

## SUBPROJECT COMPLETION REPORT

Of

### SAPANGBATO WATERSHED REHABILITATION SUBPROJECT

Forestry Sector Project  
Loan Agreement No. PH-P 135

#### I. SUBPROJECT DESCRIPTION

The Sapangbato Watershed Rehabilitation Subproject lies between 15° 09' 24" to 15° 12' 13.5" latitude and 120° 24' 25" to 120° 29' 14" longitude. It is bounded on the North by the proposed Kalapi-Sacobia Resettlement Site, on the east by Clark Development Corporation and on the Southwest by Main Zone, formerly known as the American Combat Firing Range. The subproject, with a total area of 2,176 hectares under the issued Community-Based Forest Management Agreement (CBFMA) is now considered as one of the important watersheds in the region supporting major agricultural productions in nearby localities.



##### 1. Purpose/Objectives

###### A) Original

1. To reforest a total area of 2,176.0 hectares of grassland (denuded uplands), including the stabilization of riverbank located within the subproject;
2. To produce quality wood for timber, furniture, poles/post, fuelwood and good quality fruits and ensure supply of bamboo for local consumption; and
3. To provide employment and alternative livelihood projects for the community.

###### B) Modification

- a. Modified purpose/objectives

## General Objective

The project aims to develop and empower the Indigenous Peoples (IP) communities, through the establishment of agroforestry, reforestation plantations and livelihood projects, as well as to provide appropriate technical training and livelihood assistance.

## Specific Objectives (Based on Actual Implementation)

1. To establish a total area of 711.07 hectares reforestation and 379.30 agroforestry plantations including the stabilization of riverbank located within the subproject;
2. To produce quality wood for timber, furniture, poles/post, fuelwood and good quality fruits for local consumption; and
3. To provide employment and alternative livelihood projects for the community.

### b. Reasons for the modification

From the original target to reforest grasslands, the Project shifted to establishment of reforestation and agroforestry plantations to uplift the condition of the Aetas by empowering this particular group of indigenous people, a way to ensure the success and sustainability of this CBFM project.

Reforestation target has been reduced, as agreed upon by the agency and the funding institution. Financial matter and the actual capacity of the PO and site condition were considered, among others.

## 2. Subproject Scope and Dimension

### A. Comparison of Original and Actual Scope & Dimensions

A.1. Please check: There has been ( revision and/or modification or  no revision and/or modification) of the Subproject scope and dimensions.

A.2. If "revision and/or modification", please complete the Table.

ITEM	Original Scope and Dimensions	Revised/Modified (Actual)
1. REFORESTATION/ WATERSHED/CBFM		

A. Survey, Mapping and Planning (SMP)	2,176 hectares	2,176 hectares Conducted by the DENR
B. Community Organizing (CO) <sup>1</sup>	Two (2) years duration: June 30, 1997 to June 30, 1999 2,176 hectares	Extended for another six months: July 1, 1997 to June 30, 1999 Extension: January-July 2000
Year 1 Year 2 Year 3 (extension)	<ul style="list-style-type: none"> <li>• IEC activities</li> <li>• Assistance to CSD activities</li> <li>• Assistance on Networking and Linkage</li> <li>• Organizational Development and Capacity Building</li> <li>• Livelihood Project implementation</li> <li>• Monitoring and Evaluation</li> </ul>	<ul style="list-style-type: none"> <li>• IEC activities</li> <li>• Assistance to CSD activities</li> <li>• Assistance on Networking and Linkage</li> <li>• Organizational Development and Capacity Building</li> <li>• Livelihood Project implementation</li> <li>• Monitoring and Evaluation</li> </ul>
C. Comprehensive Site Development (CSD)	Dec. 16, 1997 to Dec. 15, 2000 Four (4) years duration	Dec. 16, 1997 - June 30, 2003 Four (4) years with two (2) years extension:
1. SOIL EROSION CONTROL		
a. Infrastructure		
b. Trail and footpath		
2. VEGETATIVE MEASURES <sup>2</sup>		
a. Agroforestry	882.00 hectares	379.30 hectares
b. Assisted Natural Regeneration		
c. Enrichment Planting		
d. Tree Plantation		
d.1. Bamboo	15.00 hectares	
d.2. Rattan		

d.3. Mangrove		
d.4. Plantation Species	1,200.00 hectares	711.07 hectares
e. Timber Stand Improvement		
f. Roadside Planting	44.00 hectares	
g. Greenbelt	24.00 hectares	
<i>TOTAL</i>	<i>2,165.00 hectares</i>	<i>1,090.37 hectares</i>
3. Inventory Residual Forest		
4. Income Enhancement Subproject		
5. Infrastructure	2 units (168 sqm)	2 units
a. Bunkhouse	2 units	4 units
b. Lookout tower	16 km	2.50 km.(1 m.wide)
c. Footpath	200,000sqm	130,000 sqm.
d. Fire line	8 km	2.50 km.
e. Graded trail		
D. Major Infrastructure -Construction of Hanging Bridge		116-meter
E. Monitoring and Evaluation (M&E)	Inspection Chart Mapping (ICM)	13 months duration Physical Validation: Conducted in three (3) passes: Dec. 3, 1999 to April 24, 2000 (1 <sup>st</sup> pass) Dec. 28, 2001 to Sept. 2002 (2 <sup>nd</sup> pass) Dec. 20, 2002 to May 2003 (3 <sup>rd</sup> pass) (1,090.37 hectares)

<p>Year 1 Year 2 Year 3</p>		<ul style="list-style-type: none"> <li>• Verification of boundaries, monuments, and block corner posts</li> <li>• Seedling production inventory analysis</li> <li>• Survival Counting with 20% sampling intensity, including mapping of developed areas</li> <li>• Height and diameter measurement, assessment of overall health/appearance</li> <li>• Inspection of physical infrastructure</li> </ul> <p>Institutional and Project Benefit Assessment: Conducted in two (2) passes: Dec. 3, 1999 to April 24, 2000 (1<sup>st</sup> pass) Dec. 28, 2001 to Sept. 2002 (2<sup>nd</sup> pass) Dec. 20, 2002 to May 2003 (3<sup>rd</sup> pass)</p>
<p>Year 1 Year 2 Year 3</p>		<ul style="list-style-type: none"> <li>• Assessment of the overall development of the PO</li> </ul>

<p>2. Subproject Site Management Office (SUSIMO) Equipment provided to the Office<sup>3</sup>:</p>		<ul style="list-style-type: none"> <li>•Assessment of the capability of the PO to pursue sustainable resource management and sustain its livelihood initiatives</li> <li>•Identification of various issues/problems/ constraints related to the development and strengthening of the PO and the relevant support systems</li> <li>•Identification of immediate benefits of the project and evidences that would indicate the intermediate and long-term socio-economic and environmental impacts.</li> </ul> <ol style="list-style-type: none"> <li>1. Binocular</li> <li>2. Calculator</li> <li>3. Computer Desktop</li> <li>4. Cassette Tape Recorder</li> <li>5. Meter Tape 25mt</li> <li>6. Steel Cabinet</li> <li>7. Manual Typewriter</li> </ol>
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		<ol style="list-style-type: none"> <li>8. VHF handheld Radios</li> <li>9. Brunton Compass</li> <li>10. Abney Hand Level</li> <li>11. Camera</li> <li>12. Motorcycles (SUZUKI 125)</li> <li>13. Forester's Transit</li> <li>14. Base Radio</li> <li>15. Rain Gauge</li> <li>16. Grass Cutter</li> <li>17. Office table with chair</li> <li>18. Generator</li> <li>19. Printer</li> <li>20. GPS</li> <li>21. Fire fighting equipment</li> <li>22. Steel tape</li> <li>23. Planimeter</li> <li>24. Lettering set</li> <li>25. Drafting table</li> <li>26. Flashlight</li> <li>27. Petromax</li> <li>28. UPS 500VA</li> <li>29. GIS software</li> </ol>
<p>Researches conducted:</p> <p>Trainings attended<sup>4</sup>:</p>		<p>NONE</p> <ol style="list-style-type: none"> <li>1. Capability Building Seminar/Workshop and CBFMA re-orientation</li> <li>2. Orientation/Re orientation Seminar of FSP for the PO Cum Action Planning Workshop</li> </ol>

Others:		3. Maintenance and Protection, Plantation Establishment Practicum 4. FSP Re-Orientation Seminar 5. Livelihood Training for the PO 6. GPS/GIS Training for the SUSIMO 7. FSP Phase Out/Phase In Planning Workshop 8. 3 Day Training on Forest Fire Prevention Suppression and Control 9. FSP Assessment and Planning Workshop  Construction of field office (SUSIMO)
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<sup>1</sup>Please refer to Table 1 for the details on trainings attended by the Pos

<sup>2</sup>Table 2 details the subproject performance in terms of area planted

<sup>3</sup>Table 3 shows the details of the equipments provided to the SUSIMO

<sup>4</sup>Please refer to Table 4 for the trainings attended by the SUSIMO staff

**B. Reasons for Revision/Modification of scope and Dimensions**

B.1. Where there has been "revision/modification" of the Subproject scope and dimensions.

Please choose the reason(s) from the following list and check.

- Revision of the superior plan (e.g. sector development plan, etc.)
- Revision of the supply-and-demand estimate
- Large fluctuation in the Subproject cost



- Substantial revision of design due to the unforeseeable physical condition at the time of the original design (e.g. poor soil condition, etc.)
- Natural disaster/unseasonable weather
- Unusual circumstances beyond the control of the Executing Agency
- Structural and organizational problems of the agencies concerned (e.g. lack of staff, inadequate coordination with other agencies, etc.)
- Availability of funds (e.g. lack of funds, use of contingency, fluctuation of the exchange rate, etc.)
- Unrealistic initial plan/Technical problems
- Procurement problems
- Performance of contractor/supplier
- Performance of consultant
- Change in construction period
- Others

## B.2. Detailed statement of reasons

### *On the Community Organizing Activity*

The schedule had to be extended for six months from January 2000 to June 30, 2000 to enable the completion of activities as per the quarterly commitment plan identified by the CENRO Composite Inspection Committee (CCIC). The extension was made without additional cost to the DENR as the deficiency has been attributed to the Saint Augustine Sambali Fund, Inc. (SASFI).

### *On the Comprehensive Site Development Activity*

During the appraisal, it was recommended that the Comprehensive Site Development (CSD) activities be implemented within five (5) years. Three (3) years shall be devoted for plantation establishment while the remaining two (2) years shall be for maintenance and protection of established plantations. The recommendation considered the work force availability and capability of the People's Organization (PO).

Based on the actual CSD implementation, out of the original target of 2,165.00 hectares, only a total of 1,090.37 hectares were accomplished after three (3) years of implementation. Non-consummation of original target can be attributed to the insufficient social and technical preparedness of the PO members and further aggravated by the presence of numerous land claimants within the

project site, most of whom have had negative experiences with previous government-funded development projects. Likewise, site-species incompatibility was experienced during the implementation of CSD.

The Greenbelt Component was not implemented by the PO due to non-availability and high cost of banana suckers. Sufficient volume of edible banana species needed to accomplish the target such as *saba* and *latondan* can only be found in Florida Blanca, Pampanga, which is about 60 kilometers away from Sapangbato Subproject. Likewise, during the early years of project implementation in 1998, the cost of banana suckers was already P5.00 per piece compared to the allocated cost of P1.00 on the approved CSD contract.

The PO decided not to push through with the Riverbank Stabilization Component since most of the existing rivers and creeks found within the project area were sufficiently covered by local bamboo species such as *boho* and *bikal*.

On the other hand, the availability of cashew seeds was a factor in changing the original scope of the Agroforestry Component. While mango seedlings were produced locally, the cost approved in the CSD contract awarded to the PO (P5.00/seedling) was not enough to procure good quality seedlings. Another change was the inclusion of the Roadside Component to the Agroforestry Component.

### C. Contribution of Subproject to Relevant (Sub) Sector(s)

#### C.1. (Sub) Sector(s) to which the Subproject belongs

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Electric power and Gas              | <input type="checkbox"/> Telecommunication                              | <input checked="" type="checkbox"/> Social services |
| <input type="checkbox"/> (Multipurpose) Dams                 | <input type="checkbox"/> Telecommunication                              | <input type="checkbox"/> Water supply               |
| <input type="checkbox"/> Power Plants                        | <input type="checkbox"/> Broadcasting                                   | <input type="checkbox"/> Sewerage                   |
| <input type="checkbox"/> Transmission lines                  |   | <input checked="" type="checkbox"/> Education       |
| <input type="checkbox"/> Distribution Systems                | <input checked="" type="checkbox"/> Irrigation and Flood control        | <input type="checkbox"/> Health                     |
| <input type="checkbox"/> Gas                                 | <input checked="" type="checkbox"/> Irrigation                          | <input type="checkbox"/> Tourism                    |
| <input type="checkbox"/> Others                              | <input type="checkbox"/> Flood control                                  | <input type="checkbox"/> Others                     |
| <input checked="" type="checkbox"/> Transportation           | <input checked="" type="checkbox"/> Agriculture, Forestry and Fisheries |   |
| <input type="checkbox"/> Roads                               | <input checked="" type="checkbox"/> Agriculture and Forestry            |   |
| <input checked="" type="checkbox"/> Bridges (Hanging Bridge) | <input type="checkbox"/> Fisheries                                      |   |
| <input type="checkbox"/> Railways                            |   |   |
| <input type="checkbox"/> Airport                             | <input type="checkbox"/> Mining and Manufacturing                       |   |
| <input type="checkbox"/> Ports                               | <input type="checkbox"/> Mining   |   |
| <input type="checkbox"/> Marine Transportation               | <input type="checkbox"/> Manufacturing                                  | <input type="checkbox"/> Others                     |

## C.2. Original

Item	Description
1. Social Awareness and community preparation	<ul style="list-style-type: none"> <li>▪ The target beneficiaries were already aware of the proposed development to be undertaken at their adjacent site. Majority favored the proposal.</li> <li>▪ Before the CSD implementation, a two (2) year community organizing was conducted by a competent non-government organization to develop the community's capability and knowledge with regards to implementing/managing the project. It is expected that trainings to the community shall ensure the success of the subproject implementation. Community trainings are in coordination with the department's technical personnel.</li> </ul>
2. Site Development	<p>Four (4) types of plantation will be established; agroforestry, bamboo, fuelwood and fruit tree plantations, primarily for forest, riverbank, and green belt protection and roadside planting. Bunkhouses, lookout towers, and graded trail shall be constructed to facilitate the implementation of day-to-day project activities.</p>
3. Future Environmental Impacts	<p><i>Increase in water yield</i> - The water yield of the watershed is expected to increase substantially and will generate sufficient and sustained amount of water for the cities of Angeles and San Fernando , municipalities of, Mabalacat, Mexico, and San Simon, Pampanga and nearby towns of Tarlac and Nueva Ecija provinces.</p> <ul style="list-style-type: none"> <li>▪ Yield of surface and ground water will increase once the forest cover is fully developed. Incidence of erosion, flash flooding, landslides, drought and other destructive effect will be minimized, if not controlled. Moreover, habitat for wildlife living in the area will be restored and enhanced, making it conducive for their survival growth and reproduction.</li> </ul>



	<ul style="list-style-type: none"> <li>▪ During the five-year project implementation, the PO has undergone several trainings and seminars that indeed enhanced and capacitated majority of members, technically and administratively. The Aeta members are now more confident to mingle and communicate with lowlanders or the commonly called "unat" people.</li> <li>▪ The PO members now have the courage to go to government agencies (DECS) to request assistance for construction of school facilities and assignment of teachers. At present, almost 80% of the children living within and adjacent to the project area avail of primary education. Likewise, there is an increasing number of children attending secondary level of education.</li> <li>▪ The enthusiasm of the PO to undertake reforestation activity is still intense. With the issued CBFMA, PO members are already looking forward to rehabilitate and develop the areas covered by the agreement that have yet to be reforested.</li> </ul>
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## II. SUBPROJECT IMPLEMENTATION

### 1. Organizations for Implementing Subproject

Function in the Subproject Implementation	Name of Organization	
	(1) Original	(2) Changed
1. SMP Contractor (by admin)	Conducted by the DENR	
2. AO for CO	Saint Augustine Sambali Fund, Inc. (SASFI)	
3. Assisting Professional	Mr. Ariel Erasga	

4. PO	Samahang Pangkalikasan at Pangkabuhayan ng Sapangbato, Inc. (SPPSI)	
5. M & E contractor	Manglares Coastal Resources Management Foundation, Inc. (MCRMFI)	
6. Infrastructure Contractor	ABESCO Construction and Development Corporation	

Please state:

- 1.1 Reasons for the change (NOT APPLICABLE)
- 1.2 Problems arising, counter measures adopted and results

*NGO for Community Organizing*

The conversion to a golf course of the original site identified for rehabilitation prompted the DENR to look for another site. This resulted in the non-government organization (NGO) contracted to do the organizing activity to transfer to another communities, which are mostly members of indigenous communities. They had difficulties in convening and encouraging the constituent Aetas to participate in the project and had to change their social investigation and information education campaign strategy. Said activities were conducted verbally, because the Aetas were uneducated. Series of meetings and dialogues have been successfully conducted thus removing negative preconceived notions about the Project.



### *PO for Comprehensive Site Development*

It was a struggle for the PO, with inadequate knowledge and skills, to accomplish their targets per approved Work and Financial Plan (WFP) were apprehensive that the project would not provide any benefits to them.

Apart from difficulty in mobilizing PO members to do the planting and maintenance activities, there were other problems like low survival of different species during the middle part of project implementation due to several factors like the soil condition ((with volcanic ashes) and inadequacy of maintenance and protection activities on site. The situation changed however with the regular provision of technical and administrative assistance of the NGOs, AP, and the SUSIMO. The PO had come to realize the importance and positive impacts of the project and became convinced to faithfully accomplish their CSD targets.



*(There were no major concerns encountered during the Monitoring and Evaluation activities and Infrastructure Project implementation.)*

- 1.3 The latest organizational chart (or equivalent) for the implementation of the Subproject is ( attached or  not available).

(Please see Annexes 1a to 1e).

- 1.4 If the organizational chart (or equivalent) is not available, please state the reason.

## 2. Implementation Period

### A. Comparison of Original Schedule and Actual Period

Please fill in the following blanks with actual period for each item.

ITEM	ORIGINAL SCHEDULE	ACTUAL PERIOD
1. Contract for SMP (by admin)	1996	1996

2. Contract of AO for CO	June 30, 1997 to June 30, 1999	July 1, 1997 to June 30, 1999 Extension: January-July 2000
3. Contract of PO for CSD	Dec. 16, 1997 to Dec. 15, 2000	Dec. 16, 1997 - June 30, 2003
4. Contract of NGO for M&E	Dec. 3, 1999 to April 2000 (1 <sup>st</sup> pass) Dec. 28, 2001 to May 2002 (2 <sup>nd</sup> pass) Dec. 20, 2002 to May 2003 (3 <sup>rd</sup> pass)	Dec. 3, 1999 to April 24, 2000 (1 <sup>st</sup> pass) Dec. 28, 2001 to Sept. 2002 (2 <sup>nd</sup> pass) Dec. 20, 2002 to May 2003 (3 <sup>rd</sup> pass)
5. Contract of Infrastructure Component (Hanging Bridge)	March 7, 2003 to June 30, 2003	April 2003 to June 24, 2003
© Completion (Completion of Subproject)	December 2000	June 2003

Notes: Completion of the Subproject was defined as ( completion ceremony or  final disbursement or  other than the above.

The completion date was scheduled for December 2000 (at the time of appraisal) and is indicated in the above Table.

B. Reasons for Delay or Early Completion

B.1. In case of delay or early completion, please choose the reason(s) from the following list and check.

- Change in scope/dimensions
- Natural disaster/Unseasonable weather (e.g. earthquake, typhoon, etc.)
- Shortage of funds/Fluctuation of the exchange rate
- Problems in procurement
- Inflation
- Unusual circumstances beyond the control of the Executing Agency



- Structural and organizational problems of the agencies concerned (e.g. lack of staff, inadequate coordination with other agencies, etc.)
- Legislative matters
- Unrealistic initial plan/Technical problems
- Performance of contractor/supplier
  
- Performance of consultant
- Others

## B.2. Reasons and background for delay or early completion

### *On the Community Organizing (CO)*

The six months extension was resorted to because of the need to change the target community. It obviously affected the schedule by which the activity was reset. The NGO changed its scheme of information dissemination/education campaign to adjust to the capacity or level of understanding of the Aetas. Gap from July 1999 to December 1999 was devoted to evaluation of the CO's performance and accomplishments as well as decision-making phase.

### *On the Comprehensive Site Development (CSD)*

Based on the original four-year plan stipulated in the CSD contract and Work and Financial Plan of the PO, all major activities by component were accomplished beyond the target year. This was due to several factors to wit; slow concurrence of land claimants to partake and subject their lands for development under the project, low literacy, actual pacing and capacity of Aetas, suitability, availability of planting materials, and inadequacy of DENR personnel to monitor PO accomplishments.

### *On the Monitoring and Evaluation (M&E)*

The Monitoring and Evaluation -2<sup>nd</sup> pass was delayed to allow the PO to finish the on-going replanting activity on agroforestry component.

### *On the Infrastructure Component*

A month delay per contract schedule was merely due to the late issuance of the Notice To Proceed by the DENR.

### C. Remedial Action Taken in Each Case of Delay

The Subproject Site Management Office (SUSIMO) was created in 2001 by virtue of DAO 2000-65 thus facilitating validation and payment of PO's accomplishments. The PO was awarded with an extension of two and a half ( $2\frac{1}{2}$ ) years to enable it to attend to backlogs/remaining activities brought about by technical, social and procurement problems, Board resolutions were passed to formalize decisions on the change of species for reforestation and agroforestry and conversion of some agroforestry component to reforestation.

### 3. Subproject Cost

#### A. Comparison of Original Estimated Cost and Actual Expenditure (by Component)

Item	Original Cost (in pesos)	Actual Expenditures (in pesos)
Survey, Mapping and Planning	(By Admin)	(By Admin)
Community Organizing	3,897,000	3,638,949
Comprehensive Site Development	21,572,760	18,094,304
Monitoring and Evaluation	1,818,377	1,818,377
Infrastructure Development	8,063,817	8,063,817
Subproject Coordinating Office (SUSIMO)	2,032,155	1,731,826
<b>TOTAL</b>	<b>37,384,109</b>	<b>33,347,273</b>

#### B. Reasons for Difference between Original Estimated Cost and Actual Expenditure

B.1. If there is any difference between Table a.1 and Table a.2 in Paragraph a, please choose the reason(s) from the following list and check.

- Increase in reconstruction cost arising from natural disaster/unreasonable weather (e.g. earthquake, typhoon, etc.)
- Increase or decrease arising from a change in construction period

- Increase or (decrease) arising from inflation
- Increase or decrease arising from fluctuation in the exchange rate
- Increase or decrease arising from a change in the scope/work volume of the Subproject
- Decrease arising from keen competition in tender
- Unusual circumstances beyond the control of the Executing Agency
- Unrealistic cost estimates/Technical problems
- Others

B.2. Description of the detailed reason(s) and background

*On the Community Organizing Contract*

Out of the total original cost of Php 3,897,000.00, only Php 3,638,949.40 was utilized, corresponding to the accomplished activities of the NGO. The balance was reverted to the country's National Treasury.

*On the Comprehensive Site Development Contract*

Actual CSD implementation yielded only a total of 1,090.37 hectares accomplishment as against the target of 2,165.00 hectares after three (3) years of implementation. There were updating of costs per activity per MC 2000-19, reduction of total project cost brought about by increase in the actual unit cost of activities and non-accomplishment of targets as originally set.

*On the Subproject Site Management Office*

The difference in the original and actual cost for this office is brought about by the actual amount obligated per quarter. The allotment or original cost is not necessarily the same amount that was obligated for their expenditures.

C. Action taken in Case of Cost Overrun and Results (NOT APPLICABLE)

D. Comparison of Original Estimated Expenditure and Actual Expenditure (by Year)

Calendar Year	Original Cost (in M pesos)	Actual Expenditures (in M pesos)
1997	2.558047	0.811942
1998	11.868397	3.003692

1999	7.882451	4.085887
2000	3.339926	2.148722
2001	0.731905	5.376799
2002	1.355208	6.896695
2003	9.648175	11.023536
<b>TOTAL</b>	<b>37.384109</b>	<b>33.347273</b>

4. Comments on Performance of Assisting Organizations (AOs), Assisting Professionals (APs), Peoples Organizations (POs), M&E and Infrastructure contractors.

Please describe the performance of each organization after checking the item(s) in the relevant lists on which you have any comment.

A. Performance of the SMP contractor, Assisting Organizations & Assisting Professionals (if any) Peoples Organizations, M&E and Infrastructure contractors

- A.1.  Overall performance       Design
- Contract administration       Construction supervision
  - Expertise       Staff qualifications
  - Coordinating ability       Compliance with Contracts
  - Performance related to any other than the Subproject scope, if any.
  - Others

A.2 Description

*On the Assisting Organization (AO)*



It became easier for the DENR SUSIMO to strengthen the PO because of the initial efforts of the Saint Augustine Sambali Fund, Inc. (SASFI). Even with the backlogs and deficiencies in community organizing activities, the present condition of the project and the PO could not have been accomplished and further strengthened if not for the SASFI.

*On the Assisting Professional (AP)*

With the assistance provided by the assigned AP, the SUSIMO staff and PO leadership and members were given various trainings to improve project implementation thus redounding to better project process documentation.

*On the Peoples Organization (PO)*

Although PO members lack formal education, their perseverance and determination to implement the project were potent tools in accomplishing their targets. Their willingness to change eliminated the previous attitude of "wait and see".

*On the Monitoring and Evaluation Contractor (MCRMFI)*

As expected, MCRMFI objectively conducted the Physical validation and Socio-Institutional Assessment of the strengths and weaknesses of both the PO and the project. The Team was able to recommend simple and realistic measures to improve the project taking into consideration, the limitations and capabilities of the PO.

*On the Infrastructure Contractor (ABESCO)*



With the early completion of the Hanging Bridge as part of the infrastructure granted to the SPPSI, ABESCO showed performance beyond par. The infrastructure design and specifications were properly met.

5. Other matters relating to Subproject Implementation (NONE)

Please choose the item(s) from the following list on which you have any comment, check it (them), and describe it (them) with measure and results in (B) below.

- A.  Technical     Financial     Institutional     Economic  
     Social/Distributional     Others
- B. Description (in detail)

*Creation of the SUSIMO*

The creation of the SUSIMO by virtue of DAO 2000-65 facilitated the whole project implementation. Delay in validation and payments for PO accomplishments were minimized because of the increase of DENR field personnel. Major issues and concerns were acted upon expeditiously.

*Deployment /Hiring of Assisting Profession (AP) by the NFDO/TA*

Simultaneous with the creation of the SUSIMO was the deployment of Assisting Professional to provide technical assistance to the PO. Management System Development Installation, Organizational

Development, and Forest Management System were strengthened and fairly established for the PO.

*Installation of Co-management Scheme (SUSIMO and PO)*

Adoption of PO-DENR/SUSIMO Project Co-management definitely improved project implementation. It promoted harmonious relationship among Project implementers of Sapangbato Watershed Subproject.

**III. ACTION TAKEN BY THE AOs, APs AND POs RELATING TO RECOMMENDATION (S)**

1. Recommendation(s) made by SUSIMO

This article is ( applicable  not applicable. There has been no recommendation with regard to the Subproject).

RECOMMENDATION	ACTION TAKEN		RESULT/REMARK
	By the AP	By the PO	
1. Change/conversion of plantation species	Assisted in the preparation of board resolutions	Conducted BOD meetings	Board resolutions on the change of species and component were approved and further granted by the DENR regional office. Poor sites were replanted and survival rates improved.
2. Creation of Clusters (allowing claimants to lead on the development of their areas, instead of the set of officers as practiced prior to SUSIMO creation)	Facilitated and assisted in the conduct of meetings and identification of cluster leaders.	Conducted meetings and consultations	Clusters were created and further facilitated the conduct of protection and maintenance activities in the plantations.
3. Streamlining of unit functions within the SUSIMO to further facilitate accomplishment of targets	Performed tasks and collaborated with each unit of the SUSIMO.	Worked in partnership with the AP and the SUSIMO. Cooperated and performed	Targets were accomplished and backlogs attended to. Training/seminars were conducted.

		activities assigned by the AP and the SUSIMO.	
4. Identified delineation of natural boundary on problem (claimed) areas	Assisted in the actual identification of natural boundaries	Cooperated with the AP and SUSIMO.	Natural boundaries like river, creek and standing trees were identified. Problem on boundaries of claimed areas was lessened and gradually eradicated.

#### IV. INITIAL OPERATION AND MAINTENANCE OF SUBPROJECT FACILITIES

##### 1. Present Condition of Facilities

- A. Please check: This article is ( applicable due to problem(s) or  not applicable. No particular problem has occurred since the initial operation started). If there have been any problems, please check the relevant space in the Table.

For People's Organization:

Item	Status	Initial Operation	Maintenance	Management	Others
1. Table	Operational				
2. Chairs	Operational				
3. Steel Cabinet	Operational				
4. Typewriter	Old/Ruined				
5. Television set	Operational				
6. Flashlight	Operational				
7. Camera	Operational				
8. Handheld Radio	Operational				✓
9. VHS	Operational				
10. Elf	Operational				

For SUSIMO:

Item	Status	Initial Operation	Maintenance	Management	Others
1. SUSIMOffice	Operational				
2. Binocular	Operational				
3. Calculator	Operational				
4. Computer desktop	Operational				✓
5. GPS	Operational				
6. Printer	Operational				
7. UPS 500VA	Operational				
8. GIS software	Operational				
9. Steel tape	Operational				
10. Planimeter	Operational				
11. Fire fighting equip.	Operational				
12. Lettering set	Operational				
13. Drafting table	Operational				
14. Flashlight	Operational				
15. Petromax	Operational				
16. Cassette Tape Recorder	Operational				
17. Meter Tape 25mt	Operational				
18. Steel Cabinet	Operational				
19. Manual Typewriter	Operational				
20. VHF handheld Radios	Operational				
21. Brunton Compass	Operational				
22. Abney Hand Level	Operational				
23. Camera	Operational				
24. Motorcycles (SUZUKI 125)	Operational				✓
25. Forester's Transit	Operational				
26. Base Radio	Operational				
27. Rain Gauge	Operational				
28. Grass Cutter	Operational				
29. Desks and chairs	Operational				
30. Generator	Operational				

B. Please check: The Problem(s) has arisen owing to the following reason(s).

- Technical   
 Financial   
 Institutional   
 Economic  
 Social/Distributional   
 Others



C. Description (in detail)

- Technical problem hindered the PO's radio from functioning. With battery replacement, the radio has become very useful in communicating with the SUSIMO and also among members of the organization.
- The SUSIMO motorcycle's cylinder head was subjected to re-boring so it could function. The computer, on the other hand had problems with its CPU/motherboard. It was also subjected to repair and is now functioning.

D. Aspect of utilizing the Subproject facilities

For People's Organization:

Item	Original Plan	Actual Operation
1. Table	For PO use	Being used by the PO
2. Chairs	For PO use	Being used by the PO
3. Steel Cabinet	For PO use	Being used by the PO
4. Typewriter	For PO use	Being used by the PO
5. Television set (donated by the AO)	For PO use	Being used by the PO
6. Flashlight	For PO use	Being used by the PO
7. Camera	For PO use	Being used by the PO
8. Handheld Radio	For PO use	Being used by the PO
9. VHS (donated by the AO)	For PO use	Being used by the PO
10. Elf		

For SUSIMO:

Item	Original Plan	Actual Operation
1. SUSIMO office	For SUSIMO use	Being used by the SUSIMO
2. Binocular	For SUSIMO use	Being used by the SUSIMO & sometimes borrowed by the PO
3. Calculator	-do-	-do-
4. Computer desktop	-do-	-do-
5. GPS	-do-	-do-
6. Printer	-do-	-do-
7. UPS 500VA	-do-	-do-
8. GIS software	-do-	-do-
9. Steel tape	-do-	-do-
10. Planimeter	-do-	-do-
11. Fire fighting equip.	-do-	-do-
12. Lettering set	-do-	-do-

13. Drafting table	-do-	-do-
14. Flashlight	-do-	-do-
15. Petromax	-do-	-do-
16. Cassette Tape Recorder	-do-	-do-
17. Meter Tape 25mt	-do-	-do-
18. Steel Cabinet	-do-	-do-
19. Manual Typewriter	-do-	-do-
20. VHF handheld Radios	-do-	-do-
21. Brunton Compass	-do-	-do-
22. Abney Hand Level	-do-	-do-
23. Camera	-do-	-do-
24. Motorcycles (SUZUKI 125)	-do-	-do-
25. Forester's Transit	-do-	-do-
26. Base Radio	-do-	-do-
27. Rain Gauge	-do-	-do-
28. Grass Cutter	-do-	-do-
29. Office Tables with Chairs	-do-	-do-
30. Generator	-do-	-do-

## 2. Organization for Operation and Maintenance

### A. Name of PO and SUSIMO

A.1. Please give the name of PO and/or Body in charge of O/M.

PO: Samahang Pangkalikasan at Pangkabuhayan ng Sapangbato, Inc. (SPPSI)

SUSIMO: Sapangbato Watershed Rehabilitation Subproject-Subproject Site Management Office

A.2. Please check:

The latest organizational chart (or equivalent) for O/M of the Subproject facilities is ( attached or  not available).

All SUSIMO staff and PO members are responsible for the maintenance and operation of their respective facilities.

The Organizational Charts of the PO and SUSIMO are attached as Annexes B & E.

A.3. If the organization chart (or equivalent) is not available, please state the reason.

B. Number of staff/workers of the PO or Body for Operation (BOD) and Maintenance of Subproject Facilities.

PO: Five (5) officers; Four (4) BODs  
SUSIMO: 10 DENR Personnel

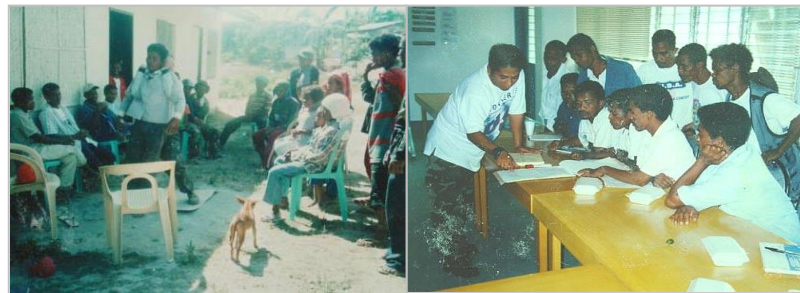
C. Please check and explain the following.

C.1. The number of staff is currently ( sufficient or  insufficient).  
If "Insufficient", please describe your estimate of the optimum number of staff and your plan for providing them.

C.2. Average employment period of the present staff

PO: 10 Years  
SUSIMO: 16 years

C.3. Availability of training program to promote the vocational ability of the staff, its contents and expected effects.



Trainings on CSD activities, Livelihood Development, among others were given to the PO thus, capacitating them to accomplish their physical targets and operate their income generating projects.

The SUSIMO staff on the other hand, attended orientations on Forestry Sector Project Guidelines and trainings on Map Digitizing and GPS reading. Their technical knowledge and skills were enhanced and made use of in the monitoring and validation of POs accomplishments.

There are no other training programs planned for the SUSIMO. As regards the PO, re-orientation on the concept of CBFM, PO strengthening activities, and intensive Information Education Campaign are lined up.

3. Annual Budget or Actual Expenditure for Operation and Maintenance

A. Original Expected Expenditure

*For the SUSIMO* (Unit: Mil Pesos)

Calendar year	Maintenance	Operation	Total
2001			<i>0.466470</i>
1. gasoline	0.74082		0.74082
2. supplies and materials		0.292388	292,388
3. communication, & others.			
4. new motorcycle and old ( <i>from ADB-OECF project</i> ) KIA vehicle	0.100000		0.100000
2002			<i>0.339000</i>
1. new motorcycles and old KIA			
2. CPU/motherboard of the computer			
3. gasoline,	0.40000		0.40000
4. supplies and materials,		0.299000	0.299000
5. communication, and others.			
2003			<i>0.570000</i>
1. KIA and motorcycles	0.100000		0.100000
2. gasoline	0.050000		0.050000
3. supplies and materials,		0.350000	0.350000
4. communication, and others.		0.070000	0.070000
<b>TOTAL</b>	<b>0.332388</b>	<b>1.043082</b>	<b>1.375470</b>

B. Actual and Currently Expected Expenditure

For the PO

The PO, as of this time has not yet incurred significant amount of expenditure with regard to the maintenance and operation of their facilities. On the operation of a television set and a VHS unit as well as gasoline for the ELF vehicle, the PO spent an average annual cost of PhP 18,000.00 and PhP 96,000.00, respectively.

For the SUSIMO

(Unit: Mil Pesos)

Calendar year/Item	Maintenance	Operation	Total
2001 1. gasoline 2. supplies and materials 3. communication, & others. 4. motorcycle and old (from ADB-OECF project) KIA vehicle	0.192388	0.297750	0.490138
2002 1. motorcycles and old KIA 2. CPU/motherboard of the computer 3. gasoline, 4. supplies and materials, 5. communication, and others.	0.040000	0.0296482	0.036482
2003 1. KIA and motorcycles 2. gasoline 3. supplies and materials, 4. communication, and others.	0.095238	0.152385	0.0247622
TOTAL	0.327626	0.746616	1.074241

(Unit: Mil Pesos)

Calendar Year/Item	Maintenance	Operation	TOTAL
	(for expanded portion)		
July -December 2003			0.044000

1.KIA and motorcycles			
2.gasoline 3.supplies and materials 4.communication, and others. <i>January-March 2004</i>		0.044000	0.075000
1.KIA and motorcycles 2.gasoline 3.supplies and materials 4.communication, and others		0.025000 0.018750 0.025000 0.006250	
<b>TOTAL</b>	<b>0.043750</b>	<b>0.075250</b>	<b>0.0119000</b>

Note: Actual and Currently expected Expenditure for expansion, replacement or any other improvement purposes.

Original costs and actual expenditures are based on previous experiences of project operations. It has been part of the strategy to facilitate overall subproject activities, specifically to minimize delay of processing of payments of the PO.

Estimates beyond March 2004 would depend on the approval of a special order by the DENR Secretary as to the duration of stay of field personnel deployed in the site. Based from experience by the SUSIMO, the MOE expenditures in Sapangbato would require an annual estimate of 0.3 million pesos for the maintenance and 1.5 million pesos for the operation (including travel allowances) of subproject facilities.

#### 4. Maintenance Method

As of this time, there have been no major problems encountered with regard to the operation of their facilities. The maintenance method is done as the need arises.

For the SUSIMO:

It is the responsibility of SUSIMO members to maintain their respective subproject facilities.

Facility	Maintenance method	Frequency
1. Old Kia	Change of oil, tires and tuning up	3 times a year
2. Motorcycle	Change of oil, tires and tuning up	3 times a year
3. Computer and other mechanical and electric facilities	As the need arises	

## V. BENEFITS DERIVED FROM SUBPROJECT

### 1. Indirect Effects

A. Please choose and check the item(s) which are dealt with this Article by you.

- Technological transfer (e.g. application of technology used in the Subproject to other similar projects and subprojects)
- Employment creating (e.g. during construction, contribution to the sector(s) after completion)
- Income-raising (e.g. income of the residents in the region)
- Other intended or unintended effects on the relevant sector(s) and/or the region concerned

B. Please give details for each of the item(s) you checked.

#### *Employment creating/income-raising*

The socio-economic profiling revealed that the average household annual income of the community on farming activities is PhP 47,742.41 (including the income gained during the project implementation. This was a significant increase compared to the PhP 35,742.41 average household income registered before the implementation of the Project.

Employment opportunity for the communities directly involved in the project has also increased. From the 15% administrative and supervision cost or the Project Management Cost of the total project cost, the PO was able to establish and operate Hog Fattening and "Gabi" Production income generating activities. This considerably offered employment for the majority of members of the organization, aside from being directly employed during the CSD activities.

## VI. CONCLUSION AND RECOMMENDATIONS

The willpower and patience of the subproject implementers particularly the SUSIMO in empowering and developing the Aetas, paid off in terms of the rehabilitation of 1,090.37 hectares in accordance with the plan.

Although there have been major issues that hampered its implementation during the early part, counter measures have been adopted that resulted to its success. Cultural differences and lack of formal education did not deter the peoples organization to fully accomplish their target to rehabilitate the Sapangbato Watershed.

The following are recommendations identified based on the overall project operation in Sapangbato:

1. Community Organizing should not be simultaneously conducted with Reforestation to enable the PO to focus on environmental long-term benefits not only the economic profits.
2. DENR should avoid "fast tracking" of activities. The PO should be allowed to set their targets based on their own pacing and capabilities;
3. A plantation model farm should first be established as showcase and example for the PO to better appreciate techniques to be employed and gauge the benefits to be gained in the conduct of CSD;
3. There should be separate fund allocation for livelihood programs to ensure improvement of the socio-economic condition of the community; and
4. Institutionalization of the SUSIMO to ensure sustainability of the operations of the Peoples Organization through constant monitoring and provision of assistance.