

Environmental and Social Management Framework

March 2013

DRAFT ONLY

Proposed Loan

Republic of the Philippines: National Community-Driven
Development Project/Community-Driven Development
Support Project

CURRENCY EQUIVALENTS

(as of 5 March 2013)

Currency unit	–	peso/s (P)
P1.00	=	\$0.0246
\$1.00	=	P40.71

ABBREVIATIONS

ACT	–	area coordinating team
ADB	–	Asian Development Bank
ASDPP	–	Ancestral Domain Sustainable Development & Protection Plan
CADT	–	Certificate of Ancestral Domain Title
CDD	–	community-driven development
CEAC	–	Community Empowerment Activity Cycle
CNC	-	Certificate of Non-Coverage
DENR	-	Department of Environment and Natural Resources
DSWD	–	Department of Social Welfare and Development
EARF	-	Environmental Assessment and Review Framework
ECC	-	Environmental Compliance Certificate
EIA	-	Environmental Impact Assessment
EIS	-	Environmental Impact Statement
ESMF	--	Environmental and Social Management Framework
FPA	-	Fertilizer and Pesticide Authority
FPIC	–	free and prior informed consent
GOP	-	Government of the Philippines
GRM	-	Grievance Redress Mechanism
IEE	-	Initial Environmental Examination
IP	–	indigenous peoples
IPRA	–	indigenous peoples rights act
KALAH-CIDSS	–	Kapit-Bisig Laban sa Kahirapan-Comprehensive and Integrated Delivery of Social Services
KC	–	KALAH-CIDSS
M&E	–	Monitoring and Evaluation
MIBF	–	Municipal Inter-Barangay Forum
NCIP	–	National Commission on Indigenous People
NPMO	–	National Project Management Office
PSA	–	Participatory situational analysis

GLOSSARY

Environmental Assessment & Involuntary Resettlement

Certificate of Non-Coverage or CNC	a certification issued by the EMB certifying that, based on the submitted project description, the project is not covered by the EIS System and is not required to secure an ECC.
Compensation	refers to payment in cash or in kind of the replacement costs of the acquired or affected assets.
Cumulative Impacts	additive impacts from various sources
EMB Director	the Director of the DENR-EMB at the Central Office
EMB RD / EMB RO Director	the Director of the DENR-EMB at the Regional Office
Environment	Surrounding air, water (both ground and surface), land, flora, fauna, humans and their interrelations.
Environmental Compliance Certificate	a certificate of Environmental Compliance Commitment to which the Proponent conforms with, after DENR-EMB explains the ECC conditions, by signing the sworn undertaking of full responsibility over implementation of specified measures which are necessary to comply with existing environmental regulations or to operate within best environmental practices that are not currently covered by existing laws.
Environmentally Critical Area	an environmentally sensitive area declared through Proclamation 2146 wherein significant environmental impacts are expected if certain types/thresholds of proposed projects are located, developed or implemented in it. Updating of technical descriptions of ECAs is vested on the DENR-EMB through Section 2-D of AO 42 (2002).
Environmentally Critical Project (ECP)	projects belonging to project types declared through Proclamation No. 2146 and Proclamation No. 803 which may pose significant negative environmental impact at certain thresholds of operation regardless of location. Updating of technical descriptions of ECPs is vested on the DENR-EMB through Section 2-D of AO 42 (2002), in coordination with the DTI as provided for in Section 3-A of AO 42.
Environmental Impact Assessment	process that involves evaluating and predicting the likely impacts of a project (including cumulative impacts) on the environment during construction, commissioning, operation and abandonment. It also includes designing appropriate preventive, mitigating and enhancement measures addressing

these consequences to protect the environment and the community's welfare.

Environmental Impact Statement (EIS) is a document, prepared and submitted by the project Proponent and/or EIA Consultant that serves as an application for an ECC. It is a comprehensive study of the significant impacts of a project on the environment. It includes an Environmental Management Plan/Program that the Proponent will fund and implement to protect the environment.

Environmental Management Plan/Program (EMP) section in the EIS that details the prevention, mitigation, compensation, contingency and monitoring measures to enhance positive impacts and minimize negative impacts and risks of a proposed project or undertaking.

Environmental Monitoring Fund (EMF) fund that a Proponent shall set up after an ECC is issued for its project or undertaking, to be used to support the activities of the multi-partite monitoring team. It shall be immediately accessible and easily disbursable.

Initial Environmental Examination Report document similar to an EIS, but with reduced details and depth of assessment and discussion.

Initial Environmental Examination Checklist Report simplified checklist version of an IEE Report prescribed by the DENR, to be filled up by a Proponent to identify and assess a project's environmental impacts and the mitigation/enhancement measures to address such impacts.

Land Acquisition refers to the process whereby a person or entity is compelled by a public agency to alienate all or part of the land a person/entity owns or possesses, to the ownership and possession of that agency for public purpose in return for a consideration

Project Description document, which may also be a chapter in an EIS, that describes the nature, configuration, use of raw materials and natural resources, production system, waste or pollution generation and control and the activities of a proposed project. It includes a description of the use of human resources as well as activity timelines, during the pre-construction, construction, operation and abandonment phases.

Proponent any natural or juridical person intending to implement a project or undertaking (i.e. association, barangay or LGU)

Public Participation open, transparent, gender-sensitive, and community-based public involvement in the EIA process, aimed at ensuring the social acceptability of a project or undertaking, involving the

	broad estrange of stakeholders, commencing at the earliest possible stage of project design and development and continuing until post-assessment monitoring.
Procedural Review	phase in the ECC application review process to check for the completeness of there required documents, conducted by EIAM Division at the EMB Central Office or Regional Office.
Project Affected Persons (PAPs)	<p>refers to any person or persons who would be identified, during the project identification stage within the CEAC process and/or preparation of detailed proposal - a baseline census information collected for each of the inventories implemented in relation to a particular infrastructure project, to be affected by anyof the following circumstances:</p> <ol style="list-style-type: none"> 1. Acquisition or possession by the Project, in full or in part, permanent or temporary, of any title, right or interest over houses, lands (including but not limited to residential, agricultural and grazing lands) and/or any other fixed/movable assets; 2. Acquisition or possession by the project of crops (annual and perennial) and trees whether partially or in whole; 3. Whose business/livelihood is in part or as a whole affected by the Project.
Rehabilitation	refers to compensatory measures provided under these guidelines other than payment of the replacement costs of acquired or affected assets.
Relocation	refers to the physical movement of a PAP from his/her pre-project place or community.
Replacement Cost	refers to the value determined to be fair compensation for real property based on its productive potential, replacement cost of houses and structures (as reckoned on current fair market price of building materials and labor without depreciation or deductions for salvaged building materials), and the market value of residential land, crops, trees and other commodities.
Resettlement	refers to all “process” taken to mitigate any and all adverse impacts of the project on PAP’s property and/or livelihood including compensation, relocation and rehabilitation (where applicable).
Scoping	the stage in the EIS System where information and project impact assessment requirements are more definitely established and focused to provide the Proponent/Community

and the stakeholders the final scope of work and terms of reference for the EIS.

Significant Impacts

impact which damage the environment to the point that the environmental resource loses its capacity to sustain life or to continue functioning within baseline levels and efficiency; impacts which need action through prevention, (e.g. change in project siting or design) or mitigation (reduce, repair, rehabilitate) or other interventions to protect the environment from being harmed at levels that reduce its functionality for its users or dependent biota.

Social Acceptability

acceptability of a project by affected communities based on timely and informed participation in the EIA process particularly with regard to environmental impacts that are of concern to them. Social acceptability within the EIA process administered by the DENR-EMB is limited to its environmental aspects while its other aspects including resolution of conflicts and other social acceptability issues is recognized by the DENR-EMB as falling entirely within the Local Government Unit's jurisdiction and responsibility. The DENR-EMB review process will provide guidance to the LGUs on environmental aspects to consider in its resolution of SA issues, e.g. EMB can advice on nature, extent and magnitude of direct and indirect impacts and impact areas to assuage the people's fears and concerns on environmental pollution, health and safety.

Stakeholders

entities who may be directly and significantly affected by the project or undertaking, including the Proponent, government agencies who have mandates over the project, local government units who have jurisdiction over the project, local communities who may be affected by project impacts, locally-based or locally-active NGOs/POs within the impact areas and other public sectors who may be potentially affected by the project as defined by the findings of the environmental impact assessment of the project.

Indigenous People

Ancestral Domain	Areas generally belonging to indigenous peoples (IPs) comprising lands, inland waters, coastal areas, and natural resources therein, held under a claim of ownership, occupied or possessed by the IPs, by themselves or through their ancestors, communally or individually since time immemorial, continuously to the present except when interrupted by war, force majeure or displacement by force, deceit, stealth or as a consequence of government projects or any other voluntary dealings entered into by government and private individuals/corporations, and which are necessary to ensure their economic, social and cultural welfare. It will include ancestral lands, forests, pasture, residential, agricultural, and other lands individually owned whether alienable and disposable or otherwise, hunting grounds, burial grounds, worship areas, bodies of water, mineral and other natural resources, and lands which may no longer be exclusively occupied by IPs but from which they traditionally had access to for their subsistence and traditional activities, particularly the home ranges of IPs who are still nomadic and/or shifting cultivators.
Ancestral Domain Sustainable Development & Protection Plan (ADSDPP)	Consolidation of plans of IPs within an ancestral domain for the sustainable management and development of their land and natural resources as well as the development of human and cultural resources based on their indigenous knowledge systems and practices.
Ancestral Land	Land occupied, possessed and utilized by individuals, families and clans who are members of the IPs since time immemorial, by themselves or through their predecessors-in-interest, under claims of individual or traditional group ownership, continuously, to the present except when interrupted by war, force majeure or displacement by force, deceit, stealth, or as a consequence of government projects and other voluntary dealings entered into by government and private individuals/corporations including, but not limited to, residential lots, rice terraces or paddies, private forests, swidden farms and tree lots.
Certificate of Ancestral Domain Title (CADT)	A title formally recognizing the rights of possession and ownership of IPs over their ancestral domains identified and delineated in accordance with IPRA.
Certificate of Non-Overlap	A certificate issued by the NCIP attesting to the fact that the area where a particular plan, program, project or activity will be done, does not overlap with or affect any ancestral domain.

Certification Precondition (CP)	A certificate issued by the NCIP, signed by the Chairperson, attesting to the grant of FPIC by the concerned IPs after appropriate compliance with the requirements provided in this guidelines.
Communal Claims	Claims on land, resources and rights thereon belonging to the whole community within a defined territory
Consensus-Building	A part of the decision-making process undertaken by the IPs through their indigenous socio-political structures and practices in arriving at a collective/communal decision.
Culture Sensitive	The quality of being compatible and appropriate to the culture, beliefs, customs and traditions, indigenous systems and practices of IPs.
Customary Laws	A body of written or unwritten rules, usages, customs and practices traditionally observed, accepted and recognized by respective IPs.
Customs and Practices	Norms of conduct and patterns of relationships or usages of a community over time accepted and recognized as binding on all members.
Field-Based Investigation (FBI)	A ground investigation undertaken to determine whether or not the plan, program, project or activity overlaps with, or affects, an ancestral domain, the extent of the affected area, and the IPs whose FPIC is to be obtained.
Free and Prior Informed Consent	A consensus of all members of an IP community to be determined in accordance with their respective customary laws and practices, free from any external manipulation, interference and coercion, and obtained after fully disclosing the intent and scope of the activity, in a language and process understandable to the community.
Indigenous Knowledge Systems and Practices	Systems, institutions, mechanisms, and technologies comprising a unique body of knowledge evolved through time that embody patterns of relationships between and among peoples and between peoples, their lands and resource environment, including such spheres of relationships which may include social, political, cultural, economic, religious spheres, and which are the direct outcome of the indigenous peoples, responses to certain needs consisting of adaptive mechanisms which have allowed indigenous peoples to survive and thrive within their given socio-cultural and biophysical conditions.
Indigenous elder/leader	Indigenous elders/leaders emerge from the dynamics of customary laws and practices; they evolve from a lifestyle of conscious assertion and practice of traditional values and beliefs. They are recognized as authority in conflict resolution and peace-building processes, on spiritual rites and ceremonies and in doing so, possess the attributes of wisdom and integrity. They lead and assist the community in decision- making processes towards the protection and promotion of their rights and the sustainable development of their ancestral domains.
Indigenous People	A group of people or homogenous societies identified by self-

ascription and ascription by others, who have continuously lived as organized community on communally bounded and defined territory, and who have, under claims of ownership since time immemorial, occupied, possessed and utilized such territories, sharing common bonds of language, customs, traditions and other distinctive cultural traits, or who have, through resistance to political, social and cultural inroads of colonization, non-indigenous religions and cultures, became historically differentiated from the majority of Filipinos. IPs also include peoples who are regarded as indigenous on account of their descent from the populations which inhabited the country, at the time of conquest or colonization, or at the time of inroads of non-indigenous religions and cultures, or the establishment of present state boundaries, who retain some or all of their own social, economic, cultural and political institutions, but who may have been displaced from their traditional domains or who may have resettled outside their ancestral domains.

Migrant	A person who is not a native to the ancestral domain or not a part owner of ancestral land but who, as a consequence of social, economic, political or other reasons, such as displacement due to natural disasters, armed conflict, population pressure, or search for seasonal work, opted to occupy and utilize portions of the ancestral land/domain and have since then established residence therein.
Protected Area	Identified portions of land and water set aside by reasons of their unique physical and biological significance, managed to enhance biological diversity and protected against destructive human exploitation.
Self-governance and Self-determination	The inherent right of IPs to self-governance and self-determination includes the right to pursue their economic, social, and cultural development; promote and protect the integrity of their values, practices and institutions; determine, use and control their own organizational and community leadership systems, institutions, relationships, patterns and processes for decision- making and participation;

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This document presents the environmental and social management framework (ESMF) for the National Community-Driven Development Program of the Republic of the Philippines. Any community driven development initiative must ensure that the GOP, the World Bank and Asian Development Bank policies on environmental and social assessment are met and all projects undertaken by the community are environmentally and socially sound and sustainable. The ESMF introduces the screening procedures, environmental management principles and environmental monitoring that must be considered for every CDD project proposed and implemented by the community. Out of this framework, an operations manual will be developed by DSWD to detail the environmental safeguards requirements for every subproject proposed. This ESMF is developed consistent with the requirements of the WB's and ADB's safeguards policies .

I. INTRODUCTION

1. The World Bank (WB) and the Asian Development Bank (ADB) are co-financing a community-driven development (CDD) project namely: the WB's National Community-Driven Development Program (NCDDP) and the ADB's Community-Driven Development Support Project (CDDSP). This CDD project is the government's flagship program to help implement the Philippine Development Plan (PDP) 2011–2016 and the National Anti-Poverty Framework (NAPF) to bring about more equitable access to basic services, reduce poverty, achieve inclusive growth, and improve human development outcomes in the poorest areas of the country. The Department of Social Welfare and Development (DSWD) as the executing agency for NCDDP/CDDSP, which will be implemented from 2013 to 2018.
2. The impact of the NCDDP/CDDSP will be reduced poverty in the poorest areas of the country. The outcome will be communities in targeted poor municipalities empowered to achieve improved access to services and to participate in more inclusive local planning, budgeting and implementation. The project will have the following outputs (i) CDD sub-projects identified and completed, (ii) institutional and organizational capacity strengthened, and (iii) program management and M&E systems enhanced.
3. **Output 1: CDD sub-projects identified and completed.** Planning and investment grants will be provided to participating barangays (villages) in poor municipalities. The planning grants will support participatory planning processes and activities of barangay residents as well as technical assistance to ensure effective sub-project selection and implementation.¹ The investment grants will support sub-projects and activities that respond to community-identified priorities.² Sub-projects eligible for support will be based on an open menu, subject to a negative list, using the KC experience.³ The open menu will include community proposals on local disaster response and prevention. Investment grants will be released in

¹ The planning grants are equivalent to about 15% of investment grants per participating municipality.

² Investment grants are based on a formula using population size and poverty incidence.

³ The negative list includes activities that may be harmful to the environment or IPs such as: weapons, chainsaws, explosives, pesticides, insecticides, herbicides, asbestos, and other potentially dangerous materials and equipment, fishing boats and nets above the government prescribed size and weight, road construction into protected areas, purchase or compensation for land, political and religious activities, rallies, and materials, activities that employ children below the age of 16 years or that unfairly exploit women or men at any age.

three tranches, based on physical and financial accomplishment presented in a community assembly and verified by project staff.

4. **Output 2: Institutional and organizational capacity strengthened.** This output will support the capacity building and implementation support component of NCDDP/CDDSP. It will support capacity development of DSWD project staff at the national and regional offices as well as those at sub-regional units, who will take the lead and provide facilitation support, technical assistance, sub-project oversight, and local-level coordination. Newly hired project staff and their LGU counterparts will be provided training in CDD, development planning and management, conflict resolution, intra-and-inter-barangay mediation, quality review, local poverty assessment, and monitoring and evaluation, among others.
5. **Output 3: Program management and M&E systems enhanced.** This output will help strengthen NCDDP/CDDSP's program management and M&E systems by supporting the development and maintenance of a management information system for tracking, measuring, and reporting accomplishments on key performance indicators. The system will include electronic file management at the national and regional levels of community requests for fund releases and supporting documentation. This output will also support special studies on NCDDP/CDDSP, third party M&E, pilot testing additional features and elements under NCDDP/CDDSP, and capital expenditure requirements for program management.

II. Purpose of this Document

6. NCDDP/CDDSP is building on the KALAH-CIDSS program to provide continuity on the initial gains made since 2003 providing investments needed in *basic infrastructure, institutional development in the community and capacity enhancement of the LGUs*. Investments will be infused in specific communities in a national level to transform these areas into building blocks of community development in an integrated manner used as a development approach.
7. This document presents the environmental and social management framework (ESMF) for the NCDDP/CDDSP so that any community driven development initiative would ensure that the GOP, WB and ADB policies on environmental and social assessment are met and all projects undertaken by the community are environmentally- and socially-sound and sustainable.
8. In light of the current efforts of government to incorporate disaster risk reduction and management (DRRM) and climate change adaptation (CCA), the ESMF incorporates corresponding environmental and social management measures that are responsive to the current climate phenomena wherein its effects are unique for each community.
9. Although the most desired scheme for this development project is to have none or have the least number of people that will be negatively affected by its project activities, it is virtually impossible to only have positive impacts on all its possible stakeholders. Therefore, a set of guidelines was prepared for implementers to guarantee that appropriate measures are applied in terms of ensuring integration of environmental and social concerns during the Community Empowerment Activity Cycle (CEAC) under NCDDP/CDDSP, which is very much similar to that of the KALAH-CIDSS.
10. This ESMF was prepared to serve as a guide on how the community and LGU-proponents may be able to comply with both the funding entities (i.e. World Bank, ADB and MCC) and

the country's environmental and social safeguards requirements for the various sub-projects.

11. This ESMF will cover the following:

- (i) Specific guidelines on environmental safeguards;
- (ii) Land acquisition, resettlement and rehabilitation (LARR) framework and guidelines; and
- (iii) Guidelines on indigenous peoples.

12. **Overview of Type of Sub-projects to be Assessed.** The sub-projects are likely to have an impact on the environment and which shall be subject to environmental assessment.

13. Eligible projects under the investment grant are based on an open menu. The common sub-projects under the Investment Grant (using the KALAH-CIDSS experience) include water supply systems, school buildings, access roads, day care centers, health stations, post-harvest facilities, drainage systems, and small irrigation facilities. Proposals on local disaster response and prevention will also be considered for the investment grant. Table 1 shows the main components of these sub-projects.

Table 1: Anticipated Sub-Project for the NCDDP/CDDSP

Sub-project	Infrastructure/Components
Water supply system	Level 1 or 2 system, communal faucet, communal wells, water tank, water distribution line
School buildings	School building, toilets, and related facilities
Access roads	Road improvement, concreting/paving, road widening, small bridges
Day care centers	Day care building and facilities
Health stations	Barangay health center, medical facilities and supplies
Post-harvest facilities	Post-harvest equipment, rice mill, warehouse
Drainage system and environmental protection measures	Drainage canals, drainage cover, rainwater harvesting system, flood retarding ponds, seawall, river-wall protection, septic tanks and other wastewater management measures, composting facilities, solid waste management and collection
Small irrigation facilities	Irrigation canals

Source: DSWD

14. A negative list has been developed by KC and adopted under this project, to exclude activities that may be harmful to the environment and the people. The ineligible sub-projects include the following:

- Purchase or compensation for land;
- Road construction into protected areas;
- Repair of government offices;
- Meeting halls and places of worship;
- Environmentally hazardous materials such as chainsaws, explosives, pesticides, herbicides, insecticides, asbestos and other potentially dangerous materials
- Fishing boats (beyond the weight limit set by BFAR);
- Activities that have alternative prior sources of committed funding;

- Activities for fiesta and other religious and cultural activities;
 - International travel;
 - Salaried activities that employ children below the age of 16;
 - Consumption items;
 - Maintenance and operation of infrastructure built from project funds.
15. For guidance, the following are the additional list of prohibited investments based on ADB policies:
- Production or activities involving harmful or exploitative forms of forced labor or child labor;
 - Production of or trade in any product or activity deemed illegal under the Philippines laws or regulations or international conventions and agreements or subject of international phaseouts or bans, such as (a) pharmaceuticals, pesticides, and herbicides; (b) ozone-depleting substances, (c) polychlorinated biphenyls and other hazardous chemicals, (d) wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora and (e) transboundary trade in waste or waste products;
 - Production of or trade in weapons and munitions, including paramilitary materials;
 - Production of or trade in alcoholic beverages, excluding beer and wine;
 - Production of or trade in tobacco;
 - Gambling, casinos and equivalent enterprises;
 - Production of or trade in radioactive materials, including nuclear reactors and components thereof;
 - Production of, trade in, or use of unbounded asbestos fibers;
 - Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forests or old-growth forests; and
 - Marine and coastal fishing practices, such as large-scale pelagic drift net fishing, harmful to vulnerable and protected species in large numbers and damaging to marine biodiversity and habitats.

III. Institutional Framework

16. Previous experience under KALAH-CIDDS developed the capability of DSWD in the environmental screening, assessment of environmental impacts, and training of community volunteers and facilitators on environment safeguards. Training for the regional officers will be further enhanced under the program.
17. At the national level, environment safeguards officers are assigned under the Engineering-Technical Support Services Division of the DSWD to supervise and assist the regional environmental safeguard officers and project preparation team in ensuring the integration of environmental safeguards in project planning and implementation. A separate Social Section under the Technical Support Services Division works to ensure social safeguards of the project.

18. Taking off from the KC process, the monitoring of compliance with the Environmental and Social Safeguards will be the responsibility of the project preparation team as guided by the Deputy Area coordinator while the monitoring of compliance will be carried out by the barangay sub-project management committee (BSPMC). For environmental protection sub-projects and projects more than Php2 million, the monitoring will be done by the safeguards officer at the regional level, in coordination with the safeguards officers at the national level. The safeguards officer at the national level will conduct random monitoring of sub-projects.

IV. Consistent with the DENR-EMB EIA process, semi-annual environmental compliance monitoring report shall be prepared at the regional office for sub-projects under Category B or those which have been granted ECC by the DENR-EMB. In some special cases, the donors may opt to require special monitoring exercises as may be necessary. Environmental Impact Assessment (EIA) Guidelines

A. GOP, ADB and World Bank Policies on Environmental and Social Assessment

19. The Philippine Environmental Policy introduced the concept of the Environmental Impact Statement (EIS) in June 6, 1977 under Presidential Decree 1151, requiring the preparation and submission of EIS for projects with significant environmental impacts. PD 1151 was succeeded in 1978 by PD 1586, establishing the Philippine Environmental Impact Statement System (PEISS), followed by the issuance of the Implementing Rules and Regulations in 1979. This was supplemented with the declaration of Environmental Critical Projects (ECPs) and Environmentally Critical Areas (ECAs) through the issuance of Proclamation No. 2146 in 1981. Over a period of 28 years, seven (7) implementing rules and regulations of the PEISS have been issued, the latest of which is the Department of Environment and Natural Resources (DENR) Administrative Order 2003-30, issued June 30 2003, and its Procedural Manual, issued January 2004.
20. The current DENR guidelines, in conjunction with the World Bank Environment Policy, Environmental Assessment Guidelines and its OM/OP1 (Operations Manual - Environmental Considerations) and ADB Safeguards Policy Statement 2009 (ADB SPS 2009) served as the main reference documents in the formulation of the Environmental Assessment and Review Procedures (EARP) for the NCDDP/CDDSP menu of sub-projects.
21. *Table 2* shows a more comprehensive list of major environmental, social and related policies of both the World Bank and the GOP considered in assessing the potential environmental impacts and in the formulation of measures to ensure substantial compliance of the community as well as the Local Government Units (LGUs).
22. **Safeguards Policies Triggered.** The WB safeguards policies that apply to the NCDDP/CDDSP are: (1) OP/BP 4.01 Environmental Assessment; (2) OP/BP 4.10 Indigenous People; (3) OP 4.12 Involuntary Resettlement; and (4) OP 4.09 Pest Management.

Table 2. List of major environmental and social policies and regulations of the WB, ADB and the Government of the Philippines relevant to NCDDP/CDDSP

I. World Bank	
OP/BP 4.01 Environmental Assessment	
OP/BP 4.12 Involuntary Resettlement	
OP/BP 4.10 Indigenous People	
OP 4.09 Pest Management	
II. Asian Development Bank – SPS 2009	
Safeguard Policy Statement 2009	
OM Section F1/BP Issued on 4 March 2010; OM Section F1/OP Issued on 4 March 2010	
SPS 2009. Appendix 1 - Safeguards Requirements 1: Environment	
SPS 2009. Appendix 2 – Safeguards Requirements 2: Involuntary Resettlement	
SPS 2009. Appendix 3 – Safeguards Requirements 3: Indigenous Peoples	
III. Government of the Philippines	
A. Environmental Policies/Regulations	
1. RA 9275	Clean Water Act of 2004
2. RA 10121	Philippine Disaster Risk Reduction Management Act of 2010
3. RA 9147	Wildlife Resources Conservation and Protection Act (2001)
4. RA 9003	Ecological Solid Waste Management Act of 2000
5. RA 8749	Clean Air Act of 1999
6. RA 7942	Philippine Mining Act (1995)
7. RA 7586	National Integrated Protected Areas System (NIPAS) Act of 1992
8. RA 6969	Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990
9. PD 1144	Fertilizer and Pesticide Act
10. RA 8550	Philippine Fisheries Code
11. PD 1067	Water Code of the Philippines (1976)
12. PD 984	Pollution Control Law (1976)
13. PD 705	Revised Forestry Code (1975)
B. Social Safeguard Policies	
RA 8371	Indigenous Peoples Rights Act (1997)
EO 1035	Acquisition by the Government of Private Real Property or Rights (1985)
RA 8974	Facilitating the Acquisition of Right-of-Way Sites for Infrastructure Projects
PD 260	Declaring (various places) as National Shrines, Monuments, and/or Landmarks, defining the implementing agencies and providing funds therefore (1975)
PD 1505	Amending the Presidential Decree No. 260, as amended, by Prohibiting the Unauthorized Modification, Alteration, Repair and Destruction of Original Features of all National Shrines, Monuments, Landmarks and Others Important Historic Edifices (1978)

C. Other Related Regulations	
RA 7160	Local Government Code of the Philippines
PD 856	Sanitation Code of the Philippines

23. The DENR has procedures for screening and scoping of projects under DENR Administrative Order 2003-30. The said order outlines the types of projects covered by the EIS system and the type of documentary requirements to be submitted to DENR. The order also prescribes the processing time of the ECC/CNC application.

24. Based on the possible sub-projects of NCDDP/CDDSP, Table 3 presents the DENR requirements for the potential sub-projects of NCDDP/CDDSP based on DENR AO 2003-30. The detailed DENR grouping matrix is shown in Attachment 1.

Table 3: DENR Requirements for Possible NCDDP/CDDSP Sub-Projects

Sub-project	DENR Classification	DENR Documentary Requirement	ECC/CNC
Water supply system	S.4 - Level 1 – Deep well	PD	CNC
	S.4 - Level 2 – Communal faucet		
	S.3 – 6 wells and more		
School buildings	E.3 – institutional and other related facilities ≥ 1 hectare (gross floor area)	IEE	ECC
	E.3 – institutional and other related facilities < 1 hectare (gross floor area)	PD	CNC
Access roads	C.4.b – Roads with no critical slope ≥ 2km but <20.0 km	IEE	ECC
	C.4.b – Roads with critical slope ≥2 km but < 10km	IEE	ECC
	C.4.b – Roads < 2km	PD	CNC
	C.4.a – Bridges and viaducts ≥80 m but < 10km	IEE	ECC
	C.4.a – Foot bridges and other bridges <80m	PD	CNC
Day care centers	E.3 - Institutional and other related facilities < 1 hectare (gross floor area)	PD	CNC
Health stations	E.7 – Clinics including rural health units	PD	CNC
Post-harvest facilities	D.4.c- Rice mill > 1 ton/hr	IEE	ECC
	D.4.c – Rice mill ≤ 1 ton/ hr	PD	CNC
	E.13 – Storage facilities ≥ 1 hectare (gross floor area)	IEE	ECC
	E.13 – Storage facilities < 1 hectare (gross floor area)	PD	CNC
Drainage system and environmental protection measures	I.4 – Preventive or proactive measures against potential natural hazards (shore protection, river embankment/river bank stabilization, seawall, etc.	PD	CNC
	S.1 – Impounding system < 25 hectares or impounded water <20 million m ³	IEE	ECC
	R.6 – Materials Recovery Facilities with	IEE	ECC

Sub-project	DENR Classification	DENR Documentary Requirement	ECC/CNC
	composting facilities		
	R.6 – MRF with material segregation only	PD	CNC
Small irrigation facilities	S.2 – Irrigation system (distribution only) 300 hectares but <1,000 hectare (service area)	IEE	ECC
	S.2 – Irrigation system (distribution only) < 300 hectares (service area)	PD	CNC

CNC = certificate of non-coverage, DENR = Department of Environment and Natural Resources, ECC = Environmental Compliance Certificate, EIS = Environmental Impact Statement, hr = hour, IEE = Initial Environmental Examination, km = kilometer, m = meter, MRF = materials recovery facility

Source: Department of Environment and Natural Resources

B. Overview of WB and ADB Project Categorization

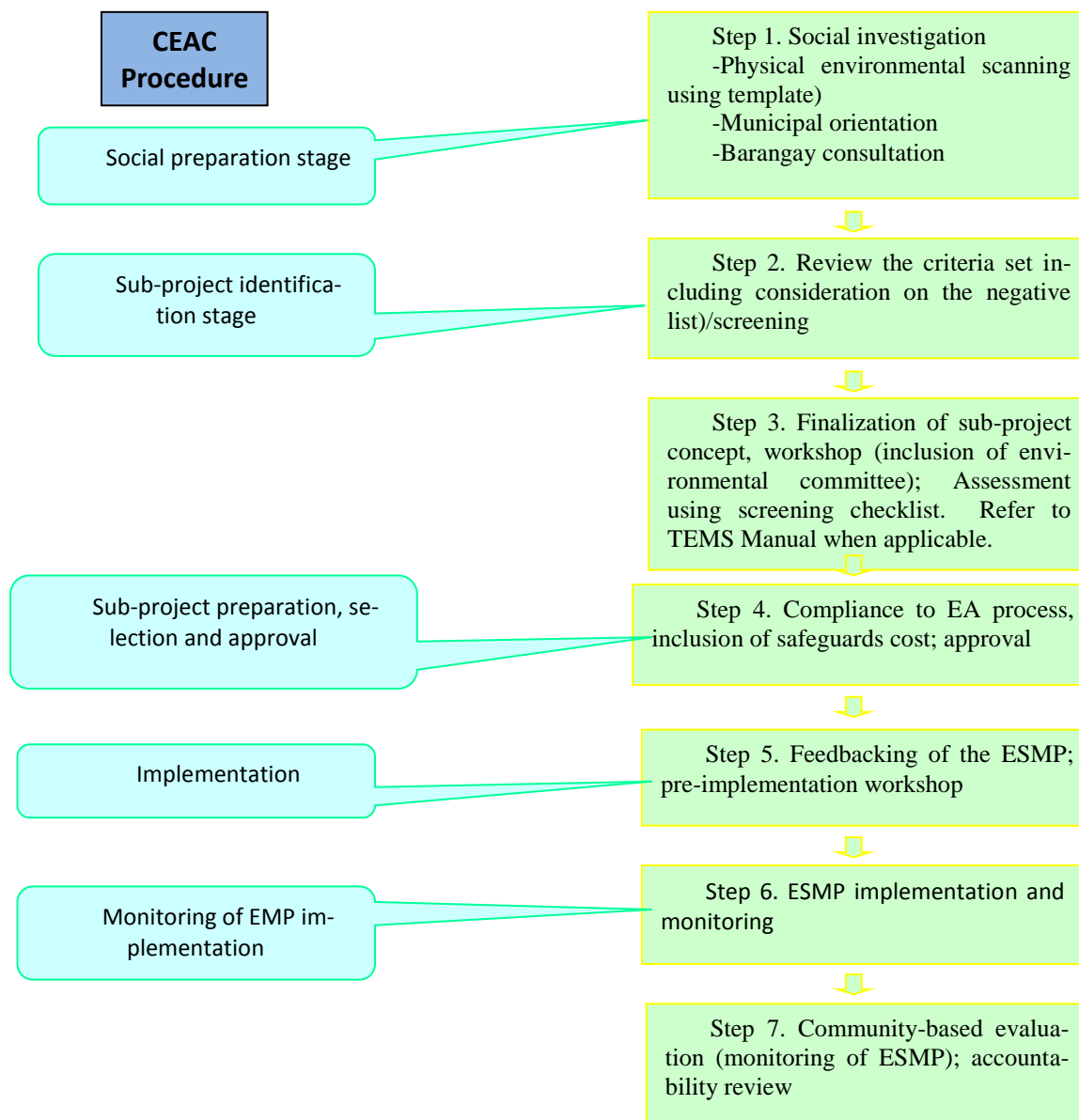
25. Sub-projects financed by both the WB and ADB are required to undergo an environmental assessment. ADB's Safeguards Policy Statement (2009) clarifies the rational, scope and content of an environment assessment. The SPS (2009) is supported by the Environmental Assessment Guidelines (2003).
26. The Operations Manual–Environmental Considerations (OP/BP4.01) guides the environment safeguards policy of the World Bank. Other environmental policies of the World Bank that are linked to the environmental assessment process are the Policies on Pest Management, Natural Habitats, Forestry, and Cultural Property. These are also taken into consideration and will be addressed in the Community Empowerment and Activity Cycle (CEAC) process and sub-project identification.
27. WB and ADB follow the same screening and categorization of subprojects, i.e., Categories A, B, and C, which are dependent on the assessment of significance of environmental or social impacts.
 - (i) **Category A** projects normally cause major environmental or social impacts that are irreversible, diverse, or unprecedented. An EIA is required for this project.
 - (ii) **Category B** projects for which minor impacts are expected and can be mitigated. An IEE is required for this project.
 - (iii) **Category C** projects do not pose environmental or social impacts. No environmental assessment is required but environmental implications need to be reviewed.
28. For ADB and WB, screening of environmental impacts is done initially using Environmental Screening Checklist that have been developed as tools for environmental categorization and assessment of various projects. The checklist developed for various projects will be used as reference and integration into the screening and categorization checklists of the NCDDP/CDDSP for the screening of sub-projects.
29. The assessment of equivalence of the environmental assessment requirements of the ADB, WB and the GOP shows similarity in terms of using the procedure as a tool for project planning wherein environmental assessment should be done before project implementation. However, the scope of the environmental assessment of the GOP differs from that of the ADB and WB in terms of categorization. GOP categorization is generally based on scale

and size of the project whereas ADB's and WB's categorization is based on the significance of the environmental impact of the particular project.

C. Environmental Assessment and Review Procedures for Proposed Sub-project

30. The Environmental Assessment and Review Procedures (EARP) shall apply to sub-projects within the menu of community-identified projects eligible for funding. The same environmental assessment and review procedures shall be observed for sub-projects being proposed by community and LGUs.
31. To facilitate the integration of environmental and social safeguards concern in the CEAC process, Figure 1 shows activities that are parallel with the different stages of the CEAC with the environmental safeguards activities per project process (See detailed descriptions in Table 6).

Figure 1: Environmental Safeguards Activities in the CEAC Process



1. Social Preparation Stage

32. During the social preparation stage, meetings and consultations with the communities, barangay and the municipality are conducted under the CEAC process. At this stage, the stakeholders are able to identify and prioritize sub-projects. Based on the physical scanning and discussion of priorities, the communities will identify relevant environmental issues, mitigation measures, and sub-project implementation issues at the earliest stage. The views of the affected people and other stakeholders form part of the decision-making process.
33. Follow-up public consultations occur at the subsequent stages of the sub-project and are carried out on an ongoing basis throughout the project cycle.

34. Physical scanning will be conducted to check the environmental conditions at the site using social investigation form. The scanning activity will be coupled with random interviews with people in the area to validate the geographic representation and environmental issues and concerns inherent in the area.
35. **Attachment 2** presents the social investigation form used for environmental scanning during the social preparation stage.

2. Sub-project Identification Stage

36. **Criteria Setting Workshop.** The proposed sub-project is initially screened against the negative list mentioned in Section 2.
37. For small irrigation sub-projects, the WB's Operational Policy 4.09 on Pest Management is triggered and therefore, calls for the need for an IPM screening.
38. As stated in the previous section, the purchase of pesticides which are environmental hazardous, is prohibited under NCDDP/CDDSP. The safeguards policies of the Bank provide guidelines and restrictions on distribution of pesticides particularly those categorized by WHO as Class I and II pesticides (under WHO's Recommended Classification of Pesticides by Hazard and Guidelines to Classification, 1994-95). Under KC, there were a number of small irrigation sub-projects implemented. Although the subprojects did not fund any purchase of pesticides, the farmer-beneficiaries still purchased pesticides and herbicides using their own funds and used them in the newly irrigated lands.
39. The environmental and health impact of the use of these pesticides must still be controlled and monitored. It is important that the beneficiaries of the small irrigation sub-projects are given proper orientation and training on the use and application of these chemicals and encourage the use of Integrated Pest Management where use of pesticides are minimized. Such trainings are provided by the municipal agricultural office (MAO) through the assistance of the regional office of the Department of Agriculture. Hence for irrigation subprojects under NCDDP/CDDSP, the area coordinator will ensure that the proponents collaborate with the MAO to ensure that they are provided with the required training on Integrated Pest Management (IPM) and in the handling, dose calculation, storage and disposal of pesticides and its containers.
40. The environmental criteria for screening eligibility to the NCDDP/CDDSP funding is presented in a checklist format in **Attachment 2** to serve as a guide to proponents in the identification of sub-projects that would qualify for short-listing.
41. **Environmental Criteria for Sub-Project Selection.** Table 4 shows the specific environmental criteria for sub-project selection:

Table 4: Environmental Criteria for Sub-project Selection

Overall selection criteria (applicable to all sub-project)	
a)	Sub-project will not be located within national parks, wildlife sanctuaries and nature reserves, or wetlands, unless unavoidable for technical reasons;
b)	Monuments of cultural or historical importance will be avoided;
c)	Construction activities do not adversely affect the population living in the vicinity of the proposed sub-project and does not create any threat to the survival of any

<p>community with special reference to tribal community or public utility services like schools, parks, hospitals, etc.;</p> <ul style="list-style-type: none"> d) Resettlement of households by the program and compensation for loss of livelihood shall be carried out in an equitable manner and with due consultation with the affected household and local government units concerned; e) Sub-project will not bring about significant change in land use from residential or institutional to commercial or industrial in the vicinity of the sub-project site; f) An Environmental Management Plan (EMP) with adequate budget will be developed by each sub-project. Proper environmental monitoring mechanism must be in place to monitor the EMP during the construction and operational stages of each sub-project; g) Potential environmental impacts will be minimized by avoiding sensitive areas. Relocation, realignment or selection of alternative sites to minimize impacts may be required; h) Clearing of any existing forest resources will be avoided, if possible, and where unavoidable, will be minimized and compensated as per GOP requirements; i) New equipment/facilities and materials shall follow international standards and best practices to avoid use of chemicals using Greenhouse Gas (GHG) emissions.
<p>Water Supply</p> <ul style="list-style-type: none"> a) Sub-project will avoid any groundwater source where water quality and bore hole sampling tests reveal arsenic levels above the Philippine National Standards for Drinking Water (PNSDW); b) Ensure adequate water is available for proposed extraction rates to ensure sustainable use and yields of groundwater resources; c) Provide adequate protection from pollution around communal wells and faucets; d) Polluted water resource with very poor quality shall not be utilized; e) Locate the well as close as possible to houses and maintain a safe distance from septic tanks and other pollution sources to avoid contamination of groundwater sources; f) Ensure that the well is accessible by the community and that the access route to the well is not susceptible to flooding; g) Ensure that the well site has no legal problems (disputed land) and is acceptable to users.
<p>Access Roads</p> <ul style="list-style-type: none"> a) Ensure that the access road avoids agricultural, private land and cultural sites; b) Avoid cutting of trees as far as possible; c) Ensure that efficient drains are provided on both sides of the road, leading to a natural outfall.
<p>School buildings, Health stations and Day Care Centers</p> <ul style="list-style-type: none"> a) Ensure provision of adequate and clean toilets with septic tanks or other low-cost sanitation measures for the facilities; b) Include adequate stormwater drainage as part of the design of school building/facilities to avoid flooding; c) Provide operations and maintenance and safety guidelines to ensure upkeep of facilities; d) Include community education to raise awareness on the importance of good sani-

tation, cleanliness, and public health.
Post-harvest Facilities
a) Hazardous substances, materials or products shall not be stored in the post-harvest facility.
Drainage system and environmental protection measures
a) Locate new drains in the right-of-way alongside existing roads to avoid the need to acquire new land;
b) Ensure that new drainage systems dispose of all drainage water safely and adequately without polluting surface water or groundwater;
c) Ensure measures for odor and vermin control for solid waste management sub-projects;
d) Avoid cutting of mangroves for sub-projects on riverbank protection and seawall construction.
Small Irrigation Facilities
a) Sub-project beneficiaries shall be trained on Integrated Pest Management to minimize the use and application of pesticides prohibited by the Fertilizer and Pesticide Authority (FPA) in coordination with the Municipal Agricultural Office (MAO) or the regional agricultural office. The training shall cover chemical handling, dose calculation, storage and disposal of spent pesticide containers and expired chemicals.
b) Sub-project beneficiaries shall be encouraged to use organic fertilizers.

42. **Project Development Workshop.** A project development workshop is then conducted that includes the environmental committee within the project preparation team. This team will evaluate the project and its environmental impacts, environmental risks and the proposed mitigation measures. Guided by the DSWD, the IEE/PD and the EMP will be prepared by the community volunteers working under the environmental committee of the project preparation team.

43. **Identification of Documentary Requirement for Sub-project.** Before a sub-project can be subjected to environmental assessment and review, its category has to be determined for the identification of the appropriate documentary requirement. **Attachment 1** details the DENR's project categories and the corresponding documentary requirements, certification types, endorsing officials, deciding authority and maximum processing time to deny or issue the environmental compliance certificate (ECC) while Table 5 outlines the DENR requirements for possible NCDDP/CDDSP sub-projects based on the DENR grouping matrix in DENR AO 2003-30. **Attachment 4** presents the DENR threshold limits excerpted from Table 2.1 of the DAO 2003-30 Procedural Manual as a reference by the proponent/community in categorizing subprojects within the menu of NCDDP/CDDSP.

Table 5: DENR Requirements for Possible NCDDP/CDDSP Sub-Projects

Sub-project	DENR Classification	DENR Documentary Requirement	ECC/CNC
Water supply system	S.4 - Level 1 – Deep well S.4 - Level 2 – Communal faucet	PD	CNC

Sub-project	DENR Classification	DENR Documentary Requirement	ECC/CNC
	S.3 – 6 wells and more	IEE	ECC
School buildings	E.3 – institutional and other related facilities ≥ 1 hectare (gross floor area)	IEE	ECC
	E.3 – institutional and other related facilities < 1 hectare (gross floor area)	PD	CNC
Access roads	C.4.b – Roads with no critical slope ≥ 2km but <20.0 km	IEE	ECC
	C.4.b – Roads with critical slope ≥2 km but < 10km	IEE	ECC
	C.4.b – Roads < 2km	PD	CNC
	C.4.a – Bridges and viaducts ≥80 m but < 10km	IEE	ECC
	C.4.a – Foot bridges and other bridges <80m	PD	CNC
Day care centers	E.3 - Institutional and other related facilities < 1 hectare (gross floor area)	PD	CNC
Health stations	E.7 – Clinics including rural health units	PD	CNC
Post-harvest facilities	D.4.c- Rice mill > 1 ton/hr	IEE	ECC
	D.4.c – Rice mill ≤ 1 ton/ hr	PD	CNC
	E.13 – Storage facilities ≥ 1 hectare (gross floor area)	IEE	ECC
	E.13 – Storage facilities < 1 hectare (gross floor area)	PD	CNC
Drainage system and environmental protection measures	I.4 – Preventive or proactive measures against potential natural hazards (shore protection, river embankment/river bank stabilization, seawall, etc.	PD	CNC
	S.1 – Impounding system < 25 hectares or impounded water <20 million m ³	IEE	ECC
	R.6 – Materials Recovery Facilities with composting facilities	IEE	ECC
	R.6 – MRF with material segregation only	PD	CNC
Small irrigation facilities	S.2 – Irrigation system (distribution only) 300 hectares but <1,000 hectare (service area)	IEE	ECC
	S.2 – Irrigation system (distribution only) < 300 hectares (service area)	PD	CNC

Notes: IEE refers to the Initial Environmental Examination; PD - Project Description; CNC - Certificate of Non-Coverage; and ECC – Environmental Compliance Certificate

3. Sub-project Preparation, Selection and Approval

44. **Preparation of Program of Work.** Eligible sub-projects are then subjected to more rigorous environmental screening. Once the sub-projects are screened and categorized, the Environmental Screening and Categorization (ESC) form (Validation Form) helps the proponent identify which documents need to be prepared to comply with the DENR requirements.
45. The NCDDP/CDDSP ESC Validation form, presented in **Attachment 5**, was developed to apply to any sub-project type. The ESC form guides the proponent in identifying environmental and social issues associated with the location, construction and operation of the sub-projects.
46. The MCC has also developed a set of technical and safeguards guidelines for the following thematic areas: (1) roads and bridges, (2) potable water systems, (3) vertical structures and (4) environmental protection structures such as seawall, river wall protection and drainage system. If the proposed sub-projects are within the scope of these thematic areas, these guidelines will be used. The purpose of the MCC guidelines is to enhance the quality of the design and engineering of the sub-projects.

47. Based on the location and likely impacts and the scale/size of the sub-project, the environmental category in the DENR system can then be derived. The sub-project category is proposed by the community facilitator/LGU, concurred by the regional environmental safeguards officer and approved by national environment safeguards officer.
48. For Category B sub-projects, an Initial Environmental Examination (IEE) report/checklist including an Environmental and Social Management Plan (ESMP) will be prepared. For Category C sub-projects, no IEE report is required but a Project Description (PD) with the sub-project environmental implications will be reviewed. It is most likely that there is no Category A sub-project under the program.⁴
49. **Anticipated Environmental Impacts of Sub-Projects.** Most of the environmental impacts of potential sub-projects of the NCDDP/CDDSP are likely to occur during the construction stage and are therefore considered temporary in nature. The environmental impacts are primarily from the cutting of trees, transportation of construction materials, soil runoff, generation of construction wastes, noise nuisance to nearby residential areas, and other health and safety concerns for workers and the community.
50. The level of detail of the environmental assessment and the IEE should be commensurate with the significance of the potential impacts and risks of the sub-project. Projects with limited potential risks and impacts need to focus on the direct impacts with site-specific cause-effect linkages. The IEE and PD are prepared by the community facilitators in consultation with the stakeholders. These documents are developed in a language that is understandable by the community.
51. **Disclosure of Project Information.** Before a sub-project is approved, ESMP, RAPS and IPPs are made available for public review at the barangay level specifically at the BSPMC.
52. For Category B sub-projects funded by ADB, the IEE with the EMP and subsequent semi-annual environmental monitoring reports shall be submitted by DSWD NPMO to ADB review and approval prior to uploading at the ADB's website in accordance with the information disclosure requirements of ADB SPS (2009) and PCP 2011.
53. **Environmental Assessment Report Preparation.** *Attachment 6 and 7* present the prescribed outlines for the following reports:
- (i) Project Description (PD) for Category C sub-projects
 - (ii) Initial Environmental Examination (IEE) for Category B sub-projects
54. The IEE and the project description with their corresponding environmental and social management plan (ESMP) are to be prepared by the community/LGU under the supervision of DSWD RPMO and NPMO. At the regional offices, the RPMO engineers and DENR-EMB personnel shall conduct joint seminars and orientations to thresh out operational issues in the ECC/CNC application and issues; to upgrade skills of the community/LGU on IEE preparation; to share information on current environmental regulations; and to enable them to monitor compliance with CNC/ECC conditionalities.

⁴ Based on previous KC experience, majority of the community sub-projects of KC are limited in size and scale and fall under Category C. As of January 2013, of the 1,380 sub-projects supported by KC, only one sub-project located in Iloilo City on river dredging was considered as environmental Category B.

55. To streamline environmental actions, a pro-forma ESMP, was developed which may be applicable to any one or a group of sub-projects. The ESMP format is shown in Attachment 8.
56. **Environmental Assessment Process.** Compliance with the environmental assessment process, review of documents, and assessment of environmental impacts will be done through the Municipal Inter-agency Committee (MIAC) with assistance by the DSWD. Cost of safeguards implementation will be determined and reflected in the ESMP aside from the costs of implementing construction safety.
57. The ESMP of Category B sub-project types will be reviewed and cleared by the National Safeguard Officer or his duly authorized officer. For Category C or common type of sub-projects with minimal negative environmental impacts, the municipal and regional level will do the review and approval.

4. Implementation

58. The necessary ECC for Category B sub-projects shall be obtained by the EA prior to contract award. The communities shall wait for the CNC/ECC issued by the DENR-EMB before starting the implementation of sub-projects. For sub-projects that have to secure an ECC, area coordinators and LGU engineers are required to complete the IEE and forward these to the RPMO as part of the requirements in requesting for funds.
59. Contractors will implement the ESMPs that are incorporated in the civil works contracts. To ensure that the contractors appropriately implement the agreed mitigation measures, the Infrastructure Committee will include the safeguard requirements in the civil works contracts.
60. **Pre-Implementation Workshop.** A pre-implementation workshop will be conducted for sub-projects to provide feedback to the community on the ESMP.
61. **Implementation of Environmental Mitigation Measures.** Community-based evaluation of the ESMP implementation will be conducted through the stakeholders and community facilitators/volunteers. Monthly reports of ESMP implementation including environment-related complaints received will be reported to the regional PMO.
62. **Monitoring and Audit Arrangements.** Sub-projects under Category B will submit semi-annual environmental compliance monitoring reports that outline the implementation of the ESMP. These reports are due the DENR-EMB every January and July of each year. The DENR-EMB may exercise its discretion to change the schedule of reporting and to validate the project audit report (PAR) of the proponent. The Community/LGU Proponent shall be required to furnish the NCDDP/CDDSP-NPMO a copy of the PARs.
63. For sub-projects with no monitoring requirement by the DENR, project audit report is prescribed by the NCDDP/CDDSP NPMO. Reports shall be submitted to the RPMO annually for evaluation and continual improvement of performance on environmental management and over-all sustainability of sub-project. RPMO will conduct random inspection of Category C sub-projects to validate implementation of the ESMP.
64. For Category B sub-projects and those with ECC, monthly environmental compliance monitoring reports shall be prepared by the BSPMC, in coordination with the RPMO. The NPMO shall conduct random inspection of Category B sub-projects to validate implementation of

the ESMP. Semi-annual environmental monitoring reports of Category B sub-projects will be submitted to ADB for uploading at the website.

65. For both cases (with and without ECC), the NPMO shall periodically conduct an internal audit of the environmental performance of the sub-projects as part of its integrated evaluation of the program. **Attachment 9** adopts the DENR monitoring form for compliance with ECC and/or ESMP.
66. The ADB and World Bank Environmental Safeguards Division may periodically monitor compliance through its supervision missions. The NCDDP/CDDSP Regional Project Management Office as well as the National Project Management Team as may be represented by the Environmental Safeguards shall participate in such missions.

Table 6: Environmental and Social Safeguards within the CEAC Process

CEAC Process	Environmental Safeguards	Social Safeguards	Task/Activities	Responsible Entity	Output
1. Social Preparation Stage					
Social Investigation and initial environmental assessment	<p>Physical environmental scanning</p> <p>Check environmental conditions at the site and vicinity</p> <p>Use environmental scanning checklist</p> <p>Random interviews of people in the barangay to validate (geographic representation)</p>	<p>Determine presence of IP families in the Barangay/ community; get demographics data</p> <p>Data gathering on different projects being implemented by the Municipality.</p> <p>Data gathering on social and cultural situation, esp. with IP groups, to include traditional structures on IP representation and decision-making.</p>	<p>Rapid rural appraisal, tran-sectional survey</p> <p>Ensure engagement with NCIP for IP areas</p>	CF-Community Volunteers /ACT (MT)	Resource base of the community, environmental and social issues (Envi in SI Form)
Municipal Orientation	<p>Awareness raising on environmental concern</p> <p>Discussion of environmental concerns and issues</p>	<p>Disclose/share IP and LARR frameworks salient points.</p>	<p>Validation if LGU has environmental management plan/CLUP</p> <p>Ensure engagement with NCIP for IP areas</p>	ACT/MCT	Minutes of meetings
Barangay Consultation	<p>Awareness raising on environmental concern/CCA</p> <p>Discussion of environmental concerns and issues</p>	<p>Data gathering on social and cultural situation, esp. with IP groups, to include traditional structures on representation and decision-making</p> <p>Disclose/share IP and LARR frameworks salient points</p>	<p>Environmental and social issues, risk assessment</p> <p>Ensure engagement with NCIP for IP areas</p>	BA/CF	risk assessment result/matrices

CEAC Process	Environmental Safeguards	Social Safeguards	Task/Activities	Responsible Entity	Output
	Role of PPT to include environmental and safeguard point person				
Participatory Situation Analysis	Problem analysis linking to current environmental situation/vulnerability	Awareness raising on issues and concerns of the barangay including the IP community/household IP screening	Identification of community issues with regard to environmental and social concerns Ensure engagement with NCIP for IP areas	ACT/MCT/CF	ESS Form Accomplished
2. Sub-Project Identification Stage					
Criteria Setting Workshop	Review the criteria set which may include environmental safeguards (including consideration of the negative list of subprojects)	Review the criteria set in relation to the social concerns in the area such as IP and vulnerable sectors' concerns (including consideration of the negative list of subprojects) and potential negative social impacts	Weight or match the need with the current natural resources/problem and/or social issues	CF- Community Volunteers /ACT (MT)	Criteria set with environmental and social safeguards consideration
	Environmental screening (using eligibility checklist)	Ensure IP sensitive and appropriate representation to subproject identification	Identify projects if needing CNC or ECC	CF- Community Volunteers /ACT (MT)	List of projects screened - Checklist for assessing eligibility -Validation Form
Finalization of Sub-Project Concept		Inventory of land acquisition requirements and impact Assessment of potential			

CEAC Process	Environmental Safeguards	Social Safeguards	Task/Activities	Responsible Entity	Output
		<p>impact on IP and other vulnerable groups</p> <p>Project validation</p>			
Project Development Workshop	<p>Inclusion of environmental committee within the Project preparation Team</p> <p>Preparation of ESMP+IEE/PD thru volunteers guided by DSWD including risk assessment</p>	<p>Inclusion of IP and other physically-challenged and vulnerable persons in the community.</p> <p>As to communities with IPs, ensure IP sensitive and appropriate representation to subproject identification</p>	Investigate which among sub-projects need DoD or ROW Acquisition	CF/Barangay Assembly/ACT	Project preparation Team Formed
3. Sub-project Preparation, Selection and Approval Stage					
Preparation of Program of Work	<p>Compliance to EA Process</p> <p>review of documents - assessment of environmental impacts (Municipal Inter-agency Committee) assisted by DSWD</p>	Compliance to IP and LARR Frameworks	<p>Preparation of PD/IEE; uploading of IEE at ADB website (for Category B sub-projects funded by ADB)</p> <p>Preparation of IPDP, if needed</p>		PD/IEE and ESMP
	Inclusion of safeguards in the project cost include ESMP cost, aside from construction safety costs	Disclosure of results of subproject selection and approval status	Cost estimate of permits, Involuntary resettlements		
Approval & Request for Fund Release	<p>Ensuring that sub-projects are not within the high risk area;</p> <p>Ensuring subprojects are in consonance with the WB policy on Pest Management</p>	<p>RPMO/NPMO review RFR with regards to due diligence on environmental and social safeguards</p> <p>Disclosure of approval and fund release status</p>			RPMO/NPMO evaluated the sub-projects

CEAC Process	Environmental Safeguards	Social Safeguards	Task/Activities	Responsible Entity	Output
		Re-validate sub-projects proposal if necessary			Re-validated and recommended for revision of POW/design if necessary
4. Implementation					
Pre-Implementation Workshop	Feed-backing of the ESMP	Ensure compliance on IP and LARR frameworks requirements	Presentation of ESMP to the Community (includes IPP, entitlements and income restoration programs)	Infra. Com/CF/ACT	
			Discussion on possible action or activities on how to implement the ESMP		
Implementation of SP, O & M	Implementation of mitigating measures by the Infra.com and/or community	Filing of copy of DOD or Certification that it is within the	i.e. Planting of trees, containment of dust during construction	Infra Com	Compliance of mitigating measures
M & E		Monitoring participation of IP, displaced persons, and other sectors (senior citizen, etc.) in the community	Monitoring of implementation of ESMP	DAC	
		Periodic disclosure of M&E results			
		Unanticipated impacts	Should unanticipated impacts be flagged, conduct a social impact assessment of the affected population and adjustments be made per result of the	ACT/MCT/CF	Table on impacts and associated mitigating measures

CEAC Process	Environmental Safeguards	Social Safeguards	Task/Activities	Responsible Entity	Output
			SIA		
Community-Based Evaluation	Monitoring of ESMP by BSPMC with monthly monitoring report. For Category B sub-projects funded by ADB- preparation of semi-annual environmental monitoring report and submission to ADB for uploading at ADB website.		Implementation Of Post project mitigating measures as stated in the ESMP	Infra. Com/Barangay	For Category B - Semi-annual environmental monitoring report to be uploaded at ADB website
Accountability Review	Implementation of sustainability plan		Conduct of S E T	O & M Committee	Completed SET

5. Budget and other Requirements

67. Processing fees by the DENR range from P100 for a Certificate of Non-Coverage (CNC) for a Category D sub-project; P600 for a CNC for a Category C sub-project; P4,000 for an IEE Report/IEE Checklist; and P6,000 for an EIA. However, there is no expected Category A sub-project in NCDDP/CDDSP. **Attachment 10** presents the detailed Schedule of Fees as prescribed in the DAO 2003-30 Procedural Manual.
68. **ESMF Implementation Budget.** The total cost for implementing the ESMF for the NCDDP/CDDSP is estimated at PhP X million per year. The cost includes personnel cost, operating and maintenance including training cost.
69. It should be noted that as a matter of NCDDP/CDDSP policy, both covered and non-covered sub-projects are required to prepare the corresponding environmental assessment documents. All costs related to application and preparation of necessary documents like the Project Description to comply with the Project requirements shall be borne by the community/LGU and will form part of its local counterpart fund for the proposed subproject.

V. LAND ACQUISITION, RESETTLEMENT AND REHABILITATION (LARR) FRAMEWORK AND GUIDELINES

A. POLICY FRAMEWORK

70. The NCDDP will support the following major activities: *Basic Social Services Infrastructure, Basic Access Infrastructure and Environmental Protection Structures* using the CDD approach. These project interventions may affect people as properties may need to be acquired to build facilities such as multi-purpose buildings, tribal halls, school room units, day care centers, barangay health stations, small scale flood protection works and other rural infrastructures like irrigation facilities, roads and bridges, post-harvest facilities as well as domestic water supply systems.
71. The exact number of people that will be affected and the magnitude of adverse impact cannot be ascertained prior to the conduct and preparation of detailed proposal, although the project foresees these to be minimal. If under certain circumstances, land acquisition and involuntary resettlement are warranted, this Project shall ensure, through this LARR Framework and Guidelines, that any negative impacts are avoided, properly managed and minimized.
72. This document is based on the following issuances:
- (i) Republic Act (RA) 8974 - An Act to Facilitate the Acquisition of Right-Of-Way (ROW), Site or Location for National Government Infrastructure Projects.
 - (ii) Executive Order 1035, Procedures and Guidelines for the Expeditious Acquisition by the Government of Private Real Properties or Rights thereon for Infrastructure and Other Government Development Projects. June 1985
 - (iii) Executive Order 132, Procedures to be followed in the Acquisition of Private Property for Public Use and Creating Appraisal Committee.
 - (iv) Indigenous Peoples' Rights Act (IPRA) of 1997. Involuntary resettlement triggers may occur within ancestral domains. As such, IPRA sets conditions, requirements, and safeguards for plans, programs, and projects affecting IPs. A significant issuance for purposes of this RF is AO No. 3 Series of 2012. The Revised Guidelines On Free And Prior Informed Consent (FPIC) And Related Processes Of 2012.
 - (v) The Comprehensive Agrarian Reform Law Republic Act 6657 (1988) Section 28 provides that landowner shall retain his share of any standing crop unharvested at the time the DAR shall take possession of the land under Section 16 of this Act, and shall be given a reasonable time to harvest.
 - (vi) Executive Order 132, Procedures to be followed in the Acquisition of Private Property for Public Use and Creating Appraisal Committee.
 - (vii) World Bank Policy on Involuntary Resettlement (Bank Policy 4.12)
 - (viii) ADB Safeguards Policy Statement of 2009
 - (ix) ADB Policy on Gender and Development
 - (x) ADB Public Communication Policy

B. FRAMEWORK DESCRIPTION

73. The magnitude of adverse project impacts is expected to be minimal and will only be known once the specific access roads, bridges, irrigation canals, and domestic water supply systems and other community infrastructure sub-projects are selected and designed.
74. The principal objective of this document is to ensure that during the sub-project concept development within the **Community Empowerment Activity Cycle** (CEAC), all displaced persons (DPs)/affected persons (APs)⁵ are consulted, informed of the decisions regarding the proposed projects in the community and their entitlements, and when necessary, compensated for their losses and provided with assistance to improve, or at least maintain, their pre-Project living standards and income earning capacity.
75. The document lays down the principles and objectives, eligibility criteria of entitlements, legal and institutional framework, modes of compensation, people participation features and grievance procedures that will guide the implementation of compensation for DPs.
76. The specific objectives of this document are:
- (i) (a) to ascertain that all project DPs/APs are informed and consulted regarding the proposed subprojects that will be implemented in their area using the different fora in the different stages of the CEAC process
 - (ii) (b) that compensation have been provided and supporting legal documents have been executed prior to subproject implementation, and
 - (iii) (c) specific arrangements between the Project and the Barangay/municipality and or the community have been documented and complied with.

C. PRINCIPLES AND OBJECTIVES/⁶

77. The principles outlined in the World Bank Policy on Involuntary Resettlement and the ADB-SPS of 2009 have been adopted in preparing this document. In this regard, the following principles and objectives are to govern Project implementation:
- (i) Involuntary resettlement should be avoided where feasible;
 - (ii) Where population displacement is unavoidable, it should be minimized by exploring all viable project options as agreed upon during community assemblies or other fora;
 - (iii) People unavoidably displaced should be compensated and assisted so that their economic and social future would be as favorable as it would have been in the absence of the project;
 - (iv) People affected should be fully informed and consulted and have agreed on resettlement and compensation options;
 - (v) Existing social and cultural institutions of DPs/APs and their hosts should be supported and used to the greatest extent possible, and DPs/APs should be integrated economically and socially into host communities;

⁵ Development Partners use different terms to denote affected persons. The World Bank uses “Displaced Persons” (DP), ADB uses “Affected Persons” (AP), while the MCC uses “Project Affected Entity” (PAE)

⁶ WB Policy on Involuntary Resettlement (OP/BP 4.12) and ADB Safeguards Policy Statement of 2009.

- (vi) Lack of legal rights to the assets lost will not hinder APs/DPs from entitlement to such compensation or rehabilitation measures; particular attention should be paid to households headed by women and other vulnerable groups, such as indigenous peoples and appropriate assistance should be provided to help them get the rehabilitation or compensation package as agreed upon by the majority during barangay assembly;
- (vii) As far as possible, involuntary resettlement should be conceived and executed as part of the project; and
- (viii) The full cost of resettlement and compensation should be included in the preparation and presentation of project costs and benefits.
- (ix) In the conduct of the social impact assessment, identified vulnerable sectors shall avail of assistance through the project (Para 92).
- (x) Income restoration program/s, if applicable, will be developed as a result of the social impact assessment (Para 93).
- (xi) Information disclosure will be observed (Paras 114 – 115).
- (xii) Internal and external monitoring will be part of implementation (Section I).
- (xiii) Occurrence of unanticipated involuntary resettlement impacts will be acted upon (Para 124).

D. ENTITLEMENT FRAMEWORK

78. The Department of Social Welfare and Development, through the NCDDP National Project Management Office (NPMO), shall work closely with Local Government Units in the implementation of this *Land Acquisition, Resettlement and Rehabilitation Policy Framework and Implementing Guidelines*. The NCDDP NPMO, as represented by the Regional Project Management Offices (RPMO) and the Regional Community Process Specialist, will coordinate with the duly authorized representative/s of the LGU in determining the appropriate compensation for APs/DPs in accordance with the following compensation scheme:

1. APs/DPs losing more than 20% or all of their productive assets (agricultural land, house or business), or in cases when the remaining assets are not economically viable, are entitled to:
 - (i) full compensation at replacement cost of the entire asset or at direct land/asset replacement and
 - (ii) rehabilitation assistance that allows them to enhance or at least maintain their standard of living.
2. APs/DPs losing less than 20% of their productive assets, and where the remaining assets remain viable for continued use, are entitled to cash compensation at replacement cost for the affected asset.
3. Agricultural land will be replaced by:
 - (i) land of equal productive capacity, which is acceptable to the AP/DP; or
 - (ii) full compensation at replacement cost, where land is not available.

4. Commercial/residential land (or other real property) will be replaced by:
 - (i) land of equal market value or business potential (as the case may be), which is acceptable to the AP/DP; or
 - (ii) full compensation at current market value, where suitable replacement land is not available or at the informed request of the AP/DP.
 5. Replacement of damaged or lost crops will be based on full market value for one year's harvest and will be paid in cash.
 6. APs/DPs whose land is temporarily taken will be compensated at full replacement cost for their net loss of income and/or damaged assets, including a reasonable amount for opportunity cost/s.
 7. Appropriate transfer and subsistence allowances will be given during the transition phase as part of the rehabilitation assistance package to allow APs/DPs to enhance or at least maintain their standards of living.
79. The determination of all these compensation packages should be done prior to the conduct of the Municipal Inter-Agency Committee (MIAC) so that the deed of donation (DOD) or other modes of land acquisition are already completed before the MIAC technical review.

1. APs/DPs LOSING RESIDENTIAL LAND AND STRUCTURES

- (i) The provision of replacement residential land (house site and garden) of equivalent size, satisfactory to the AP/DP; and cash compensation reflecting full replacement cost of the structures, without depreciation;
- (ii) If the AP/DP so wishes and the portion of the land to be lost represents 20% or less of the total area of the residential land area, and the remaining land is still a viable residential lot, cash compensation, at full replacement cost (market value), will be provided to the AP/DP;
- (iii) If after acquisition, the residential land and/or structure is insufficient to rebuild the residential structure lost, then at the request of the AP/DP the entire residential land and structure will be acquired at full replacement cost, without depreciation; and
- (iv) Tenants, who have leased a house for residential purposes will be provided with a cash grant of three months rental fee at the prevailing market rate in the area, and will be assisted in identifying alternative accommodation.

2. APs/DPs LOSING AGRICULTURAL LAND AND/OR CROPS

- (i) The general mechanism for compensation of lost agricultural land will be through provision of "land for land" arrangements of equal productive capacity, satisfactory to the AP/DP. However, if the AP/DP so wishes and the portion of the land to be lost represents 20% or less of the total area of the landholding, and the remaining land is still a viable economic holding, cash compensation, at full replacement cost (market value), will be provided to the AP/DP;
- (ii) If more than 20% of a villager's agricultural land is acquired and the remaining holding is not viable, then the Project will acquire the entire

landholding and provide compensation of the acquired land at direct land replacement;

- (iii) APs/DPs will be compensated for the loss of standing crops and fruit or industrial trees at full (current) market price; and
- (iv) AP/DPs whose land is temporarily taken by the works under the Project will be compensated for their loss of income, standing crops and for the cost of soil restoration and damaged infrastructure, including a reasonable amount for opportunity cost/s.
- (v) AP/DPs who will lose their income will be provided opportunities for alternative livelihood, through skills and entrepreneurship training, job matching or business development assistance.

3. OTHERS

80. AP/DPs will also be provided compensation at full replacement cost, without depreciation for any other fixed assets affected in part or in-toto by the sub-project, such as tombs and water wells. In cases where community infrastructure such as schools, churches, health centers, water sources, roads, or electrical and water supply connections are damaged, the Project will ensure that these are restored or repaired as the case may be, at no cost to the community. Additional details are provided in the following Compensation Matrix (**Table 4**).

81. **Assistance to the vulnerable.** Poor APs/DPs, i.e., female-headed households, elderly or with disability and with no other support from kin as well as poor IP APs/DPs are entitled to participate in income restoration programs that will be designed during the pre-implementation stage, and in coordination with the appropriate DSWD offices/units .

82. **Income/livelihood restoration.** The objectives of income/livelihood restoration is to ensure the improvement of the socioeconomic conditions of AP/DPs or at least to bring back the pre-project income and living standards of affected families at the project sites. This ESMF shall enable the development of sustainable income restoration and rehabilitation strategies that are appropriate for the cultural background and practices of AP/DPs (IPs and non-IPs) in NCDDP sites. Strategies for income and livelihood restoration are **consistent with the overall NCDDP framework** and may include but not limited to: (i) training/capacity building for livelihood/micro-financing, food security in terms of developing sustainable food sources, depending on the crop suitability (elevation, soil type, etc) as well as cultural preference; (ii) prioritized hiring of AP/DPs to serve as contracted human resources for subproject activities; (iii) financial and in-kind assistance support to the poor will be allocated attached to capacity building initiatives. These may be in the form of farm/fisheries supplies and equipment. Costs for income/livelihood restoration strategies for poor APs/DPs shall be included in the total costs of the proposed sub-project, subject to the NCDDP negative list. Additional support may likewise be provided in coordination with appropriate DSWD offices and units.

Table 4: Compensation Matrix

Asset	Impact Category	AP/DP	Compensation Entitlement
Arable land	Less than 20% of land holding and the remaining land remains	Farmer/title holder	1. Cash compensation for affected land at full replacement cost
		Tenant/lease	2. Cash compensation equivalent to market value of gross harvest of the

Asset	Impact Category	AP/DP	Compensation Entitlement
	economically viable	holder	affected land for one year or for the remaining period of tenancy/lease agreement, whichever is greater.
	More than 20% of land holding lost OR where less than 20% of land holding lost but remaining land becomes economically not viable	Farmer/title holder	3. Land for land replacement or compensation in cash according to AP/DP's choice. Land for land replacement will be in terms of a new parcel of land of equivalent size and crop productivity with a secured tenure status at a location acceptable to the AP/DP. The replacement land shall be free of taxes, registration & other costs. 4. Rehabilitation assistance 5. Transfer/resettlement assistance
		Tenant/lease holder	6. Cash compensation equivalent to market value of gross harvest for one year or for the remaining period of tenancy/lease agreement, whichever is greater.
		Agricultural worker	7. Cash compensation equivalent to 6-month salary 8. Assistance in getting alternative employment
Commercial land	Land used for business partially affected, limited loss	Title holder/ bus. man	9. Cash compensation for affected land at full market value 10. Cash compensation equivalent to 5% of gross annual income
		Rental/lease holder	11. Cash compensation equivalent to 10% of gross annual income.
	Land used for business severely affected, remaining area insufficient for continued use	Title holder/ bus. man	12. Land for land replacement or compensation in cash according to AP/DP's choice. Land for land replacement will be provided in terms of a new parcel of land of equivalent size and market potential with a secured tenure status at a location acceptable to the AP/DP. The land shall be free of taxes & other transfer costs. 13. Rehabilitation assistance 14. Transfer/resettlement assistance 15. Opportunity cost compensation equivalent to 10% of gross annual income.
		Rental/lease holder	16. Opportunity cost compensation equivalent to 20% of gross annual income. 17. Assistance in rental/lease of alternative land/property
Residential and other non-commercial land	Less than 20% of land holding affected and the remaining land remains viable for	Title holder	18. Cash compensation for affected land at full replacement cost
		Rental/lease holder	19. Minimum cash compensation equivalent to 10% of lease/rental fee for the remaining period of rental/lease

Asset	Impact Category	AP/DP	Compensation Entitlement
	present use		agreement
	More than 20% of land holding affected OR where less than 20% of land holding affected but remaining land becomes smaller than minimally accepted under zoning law/s and/or not viable for continued use	Title holder	20. Land for land replacement or compensation in cash according to AP/DP's choice. Land for land replacement shall be of minimum plot of acceptable size under the zoning law/s or a plot of equivalent size, whichever is larger, in a nearby resettlement area with adequate physical and social infrastructure systems as well as secured tenure status. When the affected holding is larger than the relocation plot, cash compensation to cover the difference in area/size. Replacement land shall be free of taxes, registration and transfer cost. 21. Rehabilitation assistance 22. Transfer/resettlement assistance
		Rental/lease holder	23. Cash compensation equivalent to 20% of lease/rental fee for the remaining period of rental/lease agreement 24. Assistance in rental/lease of alternative land/property
Structures (includes public utilities/structures)	Structure partially affected but the remaining structure remains viable for continued use	Owner	25. Cash compensation for affected structure and other fixed assets 26. Full (cash) assistance in restoration of the remaining structure
		Rental/lease holder	27. Cash compensation for affected assets 28. Disturbance compensation equivalent to two-month salary or rental whichever is greater
	Entire structure affected OR structure partially affected but the remaining structure is not viable for continued use	Owner	29. Cash compensation for entire structure and other fixed assets 30. Rehabilitation assistance 31. Transfer/resettlement assistance
		Rental/lease holder	32. Cash compensation for affected assets 33. Disturbance compensation equivalent to six-month salary or rental whichever is greater 34. Assistance in alternative rental arrangements
		Informal dwellers	35. Cash compensation for affected assets 36. Disturbance compensation equivalent to three-month salary or rental whichever is greater
Standing crops	Crops affected by land acquisition or temporary acquisition or easement	AP/DP	37. Cash compensation at full market value PLUS 5% premium
Trees	Trees lost	Title holder	38. Cash compensation based on type, age and productive value of affected trees

Asset	Impact Category	AP/DP	Compensation Entitlement
			PLUS 10% premium
Easement	Temporary acquisition or easement	Title holder	39. Minimum cash compensation equivalent to 10% of the value of affected asset

E. PROCEDURAL GUIDELINES FOR LAND ACQUISITION AND RESETTLEMENT

1. Inventory and Entitlement

83. An inventory for each road, bridge, irrigation canal, water supply pipe alignment or segment thereof will be prepared by the Community with the assistance of the Area Coordinating Team or Service Provider. The initial output shall be reviewed and discuss during the barangay assembly prior to the preparation of Land Acquisition, Resettlement and **Rehabilitation** Plan (LARRP).

84. The information to be obtained in the Inventory will include the following information for each AP/DP household:

- (i) number of persons and names;
- (ii) amount and area of all the residential plots lost;
- (iii) amount, category/type and area of agricultural land lost;
- (iv) quantity and types of crops and trees lost;
- (v) quantity and category of any fixed assets lost; and
- (vi) temporary damage to productive assets.

85. The entitlements of assets and land affected shall be calculated based on the above information and per negotiation approval and acceptance of the community/barangay assembly.

2. Preparation of Land Acquisition, Resettlement and Rehabilitation Plan (LARRP)

86. To ensure that the anticipated negative social impacts of proposed NCDDP community infrastructure sub-projects, preparation of Land Acquisition and Resettlement Plan is deemed necessary and shall be part of the sub-project proposal that will be submitted to the Regional Project Management Office. The outline is attached as Attachment 9-11.

87. The *Full LARRP* shall be required under the following circumstances:

- (i) 200 people or more will experience resettlement effects
- (ii) 100 AP/DPs or more are indigenous peoples or in some way vulnerable, e.g., households headed by women, persons without legal title; or
- (iii) 50 AP/DPs or more are particularly vulnerable, e.g., hunter-gatherers, conflict affected persons

88. The *Short LARRPs* shall be required if the number of AP/DPs do not reach the above level. The recommended outline for LARRP and Short Description on Resettlement (SDR) are found in Attachment 10-11.

89. While ADB consistently uses the same RP outline, triggers for a Full LARRP under WB shall result to a changing in category: from the current category B to category A.⁷

90.

3. Land Acquisition, Resettlement and Rehabilitation (LARR) in the Subproject Approval Process

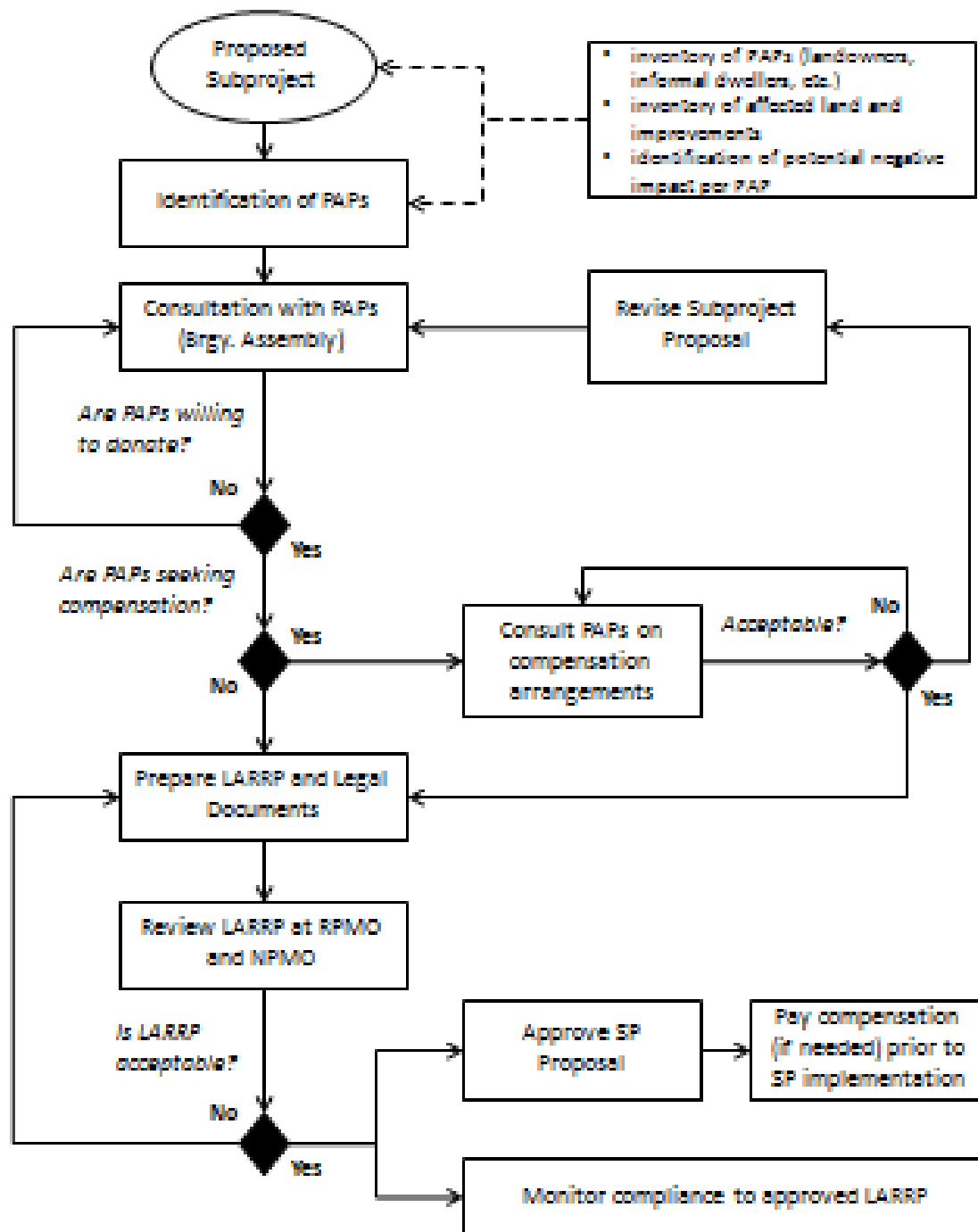
91. The guiding principles contained in this document shall be adapted. The LARRP should reflect the inventory of affected persons and properties, number of persons eligible for each entitlement or form of assistance as stated in the LARR Policy Framework and Implementation Guidelines, cost estimates and arrangements for consultation and participation.

92. If indigenous peoples are among the sub-project beneficiaries, the LARRP should include details and documentation on IP consultation which should include:

- (i) Extensive consultation with and informed participation of IPs to ensure that development is culturally appropriate;
- (ii) In cases of provision for individual titling, areas with IPs should get IEC sessions so that they are aware of what they are getting into and some of its potential dangers;
- (iii) Capacity building activities

⁷ A proposed project is classified as category A if it is likely to have significant involuntary resettlement impacts. A resettlement plan, including assessment of social impacts, is required. A proposed project is classified as category B if it includes involuntary resettlement impacts that are not deemed significant. A resettlement plan, including assessment of social impacts, is required. ADB-RSES acts as oversight for category A projects, and the managing department for category B projects.

Figure 1: LARRP preparation and approval process



93. Payment of compensation and provision of other entitlements (in cash or in-kind) shall be satisfactorily completed for each sub-project prior to the commencement of civil works by the community.
94. The same time requirement would apply if AP/DPs voluntarily contribute any part of their land and/or assets for the sub-project. That is, all deeds of donations and other relevant legal instruments for each sub-project shall be satisfactorily completed prior to the conduct of the MIAC technical review and sub-sequent request for fund release (RFR).

F. IMPLEMENTATION ARRANGEMENTS

95. The responsibility for implementing the policy and guidelines set forth in this document are as follows:
 1. The overall responsibility for the implementation and enforcement of the policy and guidelines under this document rests with the NPMO through the Social Development Unit at the National Level;
 2. The Regional Community Process Specialist, with the assistance of Regional Community Infrastructure Specialist (RCIS) and Counterpart, shall work closely with the ACT/MCT to assist them in: (a) project affected persons (AP/DPs) inventory, (b) conduct of consultations, (c) preparation of Land Acquisition, Resettlement and Rehabilitation Plan (LARRP) per proposed subproject, (d) preparation of Minutes of Meeting for all meetings/consultations conducted, (e) completion of required legal documents, and other activities necessary in the completion of documentary requirements
 3. At the Community level, the CVs together with ACT and CF, shall be responsible in preparing the asset inventories, the LARRP, and day-to-day implementation within their respective jurisdiction. The barangay volunteers, who will form part of the Barangay Sub-Project Management Committee (BSPMC), will ensure the active and effective consultation and participation of the AP/DPs in the preparation and implementation of the LARRP.
 4. Disputes/ grievances, shall be filed through the Grievance and Redress Committee (GRC) which had been used and were established from the barangay up to the national level and documentation shall be undertaken by the assigned secretary of the committee. Report shall be submitted to the NPMO on a monthly basis or depending on the urgency of issues filed to the committee.
 5. Funds for implementing the inventories and LARR action plans will be provided by the LGU or the community as part of the LCC based on budgetary requirements established by Municipal and Barangay Committees in consultation with the AP/DPs.

G. PUBLIC CONSULTATION, PARTICIPATION, and DISCLOSURE

96. The AP/DPs will participate throughout the various stages of the LARRP documentation and implementation. For these purposes and prior to any resettlement activity, the AP/DPs will be fully informed about the proposed subproject and about the provisions of this LARR Policy Framework and Implementation Guidelines, during barangay assembly.
97. Several consultations will be conducted at the earlier stages of project preparation. Information about the LARR requirements will be included during the Municipal Orientation.
98. After the census of households or during the social investigation stage, a public assembly at the barangay level will be called to orient the AP/DPs on the project and explore other alternatives with them, when necessary.
99. These consultation meetings will include:
- (i) An orientation on the project (what? Why?);
 - (ii) Subproject designs;
 - (iii) Schedules of implementation;
 - (iv) Probable benefits and adverse impacts; and mitigating measures to be taken;
 - (v) Compensation packages and the subsequent schedule of disclosure meetings on
 - (vi) Valuation
 - (vii) Payment
 - (viii) Grievance process
100. Copies of the Project background, LARR Policy Framework and Implementation Guidelines and entitlements will be distributed and explained to the AP/DPs and as much as possible using the dialect of the AP/DPs.
101. A walk-thru of the alignments to determine the specific location of sub-projects on the ground may be arranged by the community and or together with the ACT or MCT members upon the request of AP/DPs. Field verification activities will be conducted parallel with the field validation led by the DAC together with the Project preparation Team.
102. All consultation meetings and other activities shall be properly documented. In the event that a subproject involves acquisition of land and other assets and results in other adverse impacts, the community/LGU shall not proceed with the implementation of the subproject unless a compensation package in accordance with this document, satisfactory to all concerned, is agreed upon between the community/LGU and the owners of land/asset affected as well as those who stand to lose their crops, jobs or sources of income.
103. The determination of the compensation for each of the affected households can be obtained from **BIR** land valuation, assessors' fair market values and interviews with local realtors. The project may engage the Regional Appraisal Team to initially determine the value for compensation. Market value on land may be based on LBP record on sales, etc).
1. Construction shall not be allowed to commence by the NPMO until compensation has been paid and resettlement, when necessary, is completed in accordance with the approved LARRP and to the satisfaction of the AP/DPs. The formulation of the

compensation package and subsequent payments made shall be properly documented.

2. The RPMOs through the MCT and ACT, shall be in charge of monitoring LGU compliance to agreements reached by the LGU and AP/DPs based on the approved LARRPs. Periodic monitoring shall also be conducted by the NPMO to monitor if the agreed LARR Policy Framework and Implementing Guidelines are being observed and implemented. This will also serve as venue to evaluate the processes and make adjustments as may be necessary.

104. **Disclosure** of the following documents is advised:

- (i) A draft resettlement plan and/or resettlement framework endorsed by DSWD before project appraisal;
- (ii) The final resettlement plan endorsed by DSWD after the census of affected persons has been completed;
- (iii) A new resettlement plan or an updated resettlement plan, and a corrective action plan prepared during project implementation, if any; and
- (iv) The resettlement monitoring reports

105. Materials will be produced in popularized form for all AP/DPs across implementation levels. The ADB Public Communication Policy and the relevant World Bank policies on public information disclosure will serve as guide. The documents listed above will be uploaded in the NCDDP management information system for interconnectivity as well as the ADB website.

H. VOLUNTARY LAND DONATIONS

106. In the rural areas where donations of lands for community use are generally practiced, arrangements have to be made to ensure that the donation is indeed voluntarily given, that the donor is the legitimate owner of such lands, and that the donor is fully informed of the nature of the sub-project and the implications of donating the property. Should the donor decide to donate the property on a conditional basis, the terms and conditions for the temporary use (usufruct rights) of the property must be clearly stated in the Conditional Deed of Donation document.

107. Under these situations, the following safeguards need to be applied, based on their relevance to the cases being encountered by sub-project proponents:

- (i) An assessment that the affected person does not suffer a substantial loss affecting his/her economic viability as a result of the donation;
- (ii) Certification from the LGUs and the proponents, that the land is free of claims or encroachments from any third party;
- (iii) Deed of Donation to the LGU (barangay, municipality) concerned or the community organization, as witnessed by the LGU barangay and municipal government officials, notarized by a registered Lawyer, with copies of donation papers furnished the Office of the Municipal Assessor and the Provincial Register of Deeds;
- (iv) Declaration of Ownership with Waiver of Claims for Affected Assets;

- (v) Joint Affidavits of Two Adjoining Landowners or Barangay Officials (for unregistered lands);
- (vi) Waiver of Rights/Quit Claim (for Plants, Trees, Houses, Structures claimed by Tenants, Informal Settlers)
- (vii) Waiver of Rights/Quit Claim (With Sharing of Claim)

108. As incentive of the LGU to AP/DPs who voluntarily donated portions of their properties to facilitate construction/rehabilitation of the proposed subproject, proponents and LGUs can discuss possible incentive schemes, which may include:

- (i) Privileges to use community facilities with minimal fees to be paid by donor, as compared to other members of the Association;
- (ii) Amnesty for payment of back taxes (for those with no Tax Declarations);
- (iii) Employment during construction;
- (iv) Transfer/resettlement assistance, when necessary; or
- (v) Assistance in getting alternative employment.

I. Supervision, Monitoring and Evaluation

109. **Internal Monitoring.** Implementation of the LARR Plans will be regularly supervised and monitored by the respective Regional Project Management Office in coordination with the respective **MCTs/MPDO** and barangay-based Committees. The findings will be recorded in quarterly reports to be submitted to the NPMO.

110. Internal monitoring and supervision by RPMO and ACT/MCT will:

- (i) Verify that the baseline information of all AP/DPs has been carried out and that the valuation of assets lost or damaged, the provision of compensation and other entitlements, and relocation has been carried out.
- (ii) Formulate performance indicators, benchmarks and success/hurdle rates for the project.
- (iii) Oversee that the inventory and LARRP is implemented as designed and approved.
- (iv) Verify that funds for implementing the inventory and LARRP are provided by the Municipality in a timely manner and in amounts sufficient for their purposes, and that such funds are used in accordance with the provisions of the respective inventory and LARRP.
- (v) Record all grievances and their resolution and ensure that complaints are dealt with in timely manner.

111. The NPMO shall conduct periodic monitoring of LGU compliance as well as application of NCDDP field offices of the required procedure to:

- (i) Determine whether the procedures for AP/DPs participation, relocation and delivery of compensation and other entitlements have been done in accordance with this LARR Guidelines and the respective inventories and action plans.

- (ii) Assess if the objective of restoration of living standards and income levels of AP/DPs have been met.

112. External Monitoring. As these are small-scale community subprojects, external monitoring shall be carried out thrice: prior to civil works, mid civil works schedule, and one year upon completion of civil works. This engagement will be commissioned by the NPMO to a qualified individual or a consultancy firm with qualified and experienced staff. The Terms of Reference shall be prepared by the NPMO and shall be acceptable to ADB and WB prior to the engagement. NPMO is responsible for the engagement of the external monitor; ensures that funds are available for monitoring activities; and submits Monitoring Reports to the ADB and WB. The NPMO shall provide copies of RPs and other related documents of the monitoring activities for external monitor. Specifically, external monitoring activities are as follows:

- (i) Verify results of internal monitoring;
- (ii) Verify and assess the results of the information campaign for AP/DPs rights and entitlements;
- (iii) Verify that the compensation process has been carried out with the procedures communicated with the AP/DPs during the consultations;
- (iv) Assess whether resettlement objectives have been met; specifically, whether livelihoods and living standards have been restored or enhanced;
- (v) Assess efficiency, effectiveness, impact and sustainability of resettlement implementation, drawing lessons as a guide to future resettlement policy making and planning;
- (vi) Ascertain whether the resettlement entitlements were appropriate to meet the objectives, and whether the objectives were suited to AP/DP conditions;
- (vii) Suggest modification in the implementation procedures of the RPs, if necessary, to achieve the principles and objectives of the Resettlement Framework;
- (viii) Review on how compensation rates were evaluated; and
- (ix) Review of the handling of compliance and grievances cases.

113. External monitoring reports will be made available to all implementing units, including the AP/DPs. The external monitoring contractor is accountable to the NPMO and reports to the NPMO. The NPMO submits copies of external monitoring reports to ADB and the WB.

114. Unanticipated Impacts. If unanticipated involuntary resettlement impacts are determined during project implementation, the NPMO will see to the conduct of a social impact assessment and update the resettlement plan or formulate a new resettlement plan covering all applicable requirements specified in this ESMF. The social impact assessment will be done in accordance with the procedures stipulated under the CEAC.

J. COSTS AND BUDGET

115. Each inventory and resettlement plan will include detailed cost of relocation, compensation and other entitlements, with a breakdown of replacement or rehabilitation costs for agricultural land, residential land, business land, houses, business and other assets, public facilities and services, and utilities. The cost estimates will make adequate provision for contin-

uous consultation and information, dissemination, surveys (parcellary) and project supervision for contingencies.

116. Sources of funding for the various inventories and resettlement activities will be clearly specified in the cost tables.

K. COMPLAINTS AND GRIEVANCE MECHANISMS

117. Complaints and grievances relating to any aspect of the resettlement entitlements and/or activities, including the determined area and price of the lost assets and environment-related complaints, will be managed as follows:

1. A GRC at the barangay level shall hear the complaints and grievances of the AP/DPs regarding the acquisition of land and other assets, compensation, resettlement, rehabilitation and other entitlements.
2. The complaint, grievance and appeal shall have the following levels:

LEVEL 1. AP/DP addresses complaints and grievances to the Special BA or Special MIBF Fact-Finding Group for verification and clarification of issues as stated in the GRS Manual.

The Special MIBF Fact Finding Group will have to document its investigation to the facts presented and provide a written response to the AP/DP, within fifteen (15) calendar days of receiving the complaint or based on number of days agreed upon by the Committee and the complainant.

LEVEL 2. If the AP/DP is not satisfied with the decision of the Special MIBF; the AP/DP may appeal the case to RPMO through the Regional Grievance Officer – as stated in the GRS Manual.

LEVEL 3. If the AP/DP is not satisfied with the decision of the RPMO; the AP/DP may appeal the case to the DSWD Regional Director/Regional Project Manager (RPM) within fifteen (15) calendar days of receiving the written decisions from the MCT/ACT. The decision of the DSWD Regional Director shall be rendered within thirty (30) calendar days of receipt of the AP/DP's appeal after validating the facts of the complaint.

- (i) If the AP/DP is not satisfied with the decision of the RPMO, the case may be submitted to the NPMO through the National Project Manager (NPM). The decision of the NPMO shall be rendered within thirty (30) calendar days of receipt of the AP/DP's appeal.
- (ii) AP/DPs will be exempted from all administrative and legal fees.
- (iii) Unresolved grievance can be elevated to the proper courts. However, resorting to courts prior to availing of this complaint and grievance process will make the appellant's action dismissible, on the ground of non-exhaustion of administrative remedies.

118. **Modes of Filing Complaint to the Grievance and Redress Committee (GRC).** Although different modes of filing is acceptable to the project, the GRC at different levels will

determine the validity of complaints filed and will see to it that the purpose of creating the GRC will not be misused or abused. The complainant, should he/she decides to personally file his/her complaint(s), is assured of confidentiality by the officers and members of the Grievance and Redress Committee until proper venue has been provided to discuss and settle the reported issues.

119. Different Modes of Filing Complaints to the CGC:

- (i) Filing of complaints through GRC Logbook /database – each NCDDP covered barangays, ACTs/MCT shall be required to provide a Logbook to record complaints raised by community member(s) or any individual in relation to NCDDP implementation while RPMOs and NPMO will utilize the existing database system. Non-NCDDP complaints shall be forwarded to the concerned offices/institutions for appropriate action.
- (ii) Complaints/Grievance Reports via text messages – members of the GRC shall make available official contact numbers for complaints/grievance filing (depending on availability of resources and technology)
- (iii) Letter addressed to any GRC head or committee member
- (iv) Add other modes, e.g. direct hotline, social media, etc...

L. RIGHT-OF-WAY VALUATION

120. In view of Cost-Sharing Arrangement for NCDDP, LGU equity as far as costs related to LARR documentation and implementation, shall cover the following items:

- (i) Value of land – depending on the type of area that will be traversed by the project
- (ii) Value of Improvements that will be damaged during construction (crops, trees, structures, etc)
- (iii) Other costs related to ROW acquisition (inventory of project affected stakeholders, consultation with affected individuals, notarization, cost of parcellary survey for annotation of individual land titles, etc.)

121. ROW Valuation shall be subject to the approval of NPMO, based on the submission of the following documents:

- (i) Certification from the regional and municipal offices on the submission of complete and correct legal and supporting documents
- (ii) Submission of Inventory of Project Affected Persons and Improvements (See Annexes 4 and 5)
- (iii) Submission of Summary Table of Right-of-Way (ROW) valuation with corresponding supporting documents (copy of Deed of Sale/Provincial Assessor's Valuation Schedule/BIR Zonal Valuation Schedule as basis of valuation for land and improvements that will be affected by the proposed project) (*See Annex 4 – ROW Valuation Summary Table*)

122. **Validity of ROW Valuation** shall be based on the Minutes of Meeting to be submitted by the MLGU reflecting the following: (a) that consultation with the project affected stakeholders has been conducted and they were informed of the proposed sub-project(s), (b) that the

proposed sub-project(s) will traverse private properties which were donated or acquired by the MLGU (please specify), and (c) it was agreed among those present during the consultation that the basis of valuation for: c-1. land shall be Proof of Sale or Land Bank of the Philippine Certification or Provincial Assessor's Valuation or BIR Zonal Valuation (this should be specified in the Minutes of Meeting) and c-2. for improvements that will be damaged during construction, the basis of valuation shall be Provincial Assessor's Valuation or BIR Zonal Valuation or Bill of Materials (this should be specified in the Minutes of Meeting).

VI. Indigenous Peoples Safeguards Framework

A. Rationale for an Indigenous Peoples Framework

123. A significant number of the areas covered by the NCDDP may either belong to ancestral lands by Indigenous Peoples (IP) or have IP presence. IP safeguards are triggered if a sub-project directly or indirectly affects the dignity, human rights, livelihood systems, or culture of IPs or affects the territories or natural or cultural resources that IPs own, use, occupy, or claim as their ancestral domain.⁸ It is in this context that an Indigenous Peoples framework for NCDDP is deemed necessary and thus prepared. There are four main considerations that need to be addressed for an IP Framework for the project. These are: (i) Direct impact; (ii) Indirect impact; (iii) Indigenous knowledge systems and practices; and, (iv) the need to protect Indigenous values.
124. **Direct Impact.** Direct impact could either be positive or negative. Positive impact will arise from the inputs of the project such as improved farming, organizational strengthening, skills development and installation of community infrastructure. However, negative impact could likely result from displacements due to civil works requirements of the project. The introduction of the projects could also cause rifts among IP members⁹. It is therefore necessary for the NCDDP to ensure that community activities incorporate processes and procedures to secure free and prior informed consent (FPIC). Furthermore, IP members will be directly involved in all stages of the planning processes. This will require time and effort on the part of the IPs. The cost of the consultation process will be directly proportional to the length of the consultation process, and shall be integrated in the design of NCDDP community activities..
125. **Indirect Impact.** There may be indirect impacts from the progress of the project itself that may prove to be either positive or negative. Any activity before, during and after the infrastructure project will create disturbance and drive away animals from the nearby hunting grounds of the IPs. For example, a school house project within the ancestral land will create noise and other disturbance that will drive the animals further from the clearing. The hunters of the village will have to go further to hunt for food and may find less catch. Once development has started, there would be more demand for the basic necessities for inhabitants such as water and food.
126. **Indigenous knowledge systems and practices (IKSP).** IPRA defines IKSP to refer to systems, institutions, mechanisms, and technologies comprising a unique body of knowledge evolved through time that embody patterns of relationships between and among peoples and between peoples, their lands and resource environment, including such spheres of relationships which may include social, political, cultural, economic, religious spheres, and which are the direct outcome of the indigenous peoples, responses to certain needs consisting of adaptive mechanisms which have allowed indigenous peoples to survive and thrive within their given socio-cultural and biophysical conditions. In the case of NCDDP, planners may benefit from the indigenous knowledge of water sources in designing a water system for the community. Also, the demand for indigenous knowledge in terms of botanical essences and naturopathy has grown exponentially in recent years and can offer wide opportunity, both in science and economy locally and nationally.

⁸ ADB Safeguards Policy Statement 2009: Appendix 3.

⁹ Some ancestral domains straddle several barangays thus some barangays within the domain may not be included in the NCDDP target. This is compounded if traditional leaders are not found within the NCDDP barangay.

127. **Protecting indigenous values.** At the same time, development opportunities for some can bring inherent risks for Indigenous Peoples' culture and wellbeing. The examples are numerous and have included, excessive logging in ADs, promulgating external values that are not consistent with indigenous cultural norms leading to conflict of traditional values/social disintegration. The project aims to safeguard traditional/indigenous values systems as guided by the IP organizations/political structures¹⁰ through NCIP.

B. Policy and Legal Framework

a. National Policy

128. The key policy consideration for an Indigenous Peoples Framework in the NCDDP Project is three-fold. First, the Project recognizes the basic rights of indigenous peoples as the original occupants in the specified area, whether on a permanent or seasonal basis. Occupation can be considered broadly as the communities having socio-cultural links and sense of place in relation to an area. Second, the Project upholds respect for culture and practices of IP that may be different from the mainstream, but has value to the community. Third, the Project recognizes the right of IPs to directly participate in the development process, and that such participation shall be an integral component of the NCDDP community-driven development strategy.
129. The United Nations *Universal Declaration of Human Rights* (1948) and *International Covenant on Civil and Political Rights* (1966) have specific significance of indigenous peoples. The *Universal Declaration* provides a common standard for the human rights of all peoples and all nations, and proclaims the importance of traditional, political, and civil rights, as well as basic economic social and cultural rights. The *Covenant* spells out civil and political rights and guiding principles based on the Universal Declaration.
130. The 1957 International Labour Organization (ILO) Convention No. 107, *Protection and Integration of Indigenous and Other Tribal and Semi-Tribal Populations in Independent Countries*, addresses the right of indigenous peoples to pursue material well-being and spiritual development. It is the first international instrument in specific support of indigenous peoples. Largely because of its view that indigenous peoples should be integrated into the larger society, a view that subsequently came to be seen by many as inappropriate, Convention No. 107 was followed in 1989 by ILO Convention 169, *Convention Concerning Indigenous and Tribal Peoples in Independent Countries*.
131. The Government of the Philippines (GOP) national policies on Indigenous Peoples are embodied in the *Indigenous Peoples Rights Act of 1997 or IPRA*. The IPRA is a landmark legislation in the Philippines, and enumerates and explains the basic rights of IPs to their ancestral domains, self-governance, social justice, and cultural integrity, and the primacy of customary laws. The IPRA is the cornerstone of the creation of the National Commission on Indigenous Peoples (NCIP), the government institution mandated to administer and implement IPRA. It defines the role and the extent of NCIP's jurisdiction in protecting the rights of the minorities. Protocols governing physical and cultural resources consistent with the IPRA are likewise contained in Department of the Interior and Local Government (DILG) Memorandum Circular 89/2002 regarding the "Strict Implementation" of IPRA.

¹⁰ It refers to organizational and cultural leadership systems, institutions, relationships, patterns, and processes for decision-making and participation, identified and accepted by IPs – NCIP AO 2 series of 2012.

132. Some laws impinge on IPs and their rights, and contribute to the overall Philippine jurisprudence on IP rights, which may in turn affect project implementation.

- (i) **Comprehensive Agrarian Reform Law or CARL (RA 6657).** This law provides some legal protection to the ancestral domains/lands. Section 2, para. 5 of this law mandates that the state will apply the principles of agrarian reform, or stewardship, whenever applicable, in accordance with law in the disposition or utilization of other natural resources, including lands of the public domain, and their lease or concession, suitable to agriculture, subject to prior rights of indigenous communities to their ancestral lands.
- (ii) **Local Government Code of 1991 (RA 7160).** The code provides IPs with the option to establish tribal barangays as similarly recognized by the IPRA.¹¹
- (iii) **National Integrated Protected Areas System (NIPAS) Act of 1992 (RA 7586)** – This law safeguards protected areas (PAs) from further encroachment. It allows the implementation of development projects with compatible uses, or which enhance the protection of these PAs. It includes specific provisions that protect the rights of IP communities to their ancestral domain.¹²
- (iv) **Philippine Mining Act of 1995 (RA 7942).** This is the first law that requires proponents of mining projects in IP areas to secure an IPs' free and prior informed consent.
- (v) **Conservation and Protection of Wildlife Resources and their Habitats Act of 2001(RA 9147).** The law mandates that the collection of wildlife by IPs may be allowed for traditional use and not primarily for trade.¹³

b. ADB and WB Policies on Indigenous Peoples

133. The **ADB IP safeguards** policy under the SPS underscores the following: (i) avoidance of adverse impacts of projects on environment and affected people, where possible; (ii) minimization, mitigation, and/or compensation for adverse impacts on environment and affected people, when avoidance is not possible; and (iii) assistance in strengthening country safeguard systems and development of capacity to manage environmental and social risks.

134. Should ADB projects affect IPs, a set of general policy requirements will be observed to maintain, sustain, and preserve the IPs' cultural identities, practices, and habitats (SPS 2009, SR-3):

- (i) **Consultation and Participation.** The borrower/client will undertake meaningful consultation with affected IPs to ensure their informed participation.

¹¹ Section 18 of the IPRA states that IPs "living in contiguous areas or communities where they form the predominant population but which are located in municipalities, provinces, or cities where they do not constitute the majority of the population, may form or constitute a separate barangay in accordance with the Local Government Code on the creation of tribal barangays"

¹² Related to this is the Implementing Rules and Regulations (IRR) of Department AO (DAO) 92-25 that states "The zoning of a protected area and its buffer zones and management prescriptions within those zones will not restrict the rights of indigenous communities to pursue traditional and sustainable means of livelihood within their ancestral domain unless they so concur."

¹³ "Traditional use" means utilization of wildlife by indigenous people in accordance with written or unwritten rules, usage, customs, and practices traditionally observed, accepted and recognized by them.

- (ii) **Social Impact Assessment.** When screening by ADB confirms likely impacts on IPs, the borrower/client will retain qualified and experienced experts to carry out a full social impact assessment (SIA).
- (iii) **Indigenous Peoples Planning.** If the screening and SIA indicate that the proposed project will have impacts, positive and/or negative, on IPs, the borrower/client will prepare an Indigenous Peoples Plan (IPP) in the context of the SIA and through meaningful consultation with the affected IP communities. -
- (iv) **Information Disclosure.** The borrower/client will submit to ADB the following documents to disclose on ADB's website: (i) a draft IPP and/or an IPPF, . . . , endorsed by the borrower/client, before appraisal; (ii) a final IPP upon completion; (iii) a new or updated IPP and a corrective action plan prepared during implementation, if any; and (iv) monitoring reports.
- (v) **Grievance Redress Mechanism.** The borrower/client will establish a mechanism to receive and facilitate resolution of the affected IP communities' concerns, complaints, and grievances.
- (vi) **Monitoring and Reporting.** The borrower/client will monitor and measure the progress of implementation of the IPP.
- (vii) **Unanticipated Impacts.** If unanticipated impacts on IPs become apparent during project implementation, such as a change in the project's footprint, the borrower/client will carry out an SIA and update the IPP or formulate a new IPP covering all applicable requirements specified in this document.

135. The **WB Safeguards Policy**¹⁴ on Indigenous Peoples promotes that projects be designed and implemented in a way that fosters full respect for IPs' dignity, human rights, and cultural uniqueness and so that they (i) receive culturally compatible social and economic benefits, and (ii) do not suffer adverse effects during the development process. For projects that affect IPs, the WB requires screening to identify whether IPs are present in, or have collective attachment to, the project area; (ii) a social assessment by the borrower; (iii) a process of free, prior, and informed consultation with the affected indigenous peoples' communities at each stage of the project, and particularly during project preparation, to fully identify their views and ascertain their broad community support for the project; (iv) preparation of an IPPF; and (v) disclosure of draft IPPF.

C. Definitions

136. In the Philippines, Indigenous Peoples (IPs) are defined by IPRA (Sec 3. (h) as "a group of people or homogenous societies identified by self-ascription and ascription by others, who have continuously lived as organized community on communally bounded and defined territory and who have, under claims of ownership since time immemorial, occupied, possessed and utilized such territories, sharing common bonds or language, customs, traditions and other distinctive cultural traits, or who have, through resistance to political, social and cultural inroads of colonization, non-indigenous religions and cultures, became historically differentiated from the majority of Filipinos" .

¹⁴ WB OP 4.20.

137. The NCIP is the primary government agency that “formulates and implements policies, plans and programs for the recognition, promotion and protection of the rights and well-being of IPs with due regard to their ancestral domains and lands, self-governance, social justice and human rights, and cultural integrity.
138. The land ownership of Indigenous Peoples is a highly complex and sensitive issue that needs to be recognized, respected and considered in NCDDP. Ancestral lands are traditionally marked only with traditional, cultural and social behaviour and environmental features. The practice of new settlers of allocating land for themselves create dispute. The process of recognizing ancestral lands has been defined and protected by IPRA, and the process of delineating Certificate of Ancestral Domain Claims (CADC) through the Department of Environment and Natural Resources (DENR) Administrative Order No. 2, and on documentation, moving to full communal ownership through a Certificate of Ancestral Domain Title (CADT), approved under the legal auspices of the IPRA Law.
139. The IPRA also emphasizes the importance of “Free and Prior Informed Consent” (FPIC) as a basis for approval of development initiatives within CADC or CADT areas. This is to protect the resources and cultural heritage of the Indigenous Peoples, guarding against unilateral decisions by non-Indigenous Peoples or by Indigenous Peoples but without due consideration to other communal owners of the Ancestral Domain. FPIC recognizes the rights of IPs to self-determination which is the assertion of IP identity and willingness to accept responsibility for decisions made in relation to the ancestral domain and other aspects related to their cultural identity. FPIC forms the basis of planning interaction between government, private individuals, and groups, entering the ancestral domain and therefore is an important principle and practice in barangay development.
140. As part of the process of converting from CADC to CADT, and into protection of ancestral lands, the NCIP has instituted a process of developing an Ancestral Domain Sustainable Development and Protection Plan (ADSDPP). In 2004, the NCIP issued an Administrative Order No. 1 which gives direction in preparing the Ancestral Domain Sustainable Development and Protection Plan. It provides not only a mechanism for self-determination and prioritization by the **IPs**, identifying the areas of greatest need for protection and improvement, but also provides a basis for entry and support by other external organizations, such as the convergence efforts of the government and assistance from foreign assisted and NGO projects and programmes.
141. In the preparation and implementation of the ADSDPP, the principles of indigenous knowledge systems and practices (IKSPs) are valued. The IKSPs recognize that IPs generally operate on a cultural and social knowledge based system that is verbally transmitted between generations. This means that there is little written basis for recognizing the extensive indigenous knowledge in relation to CADCs, CADTs and ADSDPP for those who have not been immersed in the cultural and social knowledge flow. Nevertheless, the knowledge systems and practices are evident and distinctive and must be acknowledged in planning processes.

D. Objectives

142. The NCDDP Project shall (a) ensure the informed participation of indigenous peoples in the activities of the NCDDP in both new and repeat municipalities under the KALAHI-CIDSS Project, so that they are in a position to receive culturally compatible social and economic

benefits, and (b) ensure that indigenous peoples are not adversely affected during the development process.

143. The NCDDP Project shall undertake activities to ensure that IPs in Project-covered areas are able to:

- (i) Provide input to local planning data and activities used and undertaken to determine development priorities;
- (ii) Facilitate the choice of community projects as coming from the IPs themselves through informed decision-making to address local development challenges;
- (iii) Actively participate and lead in the design, development, and implementation of community projects, and;
- (iv) Provide feedback on project implementation, and benefits and risks to IP groups.

E. Guidelines in engaging IPs in the NCDDP Project

144. The key element of the NCDDP Project's CDD strategy is facilitated participatory planning and community implementation and management of development activities at the community (barangay) level, through the Community Empowerment Activity Cycle (CEAC)¹⁵. In ensuring meaningful participation of IPs, NCDDP Area Coordinating Teams (ACTs) shall (a) make use of appropriate mechanisms and structures, and; (b) undertake specific activities, that will enable indigenous groups to meaningfully engage in CEAC activities.

1. Staff training

145. Orientation on the IPRA as well as the project's strategy to address indigenous peoples' concerns, including orientation on the Ancestral Domain Sustainable Development and Protection Plan (ADSDPP) or NCIP Administrative Order No. 1, series of 2004, and the FPIC process (NCIP AO 3 Series of 2012), shall form an integral part of the training program for project staff at all levels, in order to better prepare Project staff in engaging IP communities in the NCDDP Project. Collaboration with NCIP shall be established to ensure that trainers are knowledgeable to impart IP-related knowledge and that the training or capacity building processes are IP-friendly.

2. IP engagement along the CEAC

146. **Social Preparation:** In undertaking CEAC Social Preparation activities, ACTs shall ensure the following:

- (i) **Engagement with NCIP.** Full engagement and coordination with NCIP across levels, parallel to the project implementation structure will be observed at project start. This engagement shall also lead to agreed protocols in compliance with the FPIC process before the project works with IP communities even at the planning stage.

¹⁵ For a full description of the CEAC Process, please refer to Chapter 3 of the CEAC Field Guide of the KALAHARI-CIDSS Project.

- (ii) Demographic and other data on the situation of IP communities are gathered by Community Facilitators (CFs) and other members of the ACT as part of Social Investigation (SI), and that these data are used during team meetings and tactic sessions to design activities and calibrate social facilitation plans for IP groups within their covered municipalities.
- (iii) Council of Elders headed by the chieftain leaders and representatives of IP groups, as well as of the National Commission on Indigenous Peoples (NCIP), are present during the conduct of Municipal Orientations.
- (iv) Attendance forms used in Barangay Assemblies will reflect the IP composition of the attendees, as well as capture membership in a particular IP group, of attendees who are IPs. In cases where a particular IP group is underrepresented, the ACT shall conduct additional meetings with the IP group concerned to feedback and gather inputs on concerns raised and decisions to be made in the BA.
- (v) IP Leaders and representatives of IP groups are selected as community volunteers for the Participatory Situation Analysis (PSA) activities as selected by the IPs themselves¹⁶. ACTs shall ensure that data on the situation of IPs are generated gathered, analyzed, and used in all stages of the PSA process.

147. Project Identification and Development: In undertaking CEAC Project Identification and Development activities, ACTs shall ensure the following;

- (i) IP Leaders, or their duly appointed representatives as selected by them, are included as members of community volunteer committees charged with the tasked with of preparing criteria for prioritization, and with preparing sub-project proposals.
- (ii) Criteria on effects to IPs, including projected benefits for, and potential risks to IP communities are used in identifying and selecting community projects to be proposed by the Barangay.
- (iii) IP Leaders/representatives, as well as the NCIP are continually regularly consulted, their opinions and insights gathered, and their recommendations used in the design of community sub-projects, and the development of community proposals.
- (iv) ACTs shall ensure that the process for designing sub-projects are undertaken in a form and manner that is sensitive to and reflect IPs cultural identity, and are in line with the provisions of the IPRA law. The ACT shall likewise ensure consultation assemblies are undertaken specifically with IP groups at each stage of the sub-project design and development process, and prior to Barangay Assemblies where decisions are made on important elements of the Project proposal, including but not limited to (a) site for sub-project within IP areas; (b) use of materials and resources; (c) inclusion / exclusion of IP HHs as beneficiaries, and other concerns affecting IPs.
- (v) Baseline data on indigenous groups are included as part of the community profile and needs assessment forms required for sub-project proposals.

148. Prioritization: In undertaking Prioritization activities, ACTs shall ensure the following;

¹⁶ NCIP AO 2 Series of 2012.

- (i) IP Leaders and representatives are included as members of the Inter-Barangay Forum (IBF), which shall prioritize proposed community projects for funding. In homogenous or predominantly IP barangays, an IP member shall be selected to represent the barangay in the IBF. In areas where an IP community straddles many barangays, but where the individual barangays are composed of mixed IP and non-IP populations, the team shall ensure that the IP tribe or community is represented in the IBF by an IP leader selected by them. This shall be in addition to the CVs selected by the barangays through the BA.
- (ii) Leaders and representatives of IP barangays are adequately represented in the crafting of the prioritization criteria during the Criteria Setting Workshop (refer to item 152, (i), above).
- (iii) Criteria on benefits to IPs are included in the ranking by the MIBF of a sub-project to be implanted in an IP area or barangay.

149. **Project Implementation:** In undertaking CEAC Sub-Project Implementation activities, ACTs shall ensure the following;

- (i) Management committees of community projects implemented under the NCDDP Project in IP areas or are intended to generate benefits for IP include IP community volunteers / leaders selected by the community following customary procedures. In addition, members of IP HHs shall be given priority in benefiting from labour and remuneration for work attendant to the implementation of sub-projects in IP areas.
- (ii) IP community volunteers involved in managing all aspects of project implementation, from procurement to implementation and construction (for infrastructure projects), to managing finances, as provided with training to equip them with bookkeeping, simple accounting, procurement, and resource management skills during design and implementation stages.

F. Unanticipated Impacts

150. Indirect, and/or unanticipated impacts on IPs may become apparent during project implementation.¹⁷ Should this be noted, the NPMO will ensure that a social impact assessment will be conducted resulting to an updated IPP or formulation of a new IPP covering all applicable requirements specified in this ESMF. The social impact assessment will be done in accordance with the procedures stipulated under the CEAC.

G. Information Disclosure

151. For IP communities, pertinent information for disclosure are: (i) notices of meetings/ consultation, (ii) NCDDP concept and implementation arrangements, (iii) results/minutes/ agreements made during meetings/consultations, grievance redress mechanisms, results of assessment studies, IPPs, and M&E results.

¹⁷ ADB Safeguards Policy Statement 2009: Appendix 3.

152. Disclosure modalities will be in accordance with prevailing customs and traditions and shall be written in English or Pilipino and in the IP language and authorized by community elders/leaders shall be delivered and posted in conspicuous places or if lengthy, copies provided to community elders/leaders and IP organizations. Popular forms of printed materials include: fact sheets, flyers, newsletters, brochures, issues papers, reports, surveys etc. Popularized materials aim to provide easily read information. These materials may be in the local dialect enhanced with drawings, to inform a wide range of IPs about the planning and assessment processes and activities.
153. The following are required: (i) draft IPP / IPPF, as endorsed by DSWD before appraisal; (ii) final IPP; (iii) new or updated IPP; and (iv) monitoring reports. These documents will be generated and produced in a timely manner, and posted in both ADB, World Bank, and DSWD NCDDP website, and at any locally accessible place in a form and language understandable to the affected IPs and other stakeholders.
154. The ADB SPS 2009 requirements, the ADB Public Communication Policy, as well as relevant World Bank public information disclosure policies will serve as guide. The documents listed above will be uploaded in the NCDDP management information system for interconnectivity as well as in the ADB and World Bank website.

H. Monitoring

155. The NCDDP shall ensure proper monitoring and evaluation of compliance to this IPPF. Project monitoring of IP engagement shall generally include the following:
- (i) **Compliance Monitoring** – This shall include establishment and maintenance of an IP database, and monitoring arrangements to (a) track engagement of indigenous groups in the various activities along the CEAC, and; (b) to determine whether IPPs were carried out as planned, and accordance with this IPPF; The NPMO shall conduct supervision and in-house monitoring of implementation of the IPP. The procedure for monitoring will be guided by the monitoring, evaluation, and reporting arrangements set forth in this IPPF. An appendix in the IPPF provides the guidance in the preparation of internal and external monitoring indicators.
 - (ii) **Community self-assessments** of sub-project preparation and implementation, to provide an avenue for IPs to communicate whether they have been involved in project activities and whether the final sub-project addresses their needs, and;
 - (iii) **Independent, external monitoring** by civil society (NGO's and the press), and by an **External Monitoring Agency (EMA)**, to provide avenue for identification of cases where indigenous groups have been bypassed or marginalized in the sub-project planning and selection process.
156. **External Monitoring Agency (EMA).** External Monitoring will be commissioned by the NPMO to undertake independent external monitoring and evaluation, through an EMA who will be either a qualified individual or a consultancy firm with qualified and experienced staff. The Terms of Reference (TOR) for the EMA shall be prepared by the NPMO and shall be acceptable to ADB and WB prior to engagement. The NPMO shall be responsible for the

engagement of the EMA, and shall ensure that funds are available for monitoring activities, and that monitoring reports are submitted to the ADB, World Bank, and the NCIP.

157. **NCIP engagement in M&E** - In addition, Chapter III, Section 44 (h) of the Indigenous People's Rights Act mandates that the National Commission on Indigenous Peoples (NCIP) be involved in monitoring of project implementation in relation to indigenous peoples engagement. To this end, the NCIP sits as a member of the NCDDP National Steering Committee. All RPMOs with NCDDP areas covering IP areas shall ensure that the NCIP is likewise represented at the RPMT. The RPMOs shall likewise invite representatives from the NCIP to observe and participate in municipal-level activities in IP areas.

158. **Schedule of Monitoring and Reporting.** The NPMO shall establish a schedule for the implementation of this IPPF, and the IPPs taking into account the project's implementation schedule. It is expected that one month prior to the start of subproject implementation, internal and external monitoring key actors shall have determined all IPP activities. Quarterly progress reports shall be prepared and submitted to the ADB, World Bank, and the NCIP, following the NCDDP regular reporting systems and procedures.

159.

I. Grievance Redress

160. The Project's grievance redress system shall be used as the mechanism for IP groups to air out complaints or grievances in the course of implementation. Community facilitators shall inform indigenous groups about this system at the start of the implementation of the Project in the municipality. Staff shall ensure that meetings and consultations about the system are conducted with IP groups on the system, independently of the regular GRS orientation activities, if needed. IPs shall likewise be informed that complaints may also be registered with and by the NCIP, and included in their quarterly reporting to the NSC or the RPMT. Regional offices shall ensure that the NCIP will likewise disseminate this information through its staff to indigenous groups, local NGO's and the press.

161. In addition, the project will continue to maintain a grievance register, which will provide information on the number and type of grievance and complains from indigenous groups at the municipal and provincial levels, and on the way these complaints have been addressed. This information will be included in the quarterly project reports to the National Steering Committee.

162. To the extent possible, resolution of grievances involving IP communities related to project implementation shall be through traditional IP grievance resolution processes and systems, following of the principle of precedence of customary laws in the IPRA.

J. Institutionalization

163. The NCDDP Project adopts an institutionalization framework and strategy that seeks to integrate lessons in the implementation of CDD processes and strategies into the regular

planning, budgeting, implementation, and monitoring processes, systems, and structures of the barangay and municipal LGUs. In Project areas where IPs are found, Project staff shall ensure that NCDDP participatory approaches for engaging IPs, as well as the development priorities of IP are integrated into the local development planning system of LGUs, in line with the NCDDP institutionalization framework and strategy. These can include (a) integration of key features of this safeguards framework and strategy into the LGUs governance systems; (b) establishment and maintenance of IP databases; (c) integration of ADSDPP processes into the MLGU local development planning instruments and manuals, and; (d) facilitating review and/or development of ADSDPPs, among others.

References

1. **Indigenous Peoples Planning Framework**; Philippines: KALAH-I-CIDSS Project, (version 15 April 2010)
2. **Land Acquisition and Resettlement Policy Framework**; Philippines: KALAH-I-CIDSS Project; (Final version 15 April 2010)