will be the lead agency of the project component.

**f. Environmental Investments**

- A MOA for the operationalization of Integrated Solid Waste Management was signed by the City Government of San Fernando, Pampanga and the Pro-Environment Consortium in the presence of H.E. Ambassador Herbert Jess of the Federal Republic of Germany, UNDP representatives, Dr. Chua Thia-Eng of PEMSEA and the former DENR Secretary Elisea Gozun.

**g. Development of Integrated Environmental Monitoring Program (IEMP)**

- The draft Integrated Environmental Monitoring Program (IEMP) was approved by the PEMSEA/IMO on October 20, 2004. The draft IEMP was developed to support environmental management and decision-making.

**h. Integrated Coastal Management (ICM)**

- Identified the province of Cavite as one of the ICM sites and assisted the LGU in the preparation of their ICM work plan.

**i. Sustainable Development Strategy-Seas of East Asia (SDS-SEA) Operational Plan**

- Co-hosted with the Working Group Meeting for the Implementation of Sustainable Development Strategy for the Seas of East Asia (SDS-SEA) last August 23-27, 2004 at EDSA Shang-rila, Mandaluyong City.

**4. Mindanao Rural Development Project – Coastal and Marine Biodiversity Conservation Project (MRDP-CMBC)**

**a. Participatory Planning and Management Process for Identification and Development of Protected Area (PA)**

- Two (2) Barangays, Paril and Sangay and the Twenty-two (22) local POs were continuously consulted through meetings, pulong-pulong and focused group discussions. The local POs include the following:

- 1) Lower Sangay Bantay Dagat Task Force

- 2) Kapayapaan Association
- 3) Gumamela Fishing Association
- 4) Paril Women's Rural Worker's Association
- 5) Sangay Micro Lending Association
- 6) Sangay Health and Peace
- 7) RIC Women's Association (Sangay)
- 8) Purok Masagana Farmer's Association
- 9) Purok Maligaya Rice Farmer's Association
- 10) Coastal IPs Fishermen's Association
- 11) Balut Small Fishermen's Association
- 12) Sangay Agri-Marine Business Association
- 13) Mangga Women's Association
- 14) Mahangin Fishing Association
- 15) Sangay Fish Vendor Association
- 16) Kapayapaan Fishing Association
- 17) Sangay IP Women's Association
- 18) Babanco Fishing Association
- 19) Small Coconut Farmers Association
- 20) Sto. Niño Fishing Association
- 21) Inuman Association
- 22) Narra Association

- One (1) Resolution was assisted declaring portion of Paril-Sangay as MPA and the ordinance thereon was still at the SB (3<sup>rd</sup> reading).
- Three (3) technologies were introduced; Goat Raising, Diversified Farming and mud crab fattening to the 101 stakeholders of Paril and Sangay, Kalamansig, Sultan Kudarat
  - Maintained one-hour radio program and utilized 540 minutes of airtime at Radyo Natin Lebak FM, Lebak, Kalamansig, Sultan Kudarat
  - Conducted regular patrolling within the 1,200 ha. MPA
  - Presented the IPAP for Paril-Sangay Marine Protected Area to the Economic Development Council on October 25, 2004 and subsequently, the said committee indorsed the document to the RDC 12 for regional recommendation.

#### **b. Resource and Social Assessment (RSA)**

- Fabrication of additional nine (9) primary buoys and twenty-four (24) secondary buoys including four (4) signboards were completed and delivered to the project site. Deployment and installation of the said structures were scheduled on the last week of November 2004.

#### **c. Organization/Strengthening of Community-Based Surveillance and Law Enforcement**

- Deputation of Community-Based Bantay Dagat/Forest Rangers/Fish Wardens is on going. Deputation forms such as personal data sheets

and other evaluation forms were distributed to the 140 members of Barangay Bantay Dagat Task Force as per application requirements.

#### **d. Assistance to the Development of Management of AIGs**

- To date, five (5) AIG projects were implemented and monitored in Barangay Paril and Sangay, Kalamansig, Sultan Kudarat, viz;
  - Goat Raising – Mahangin Fishing Association  
Sitio Babanco, Paril, Kalamansig  
16 households
  - Goat Raising – Kapayapaan Fishing Association  
Purok Kapayapaan, Sangay, Kalamansig  
20 households
  - Diversified Farming – Coastal IPs Fishing Association  
Sitio Inuman, Paril, Kalamansig  
26 households
  - Palay Trading – Sangay Fish Vendors Association  
Sangay, Kalamansig  
19 households
  - Ice Making & Power Supply – Gumamela Fishing Association  
Purok Gumamela, Paril, Kalamansig  
26 households
- Presently, another eight (8) livelihood proposals were reviewed and revised for endorsement to FASPO and subsequently to the World Bank for NOL issuance.

#### **e. Capability Building/Human Resource Development**

- Two (2) trainings intended for the community stakeholders were identified and being work-out for possible implementation next year, to include the following:
  - Paralegal training for the Bantay Dagat
  - Training/workshop on the Operationalization of the MPA plan of Paril-Sangay Protected Seascape.
- Project impact assessment was scheduled on the 2<sup>nd</sup> week of December 2004. Community volunteers and project implementers are expected to participate in the said activity.

#### **f. Resource and Social Monitoring and Evaluation (M&E) System**

- A community manual for the coastal resource monitoring was prepared and developed. It was presented in a simple form so that the community can use it in their own M&E operation.
- One (1) database was maintained at the RPMO. All related data were kept and stored in the project databank.



## **g. Project Management and Coordination**

- Additional equipment necessary for the project operation were identified and included in the Project Procurement Plan. The said plan was submitted to FASPO for issuance of NOL from the WB.
- The construction of MRDP-CMBC assessment boat for the Paril-Sangay Project Site is about 95% complete. The 4DR5 engine was already installed.

## **5. Visayan Sea Coastal Resources and Fisheries Management Project (VisSea) – DENR Component**

- Established a mangrove garden as a tourism development project through the LGUs of Bantayan, Cebu.
- Capacitated LGUs of Madrideojos, Bantayan Island and Daan Bantayan, Cebu in project implementation enabling them to monitor and evaluate their coastal and marine resources, and in the selection of sites for mangrove plantation.
- A total of 530 hectares in Regions 5, 6 & 7 were surveyed/inventoried.
- A total of 32,000 mangrove propagules were provided to the municipalities of San Remigio, Daan Bantayan, and Madrideojos for mangrove plantation.
- Fifty (50) hectares of mangrove were rehabilitated through the planting of mangrove propagules in Bantayan, Cebu.

## **ENVIRONMENT-RELATED PROJECT**

### **6. Ozone Depleting Substances Phase-Out Investment Project**

#### **a. Institutional Strengthening Project (ISP)**

- Approved the revised Chemical Control Order on April 13, 2004, which was published at Today and Manila Times on April 16, 2004.
- Issued 190 pre-shipment importation clearances and 69 certificate of registration to companies importing ODS and alternative substances.
- Monitored the 12 recipients of R-12 Recovery and Recycling (R&R) machine within Metro Manila. Defective/worn-out R&R machines were retrieved and brought to TESDA for diagnosis or possible repair.
- Facilitated the issuance of penalties to Key Largo Phils. and GHD Marketing amounting to Php100,000 and Php50,000 respectively. Resolution on the case of mislabeled R-134a of Central World Trading was served.
- Inspected the shipment of Manhattan Chemicals and Thermo Engineering, together with the Bureau of Customs (BOC). A Notice of Violation (NOV) was issued to Manhattan Chemicals because its 13.6 cylinders of R-134a shipment were found to be mislabeled. While the shipment of the Thermo Engineering were found to be genuine R-134a.
- Conducted inspection at Hykotech, TT Corp. and Automotive Air-conditioning Technology of the Phils. Inc. (AATPI), together with BOC

and EMB-NCR. Hykotech and TT Corp. import appliances using CFC12. Copy of the report was forwarded to DTI-BPS for their information and/or further investigation. Spot verification was also conducted at MICP, PSYK General Merchandise.

- The POD spearheaded the Ozone Month celebration in September 2004 with the following activities: short story writing contest, seminars and lectures, walk rally for ozone layer protection, medical mission, and exhibits.
- Hosted UNEP's Regional Awareness Workshop, participated by representatives from the various Ozone Units in the Southeast Asia and Pacific and South Asia regions, on January 29-30, 2004 at the Discovery Suites, Ortigas, Pasig City.
- Facilitated the assignment of a specific tariff code for ODS (ozone-depleting substances) and their alternatives under the new tariff and customs code.
- Facilitated the conduct of two train-the-trainers workshops for Customs and Excise Tax Officers of the Government of Thailand on Monitoring and Control of ODS, held in Kachanaburi, Thailand from October 20-28, 2004.

#### **b. National CFC Phase-Out Plan (NCPPI)**

- Conducted Train-the-Trainer Workshop for Visayas in Cebu City, participated by 24 TESDA trainers from various training institutions in region 7 and adjacent regions.
- Facilitated the conduct of trainers training, assessor course and competency assessment to a total of 47 TESDA technicians from Regions 3 to 6.
- Facilitated the hands-on assessment of NCPPI lead trainers for their certification on "Recovery and Recycling of Refrigerants" and "Retrofitting of RAC and MAC systems" participated by 19 TESDA lead trainers.
- Facilitated World Bank's approval of 3 sub-projects for foam and refrigeration manufacturing companies.
- Facilitated the amendment of the implementing rules and regulations of PD 1572 to incorporate the requirements of the NCPPI on proper repair and maintenance of CFC-containing systems. The proposed amendment of the IRR also include the complete list of tools and equipment needed to properly service RAC and MAC systems. Eight public hearings were conducted to get the reactions and comments of concerned stakeholders and government agencies. The IRR is being revised to incorporate the inputs gathered during the public hearing.
- Facilitated the signing of DOH-Department Administrative Order 156 series of 2004 by Department of Health Secretary. The DAO was issued to implement a systematic transition from CFC-containing MDIs to CFC-free alternatives. The DAO was published in Philippine Star and Manila Bulletin on September 12, 2004).
- Conducted orientation/workshop on Metered Dose Inhaler (MDI) for Luzon where 50 participants from the pharmaceutical companies, medical practitioners and other stakeholders participated. Another

two (2) batches of the orientation/workshop consisting of 50 participants each for Visayas and Mindanao.

- Conducted public awareness campaign for DENR and partner agencies such as DTI-Bureau of Import Services, Bureau of Product Standards, Bureau of Trade Regulation and Consumer Protection, and Land Transportation Office.

#### **c. Methyl Bromide Phase-out Strategy Project**

- The proposed National Methyl Bromide Phase-out Strategy was finalized and endorsed by the DENR Secretary to the World Bank, to be presented to the Executive Committee Meeting of the Multilateral Fund for funding.

#### **d. Customs Training Project**

- Conducted the 9<sup>th</sup> batch (last batch) of training course for customs officers and other stakeholders on April 27-29, 2004, participated by 47 participants from BOC, 2 from the importer sector, and 1 each from EMB-NCR and DENR-NCR.

### **FORESTRY/UPLAND-RELATED PROJECTS**

#### **7. Philippines-Canada Environmental and Economic Management Project (PCEEMP)**

- Continued the capacity building of the established multi-sectoral management boards in Metro Cebu and Davao City to facilitate the resolution of conflicts on watershed management issues.
- Implemented Standard Operating Procedures (SOP) that govern the day-to-day operations and the working relationships of the foundations with local and international partners.
- Implemented the sustainability frameworks, which also outlines the foundations' resource generation programs.
- Refined the integrated watershed management of the two project sites which are being used as basis of the foundations in decision making.
- Implemented and maintained four (4) demo projects on soil and water conservation measures.
- Updated two (2) GIS databases for the 2 project sites.

#### **8. Leyte Island Program (LIP)**

##### **a. Provision of Coordinated Effective Services in Response to Local Priorities**

- Caused the signing of a MOA between the DENR and the City Government of Tacloban on the co-management of the City's environment and natural resources in August 2004.
- Caused the institutionalization of an Environment and Natural Resources Office (ENRO) of Tacloban City. Regular budget was

provided by the city government and staff complement had been put in place.

**b. Promotion of Sustainable Management of Coastal Areas and Aquatic Resources**

- Established database on coastal and marine resources.

**c. Integration of Environmental Management Systems in the Development of Urban and Urbanizing Areas**

- Established Materials Recovery Facilities (MFRs) in 22 barangays of Tacloban City and 6 municipalities of So. Leyte.

**MULTI-SECTORAL IMPLEMENTED PROJECTS**

**9. Philippine Environmental Governance Program (EcoGov)**

**a. Support to Policy Formulation**

- Facilitated the signing of the Joint Program Implementation Arrangements (JPPIA) and Working Protocols (WP). This document establishes the roles and responsibilities of the ECOGOV Program partners, such as, the USAID, DENR, NEDA, DILG, and the technical assistance contractors.
- Facilitated the issuance of DAO 2004-35 – “Revised Rules and Regulations Governing the Administration, Management, Development and Disposition of Forestlands for Grazing Purposes.”
- Facilitated the issuance of DAO 2004-30 – “Revised Rules and Regulations Governing the Socialized Industrial Forest Management Program.”
- Facilitated the signing of the Executive Order for Sustainable Forest Management of the Philippines on June 9, 2004.
- Facilitated the issuance of DAO 2004-29 – “Revised Rules and Regulations for the Implementation of EO 263 (CBFM Strategy).”

**b. Technical Assistance (TA)**

As of end of CY 2004, a total of 79 local government units (LGUs) have availed of technical assistance on forest resources, coastal resources and integrated solid waste management. Counterpart funds from the LGUs amounted to P40M.

Specifically, technical assistance provided to the local government units are on the following:

- Preparation and legitimization of 21 Forest Land Use Plans (17 have signed DENR-LGU MOAs on joint FLUP implementation); 7 CRM plans; and 19 ISWM plans (17 with ordinances to divert waste streams).
- Signing of 12 co-management agreements.
- Preparation of 11 marine protected area (MPA) plans.

- Signing of 12 inter-LGU fishery management and enforcement agreements.
- Issuance of ordinance on municipal water boundaries (9 LGUs).
- 44 LGUs have completed analysis of solid waste assessment data.