

OVERVIEW OF 2012 FAPs PORTFOLIO

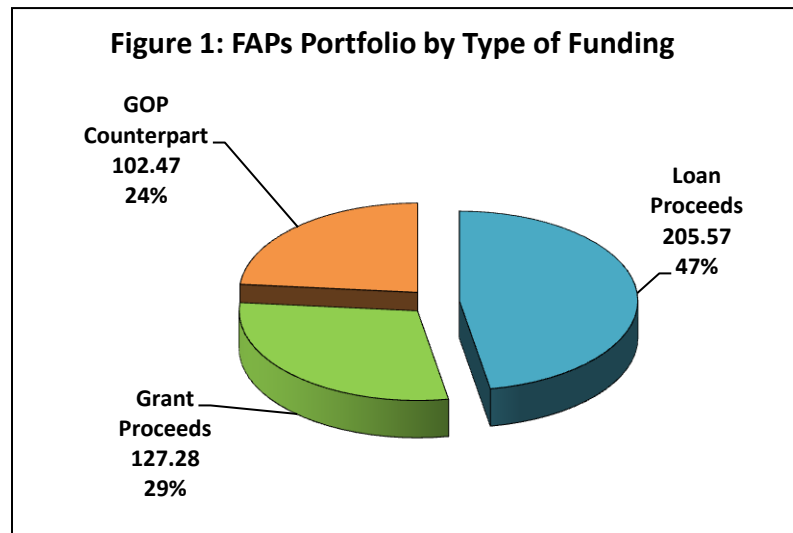
1.1 Size of the Portfolio

The DENR Foreign Assisted Projects (FAPs) Portfolio in 2012 consisted of 38 projects, with an aggregate cost of US\$435.31 Million or approximately PhP19.75 Billion. About 68% of the total Portfolio cost or US\$297.51 Million represents five (5) loan projects, while 32% or US\$137.80 Million corresponds to the aggregate cost of thirty three (33) grant projects. (See **Table 1**).

Table 1: Size of FAPs Portfolio by Project Type

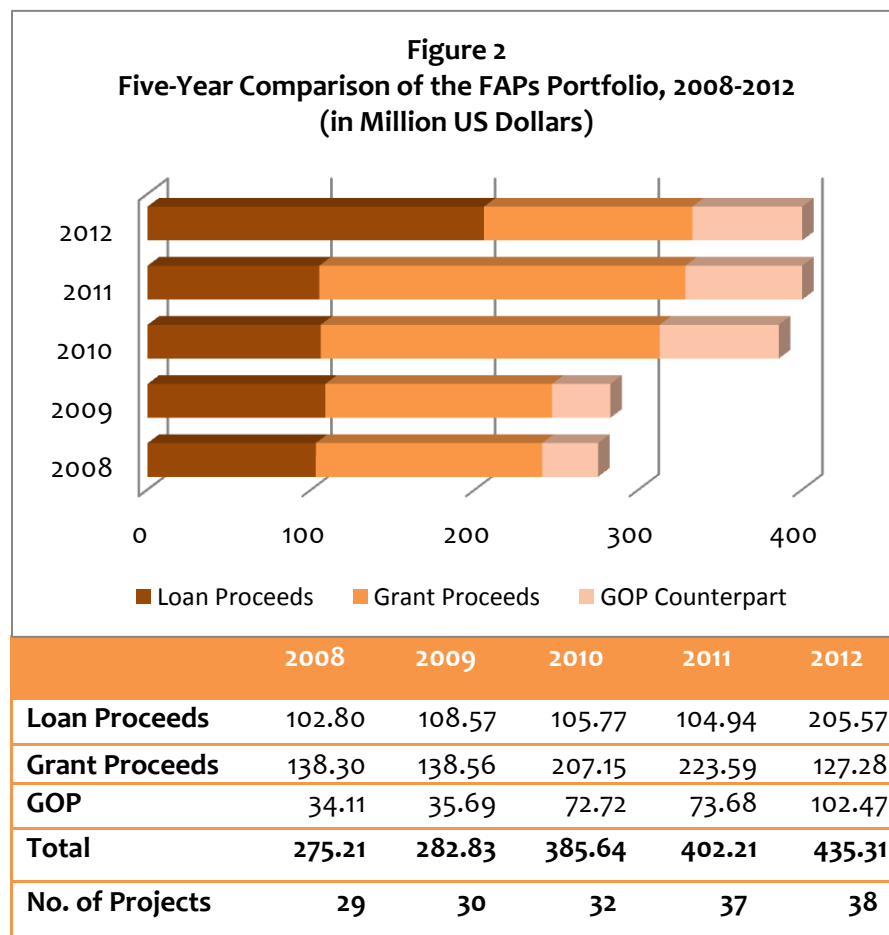
PROJECT TYPE	NO. OF PROJECTS	TOTAL PROJECT COST (In Million US\$)				% OF TOTAL
		LP	GP	GOP	Total	
Loans	5	205.57	37.78	54.16	297.51	68%
Grants	33	-	89.50	48.30	137.80	32%
TOTAL	38	205.57	127.28	102.47	435.31	100%

The funding composition of the 38 projects is 47% or US\$ 205.57 Million loan proceeds, 29% or US\$ 127.28 Million grant proceeds, and 24% or US\$ 102.47 Million GOP counterpart (See **Figure 1**).



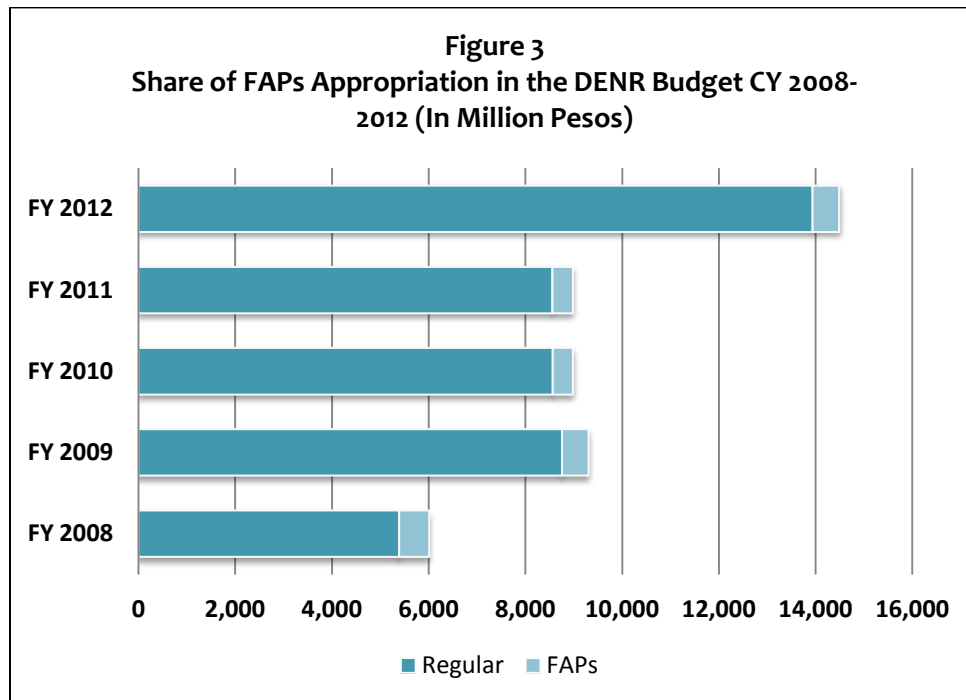
1.2 Comparative Size of the Portfolio, 2008 – 2012

The FAPs Portfolio increased at an average of 13% annually during the period 2008-2012. The 2012 portfolio, which amounts to US\$435.31 million, is eight percent (8%) higher than the 2011 portfolio's US\$402.21 million (See **Figure 2**). The overall increase is attributed to the new JICA-funded Forestland Management Project (FMP), which brought in additional loan funds in the amount of US\$100.63 million. Grant proceeds decreased by 43% due to the completion of at least five projects, notably the USAID's Philippine Environmental Governance Project (EcoGov); cancellation of the KfW/CDM component of the Philippine Chiller Energy Efficiency Project; and the transfer of the GIZ-funded Environment and Rural Development Program (EnRD) to the ODA Portfolio of the Department of Agriculture as the lead agency of the National Convergence Initiative which implements the EnRD program.



1.3 Share of FAPs Appropriation in the DENR Annual Budget, CY2008-2012

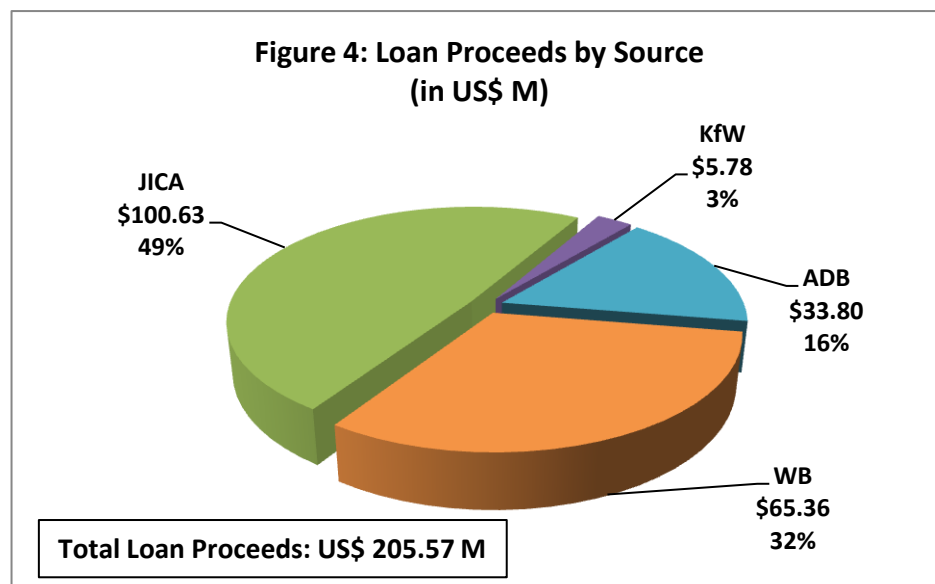
The 2012 DENR Appropriation allocated an amount of PhP553 million for four (4) foreign assisted loan projects or about 4% of the total DENR budget. This excludes the PhP50 million budget support from World Bank (i.e. the National Program Support to Environment and Natural Resources Management Project or NPS-ENRMP) which provides cash for enrolled or tagged programs/activities in the DENR's regular appropriations. Grant projects are likewise not reflected in the DENR appropriations as these are mostly in-kind or in the form of technical assistance and limited quantities of physical resources (see **Figure 3**).



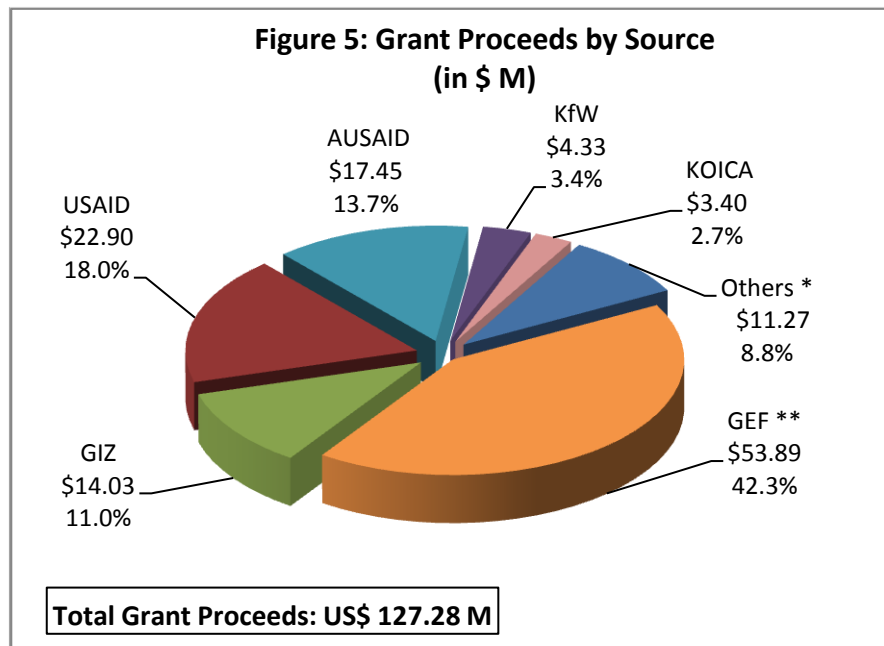
	2008	2009	2010	2011	2012
Regular	5,393	8,762	8,566	8,562	13,937
FAPs	621	543	420	420	553
Total	6,014	9,305	8,986	8,982	14,490

1.4 Funding Sources

The sources of funds for loan projects are the Japan International Cooperation Agency (49% share), the World Bank (32% share), the Asian Development Bank (16% share), and Germany's Kreditanstalt für Wiederaufbau or KfW (3%). The World Bank currently finances two projects, namely the Second Phase of the Land Administration and Management Project (LAMP2) and the National Program Support to Environment and Natural Resources Management Project (NPS-ENRMP). The ADB is financing the Integrated Coastal Resources Management Project (ICRMP), while KfW finances the Community Based Forest and Mangrove Management Project in Panay and Negros (CBFMMP). The loan agreement with JICA for the implementation of the Forestland Management Project (FMP) took effect in July 2012. (See **Figure 4**).



For grant assistance, the main contributors are the Global Environment Facility or GEF (42%), USAID (18%), AusAID (14%), and German Agency for International Cooperation or GIZ (11%). Portions of the grant assistance from GEF, AusAID and KfW serve as grant components for the loan projects. Other sources of grants are UNDP, UNIDO, UNEP, FAO, NZAP, KOICA, Spain, Japan and Multilateral Fund of the Montreal Protocol (See **Figure 5**).

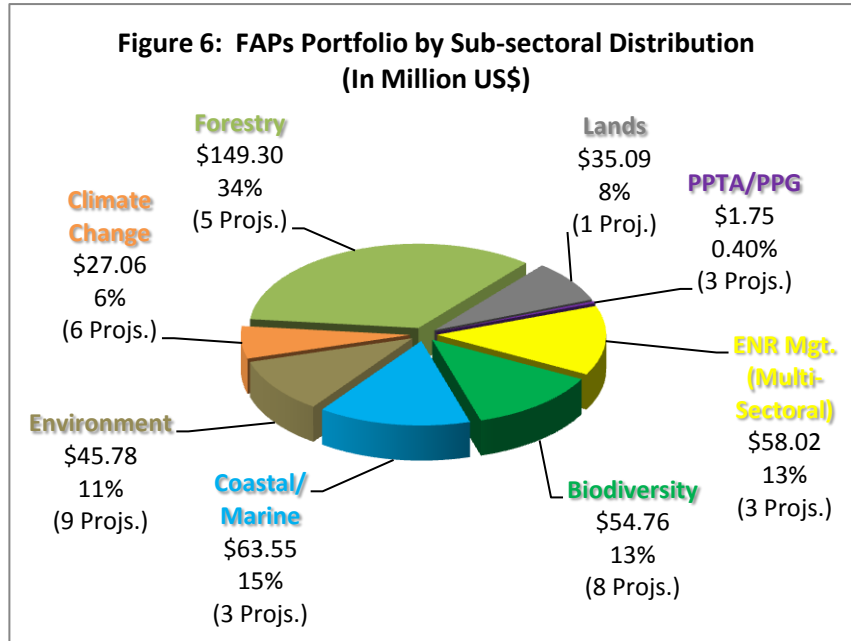


* UNDP, Spanish Gov't. , UNIDO, UNEP, FAO, NZAP, KOICA, Japan & Multilateral Fund of the Montreal Protocol

** GEF Funds are administered through the ff. institutions: ADB, WB, UNDP, UNIDO, UNEP, ASEAN & FAO

1.5 Sub-sectoral Distribution of Projects

The FAPs Portfolio is allocated to the ENR sub-sectors as follows: 34% for forest/watershed management or US\$149.30 million, representing 2 loan projects and 3 grants; 15% or US\$63.55 million for coastal/marine resources, representing 1 loan project and 2 grants; 13% or 54.76 Million for biodiversity conservation, representing 8 grant projects; 11% or US\$ 45.78 for environmental management, representing 9 grant projects; 8% or US\$ 35.09 million for land management, representing 1 loan project; and 6% or US\$ 27.06 Million for 5 grant projects purposely designed to address climate change . About 13% or US\$58.02 million contributes to multi-sectoral and cross-cutting concerns, representing 3 projects, which includes the budget support program for ENR management. An amount of US\$1.75 million or .4% supports project preparation activities (See **Figure 6**).



The list of projects by funding type and sub-sectoral distribution is shown in Table 2.

Table 2: List of Ongoing Loan and Grant Projects

Project Title	Funding Source	Net Commitment (US\$M)	Project Cost (in PhPM) ¹				Duration	Location
			LP	GP	GOP	Total		
LOANS		205.57	9,379.91	1,778.59	2,566.46	13,724.96		
Land Administration and Management Project (LAMP 2)	WB and AusAID	15.36 ²	727.37	819.79 ³	91.31	1,638.47	Oct 2005– Sep 2013	Reg 6 - Bohol; Reg 8 – Leyte; Reg 10 - Bukidnon
Integrated Coastal Resources Management Project (ICRMP)	ADB and GEF	33.80	1,764.36	469.80	1,018.94	3,253.10	Jul 2007 - Jun 2013	Reg 2 - Cagayan; Reg 3 - Zambales; Reg 5 - Masbate; Reg 7 - Cebu, Siquijor; Reg 9 - Davao Or.; Reg 4-B - Romblon
Community Based Forest and Mangrove Management Project in Panay and Negros (CBFMMP)	KfW	5.78	260.00	195.00	113.75	568.75	Jan 2009- Dec 2015	Reg 6 – Aklan , Antique, Capiz, Iloilo, Negros Occidental Reg 7 - Negros Oriental
National Program Support to Environment and Natural Resources Management Project (NPS-ENRMP)	WB and GEF	50.00	2,100.00	294.00	0.00	2,394.00	Nov 2007- Dec 2012 (Ext. Dec 2013)	Nationwide (SIM); GEF sites: Reg 4A - Quezon; Reg 5 - Camarines Sur & Camarines Norte; Reg 6 - Negros Occ; Reg 12 - North Cotabato, Sultan Kudarat; ARMM – Maguindanao
Forestland Management Project (FMP)	JICA	100.63	4,528.18		1,342.46	5,870.64	Jul 2012 – Jul 2022	Reg 2 - Nueva Viscaya & Quirino; CAR – Ifugao; Reg 3 - Carranglan & Pantabangan; Reg 6 - Iloilo

¹Conversion rate per project varies depending on US\$ - PhP exchange rate at the time of project appraisal.

² Excluding loan cancellation amounting to US\$2.8 M in 2010 and US\$0.83 M in 2011 or a total of US\$3.63 M.

³ AusAID grant component was completed in 2010

Project Title	Funding Source	Net Commitment (US\$M)	Project Cost (in PhPM) ⁴				Duration	Location
			LP	GP	GOP	TOTAL		
GRANTS		89.50		3,898.43	2,125.73	6,024.16		
MULTI-SECTORAL/ CROSS-CUTTING		0.51		22.14	22.62	44.76		
Strengthening Coordination for Effective Environmental Management (StrEEM)	UNDP/ GEF	0.48		20.86	22.62 (In kind)	43.48	Jun 2009- Dec 2013	Reg 4B – Palawan
Preparation of the GEF-Philippine National Portfolio – Formulation Document (NPFDD)	WB/ GEF	0.03		1.28	In-kind	1.28	Mar 2011- Dec 2012	NCR
BIODIVERSITY CONSERVATION		34.28		1,445.68	917.57	2,363.25		
Samar Island Biodiversity Project Phase II (SIBP2)	UNDP/ GEF	1.58		67.98	In kind	67.98	Jan 2008- Dec 2012	Region 8 - Eastern Samar, Western Samar & Northern Samar
Conservation and Adaptive Management of Globally Important Agricultural Heritage System – Ifugao Rice Terraces (GIAHS-IRT)	FAO	0.50		24.00	48.00 (In-kind)	72.00	Jun 2008- Jun 2013	CAR – Ifugao
Rehabilitation and Sustainable Use of Peatland Forests in South East Asia	ASEAN/ GEF	0.26		11.24	In kind	11.24	Sep 2009- Jun 2013	Reg 8 - Leyte; CARAGA - Agusan del Sur

⁴Conversion rate per project varies depending on US\$ - PhP exchange rate at the time of project appraisal.

New Conservation Areas in the Philippines Project (NewCAPP)	UNDP/ GEF	3.50		154.00	285.67	439.67	Aug 2010- Sep 2014	CAR- Kalinga, Mt. Province; Reg 3 - Zambales, Tarlac, Bulacan; Reg 4A - Rizal, Quezon; Reg 4B - Mindoro Or., Mindoro Occ.; Reg 7 - Cebu; Reg 8 – So. Leyte; Reg 13 - Agusan del Norte, Surigao del Norte, Agusan del Sur; and ARMM - Tawi-tawi
Partnership for Biodiversity Conservation, Mainstreaming in Local Agricultural Landscape	UNDP/ GEF	4.80		216.06	549.93	765.99	Jun 2010- Jun 2016	Reg 2 - Cagayan, Quirino; Reg 4B - Occ. Mindoro, Palawan; Reg 6 - Antique, Iloilo, Capiz, Aklan, Negros Occ.; Reg 6 - Davao Oriental; Reg 13 - Agusan del Norte, Surigao del Norte
Removing Barriers to Invasive Species Management in Production and Protection Forest in Southeast Asia	UNEP/ GEF	0.57		25.86	31.45	57.13	Dec 2011- Nov 2015	Reg 12 - South Cotabato
National Biodiversity Planning to Support the Implementation of the 2011-2020 CBD Strategic Plan on Biodiversity	UNDP/ GEF	0.67		28.14	2.52	30.66	Jun 2012- Dec 2014	
Biodiversity and Watersheds Improved for Stronger	USAID	22.40		918.40		918.40	Dec 2012- Dec 2017	Reg 2 - Isabela; Reg 4A - Quezon; Reg 4B – Or. Mindoro; Reg 5 - Albay;

Economy and Resiliency Project (B-WISER)								Reg 6 - Negros Occ.; Reg 10 - Bukidnon; Reg 11 - Davao del Sur; Reg 12 - North Cotabato
COASTAL / MARINE RESOURCES MGT.		1.23		51.28		51.28		
Camiguin Coastal Resource Management Project – Ph. 2	NZAID	0.73		30.78		30.78	Feb 2012- Mar 2014	Reg 10 - Camiguin
Danajon Bank Marine Project	USAID	0.50		20.50		20.50	Jan. 2011- Jan. 2013	Reg 7 - Cebu, Bohol; Reg 8 - Leyte
FOREST MANAGEMENT		6.20		278.95		278.95		
Moving Forward in the Implementation of Non-Legally Binding Instrument (NLBI) on All Types of Forests in Liberia, Nicaragua and Philippines	FAO	1.50		67.45	In kind	67.45	Aug 2010- Aug 2013	NA
Integrated Sustainable Wood Pellet Manufacturing and Industrial Tree Plantation Establishment Project in the Philippines	KOICA	3.40		153.00	In kind	153.00	Oct 2010- Oct 2012	Region 13 - Nasipit, Agusan del Norte and Prosperidad, Surigao del Sur
CDTA for Decentralized Framework for Sustainable Natural Resources and Rural Infrastructure Development	ADB	1.30		58.50	In kind	58.50	Jul 2011 – Oct 2013	Region 10 - Bukidnon, Misamis Oriental

ENVIRONMENTAL MANAGEMENT		22.69		999.84	995.12	1,994.96		
Ozone Depleting Substances – Inst'l Strengthening Project – Phase VIII	MLF	0.18		7.79	In-kind	7.79	Oct 2011 - Dec 2013	NCR - EMB-Central Office
Ozone Depleting Substances – National CFC Phase Out Program (NCP)	MLF	0.47		20.28	In-kind	20.28	Oct 2012- Dec 2013	Nationwide
Sector Plan to Phase Out HCFC141b in the Foam sector	UNIDO	2.09		93.92	In-kind	93.92	Jan 2011 – Dec 2012	NCR - Metro Manila
Non-Combustion Technology for the Destruction of Persistent Organic Pollutants (POPs)	UNIDO/ GEF	4.76		1/98.62	292.70 (DENR – P 20.87 M)	491.32 ⁵	Dec 2007 – Dec 2012 (Ext. Jan. 2013-Dec. 2014)	NCR - Metro Manila; Reg 3 - Bataan
Integrated Persistent Organic Pollutants Management Project	WB/GEF	8.64		377.40	700.19	1,077.59	Jan 2011 – Jun 2017	NCR - Metro Manila; Reg 3 - Zambales; Reg 6 - Iloilo; and Reg 10 - Cagayan de Oro
GEF-Manila Third Sewerage Project (MTSP)	WB/GEF	5.00		234.12		234.12	Aug 2007- Nov 2012 (Ext. May 2014)	NCR - Metro Manila

⁵ Includes counterpart from PNO, Private Sector and NGOs

Solid Waste Management for LGUs, Phase 3	GIZ	1.27		55.80	2.23	58.03	Jan 2011 – Dec 2012	Reg 6 - Iloilo, Guimaras, and Negros Occidental; Reg 7 - Cebu, Negros Oriental; Reg 8 - Leyte, So. Leyte; Reg 13 - Agusan del Norte
DENR-UNEP Resource Efficiency: Sustainable Consumption and Production	UNEP/ KOICA	0.05		2.25		2.25	Jul 2011 – Mar 2012	NCR-Metro Manila
Review/Update of the National Implementation Plan for the Stockholm Convention on Persistent Organic Pollutants	UNIDO/ GEF	0.23		9.66		9.66	Mar 2012-2013	
CLIMATE CHANGE⁶		22.83		1,024.27	190.43	1,214.70		
Philippine Climate Change Adaptation Project	WB/GEF	4.97		223.65	In-kind	223.65	Jan 2011 – Dec 2015	Reg 2 - Cagayan; Reg 6 - Iloilo; Reg 13 - Surigao del Norte
Philippine Chiller Energy Efficiency Project	WB/GEF	3.60		151.20	13.65 (Cash and in-kind)	164.85	Jan 2011- Jan 2017	NCR - Metro Manila; Reg 7 - Cebu City; Reg 11 - Davao City
MDGF 1656: Joint Programme on Strengthening the Philippine Institutional Capacity to Adapt to Climate Change	Spain	1.50		67.50	In-kind	67.50	Dec 2008- Dec 2011 (ext. Jun 2012)	Nationwide; Demo sites: CAR; NCR - Metro Manila; Reg 5 - Albay, Sorsogon; Reg 13 - Agusan del Norte

⁶ Includes only projects purposely designed to address climate change; other projects contributing to climate change mitigation are embedded in other sectors (e.g. forestry, environment).

Climate Related Modernization of Forest Policy and REDD Piloting in the Philippines	GIZ	3.73		175.50	32.50	208.00	Oct 2009- Mar 2013	Reg 8 – So. Leyte
Forest and Climate Protection in Panay	GIZ	2.70		121.50	15.98	137.48	Nov 2010- May 2014	Reg 6- Aklan, Antique, Capiz, Iloilo
Adaptation to Climate Change in Coastal Areas as support to Coral Triangle Initiative (ACCCoast)	GIZ	6.33		284.92	128.30	413.20	Jan 2011- Jun 2014	Selected Marine Protected Areas in the Philippines
PROJECT PREPARATION TECHNICAL ASSISTANCE		1.75		76.25		76.25		
UN - REDD Plus-Supporting Initial Readiness Process	UNDP/ UNEP/ FAO	0.50		22.50	In-kind	22.50	Jul 2011- Dec 2012 (extended Mar 2013)	Nationwide
Laguna de Bay, Pasig River and Manila Bay – Integrated Water Quality Management Project – PPG	WB	0.25		10.75	In-kind	10.75	Jul 2011- 2013	NCR – Metro Manila; Reg 4A – Laguna, Cavite; Reg 3 -Bulacan
Philippine Solid Waste Management Sector Project-PPTA	ADB	1.00		43.00	In-kind	43.00	Sep 2012- Apr 2013	Highly urbanized areas in Luzon (Metro Manila and Urban Beltway); Visayas (Central Visayas and Cebu); and Mindanao (Davao and Northern Urban Belt)