

# Perils and Pitfalls of Aid

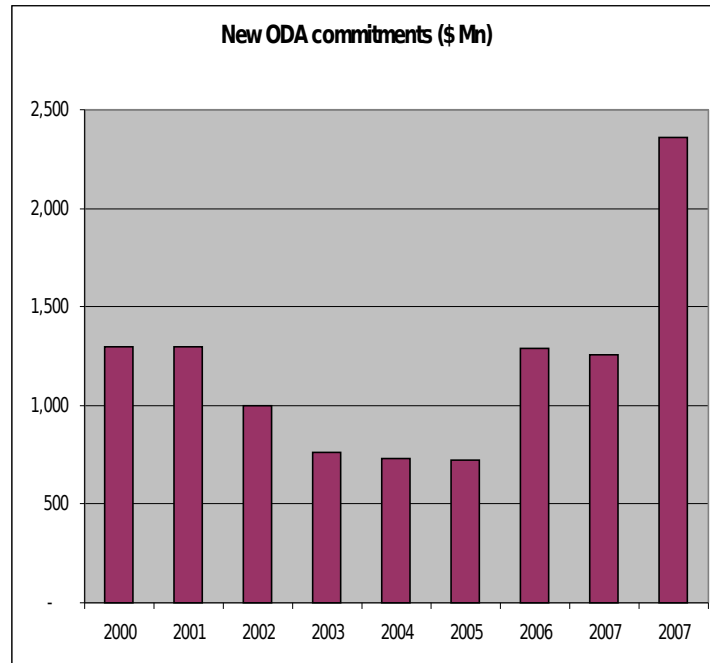
31 March 2008



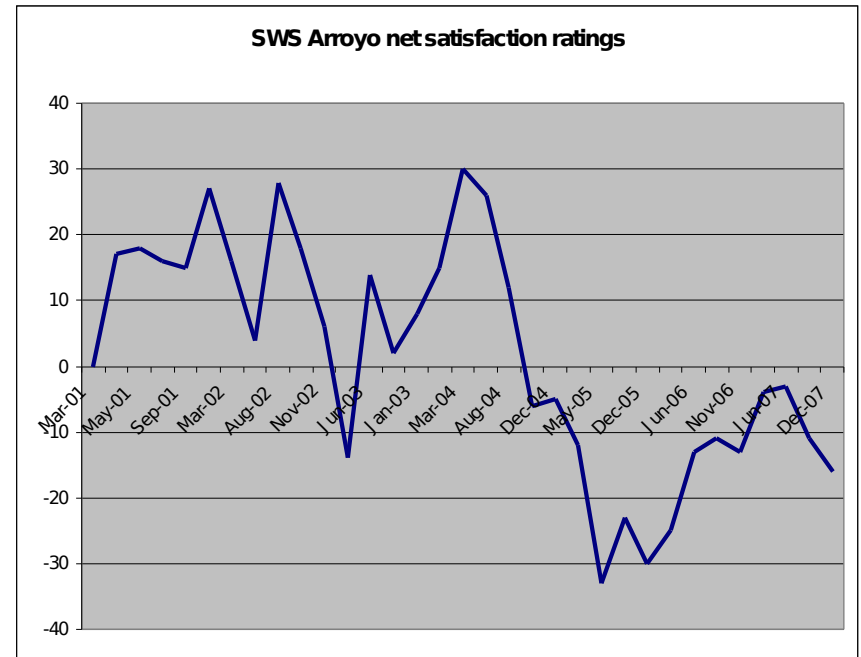
- 
- 
- Money can't buy love

# Rich but not popular

## New ODA (in \$ Mn)



## Net satisfaction w/ GMA



# Sources of new ODA

## New ODA loans in 2007

Lender	Amount (\$ Mn)	Date signed
ADB	250	8-Feb
ADB	300	17-Dec
ADB	34	23-Jan
WB	50	29-Aug
WB	84	29-Mar
WB	250	21-Dec
WB	38	ND
J BIC	76	27-Feb
J BIC	174	3-Dec
<b>Total</b>	<b>1,256</b>	

## Deferred/Cancelled

Lender	Amount (\$ Mn)	Project
WB	232	NRIMP 2
China	329	NBN/ZTE
China	542	Cyber Ed
<b>Total</b>	<b>1,103</b>	

# Future debt crisis?

*“It’s like the US subprime crisis in effect because they are lending to debtors or projects that are not really qualified”*

-- Benjamin Diokno  
former Budget secretary

*“A lot of the alleged hanky-panky that took place during the Marcos administration with respect to loans had their roots with the easy money that was floating around from commercial banks that were awash with from Arab liquidity”*

-- Roberto de Ocampo,  
former Finance secretary



## 2. NEDA, Neri, Nada

# NEDA's role according to Neri



*"We approve the project and the implementing agency in turn goes around and finds out what is the best way to implement the project that NEDA approved, whether it's a BOT or, in this case, a government-to-government undertaking."*

-- Romulo Neri, former Economic Planning secretary

# Ex-NEDA DG reacts

*“What he said about the NEDA process was very disappointing. His statement that NEDA was not looking at the financing side was a total distortion of what it should be doing. Although I admired him for testifying against Abalos, he did present NEDA as a rubber stamp.”*

-- Felipe Medalla, former Economic Planning secretary

# Cutting NEDA's powers

- In early 2007, Arroyo proposed new implementing rules for the Build-Operate-Transfer (BOT) law
- Shifts the authority to approve the projects from NEDA to the implementing agencies such as government departments, state-owned firms and local government units.
- In 2005, Arroyo issued rules that “authorize agencies to approve contracts to less than P500 million, except BOT, without going through the NEDA-ICC process, as long as the DBM can certify the availability of funds,” (ICC policy directive, March 2005)

# Creating parallel bodies

- In May 2007, Arroyo created NEDA Cabinet Group that makes major economic decisions, including approving proposed projects, in between the monthly meetings of the NEDA Board
- Set up the Pro-Performance System Steering Committee that was given authority to monitor and evaluate “all increases in project cost, whether local or foreign funded.”
- Tough standards for project approval are being relaxed.
- On Oct. 9, 2007, Secretary Saludo instructed NEDA to review the 15 per cent minimum economic internal rate of return (EIRR) required for ICC approval of proposed projects “with the end in view of reducing it.”



# **3. Aid as big business**

# Sample procurement list

CONTRACT	AMOUNT	PROCURE METHOD	SUPPLIER NAME	SUPPLIER COUNTRY
CP-1 REHABILITATION OF BAGUIO-	25.638	Competitive Bidding	CONSTRUCTION CO., LTD. (PHILIPPINES)	Korea, Republic of
CP-2 ZAMBOANGA-PAGADIAN ROAD,	24.086	International Competitive Bidding	SHINSUNG ENGINEERING & CONSTRUCTION CO., LTD. (PHILIPPINES BRANCH)	Korea, Republic of
CW-RU-1.4C: ROAD REHABILITATIO	10.084	International Competitive Bidding	R-II BUILDERS, INC./J.M. LUCIANO CONST. CORP./310 CONST. SPECIALIST CORP. (JV)	Philippines
CW-RU-1.4A: REHABILITATION OF	9.582	International Competitive Bidding	R-11 BUILDERS, INC./J.M. LUCIANO CONSTRUCTION, INC./310 CONSTRUCTION SPECIALIST	Philippines
REHABILITATION OF MALALAG-MALI	9.561	International Competitive Bidding	CHINA INTERNATIONAL WATER & ELECTRICITY CORPORATION	China
BIIPS-C04, INTEGRATION AND COO	8.331	Single Source Selection	SCOTT WILSON KIRKPATRICK & CO.	Estonia
CP-3 DAVAO-BUKIDNON RD./ CALIN	8.289	International Competitive Bidding	ALGON ENGINEERING CONSTRUCTION CORPORATION	Philippines
PERFORMANCE BASED MAINTENANCE,	6.167	National Competitive Bidding	CHINA STATE CONSTRUCTION ENGINEERING CORPORATION	Philippines
IT COMMUNICATION NETWORK EQUIP	5.935	International Competitive Bidding	ALCATEL EBUSINESS DISTRIBUTION, INC.	Philippines
PERFROMANCE BASED MAINTENANCE,	5.384	National Competitive Bidding	A. M. ORETA & COMPANY, INC.	Philippines

# Top 10 construction companies awarded civil works by RP

Construction company	Country	Total	% Share	Rank
Hazama/ Taisei/ Nippon Steel HTN JV	Japan	9,098	13.8%	1
Hanjin Heavy Industries & Construction Co. Ltd.	Korea	5,383	8.1%	2
China State Construction Engineering Corp.	China	4,932	7.5%	3
Cavite Ideal International Const. & Development Corp.	Philippines	4,102	6.2%	4
Daewoo Engineering & Construction Company, Ltd.	Korea	3,871	5.9%	5
Nishimatsu Construction Company Limited	Japan	3,480	5.3%	6
China Road & Bridge Corporation	China	3,180	4.8%	7
China International Water & Electric Corp.	China	3,101	4.7%	8
Kajima Corporation	Japan	2,821	4.3%	9
C.M. Pancho Construction Incorporated	Philippines	2,479	3.7%	10
		42,447	64%	

# Much of aid is still tied

- In the Philippines, Japan still links almost 90 per cent of its loans to purchases from Japanese companies, according to study by UP professor Ed Tadem
- Its three biggest loans to the Philippines are all tied, including the \$355 million for the Subic-Clark-Tarlac Expressway Project, the country's second biggest project loan
- China, the Philippines' fifth biggest lender as of end-2006, also ties all of its aid to the Philippines
- China also unilaterally chooses the contractors for the projects, precluding any competitive bidding to select the best and least costly supplier.

# Tied aid and cost over-runs

<b>Project title</b>	<b>Funding source</b>	<b>Implementing agency</b>	<b>Total cost increase (in P Mn)</b>	<b>Total cost increase (%)</b>
Subic-Clark-Tarlac Expressway Project	J BIC	BCDA	6,478.00	24.61
Line I Capacity Expansion Project Phase II	J BIC	LRTA	4,105.29	51.32
Arterial Road Links	J BIC	DPWH	2,885.58	46.99
New Iloilo Airport Development Project	J BIC	DOTC	2,572.00	41.57
Laguindingan Airport Development Project	Korea	DOTC	2,467.88	45.82
Batangas Port Development Project Phase II	J BIC	PPA	1,837.84	33.08
Selected Airports (Trunkline) Development Project (New Bacolod-Silay)	J BIC	DOTC	1,749.38	39.78
Laoag River Basin Flood Control and Sabo Project	J BIC	DPWH	1,699.71	56.58
Casecnan Multipurpose Irrigation and Power Project (Irrigation component)	J BIC	NIA	1,623.02	27.83
Philippine-J apan Friendship Highway Mindanao Section Rehabilitation Project Phase II	J BIC	DPWH	1,291.79	43.32

# Tied aid and cost over-runs

Project title	Funding source	Implementing agency	Cost (amount in million pesos)	Total cost increase (%)
Arterial Road Links Development Project V	JBIC	DPWH	1,263.30	31.99
Agno River Flood Control Project, Phases II-A and II-B	JBIC	DPWH	1,249.58	26.23
Bohol Irrigation Project, Stage II	JBIC	NIA	1,245.46	52.23
Banaoang Pump Irrigation Project	China	NIA	1,240.16	92.53
Metro Manila Urban Transport Integration Project	WB	DPWH	1,216.23	40.09
KAMANAVA Area Flood Control and Drainage System Improvement Project	JBIC	DPWH	999.76	19.29
Second Magsaysay Bridge and Butuan City Bypass Road Project	JBIC	DPWH	980.26	57.63
Cordillera Road Improvement Project	JBIC	DPWH	774.73	33.77
Lower Agusan Development Project, Stage I, Phase II	JBIC	DPWH	648.96	14.75
Help for Catubig Agricultural Advancement Project, Stage I	JBIC	NIA	315.60	18.17
Social Reform Related Feeder Ports Development Project	JBIC	DOTC	176.49	7.86
		<b>TOTAL</b>	<b>36,821.02</b>	<b>34.46</b>

# Mabey & Johnson

*Mabey & Johnson's bridge sales to the Philippines helped the Mabeys become one of the UK's richest families*

*In 2004, UK newspaper rich lists ranked the Mabeys No. 141, with an estimated wealth of £310 million.*

*"Analysis of the company's accounts shows that the dramatic leap in fortunes has come largely from its Philippine contracts, worth £429m and all funded by UK-backed loans"*

--The Guardian newspaper

# Mabey and Johnson

Exporter	Philippines	
Mabey & Johnson	391.9	87%
Airbus S.A.S.	34.0	8%
The Balfour-Cleveland	23.4	5%

	Mabey & Johnson Ltd	
Philippines	391.9	79.0%
Papua New Guinea	35.7	7.2%
Dominican Republic	25.0	5.0%
Sri Lanka	21.8	4.4%
Jamaica	19.8	4.0%
Venezuela	1.6	0.3%



## **4. Graft in ODA projects**

# WB rejects bids for road projects

Contract Package	Name of Project	Approved Budget Cost (M Pesos)	Bidder	Bid (M)	%Variance with ABC
<b>1st Bidding, 2003</b>					
CP-1.4B	Surigao - Davao - Coastal Road, Marihatag - Barobo & Tagbina- Hinatuan Section, Surigao del Sur	967.01	China Road	1,236.11	+27.83
			China IWEC	1,285.86	+32.97
			Shinsung	1,295.99	+34.02
CP-1.6	Rehabilitation of Kabankalan-Basay/ San Enrique - Vallehermoso Road, La Castellana - Canlaon Section	917.43	China State / ECLuna (JV)	1,151.14	+25.47
			Suzaka	1,161.37	+26.58
			China Road	1,180.37	+28.66
<b>2nd Bidding, 2004</b>					
CP-1.4B	Surigao - Davao - Coastal Road, Marihatag - Barobo & Tagbina- Hinatuan Section, Surigao del Sur	901.66	China Road	1,146.34	+27.14
			Hanjin	1,310.05	+45.29
			Cavite Ideal	1,320.09	+46.41
			Dongsung	1,605.61	+78.07
CP-1.6	Rehabilitation of Kabankalan-Basay/ San Enrique - Vallehermoso Road, La Castellana - Canlaon Section	1,013.53	China Road/ ECLuna (JV)	1,265.22	+24.83
			Cavite Ideal	1,400.24	+38.15
			Hanjin	1,410.12	+39.13
			Daewoo	1,450.00	+43.06
			Shinsung	1,530.00	+50.96
			Dongsung	1,605.32	+58.39

<b>3rd Bidding, 2006</b>					
CP-1.4B	Surigao - Davao - Coastal Road, Marihatag - Barobo & Tagbina- Hinatuan Section, Surigao del Sur	1,170.59	China Geo	1,353.10	+15.59
			China Road	1,403.48	+19.90
			Italian Thai	1,430.23	+22.18
			Cavite Ideal	1,430.51	+22.20
			China Wu Yi	1,433.13	+22.43
CP-1.6A	San Enrique - Vallehermoso Road, La Castellana - Canlaon Section Negros Occidental/Oriental	682.40	China Road	773.70	+13.38
			CM Pancho	924.88	+35.53
			China Wu Yi	926.01	+35.70
			Cavite Ideal	945.30	+38.53
CP-1.6B	Kabankalan - Basay Road Hinobaan-Basay Section Negros Occidental/Oriental	640.57	China Wu Yi	748.55	+16.85
			CM Pancho	871.34	+36.02
			China Geo	871.55	+36.06
			Italian Thai	881.33	+37.58
			China Road	883.45	+37.92
			China Harbor	901.10	+40.67%
			Sammi Cons	911.20	+42.25%

# Collusion among bidders

- The World Bank rejected the bidding results due to what it called “strong signs of collusion and excessive pricing.”
- All the bids were higher than the DPWH’s estimated cost.
- Many of the bids, save for the lowest, clustered around a high number, a possible but not conclusive sign that the bidders were helping one of them win the contract.

# Cartel and bribery of officials

- WB probers believed the excessive bids stemmed not just from incidental collusion among bidders but from the systematic operation of a cartel and possible bribery of public officials
- In July 2006, a deputy Ombudsman even went to Washington DC in the US for extensive briefings on “how the cartel operates,” according to a World Bank official
- In November 2007, copy of the WB report was given to Ombudsman Mercedes Gutierrez following a two-hour meeting where she was provided “with a detailed investigative roadmap, including the names of all companies and bribe recipients found through the Bank’s investigation

# Virata and Associates findings re ODA projects (2007)

- Bid rigging and overpricing were rife in many foreign-funded national road projects.
- Lack of competition in biddings for road building contracts owing to procurement policies of the government and the lenders.
- “With limited competition, a potential environment for collusion among few bidders is created which would cause the processing entity, the DPWH, to pay for a higher cost of works than would otherwise be required”
- “Contractors capable of performing contract works are precluded or pre-disqualified from participating in bidding, thus depriving the procuring entity of a wider range of bids and possibly from receiving a more advantageous bid proposal”

# World Bank on graft in road projects (2004)

- Contractors were complaining that “SOP can go as high as thirty per cent of the contract amount when the contractor’s profit is pegged at fifteen percent.”
- “Contractors complain about the huge outlay required to start a project since many politicians require the SOP to be given to them before the start of the project. In the past, SOPs were paid after project completion but more recently, some government officials ask for it in advance.”



# **6. Beyond Graft**

# Summary of data and findings

	<b>During Appraisal</b>	<b>After Completion</b>
Number Of Projects With EIRR Estimates	62	87
No. Of Projects With EIRR Below 15%	7	29
No. Of Projects With EIRR Equal To Or Above 15%	55	58
% Of Projects With EIRR Below 15%	11%	33%
% Of Projects With EIRR Equal To Or Above 15%	89%	67%
No. Of Projects Where Change In EIRR After Completion Is Indicated		71
No. Of Projects With Lower EIRR At Completion		52
No. Of Projects With Same Or Higher EIRR At Completion		19
% Lower		73%
% Same Or Higher		27%

# Sample project details

Lender	Loan/Project Name	Loan Amount in USD Million	Report Date	Sub-Projects	EIRR		% Deviation from appraisal		Change*	
					Appraisal (%)	Completion (%)				
ADB	CLARK AREA MUNICIPAL DEVELOPMENT PROJECT	24.3	Aug-06	<i>Solid waste management</i>						
				Bamban			-22.9		Lower	
				Mabalacat			-32.5		Lower	
				Magalang			-25.0		Lower	
				<i>Bridges</i>						
				Mabiga			22.9	12.7	-44.5%	Lower
San Felipe			43.2	29.7	-31.3%	Lower				
ADB	POWER TRANSMISSION REINFORCEMENT PROJECT	191.4	Aug-06				38.5			
ADB	SMALL TOWNS WATER SUPPLY SECTOR PROJECT	50.0	Aug-06	Banga	32.0	13.0	-59.4%	Lower		
				Binmaley		21.0		Lower		
				Umingan		16.0		Lower		
				Guimba		12.0		Lower		
				Dumangas		24.0		Higher		
				Bogo		26.0		Lower		
				San Joaquin		25.0		Lower		
				Digos		26.0		Lower		
				Samal		36.0		Lower		

# Returns on WB funded irrigation projects

Table 1. ERRs at Appraisal, Completion and Impact Assessment

		Appraisal	Completion/Audit	Impact Assessment
<u>OED Review: (1994)</u>				
Gravity	103 projects	21%	14%	?
Pump	48 projects	25%	19%	?
Mixed/not-known	37 projects	19%	13%	?
Gravity	13 projects	19%	?	12%
Pump	7 projects	17%	?	6%
<u>OED Impact Study 1996</u>				
Lam Pao	Thailand	26%	12%	10%
Maeklong	Thailand	35%	8%	4%
Kinda	Burma	21%	14%	7%
Dau Tieng	Vietnam	17%	5%/7%	4%

Source: OED 1994 and OED 1996.

# Why projects fail to deliver expected returns

- *“There is a systemic and optimistic bias in the economic evaluation of irrigation projects that can be explained primarily in terms of the incentives facing project analysts,”*
- *“Poor economic analysis has contributed to wasteful irrigation investment and in many developing countries there is now too much irrigation.”*
- *“The self-interest of beneficiary farmers who do not have to pay is obvious. So are those of an Irrigation Department with otherwise little to do, the irrigation staff in lending agencies, contractors and consultants. Programming and Finance Ministries that serve a broader national interest may restrain irrigation expansion but are seldom able to fully prevent it.”*
- -- Jeremy Berkoff, a British water resources planner and economist



# **7. Sources of information**

# The ODA Cycle

<b>Part of ODA Cycle</b>	<b>Report/Document</b>	<b>Sources</b>
Project selection	* Project Proposals * Feasibility studies	* Implementing agency * Potential suppliers * Consultants
NEDA ICC evaluation and approval	* Project evaluation reports * Minutes of meetings of NEDA Board and ICC	NEDA
Loan negotiations and approval	* Appraisal reports	* Lenders
Project implementation and completion	* Implementation reports * Completion and post-evaluation reports	* Implementing agency * Lenders
Procurement		* Implementing agencies * Lenders
Government oversight	* Review of ODA projects * Evaluation of performance of construction companies	* NEDA * COA * CIAP
Lenders oversight	* Sectoral or area assessments	* Lenders e.g. World Bank, ADB, JBIC

# Redressing information imbalance

TABLE B.22  
FOREIGN DEBT SERVICE OF REGULAR LIABILITIES OF THE NATIONAL GOVERNMENT, BY CREDITOR, 2006-2008  
(In thousand dollars)

LOAN ACCOUNT	LOAN ID	PROJECT/PURPOSE	IMPLEMENTING AGENCIES	INTEREST RATE / OTHER CHARGES (%)	COMMITMENT RATE (%)	LAST YEAR OF REPAYMENT
<b>ASIAN DEVELOPMENT BANK LOANS (ADB)</b>						
0362-PHI	21107000	SECOND AGUSAN IRRIGATION	DPWH NIA	1.000		10.1.2018
0417-PHI	21109000	BICOL RIVER BASIN IRRIGATION	DPWH NIA	7.600		12.28.2006
0466-PHI	21110000	2ND LAGUNA DE BAY IRRIGATION P	DA NIA	1.000		9.15.2020
0528-PHI	21112000	PALAWAN INTEGRATED AREA DEVT	DA DENR DOH DPWH	10.100		12.28.2006
0529-PHI	21113000	PALAWAN INTEGRATED AREA DEV'L	DA DENR DPWH NIA	1.000		9.1.2021
0531-PHI	21114000	TECHNICAL AND VOCATIONAL EDUC	DECS	10.100		8.1.2006
0548-PHI	21115000	SMALL HOLDER LIVESTOCK DEV	DA PDC	10.100		9.1.2006
0580-PHI	21116000	3RD DAVAO DEL NORTE IRRIGTN PR	NIA	11.000		12.28.2006
0597-PHI	21117000	THIRD ROAD IMPROVEMENT PROJECT	DPWH	11.000		5.1.2006
0628-PHI	21118000	SPECIAL SUPPLEMENTARY ASSISTAN	NIA	11.000		12.28.2006
0677-PHI	21120000	FORESTRY DEVELOPMENT PROJECT	DENR DPWH	10.500		12.28.2006
0727-PHI	21122000	ALLAH RIVER IRRIGATION -A	NIA FMB	10.250		12.28.2006
0779-PHI	21123000	SPECIAL PROJ IMPL ASSIS - A	NIA NFA MWSS NPC	1.000		5.15.2026
0780-PHI	21124000	SPECIAL PROJ IMPL ASSIST - B	NIA NFA MWSS NPC	ADB FLOATING RATE		5.15.2006
0801-PHI	21125000	4TH ROAD IMPROVEMENT PROJECT	DPWH	ADB FLOATING RATE		4.1.2012
0802-PHI	21126000	HIGHWAY AGRI. DEVT PROJECT	DA DPWH NIA	ADB FLOATING RATE		6.15.2016
0812-PHI	21127000	1ST PROV'L RURAL WATER SUPPLY	DPWH	ADB FLOATING RATE		10.1.2010
0884-PHI	21128000	AGRICULTURAL TECH EDUC PROJ	DECS	1.000		2.1.2023
0889-PHI	21129000	FORESTRY SECTOR PROGRAM	DENR	1.000		4.1.2023
0898-PHI	21131000	SECONDARY EDUC DEVT SECTOR PRO	DECS	1.000		5.15.2023
0915-PHI	21132000	SORSOGON INTERNATIONAL AREA	DA DOH DPWH NIA	1.000		10.15.2023
0940-PHI	21133000	NGO MICRO CREDIT PROJECT	DTI	1.000		11.15.2023
0945-PHI	21135000	SMALL AND MEDIUM IND PROJ	DTI	1.000		10.15.2023



# Examples of documents used

# Constructors evaluation report

**CONSTRUCTION INDUSTRY AUTHORITY  
OF THE PHILIPPINES –  
PHILIPPINE DOMESTIC CONSTRUCTION BOARD  
CONSOLIDATED CONSTRUCTORS  
PERFORMANCE SUMMARY REPORT  
(CPES REPORTS)**

**(ON-GOING/COMPLETED PROJECTS)  
From February 2004 – December 2006**

You may access this report on this website <http://www.gppb.gov.ph>

# Sample page of CIAP report

No. of Project	No. of Constructor	NAME OF CONSTRUCTOR	LICENSE NO.	L/F	CATEGORY			PROJECT	
					PCAB	ARC	TYPE	NAME	LOCATION
1	1	121 Construction	21686	L	D	SB	GB1	Const. of MPB @ Bulacan State University Compound	Malolos, Bulacan
2		121 Construction	21686	L	C	SB	GE1	Construction of Cemented Footbridge, Sapang Bayan	Calumpit, Bulacan
3	2	2H2L Construction	16293	L	B	SB	GE1	Conc./Widening of Antipolo-Teresa Road, Brgy Dalig/Brgy. San Jose	Antipolo City
4		2H2L Construction	16293	L	B	SB	GB1	Construction of Multi-Purpose Bldg.	Brgy Pampanga, Davao City
5	3	3 FS Construction	30464	L	B	MA	GE1	Construction of Approaches, Minuhang Bridge	Barugo, Leyte

# JBIC post evaluation report

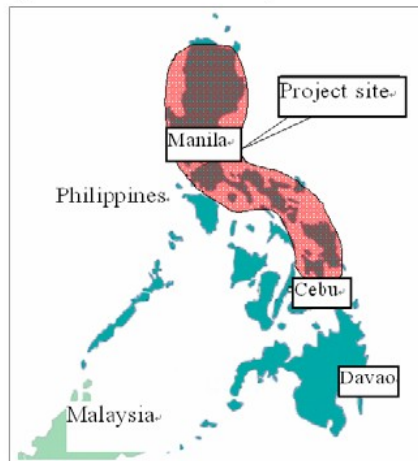
## The Philippines

### Rehabilitation and Maintenance of Bridges Along Arterial Road (I) (II)

External Evaluator: Masashi Takano (Nomura Research Institute, Ltd.)

Field Survey: September-November 2005

#### 1. Project Profile and Japan's ODA Loan



Map of project area



Buang I Bridge

# ADB project completion report

ASIAN DEVELOPMENT BANK

PPA: PHI 22274

PROJECT PERFORMANCE AUDIT REPORT  
ON THE  
METROPOLITAN CEBU WATER SUPPLY PROJECT  
(Loans 1056-PHI[SF]/1057-PHI)  
IN THE  
PHILIPPINES

December 2002

# World Bank project completion report

Document of  
The World Bank

Report No: 27636-PH

IMPLEMENTATION COMPLETION REPORT  
(TF-25937 SCL-45350)

ON A

LOAN

IN THE AMOUNT OF US\$100 MILLION

TO THE

PHILIPPINES

FOR A

SOCIAL EXPENDITURE MANAGEMENT PROJECT

June 30, 2004

# DPWH Abstract of bids

<b>A) Bidding Date</b> <b>B) Project ID</b> <b>C) Funding Source</b> <b>D) Implementing Office</b> <b>E) Approved Budget</b>	<b>1) Project Name</b> <b>2) Location</b>	<b>Contractors</b>	<b>Amount</b>
<b>A)</b> 3/24/2008 <b>B)</b> 08Z00004 <b>C)</b> <b>D)</b> URPO-PMO <b>E)</b> 72757467.91	<b>1)</b> CONTRACT PACKAGE C.3.A: IMPROV'T./REHABILITATION OF PEDRO GIL ST. (FROM TAFT AVE. TO EMBARCADERO ST.) <b>2)</b> CITY OF MANILA	1. HI-TRI DEVELOPMENT CORP. 2. ASSET BUILDERS CORP. 3. KAMAGONG BUILDERS & DEVELOPERS CORP. 4. R.D. POLICARPIO & CO., INC. 5. MARCBILT CONST., INC.	72,462,149.14  72,537,000.20  72,600,088.24  72,643,591.48  72,715,000.00
<b>A)</b> 3/6/2008 <b>B)</b> 08-M-F-0066 <b>C)</b> <b>D)</b> <b>E)</b> 19295179.2	<b>1)</b> Improv't./Rehab. Along Isulan Hwy. Jct. Dukay-Bagum-Sen. Ninoy aquino Road, Km. 1774+388 – Km. 1784+600 w/ exception <b>2)</b> Tacurong City	1. R.U. Aquino Const. & Development Corp.	19,294,622.26
<b>A)</b> 2/26/2008 <b>B)</b> 08LD0001 <b>C)</b> VIII LP <b>D)</b> DPWH, Davao del Sur 1st DEO <b>E)</b> 955000	<b>1)</b> Construction of 2 units cl at Hagonoy NHS Annex <b>2)</b> Paligue, Padada, Davao del Sur	1. J & S Escuadra Construction and Supply	952,005.74

# DPWH contract awards

<b>A) Date Entered in Civil Works Registry :</b> <b>B) Contract ID :</b> <b>C) Contract Name :</b> <b>D) Implementing Office :</b>	<b>1) Awarded Contractor :</b> <b>2) Awarded Amount :</b> <b>3) Extent Of Participation :</b> <b>4) Notice to Proceed Date :</b>
A) 3/20/2007 B) 07CN0064 C) IMPVT OF SAN LUIS-MA-AURORA-CASTANEDA RD, BRGY. DIANAWAN, MA. AURORA, AURORA, SO. DIMOTOL-BYPASS RD D) Aurora District Engineering Office	1) LMG CONSTRUCTION 2) 4,624,537.00 3) 100% 4) 3/29/2029
A) 11/30/2006 B) 06GB0028 C) CONCRETING OF 184.50 LM BRGY ROAD LAUA-AN D) Antique District Engineering Office	1) MAXNELL ENTERPRISES 2) 942,086.00 3) 100% 4) 12/29/2026
A) 11/27/2006 B) 06FB0088 C) ROAD OPENING OF GUMIAN-ONGO ROAD GUINOBATAN, ALBAY D) Albay 2nd District Engineering Office	1) SUNWEST CONSTRUCTION & DEVELOPMENT CORPORATION 2) 14,366,915.00 3) 100% 4) 12/28/2026
A) 2/26/2007 B) 07ID0075 C) ROAD CONCRETING BRGY JONES PASTRANA LEYTE D) Leyte 2nd District Engineering Office	1) DVB CONSTRUCTION 2) 187,992.00 3) 100% 4) 3/29/2009

# ADB procurement data

1

ASIAN DEVELOPMENT BANK  
 CONTRACT AWARDS INFORMATION ON GOODS AND RELATED SERVICES AND CIVIL WORKS  
 CONTRACTS ABOVE US\$100,000 VALUE RECORDED IN DECEMBER 2007  
 BORROWING COUNTRY: AFGHANISTAN

LOAN NO : 2257-AFG(SF)  
 PROJECT NAME : NORTH-SOUTH CORRIDOR PROJECT  
 SECTOR : Roads & Highways  
 EXECUTING AGENCY(IES) : Ministry of Public Health  
 Ministry of Public Health

PCSS CONTRACT NO. : 0001  
 EA CONTRACT NO. : MPW/613/ADB/CON1  
 NAME OF SUPPLIERS/CONTRACTORS : SAMHAN CORPORATION  
 ADDRESS : 98-20, WOONE-DONG, CHONGRO-KU  
 SEOUL, KOREA  
 NATIONALITY OF BIDDER : KOREA, REPUBLIC OF  
 TOTAL CONTRACT AMOUNT : US\$30,931,454.00  
 NATURE OF CONTRACT : CONSTRUCTION  
 DATE OF CONTRACT : 07-Dec-07  
 MODE OF PROCUREMENT : ICB  
 ITEM(S) SUPPLIED : REHABILITATION AND RECONSTRUCTION OF  
 MAZAR-E-SHARIF TO PUL-E-BARAQ  
 PACKAGE 1

	CONTRACT VALUE IN US\$	COUNTRY(IES) OF ORIGIN	PERCENT %	EQUIVALENT IN US\$
CONTRACT AMOUNT FINANCED BY ADB :	30,931,454.00	KOR	100.00	30,931,454.00

	NAME	NATIONALITY
UNSUCCESSFUL BIDDERS :	BSC, C&C-JV BROTHER AMIR HUSSAINI-HAJI FAYAJ AND BROTHERS	INDIA AFGHANI. IS. REP. OF

PCSS CONTRACT NO. : 0002  
 EA CONTRACT NO. : MPW/613/ADB/CON2  
 NAME OF SUPPLIERS/CONTRACTORS : SAMHAN CORPORATION  
 ADDRESS : 98-20, WOONE-DONG, CHONGRO-KU  
 SEOUL, KOREA  
 NATIONALITY OF BIDDER : KOREA, REPUBLIC OF  
 TOTAL CONTRACT AMOUNT : US\$37,690,719.00  
 NATURE OF CONTRACT : CONSTRUCTION  
 DATE OF CONTRACT : 07-Dec-07  
 MODE OF PROCUREMENT : ICB  
 ITEM(S) SUPPLIED : REHABILITATION AND RECONSTRUCTION OF  
 PUL-E-BARAQ-DARI SUP ROAD  
 PACKAGE 2

	CONTRACT VALUE IN US\$	COUNTRY(IES) OF ORIGIN	PERCENT %	EQUIVALENT IN US\$
CONTRACT AMOUNT FINANCED BY ADB :	37,690,719.00	KOR	100.00	37,690,719.00

	NAME	NATIONALITY
UNSUCCESSFUL BIDDERS :	BSC-C&C JV BAH-HFB (JV)	INDIA AFGHANI. IS. REP. OF

# NEDA review of ODA projects



## OUTCOME OF THE 15th ODA PORTFOLIO REVIEW

### I. BACKGROUND

#### *Mandate*

The National Economic and Development Authority (NEDA), was mandated under RA 8182 (as amended by RA 8555) or "*The ODA Act of 1996*", to conduct annual reviews of the status of implementation of all projects financed through Official Development Assistance (ODA), and identify causes of delays, reasons for bottlenecks, cost overruns (both actual and prospective) and continued project viability.

These annual reviews have been ongoing even before the passage of the ODA Act. Per NEDA Board Resolution No. 30 Series of 1992, the Investment Coordination Committee (ICC) was instructed to review all ongoing foreign-assisted programs and projects and their financing, in light of the large undrawn balance of these loans for which commitment fees are being paid, and the concern for further improving ODA absorptive capacity. Furthermore, NEDA Board Resolution No. 3 Series of 1999 approved the recommendation to report on project outcomes and impacts towards ensuring that the objectives of development projects are indeed achieved.

# ICC project evaluation report

## Project Evaluation Report

**Subject** : National Broadband Network (NBN) Project

**Proponent** : Department of Transportation and Communications (DOTC)

**Date** : 29 March 2007

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### Background

1. The quality of telecommunications infrastructure that serves as the backbone for the application of a wide range of Information and Communications Technology (ICT) and multimedia services is seen as one of the drivers for socioeconomic growth and a key to finding the country's proper niche in the global knowledge economy.

# Minutes of ICC Technical Board meeting

09/14/2007 07:55 5 NEDA PRESS ROOM PAGE 01

Draft Minutes of the 26 March 2007  
Special Joint ICC-Cabinet Committee and Technical Board Meeting

Minutes of the Special Joint Investment Coordination Committee  
Cabinet Committee and Technical Board Meeting  
26 March 2007 - 1:30 p.m.  
DOF Board Room, 6/F DOF Building,  
BSP Complex, Roxas Boulevard, Manila

**Attendance**

**Members Present**

1. Secretary Margarito B. Teves  
Department of Finance
2. Secretary Romulo L. Neri  
National Economic & Development Authority
3. Secretary Arthur C. Yap  
Department of Agriculture  
(Represented by Undersecretary Bernie G. Fondevilla)
4. Secretary Peter B. Favila  
Department of Trade and Industry
5. Secretary Raphael P.M. Lotilla  
Department of Energy  
(Represented by Mr. Norman Vincent T. Martinez)
6. Dr. Vicente B. Valdepenas, Jr.  
Bangko Sentral ng Pilipinas
7. Undersecretary Elmer C. Hernandez  
Build-Operate-Transfer Center  
(Represented by DED Corazon M. Ravara)
8. Undersecretary Manuel D. Gerochi  
Department of Environment and Natural Resources

**Members Not Present**

Secretary Rolando G. Andaya Jr.  
Department of Budget and Management

CONFIRMED MINUTES  
DATE APR 23 2007 BY: *[Signature]*