

SUBJECT : **Guidelines for the Bicol Rehabilitation Component of
PODER Phase IV**

I. BACKGROUND

The Spanish Government through the Agencia Espanola de Cooperacion Internacional para el Desarrollo (AECID) has been supporting the Philippines through its non-refundable aid. Several development projects have been implemented nationwide. In particular, the AECID through the Poder Y Prosperidad de la Comunidad (PODER) project has already funded the community driven development projects in Regions III, V, and CARAGA in line with the poverty alleviation program of the Philippine government.

On the 4th Phase of PODER Project, the Spanish government sees the need to focus as well its funding support to the disaster stricken areas in the Bicol region, particularly in Albay province where many communities were heavily affected by the mudslides and lahar of the Mt. Mayon Eruption in year 2006 and due also to subsequent incidence of flashfloods brought by typhoons "Milenyo", "Paeng", "Reming" and "Seniang" that caused massive damages to properties and lives of the Bicolanos.

With the urgent need to address the rehabilitation of the most affected people in Albay, AECID confirmed to grant a subsidy for rehabilitation projects in Albay. AECID will support the rehabilitation of basic community infrastructures such as water systems, community centers, daycare centers, classrooms, farm to market roads, access facilities, etc.

AECID believes in the PODER adherence to the principles of *participation* in terms of engaging the people of the community in project development and implementation process, *transparency* where people are made aware of the physical and financial status of the project, and *accountability* where concerned LGUs and communities takes to fulfill commitments made during the project cycle. Hence, these principles shall manifest in the implementation of the project.

This guideline is formulated to provide direction to the local government units of Tiwi, Maliliput, Bagacay, Sto. Domingo, Tabaco and the City of Legaspi in the management of said grants and their compliance for the completion of rehabilitation projects in the target barangays as guided by the PODER project principles.

II. OBJECTIVES

1. To provide assistance to LGUs towards accelerating the rehabilitation of disaster stricken areas.
2. To promote LGU and community driven rehabilitation efforts that adhere to the principles of participation, transparency and accountability.
3. To further promote international cooperation between the Government of Republic of the Philippines and the Spanish government.

III. TARGET BARANGAYS

The barangays to be identified as beneficiaries of the AECID grants shall be selected from the municipalities of Tiwi, Maliliput, Bagacay, Sto. Domingo, Tabaco and the City of Legaspi based on the following criteria:

- The community infrastructure and properties of the people in the community were heavily damaged by the previous natural disasters resulting to disrupted access to basic community services by the residents.
- The barangays are included in the priority list of the DSWD and Bicol Care Commission for relief and rehabilitation activities.
- Aside from being affected by the natural disaster, the barangays has high incidence of poverty such as malnutrition, large number school drop outs, lack of income, absence of basic community services such as water, electricity, etc.
- The people are willing and committed to participate in the development projects of their barangays.

IV. MECHANICS OF THE PROJECT IMPLEMENTATION

A. Pre-Implementation Phase

1. Orientation – The municipal orientation on PODER Phase IV shall be conducted to target municipalities/city wherein the Mayors as well as representatives of the municipal offices/units are given a comprehensive briefing on what the project is all about. The orientation aims also to inform them on their responsibilities and obligations in the project including clarification of the mechanics and project implementation.

2. Memorandum of Agreement (MOA) Signing – a contract between the DSWD and the recipient LGU shall be forged as a manifestation of accepting the responsibility for the project and be accountable for the funds that will be provided.

3. Barangay Selection – a social investigation activity shall be undertaken to identify qualified barangays to be prioritized for community grant of PODER

project. This activity will require the concerned LGU to review the available data of the affected barangays and select the most qualified based on the above given criteria. A validation team composed of representatives from the DSWD regional office and the LGU officials shall be created to determine the final list of qualified barangays.

4. Project Identification – the Barangay Development Council (BDC) shall be mobilized together with the community representatives/volunteers of the priority barangays to identify and conceptualize the project they considered responsive to the immediate need of their community. A barangay assembly shall be held to consult the community members on the result of the project identification. Upon approval of the general members of the barangay, a barangay assembly resolution shall be passed adopting the identified infrastructure project. The identified project must benefit the significant number of people in the community and which will be instrumental to the restoration of their normal living.

5. Preparation of Project Proposal – A group of community volunteers together with the experts from the LGU shall hold a workshop for the preparation of project proposal as well as completion of technical requirement to support the request for the release of community grant.

6. Community Counterpart – in support to the identified community infrastructure project, the community people as direct beneficiaries shall commit to put up a “SWEAT Equity” (an equity in a property as a result of labor investment in the project.) and locally mobilized resources (i.e. sand, gravel, lumber, etc.) as their contribution to complete the project. The equivalent amount of labor and other investment shall be included in the project proposal.

7. LGU Counterpart – the LGU concerned shall provide financial counterpart to all the identified infrastructure projects wherein the amount of counterpart shall be downloaded upon the approval of the proposed projects.

8. Operation and Maintenance – the community shall ensure the sustainability of the project by organizing an Operation and Maintenance (O&M) group from among the community volunteers who will be responsible in the day to day operation and maintenance of the completed projects. They will be facilitated to craft an O&M plan for the actual operation and maintenance of the proposed project.

9. Submission of Proposed Projects – the final draft of the project proposal shall be submitted to the DSWD Field Office 5 for review and assessment. A Project Review and Assessment Committee shall be designated to accept all the submitted project proposals for their review and assessment based on the technical requirements and existing standards in proposing a community infrastructure project.

10. Review and Assessment of Project Proposals – *A Regional Project Review and Assessment Committee (RPRAC)* shall be organized by the DSWD which shall composed of the following members: the Regional Director of DSWD Field Office V as chairperson and two (2) Representatives from Bicol Care

Commission and Albay Provincial Government as members. At the DSWD Central Office, the National Project Management Office (NPMO) of KALAHI – CIDSS under which PODER 4 is implemented shall undertake all final technical review of proposals endorsed by the RPRAC before Request for Fund Releases (RFRs) are approved for funding.

11. Project Officers – a reasonable number of project staff will be hired as project officers to assist the volunteers and LGU experts in preparing proposals and undertake the approved projects. The said staff will also perform their role as secretariat to the Project Review Committee.

B. Implementation Phase

- 1. Approval of the proposed project** – Upon approval of the project by the Project Review Committee, a Request for Fund Release (RFR) together with the supporting documents shall be forwarded to the National Project Management Office (NPMO) as basis for the downloading of community grants to the concerned LGU.
- 2. Project Implementation** – upon release of funds, the implementation process of the infrastructure project shall start based on the work program and project completion timeline. Funding release shall follow the 50%, 40%, and 10% tranching.
- 3. Procurement** – proponent LGUs shall adopt the standard government procurement procedure or it may follow the community procurement system adopted under the PODER project whichever is considered most efficient for the implementation of the subprojects.
- 4. Project Monitoring** - a monthly project monitoring conference shall be held to engage implementing LGUs to report the status of project implementation in order to address immediately any gaps in the implementation process.

C. Post Implementation Phase

- 1. Advocacy Work** – completed projects shall be appropriately acknowledged through public events that would highlight people's participation and international cooperation between the Republic of the Philippines and Spain through its AECID.
- 2. Community Based Evaluation** – this activity shall be undertaken with the people in the community who are involved in the implementation of the completed project. They will discuss their development participation experience brought about by the project and draw from said experiences learning which would foster continuing change and development.

V. PROJECT TIMELINE

Major Activities	Timeframe	Tentative Target Dates
A. Pre-Implementation Period		
1. Ground working with the Local Government Executives	2 days	April 29-30, 2008
2. Orientation of LGU Officials	1 day	May 5
3. MOA Signing	1 day (each mun.)	May 6-9
4. Selection of target barangays	1 day	May 10
5. Briefing with the barangay officials and identification of barangay volunteers	One week	May 12-16
6. Training of the selected community volunteers on Participatory Situational Analysis and actual identification of infra project.	Two Weeks	May 19-30
7. Simultaneous Barangay Assembly (information dissemination about the project and confirmation of the identified community infrastructure project.	1 day for all barangays	June 1
8. Preparation of Project Proposal and completion of technical requirements	45 days	June 2 -July 16
9. Organization and Planning Workshop of O&M group	One Week	July 17-22
10.. Submission of Project Proposal	1 day	July 25
11. Review and Assessment of Project Proposal by the Project Review and Assessment Committee at the regional level	Two weeks	July 28 – August 1
12. Opening of LGU Trust Account	1 day	August 4
13. Endorsement to NPMO for funding	2 days	August 5-6
14. Review and Assessment of Project Proposal in the national level and RFRs	Two weeks	August 11-22
B. Implementation Period		
1. Downloading of Grants	1 day	August 29
2.. Procurement of labor and materials	2 days	Sept 1-2
3. Actual implementation based on program of work	4 months	Sept 8, 2008 – January 8, 2009
4. Project Monitoring	Monthly	Every 1 st week of the month
5. Joint inspection of completed infra project and Project Sign-off	1 week	January 12-16, 2009

<i>C. Post Implementation</i>		
1. <u>Monitoring of Mutual Partnership Agreement</u>	1 week	January h 19-23
2. Conduct of Community Based Evaluation	1 week	January 26- 30
3. Preparation and actual inauguration/turn over of the completed infra project	2 days	February 5- 6
Total	8 months and 26 days	

VI. FINANCIAL MANAGEMENT PROCEDURE

The following activities shall be undertaken to facilitate the utilization and management of community grants:

1. The community grant funds shall be downloaded strictly in three tranches at 50-40-10 to the LGU Trust Account opened for the purpose and shall be managed by the concerned LGU.
2. Upon approval of the project proposal by the Project Review and Assessment Committee (PRAC), the LGU shall execute MOA with the DSWD.
3. On the basis of the MOA, the MLGU shall open a trust account with the nearest Land Bank of the Philippines with the usual bank account signatories of the LGU.
4. The LGU shall then prepare and submit to the Field Office, the 1st tranche Request for Fund Release (RFR) representing 50% of the total grant fund and based on the approved work plan. The 1st tranche attachment are:
 - Bank snap shot showing the Trust account number
 - Notice of Approval of project proposal
 - Certification from the Local Chief Executive that the LGU is granting the AECID full access to the originals of the machine copied financial documents presented in support to the economic justification for the implementation of the PODER project
 - Project Implementation Plan with tranching schedule.
5. The FO Project Officer shall review and recommend approval of the RFR by the PRAC.
6. On the basis of the recommendation of the PRAC, the NPMO shall approve the RFR.
7. The NPMT Finance Unit shall review further the RFR and process payment after which funds will be downloaded to the trust account opened by the LGU for the purpose.

8. During the project implementation, the DSWD FO Project Officer together with the LGU finance persons shall conduct periodic reviews of all financial transactions.
9. On a monthly basis, the LGU shall submit to the DSWD FO, photocopy of paid Disbursement Vouchers (DVs) with complete supporting documents. The LGU shall ensure that said documents are compliant to the AECI financial liquidation requirements.
10. The Project Officer shall review the photocopy of paid DVs and complete supporting documents submitted by the LGU.
11. Upon utilization of 90% of grant funds and reaching 40% physical accomplishment, the LGU shall prepare and submit the 2nd tranche RFR to the DSWD FO with the following attachments:
 - Bank snap shot showing 90% fund utilization
 - Report of 40% physical progress
 - Photocopy of paid DVs with complete supporting documents not yet submitted to the DSWD on a monthly basis
 - Certification from the LCE that the LGU has not received any other subsidy from the Civil Service or from private or public, national or international entities for the implementation of PODER.
12. The FO Project Officer shall review and recommend approval of the RFR by the FO. The review and recommendation for approval by the Project officer shall be based on the compliance by the LGU with the AECI financial liquidation requirements.
13. The procedures for the release of the 1st tranche shall be followed for the release of the 2nd and 3rd tranches.
14. The Project Officer shall ensure that the AECID financial liquidation requirements are still strictly followed after the release of the 3rd/final tranche.
15. The LGU shall liquidate the 3rd /final tranche one week after the termination of the project or upon completion whichever comes first.
16. The DSWD shall have the right to suspend project activities in case of non-compliance by the LGU of the financial liquidation requirements of AECID

VII. INSTITUTIONAL ARRANGEMENT

Role of the National Project Management Office

- Oversee the over-all operation of the project
- Provide technical assistance necessary for the project implementation.
- Provide resource person in the conduct of capability building activities.

- Approve RFRs and facilitate downloading of the community grants to the concerned LGUs
- Responsible in the preparation and submission of terminal report of the Project.

Role of DSWD Field Office V

- Monitor and evaluate the performance of the LGUs involved in the project and ensure compliance on the requirements and standards of the project operation.
- Facilitate the signing of Memorandum of Agreement with the LGUs and be responsible in the conduct of orientation with the Local Government Executives
- Clarify to all Stakeholders the criteria for the selection of target barangays and procedures in the submission of project proposals.
- Conduct capability-building activities in the community necessary in the project development and sustainability.
- Establish a Project Review and Assessment Committee in the regional level who will conduct actual review and assessment of project proposals submitted to the Field Office.
- Hire project staff who will directly assist the community in the project preparation and implementation process.
- Recommend the approval of RFRs
- Submit monitoring and evaluation report required by the NPMO.

Role of the MLGU

- Shall signify its participation in the Project through a Memorandum of Agreement.
- Comply with the standards and procedure set by the DSWD in the operation of the project
- Liquidate funds downloaded to the municipality/city.
- Provide and ensure availability of the 30% counterpart of LGU on the total amount of the identified projects. The 70% cost of the sub project will be charged to the AECI grants.
- Provide technical assistance to barangays along the field of expertise of its different units i.e. project design, engineering work, community organizing, etc.
- Facilitate the issuance of permits necessary for the proposed community projects.
- Render supervision during the implementation phase of the project.
- Provide personnel to work full-time to the project and other support mechanisms in project implementation

Role of the BLGU

- Pass a resolution adopting the Project


- Mobilize the community volunteers for the implementation and completion of the project
- Ensure barangay counterpart in the form of SWEAT equity from the labor of the community members.

VIII. FUNCTION OF THE REGIONAL PROJECT REVIEW AND ASSESSMENT COMMITTEE

- Responsible in the review and assessment of project proposals submitted by the proponents from the target barangays.
- Based on the set criteria and requirements of the project, the Committee shall render its decision whether to approve or not a project proposal.
- A Rating System shall be established by the Committee to ensure objectivity in the conduct of assessment.
- When necessary, the Committee may request additional documents that will support the approval of the project proposal.
- In case of difficulty complying with the criteria and requirements, the members of the RPRAC shall provide technical support to help the proponents meet the requirements of the project.
- Shall endorse selected project proposals to the NPMO for funding.
- Shall inform the proponents on the result of the assessment of their project proposals.
- Provide instructions to the assigned staff in the performance of their secretariat work to the Committee.
- Coordinate with the RPMT on issues/concerns that may affect their performance.

IX. EFFECTIVITY

This order shall take effect immediately. Issued in Quezon City, this 18th day of April, 2008.


ESPERANZA I. CABRAL
 Secretary

DSWD - OSEC



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