

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. The major development partners focusing on roads in the Philippines are the Asian Development Bank (ADB), the Government of Australia, Japan International Cooperation Agency (JICA), the Millennium Challenge Corporation (MCC), the United Kingdom, and the World Bank (Table 1). Before its 2008 merger with JICA, the Japan Bank for International Cooperation provided substantial support for roads.

Table 1: Major Development Partners

Development Partner	Project Name	Duration	Amount (million)
Transport and ICT (Road Transport)			
ADB	Road Improvement and Institutional Development	2011–2018	\$62.0
	Strengthening Transparency and Accountability in the Road Subsector ^a	2009–2015	\$1.0
Government of Australia	Southern Philippines Provincial Road Maintenance Program	2008–	A\$100.0
	Second National Roads Improvement and Management Program (Grant cofinancing for institutional capacity development)	2008–	\$10.5
JBIC	Arterial Road Bypass Program Tranche I (Plaridel and Cabanatuan)	2004–2017	¥6,223.0
JICA	Central Mindanao Road Program	2004–	¥3,717.0
	Road Upgrading and Asset Preservation Project	2011–2023	¥40,847.0
	Arterial Road Bypass Project Phase II	2012–2019	\$37.8
	Central Luzon Link Expressway Project	2012–2019	\$187.7
	Metro Manila Interchange Construction Project Phase VI	2015–2022	\$65.3
	Metro Manila Priority Bridges Seismic Improvement Project	2015–2023	\$80.6
Korea	Davao City Bypass Construction Project (Southern and Center Section)	2015–2023	\$196.8
	Samar Pacific Coastal Road Project	2013–2018	\$20.8
MCC	Gapan–San Fernando–Olongapo Road Project, Phase II	2009–2016	\$29.1
	Secondary National Roads Development Project	2011–	\$214.4
United Kingdom	United Kingdom–Tulay ng Pangulo sa Kaunlaran (Bridge for Progress) (Nationwide installation of rapidly erected permanent urban flyover system [repufs] and long-span bridges)	2004–	\$168.4
World Bank	Second National Roads Improvement and Management Program	2008–2016	\$232.0

ADB = Asian Development Bank, ICT = information and communication technology, JBIC = Japan Bank for International Cooperation, JICA = Japan International Cooperation Agency, MCC = Millennium Challenge Corporation.

^a ADB. 2009. *Technical Assistance to the Republic of the Philippines for Strengthening Transparency and Accountability in the Road Subsector*. Manila (TA No. 7434-PHI, approved on 10 December, for \$1 million).

Source: Asian Development Bank.

2. In addition to support for investment projects, the development partners have extended assistance to a range of programs aimed at addressing key road issues and developing the capacity of the Department of Public Works and Highways (DPWH) and other road-focused institutions (Table 2). The World Bank has focused its activities on addressing the issues of insufficient financing for road maintenance, weak institutional capacity of road institutions, and low productivity in road administration. JICA has also provided significant assistance to address the issues of the weak institutional capacity of road institutions and low productivity in road administration. It has also provided assistance to address low private sector participation in the road subsector. The Government of Australia has focused its activities on weak governance in

the road subsector, as well as supporting improvements to the organizational effectiveness of the DPWH.

Table 2: Assistance to Address Road Issues

Issue	Actions	Development Partner
Insufficient financing of road maintenance	<p>Road board and road fund Strengthen the operation of the road board and use of road funds established under the MVUC Act, 2000. Review and update the mandate and implementing rules and regulations of the road board and MVUC funds. Support expansion of the revenue base of road-user cost recovery to a sustainable level.</p>	<p>World Bank World Bank World Bank</p>
Weak governance	<p>Financial management Implement the national accounting system and related controls; strengthen internal controls and monitoring of the whole financial management system; and provide consultant services for internal audit capacity building, and computer hardware and software. Road partnerships Provide initial operating and advisory support for the newly established nongovernment association of road user, citizen, and nongovernment stakeholders (Bantay Lansangan [Road Watch]). Integrity support Support the independent procurement evaluator and conduct an independent technical audit.</p>	<p>Government of Australia Government of Australia Government of Australia</p>
Weak institutional capacity of road institutions	<p>Engineering design Strengthen the management and processes employed by DPWH for project implementation, in particular engineering design. Research and quality assurance Enhance capacity for managing construction quality, and support applied research for evaluating performance and cost-effectiveness in road works, including preparation of manuals and guidelines for evaluation of DPWH infrastructure projects and their application to pilot projects. Maintenance management Enhance the routine maintenance management system including training, pilots, institutionalization, and rollout to all regions and districts. Strengthening of safeguards support Strengthen DPWH capabilities in safeguards to reduce the time for implementing land acquisition and resettlement, strengthen the environmental and social assessment capability of DPWH, and mainstream gender in infrastructure development. Information and communications technology Expand and upgrade technology infrastructure for data communications in DPWH to support cost-effective and efficient implementation of business processes (including development and installation of a program management information system and procurement of computer hardware and office software for district offices). Road safety audits Improve road safety audits, including their application to specific projects and development of accident prevention programs. Design capability in road hazard mitigation Enhance DPWH design capability for road hazard mitigation. Weighbridge stations to combat overloading Install additional weighbridge stations to combat overloading, including improved operation and strict enforcement of load limits.</p>	<p>World Bank JICA World Bank JICA ADB ADB World Bank World Bank World Bank ADB JICA World Bank ADB JICA JICA Government of Australia</p>
Low productivity in road administration	<p>Procurement process and systems Implement key computerized applications for cost estimation, preparation, and evaluation of bidding documents, and bid analysis.</p>	<p>World Bank</p>

Issue	Actions	Development Partner
	<p>Organizational effectiveness Modernize the DPWH organization and improve the performance and management of its staff through comprehensive human resource development.</p> <p>Road safety Enhance the traffic accident recording and analysis system, including upgrading, training of DPWH-Philippine National Police , and deployment to districts.</p> <p>Construction industry Strengthen the local construction industry to undertake road maintenance contracts.</p>	<p>World Bank Government of Australia ADB</p> <p>JICA</p> <p>JICA World Bank</p>
<p>Low private sector participation</p>	<p>Public-private partnerships for road projects Prepare four public-private partnership projects for implementation.</p> <p>Road management service delivery Pilot trial of options for commercializing the current agency-led operations.</p>	<p>JICA Government of Australia</p> <p>JICA World Bank</p>

ADB = Asian Development Bank, DPWH = Department of Public Works and Highways, JICA = Japan International Cooperation Agency, MVUC = motor vehicle user's charge.

Source: Asian Development Bank.

B. Institutional Arrangements and Processes for Development Coordination

3. The DPWH and Mindanao Development Authority generally lead coordination between development partners. Direct meetings between development partners are also held.

C. Achievements and Issues

4. ADB has coordinated closely with development partners to address current and emerging transport-sector issues through lending and technical assistance, in particular building capacity in the DPWH. These efforts continue in the planning of future projects to be financed by the development partners to maximize the developmental impact of the projects. ADB will continue to support this coordinated effort while preparing and implementing ongoing and proposed projects.

D. Summary and Recommendations

5. Coordination between the development partners has generally been good and effective, most notably in efforts to build capacity in DPWH, and it is continuing for the planning of future projects to be financed by the development partners. Coordination could be strengthened through development of a more structured arrangement for coordination meetings and holding them more frequently.