

# PROJECT COVERAGE



InfRES Project covers forty one (41) provinces and seven hundred seventy nine (779) municipalities and cities, and is implemented in nine regions of the country, covering the island provinces of Region IV (Southern Luzon, except Palawan), Region V (Bicol), Region VIII (Eastern Visayas), Region IX (Western Mindanao), Region X (Northern Mindanao), Region XI (Southern Mindanao), Region XII (Central Mindanao), Region XIII (CARAGA - Northeastern Mindanao), and Autonomous Region of Muslim Mindanao (ARMM).



A Project of the Government of the Philippines  
and the Asian Development Bank  
Department of Agriculture - Executing Agency



## OBJECTIVES

The long-term development goal of the Project is to increase rural incomes with distributional gains favoring the poor areas with high agricultural potential.

The immediate objectives of the Project are to :  
**(1) reduce the constraints to the improvement of agricultural productivity caused by lack or inadequacy of rural infrastructure, and (2) reduce rural poverty by increasing agricultural productivity and profitability.**



This will be achieved by the provision of infrastructure in areas where there is potential for sustainable gains in productivity that will, in turn, lead to increases in rural incomes, particularly for farmers and the poor.



DEPARTMENT OF AGRICULTURE (DA)

*Executing Agency*

## BENEFICIARIES

Local Government Units

Non Governmental Organizations /  
People's Organizations

Rural Households

Private Sector



# PROJECT COMPONENTS

## A. IMPROVED RURAL INFRASTRUCTURE:

The Project will provide the following infrastructure where there is potential for substantially enhanced productivity with pro-poor distributional effects:

### 1) Access Infrastructure:

In areas with potential for vertical or horizontal expansion of agriculture, the Project will finance upgrading / rehabilitation of rural roads (primarily municipal and village) and the connection of areas with agricultural potential (that have no current transport access).



### 2) Communal Irrigation Systems / Projects:

In suitable land with productivity potential to justify investment, the



Project will rehabilitate or expand CISs, and / or construct new CIPs.

### 3) Potable Water Supply:

The Project will finance potable water supply schemes in places where (a) the present source is either contaminated or so far from the habitation that considerable potentially productive time is spent in fetching water; (b) there is a potential source of supply that is uncontaminated and could be developed in a cost - effective manner; and (c) the supply of potable water contributes to agricultural production and improved health.



## B. CAPACITY BUILDING FOR DEVOLVED PROJECT IMPLEMENTATION AND MANAGEMENT:

The Project design is based on the assumption of a new or substantially changed responsibilities at the LGU level within the process of planning, implementing, and maintaining rural infrastructure. To ensure that these responsibilities are effectively carried out, the Project will support a program of capacity - building that will include strengthening of LGUs, NGOs, and community organizations in the subproject sites. The capacity-building program will include the following elements: (1) **Integrated Rural Accessibility Planning**; (2) **Strengthening LGUs**; (3) **Participatory Monitoring and Evaluation** of Subprojects; (4) **Strengthening Community Organizations** in Operation and Maintenance; and (5) **Assisting DA** to improve its capacity at central and field levels in (a) setting clear sectoral policy directions; (b) managing beneficiary - driven infrastructural developments in partnership with LGUs and the private sector; and (c) prescribing and implementing procedures for results and benefits monitoring and evaluation, and auditing.



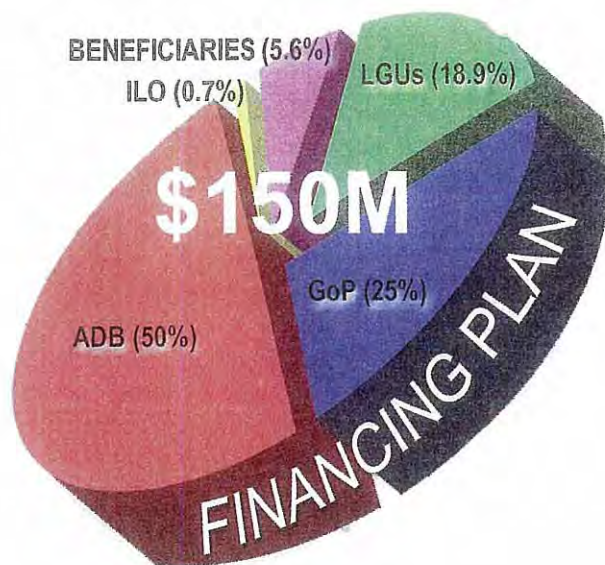
## C. PROJECT MANAGEMENT AND COORDINATION:

The Project will support requirements for staffing, operations, and equipment to ensure that major outputs, as targeted, are effectively provided.



## IMPLEMENTATION APPROACH

- 1. LGU demand-driven:** Sub-projects are identified and prioritized based on the needs and demands of the communities.
- 2. Project cost-sharing between stakeholders:** Total sub-project costs shared among National Government, LGU, and Beneficiaries.
- 3. Privately-led Project Office (PO) Management Consultancy:** Managed by a private consultancy firm, the PO will handle day-to-day project management and provide technical assistance to participating LGUs.
- 4. Inter-agency Project Management Committee (PMC):** Chaired by the DA Secretary, the PMC approves LGU sub-project feasibility studies for funding assistance, among others.



## SUMMARY OF LGU LOAN-GRANT-EQUITY FINANCING MIX\*

### ACCESS INFRASTRUCTURE (Farm to Market Roads, Bridges, Rural Roads)

Municipality income class:	1st-3rd	4th-6th
Grant :	62.3	72.3
Equity**:	30	20
Beneficiaries:	7.7	7.7

\*\* In accordance with Government policy, minimum equity from own resources should not be less than the estimated amount for payment of taxes and duties.

\* Adapted per Memorandum of Understanding - Review Mission, 13-20 February 2003.

Availment of maximum loanable amount is subject to fulfillment of LGU eligibility criteria

### COMMUNAL IRRIGATION PROJECTS / SYSTEMS

Municipality income class:	1st-3rd	4th-6th
Grant :	42.3	52.3
Equity**:	50	40
Beneficiaries:	7.7	7.7

### POTABLE WATER SUPPLY (Levels 1 and 2 only)

Municipality income class:	1st-3rd	4th-6th
Grant :	52.3	62.3
Equity**:	40	30
Beneficiaries:	7.7	7.7

# SUB-PROJECT EVOLUTION PROCESS



## SUB-PROJECT IMPLEMENTATION CONDITIONS

As part of the process of selecting LGU and a subproject (SP) to be included in the Project, satisfaction of the following conditions shall be required, among others:

1. The total cost of the SP is **at least \$0.25M but less than \$5M**.
2. The **LGU has adequate financial, institutional, and organizational capability and commitment** to participate in the Project.
3. PMC approval of the comprehensive **feasibility study (FS)**. This study will include an assessment by MDFO and / or BLGF of the financial capability of LGU for proper maintenance of SP.
4. **DA-LGU Implementation Management Agreement (IMA)**, with LGU commitment to provide (a) equity contribution, (b) Operations and Maintenance for SP post-construction facilities.
5. **Subloan agreement** with MDFO in the event the LGU obtains loan financing from MDFO.
6. An established and operational **Irrigators' Association (IA)** and/or **Barangay Waterworks and Sanitation Association (BSWA)**, where appropriate.
7. As the case maybe, a **Resettlement Plan** or an **Indigenous Peoples' Plan**, acceptable to ADB and in accordance with the relevant laws and regulations of the GoP.
8. An **Initial Environmental Examination (IEE)** for SPs involving road and irrigation infrastructure. The SP must be designed on the basis of environmental standards acceptable to ADB.



- 1 Information Dissemination
- 2 SP Identification, Preparation & Review
- 3 FS Preparation, Review & Approval
- 4 SP Pre-implementation Activities
- 5 SP Implementation & Monitoring
- 6 SP Acceptance



- Project Management Committee 
- Project Coordination Unit 
- Regional Technical Committee 
- DA Regional Field Unit 
- Project Office 
- Local Government Unit (Municipality, City, Province) 
- International Labour Organization 
- Contractor 
- Communities/Non Governmental Organization 

## SPECIAL FEATURE

Provision of livelihood assistance aimed at the poor in the Project sites through a three (3) - year, \$2.8M grant project, **Sustainable Livelihood for the Poor in Southern Philippines (SLPSP)**.



Financing comes from the Government of Japan's JFPR (Japan Fund for Poverty Reduction) Fund, that is being managed by the Asian Development Bank.

