

## **Philippines**

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### **Fisheries, Coastal Resources and Livelihood Project Supervision Report**

#### **Main report and appendices**

Mission Dates: 09-26 February 2020  
Document Date 26/03/2020  
Project No. 1100001548  
Report No. 5375-PH

Asia and the Pacific Division  
Programme Management Department

## Abbreviations and Acronyms

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ABC	Approved Budget for Contract
ABS	Aqua-based Business School
ABS-GCC	Aqua-base Business School-Gender and Climate Change
ACEF	Agricultural Competitiveness Enhancement Fund
AOS	Annual Outcome Survey
AWPB	Annual Work Plan and Budget
BAC	Bids and Awards Committee
BARMM	Bangsamoro Autonomous Region in Muslim Mindanao
BFAR	Bureau of Fisheries and Aquatic Resources
BMC	Bay Management Council
BMMB	Bay Management and Multi-purpose Building
CF	Community Facilitator
COA	Commission on Audit
CRM	Coastal Resource Management
DA	Department of Agriculture
DOF	Department of Finance
DTI	Department of Trade and Industry
eNGAS	electronic National Government Accounting System
FARMC	Fisheries and Aquatic Resource Management Council
FCD	Financing Closing Date
FLET	Fisheries Law Enforcement Team
FO	Fisherfolk Organization
FPIC	Free and Prior Informed Consent
GEWE	Gender Equality and Women Empowerment
GIDS	Gender and Institutional Development Specialist
GPH	Government of the Philippines
GSIS	Government Service Insurance Corporation
IFAD	International Fund for Agricultural Development
I/PPSAS	International Public Sector Accounting Standards
KM	Knowledge Management
LBP	Land Bank of the Philippines
LGU	Local Government Unit
M&E	Monitoring and Evaluation
MAFAR	Ministry of Agriculture, Fisheries and Agrarian Reform
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
NAMRIA	National Mapping and Resource Information Authority
NEDA	National Economic and Development Authority
NGO	Non-Government Organization
PCD	Project Closing Date
PCIC	Philippine Crop Insurance Corporation
PCR	Project Completion Review
PhilGEPS	Philippine Government Electronic Procurement System
PhP	Philippine Peso
PP	Procurement Plan
PR	Purchase Request
PRSA	Participatory Resource and Social Assessment
PSCO	Project Support and Coordination Office

<b>REOI</b>	<b>Request for Expression of Interest</b>
<b>RFQ</b>	<b>Request for Quotation</b>
<b>RPMO</b>	<b>Regional Project Management Office</b>
<b>SCG</b>	<b>Saving and Credit Group</b>
<b>SPCMAD</b>	<b>Special Projects Coordination and Management Assistance Division</b>
<b>USD</b>	<b>US Dollar</b>
<b>WA</b>	<b>Withdrawal Application</b>
<b>WB</b>	<b>World Bank</b>

## A. Project Overview

Region:	Asia and the Pacific Division	Project at Risk Status:	Not at risk
Country:	Philippines	Environmental and Social Category:	B
Project Name:	Fisheries, Coastal Resources and Livelihood Project	Climate Risk Classification:	2
Project ID:	1100001548	Executing Institution:	Bureau of Fisheries and Aquatic Resources
Project Type:	Fisheries	Implementing Institutions:	Department of Agriculture
CPM:	Alessandro Marini		
Project Director:	Eduardo Gongona		
Project Area:	Region 5, Visayas, Region 13 and ARMM		

Approval Date:	15/09/2015	Last audit receipt:	21/05/2019
Signing Date:	26/10/2015	Date of Last SIS Mission:	26/02/2020
Entry into Force Date:	26/10/2015	Number of SIS Missions:	7
Available for Disbursement Date:	01/05/2016	Number of extensions:	0
First Disbursement Date:	25/05/2016	Effectiveness lag:	1 month
MTR Date:	12/03/2018		
Original Completion Date:	31/12/2020		
Current Completion Date:	31/12/2020		
Financial Closure:	not available yet		

### Project total financing

<b>IFAD Financing breakdown</b>	IFAD: KfW loan	\$29,956,000
<b>Domestic Financing breakdown</b>	Local Government	\$5,636,000
	Beneficiaries	\$1,328,000
	National Government	\$6,125,000
<b>Co-financing breakdown,</b>		
<b>Project total financing:</b>		<b>\$43,045,000</b>

### Current Mission

Mission Dates:	09-26 February 2020
Days in the field:	12 days (excluding separate meetings of Finance and Procurement Specialists)
Mission composition:	Jerry Jing Pacturan, IFAD CPO and FishCORAL Task Team Leader; Yolando Arban, Project Management and M&E Consultant; Bernard Adrien, Coastal Resource Management and Livelihoods Consultant; Arthur Tantuan, Procurement Consultant; Zidni Marohombsar, Financial Management Consultant; Noel Quejada, NEDA Representative; and, Vivian Azore, IFAD CPA and Mission Logistics; Alessandro Marini, IFAD CD, participated in the kick-off meeting.
Field sites visited:	Regions V (Ragay Gulf/ Camarines Sur); Region VIII ( Leyte Gulf/Samar, Eastern Samar, Samar; Region Caraga (Liangsa-Hinatuan Bay/Surigao del Sur, Butuan Bay/Agusan del Norte: BARMM (Illana Bay/Lanao del Sur)

## B. Overall Assessment

Key SIS Indicator #1	Ø	Rating	Key SIS Indicator #2	Ø	Rating
Likelihood of Achieving the Development Objective		4	Assessment of the Overall Implementation Performance		4

<b>Effectiveness and Developmental Focus</b>	<b>4</b>	<b>Project Management</b>	<b>4</b>
Effectiveness	3	Quality of Project Management	4
Targeting and Outreach	4	Knowledge Management	5
Gender equality & women's participation	5	Value for Money	3
Agricultural Productivity	4	Coherence between AWPB and Implementation	4
Nutrition	N/A	Performance of M&E System	4
Adaptation to Climate Change	5	Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)	4

<b>Sustainability and Scaling-up</b>	<b>5</b>	<b>Financial Management and Execution</b>	<b>4</b>
Institutions and Policy Engagement	5	Acceptable Disbursement Rate	3
Partnership-building	5	Quality of Financial Management	4
Human and Social Capital and Empowerment	5	Quality and Timeliness of Audit	4
Quality of Beneficiary Participation	5	Counterparts Funds	5
Responsiveness of Service Providers	4	Compliance with Loan Covenants	4
Environment and Natural Resource Management	4	Procurement	3
Exit Strategy	4		
Potential for Scaling-up	5		

<b>Relevance</b>	<b>5</b>
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## C. Mission Objectives and Key Conclusions

### Background and Main Objective of the Mission

The FishCORAL project is executed by the Department of Agriculture/Bureau of Fisheries and Aquatic Resources (DA/BFAR). It has a total project cost of USD 43.045 million composed of an IFAD loan of EUR 27.31million or approximately USD 29.956 million, an IFAD grant of USD 0.60 million; national and local government counterpart funds of USD 12.38 million; and beneficiary contributions estimated at USD1.25 million. IFAD financing of FishCORAL Project became effective on 26 October 2015, with a project completion date of 31 December 2020 and a financial closing date of 30 June 2021.

The overall goal is to reduce poverty in poor coastal communities, improve food and nutrition security and increase household incomes in the Philippines. This will be achieved by building fishing communities' capacity to sustainably manage fishery and coastal resources and by ensuring sustainable engagement in diversified livelihood activities in the target coastal areas of four regions: Bangsamoro Autonomous Region in Muslim Mindanao, Caraga in Northeastern Mindanao, Eastern Visayas, and Bicol in Southern Luzon. More than 180,000 poor households living in coastal areas will benefit from this IFAD-funded project.

The mission (i) reviewed the accomplishments and progress and targets of Fiscal Year (FY) 2019 based on the approved Annual Work Plan and Budget (AWPB) and Annual Procurement Plan (APP); (ii) assessed the status of the agreed actions in the 2019 supervision mission; (iii) identified implementation issues and bottlenecks; and (iv) agreed with DA and BFAR management and FishCORAL staff on a set of actions to improve project implementation and ensure proper completion in the remaining ten (10) months of the Project. The mission met and discussed with the PSCO, the regional project management offices, DA-Special Projects Coordination and Management Assistance Division (SPCMAD) staff, DA oversight agencies (NEDA, DOF) and visited and interacted with project beneficiaries, representatives of local government units (LGU) and relevant government line agencies including the newly created BARMM Ministry of Agriculture, Fisheries and Agrarian Reform (MAFAR), and private entrepreneurs and financial institutions in the project sties.

Key findings, issues and recommendations listed below were discussed and agreed upon with the Project team during the pre wrap-up meeting on 20 February 2020 in Dreamworld Hotel, Quezon City and were presented to the DA and BFAR Management in a wrap-up meeting chaired by Undersecretary Rodolfo V. Vicerra of the Department of Agriculture Policy and Planning Office on 21 February 2020 in the same venue. DA Undersecretary and Chief of Staff Cheryl Marie Caballero-Natividad also participated and closed the wrap-up meeting. Details on findings and agreed actions between government and IFAD are documented in the relevant sections of this report.

### Key Mission Agreements and Conclusions

**Disbursements.** With a Project elapsed time of 84%, the disbursement from the loan stands at USD 18.4 million (including advances to the imprest account of USD 7.3 million) or 61.30% of the approved loan financing. Another USD 2.3 million in project expenditures from October to December 2019 are being reviewed at the PSCO for immediate submission to IFAD. The Project has still not submitted a WA for the Grant since May 2019, thus disbursements remain at USD 360 thousand (including advances of USD 240 thousand) or 52.24% of the approved amount.

**Physical accomplishment.** The overall reported weighted performance from the previous supervision is at 64.52% in December 2019 which is way below its planned cumulative accomplishment of 94% by end of the fiscal year (FY). Performance is affected mainly by delays in procurement for all regions and by the slow movement of activities and sub-projects implementation in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) whose transition from the previous ARMM is still ongoing as of this mission.

**Implementation capacity** for both BFAR staff and hired project staff working as a Project team needs to be strengthened and synchronized in the remaining ten months to ensure that the targets for 2020 are all completed and the use of loan and grant resources are fully maximized. The DA and BFAR Management together with the FishCORAL PSCO and RPMOs must exercise strong leadership and oversight in procurement activities and management of awarded sub-project contracts in order to complete all physical and disbursement targets by end of 2020. BFAR staff expertise should actively complement the technical requirements of all activities and sub-projects to be implemented for the remaining project period.

**Consolidation, documentation and policy engagement.** Models and good practices in both CRM and livelihood components should be consolidated, replicated where feasible across the regions, documented and utilized for policy engagement with local governments and for lobbying for more resource allocation from DA/BFAR and relevant national government agencies. For CRM, the Bay-wide Management Councils, strengthening of FLETs, fish sanctuary rehabilitation, delineation of municipal waters, CRM plans are important investments that need to be continued and sustained beyond the Project life with budgetary support from national and local governments. For livelihood development, the gains on the Aqua-based Business School (ABS) model, the commercial partnerships between small fishers and traders/consolidators, financial services from financial institutions (e.g., LBP, MFIs, PCIC) provided to the small fishers, investments in developing industry road maps including hatcheries, must be continued and sustained that will ultimately accrue to the benefit of the small fishers in the Project areas.

**Project completion.** With Project Completion Date (PCD) of 31 December 2020 and Financing Closing Date (FCD) of 30 June 2021, FishCORAL needs to ensure completion of all activities and sub-projects at PCD. In anticipation of the FCD period, the Project needs to prepare for the conduct of the Post Completion Review (PCR) by procuring the service provider short of award at PCD, submit an AWPB and PP for the FCD period that includes the cost of the PCR, limited operating costs, auditor's fees, and salaries of core staff.

## D. Overview and Project Progress

**Coastal Resources Management (CRM) component** This component aims to adopt an ecosystem-based approach to coastal resource management and among its interventions and activities that will protect both aquatic and coastal zone habitats including mangroves and coral reefs are through the adoption of the Bay Wide approach to the management of coastal resources through the active participation of Local Government Units (LGUs).

Overall the component has made significant progress since 2018 with the provision of management tools and processes to support the targeted communities and the LGUs to effectively manage their coastal resources, and enforce fishery laws within their municipal waters. Simultaneously, the construction of infrastructures and delivery of equipment related to this component, which had known considerable delays over the course of the Project, has made reasonable progress. Anticipating project completion by end of 2020, all programmed infrastructures and delivery of equipment should be completed.

### *Issues, way forward and agreed actions*

Most of the issues in the 2019 supervision that were identified and discussed with BFAR and Project stakeholders were addressed and while improvements have been made, Project needs to act with urgency in responding to these issues and expedite the implementation of activities and sub-projects that are targeted for 2020.

i. **Participatory Resource and Social Assessment (PRSA).** Except for BARMM the rest of the regions have completed the PRSAs and were used as reference information in the preparation of the respective municipal CRMs. BARMM needs to expedite the completion for the PRSA to be useful before Project completion. A partial update of the seven PRSAs in Regions V, VIII and Caraga particularly in hard coral cover, fish density and income is proposed to be carried out before end of 2020 and Project should ensure timely procurement and implementation;

ii. **Coastal Resource Management Plans and FARMCs** The process of formulation/ completion of the CRM Plans and integration into the Municipal Development Plans is still on-going. Of the one hundred and three (103) target CRMs thirty-seven (37) still needs to be prepared and completed. Of the overall target of one hundred three (103) FARMCs, ninety-five (95) are operational;

iii. **Bay-wide Management Councils (BMCs).** Eleven (11) bay-wide management councils were strengthened during this period. An additional BMC was created for the Sulu Sea (Basilan side) and an additional BMC will be created in Leyte Gulf. In these BMCs, twelve (12) Bay-wide Management Councils Buildings (BMCBs) were completed as of end 2019, one BMCB is still under construction in Region VIII and needs to be completed. Project should assess the use and management of the buildings and ensure that appropriate operations and maintenance guidelines are in-place and adopted by the BMCs before the end of the Project;

iv. **Municipal waters delineation.** Of the one hundred and three (103) municipalities, the Project has assisted ninety-nine (99) LGUs in the delineation of municipal waters with the technical assistance of NAMRIA and twenty-six (26) LGUs are in the process of approval of the respective zoning ordinances. Municipal waters delineation needs to be expedited in order to resolve the overlapping issues involving thirty-eight (38) more LGUs before end of the Project;

v. **Watchtowers.** Sixty (60) watchtowers of the target 103 are already constructed and seven (7) units are under construction, with one for procurement in BARMM. Construction of the remaining towers should be expedited and all watchtowers be turned over to LGUs and utilized properly by the FLETs, with proper monitoring and maintenance procedures to ensure sustained use after the end of the Project;

vi. **Patrol boats and FLETs.** Out of an initial total target of one hundred and twenty-one (121), one hundred and sixteen (116) patrol boats were delivered or are about to be delivered. LGUs should exercise ownership and accountability in the operations and maintenance of the boats upon turnover and beyond the Project life. Of the overall target of one hundred and three (103) FLETs, as of the mission, ninety-five (95) are operational and have done significant numbers of illegal fishing campaign and apprehension but issues on FLET members stipend, insurance and logistical support should be addressed by the respective LGUs with Project guidance and support;

vii. **Fish sanctuaries and artificial reefs.** Sanctuaries were supported and a total of one thousand five hundred nine (1,509) markers were installed as of the mission covering seven thousand five hundred eighty-five (7,585) hectares of the targeted twenty-one thousand four hundred fifty-six (21,456) hectares. Of the targeted five thousand two hundred (5,200) units of artificial reefs, a total of one thousand three hundred eighty-eight (1,388) were deployed. Fish sanctuary management plans should be prepared and adopted by the LGUs and FARMCs to ensure proper monitoring,

maintenance and operation, and clarify in the plan to what extent will fishing activities be allowed around the sanctuaries and in the artificial reefs;

**viii. Stock enhancement.** Out of a total target of twenty-two (22) stock enhancement projects, fourteen (14) were implemented for blue swimming crab, sea cucumber, giant clam and abalone; and,

**ix. Jetty ports.** Out of a total target of eleven (11), four (4) jetty ports were constructed and operational, two (2) are under construction in Caraga and two (2) were awarded in BARMM. Use, maintenance and operations of these ports should be in place with the LGU, FARMCs and fishing communities taking active participation.

**Livelihood Development (LD) component.** This component is aimed at supporting the livelihoods of fishing households in the target coastal communities who will be constantly engaged in diversified sources of income. For the review period, there has been significant progress in implementing the livelihood component with three hundred and eight (308) on-going projects compared to one hundred and nine (109) in the 2019 supervision. A considerable number of projects have approved business plans and at various stages of pre-implementation preparation (514<sup>[1]</sup>). Out of those implemented projects (308), about 35% (108) have already completed their first production cycle and 10% (30) for the second cycle. Eighty (80) subprojects have been affected by the December 2019 typhoon.

### ***Issues, way forward and agreed actions***

The Project has adopted appropriate strategies in responding to the recurring issues and challenges in implementing the component. With ten months remaining for implementation, BFAR and FishCORAL should act with urgency in resolving these issues and implement activities and sub-projects without delay.

i. Delivery of livelihood inputs continues to experience procurement delays resulting in slow pace of implementation of livelihood projects; in addition to ensuring efficiency of procurement, while 35 FOs have step-up their equity for livelihood inputs before the delivery of Project-procured inputs, overall the Project must actively engage all FOs for fisherfolk participation in providing their equity for fishery inputs as demonstrated by some FOs and not to depend solely on Project inputs that may not be delivered in timely manner; this strategy facilitates ownership by the recipients and sustainability of sub-projects;

ii. Improvements were noted in the analytical processes in implementing, sustaining and expanding ongoing livelihood projects such as the tool on livelihood monitoring; its usefulness and utilization in planning for the second cycle needs to be carried out for all subprojects to ensure better decision making by the FOs and as basis for mobilizing financial resources from MFIs and banks that will enable continuity and sustainability;

iii. Difficulties in sourcing fingerlings are still being encountered and have resulted in (i) delays in the implementation of the respective projects (before they actually started) and (ii) delays during the implementation; and, (iii) for replenishment in case of over-mortality of fingerlings or in case of calamity; Project is advised to inventory a wider set of suppliers from the market and ensure timely procurement of fingerlings both for initial stocking provided by the Project and replenishment for the next cycles by the FOs themselves;

iv. Addressing sustainability of fingerlings from the wild has been acted upon on the lobster specie through a value chain study and development of national and local policy; within the remaining ten months, Project should provide investments on lobster development that is doable before project completion; on the mangrove (mud) crab hatchery, the Project should consider spending for capacity building and inputs for the fishers and invest in rehabilitating an existing hatchery that can realistically be completed in ten months;

v. Addressing environmental and behavioural issues for culture of molluscs in a more responsive manner together with the fishers producing the specie; this is critical especially for the FOs whose fledgling processing enterprise needs sustainable supply of molluscs' material;

vi. On mitigating the impact of natural calamities, not all Fisherfolk Organizations (FOs) were covered with free premiums by the crop insurance facility of the Philippine Crop Insurance Corporation (PCIC); Project should aim for all FOs and species to be covered and lobby/ negotiate with PCIC for the inclusion of the lobster specie and develop a nationwide MOU with PCIC for BFAR experts to be tapped on the technical requirements for insurance cover and claims to augment the lack of PCIC fishery experts; Project also needs to act with urgency to provide funds for the rehabilitation of livelihood projects devastated by the typhoon in December 2019, and to introduce / re-introduce climate resilient livelihood technologies;

vii. In general, BFAR technical staff have provided technical expertise on livelihoods but needs to provide stronger support such as for grouper and lobster culture, the growing of which is relatively new for small fishers, and other species / commodities produced by the fisherfolk. Relatedly, with the reduction of Community Facilitators hired by the Project, BFAR management should ensure personnel complement for the remaining 10 months and budgetary support especially after Project closure to ensure sustainability<sup>[2]</sup>; and,

viii. From mission observations and anecdotal evidence, the use of solar driers, refrigeration and other equipment provided by the Project are duly managed and viable; Project needs to conduct an inventory of all delivered equipment and together

with the FOs develop an action plan for their proper use and continued operations and maintenance;

**Expanding Aqua-based Business School (ABS) coverage and financial literacy** The ABS approach has been assessed as an innovative model in promoting livelihood and fishery enterprise projects and has generated positive results for those included in the pilot stage. With three (3) ABS experts contracted to expand the coverage of ABS approach in all Regions, there is indication that the fisherfolk enterprises that will be implemented in the last 10 month will be designed and planned well and sustainability measures are in-placed. For those ongoing livelihood sub-projects it is highly recommended that the assessment of all FOs (i.e., around 300) be carried out with urgency in order to prioritize the more promising ones to undergo further ABS modules. For the best performing FO sub-projects, Project should implement a strategy using them as lead providers of product / commodity quality standards, as buyers from other FO members that will be supported in 2020, and as lead consolidator for existing and new markets.

**Savings and credit groups (SCGs)**, a significant number of 71 groups have been formed with technical support and the Project should consolidate its gains, provide additional technical assistance and link those qualified groups with financial institutions for additional financing for the expansion of individual livelihoods and ensure the SCG sustainability beyond the Project. On **financial literacy**, some regions have facilitated financial literacy training for fisherfolk associations and SCGs by NGOs but Project needs to cover all FOs with ongoing SCG operations plus the 40 FOs targeted for SCG support for 2020. The project should urgently facilitate training and mentoring on financial literacy and enterprise financial management to ensure better management and continuity of the various livelihood sub-projects as well as the SCGs.

[1] The status of these livelihood subprojects are in various stages: 50% are already for delivery and completion; 11% are past procurement stage and RPMOs just need to issue and serve purchase orders; 10% have purchase requests and for posting in the Phil. Government Electronic Procurement System, and as agreed immediately after the mission; with the remaining 27% still for purchase request preparation and approval.

[2] BFAR Region VIII has recently appointed a regular staff for the Aqua Business School approach, a laudable effort that is planned to be mainstreamed in other regions and at BFAR central office.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Support LGUs for CRM Plan completion and related legislations</b> Facilitate the completion of all the remaining CRM plans and provision of technical support for CRM related legislations and harmonization of FO livelihood activities with CRM plans	RPMO with LGUs	12/2019
<b>Delineation of municipal waters</b> Increase the number of municipalities with delineated municipal waters (i.e., at the minimum having the NAMRIA maps for issuance of LGU ordinance)	RPMO with LGUs	12/2019
<b>Implementation and monitoring of livelihood sub-projects</b> Improve the implementation of the "Livelihood Monitoring Tool" and compile/analyze data on completed cycles and plan out for the next cycle	RPMOs and Regional Livelihood Officers	03/2020
<b>Fisherfolk participation</b> Improve beneficiaries' participation in providing equity for the implementation of livelihood subprojects	RPMOs and Regional BFAR	03/2020
<b>ABS expansion</b> Develop and implement a comprehensive strategy for ABS expansion	PSCO, RPMOs, ABS expert	03/2020
<b>Completion and finalization of PRSAs</b> Complete the two PRSAs in BARRM and integrate their results into the Municipal CRM Plans. Finalize other PRSAs in Regions V, VIII and Caraga	RPMO with LGUs	06/2020

<b>Operation and maintenance of equipment</b> Assess the current situation of solar driers, refrigeration and other equipment and develop a plan for continued operation and maintenance	RPMOs and Regional BFAR	06/2020
<b>Construction of watchtowers</b> Complete the construction and delivery of watchtowers to the LGUs	RPMO with LGUs	09/2020
<b>Patrol boats &amp; FLETs</b> Complete delivery of patrol boats; assess the overall situation of the patrol boats and respective FLETs and implement corrective measures	RPMO with LGUs	09/2020
<b>PRSA update</b> Carry out PRSA updates in 3 regions (Note: Subject to the PCR Evaluation Strategy)	RPMO with LGUs	12/2020
<b>Completion of the CRM plans</b> Complete all the remaining CRM plans; ensure all are approved at LGU level	RPMO with LGUs	12/2020
<b>Lobster seed assessment</b> Carry out seed assessments in Regions V, VIII & Caraga	RPMOs and Regional BFAR	12/2020

## E. Project implementation

### a. Development Effectiveness

#### Effectiveness and Developmental Focus

Effectiveness

Rating: 3

Previous rating: 3

#### Justification of rating

Progress was made in reaching 93,538 households in this period which is still halfway of appraisal targets. The completed AOS draft report showed estimates of increase in income among portions of project beneficiaries, and shows positive beneficiary perception on FishCORAL's effect on sustainable coastal management practices. With ten months remaining in implementation, there is low probability of attaining original physical targets, given volume of backlog in physical deliverables, persistent implementation issues which had not been fully resolved, and refocusing of resources to high-potential interventions. With successful refocusing, project outcomes are still attainable, albeit the expected downscale in physical accomplishment

#### Log-Frame Analysis & Main Issues of Effectiveness

As of December 2019, the Project attained a cumulative weighted physical performance of 64.52% against a target of 93.11%, or a backlog of about 28.59%, while reaching 93,538 households. Notwithstanding the delays in implementation, the Project made relevant progress under its two components CRM and Livelihood Development (LD). Significant portion of accomplishments at the output level include formation and strengthening of BMCs and FLETs, delineation of municipal waters involving 99 LGUs, procurement of patrol boat engines and equipment, and provision of technical assistance to LGUs and at the various levels of project implementation (i.e., PSCO, RPMO, CFs) under the CRM Component. Under LD, notable accomplishments include PO strengthening, development of livelihood programs in fish culture, aqua-silviculture, and oyster / mussel culture, construction of communal hatchery facilities, and procurement and installation of chest freezers.

While progress was made in these areas, there are considerable backlogs in the delivery of certain outputs vis-à-vis

original targets due to persistent issues in procurement and delay of supply of inputs in LD subprojects. There are backlogs in the operation of procured patrol boats, formulation of CRM and fishery management plans, conduct of remaining PRSA, construction of fish landing facilities, provision of delineation markers in fish sanctuaries, and construction of artificial reefs, under the CRM component. Outstanding balances under LD include development of seaweed farming, mangrove (mud) crab fattening, fish processing, and construction of communal seaweed solar dryers.

FishCORAL commissioned the conduct of Annual Outcome Survey (AOS) in October 2019 for a preliminary stocktaking of benefits accruing from the Project. While to be interpreted with caution, survey results show positive impact of FishCORAL on household beneficiary's incomes vis-à-vis income levels prior to the Project, and as compared with non-project beneficiaries. About 10% of beneficiaries covered in the Survey reported an increase within the range of PhP1,000 – PhP2,000 through engagement in fish culture and seaweeds farming. Another 3% reported an increase of more than PhP10,000. While increases in income are reported, field information (Ragay Gulf area in Region V) indicate that in some cases, sound accounting methods need to be applied to accurately recognize incomes. Beneficiaries are also citing the provision of equipment, infrastructure, and formation of FLETs, as factors contributing to mitigation of threats in coastal areas, leading to better managed coastal areas. On top of positive perceptions, POs in the Municipality of Calibunan in Agusan del Norte report an increase in fish density.

## Development Focus

### Targeting and Outreach

**Rating: 4**

**Previous rating: 4**

#### Justification of rating

There is no alteration in the targeting approach of the Project as reported in the previous mission. For a period of six months, there is an increase of total households reached as reported in the previous 2019 supervision. Aside from direct targeting, the Project also employs self-targeting. FishCORAL targets members of FOs and other groups (FARMCs, FLETs) in CRM and livelihood activities which includes training and other capacity building activities. Currently, there are 691 FOs with a total of 28,226 members who depend on fishing (capture, culture, processing, trading). In addition, there are 1,246 members of FARMCs and 939 members of FLETs.

#### Main issues

There is a reported 25% increase of total households (HHs) reached in January 2020 as compared to the previous mission (75,032 in June 2019 to 93,539 in January 2020). Direct beneficiaries reached are at 18,620 HHs, a slight increase of 7% compared to June's reach. The Project has begun to report female headed HHs totalling to 4,960 or 27% of the direct HHs reached. The number of female headed HH is worth tracking as this number is higher in comparison to the 18.90% female headed HHs in the country as reported by WB in 2013. Succeeding assessment should also give importance to measuring results of project interventions in female headed HHs. Likewise, the Project is also tracking its reach on the youth sector (3,115) which is 13% of the total 23,902 individuals reached. Indigenous Peoples (IP) participation is not reported at the national level except for Caraga and BARMM. Despite a minimal presence of IPs in the coastal areas, the Project should capture their participation as they belong to a minority group which adds to their vulnerability.

Overall, the Project has accomplished 50% of total target of 188,000 HHs (direct and indirect) and 21% of its 90,596 direct HHs targets. With a very high target at appraisal period (Project design was intended for seven years, but reduced to five years when it was approved by the NEDA Board without changing the Project's outreach), the likelihood of a significant increase in achieving its targets by the end of the project is low.

### Gender equality & women's participation

**Rating: 5**

**Previous rating: 5**

#### Justification of rating

The Project has maintained a high percentage of women participation in FOs and in project activities. The FishCORAL project staff, guided by the Gender and Institution Development Specialists (GIDS) posted at the PSCO and RPMOs, are consistent in implementing the Project's gender strategy guided by IFAD's policies on GEWE, GPH Magna Carta for Women, and NEDA's Harmonized GAD Guidelines. Currently, the FishCORAL national GIDS is the chairperson of the IFAD-PH Gender Network (IPGN), a network of IFAD supported projects and partners ensuring the mainstreaming of gender concerns in their programs and projects.

#### Main issues

Of the current 28,226 FO members and 9,646 FO leaders, 40% are women. Women participation in FARMCs and FLETs which are usually the domains of men, has steadily increased with currently 23% women in the 761 FARMC members, 25% women in the 485 FARMC leaders, 8% in the 841 FLET members and 11% in 98 FLET leaders. Women are also very active in the savings and credit groups (SCG). Of the total membership in the 64 SCGs with total savings of PhP 3.50 million, 1,268 (57%) are women, and 974 (44%) are men. During the field visits, women testified that their

participation in Savings Clubs have empowered them to have access to finance and as a result they are able to respond to the needs of their livelihoods and families (e.g. buying fishing boat accessories, paying their children's tuition fees)

The Aqua-based Business School (ABS) includes a gender perspective. During the review period, there were 579 enrollees in ABS, of which 372 (64%) were women. In Region Caraga, there is a reported strong women participation and GAD mainstreaming activities. As reported and observed during field visits, savings and credit groups in Caraga are propelled by women (78% of those actively engaged in savings generation and credit management are women). LGU GAD Advocates formed a network called One Communities Engaged for Advocacy Network (OCEAN). Region Caraga has incorporated a GAD-responsive checklist in reviewing its livelihood projects. While there are advances of women engagement in SCGs, women-led enterprises, aside from savings and credit groups, are still a handful. The Project should closely examine the extent of participation, engagement, and benefits that women obtain in livelihood activities. (See Technical Paper 4-b for details).

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Women and youth participation</b>  Conduct a review on the extent of women and youth participation and corresponding benefits derived from the Project. This can be included in the PCR.	PSCO	10/2020

<b>Agricultural Productivity</b>	<b>Rating: 4</b>	<b>Previous rating: 4</b>
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#### **Justification of rating**

There are relatively small but significant number of livelihood projects which have completed their first and second production cycles. Data on actual results of those completed is being systematically collected by the FOs with support from the CFs and collated by the Regional Livelihood Officers, who have developed and implemented a relevant monitoring tool. Quite interestingly, initial indications from Region VIII show promising results, namely for grouper cage culture, longline culture of mussel and bangus (milk fish) cage culture and to a lesser level, for fish processing; despite that in this Region, activities have been greatly hampered by Typhoon Ursula in December 2019 and a significant number of implemented projects were partly damaged.

#### **Main issues**

While anecdotal evidence on increased production for the species supported by the Project has been shared across regions from LGU partners and fisherfolk beneficiaries, Project needs to complete the data sets and analyse them against the initial assumptions of the respective Business Plans such as expected productivity, sales and incomes. It is crucial that this monitoring tool be improved and used systematically since the number of implemented livelihood projects is gradually increasing and will continue increase in 2020. It should be possible to come up with reliable indications on the viability and sustainability of the livelihood projects. Furthermore, it would be highly desirable that field technicians of the local institutions (LGUs) and BFAR keep using such a tool on a continuous basis, even after the Project comes to an end.

<b>Nutrition</b>	<b>Rating: N/A</b>	<b>Previous rating: 4</b>
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<b>Adaptation to Climate Change</b>	<b>Rating: 5</b>	<b>Previous rating: 5</b>
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#### **Justification of rating**

The Project has actively facilitated the coverage of livelihood subprojects with PCIC for crop insurance but needs to ensure that all FO subprojects are included, and should negotiate for the lobster specie to be included. BFAR needs to enter into an agreement with PCIC for BFAR fishery experts to be tapped in the requirements for insurance cover and claims. Subprojects destroyed by the typhoon are planned to be rehabilitated and climate resilient technologies will be adopted and improved.

#### **Main issues**

For the 80 livelihood sub-projects damaged by the December 2019 typhoon, Regions V and VIII have prepared their respective rehabilitation business plans that will be financed from the regional funds and those unutilized funds in BARMM. As agreed with the MAFAR Minister during the mission, the total financial allocations for BARMM may not be fully utilized by end of 2020. As such, unutilized funds may be transferred to Regions V and VIII as early as possible as assistance for rehabilitation of livelihood subprojects affected by the December 2019 typhoon, subject to an amendment of the MOA between DA/BFAR and BARMM MAFAR and the corresponding financial liquidation by recipient regions to BARMM MAFAR.

### **b. Sustainability and Scaling up**

<b>Institutions and Policy Engagement</b>	<b>Rating: 5</b>	<b>Previous rating: 4</b>
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#### **Justification of rating**

Among the strategic institutions that have been strengthened by FishCORAL are the eleven bay wide management councils (BMCs) across four regions. BMCs have come up with unified fishery ordinances to regulate CRM/fishery activities in their areas. These bodies also facilitate resolution of issues related to fishery law enforcement, in promoting fishery commodity clusters, and in delineation of municipal waters. In Region V, results of the PRSA in Ragay Gulf has been used in further implementing BFAR's Fisheries Management Area (FMA) approach, and the PRSA in Albay Gulf will be used for the Albay Biosphere Reserve. Currently, BFAR is developing a lobster industry roadmap utilizing the experience of the lobster livelihood sub-projects of FishCORAL in Caraga.

#### **Main issues**

There are 691 fisherfolk organizations (FO) and 71 savings and credit groups (SCG) organized by the project through technical assistance and training. The task for the Project at hand is to further consolidate the capacities and linkages and networking of these rural organizations with providers of technology and financial services to ensure continued operations and sustainability beyond Project life.

Project has however improved its institutional engagement with the PCIC for coverage of insurance premiums for fishery specie/commodities and LBP for financial services. For LBP, Region V has facilitated a matching grants arrangement with the bank providing 50% of the total project cost as loan to the FO, and 40% shouldered by the Project grant and the remaining 10% as fisherfolk equity. This is a worthy model for replication in other regions and eventually as a model with the private sector (as markets and investors) in the fishery sector.

Participation of LGUs, as local institutional partners in managing coastal and fishery resource has improved, as evidenced in the increase in the formulation or updating of CRM plans (now 65 out of a target of 103), key documents which LGUs use in developing programmes and projects for coastal and marine resource management. In addition, the Project has influenced LGUs in preparing ordinances that protect the fishery resources: in Caraga Region, the Project provided technical assistance in the formulation of LGU Ordinance, regulating the collection, gathering and sale of lobster fry within the municipal waters (to curtail the on-going trade of lobster seeds for export to Vietnam), and another LGU Ordinance regulating the collection, gathering and selling and culture of crablets. Concurrently, the recently conducted National Lobster Meeting highlighted the value chain analysis of this commodity, identified Caraga (and more particularly Surigao del Sul) as the most prominent place for seasonal occurrence of lobster fry in the country and simultaneously, came up with a proposal of Fisheries Administrative Order (FAO) regulating lobster fry transport and sale at national level. The Project should continue its support to finalizing and implementing the CRM plans so that in the next five years fishery and CRM investments will be guided by the CRM plans.

<b>Partnership-building</b>	<b>Rating: 5</b>	<b>Previous rating: 4</b>
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#### **Justification of rating**

There is marked improvement on partnership building. Project has partnered with the National Mapping and Resource Information Authority (NAMRIA) for municipal waters delineation, the World Bank financed DA PRDP Project and CSOs (e.g. Guiuan Development Foundation Inc.; CODESPA) in preparing studies and supporting CRM activities. DTI, LBP and the PCIC have provided enterprise development services and financial products to the fishers and their fishery livelihoods. The mission met traders and consolidators who have entered into marketing transactions with the fisherfolk producers. As of 2019, the Project has facilitated the partnerships / marketing transactions of all 56 ABS-supported and trained FOs and 49 non-ABS FOs, a total of 105, with various traders/processors operating in the Project areas.

#### **Main issues**

The challenge in the remaining period of implementation is for the Project to take stock, consolidate and further expand its partnerships and commercial transactions in the next ten months to ensure continuity and sustainability of investments by government. Aside from partnering with local LGUs, the project has significantly increased the linkage with financial and micro financing institutions, with the Philippine Crop Insurance Corporation (PCIC), Department of Trade and Industry, LBP, and with local traders and buyers. As a result, PCIC, which in 2019 was hardly covering damage for bangus culture, has now opened its coverage to seaweed, lobster and mussel culture, and still needs to cover lobster nursery (which is of particular importance for Caraga); the coverage was beneficial especially for those project beneficiaries whose milkfish cages were damaged by the December 2019 typhoon in Region VIII.

The project has already started to draw interest from fisherfolks to avail the financing services in scaling up of their production capital and facilitated fishing organisations, individual fisherfolks and SMEs to access funds by providing them technical assistance in business planning and ensuring that their proposed livelihood project are feasible and profitable. The Project supports the potential beneficiaries through technical assistance and recommendation to the regional Department of Agriculture for endorsement to Landbank of the Philippines (LBP). LBP is already processing applications from a number of Project beneficiaries in Region Caraga and in Region V and through the Agricultural Competitiveness

Enhancement Fund (ACEF) programme (1 lobster grower approved, one for approval), is processing applications from POs, based on the Organizational Maturity of the organizations which are assessed as self-governing and have proven successful in savings and loan system and have managed to build up a certain capital, namely in Caraga Region. A loan amount of at least Php300,000 can be funded through ACEF. The Federation of Grouper Cage Producers of Ragay in Region V is applying for a grouper mini-nursery.

The Agricultural Competitiveness Enhancement Fund of the Landbank of the Philippines has the following strengths/opportunities: i) accessible and affordable for small farmers and fishers by standardizing the interest rate at 6% per annum; ii) simplified and shortened loan application form and other documentary requirements to make it easier for farmers and fishers to comply; iii) processing of loan applications is also quicker – with average turn-around time of just one day provided the borrower submitted complete documents.

In Caraga Region, the RPMO, together with the NGO CODESPA Foundation, has been instrumental, and successful, in linking a strong seaweed production FO with a carrageenan processor, CEAMSA Asia in Bulacan, which has so far resulted, over a period of one year, in the sale of 36 tons of improved-quality dried seaweed at an attractive price; both partners are likely to enter shortly into a MOA which would ensure a better pricing arrangement and regular delivery, therefore meeting the plant volume needs and the quality standards of the market. Similarly, Region V PMO has established the contact between the Inter-island project in Masbate/Bicol with the same seaweed manufacturer. In Region VIII, after the ABS Business Launch, 3 groups signed marketing agreements with Tourist/Pasalubong Shops to sell a popular dried fish (rabbit fish) in the urban markets.

## **Human and Social Capital and Empowerment**

**Rating: 5**

**Previous rating: 5**

### **Justification of rating**

The ABS methodology has supported 56 lead FOs in 2019 in planning and implementing livelihood subprojects for both production and processing enterprise. By 2020, there will be 100 FOs trained under ABS that will enhance the Project's focus on human and social capital empowerment. Currently, there are 71 SCGs (Region V:25, Region VIII:12, Caraga:29, BARMM:5) with total savings of PhP 3.5 million (approx. USD 67,000). The funds generated from SCG members provided capitalization and also responded to their social needs like education and health. The ABS training, GAD orientations, and other technical training to run livelihood sub-projects were also regarded by those interviewed as important interventions to the fisherfolks that build their social, technical and financial capital.

### **Main issues**

Aside from organizing and strengthening 691 FOs through technical training and livelihood project support and with ABS covering more regions, what also stood out in this period is the growth of SCGs in all regions. Project has made use of the Community Managed Savings and Credit Association (COMSCA)<sup>[1]</sup> method to promote savings mobilization and has been applied extensively in Region VIII and Caraga since 2019, with quite a positive intake and commendable results. BARRM had its training towards the end of 2019 and the RPMO had already prepared a plan to organize and develop SCGs in 2020. Regular follow-up of the savings groups by the CFs and LGU staff is a must and this task should be given all attention. It is recommended that Savings Mobilisation, which is part of Module 5 of the ABS approach, be included in Module 2, to advance the method and discipline of savings mobilisation among the ABS groups. Technical capacity building of beneficiaries for implemented livelihood projects has been the focus of BFAR regional staff in 2019.

Based on the field interaction for this mission, the Project should exert more effort in providing the fisherfolks real time market information (e.g. prices of commodities) through ICT in order for the producers to negotiate better prices with the traders.

<sup>[1]</sup> COMSCA or also called as Village Savings and Loans Association (VSLA) was introduced in the Philippines by World Vision.

## **Quality of Beneficiary Participation**

**Rating: 5**

**Previous rating: 4**

### **Justification of rating**

For livelihood subprojects, 35 FOs have put up in advance their own contribution for the production inputs while waiting for the full delivery of Project-procured inputs which enabled the subprojects to begin operations without delay. This manifests strong FO/fisherfolk interest and participation. Membership in FOs and SCGs have increased with enthusiastic participation of FO members especially among the women. In Region Caraga, the mission observed the participation of FOs in reporting their livelihood sub-projects. For CRM, the FLETs organized to patrol and enforce fishery laws in municipal waters is composed of fisherfolk beneficiaries and volunteer community members together with LGU and Police representatives.

### **Main issues**

Despite delays in the implementation of livelihood sub-projects, the enthusiasm of FO members visited during the mission

People's organizations in the implementation of livelihood sub-projects, the enthusiasm of the members viewed during the meetings have not waned as evident in the sizable number of fisherfolk attendance during the meetings and their high participation in the discussion of project implementation progress. Membership of FOs have increased, though not significant, and savings and credit groups have increased in Region Caraga and replicated in Regions V, VIII and BARMM. The participation of FOs in reporting their livelihood sub-projects was a result of a training on "Institutionalization of Monitoring and Evaluation Training to People's Organizations". LGUs on the other hand have willingly put up their financial contributions for the organization and operation of the Baywide Management Councils (BMCs), while there are still some LGUs that have to improve their support to the operation of FLETS and patrol boats.

On the "Institutionalization of Monitoring and Evaluation Training to People's Organizations" it was agreed that the Project should also conduct pre-construction conference of productive rural infra sub-projects (e.g. fish dryer, seaweed dryer) for the FOs. This will strengthen the participation of the FOs in the implementation and monitoring of rural infra sub-projects.

To ensure sustainability of the livelihood projects, the FLETs and the BMCs, the Project is advised to conduct exit and sustainability planning with the concerned LGUs and FOs.

<b>Responsiveness of Service Providers</b>	<b>Rating: 4</b>	<b>Previous rating: 5</b>
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#### **Justification of rating**

In the conduct of the PRSA, the academe-based service providers, have delivered their outputs as indicated in their contracts. The PRSA report of Caraga was accepted by the Project and reports in Regions V and VIII are for review. In BARMM, the PRSA is on-going. The ABS services of CIP as project partner in 2019 is continued in 2020 by a team of consultants hired as service providers. Meanwhile, there are delays in the implementation of sub-projects under the MoAs with LGUs.

<b>Environment and Natural Resource Management</b>	<b>Rating: 4</b>	<b>Previous rating: 5</b>
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#### **Justification of rating**

Project activities like replanting of mangroves and sea grasses, stock enhancement with the view of enhancing the coastal marine ecosystem, and rehabilitating /supporting fish sanctuaries, delineation of municipal waters and establishment of fisheries law enforcement teams with the respective equipment are viewed to contribute to positive environmental and natural resource management outcomes. The partial update of the PRSA to be carried out before end 2020 (in Regions V, VIII and Caraga) will provide actual data on the evolution of some critical indicators, i.e. hard coral cover and fish density, in the most relevant areas. In order to rationalize the extraction of lobster seed from the wild, an assessment will be carried out in 2020 in Regions Caraga, V and VIII.

#### **Main issues**

The major challenge is to ensure that all infrastructures and equipment (e.g. watch towers, BMMBs, patrol boats, sanctuary markers) are properly maintained and operated and that local structures (e.g. BMCs and FLETs) are functional. This entails increased involvement from all LGUs and ensuring sustainability of the overall process in the longer term.

<b>Exit Strategy</b>	<b>Rating: 4</b>	<b>Previous rating: 4</b>
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#### **Justification of rating**

In Region V, the RPMO presented a concept note on strengthening CRM activities and livelihood sub-projects emphasizing particularly importance of the BMCs and further development of four focused fishery commodities. In Region VIII, FO enterprises that are well functioning will be consolidated with downstream and upstream interventions in the supply chain and the ABS approach will be expanded strategically. Similarly, in Region Caraga, there will be a focus on strengthening the two bay alliances and sustainability strategies will be formulated for the seaweed and lobster industries. Overall, the ABS approach will be the key methodology for the preparation of an exit and sustainability strategy for the livelihood subprojects.

#### **Main issues**

Project needs to prepare a consolidated project-wide exit strategy based on the various on-going efforts at regional level.

The PSCO should take a proactive role on the regional initiatives by gathering the key regional staff to share their exit strategies and to map out key strategic actions for project sustainability within the next 10 months. In the exit strategy, the operation and maintenance of productive rural infra (e.g. seaweed dryer, seaweed baling machine, mobile ice makers, solar dryers, patrol boats, BMMBs, jetty ports) should be clearly articulated by each responsible FO and LGU.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Exit and Sustainability Plans</b>  Prepare exit and sustainability plans for the CRM and livelihood sub-projects, and for continuity of FOs in every region. The plan should include the O&M of productive rural infra, facilities and equipment.	PSCO, RPMOS	05/2020

**Potential for Scaling-up**

**Rating: 5**

**Previous rating: 4**

#### Justification of rating

The Project has good practices that show strong potentials for replication and scaling up: (i) the bay-wide alliances as multi-stakeholder mechanisms for bay-wide management of fishery and coastal resources in Ragay Bay Alliance in Region V, and C-CAUSE in Region Caraga, (ii) clustering approach of fishery commodity being developed in Region V; (iii) the partnership approach in developing the seaweed industry in Caraga; (iv) lobster industry roadmap based on Caraga experience; (v) the ABS methodology for enterprise development; (vi) organizing SCGs for social and financial empowerment specially among women; and the (vii) inter-agency approach in municipal waters delineation.

#### Main issues

In recognition of the strong performance of C-CAUSE BMC in Surigao del Sur province, the Korean-funded ICT grant of IFAD to be implemented by FAO will be piloted in the province to demonstrate ICT solutions to combat illegal fishing. FAO has conducted preliminary activities in late 2019 and has already planned with FishCORAL the interventions and activities for 2020. Results of this grant will be shared and replicated in other BMCs.

For CRM, inter-LGU conflict on overlapping claims of municipal waters is prevalent in all coastal municipalities of the country and the Project's accomplishments in municipal waters delineation is a good model for scaling up by BFAR throughout the coastal municipalities of the country. On livelihood, the projects performance in organizing 71 SCGs operating with their own financial contributions and without external infusion is a model that is worthy for scaling up in FishCORAL areas and the rest of the country with poor coastal communities.

In early 2020, the BFAR regional management in Region VIII has trained and appointed a regular staff as focal person for the implementation of the ABS both for FishCORAL sites and outside of FishCORAL sites. During the mission there were discussions with BFAR management that the same may be adopted at national central office. This manifests that even before Project closure government is already mainstreaming and institutionalizing the good features of the project.

While the Project has documented each of these good models at regional level, there is a need for a project-wide comprehensive documentation and more knowledge products for the project's good CRM practices and emerging fishery enterprise models. The bay-wide alliances as multi-stakeholders' mechanisms for bay-wide management of fishery and coastal resources are models for ecosystem and unified fishery and coastal resource management (e.g. Ragay Bay Alliance in Region V, and C-CAUSE in Region Caraga). There is also a potential fishery business model exhibited in the clustering approach of fishery commodity (though in its infancy stage) being developed in Region V; the partnership approach in developing the seaweed industry in Caraga involving seaweed producers, government (DTI, LGU), financial institution (LBP), NGO (CODESPA) and seaweed traders/consolidators. There is also potential in scaling-up the lobster industry in Region Caraga with the participation of DA and BFAR as the enabler, with value chain services provided by financial institution, and traders/ consolidators in domestic and export markets.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Documentation for Scaling Up</b>  Capture project lessons, good practices, and innovations for PCR and for policy and programme recommendations to BFAR	PSCO, RPMOs	12/2020

### c. Project Management

**Quality of Project Management**

**Rating: 4**

**Previous rating: 3**

#### Justification of rating

In 2019, there was improved attention provided by the BFAR Central Management supporting the PSCO and RPMOs in moving the procurement activities and resolving project management and implementation issues. The efforts exerted by BFAR management has resulted to an increase in overall weighted performance by end of 2019, albeit still below the 2019 cumulative target.

## Main issues

Overall Project performance is affected by the delay of Congress approval of the 2019 national budget which resulted in a hiatus of the entire Philippine government bureaucracy for about 6 months<sup>[1]</sup> which consequently resulted in delays in procurement which commenced largely in mid-2019. On the other hand, the BARMM transition also affected the delays in procurement and implementation. This newly created region with an entirely new governance set-up compared to the previous ARMM came into being in February 2019 and its transition process is still ongoing as of this mission. Due to the transition, the MOA between the DA and the BARMM Ministry of Agriculture, Fisheries and Agrarian Reform (MAFAR) for FishCORAL implementation that is being renewed annually per government requirement was signed in the second half of 2019 thereby affecting implementation.

Being the last year of implementation and a largely reduced budget provided by the Department of Budget and Management that was approved by the Philippine congress for FishCORAL for 2020 (i.e., Php 63 million or about USD1.23 million), the Project has decreased the number of its hired staff for 2020 in Regions V, VIII and Caraga by 37%. In this light, the Project should consider: (i) involving the LGUs in the provision of extension services to beneficiary fishers organizations in implementing and monitoring livelihood activities; (ii) tapping fishery commodity supply chain experts to assist in focused commodities (e.g. seaweeds, lobster, mussels, groupers, mangrove crab, etc.); (iii) increase the assignment of BFAR regular staff in the areas of procurement, contracts management, and in the provision of technical extension services; and, (iv) increase logistical support and travel allowances for staff mobility and ensure timely release of travel allowances.

In BARMM, the transition law requires termination of all government employment contracts (regular staff and project hired staff) by end of 2019. To mitigate the problem of human resource instability, MAFAR extended all staff contracts up to March 2020. With ten months to complete the mission advised the MAFAR Minister to consider extending all staff contracts until end of 2020.

As the Project completes in December 2020, the mission advised the Project on the conduct of project completion review (PCR) during the financing closing period from January–June 2021. Preparation of the ToR and tender documents (REOI and REFP<sup>[2]</sup>) should commence not later than 3<sup>d</sup> quarter of 2020 for IFAD review and no objection. IFAD will work closely with the Project in identifying the thematic studies to be included and may provide technical assistance depending on the expertise required. Project should complete the procurement process of the PCR firm short of award before 31 December 2020 and undertake the review immediately in January 2021 with the full report completed and submitted to IFAD before the financing closing date of 30 June 2021

<sup>[1]</sup> For the first time the government national budget for 2019 was approved in mid-2019 which normally is approved before the end of the previous fiscal year, 2018. In late 2019 however, in recognition of the delay of budget approval government issued a policy that the 2019 budget can be utilized and spent for the entire 2020. This is important in view of the government policy on cash-based budgeting that requires all agencies to complete and utilize annual budgets by end of the respective fiscal year, i.e., every December.

<sup>[2]</sup> Request for Expression of Interest (REOI); Request for Proposal (RFP).

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Upgrading staff salary</b>  Review the salary scheme of Project staff with the end view of increasing staff salary to meet the requirement of the tasks and provide substantive support to all staff (e.g. TEV) for supervision, coaching, mentoring and monitoring activities	PSCO, RPMOs	07/2019
<b>Standardization of staff assessment and renewal</b>  Establish a standard process of assessment and renewal of contracted staff at all levels	PSCO, RPMOs	12/2019
<b>Revision of 2020 AWPB/APP</b>  Revise the 2020 AWPB/APP incorporating the mission agreements to improve performance of Components 1 and 2 and the corresponding management strategy in the next 10 months and submit this to IFAD for NO.	PSCO, RPMOs	02/2020
<b>PCR Planning</b>  Prepare a PCR plan together with a ToR for the conduct of outcome/impact and EFA studies, and submit the plan and ToR to IFAD for NO.	PSCO	03/2020

**Knowledge Management**

**Rating: 5**

**Previous rating: 4**

#### **Justification of rating**

KM activities are within the overall guiding framework provided by the KM Plan of 2018. Information collected through the Project's M&E system sustains KM operations. Various KM activities (e.g., videos and radio programs) and products (e.g., Newsletter, Annual Reports, Infographics) that brought the Project's initiatives greater public awareness were conducted throughout 2019 in accordance with the Plan. Knowledge products and activities are easily accessible, which became platforms for effective sharing of lessons learned and good practices within and outside the Project. While there are unfilled KM Officer positions in the regions, other project focal persons, such as Component Officers and CFs, assume the duties of a KM Officer to ensure continuity of knowledge sharing.

#### **Main issues**

Guided by the Project's Knowledge Management (KM) Plan crafted in 2018, data and information generated through the FishCORAL M&E system continue to drive the conduct and content of the Project's knowledge products and activities, which facilitated the continuous sharing of lessons and good practices among various stakeholders. These KM products are accessible through various platforms such as the Project's website (e.g., Newsletters, Annual Reports) and social media (e.g., Infographics), while hard copies of which are shared as well with partner stakeholders. The FishCORAL KM Plan, which was published in 2018 and rolled out to the four regions, lays down KM's three-year program of activities, required budget, and respective stakeholders' information needs.

Under CRM, various handbooks, booklets, and manuals were published, documenting fisheries-related laws, ordinances, and various guides on aqua-marine ecology. On Livelihoods, various briefers on aqua-based business schools (ABS) and pamphlets on the methods of breeding various aqua-marine species were published in 2019, including: (a) crab; (b) milk fish; (c) lapu-lapu; (d) lobster; and (e) tilapia. These manuals and handbooks were well utilized in training and other capacity building activities. Project continues to document success stories which are shared in regional, national and international trade and knowledge fairs participated by the Project. Infographics published during 2019 included a snapshot of project accomplishments. Details of accomplishments were aired thrice at local regional broadcasting networks in Regions V and VIII. In Region V, the bay leader and community facilitators shared through DWDR 105.5 in Sorsogon City FishCORAL's accomplished outputs and activities. While in Region VIII, the regional KM and M&E Officers went on air twice through the DYVL Aksyon Radyo Tacloban, that served as venue in voicing out the beneficiaries' aspirations, and how the Project is an instrument in realizing these aspirations.

Under the FishCORAL KM, the Project has identified good practices and promoted advocacy for evidence-based learning. It has documented success stories in fisherfolks' savings endeavors and good practices pertaining to empowerment of fisherfolks in Region Caraga through the Project's market-linkage initiatives. Knowledge sharing extended outside the Project through attendance in national and regional knowledge fairs such as the National Root Crop

Congress, DTI's Bahandi Fair, KLMPE and Mekong Knowledge and Learning Fair (MKLF). As the Project is about to complete, it should continue to harvest its good practices and learning especially those that will influence coastal and fishery resource management policies and programmes.

In order to facilitate fisher-to-fisher and LGU-to-LGU knowledge sharing, the Project may further tap its corps of CFs, given their immersion at the ground level and direct interaction with beneficiaries, to organize forums and meetings among local chief executives within their jurisdictions and with other LGUs in the same bay area, that could serve as platforms in coming up with collective bay management policies. A good example of which is the Ragay Gulf Management meetings initiated by Region V CFs in 2017, which had been regularly meeting ever since, leading to inter-LGU agreements for better management of aquatic resources in the area.

Over the remaining period, Project needs to prepare a plan to consolidate, store and dispose to the Project stakeholders all knowledge products that were developed and those for development in the next ten months

<b>Value for Money</b>	<b>Rating: 3</b>	<b>Previous rating: 3</b>
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#### **Justification of rating**

The Coastal Resource Management Component has been reasonably implemented and many infrastructures and equipment still need to be fully operational, with proper financial involvement from the LGUs, in particular as regards to watch towers, patrol boats and operation of FLETs. The Livelihood Component has gradually taken up (about 300 LPs implemented, out of more than 800 approved) and the respective investments for sub-projects still need to be implemented in a more significant scale. The Project has started developing and implementing a Livelihood Monitoring Tool which still needs further improvement and expansion, so as to come up with reliable indications on the net income generated by the LPs and their viability, to feed into the Project Completion Report.

<b>Coherence between AWPB and Implementation</b>	<b>Rating: 4</b>	<b>Previous rating: 4</b>
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#### **Justification of rating**

There is a clear link between the implementation of the 2019 work plan and budget and the corresponding results. Summing up the results of targeted outputs in Components 1 to 3 the overall performance is over 90%; however, this percentage is pulled up by more than 120% performance in Component 1 and which is pulled down by a 47% performance in Component 2. The low performance in Component 2 was due to the transition in BARMM. In addition, some critical deliverables in Components 1 and 2 were not achieved in 2019.

### **AWPB Inputs and Outputs Review and Implementation Progress**

#### **AWPB Review**

In Component 1, the Project has accomplished most of its targets in the 2019 AWPB, but there are targets like CRM and bay wide management planning that has low performance (22% to 0%), mangrove rehabilitation which is only 8%, operation of patrol boats and completion of PRSAs. For Component 2, approval and implementation of livelihood projects has improved based on its 2019 targets. There are, however, deliverables critical to livelihood like construction of seaweed dryers which has only 33% performance.

As to finance, Php 111.239 million in loan proceeds that were budgeted for planned activities in FY2019 and prior years still need to be spent and disbursed, resulting to a carryover in the 2020 budget, the final year of implementation. BARMM has still to implement activities for Php 92.555 million out of the total Php 260.500 million in loan proceeds made available by BFAR-CO. The significant delay is primarily due to the significant challenges brought about by the transition in the regional government.

<b>Performance of M&amp;E System</b>	<b>Rating: 4</b>	<b>Previous rating: 3</b>
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#### **Justification of rating**

There were improvements in the M&E system. Enhancements in data capture, e.g. Livelihood Monitoring Tool, were introduced in this period. The AOS was completed in February 2020, capturing initial estimates of improvement in beneficiaries' living conditions. The M&E system provided basis for KM activities and production of knowledge products, and reports were provided regularly to its stakeholders including oversight agencies. PSCO and RPMO personnel have exerted best efforts to augment CF capacities in accurately capturing ground information.

#### **M&E System Review**

Data contents of FishCORAL monitoring satisfy the information needs of oversight agencies, while regular reporting timelines had been established. PSCO initiated the creation of the Livelihood Monitoring Tool last November 2019, which

is a database that captures information on revenues, expenses, and profits of beneficiaries under the Project's LD Component.

Standardization of reporting has also improved, but the mission noted that there are data reported at the Regional level not consolidated at the PSCO (e.g. IP reached, FO registration). There are also initiatives of community participation in monitoring of sub-projects (i.e. Region Caraga) which needs to be done in other regions as well. Further, monitoring and reporting on the status of productive rural infra, facilities and equipment provided to FOs and LGUs should be regularly conducted.

For the BARMM KM and M&E officers who did not renew their contract for 2020, Project has been advised to recruit and hire without delay. Project is also advised to improve its system and process flow of data capture in order to mitigate discrepancies of data from the municipal-based CFs and the province-based M&E officers for complete information and timely submission of reports to PSCO. Mission also emphasized the need to hire the expertise of an experienced and qualified M&E consultant or resource person to assist the Project's M&E.

FishCORAL commissioned the conduct of AOS beginning October 2019 in compliance with agreements during the June 2019 mission. The first Draft Final Report was made available in late February 2020. The mission went through the Report with the following findings:

- beneficiary sample size comprised of 200 households; non-beneficiaries comprised of 38 households;
- magnitude of increase in incomes estimated by comparing income increase of beneficiaries among the four regions and with non-beneficiaries (lumped amount);
- aside from income, no indicator was surveyed to measure change in "living standards" and status of "poverty reduction";
- non-response by a sizeable portion of the sample to questions on before-project incomes;
- comparisons with the baseline figures collected from the completed Baseline Study of 2014 were not made;
- use of the STEEP (Social, Technological, Economic, Ecological, and Political) analytical framework;
- inclusion of frequency of beneficiaries' interaction with Project staff and beneficiary satisfaction; and
- physical access to market was covered in the survey but without discussion of how FishCORAL contributed to beneficiaries' enhanced market access.

Given a project reach of more than 90,000 households, the 200 beneficiary households might be too small a sample size to represent the whole beneficiary population, and could be insufficient to yield statistically significant results. Non-response by a large portion of the sample to questions on income further diminishes the predictive power of an already small sample size. Further, various empirical tools are available to supplement the STEEP framework and to thoroughly assess gathered data. Notwithstanding methodology issues, results of the AOS provide rough estimates, and supplies data to information gaps in the project framework's outcome-level accomplishments for both the CRM and LD components. While caution is required as to the degree that findings reflect the collective conditions of the beneficiary population, results provide a glimpse of the Project's potential to make positive impacts on fisher folk's living conditions. Furthermore, the AOS made efforts to capture outcomes not stated in the project framework (i.e., beneficiary satisfaction, perception, physical access to markets), which provides holistic insight to the real impacts of FishCORAL.

In preparation for the PCR, the mission advised the team to start preparing the ToR that includes the thematic studies and EFA possibly with a support of a consultant. ICO will provide technical oversight review and once finalized the necessary procurement documents such as the REOI and RFP should be submitted for IFAD no objection review. Project was also advised to seek guidance from CHARMP that has already procured the firm for the latter's PCR.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Technical assistance for M&amp;E</b>  Hire a consultant to conduct on-the-job training and consultation opportunities in relation to M&E standards, tools, and guidelines and guide the M&E team on refinement, validation, and analysis of data and provision of recommendatory reports to management	M&E and MIS officers	07/2019
<b>Conduct of Outcome survey</b>  Conduct outcome survey using the IFAD annual outcome survey (AOS) tool to beneficiaries that have received project services to determine the extent of changes brought by the project	M&E officers	12/2019

**Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)**

**Rating: 4**

**Previous rating: 4**

### Justification of rating

The Project does not need to report on IFAD's SECAP requirements as this was designed and approved prior to SECAP compliance. However, it has to comply with the free and prior informed consent (FPIC) requirements of the Indigenous People's Rights Act (IPRA) of the country. It was reported during the mission that in Region Caraga there are 386 Indigenous Peoples (IP) reached and in BARMM, there are 1,835 IPs who participated in FishCORAL activities. It was agreed that the Project should validate the IP data, review the consultation process with the IPs and seek FPIC with the assistance of the National Commission for Indigenous Peoples (NCIP) for Caraga and its equivalent Ministry in BARMM.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Inclusion in the M&amp;E system tracking of CC indicators</b>  The current logframe will be revised and once of the indicators that will be included is related to climate change (CC). Further, the assumptions/risks should reflect also the vulnerabilities that Region V and VIII faces, and to some extent, the other Regions as well. The M&E system should now reflect the mitigating actions done by the Project to address CC and other related CC indicators	PCSO and RPMO	05/2018
<b>FPIC in IP communities</b>  Validate the IP data collected in Caraga and BARMM and conduct FPIC to concerned IP communities with proper documentation	PSCO and RPMOs in Caraga and BARMM	04/2020

### d. Financial Management & Execution

**Acceptable Disbursement Rate**

**Rating: 3**

**Previous rating: 3**

### Justification of rating

The Project is in its 4th year of implementation; 3 years and 7 months have lapsed since the loan's effective date of 26/10/2015. IFAD has disbursed EUR 11.94 million (including advances to the imprest account of EUR 6.45 million) or 43.73% of the loan allocation. Grant of US\$ 360 thousand (including advances of US\$ 240 thousand) or 52.24% of the approved amount was also disbursed by IFAD in its 3rd year since becoming effective on 17/05/2015. WAs 11,12 and 14 totaling US\$ 3.1 million in loan proceeds of expenditures paid until May 2019 are presently in process at the PSCO for immediate submission to IFAD. Although disbursements have improved from the MTR rates in 2018 (loan - 19.26% and grant - 34.78%), component-specific and procurement issues continue to affect project disbursements

### Main issues

While IFAD has disbursed US\$ 13.6 million (including advances to the imprest account of US\$ 7.3 million) out of the loan financing, the reported actual utilization of US\$ 11.7 million (30%) in loan proceeds and US\$ 120 thousand (17%) in grant funds have remained to be lagging behind in relation to project time elapsed of 68%. In order to achieve efficient disbursement and effective use of available loan proceeds, the Project must regularly analyse the status of total received allotment of Php 1.21 billion and readily address perennial issues. The following status of allotment for loan proceeds as of May 31, 2019 were noted:

1. Obligations totaled Php 859.0 million; while Php 349.5 million remain unobligated comprised of lapsed appropriations (P71M) in 2016 and 2017, and continuing appropriations (P41M) from 2018 and 2019 current allotment (P252M) that will expire by this year-end in accordance with the implementation of operational cash budget for FY2019. The Project should particularly be mindful of the implication of said national budget policy to its financial planning for the remaining project term in consultation with appropriate oversight agencies or relevant offices within BFAR.
2. Actual disbursements totaled Php 441.5 million include fund transfers to LGUs and to BARMM, which are subject to further fund transfers pending procurement and conduct of activities, and submission of liquidation reports. During the review, RPMO V has yet to report to IFAD in WA the P8.2M in liquidation reports already received from LGUs. Also, RPMO V has still to download P23M to LGUs pending procurement and/or progress billings from contractors. RPMO VIII has still to receive liquidation for P4M in releases to LGUs out of the obligated amount of P8.5M.
3. Php 389.1 million in unpaid obligations need to be accounted completely by the Project in order to determine appropriate actions required to resolve concerns on outstanding balances pertaining to cancelled and inoperative contracts or purchase orders and MOAs; excess obligated amounts or savings from completed project transactions; ongoing procurement, delivery and completion; and pending vouchers for payment at the RPMOs. RPMO VIII was able to completely account for outstanding obligations or financial commitments as follows:

cancelled P18.7M; for LGU fund transfers P7.7M; pending vouchers for payment processing P89.6M; ongoing construction P7.5M; and lacking delivery/terminal report P6.5M. RPMO V has still to finish their analysis during the mission, CARAGA was also asked to provide their details, while BARMM has available data but still needs to sort accordingly.

4. MOA with BARMM for 2019 budget of Php 70.8 million ( Php 58.9 million in loan proceeds and Php 11.8 million in GPH counterpart) has yet to be executed in order for the region to commence implementation of its current planned activities. The delay this time is brought about by the change in organizational leadership in relation to the regional government transition to BARMM. Moreover, P69.3M in previous years allocations have yet to be obligated.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Submission of WAs and SOEs to IFAD.</b>  Submit to IFAD WA 15 for loan expenditures paid in October to December 2019 totalling USD 2.267 million. Submit WAs regularly thereafter, at least quarterly. Submit also WA for grant expenditures.	PSCO	03/2020

## **Fiduciary aspects**

**Quality of Financial Management**

**Rating: 4**

**Previous rating: 4**

### **Justification of rating**

Project financial management is considered to have improved from the results of the fiduciary risk and FM performance assessments conducted during the MTR. Finance staff comprised of BFAR regular and project-hired personnel of appropriate qualifications are in place since the MTR. Fiduciary processes and controls have remained generally acceptable, as no material internal control weakness was reported. Financial reporting conforms to IPSAS/PPSAS, using the eNGAS that remains reliable. The Project has positively acted on MTR agreed actions. However, there remain moderate shortcomings in project FM arrangements particularly in the analysis of project accounts, annual budgets and variances; adequacy of available project funds at the RPMOs; and monitoring of LGU advances and expenditures.

### **Main issues**

#### **Main issues**

In general, the Project needs to ensure that FM and disbursement procedures remain efficient and responsive to emerging concerns related to changes in organizational set-up, staffing, and implementation strategies; and coordination and consultation among project levels and functions to be more proactive in addressing FM-related challenges.

1. AWPBs are available in the form of the proposed revised multi-year plan and indicative budget (MYPIB) for 2018-2021 submitted to IFAD but monitoring of actual expenditures not fully effective as observed from status of LGU transfers, allotments, obligations, and disbursements. At the regional level, undelivered or failed contracts and non-performing MOAs with LGUs were raised during the mission. Unutilized allotments from such obligations are to be reverted to DBM and requested for reissuance and use in identified necessary project activities and transactions, as agreed. The Project also needs to consistently follow through on the resolution of perennial implementation issues and challenges in completing specific requirements in preparing purchase requisitions, MOAs or contracts that are causing significant variances between budgeted and actual expenditures.
2. Disbursement vouchers were noted to remain in process at RPMOs pending additional fund transfers by the PSCO.
3. Several clarifications were raised and discussed during discussions with Project FM staff such as in the case of BARMM undergoing government transition. Appropriate actions or measures were agreed. The use of the eNGAS will be sustained in recording and reporting project financial transactions. The Project will also ensure the continued proper use of assets distributed to LGUs and beneficiaries by regularly updating inventory list and conducting physical count or inspection.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Budget cover for winding up expenses.</b>  Coordinate closely with the DBM in securing budget cover for loan proceeds for financial closing activities in from January-June 2021. Furnish IFAD with the proposed budget for financing closing period.	PSCO	03/2020
<b>Revision or realignment of budgetary requirements.</b>  On the basis of the agreed results of the mission, submit to IFAD for NO issuance the adjusted AWPB for 2020. Consider fund proposals from Regions V & VIII for rehabilitation of subprojects damaged by the December 2019 typhoon using available BARMM funds with proper concurrence of BARMM-MAFAR and amendment of the corresponding MOA between DA and BARMM.	PSCO	03/2020

**Quality and Timeliness of Audit**

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

The audited report and ML were submitted on time and provided comprehensive information of recommendations. However, the audited financial statements should have provided more mandatory statements to fully comply with IFAD regulations.

#### **Main issues**

In the results of the financial audit as detailed in the Management Letter (ML), noted accounting errors and omissions were immediately adjusted or corrected by the Accountant in the project books upon issuance of the Audit Observation Memorandum (AOM). There were also accounting errors/omission raised by the auditor as not to have exceeded materiality level, and were subsequently adjusted in the project books in January 2019 as validated by COA and confirmed in the ML. The Project has already acted on other audit recommendations as also recognized in the ML.

missing major reports :yearly and cumulative SOEs by withdrawal application and category of expenditures, designated account statement reconciliation and project financial statements.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>ML# 37-Resolve the differences between the consolidated FS and the RPMO's FS</b>  RPMO was already working on the preparation and submission of the necessary documents and have submitted the same to the audit team.	PSCO and RPMOs	09/2019
<b>Provide insurance cover for the uninsured physical assets - Peso 2.651 million</b>	PSCO	09/2019
<b>ML# 26 -fully justify the advance amounting to peso 17.404 million</b>  - justify the outstanding cash advance of peso 17.404 million. - Review the AWPB for the feasibility of planned activities taken into account the delays of fund transfers; - Resolve bottlenecks in the process of fund transfers and its supporting documents to ensure the progress of project implementation	PSCO	09/2019
<b>ML#23-Resolve bottlenecks in project operation for efficient disbursement and effective use of allocated fund</b>  Due to the changes in national budget policy, the project is recommended to review its operation to resolve the current issues of not utilizing all the available fund allocated under the approved work plan and target. The unused fund amounted to Peso 143.208 million for the last 03 years of implementation which might not be available for next year. Slow progress and low achievement of pre-set targets were also noticed.  Project management is required to submit to the auditor: - revised progress Report addressing the 44% reported differences in physical progress;	PSCO	09/2019
<b>ML #29- improvement of procurement process</b>  ML #29	PSCO, RPMOs	12/2019

#### Counterparts Funds

Rating: 5

Previous rating: 5

#### Justification of rating

Government counterpart has been adequate, which is currently 85% of US\$ 6.1 million in required counterpart financing. The government has made available a total of PhP 222.06 million or US\$ 5.2 million in allotment of GOP counterpart to the Project. The whole annual budget for GOP counterpart are being authorized upon approval of the national government budget at the start of each year and are being released to BFAR on a timely basis based on approved periodic disbursement programs.

#### Main issues

#### Main issues

Disbursing GPH counterpart funds is relatively low, which is really linked to the utilization of loan proceeds. In 2018, only PhP 19.6 million in government funds were actually disbursed out of the PhP 57.3 million allotment made available to the Project. Nonetheless, any unused or reverted GPH funds can be requested again and be used within the remaining project term.

The Project has made improvement in tracking LGU commitment and community counterpart. The Project has been taking appropriate measures to mobilize sufficient LGU counterpart presently reported at 18% (US\$ 1.0 million out of US\$ 5.6 million); and to capture financial data on community counterpart that is currently at 13% (US\$ 176 thousand out of US\$ 1.3 million).

#### Compliance with Loan Covenants

Rating: 4

Previous rating: 5

### Justification of rating

The project has complied with most of the loan and grant covenants. The project was reminded of Sec. 7.13 of the IFAD General Conditions on Agricultural Development Financing to ensure compliance with the provision of health and accident insurance to project hired personnel "to the extent consistent with sound commercial practice or its customary practice in respect of its national civil service, whichever is appropriate". The mission suggested the purchase of group insurance from the Government Service Insurance Corporation (GSIS).

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
<b>Provision of health and accident insurance</b>  A lot of project activities will be conducted in remaining project months. Due to attendant risks, project personnel needed to be covered by health and accident insurance as mandated.	PSCO, RPMO	03/2020

### Procurement

#### Procurement

**Rating: 3**

**Previous rating: 3**

### Justification of rating

Processes, procedures and systems applied exhibit significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.

### Procurement Review

**Procurement planning.** RPMOs failed to update/upgrade their respective Procurement Plan (PP) resulting in the inability of the PSCO to further update/upgrade the project wide PP. In general, procurement packages in the PP are described in bulk and not disaggregated to reflect specific procurement packages with their corresponding Approved Budget of the Contract (ABC) and schedules rendering the PP ineffective as a planning and monitoring tool. Procurement schedules either unrealistic or not followed. Across the regions, procurement activities are seriously delayed. In **Region V**, Php35.077M worth of projects transferred to 24 Local Government Units (LGUs) in July 2017 are still ongoing implementation by the LGUs. Php9.464M remains idle and have not been transferred because concerned LGUs have unliquidated funds in other projects. In **Region VIII**, a total of Php10.08M was obligated by MOA with LGUs in 2016-2017. A total of Php2.42M is still for transfer to the LGUs due to unliquidated fund transfers in other projects. Php1.94M is still under procurement while Php3.24M is ongoing implementation. In both regions, Project needs to decide whether to continue with the projects with these LGUs which have not been fully procured.

Procurement under the 2019 PP commenced only in June 2019. There is considerable delay from approval of purchase requests to actual posting of invitations to bid and from issuance of notices of award to notices to proceed. In **Caraga Region**, project failed to procure a replacement of the procurement officer who resigned in June 2019 resulting in failure to manage and monitor procurement activities and contract including the failure to secure IFAD No Objections when required by the Letter to the Borrower. Due to the ongoing transition from ARMM to **BARMM**, the BAC managing the procurement for the project was reorganized and selection process for staff changes are continuing. As a natural consequence, procurement in the project area was minimal.

**Procurement process.** The mission conducted a review of representative number of ongoing and completed procurement and provided implementation support to mitigate procurement risks. Most procurement processes and procedures are consistent and comply with the national procurement laws and regulations as well as IFAD Project Procurement Guidelines and Handbook. However, a number of procurements were found to be non-compliant with procurement rules such as failure to comply with minimum periods from posting of the invitation to bid to conduct of pre-bid conference, award of a contract to an ineligible supplier and obligating of funds without proper procurement processes which the mission considered misprocured and ineligible for loan financing.

**Contract award and management.** In Region V, the mission observed instances of failure to comply with prescribed contract forms. Contracts still in Purchase Order forms which are proper in contracts procured via alternative modes. Performance securities were not confirmed from issuing financial institutions. Contracts (MOAs) with LGUs were not also properly managed resulting in delays in project implementation. In **Caraga and BARMM**, livelihood contracts need focused contract management due to non-deliveries/delayed deliveries of contracted materials or deliveries that do not conform with the required specifications. Project regions **VIII, Caraga and BARMM** were advised to comply with the procedures for blacklisting of contractors/suppliers/consultants with terminated contracts under Appendix 17 of the 2016 Revised IRR of RA 9184 (Government Procurement Reform Act).

Per the PSCO Procurement Officer, project regions have made progress in records retention in each RPMO.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Procurement planning</b>  Update and upgrade Procurement Plan identifying specific contract packages and setting realistic procurement schedules	RPMOs, PSCO	03/2020
<b>FishCORAL procurement</b>  BAC to prioritize FishCORAL procurement due to limited remaining project duration	RPMO	03/2020
<b>Contract management</b>  Review status of projects for implementation by LGUs for cancellation of covering MOAs or immediate physical completion; Review ongoing goods/works contracts and closely monitor compliance by suppliers/contractors of delivery periods, required specifications and enforce warranties and performance securities	RPMOs, LGUs, PSCO	03/2020

#### e. Key SIS Indicators

**Likelihood of Achieving the Development Objective**

**Rating: 4**

**Previous rating: 4**

##### Justification of rating

Models and good practices in both CRM and livelihood components, such as BMCs, CRM preparation and financing, FLETs, municipal waters delineation and ABS, exist and can be replicated across project regions and coastal communities outside of the project areas. However, with ten months remaining in implementation and given the volume of backlog in physical deliverables and persistent implementation issues which had not been fully resolved, some challenges persist for the project to fully attain its original physical targets. With successful and prompt refocusing of resources to high-potential interventions, though, project outcomes are still attainable, despite the expected downscale in physical accomplishment.

**Assessment of the Overall Implementation Performance**

**Rating: 4**

**Previous rating: 4**

##### Justification of rating

The project has made significant progress since 2018. Particularly for CRM, management tools and processes to support the targeted communities and the LGUs to effectively manage their coastal resources, and enforce fishery laws, and the construction of infrastructures and delivery of equipment related to this component, which had known considerable delays over the course of the Project, has made reasonable progress. For Livelihood Development, there has been significant improvement with three hundred and eight (308) on-going projects compared to one hundred and nine (109) in the mid-2019 supervision. A considerable number of projects have approved business plans and out of those implemented projects (308), about 35% (108) have already completed their first production cycle and 10% (30) for the second cycle.

#### F. Relevance

**Relevance**

**Rating: 5**

**Previous rating: 4**

##### Justification of rating

The Project remains highly relevant to the Philippine Development Plan (PDP) 2017-2022. The Project will contribute to Outcomes 1 and 2 of Chapter 8 of the PDP which is about expanding economic opportunities in agriculture, forestry and fisheries. The objectives and strategies of FishCORAL are aligned with the "Eight Agriculture Paradigms" of the new leadership in the Department of Agriculture which is geared towards a "Masaganang Ani at Mataas na Kita" or high harvest and income for farmers and fisherfolks. The project's good cases on CRM (e.g., BMCs, CRM, FLETs, municipal waters delineation) and livelihoods particularly on ABS, are models for nationwide replication and will serve as building blocks for the programs of the proposed Department of Fisheries and the ongoing design of an investment for the sector by the World Bank.

## G. Lessons Learned

### Sustaining the Baywide Management Councils

The Project has been successful in creating the Bay-wide Management Council. Legal instruments among LGUs have been successfully obtained (e.g., Memorandum of Agreement) and some BMCs have already pooled in resources from the member LGUs and some BMCs have developed local policies in support of managing the coastal resources of all LGUs in the bay. Sustaining the BMCs would require long-term commitment from the respective municipal LGUs in terms of financial and personnel support, active participation and vigilance of the Fisheries and Aquatic Resource Management Councils (FARMCs) in the respective LGUs including the fishers organizations supported by the Project. Beyond the municipal level, the BMCs should work with the provincial LGU for additional support (financial and technical/scientific studies) and complementary provincial policies/ordinance in support of the bay-wide ordinances.

### Localized action to CRM issues with national relevance

With the bay-wide management council approach and CRM planning as basic foundations, one of the critical issues that the Project has delivered well was on municipal waters delineation, an issue that is relevant in all coastal municipalities of the country. In the past, municipal waters conflict is an issue left alone for municipalities to resolve. Even with the BMC in place but without the technical knowledge on mapping such issues would be difficult to settle. With the Project's strategy of engaging the National Mapping and Resource Information Authority (NAMRIA), the resolution of these issues have been fast tracked. This is one good story of the Project that should be replicated nationwide.

### Aqua Business Schools as entry point for a value chain approach

The Project has shown the effectiveness of the ABS approach with several processing-based micro enterprises organized and supported with training, small equipment and raw materials for processing the products. These processing enterprises have started to create a market for fishery-based processed products. The increasing demand presents opportunity for scaling up production at small fisher recipients and even non-project recipients. As a product-focused capacity building approach, the next opportunity for the methodology is to strengthen its market access interventions using value chain tools. In the remaining project period, the ABS is a key approach in increasing project outreach and ensuring continuity and sustainability of the livelihood development component of the Project.

### Building social and economic capital via savings and credit groups

The savings and credit groups (SCG) have been instrumental in keeping the interest of fisherfolks despite delays in the implementation of livelihood projects. Though the SCGs, fisherfolks especially the women continued to meet and keep their organizations going. The funds that were generated from SCG members provided capitalization to the group and also responded to member's social needs like education and health. As per initial interaction with the Project implementers, they are seeing SCGs as a critical mechanism that should be first introduced in the community, and this can serve as leverage for the introduction of livelihood /enterprise sub-projects based on the savings that the group has generated.

## H. Agreed Actions

<b><i>Agreed Action</i></b>	<b><i>Responsibility</i></b>	<b><i>Agreed Date</i></b>
<b>Overview and Project Progress</b>		
<b>Support LGUs for CRM Plan completion and related legislations</b> Facilitate the completion of all the remaining CRM plans and provision of technical support for CRM related legislations and harmonization of FO livelihood activities with CRM plans	RPMO with LGUs	12/2019
<b>Delineation of municipal waters</b> Increase the number of municipalities with delineated municipal waters (i.e., at the minimum having the NAMRIA maps for issuance of LGU ordinance)	RPMO with LGUs	12/2019

<b>Implementation and monitoring of livelihood sub-projects</b> Improve the implementation of the “Livelihood Monitoring Tool” and compile/analyze data on completed cycles and plan out for the next cycle	RPMOs and Regional Livelihood Officers	03/2020
<b>Fisherfolk participation</b> Improve beneficiaries’ participation in providing equity for the implementation of livelihood subprojects	RPMOs and Regional BFAR	03/2020
<b>ABS expansion</b> Develop and implement a comprehensive strategy for ABS expansion	PSCO, RPMOs, ABS expert	03/2020
<b>Completion and finalization of PRSAs</b> Complete the two PRSAs in BARRM and integrate their results into the Municipal CRM Plans. Finalize other PRSAs in Regions V, VIII and Caraga	RPMO with LGUs	06/2020
<b>Operation and maintenance of equipment</b> Assess the current situation of solar driers, refrigeration and other equipment and develop a plan for continued operation and maintenance	RPMOs and Regional BFAR	06/2020
<b>Construction of watchtowers</b> Complete the construction and delivery of watchtowers to the LGUs	RPMO with LGUs	09/2020
<b>Patrol boats &amp; FLETs</b> Complete delivery of patrol boats; assess the overall situation of the patrol boats and respective FLETs and implement corrective measures	RPMO with LGUs	09/2020
<b>PRSA update</b> Carry out PRSA updates in 3 regions (Note: Subject to the PCR Evaluation Strategy)	RPMO with LGUs	12/2020
<b>Completion of the CRM plans</b> Complete all the remaining CRM plans; ensure all are approved at LGU level	RPMO with LGUs	12/2020
<b>Lobster seed assessment</b> Carry out seed assessments in Regions V, VIII & Caraga	RPMOs and Regional BFAR	12/2020
<b>Development Effectiveness</b>		
<b>Women and youth participation</b> Conduct a review on the extent of women and youth participation and corresponding benefits derived from the Project. This can be included in the PCR.	PSCO	10/2020
<b>Sustainability and Scaling up</b>		

<b>Exit and Sustainability Plans</b>  Prepare exit and sustainability plans for the CRM and livelihood sub-projects, and for continuity of FOs in every region. The plan should include the O&M of productive rural infra, facilities and equipment.	PSCO, RPMOS	05/2020
<b>Documentation for Scaling Up</b>  Capture project lessons, good practices, and innovations for PCR and for policy and programme recommendations to BFAR	PSCO, RPMOs	12/2020
<b>Project Management</b>		
<b>Inclusion in the M&amp;E system tracking of CC indicators</b>  The current logframe will be revised and once of the indicators that will be included is related to climate change (CC). Further, the assumptions/risks should reflect also the vulnerabilities that Region V and VIII faces, and to some extent, the other Regions as well. The M&E system should now reflect the mitigating actions done by the Project to address CC and other related CC indicators	PCSO and RPMO	05/2018
<b>Upgrading staff salary</b>  Review the salary scheme of Project staff with the end view of increasing staff salary to meet the requirement of the tasks and provide substantive support to all staff (e.g. TEV) for supervision, coaching, mentoring and monitoring activities	PSCO, RPMOs	07/2019
<b>Technical assistance for M&amp;E</b>  Hire a consultant to conduct on-the-job training and consultation opportunities in relation to M&E standards, tools, and guidelines and guide the M&E team on refinement, validation, and analysis of data and provision of recommendatory reports to management	M&E and MIS officers	07/2019
<b>Standardization of staff assessment and renewal</b>  Establish a standard process of assessment and renewal of contracted staff at all levels	PSCO, RPMOs	12/2019
<b>Conduct of Outcome survey</b>  Conduct outcome survey using the IFAD annual outcome survey (AOS) tool to beneficiaries that have received project services to determine the extent of changes brought by the project	M&E officers	12/2019
<b>Revision of 2020 AWPB/APP</b>  Revise the 2020 AWPB/APP incorporating the mission agreements to improve performance of Components 1 and 2 and the corresponding management strategy in the next 10 months and submit this to IFAD for NO.	PSCO, RPMOs	02/2020
<b>PCR Planning</b>  Prepare a PCR plan together with a ToR for the conduct of outcome/impact and EFA studies, and submit the plan and ToR to IFAD for NO.	PSCO	03/2020

<b>FPIC in IP communities</b>  Validate the IP data collected in Caraga and BARMM and conduct FPIC to concerned IP communities with proper documentation	PSCO and RPMOs in Caraga and BARMM	04/2020
<b>Financial Management &amp; Execution</b>		
<b>ML# 37-Resolve the differences between the consolidated FS and the RPMO's FS</b>  RPMO was already working on the preparation and submission of the necessary documents and have submitted the same to the audit team.	PSCO and RPMOs	09/2019
<b>Provide insurance cover for the uninsured physical assets - Peso 2.651 million</b>	PSCO	09/2019
<b>ML# 26 -fully justify the advance amounting to peso 17.404 million</b>  - justify the outstanding cash advance of peso 17.404 million. - Review the AWPB for the feasibility of planned activities taken into account the delays of fund transfers; - Resolve bottlenecks in the process of fund transfers and its supporting documents to ensure the progress of project implementation	PSCO	09/2019
<b>ML#23-Resolve bottlenecks in project operation for efficient disbursement and effective use of allocated fund</b>  Due to the changes in national budget policy, the project is recommended to review its operation to resolve the current issues of not utilizing all the available fund allocated under the approved work plan and target. The unused fund amounted to Peso 143.208 million for the last 03 years of implementation which might not be available for next year. Slow progress and low achievement of pre-set targets were also noticed.  Project management is required to submit to the auditor: - revised progress Report addressing the 44% reported differences in physical progress;	PSCO	09/2019
<b>ML #29- improvement of procurement process</b>  ML #29	PSCO, RPMOs	12/2019
<b>Provision of health and accident insurance</b>  A lot of project activities will be conducted in remaining project months. Due to attendant risks, project personnel needed to be covered by health and accident insurance as mandated.	PSCO, RPMO	03/2020
<b>Procurement planning</b>  Update and upgrade Procurement Plan identifying specific contract packages and setting realistic procurement schedules	RPMOs, PSCO	03/2020
<b>FishCORAL procurement</b>  BAC to prioritize FishCORAL procurement due to limited remaining project duration	RPMO	03/2020

<b>Contract management</b>  Review status of projects for implementation by LGUs for cancellation of covering MOAs or immediate physical completion; Review ongoing goods/works contracts and closely monitor compliance by suppliers/contractors of delivery periods, required specifications and enforce warranties and performance securities	RPMOs, LGUs, PSCO	03/2020
<b>Submission of WAs and SOEs to IFAD.</b>  Submit to IFAD WA 15 for loan expenditures paid in October to December 2019 totalling USD 2.267 million. Submit WAs regularly thereafter, at least quarterly. Submit also WA for grant expenditures.	PSCO	03/2020
<b>Budget cover for winding up expenses.</b>  Coordinate closely with the DBM in securing budget cover for loan proceeds for financial closing activities in from January-June 2021. Furnish IFAD with the proposed budget for financing closing period.	PSCO	03/2020
<b>Revision or realignment of budgetary requirements.</b>  On the basis of the agreed results of the mission, submit to IFAD for NO issuance the adjusted AWPB for 2020. Consider fund proposals from Regions V & VIII for rehabilitation of subprojects damaged by the December 2019 typhoon using available BARMM funds with proper concurrence of BARMM-MAFAR and amendment of the corresponding MOA between DA and BARMM.	PSCO	03/2020

## Fisheries, Coastal Resources and Livelihood Project

### Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members										
	Household members				7 955	92 175					
	1.a Corresponding number of households reached										
	Women-headed households				4 960	4 960					
	Non-women-headed households				13 475	13 475					
	Households			90 596	18 435	18 435	20.3				
	1 Persons receiving services promoted or supported by the project										
	Females			362 000	592	7 864	2.2				
	Males			362 000	999	10 571	2.9				
	Young			72 400	959	3 095	4.3				
	Total number of persons receiving services			724 000	1 591	18 435	2.5				
	Groups receiving project services										
	Group				356	717					
Project Goal Contribute to reduce poverty in target coastal communities/ ecosystems in Regions V, VIII, XIII and ARMM	Decreased poverty incidence by 5% from baseline of 42% (mean poverty incidence)							RIMS+ Impact survey. NSCB FIES survey. LPGPMS. CBMS.			Controlled/managed calamity/disaster in the target coastal communities.
	Poverty incidence	42		37							

Results Hierarchy	Indicators							Means of Verification		Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
	Increased ownership of household assets by 20% of baseline for the targeted 54357 poor households							RIMS+ Impact survey. NSCB FIES survey. LPGPMS. CBMS.			
	Increased ownership of household assets			20							
	Decreased child malnutrition (ages 0-5 years) by 4% from baseline of 24.4%							RIMS+ Impact survey. NSCB FIES survey. LPGPMS. CBMS.			
	Child malnutrition (ages 0-5 years)	24.4		20.4							
<b>Development Objective</b> Realize increase in annual income of participating community households and employment of women engaged in income generating activities	Annual income of participating fishing community households increased by 10% of baseline							RIMS+ Impact survey. Outcomes surveys. LGU budget/ finance document. LGPMS.			Climate variability does not overcome the resilience of subprojects supported by the Project. No major financial shocks, stable inflation rate and purchasing power of fishing households maintained or increasing.
	Annual income increased			10	10	10	100				
	Employment of women engaged in income-generating activities increased to 40% from baseline of 20%							RIMS+ Impact survey. Outcomes surveys. LGU budget/ finance document. LGPMS.			
	Employment of women engaged in income-generating activities				2 187	2 187					
	Employment of women engaged in income-generating activities	20		40							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Outcome</b> Fishing communities adopted sustainable management of fishery and coastal resources	Fish density in coral reefs increased by an average of 15% from baseline							RPRSA result. Project M&E. LGU annual financial report.			LGUs, DENR and other agencies are vigilant in protecting and rehabilitating natural resources (ridge to reef).
	Fish density in coral reefs increased by an average			15							
	Hard coral cover improved in selected sample protected areas where scientific sampling of coral takes place by an average of 15% from baseline							RPRSA result. Project M&E. LGU annual financial report.			
	Hard coral cover improved			15							
<b>Output</b> Capabilities of LGUs and fishing communities to enforce sustainable management of fishery and coastal resources established	103 municipal/city FLETs (Fishery Law Enforcement Team) and 103 municipal/city FARMCs (Fisheries and Aquatic Resource Management Councils) formed, strengthened and sustained							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			National/local laws/ordinances favour the protection and rehabilitation off the municipal fisheries and coastal resources.
	Municipal/city FLETs formed, strengthened and sustained			103	26	95	92.2				
	Municipal/city FARMCs formed, strengthened and sustained			103	7	95	92.2				
	11 bay management councils formed, strengthened and sustained with their bay-wide fishing ordinances implemented							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			
	Bay management councils formed, strengthened and sustained			11	11	11	100				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
	103 LGUs (Local Government Unit) implementing fisheries and Coastal Resource Management plans and ordinances							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			
	Number of LGUs implementing plans and ordinances			103	11	15	14.6				
	103 LGUs delineated municipal waters with accompanying zoning ordinances							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			
	Number of LGUs delineated municipal waters with accompanying zoning ordinances			103	8	38	36.9				
	103 sets of patrol boat equipment for surveillance sustainably operated							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			
	Number of patrol boat			103	75	91	88.3				
	11 climate proofed bay management, multi-purpose buildings constructed and maintained with 103 climate proofed watch towers constructed and maintained							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			
	Buildings constructed and maintained			11	4	12	109.1				
	Watch towers constructed and maintained			103	13	59	57.3				
	3.1.1 Groups supported to sustainably manage natural resources and climate-related risks										
	Groups supported			206	135	190	92.2				

Results Hierarchy	Indicators							Means of Verification		Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
Output Municipal/city and bay-wide fishery and coastal resources management and investment plans implemented	103 LGUs formulated/updated multi-year CRM and fishery management/investment plans which are integrated into the CLUP(Comprehensive Land Use Plan) /MDP(Municipal Development Plan) and AIP							Project M&E. LGU records. LGU Annual Investment Plans.			LGU leadership support to fishery/CRM development.
	Number of LGUs formulated/updated multi-year CRM and fishery management/investment plans			103		66	64.1				
	11 bay-wide multi-year CRM and fishery management/investment plans adopted by LGUs involved							Project M&E. LGU records. LGU Annual Investment Plans.			
	Management/investment plans adopted			11	7	10	90.9				
	1.1.4 Persons trained in production practices and/or technologies							Project M&E. LGU records. LGU Annual Investment Plans.			
	Men trained in fishery				4 709	5 462					
	Women trained in fishery				2 596	2 885					
	Young people trained in fishery				1 512	1 764					
	Indigenous people trained in fishery				340	340					
	Total persons trained in fishery				7 305	8 347					

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
Output Habitats for fishery and coastal resources rehabilitated and established	3.1.4 Land brought under climate-resilient practices							Project M&E. LGU records.			LGU leaderships support fishery / CRM protection and rehabilitation. Laws/ordinances support protection and the sustainable management of the municipal fisheries/coastal resources.
	Hectares of land			26 370	4 567	8 421	31.9				
	Critical mangrove areas rehabilitated and managed sustainably							Project M&E. LGU records.			
	Hectares of land			1 100	44	420	38.2				
	21,456 ha of established and delineated or rehabilitated fish sanctuaries managed sustainably							Project M&E. LGU records.			
	Hectares of land			21 456	4 007	7 585	35.4				
	3,814 ha of rehabilitated/protected sea grass beds managed sustainably							Project M&E. LGU records.			
	Hectares of land			3 814	516	516	13.5				
	22 marine species stock enhancement projects implemented							Project M&E. LGU records.			
	Projects implemented			22	9	14	63.6				
	5,200 units of supplemental artificial reef deployed							Project M&E. LGU records.			
	Units of supplemental artificial reef deployed			5 200	1 094	1 096	21.1				
	5,150 ha of fish sanctuary provided with delineation markers							Project M&E. LGU records.			
	Hectares of land			5 150	4 007	7 585	147.3				
Outcome Income of fishing households in target coastal communities increased through sustainable engagement in diversified livelihood activities	Fishing households involved in fishery enterprises increased to 30% from a baseline of 20%, (30% are women from a baseline of 20%) in 103 target municipalities and cities							RIMS + Impact Survey. Outcome Survey. Project M&E. LGU records.			No major financial shocks that affect the growth of livelihood enterprises.
	Fishing households involved in fishery enterprises increased				7 919	7 919					
	Fishing households involved in fishery enterprises increased (Females)				2 187	2 187					

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
	Fishing households involved in fishery enterprises increased	20		30							
	Fishing households involved in fishery enterprises increased (Females)	20		30							
	One micro-enterprise established per coastal barangay operating.							RIMS + Impact Survey. Outcome Survey. Project M&E. LGU records.			
	Micro-enterprise established			1 098	43	43	3.9				
<b>Output</b> Fishing households organized into livelihood groups	4,158 groups generating profit from aquaculture and marine enterprises, including seaweed farms, fish culture, fish processing and other fishery- related enterprises.							Project M&E. Group/cluster financial records.			Continued willingness of fishing and other poor hhs in coastal communities to work collectively in livelihood groups/clusters.
	female membership										
	Groups generating profit from aquaculture and marine enterprises			4 158	869	869	20.9				
	Woman Headed HH				2 187	2 187					
<b>Output</b> Livelihood projects (fishery and non-fishery) with corresponding climate-proofed infrastructure/ facility support implemented	Bureau of Fisheries and Aquatic Resources (BFAR) fully operational hatchery assisted							Project M&E. LGU records.			LGU leadership continuing support to allocate timely counterpart funds.
	BFAR fully operational hatchery assisted			1	0	1	100				
	Community-based hatchery development and enhancement facilities established							Project M&E. LGU records.			
	Facilities established			7	2	3	42.9				
	2.1.6 Market, processing or storage facilities constructed or rehabilitated							Project M&E. LGU records.			
	Storage facilities constructed/rehabilitated			515	86	94	18.3				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
	Mobile ice makers and chest freezers managed sustainably							Project M&E. LGU records.			
	Mobile ice makers managed			49	3	19	38.8				
	Chest freezers managed			294	5	311	105.8				
	Fish-landing facilities constructed.							Project M&E. LGU records.			
	Facilities constructed (linear meters)			1 200	105	132	11				
	50% of the livelihood projects will be implemented by women							Project M&E. LGU records.			
	Livelihood projects implemented by women			50	4.91	4.91	9.8				

## **Philippines**

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### **Fisheries, Coastal Resources and Livelihood Project**

#### **Supervision Report**

#### **Appendix 1: Financial: actual financial performance; by financier by component and disbursements by category**

Mission Dates: 09-26 February 2020  
Document Date 26/03/2020  
Project No. 1100001548  
Report No. 5375-PH

Asia and the Pacific Division  
Programme Management Department

**Appendix 5: Financial: Actual financial performance by financier; by component and disbursements by category**

(As of 18 Feb 2020)

**Table 5A:**

**Financial performance by financier (in US\$ '000)**

<b>Financier</b>	<b>Approval (USD '000)</b>	<b>Current (USD '000)</b>	<b>Disbursements (USD '000)</b>	<b>Percent disbursed</b>
<b>IFAD loan</b>	<b>29,960</b>	<b>29,960</b>	<b>18,365</b>	<b>61.30%</b>
<b>IFAD grant</b>	<b>690</b>	<b>690</b>	<b>360</b>	<b>52.17%</b>
<b>Government</b>	<b>6,126</b>	<b>6,126</b>	<b>5,232</b>	<b>85.41%</b>
<b>LGU</b>	<b>5,637</b>	<b>5,637</b>	<b>1,021</b>	<b>18.11%</b>
<b>Community</b>	<b>1,328</b>	<b>1,328</b>	<b>176</b>	<b>13.25%</b>
<b>Total</b>	<b>43,741</b>	<b>43,741</b>	<b>25,154</b>	<b>57.51%</b>

**Table 5B: Financial performance by financier by component (in US\$ '000)**

Component	IFAD Loan			IFAD Grant			Government			LGU			Community			Total		
	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%
<u>Component 1.</u> Coastal Resources Management	18,411	7,804	42.4%	212	15	7.1%	2,517	1,315	52.2%	2,715	696	25.6%	128	17	13.3%	23,982	9,847	41.1%
<u>Component 2.</u> Livelihood Development	11,333	3,057	27.0%	478	105	21.9%	1,754	430	24.5%	1,200	325	27.1%	1,200	159	13.2%	15,965	4,076	25.5%
<u>Component 3.</u> Project Management and Coordination	217	204	94.0%	0	0	0.0%	1,855	946	51.0%	1,722	0	0.0%				3,793	1,150	30.3%
<b>TOTAL</b>	<b>29,960</b>	<b>11,065</b>	<b>36.9%</b>	<b>690</b>	<b>120</b>	<b>17.4%</b>	<b>6,125</b>	<b>2,691</b>	<b>43.9%</b>	<b>5,637</b>	<b>1,021</b>	<b>18.1%</b>	<b>1,328</b>	<b>176</b>	<b>13.2%</b>	<b>43,741</b>	<b>15,073</b>	<b>34.4%</b>

**Table 5C-1: IFAD loan disbursements (in EUR '000)**

<b>Category description</b>	<b>Original Allocation</b>	<b>Revised Allocation</b>	<b>Disbursements</b>	<b>Percent Disbursed</b>	<b>WAs pending*</b>	<b>Balance</b>	<b>Percent Utilized (incl. pending WAs less AA)</b>
<b>A. Works</b>	<b>2,070</b>	<b>2,070</b>	<b>1,143</b>	<b>55.23%</b>	<b>188</b>	<b>739</b>	<b>64.30%</b>
<b>B. Equipment and Materials</b>	<b>15,400</b>	<b>15,400</b>	<b>4,006</b>	<b>26.01%</b>	<b>1,217</b>	<b>10,177</b>	<b>33.91%</b>
<b>C. Consultancies</b>	<b>9,840</b>	<b>9,840</b>	<b>4,698</b>	<b>47.74%</b>	<b>690</b>	<b>4,452</b>	<b>54.75%</b>
<b>D. Authorized Allocation (AA)</b>	<b>0</b>	<b>0</b>	<b>6,453</b>		<b>0</b>	<b>-6,453</b>	
<b>Total</b>	<b>27,310</b>	<b>27,310</b>	<b>16,300</b>	<b>59.69%</b>	<b>2,095</b>	<b>8,915</b>	<b>43.73%</b>

*\*WA 14 pending approval by IFAD. WA 15 in process at PSCO.*

Table 5C-1:

IFAD loan disbursements (in US\$ '000)

Category description	Original Allocation	Revised Allocation	Disbursements	Percent Disbursed	WA pending*	Balance	Percent Utilized (incl. pending WAs less AA)
<b>A. Works</b>	<b>2,271</b>	<b>2,271</b>	<b>1,273</b>	<b>56.05%</b>	<b>204</b>	<b>794</b>	<b>65.04%</b>
<b>B. Equipment and Materials</b>	<b>16,895</b>	<b>16,895</b>	<b>4,725</b>	<b>27.97%</b>	<b>1,316</b>	<b>10,854</b>	<b>35.76%</b>
<b>C. Consultancies</b>	<b>10,794</b>	<b>10,794</b>	<b>5,067</b>	<b>46.91%</b>	<b>747</b>	<b>4,980</b>	<b>53.86%</b>
<b>D. Authorized Allocation (AA)</b>	<b>0</b>	<b>0</b>	<b>7,300</b>		<b>0</b>	<b>-7,300</b>	
<b>Total</b>	<b>29,960</b>	<b>29,960</b>	<b>18,365</b>	<b>61.30%</b>	<b>2,267</b>	<b>9,328</b>	<b>44.50%</b>

\*WA 15 in process at PSCO.

**Table 5C-2: IFAD grant disbursements (in US\$ '000)**

<b>Category description</b>	<b>Original Allocation</b>	<b>Revised Allocation</b>	<b>Disbursements</b>	<b>Percent Disbursed</b>	<b>WAs pending</b>	<b>Balance</b>	<b>Percent Utilized (incl. pending WAs less AA)</b>
<b>C. Consultancies</b>	<b>690</b>	<b>690</b>	<b>120</b>	<b>17.45%</b>	<b>47</b>	<b>523</b>	<b>24.20%</b>
<b>D. Authorized Allocation (AA)</b>	<b>0</b>	<b>0</b>	<b>240</b>			<b>-240</b>	
<b>Total</b>	<b>690</b>	<b>690</b>	<b>360</b>	<b>52.24%</b>	<b>47</b>	<b>283</b>	<b>24.20%</b>

## **Philippines**

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### **Fisheries, Coastal Resources and Livelihood Project**

### **Supervision Report**

### **Appendix 2: Physical progress measured against AWP&B**

Mission Dates: 09-26 February 2020  
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Asia and the Pacific Division  
Programme Management Department

## Appendix 2: Physical progress measured against AWP&B

Component/Outcome/Sub-component or Output	Indicators	01 Jan 2019 to 31 December 2019				Cumulative	Appraisal	%
		Unit	AWPB	Actual	%	Actual	Target	
<b>Component 1 Outcome</b>	By EOP, in the Project Area:							
	Fish density in coral reefs increased by an average of 15% from baseline.	%	-	-	0%	EOP	0	0%
	Hard coral cover improved in selected sample protected areas where scientific sampling of coral takes place by an average of 15% from baseline.	%	-	-	0%	EOP	1	0%
<b>Component 1 Output 1</b>	103 municipal/city FLETs formed, strengthened and sustained.	no.	34	14	41%	95	103	92%
	103 M/C FARMCs formed, strengthened and sustained.	no.	34	13	38%	95	103	92%
	11 bay management councils formed, strengthened and sustained with their bay wide fishing ordinances implemented.	no.	1	4	400%	12	11	109%
	103 LGUs implementing fisheries and CRM plans and ordinances.	no.	23	48	209%	60	103	58%
	103 LGUs delineated municipal waters with accompanying zoning ordinances.	no.	5	27	540%	43	103	42%
	121 (4 ROs, 14 PFOs and 103 muns) sets of patrol boat equipment for surveillance sustainably operated.	unit	31	89	287%	116	121	96%
	11 climate proofed bay management and multi-purpose buildings constructed and maintained with 103 climate proofed watch towers constructed and maintained.	unit	-	27	0%	83	114	73%
<b>Component 1 Output 2</b>	103 LGUs formulated/ updated multi-year CRM and fishery management/ investment plans which are integrated into the CLUP/MDP and AIPs.	no.	23	22	96%	27	103	26%
	11 bay-wide multi-year CRM and fishery management/ investment plans adopted by LGUs involved.	no.	-	-	-	-	11	0%
<b>Component 1 Output 3</b>	1,100 ha of critical mangrove areas rehabilitated and managed sustainably.	has	500	48	10%	340	1,10	31%
	21,456 ha of established and delineated or rehabilitated fish sanctuaries managed sustainably.	has	4,916	4,045	82%	7,582	21,456	35%
	3,814 ha of rehabilitated/ protected sea grass beds managed sustainably.	has	656	516	79%	516	3,814	14%
	22 marine species stock enhancement projects implemented.	unit	3	5	167%	9	22	41%
	5,200 units of supplemental artificial reef deployed.	unit	50	868	1736%	1,448	5,200	28%
	5,150 ha of fish sanctuary provided with delineation markers.	has	1,313	3,711	283%	7,256	5,150	141%
<b>Component 2 Outcome</b>	By EOP, in 103 target municipalities and cities:							

	Fishing households involved in fishery enterprises increased to 30% from a baseline of 20% (30% are women from a baseline of 20%).	%	-	-	0%	EOP	30%	0%
	One microenterprise established per coastal barangay operating.	no.	340	107	31%	128	1,098	12%
<b>Component 2 Output 1</b>	4,454 groups generating profit from fishery enterprises (50% of members are women).	no.	-	85	0%	142	4,453	3%
<b>Component 2 Output 2</b>	1 BFAR fully operational hatchery assisted.	no.	-	2	0%	2	5	40%
	7 community-based hatchery development and enhancement facilities established.	no.	1	4	400%	4	13	31%
	515 communal seaweed solar dryers with storage constructed.	unit	215	72	33%	61	515	12%
	49 mobile ice makers and 294 chest freezers managed sustainably.	unit	47	13	28%	295	343	86%
	1,200 linear meters of fish landing facilities constructed.	Lm	367	123	34%	212	1,202	18%
	50% of the livelihood projects will be implemented by women.	%	-	-	NA	5%	50%	NA
<b>Component 3 Outcome</b>	Implementation is completed within project period without cost overrun.	NA	-	-	0%	-	-	NA
	At least 95% disbursement of IFAD loan and grants by end of project.	%	-	-	0%	-	4	0%
	Annual expenditures are >90% of the AWPB estimates, PY1-5.	%	-	-	0%	-	4	0%
	>75% of target fishing hhs from PY3-5 satisfied with the services provided.	%	-	-	0%	-	3	0%
<b>Component 3 Output 1</b>	All project financed structures functioning PY1-5.	NA	-	-	0%	-	-	NA
	100% of MOAs between BFAR and LGUs and other implementing agencies signed and implemented.	no.	-	-	0%	103	103	100%
	All manuals and guidelines followed.		-	-	0%	-	-	NA
<b>Component 3 Output 2</b>	Complete, accurate financial records prepared and audited annually.	NA	4	4	100%	16	20	80%
	Adherence to planning and reporting procedures and formats PY1-5.	no.	4	4	100%	16	20	80%
	Timely, efficient, and gender and culturally responsive M&E activities PY1-5.	no.	4	4	100%	16	20	80%
	Annual dissemination of project lessons learned/knowledge PY4-5.	no.	4	4	100%	16	20	80%
	BFAR permanent staff and contract staff are in post with qualifications and experience appropriate for their terms of reference PY1-5.	NA	-	-	NA	1	1	100%

	At least 30% of the Project staff are female PY1-5.	%	-	-	0%	57%	30%	190%
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## **Philippines**

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### **Fisheries, Coastal Resources and Livelihood Project**

#### **Supervision Report**

#### **Appendix 3: Compliance with legal covenants: status of implementation**

Mission Dates: 09-26 February 2020

Document Date 26/03/2020

Project No. 1100001548

Report No. 5375-PH

Asia and the Pacific Division  
Programme Management Department

### Appendix 3: Compliance with legal covenants: Status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
<b>Schedule 1, para 5</b>	Consolidated AWPBs and procurement plans to be submitted to the Fund no later than 60 days before the beginning of the relevant project year.	October 31, 2019	For compliance in relation to FY2020	Project to submit to IFAD the revised FY2020 AWPB on or before March 15, 2020.
<b>Schedule 3, para 1</b>	Commitment to engage with the private sector as implementing partners and service providers, in order to ensure that the Project objectives are met.	Continuing	There is marked improvement on partnership building for both CRM and livelihood components.	Project should take stock, consolidate and further expand such partnerships and commercial transactions in the next ten months to ensure continuity and sustainability of investments by government.
<b>Sec. 7.01(a)(ii) IFAD General Conditions</b>	Borrower to carry out the project in accordance with procurement and work schedules	Continuing	Ongoing	Bids and Awards Committees of all Project regions to prioritise FishCORAL procurement activities
<b>Sec. 7.13 IFAD General Conditions</b>	Borrower to provide health and accident insurance to key personnel	Continuing	For compliance	Assistant Bureau Director of LPA committed to implement
<b>Sec. 7.16 IFAD General Conditions</b>	Borrower/Recipient to ensure that the Project Parties complete the implementation of the Project by the Project Completion Date.	December 31, 2020	Ongoing	RPMO's to fast-track implementation of activities, including follow-through on respective LGUs' performance.

## **Philippines**

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### **Fisheries, Coastal Resources and Livelihood Project Supervision Report**

#### **Appendix 4: Technical background analysis**

Mission Dates: 09-26 February 2020  
Document Date 26/03/2020  
Project No. 1100001548  
Report No. 5375-PH

Asia and the Pacific Division  
Programme Management Department

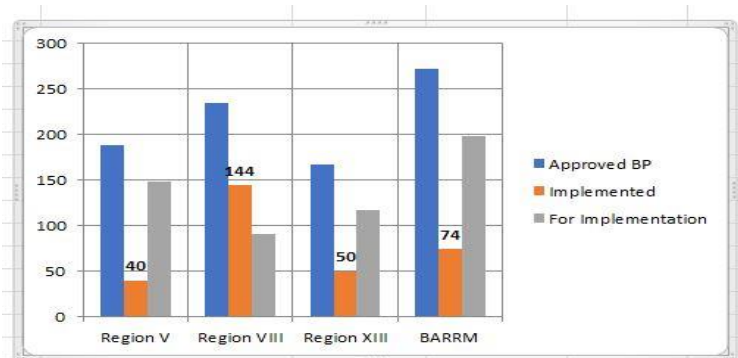
## Appendix 4: Technical Notes

### Appendix 4a: Livelihood and Development

#### Present situation on the LPs – Some results on completed 1st cycle LPs

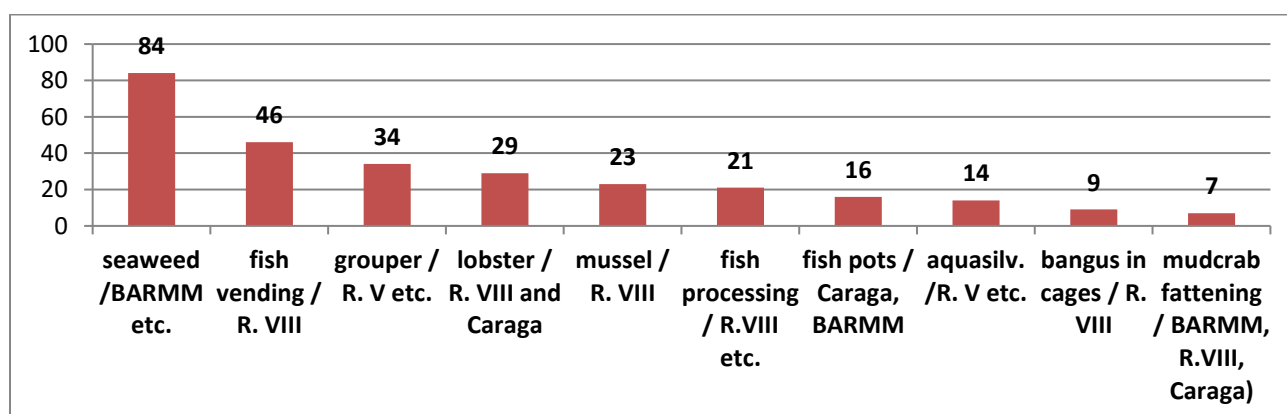
There has been a significant advance in terms of implementation of LPs in the 2<sup>nd</sup> half of 2019: 308 LPs are presently implemented / on-going: Region VIII (144), BARRM (74), Region Caraga (50) and Region V (40).

A considerable number of approved projects are still to be implemented (514 LPs); most are in the procurement stage, in particular for supply for fish culture (grouper, lobster, bangus, seaweed).



Some LPs (approved but not formally implemented) are in fact partially on-going (beneficiaries' counterpart for inputs). Some (80) were partially damaged by Typhoon Ursula end of 2019 (Regions V and VIII). 108 and 30 LPs have already completed their first and second cycle respectively (see hereafter).

The distribution of the implemented LPs is presently as follows:



Per Region, the main commodities are as follows:

- Region V: grouper, seaweed, aquasilviculture; fish processing, which is a priority, is not implemented yet;
- Region VIII: fish vending, lobster, mussel, fish processing, grouper, bangus; all priority commodities are being implemented;
- Region Caraga: seaweed farming, fishing pots; the other priority commodities (i.e. lobster and mud crab fattening) are hardly implemented yet;
- BARRM: seaweed, crab fattening and aquasilviculture, fishing pots; fish culture is not implemented yet.

Since the last quarter of 2019, the various Regions have been gathering data on individual results on completed 1st cycles of LPs. Out of the 108 LPs which completed their 1st production cycle, data (excel sheets) is available for 93 LPs; reasonably reliable data from hardly of 37 of them was compiled; their results are presented in the table hereafter. Taking into consideration their limited number and the incomplete set of data, they cannot yet be used as an adequate basis to provide reliable data on the net income per household generated by the LPs, which will be crucial to assess the impact of the Project; however they represent a valuable first step to set up the proper monitoring system and come up with this kind of information.

The information collected in the field by the Community Facilitators and transmitted to the Livelihood Officers in each Region are hardly very initial indications, and need to be drastically improved: i) to be completed with further basic data (see hereafter), ii) to be systematised to all 1st cycle completed LPs then for subsequent cycles, iii) to be systematically validated at Region level, in order to eliminate inconsistencies and finally iv) to be analysed and synthetised at Region and PSCO level.

In order to be complete, the data collected from each individual LP should include the following, to be incorporated in the present excel sheet "Completed 1st Cycle\_Details" provided by the RPMOs:

*On expenses:*

- Compute the depreciation of the investment per cycle (on the basis of the cost of investment and its estimated lifespan);
- Compute all operating expenses and indicate if supplied by the Project or as beneficiary's participation (in particular fingerlings/seaweed propagules, feeds);
- For lobster / grouper / bangus / mud crab fingerlings: indicate number of fingerlings (to be further able to estimate mortality) and buying price per piece.

*On gross sales:*

- Lobster / grouper / bangus / mud crab: indicate number of pieces sold, total weight and selling price per kilo;
- Seaweed: indicate total weight of dried seaweed sold and selling price per kilo.

*Other - For each LP, indicate:*

- Number of HHs involved;
- Number of HHs for whom the activity corresponds to an extension, or a new activity;
- Duration of the LP;

The results from the data compiled for the 37 LPs are as follows:

<i>Commodity</i>	<i>Region</i>	<i>No of LPs</i>	<i>No of HHs</i>	<i>Cycle duration (months)</i>	<i>Average net income per HH per cycle (in PhP)</i>
Seaweed culture	BARMM	14	310	1.5	12,711
Seaweed culture	Caraga	1	12	1.5 to 2	3,030
Grouper cage culture	Region VIII	4	23	8	5,061
Bangus cage culture	Region VIII	8	8	4	38,035
Mangrove crab fat.	Caraga	3	28	0.75	3,080

Mangrove crab fat.	Region VIII	1	5	0.75	3,940
Mussel culture	Region VIII	4	152	7	2,973
Fish/crab/squid pots (fishing)	Caraga	2	33	(continuous)	637 per month

It is strongly recommended that putting this process duly in place be given immediate consideration. This would entail i) supporting the respective PMO officer in improving the overall system, i.e. orienting the field staff and ensuring the collected data is complete and reliable and simultaneously ii) strengthening the training/orientation of the respective beneficiaries, CFs, regional Livelihood Officers and technical BFAR staff involved. In order to ensure that extensive and reliable data is available by Project Completion and can be used for the elaboration of the Project Completion Report, it is likewise recommended that this support be provided on a regular basis and be included as a task of the M&E consultant to be contracted by the Project (see paragraph 52 of the Aide-Memoire "(.../...) The mission reiterates a previous agreed action to hire a qualified consultant to assist the project in improving its M&E functions in improving data / information capture, analysis and reporting").

### **Strategic intervention in Region V - Priority commodities to be developed in 2020**

Priority commodities identified by Region V are as follows:

- Inter-island seaweed enterprise in Cawayan / Masbate – the Project expects to develop the value chain of seaweed through i) better production and processing and ii) linkage with exporters and semi processors in particular in Cebu;
- Cage grouper enterprise in Ragay Gulf, with a plan to establish a community-managed nursery and improve market access for live grouper;
- Dangit enterprise in Prieto Diaz; and
- Bangus enterprise in Libmanan.

### **Main commodities in Region VIII: constraints/challenges and strengths/opportunities**

Region VIII team and regional BFAR are developing their LP activities based on the following analysis re. the priority commodities:

***For mussel/oyster culture***, the main constraints/challenges are as follows: i) frequent occurrence of harmful algal blooms, especially red tide; ii) land-based pollution sources coming from nearby communities and other activities in upland areas that cause siltation of the sub-tidal zone; iii) strong resistance of mussel farmers to shift into sustainable culture method (long-line method). In terms of strengths/ opportunities: i) BFAR task force monitors the occurrence of red tide and the results are used as a basis for the suspension of collection, harvest and sale of all marine mollusks whenever needed.

***For seaweed culture***, the constraints are as follows: i) prevalence of ice-ice disease, presence of epiphytes and degeneration of seaweed strains; ii) contamination from land-based industries and activities; iii) unstable prices of fresh and dried seaweed, determined by buyers. In terms of strengths/ opportunities: i) large potential farmable areas; ii) available tissue culture laboratory and nurseries; iii) technical know-how of the POs on seaweed culture and drying technology, increasing use of solar dryers; iv) existing seaweed traders and processors; v) many uses of seaweeds by food, cosmetic and pharmaceutical industries.

***For bangus culture***, the constraints are as follows: i) insufficient fingerling supply; ii) high input cost for feeds and climate-proof cages. In terms of strengths/ opportunities: i) high market demand on the national market.

***For grouper culture***, the constraints are as follows: i) the supply of grouper fry/fingerlings and feeds for commercial cage production still depends on the wild; ii) high input cost for climate-proof cages. In terms of strengths/ opportunities: i) abundant supply of fingerlings caught from the wild; ii) high demand from markets, both national and export.

***For lobster culture***, the constraints/challenges are as follows: i) seasonality of lobster seeds/juveniles; ii) high mortality during the fry stage; iii) unstable supply of trash fish and other feeds taken from the wild; iii) lobster growers have poor market linkages to potential buyers who can offer higher prices. In terms of strengths/ opportunities: i) high demand from markets, both national and export; ii) viable production technology.

***For fish processing (deboned, dried)***, the constraints/challenges are as follows: i) seasonal fluctuations in the supply of fresh fish; ii) poor fish handling practices, sanitation and hygiene resulting in loss/inadequate supply of raw materials for processing, inferior quality of fishery products and insect infestation; ii) lack of capital that limits the processors' ability to expand their business and explore the utilization and processing of other fishery resources. In terms of strengths/ opportunities: i) technical know-how of the POs on fish processing; ii) available drying facilities.

### **Empowering Small Seaweed Farmers: the Strategic Plan for Seaweed industry in Caraga**

With FishCORAL / BFAR as the main promotor, the Strategic Plan for Seaweed industry in Caraga is based on the following activities and mobilization of the respective partners: i) market linkage to manufacturing plants (FishCORAL / BFAR and CODESPA with CEAMSA Asia Inc. and other possible plants); ii) establishment of 9 seaweed nurseries for laboratory-cultured planting material (BFAR Caraga); iii) promotion of additional seaweed farming projects (FishCORAL / BFAR and LBP-ACEF Programme); iv) construction of 65 climate-resilient communal seaweed solar dryers (FishCORAL / BFAR); v) provision of purchasing capital to the PO Consolidator (Php 900,000 from the LGU); vi) provision of a hauling truck, construction of a warehouse (Php 1 million from the LGU), supply of a baling machine (FishCORAL / BFAR), purchase of office equipment, manual forklift, weighing scale (DTI); vi) sharing of Best Practices training on Business Management and Record Keeping (CODESPA and FishCORAL / BFAR).

### **Increasing productivity: the use of solar dryers**

A number of fixed solar dryers has been built over the last years in all Regions; a systematic analysis of their applicability and actual use in the communities still needs to be carried out, and anecdotal evidence shows that all may not be used at their best; a new type of solar dryer has been designed and constructed in 2019 and the 2 units observed by the mission in Hinatuan/Caraga are fully operational and used at full capacity (its caretaker ensures proper collection of the user's fee, proper monitoring of the quantities processed and sets apart a certain portion of the proceeds for repair and maintenance).

Simultaneously to the use of the solar dryers to improve the quality of the dried seaweed, farmers have been oriented to change their culture method, extending the period from 45 to 60 days. Farmers indicate that this longer culture period leads to a higher yield in dried seaweed. Similar indications have been reported in BARRM.

In addition to the dryers, the Project provided a baling machine to maximize the carrying capacity of dried seaweed of the shipping containers, thus reducing the costs of shipment. This machine, locally-built, needs urgently to be fine-tuned so as to be in operation during the present high season for seaweed; it may possibly be expanded to other regions, namely BARRM.

Collapsible fish dryers have been / are being built, in particular for processing of sardine; the units observed by the mission have not or hardly been used so far, due to shortage of raw material

(production of sardine has been exceptionally low over the past season).

### **Partnership and livelihood linkage with lobster markets in Caraga**

For the lobster commodity, the Project/BFAR in Region Caraga has been strengthening the value chain approach, linking pueruli/fry collectors to nursery, to grow-out, to PO consolidators and finally to the export market. It has identified and developed a PO consolidator in Surigao City. This PO consolidator is the first approved ACEF loan applicant (Php 1 million) in Caraga and DTI has identified her as beneficiary for a holding tank and packing facility necessary to market lobster for export. The Project has been linking the beneficiaries of LPs for lobster growing in Cagwait, Surigao del Sur to this PO consolidator. POs that are into nursery of lobster fry in Lingig and Cagwait are also linked to this PO consolidator who provides lobster fry as input to growers in Surigao City and the Province of Dinagat Island. The Project has also assisted the LGU of Hinatuan for a lobster nursery techno-demo, with technical support from BFAR.

### **Best Practices in Managing Lobster Nursery/Culture Project: a promising enterprise**

Although Lianga-Hinatuan-Bislig Bays are known to be the source of lobster puerulus in Caraga, only few individuals are engaged in lobster culture/grow-out, due in particular to the fact that these bays are prone to typhoons, making it difficult to establish fixed lobster culture cages. FishCORAL Project and BFAR Caraga have been introducing a climate-resilient technology in order to withstand strong waves. A total of 95 units of submersible cages for lobster nursery and 122 units for lobster grow-out have been provided to fisherfolks to increase the lobster production in Region Caraga. The current practice of fisherfolks in these bays is to collect lobster seeds from the wild and directly sell them to consolidators who in turn export them to Vietnam.

Mr. Julio Kinghing in Brgy. Algeria, Marihatag, Surigao del Sur is one of the many lobster collectors in this Municipality and has been the first beneficiary of a submerged cage for lobster nursery. He can collect 10 to 25 pieces of lobster fry in a day during the high season of pueruli. From his total catch, he sets aside some as seedling for his lobster nursery, feeds them during two months from trash fish and shells he catches in fishing, till they become juveniles (battery size) and are then sold to growers.

His initial experience was shared during the 2-days training for Sustainable Management of Lobster Nursery Project with Techno-Demo in Brgy. Hornasan, San Agustin, Surigao del Sur in May 2019, with 56 households. He is currently on his second cycle and has 120 lobster juveniles stocked in his lobster nursery submerged-cage. He is preparing a lobster cage for grow-out as he plans to venture into lobster culture production himself, first-ever in Marihatag.

## Appendix 4b: Gender in FishCORAL Project

### Background

This brief report reviews the FishCORAL Gender Strategies, the Results, and Way Forward as the Project is towards its completion by 31 December 2020. The Project's Logical Framework has included the increased employment of women engaged in income generating activities in its development objective.

The FishCORAL project design report has clearly articulated its Gender Strategies. First, Project management will review the "Gender Mainstreaming Strategic Focus of IFAD Projects" formulated by the IFAD-Philippine Gender Network as a guide for mainstreaming gender considerations in the implementation of IFAD Projects. Second, the training provided for Project staff, staff of other implementing agencies and beneficiaries will be gender-relevant. Third, the Project will become an active member of the IFAD-Philippine Gender Network (IPGN)<sup>1</sup>. Fourth, Project management will identify a gender focal person who will be a key officer in the Project Support and Coordination Office and in each of the Regional Project Management Offices. Fifth, there will be a target that 40-50% of the members and officers of the People's Organizations are women. Sixth, women will account for 40-50% of the beneficiaries of the sub-projects. Finally, there will be gender-balance in the selection and/or recruitment of Project staff, with a target of 30% for female staff.

### FishCORAL Gender Principles and Guides

Aside from the agreements during the IPGN assemblies, application of Gender in the FishCORAL Project is guided by (i) The Magna Carta for Women in the Philippines, (ii) IFAD's Policy on Gender Equality and Women Empowerment (GEWE), and the (iii) NEDA's Harmonized Gender and Development (GAD Guidelines). The Magna Carta for Women in the Philippines specify that the participation rate for women shall be no less than 40%." The project will have a target that at least 40-50% of project beneficiaries will be women both as members and as leaders of rural organizations and as participants in all activities. The IFAD GEWE policy has three objectives: (i) promote economic empowerment to enable rural women and men to have equal opportunity to participate in and benefit from profitable economic activities; (ii) enable women and men to have equal voice and influence in rural institutions and organizations; and (iii) achieve a more equitable balance in workloads and in the sharing of economic and social benefits between women and men. In implementing the project, FishCORAL adopts the NEDA's Harmonized Gender and Development Guidelines (HGDG) for Project Development, Implementation, Monitoring and Evaluation.

### Current Status

The Project has maintained a high percentage of women participation in fishers organizations (FO) and in project activities. Of the current 28,226 FO members and 9,646 FO leaders, 40% are women. Women participation in fisheries, aquatic resources management councils (FARMC) and fishery law enforcement teams (FLET) which are usually the domains of men, has steadily increased with currently 23% women in the 761 FARMC members, 25% women in the 485 FARMC leaders, 8% in the 841 FLET members and 11% in 98 FLET leaders (see table in the succeeding page).

	Male	Female	TOTAL	% of women
Directly reached	16,250	7,670	23,920	32%
Membership in FOs	17,043	11,183	28,226	40%
Leadership in Fos	5,821	3,825	9,646	40%

<sup>1</sup> The IFAD-Philippines Gender Network (IPGN) is a forum of gender focal persons of IFAD supported projects and partners in the Philippines. It was organized in 2010 and regularly holds its annual general assembly where participants discuss progress, issues and draft action plans for gender mainstreaming in their programs and projects. Currently, the chair of the IPGN is the Gender and Institutions Specialist of the FishCORAL Project

FARMC members	589	172	761	23%
FARMC Leaders	362	123	485	25%
FLET members	775	66	841	8%
FLET leaders	87	11	98	11%

Women are also very active in the savings and credit groups (SCG). Of the total membership in the 71 SCGs with total savings of PhP 3.50 million, 1,268 (57%) are women, and 974 (44%) are men. During the field visits, women testified that their participation in Savings Clubs have empowered them to have access to finances and respond to the needs of their families (e.g. buying fishing boat accessories, paying their children's tuition fees).

The Aqua-based Business School (ABS) has a strong gender perspective by incorporating gender concerns in its curriculum. During the mission review period, there were 579 enrollees in ABS, of which 372 (64%) were women. In one region, the local government unit (LGU) GAD advocates formed a network called One Communities Engaged for Advocacy Network (OCEAN) which promotes women participation in the fishery and coastal resources management. There is also one region that showed how they have incorporated a GAD-responsive checklist in reviewing its livelihood projects. The checklist is based on NEDA's HDGD for Project Development, Implementation, Monitoring and Evaluation.

The Project has also maintained more than 50% women in its Project staffing. In 2019, of the total 299 regular and hired staff, 57% were women. In 2020, of the total 222 regular and hired staff, 59% are women. More women were hired or contracted as Project staff, 58% of 212 contracted staff in 2019 and 62% of 129 contracted staff in 2020.

The common training provided to all regions were gender sensitivity followed by Gender and Financial Literacy/Financial Management. Other gender related specific training provided to LGUs, FOs and FLETs. A total of 2,005 participants (49% women, 51% men) in 25 gender related training.

### **Way Forward**

While there are advances of women engagement in SCGs, women-led enterprises are a handful. As part of its completion review, the project should start reviewing which of the enterprises are women led or has strong participation of women. It should closely examine the extent of participation, engagement, and benefits that women obtained in livelihood activities. In addition, it should also study the role and participation of women in fishery and coastal resources protection and development. Further, the Project should capture good practices and innovations, if any, of women engagement in fishery and coastal resources management and livelihood development for replication or scaling up.

The Project has begun to report female headed HHs totalling to 4,960 or 27% of the direct HHs reached. The number of female headed HH is worth tracking as this number is higher in comparison to the 18.90% female headed HHs in the country as reported by WB in 2013. Succeeding project assessments should also give importance to measuring results of project interventions in female headed HHs.

## Appendix 4c: Fiduciary Risk Assessment

### Fiduciary Risk Assessment – Data Sheet<sup>2</sup>

<b>Country:</b> Philippines		<b>Loan Number:</b> IFAD Loan No. 1258-PH; and IFAD Grant No. 1275-PH	
<b>Project Name:</b> Fisheries, Coastal Resources and Livelihood Project (FishCORAL)			
<b>Executing Agency:</b> Bureau of Fisheries and Aquatic Resources (BFAR)		<b>CPM:</b> Alessandro Marini	
<b>Reviewing Finance Officer/FMS:</b> Arip Syaman Sholeh/ Mohammad Zidni Marohombsar		<b>Date of this Review:</b> February 10 - 21, 2020	
Topic		Rating H/M/L	Issues / Comments / Recommendations
<b>A. Inherent Risks</b>			
<b>B. Control Risks</b>			
<b>1. Organization and Staffing</b>			
a.	Adequacy of organizational structure to meet functional needs of the project	<b>L</b>	Organizational structure has remained adequate. The Project's organizational structure (BFAR, PSCO, and RPMOs) is presented in the Project Implementation Manual (PIM). The Finance Division at BFAR Central and Regional Offices are comprised of the Budget and the Accounting Sections.
b.	Availability of clear job description for key project positions, including fiduciary positions.	<b>L</b>	Duties and functions of project personnel including all key positions at the national and regional levels are detailed in Annex 2 (Scope of Work of Project Staff) of the PIM.
c.	Adequacy of project financial management staff (numbers and skill) matching functional needs of project.	<b>M</b>	Organic or permanent BFAR Officers (i.e., Accountants and Budget Officers) at the Central and Regional Offices were delegated. Project National Finance Officer (NFO), and National Finance Assistant (NFA) were also hired as contractual staff on a full-time basis. The RPMOs have also filled positions for Regional Finance Officers (FOs) and Finance Assistants (FAs). The Project has made adjustments considering the anticipated increase in financial transactions towards project completion. However, the Project needs to ensure that FM structure at RPMO-BARMM will not be adversely affected by the still ongoing transition for the new regional government. (Aide Memoire: Key mission conclusions, Physical accomplishment).

<sup>2</sup> Include relevant findings of project supervision and progress reports, field visits, and audit report findings.

d.	Availability and adequacy of operating manuals and guidelines for staff.	L	The revised Project Implementation Manual (PIM) of August 2017 remains in effect. As indicated in the PIM, financial guidelines will be consistent with the Government Accounting Manual for National Government Agencies (GAM for NGAs) and IFAD policies, systems and procedures.
e.	Existence of performance based evaluation system in place and timely completion of performance evaluation for all staff.	L	Performance appraisal is being conducted semi-annually for organic or permanent officers. Contracted staff submits accomplishment reports twice a month every payroll processing, and contracts are renewed every one (1) year.
f.	Adequacy of health insurance coverage for all staff (where applicable).	L	Contractual staff pays for their own monthly contributions for health insurance, while the government pays that for organic or permanent project officers. The Project has ensured that all staff, particularly community facilitators are adequately covered by health and insurance coverage.
g.	Timely payment of social security fees (where applicable).	L	Contractual staff pays their own monthly mandatory contributions for social security, while the government pays that for organic or permanent project officers.
h.	Staff adequately informed about IFAD's anti-corruption policy and relevant contact details.	L	Project staff members are adequately informed, and are advised to report to BFAR Management any pertinent information.
<b>2. Budgeting</b>			
a.	Timely preparation and approval of AWPB.	M	The Project has still to submit the 2020 AWPB, which should incorporate adjustments on the basis of the agreed results of the mission. (See also Aide Memoire: Disbursements and Agreed Recommendations for Financial Management and Execution).
b.	AWPB in line with exp. categories in Financing Agreement (FA) Schedule 2.	L	AWPBs have been in line with expenditure categories in the FAs.
c.	Financing sources and implementing agencies for each category in AWPB are identified.	L	Detailed AWPBs for PSCO and the RPMO's are being submitted, including financing sources (i.e., IFAD loan and/or grant, GPH, LGU and community counterparts).
d.	Linkage of AWPB and Procurement Plan are identified (for cost estimate and activities).	L	APPs are based on corresponding AWPBs.
<b>3. Fund flows and Disbursements / Withdrawals</b>			
a.	Timeliness of Funds disbursed by different sources, (and co-financiers funding if applicable)	L	Advances in loan proceeds and grant funds were deposited by IFAD to Designated Accounts, and replenished upon request by the Project through submission of Withdrawal Application (WA) and Statement of Expenditures (SOE). 85% of the agreed total GPH counterpart has been made available for the Project.
b.	Timeliness of counterpart funds disbursed.	M	In addition to GPH counterpart funds, LGUs and communities provide counterpart contribution. The Project has undertaken appropriate measures in collecting information for LGU equity and beneficiaries contributions but Project lacks consistency in reporting.

c.	Efficiency of the funding channels. Timeliness and traceability of funds flows.	L	Funds flow through usual government procedures for foreign-assisted projects. IFAD funds are deposited to the Bureau of Treasury's (BTr) account at the BSP (Central Bank), and transferred to Project Designated, and Project Accounts maintained at the Land Bank.
d.	Efficiency of the funding channels for credit lines. Timeliness and traceability of funds flows, if applicable.	N/A	
e.	Special Account(s)/Dedicated Account(s) Management, Disbursements		
	i) Adequacy of the authorized allocation to ensure smooth flow of funds	L	Initial advances to DA's of the loan and the grant amounted US\$ 7.3 million and US\$ 240,000, respectively as of the mission, remain adequate.
	ii) Appropriateness of disbursement methods used	L	Disbursement methods for the Loan and the Grant per Letters to the Borrower (LTBs) remain appropriate (i.e., advance withdrawal, direct payment, special commitment and reimbursement).
	iii) Adequacy of documentary support for SOE disbursements, reimbursements, direct payments and Special Commitments	L	Expenditures were adequately supported with proper documentation based on the review of sample transactions reported in SOEs and submitted to IFAD.
	iv) Timely preparation and accuracy of Withdrawal Applications (WA)	H	The PSCO is currently processing WA's 15 totalling US\$ 2.3 million for expenditures paid from October to December 2019. The PSCO was again advised to report already in SOEs the liquidations of LGU transfers. (Aide Memoire: Disbursement, and Agreed Recommendations for Financial Management and Execution).
	v) Authorization of WA preparation	L	BFAR Undersecretaries, and Assistant Directors for Technical, and Administrative Services are the authorized signatories on WAs for both the Loan and the Grant.
	vi) Status on expenditures withdrawn from Special Account but not yet claimed for replenishment (old cases to be noted)	H	The Project was advised to monitor status of actual utilization and liquidation of funds transferred to LGUs. See also item 3.e.(iv) above. (Aide Memoire: Disbursement).
	vii) Regularity of Special Account(s) Monitoring and monthly reconciliations and monthly reconciliations signed by the project manager.	L	The National FO prepares monthly DA Reconciliation Statement for approval by Project Director.
	viii) Disbursement rate compared to the AWPB and whether satisfactory given the remaining implementation time. Provide comments as appropriate.	H	The Loan's disbursement rate is 61%, and actual utilization as of 18 February 2020 is at 46%, as compared to project time elapsed of 84%. This is due to perennial issues and challenges in project implementation, which include procurement. (Aide Memoire: Disbursement)

	ix) Recovery of SA balances by loan closure.	<b>M</b>	Project was reminded of IFAD's policy on recovery of advances that starts six months (i.e., July 1, 2020) before the PCD.
<b>4. Internal Controls</b>			
a.	Segregation of duties - are the following functional responsibilities performed by different units or persons:  (i) authorization of a transaction (ii) execution of a transaction <sup>[L][SEP]</sup> (iii) recording of the transaction; and <sup>[L][SEP]</sup> (iv) custody of assets involved in the transaction.	<b>L</b>	There is proper segregation of incompatible functions. The Project Director approves transactions; the Accounting Unit records, while assets are under Admin functions.
b.	Clarity and adequacy of decision processes and sequence of events for control functions in project implementation reflected in the Financial Manual (or equivalent thereof).	<b>M</b>	The PIM provides adequate FM and disbursement guidelines. Also, the GAM details accounting processes and procedures. Concerns regarding timely liquidation by LGUs of fund transfers are still being addressed by the Project. (Aide Memoire: Quality of Financial Management).
c.	Adherence to Financial Manual.	<b>L</b>	The Project complies with the PIM, as well as with the GAM.
d.	Effectiveness and efficiency of internal controls over inflows of funding sources other than IFAD.	<b>L</b>	GPH and LGU counterparts are covered by country FM systems. The Project is ensuring proper monitoring and reporting of LGU counterpart contributions.
e.	Adequacy of contract management (use of contracts register and monitoring form) and filing there-of.	<b>L</b>	The National FO consolidates and updates contract registry being maintained by the RPMOs.
f.	Effectiveness and efficiency of internal controls over expenditures (full cycle from commitment, payment, receipt of good and services, approval of payments, classification, etc.)	<b>L</b>	Project transactions are reviewed accordingly by FOs and/or Regional Accountants, and approved by Project Director.
g.	Documentary evidence to confirm delivery and acceptance of contracted goods, works or services.	<b>L</b>	The OIC- Project Director issues Certificate of Acceptance. Also, Inspection and Acceptance Report is being accomplished for every delivery of goods and services and are part of requirements and supporting documents for every contract payments. The RPMOs are closely coordinating with the auditors and/or concerned project staff to ensure proper and timely inspection of goods received and delivered directly to sites.
h.	Physical controls over cash, documents and records. Adequacy of filing systems. Is the petty cash subject to monthly reconciliation as	<b>L</b>	Original DVs and supporting documents are being filed at the COA. PSCO and RPMOs also maintain copies of project expenditures. No PCF cash being maintained.

	well as surprise checks; custody of cash box and control of keys.		
i.	Adequacy of physical management of cash.	<b>L</b>	Cash are deposited in Land Bank accounts and disbursed through checks.
j.	Timely payment to suppliers and consultants.	<b>M</b>	There were noted pending vouchers for payment at the RPMOs. (Aide Memoire: Disbursement).
k.	Eligibility of expenditures with respect to Financing Agreements.	<b>L</b>	Expenditures are generally eligible for financing using loan proceeds and grant funds. The Project has made refunds for the noted VAT payments during the MTR mission.
l.	Legality/eligibility of advances from project funds and timely justification for use there-of.	<b>L</b>	Fund transfers were made to RPMOs and LGUs. It was agreed that RPMOs would submit monthly SOEs to PSCO within 10 days after each month-end for review and consolidation. Project will also closely monitor LGU transfers.
m.	Compliance with financial management covenants in the Financing agreements and LTB.	<b>L</b>	Project satisfactorily complies with financial covenants. Timeframes were also agreed to ensure timely and consistent compliance to FM covenants.
n.	Adequacy of up-to-date record keeping for fixed assets and inventories.	<b>M</b>	The Project maintains subsidiary ledgers of project assets in accordance with the GAM. The PSCO and RPMOs were advised to regularly update their respective records of all project assets transferred and/or distributed to LGUs in order to ensure sustained use by intended recipients. (Aide Memoire: Quality of Financial Management).
o.	Adequacy of controls concerning project assets including: <ul style="list-style-type: none"> <li>i) Vehicle and other assets management</li> <li>ii) Fuel management</li> <li>iii) Travel authorisations</li> </ul>	<b>L</b>	Controls on expenditures such as fuel, training, per diem, etc. are provided in the PIM. Also, physical count is to be conducted annually. Organic or permanent staff at the RPMOs will be accountable for all project equipment, through Acknowledgement Receipt of Equipment (ARE). Fiduciary responsibilities on equipment support are also provided in the MOAs with LGUs.
p.	Adequacy of vehicles and assets insurance.	<b>L</b>	All vehicles procured are insured with GSIS as required by the Government.
q.	Workshops: <ul style="list-style-type: none"> <li>i) Availability of list of participants <sup>[1]</sup><sub>SEP</sub></li> <li>ii) DSA paid to participants</li> <li>iii) Receipts for workshop expenditure <sup>[1]</sup><sub>SEP</sub></li> </ul>	<b>L</b>	Procedures and controls for budgeting and expenditure on workshops are presented in the PIM. Adequate supporting documentation for workshops or training is being required for payment of expenditures.
r.	Adequacy of controls and authorization process for use of funds (payments, transfers, Cash/Bank	<b>L</b>	Project and/or Regional Director approve disbursements from project bank accounts.

	balance management) / and other operational accounts – non-special account.		
s.	Banking arrangement and controls (reconciliation of bank statements with financial accounts).	L	FOs prepares monthly bank reconciliation statements, which the Chief Accountant reviews and approves. The PSCO and RPMOs also considers the use of bank snapshots in its reconciliation of bank accounts to ensure timeliness of reconciliation of project bank accounts.
t.	Existence of a proper IT support unit in place.	L	IT units are in place or Fisheries Information Management Center (R/FIMC) in CO and ROs except, in ARMM. The PSCO provides support to the RPMO in ARMM.
<b>5. Accounting</b>			
a.	Basis of accounting (cash, accrual) and whether accounting standards are in line with IFAD's requirements (e.g. IFRS/IPSAS/IPSAS cash)	L	The Project's financial transactions are recorded and reported in accordance and compliance with the Philippine Public Sector Accounting Standards (PPSAS), as prescribed by the COA.
b.	Adequacy and reliability of accounting system, (is double entry accounting used, specify software used, is budget data entered into the accounting system, can the accounting system produce regular automated financial reports?).	L	The Project uses the government automated accounting system or eNGAS at the PSCO and at all RPMOs. The Project was advised to sustain the use of eNGAS. (Aide Memoire: Quality of Financial Management).
c.	Recordkeeping (including documentation and filing/archiving)	L	The COA retains all original signed copies of DVs and supporting documentation of project expenditures. There were some delays in the submission of DVs and documentation to respective auditors. The RPMOs were reminded to comply with COA's requirement of monthly submission of DVs and financial reports. The PSCO and RPMOs also maintain copies of transactions and other records.
d.	Fixed assets register maintained and reconciled (sample and physical check).	L	The PSCO and RPMOs maintain subsidiary ledgers or asset registers of all equipment purchased by the Project, including those distributed to LGUs and beneficiaries; and reconcile asset registers to results of physical count or inspection (Aide Memoire: Quality of Financial Management).
e.	Adequate documentation and controls for Information Systems, including documented accounting procedures, backup of financial records, integration of all sub-systems.	L	The GAM documents accounting procedures for government transactions. The Project also maintains manual financial records
f.	Adequacy of chart of accounts for project accounting purposes	L	Project chart of accounts is adequate, as prescribed by the COA.

g.	Timeliness of recording transactions, regularity of performance and approval of reconciliations, controls on erroneous recordings.	L	JEVs are prepared for every transaction, and approved by the Project Accountant. JEVs are summarized at month-end. The PSCO and RPMOs has been updating e-NGAS records.
h.	Appropriate/ adequate accounting and reporting of counterpart funds contributions (incl. tax and tax exemptions) as well as beneficiary contributions.	L	GPH counterpart are recorded and reported properly. RPMOs had started to record and report LGU and community contributions.
<b>6. Reporting &amp; Monitoring</b>			
a.	Completeness, accuracy, usefulness, and timeliness of financial reports.	L	Quarterly financial statements are prepared and consolidated by the PSCO. The Project ensures that books of accounts are consistently being updated.
b.	Interim FM reports and linkage to progress reports - timely preparation, submission to IFAD.	L	The Project has been complying in the submission of IFRs.
c.	Preparation of reports showing actual vs budget income/expenditure and AWPB execution rate.  <i>Ensure complete details (i.e. progress from preceding years)</i>	L	Financial accomplishments and progress against AWPBs FY2019 were reported and reviewed during mission.
d.	Follow up of previous aide-memoirs fiduciary recommendations.	L	The Project has acted accordingly on fiduciary recommendations from previous Aide Memoires.
e.	Reasonable alignment between disbursement rate of recurrent versus investment cost categories.	L	There have been no changes in the percentage of appraisal amounts for recurrent costs (13%) and investment costs (87%) to total baseline costs.
<b>7. Internal Audit</b>			
a.	Existence of Internal Audit arrangements.	H	There are no internal audit arrangements for the Project.
b.	Adequacy of internal audit arrangements (organization - staff capacity).	H	No Internal Audit function at BFAR as a result of the reorganization. Internal Audit exists at the DA-CO but still does not have any planned activities on the Project.
c.	Adequacy of internal audit scope of work and quality of reports.	N/A	
d.	Assessment of matters raised in audit reports.	N/A	
<b>8. External Audit</b>			
a.	Adequacy of scope and TOR.	L	The Commission on Audit (COA) conducts annual audit on the project financial statements, SOE and Special Accounts. The terms of reference (TOR) for project audit are incorporated in Annex 5 of the PIM.
b.	Adherence to TOR.	L	The PSCO is in constant coordination with the COA regarding project audit requirements.

c.	Timeliness of audit report.	<b>L</b>	The 2019 audit is ongoing as at the mission. (Aide Memoire: Quality and timeliness of audit)
d.	Quality of audit.	<b>L</b>	The project audit is being conducted in accordance with ISSAIs, and IFAD Guidelines for Project Audits. It covers financial transactions and implementation at the PSCO and at all the RPMOs.
e.	Implementation of audit recommendations/agreed plan in place to address these.	<b>L</b>	The PSCO and the RPMOs have been satisfactorily responding to COA's Audit Observation Memorandum (AOM) resulting from the project audit.

### Summary of Project Fiduciary Risk Assessment at Supervision

	<b>Risk Assessment H/M/L</b>	<b>Proposed Mitigation</b>
<b>Inherent Risk</b>		<b>N/A</b>
<b>Control Risks</b>		
1. Organization and Staffing	<b>L</b>	Ensuring full complement of qualified finance staff, and hiring of additional finance assistants at the PSCO and at all the RPMOs.
2. Budgeting	<b>M</b>	(1) Appropriate revisions or adjustments of AWPBs based on more responsive and realistic physical and financial targets, which is in line with actual absorptive and implementation capacity, and in consideration of government budget authorizations and regulations. (2) Regular monitoring and reporting of financial progress against approved budgets, including analysis of variances for immediate actions.
3. Funds flow & Disbursement Arrangements	<b>H</b>	(1) Timely analysis of fund balances, and resolution of perennial disbursement issues and concerns. (2) Strict monitoring of status of utilization and liquidation of all funds transferred to LGUs. (3) Timely submission of WAs to IFAD, at least quarterly.
4. Internal Controls	<b>M</b>	(1) Strict monitoring of compliance by RPMOs, LGUs and/or communities to agreed fiduciary duties and responsibilities on project funds and assets.

		<p>(2) Periodic physical count or inspection of all project assets acquired and/or distributed, and reconciliation with assets registers.</p> <p>(3) Complete documentation by end-users of vouchers to enable prompt processing of invoices and timely payments to consultants, suppliers, and contractors.</p>
5. Accounting	<b>L</b>	Regular reconciliation of all cash accounts, and subsidiary ledgers or asset registers with project books of accounts.
6. Financial Reporting and Monitoring	<b>L</b>	Timely consolidation and reconciliation of project books of accounts maintained by PSCO and by RPMOs.
7. Internal Audit	<b>H</b>	Coordination with the Internal Audit of DA-CO for possible internal audit activities covering the Project.
8. External Audit	<b>L</b>	Close coordination with respective auditors from the COA of PSCO and RPMOs on external audit arrangements for the Project in accordance with IFAD's Guidelines on Project Audit, and/or the new Conceptual Framework and Handbook for Financial Reporting and Auditing for IFAD-Finance Projects.
<b>Overall Project Fiduciary Risk</b>	<b>M</b>	
H=High, M=Medium, L= Low		

## **Philippines**

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### **Fisheries, Coastal Resources and Livelihood Project**

#### **Supervision Report**

#### **Appendix 5: Mission preparation and planning, TORs, schedules, people met**

Mission Dates: 09-26 February 2020  
Document Date 26/03/2020  
Project No. 1100001548  
Report No. 5375-PH

Asia and the Pacific Division  
Programme Management Department

## Appendix 5: Mission Preparation and Planning, TORs, Schedules, People met.

### Terms of Reference Supervision and Implementation Support Mission

**COUNTRY OF ASSIGNMENT/LOCATION:** Philippines

**MISSION START AND END DATES:** 10 - 21 February 2020

**REPORT TO:** Alessandro Marini, Philippines Country Director, APR / PMD

**MISSION COMPOSITION:**

#### IFAD Staff:

Alessandro Marini, Country Director

Jerry Pacturan, Country Programme Officer

#### Consultants:

Yolando Arban, Co-Team Leader / Project Management, Safeguards and M&E

Bernard Adrien, Fisheries and Value Chain Specialist

Arthur Tantuan, Procurement Specialist

Zidni Marohombsar, Financial Management Specialist

Noel Quejada, NEDA Representative

### **BACKGROUND**

1. The FishCORAL project is executed by the Department of Agriculture/Bureau of Fisheries and Aquatic Resources (DA/BFAR). It has a total project cost of USD 43.74 million composed of an IFAD loan of EUR 27.31million or approximately USD 29.42 million, an IFAD grant of USD 0.69 million; national and local government counterpart funds of USD 12.38 million; and beneficiary contributions estimated at USD1.25 million. IFAD financing of FishCORAL Project became effective on 26 October 2015, with a completion date of 31 December 2020 and a closing date of 30 June 2021.

2. The overall goal is to reduce poverty in poor coastal communities, improve food and nutrition security and increase household incomes in the Philippines. This will be achieved by building fishing communities' capacity to sustainably manage fishery and coastal resources and by ensuring sustainable engagement in diversified livelihood activities. The project will target coastal areas in four regions: Autonomous Region in Muslim Mindanao, Caraga in Northeastern Mindanao, Eastern Visayas, and Bicol in Southern Luzon. More than 180,000 poor households living in coastal areas will benefit from this IFAD-funded project. The project has two major components: (i) coastal resource management; and (ii) livelihood development.

3. In the Supervision and Implementation Support Mission (SISM) of 2019, IFAD and BFAR agreed on the following: (i) expedite the submission of complete documents for the review and endorsement of DA Clearing House for NEDA evaluation; to generate positive review by government oversight agencies (NEDA, DOF and NEDA Board) and IFAD, the request for extension should demonstrate tangible results which would require sufficient time to achieve; and, (ii) to deliver results within the remaining 18 months of project implementation, BFAR/FishCORAL should work with greater urgency on effective and efficient utilization of project resources. Specifically, BFAR/FishCORAL management and staff have to: (a) complete the PRSA, and results should be widely disseminated and used effectively to support CRM and livelihood activities; (b) drastically improve the pace and quality of implementing the livelihood development component with support from relevant and qualified service providers; (c) provide timely technical and managerial guidance from BFAR National Management and PSCO to RPMOs and to field staff; (d) conduct outcome monitoring/survey and report systematically project outcomes.

### **KEY ISSUES**

4. As of December 17, 2019, cumulative loan disbursement amounts to EURO 14,967,298.53 or about USD 16,672,897.03 (54%) and grant disbursements at USD 360,428.75 (52%) over an elapsed period of 80.9%. To date, the Project's request for revised physical targets has not been processed and approved by oversight agencies (NEDA and DOF) due to delayed submission. The project continues to use the original physical targets as basis for implementation and reporting.

5. The project duration has been reduced from seven years (as designed and approved by NEDA) to five years (as decided by DOF in the loan negotiations). Progress in accomplishing the project's outcome targets are below expectations for a project past midterm and with one year more towards project completion on December 2020.

## MISSION OBJECTIVES

The two main outputs of the mission will be (i) an aide-memoire documenting the findings, conclusions and recommendations of the mission to be discussed with the Government during the wrap-up meeting; and (ii) a supervision mission report to be submitted to IFAD's management at the conclusion of the assignment, in the required format. With barely a year towards project completion, IFAD and Government will agree on the key steps required to deliver results and ensure utilization of loan and grant resources.

## RESPONSIBILITIES OF TEAM MEMBERS

**Jerry Pacturan, Mission / Team Leader.** He will have overall responsibility for guidance and management of the mission's work. The Mission Leader will be responsible for debriefing the Government during the wrap-up meeting, and will ensure that all deliverables are met in a timely manner and comply with IFAD's required formats and quality standards. He will coordinate the preparation of the aide memoire and MTR report.

Specifically, the mission leader will:

- a) Lead the team's meetings with Government counterparts and partners throughout the mission;
- b) Coordinate mission activities, review the assessment of the overall project performance and quality of implementation and synthesise the findings and recommendations;
- c) Assess the overall quality of project management and coordination;
- d) Together with the supervision team, review, the overall implementation progress of each component since project effectiveness;
- e) Review, together with the team, the physical/financial progress of the project to date since effectiveness;
- f) Lead the drafting of the Aide Memoire before submission to the Government and the preparation and completion of the full mission report for ORMS.

**Yolando Arban, Co-Team Leader / Project Management and Monitoring & Evaluation (M&E) Specialist.** He will do the following:

- a) Assess the overall Project management and M&E performance and quality of implementation in line with the defined result objectives;
- b) Review institutional arrangements and performance;
- c) Review staffing set-up, organigrams and performance;
- d) Propose ways to improve the performance and delivery of the project;
- e) Assess the progress and implementation performance of Programme's components against the MTR agreements, 2018 AWPB and partly 2019 AWPB, and logical framework of the project;
- f) Assess the relevance and effectiveness of training given to primary stakeholders and staff in relation to design objectives, and the extent to which they have been given based on needs assessment and followed up on to determine their impact;
- g) Assess the progress of project interventions in the field of general management and make time-bound recommendations to ensure knowledge and best practices are systematically captured and shared;
- h) Undertake an overall assessment and rating of the performance of M&E system;
- i) Revisit the baseline survey report and determine its needs and gaps, in preparation for the PCR; review outcome reporting;
- j) Conduct the assessment and rating of the performance of M&E system and related MIS;
- k) Summarize the overall programme implementation progress of the M&E and institutional aspects and make recommendations to improve program performance;
- l) Assess the progress of programme interventions in the field of knowledge management and make time-bound recommendations to ensure knowledge and best practices are systematically captured and shared;
- m) Review and update the first and second level RIMS indicators and overall project log frame;
- n) Preparation of the Appendices "Updated logical framework" and "Physical progress measured against AWPB" (including RIMS indicators);
- o) Review and update the logframe and retrofit RIMS indicators with the new Corporate indicators within the ORMS;
- p) Review and update the yearly results and include them in the logframe;
- q) Review the effectiveness of implementing its targeting strategy and its outreach to all groups of beneficiaries, including women, young men, young women and indigenous people;
- r) Support mission team and project staff in selecting and agreeing on relevant Corporate Indicators (Cis);
- s) Prepare written contribution to the relevant sections of the mission Aide Memoire and to the report including data, annexures, field observations, project results, findings and recommendations, within the deadline set by the Team Leader; input the mission report to the ORMS;
- t) Any other tasks assigned by the Team Leader.

**Bernard Adrien, Fisheries and Value Chain Specialist.** He will be responsible for reviewing the progress of the project activities under Components 1 and 2.

Component 1

- a) Assess how the bay-wide management approach is being implemented; the pace of implementation; challenges and constraints; and relevance of the approach; the quality of participation of small fisher POs in CRM, link to IFARMCs, and how small fishers are integrated into the IFARMC at barangay/municipal level;
- b) Review the status of PRSA, including which bays or regions have begun implementation of PRSA, which bays have accomplished some outputs, and the plan for the other bays; assess project's utilization of the PRSA results for regions with completed PRSAs.
- c) Review the project's support on law enforcement; who are involved (e.g., LGUs? Small fishers? Government agencies? IFARMC?) and what are the activities, outputs and outcomes?
- d) Assess progress in preparing coastal resource management plans been prepared in relationship to PRSAs; and recommend how this can be improved.
- e) Review the availability of resource rehabilitation plans, and their technical activities, financial requirements, financing resources, participation (from small fishers organizations, the barangay LGU, the municipal LGU);
- f) Review infrastructure and equipment requirements identified by the project, and their relevance/responsiveness to project objectives and fishing community requirements; review the pace of procurement and delivery of equipment to partner LGUs and fisher organizations; a management and maintenance plans for their utilization; and financing strategies (including local counterpart funds);
- g) Assess the relevance and effectiveness of technical assistance (ie, Components 1 & 2) given to primary stakeholders and staff in relation to design objectives, and the extent to which they have been given based on needs assessment and followed up on to determine their impact; and,
- h) Contribute to the relevant sections in the mission Aide Memoire and full reporting requirements for ORMS and perform related tasks assigned by the Team Leader.

Component 2

- i) Asses the progress of implementation of the matching grants (MG) guidelines and the related project activities in facilitating commercial partnerships between small fishers and SME/private sector, and availment of financial services from rural financial institutions (eg, banks, insurance agencies, etc);
- j) Assess partnerships from other resource institutions (e.g., research, business development/enterprise services, academe, etc.), type of support and partnerships and efforts being made to establish synergies and partnerships with relevant institutions and complementing initiatives;
- k) Review types of livelihood activities that have been financed by the project; are the livelihood /fisheries business plan in place?; assess the quality and feasibility of business plans (eg, social, technical and financial), and the improvements required including technical assistance needed;
- l) Review fishers livelihoods linkages with markets; access to technical/technology and business development services; and the quality and cost-effectiveness of such services;
- m) Assess the adequacy of budget allocation for livelihood vis-à-vis the number of target fishing households; and options to access other financing from financial institutions (coops, MFIs, rural banks, etc.) as well as willingness for these sources to finance the livelihood activities; and any linkages FishCORAL has established with such institutions;
- n) Review the presence of fishing businesses / SMEs in the project areas and nearby environs that can serve as markets, processors and technology providers of the fishers? Has the project identified these private sector buyers and processors and providers and facilitated tie-ups?;
- o) Are the infrastructure and equipment support for the livelihood component identified? Are they relevant and needed? Are the technical specifications sufficient? Is the right number of equipment being provided? Is the project budget allocation sufficient?;
- p) Review and provide inputs on value for money consideration of the project as required in the full mission report; and,
- q) Contribute to the relevant sections in the mission Aide Memoire and full reporting requirements for ORMS and perform related tasks assigned by the Team Leader.

**Zidni Marohombsar, Financial Management Specialist.** The Financial Management Specialist will handle all matters related to financial management, including disbursement performance. Using the IFAD FMAQ as the basis to collect the relevant information, the Financial Management Specialist will assess the strengths and

weaknesses of financial management systems, internal controls and financial reporting systems relating to financial management and financial administration of project funds in order to ensure that they satisfy IFAD's fiduciary requirements and comply with the Financing Agreement and LTB. Specifically, the expert will:

- a) Review financial management progress, identify constraints in disbursements and expenditure programming; propose solutions where appropriate;
- b) Assess physical and financial project implementation progress against appraisal targets and Annual work plans and budgets;
- c) Identify actual, emerging or potential problems, constraints and bottlenecks in project implementation;
- d) Identify risks arising from material deficiencies and propose practical recommendations for improving financial management functions and/or staffing for financial operations needed to mitigate risk;
- e) Review the financial reporting systems, including Government reporting requirements. Assess the functionality of the accounting software used and make recommendations, if any, to customise the software in order to enhance its usefulness for project reporting purposes;
- f) Assess regularity of WA preparation. Recommend concrete measures to ensure faster and more efficient disbursements. Assess the project's treasury planning; analyse adequacy of DA authorised allocation, with respect to projected expenditure requirements;
- g) Review SOEs prepared since the last field review to verify adequacy, completeness and validity of claims by selecting on a sample basis expenditure items from each category of expenditures and performing a system 'walk-through'. Document findings on individual SOE items, noting down any ineligible expenditures. Provide recommendations on any internal controls weakness noted. Assess the adequacy of the project's filing of financial records;
- h) Review contractual and payment procedures (as well, assess (for quality, timeliness) and identify any capacity gaps in contractor/IP/SP preparation of documentation for payment of works, financial reports, etc.); check contract register, usage of contract monitoring forms, register of advances; highlight outstanding advances (ageing analysis); verify compliance with audit requirements foreseen in contracts/ MOUs, if applicable;
- i) Review status of counterpart funding, including checking if the Borrower/Lead Project Agency has made available financing proceeds to the Project, as planned and in line with the Financing Agreement;
- j) Review key internal controls in project expenditure management, assess number of days required for payment approvals;
- k) Assess compliance with financing agreement, LTB and applicable guidelines, including PIM;
- l) Review internal audit arrangements provided by COA, document findings of internal audit reports;
- m) Discuss findings of previous audit reports with finance team, describe planning for addressing audit observations;
- n) Discuss Mission recommendations with the project and relevant stakeholders and agree on a plan of action; based on above work, assign FM performance ratings to the projects, and update FM risk assessments, following CFS guidelines;
- o) Follow up on the audit report 2018 submission and ensure that the audit TORs explicitly mention the right of the borrower/recipient and of IFAD to publish the audit report, with no limitation-of-use clause; and,
- p) Contribute to the relevant sections in the mission Aide Memoire and full reporting requirements for ORMS and perform related tasks assigned by the Team Leader.

**Noel Quejada, NEDA Representative.** He will:

- a) In support to Mr. Arban and in compliance with government/NEDA reporting system, review and perform analysis of the project M&E, updated logframe and current status of the indicators and targets ending December 2018 and as of May 2019;
- b) Work closely with Mr. Arban in reviewing the implementation progress of the 2018 AWPB and the 2019 AWPB, and against the overall targets at appraisal and at MTR;
- c) Review project's progress in working with government oversight agencies (eg., DA SPCMD/PDS; NEDA) in regard to the MTR agreements on project modification, reallocation and extension;
- d) Review and analysis of the major outputs of knowledge management, including case studies;
- e) Review the progress in promoting gender equality and women empowerment in the project;
- f) Recommend ways and mechanisms to improve physical reporting arrangements, including impact assessment, the project M & E and reporting systems; and, the project modification; and,
- g) Prepare written contribution to the relevant sections in the mission Aide Memoire

**Arthur Tantuan, Procurement Specialist.** The Procurement Specialist will be responsible for the following:

- a. Review the current Procurement Plan in order to assess it has been fully updated and upgraded, ascertain its completeness, its concurrence with the AWPB, and its consistency with the country systems and/or IFAD Procurement Guidelines and Handbook;
- b. Provide support, advice and recommendations on the following:

- i. The thresholds, ceilings and preferences to be applied in the implementation of procurement under the project;
  - ii. The contract types and contractual arrangements for goods, works and consulting services required to implement the projects;
  - iii. The proposed methods of procurement;
  - iv. The related IFAD review procedures and provide suggestions to improve the overall quality of the procurement processes;
- c. Review a minimum sample of 10% of all procurement contracts for compliance;
- d. Carry out spot checks on past procurement activities and assess the extent these adhere to Government and/or IFAD Procurement Guidelines and Handbook; in particular, verify that the goods, services and works procured correspond with the approved AWPB and Procurement Plan, in terms of quality and quantities;
- e. Review the procurement, contracting and implementation processes and timeliness and appropriateness of procurement actions;
- f. Assess contract administration and management procedures;
- g. Assess the procurement capacity of all entities to be reviewed in terms of manpower, levels of training of procurement staff, work environments and independence of procurement staff to carry out their statutory assignments;
- h. Conduct specific analysis of value for money (VFM) at all levels and the reasonableness of prices for:
  - a. Goods, equipment, etc using available price indicators;
  - b. Civil Works, compared to locally accepted standards and prices; and
  - c. Services compare quality-output to international standards and prices;
- i. Determine whether adequate systems are in place for procurement planning, implementation and monitoring, and whether documentation are maintained as per required standards and can be relied upon;
- j. Verify to the extent possible, whether goods, works and consulting services contracted were supplied/completed according to the required specifications and technical standards;
- k. Review issues identified in the previous procurement review and aide-mémoire and procurement related issues identified in project audit reports;
- l. Identify deficiencies and make recommendations for improvements and control mechanisms in the procurement procedures and processes;
- m. Conduct a review of any significant changes in the borrower/recipient's procurement system and practices, and ensure project procurement procedures and systems are updated accordingly;
- n. Review/update the Procurement Risk Assessment, using the IFAD Procurement Risk Matrix (Module I of the IFAD Procurement Manual);
- o. Assess further procurement staff training needs and ensure relevant training is planned and provided to project management and procurement staff in a timely manner;
- p. Submit an assignment report (as per IFAD format), and any other relevant ancillary documents;
- q. Carry out any other activity, as required by IFAD.

## **DOCUMENTATION**

The following documentation will be made available to the team: (i) AWPB and Procurement Plans for 2018, 2019 and 2020; and, (ii) Other relevant project documents that will be requested by the mission.

## **MISSION SCHEDULE**

09 February	Arrival in Manila of mission and team meeting
10 February	Kick-off meeting in Manila
11-16 February	Field visits (simultaneous/parallel visits in Regions 5, 8, 13 & BARMM)
17 February	Arrival in Manila from field visits; Mission team meeting
18-19 February	Report writing in Manila
20 February	Pre-wrap-up meeting
21 February	Wrap-up meeting
22 February	Mission members departure from Manila
24-26 February	Writing of full report for ORMS

## **IFAD SUPERVISION AND IMPLEMENTATION SUPPORT MISSION**

## 10-21 FEBRUARY 2020

### SCHEDULE OF ACTIVITIES

Date/Time	Activity	Venue
<b>BFAR Central Office</b>		
10 February 2020, Monday		
10:00 am – 2:00 pm	Kick-Off Meeting Mission Members, PSC Members, BFAR Management and Central Officers, Regional Directors and RPMO Heads of Regions 5, 8, 13 and BARMM, PSCO Officers	Dreamworld Hotel (formerly Icon Hotel), EDSA Quezon City

<b>REGION 8</b>		
<b>Team 1</b> – Jing Pacturan, Bernard Adrien, Chelsie Ann Red (DA), Jessica Munoz, Mercy Tan, Zen Silao, Haidee Cabiladas		
<b>Team 3</b> - Zidni Marohombsar, Art Tantuan, Raul dela Cruz, Allan Urtal		
10 February 2020, Monday		
4:30 - 5:45 pm	Manila to Tacloban City, PAL PR2987	
6:00 pm	Check-in at Hotel, Dinner	Ironwood Hotel
11 February 2020, Tuesday		
6:00 – 7:00 am	Breakfast	Ironwood Hotel
8:00 – 10:00 am	Kick-Off Meeting	Ironwood Hotel
<b>Team 1A</b> – Jing Pacturan, Chelsie Ann Red (DA), Jessica Munoz, Haidee Cabiladas.		
10:00 – 11:00 am	Travel to CFLC, Brgy. Amandayehan, Basey, Samar	
11:00 am – 4:00 pm	Meeting with LGU/Partners on: (1) local institutional arrangements; (2) fisher participation; (3) bay management; (4) delineation of municipal water; (5) law enforcement; (6) use of PRSA results; (7) resource rehabilitation; (8) livelihood projects; (9) ABS; (10) infrastructure and equipment support; (11) markets; (12) financial services; (13) tie-up with agencies.  Meeting and site visit with: (1) Tiklos Kabuhian Han Kababayen-an San Antonio Fish Processors; (2) Tinaogan Mariculture Association; (3) Tinaogan Women's Association; and (4) fishing households	Basey, Samar
4:00 pm – 5:00 pm	Travel back to Tacloban City	
<b>Team 1B</b> – Bernard Adrien, Mercy Tan, Zen Silao		
10:00 am - 1:00 pm	Travel to PASAHI-MAPA Office, San Isidro, St. Bernard, Southern Leyte	
1:00 pm – 3:00 pm	Meeting with LGU/Partners/POs on: (1) local institutional arrangements; (2) fisher participation; (3) delineation of municipal waters; (4) law enforcement; (5) dissemination of PRSA results; (6) CRM Plan; (7) resource rehabilitation; (8) livelihood projects; (9) infrastructure and equipment support; (10) markets; (11) tie-up with agencies; and (12) trainings	St. Bernard, Southern Leyte
3:00 pm – 6:00 pm	Travel to Tacloban City	
<b>Teams 1A and 1B</b>		
6:00 pm	Dinner / Overnight Stay in Tacloban City	Ironwood Hotel

Date/Time	Activity	Venue
<b>Team 3 - Zidni Marohombsar, Art Tantuan, Raul dela Cruz, Allan Urtal</b>		
6:00 – 8:00 am	Breakfast	Ironwood Hotel
8:00 am – 12:00 nn	Meeting with Regional Office / RPMO	Ironwood Hotel
12:00 pm – 1:00 pm	Lunch	Ironwood Hotel
1:00 – 4:00 pm	Continuation of Meeting	Ironwood Hotel
<b>Team 3 - Art Tantuan, Allan Urtal</b>		
6:30 – 7:45 pm	Tacloban City to Manila, PAL PR2988	
12 February 2020, Wednesday		
<b>Team 1A – Jing Pacturan, Jessica Munoz, Haidee Cabiladas</b>		
6:00 am – 7:00 am	Breakfast	Ironwood Hotel
7:00 am – 10:00 am	Travel to Gonzaga House, Quinapondan, Eastern Samar	
10:00 am – 2:00 PM	Meeting with LGU, POs and Partners on: (1) local institutional arrangements; (2) fisher participation; (3) bay management; (4) delineation of municipal water; (5) law enforcement; (6) use of PRSA results; (7) resource rehabilitation; (8) livelihood projects; (9) ABS; (10) infrastructure and equipment support; and (11) markets.	Quinapondan, Eastern Samar
2:00 pm – 5:00 pm	Travel back to Tacloban	
<b>Team 1B – Bernard Adrien, Chelsie Ann Red (DA), Mercy Tan, Zen Silao</b>		
7:00 am – 10:00 am	Travel to Lucas Wharf and Barangay Chapel, Sitio Madalunot, Pangdan, Catbalogan, Samar	
10:00 am – 3:00 pm	Meeting with LGU/Partners on: (1) local institutional arrangements; (2) fisher participation; (3) bay management; (4) delineation of municipal water; (5) law enforcement; (6) dissemination of PRSA results; (7) resource rehabilitation; (8) livelihood projects; (9) infrastructure and equipment support; and (10) tie-up with agencies.  Meeting and site visit with Madalunot Basic Ecclesiastical Community Fisherfolk Association on: (1) fisher participation; (2) livelihood projects; and (3) markets,	Catbalogan, Samar
3:00 pm – 6:00 pm	Travel back to Tacloban	
<b>Teams 1A and 1B</b>		
6:00 pm	Dinner / Overnight Stay in Tacloban City	Ironwood Hotel
<b>Team 3 - Zidni Marohombsar, Raul dela Cruz</b>		
6:00 – 8:00 am	Breakfast	Ironwood Hotel
8:00 am – 12:00 nn	Meeting with Regional Office / RPMO	Ironwood Hotel
12:00 pm – 1:00 pm	Lunch	Ironwood Hotel
1:00 – 4:00 pm	Continuation of Meeting	Ironwood Hotel
<b>Team 3 - Raul dela Cruz</b>		
6:30 – 7:45 pm	Tacloban City to Manila, PAL PR2988	
13 February 2020, Thursday		

Date/Time	Activity	Venue
<b>Team 1</b> - Jing Pacturan, Bernard Adrien, Chelsie Ann Red (DA), Jessica Munoz, Mercy Tan, Zen Silao, Haidee Cabiladas <b>Team 3</b> - Zidni Marohombsar		
6:00 – 7:00 am	Breakfast	Ironwood Hotel
8:00 am – 12:00 pm	Meeting with POs, PCIC, LBP and Other Partners	Ironwood Hotel
12:00 – 1:00 pm	Lunch	Ironwood Hotel
1:00 – 3:00 pm	Exit Meeting	Ironwood Hotel
6:30 – 7:45 pm	Tacloban City to Manila, PAL PR2988	

<b>REGION V</b>		
<b>Team 2</b> – Lando Arban, Noel Quejada (NEDA), Byron Gadiano (DA), Edmundo Cabral, Jr. (DA), Raymund dela Cruz, Joy Lesigues, Job Parreno, Shayne Araullo		
11 February 2020, Tuesday		
8:55 – 10:15 am	Manila to Naga City, Cebu Pacific DG6111	
11:00 am - 2:00 pm	Kick-off Meeting / Lunch	Avenue Hotel
2:00 – 5:00 pm	Meeting with Traders/Processors and Financial Institutions	Avenue Hotel
6:00 pm	Dinner, Overnight Stay	Avenue Hotel
12 February 2020, Wednesday		
6:00 – 7:00 am	Breakfast	Avenue Hotel
7:00 – 10:00 am	Travel to Barangay Catabangan, Ragay, Camarines Sur	
10:00 am – 12:00 nn	Consultation with Ragay Gulf Aqua-Marine Association, traders, women, farmers.	Camarines Sur
12:00 nn – 1:00 pm	Lunch	Camarines Sur
1:00 - 2:00 pm	Site Visit to Fish Cage Culture to observe the sizing and harvest of grouper.	Camarines Sur
2:00 – 5:00 pm	Travel to Naga City	
6:00 pm	Dinner, Overnight Stay	Avenue Hotel
<b>Team 3</b> - Art Tantuan, Allan Urtal		
12 February 2020, Wednesday		
8:55 – 10:15 am	Manila to Naga City, Cebu Pacific DG6111	
11:00 am - 2:00 pm	Meeting with RO/RPMO Officers	Regional Office
12:00 – 1:00 pm	Lunch	Regional Office
1:00 - 5:00 pm	Meeting with RO/RPMO Officers	Regional Office
6:00 pm	Dinner, Overnight Stay	Avenue Hotel
13 February 2020, Thursday – <b>Teams 2 and 3</b>		
5:00 – 6:00 am	Breakfast	Avenue Hotel
9:00 – 12:00 nn	Meeting with RO/ RPMO on sustainability/ handover plan and Exit Meeting	Avenue Hotel
12:00 – 1:00 pm	Lunch	Avenue Hotel
3:05 – 4:25 pm	Naga City to Manila, Cebu Pacific DG118	

<b>CARAGA REGION</b>		
<b>Team 2</b> - Lando Arban, Bernard Adrien, Noel Quejada (NEDA) Raymund dela Cruz, Joy Lesigues, Job Parreno, Shayne Araullo		

Date/Time	Activity	Venue
14 February 2020, Friday		
5:10 – 6:35 am	Manila to Butuan City, PAL PR2967	
7:00 – 8:00 am	Check-in at Hotel, Breakfast	Grand Palace
8:00 – 10:00 am	Kick-Off Meeting	Grand Palace
10:00 am – 12:00 nn	Meeting with Key Project staff	Grand Palace
12:00 – 1:00 pm	Lunch	Grand Palace
1:00 – 3:00 PM	Meeting with RCSC / BMC	Grand Palace
3:00 – 6:00 pm	Meeting with Traders/Processors and Financial Institutions	Grand Palace
6:00 pm	Dinner / Overnight Stay in Butuan City	Grand Palace
15 February 2020, Saturday		
6:00 – 7:00 am	Breakfast	Grand Palace
7:00 – 10:00 am	Travel to Loyola, Hinatuan, Surigao del Sur	Surigao del Sur
10:00 – 11:30 am	Meeting/Visit with Hinatuan Seaweeds Producers Association / People in Unity to Guard Aquamarine Wealth	Surigao del Sur
11:30 am – 12 nn	Lunch	Surigao del Sur
12:00 – 1:30 pm	Travel to Liatemco, Lianga, Surigao del Sur	Surigao del Sur
1:30 – 4:00 pm	Site Visit - Liatemco Seaweeds Multipurpose Cooperative/ Liatemco Sagisag Fisherfolk and Farmers Association/Kaliwatan sa Escon nga Mag-uuma ug Mangingisda Kahugpungan alang sa Kalambuan	Surigao del Sur
4:00 – 6:00 pm	Travel to Butuan City	
6:00 pm	Dinner / Overnight Stay in Butuan City	Grand Palace
16 February 2020, Sunday		
6:00 – 7:30 am	Breakfast	Grand Palace
7:30 – 8:30 am	Travel to Tubay, Agusan del Norte	
8:30 – 9:30 am	Site Visit to Solar Dryer Project	
9:30 – 9:45 am	Travel to Calibunan, Cabadbaran City, Agusan del Norte	Agusan del Norte
9:45 – 11:00 am	Site Visit - Calibunan Jetty Port, Calibunan Fish Sanctuary, and Meeting with CameLEAD and FLET	Agusan del Norte
11:00 am–12:30 pm	Travel to Barangay 10, Buenavista, Agusan del Norte	Agusan del Norte
12:30 pm - 2:00 pm	Lunch with PO and Meeting (Bgy 10 Fisherfolk Association and LGU)	Agusan del Norte
2:00 - 2:10 pm	Travel to Matabao, Buenavista	Agusan del Norte
2:10 – 3:30 pm	Site Visit - Gagmay'ng Mananagat sa Tinago	Agusan del Norte
3:30 - 4:00 pm	Travel to Butuan	
4:00 – 6:00 pm	Exit Meeting	Grand Palace
6:00 pm	Dinner / Overnight Stay in Butuan City	Grand Palace
17 February 2020, Monday		
7:15 – 8:40 am	Butuan City to Manila, PAL PR2968	
Team 3 - Art Tantuan, Allan Urtal		
17 February 2020, Monday		
5:10 – 6:35 am	Manila to Butuan City, PAL PR2967	

Date/Time	Activity	Venue
7:00 – 10:00 am	Travel to BFAR Regional Office, Surigao City	
10:00 am – 3:00 pm	Procurement Meeting	BFAR RO
3:00 – 6:00 pm	Travel to Butuan City	
6:00 pm	Dinner, Overnight Stay in Butuan City	Dotties Hotel

18 February 2020, Tuesday		
5:00 – 6:00 am	Breakfast, Check-out	Dotties Hotel
7:15 – 8:40 am	Butuan City to Manila, PAL PR2968	

<b>BARM</b>		
14 February 2020, Friday		
<b>Team 1</b> - Jing Pacturan, Mark Lester Red (DA), Jessica Munoz, Mercy Tan, Zen Silao, Haidee Cabiladas		
<b>Team 3</b> - Zidni Marohombsar, Art Tantuan, Raul dela Cruz, Allan Urtal		
9:20 – 11:05 am	Manila to Cotabato City, PAL PR 2959	
11:30 am – 1:00 pm	Lunch	Alnor Hotel
1:00 – 5:00 pm	Kick-Off / Meeting with MAFAR Minister	Alnor Hotel
6:00 pm	Dinner, Overnight Stay	Alnor Hotel
15 February 2020, Saturday		
<b>Team 1</b> - Jing Pacturan, Mark Lester Red (DA), Jessica Munoz, Mercy Tan, Zen Silao, Haidee Cabiladas		
7:00 – 9:00 am	Breakfast	Alnor Hotel
9:00 am -12:00 nn	Meeting with BMC Members	Alnor Hotel
12:00 – 1:00 pm	Lunch	Alnor Hotel
1:00 – 4:00 pm	Workshop on the revision of the AWPB/APP	Alnor Hotel
6:00 pm	Dinner, Overnight Stay	Alnor Hotel
<b>Team 3</b> - Zidni Marohombsar, Art Tantuan, Raul dela Cruz, Allan Urtal		
6:00 – 8:00 am	Breakfast, Check-out	Alnor Hotel
8:00 am – 12:00 pm	Meeting with RO/RPMO	Alnor Hotel
12:00 – 1:00 pm	Lunch	Alnor Hotel
1:00 – 4:00 pm	Visit to RPMO / RO	Alnor Hotel
6:00 pm	Dinner, Overnight Stay	Alnor Hotel
16 February 2020, Sunday		
<b>Team 1</b> - Jing Pacturan, Mark Lester Red (DA), Jessica Munoz, Mercy Tan, Zen Silao, Haidee Cabiladas		
6:00 – 7:00 am	Breakfast	Alnor Hotel
7:00 -10:00 am	Travel to Barangay Ubanoban, Picong, Lanao del Sur	
10:00 -12:00 am	Meeting with LGU and PO Members of the Dried Fish Project and site visit	Lanao del Sur
1:00 – 2:00 pm	Lunch	Lanao del Sur
2:00 - 4:00 pm	Travel to Cotabato City	
4:00 – 6:00 pm	Exit Meeting	
6:00 pm	Dinner, Overnight Stay	Alnor Hotel
<b>Team 3</b> -Art Tantuan, Raul dela Cruz, Allan Urtal		
6:00 – 8:00 am	Breakfast, Check-out	Alnor Hotel

Date/Time	Activity	Venue
8:00 am – 10:00 pm	Exit Meeting / Lunch	Alnor Hotel
11:45 am – 1:30 pm	Cotabato City to Manila, PAL PR2960	
<b>Team 1</b> - Jing Pacturan, Mark Lester Red (DA), Jessica Munoz, Mercy Tan, Zen Silao, Haidee Cabiladas <b>Team 3</b> - Zidni Marohombsar,		
17 February 2020, Monday		
7:00 – 10:00 am	Breakfast, Check-out	Alnor Hotel
11:45 am – 1:30 pm	Cotabato City to Manila, PAL PR2960	

<b>BFAR Central Office</b>		
<b>Team 3</b> - Zidni Marohombsar, Raul dela Cruz,		
17 February 2020, Monday		
8:00 am – 5:00 pm	Meeting with BFAR Central and PSCO Finance	BFAR
18-19 February 2020		
8:00 am – 5:00 pm	Meeting with FishCORAL Regions 5 and Caraga	BFAR

<b>BFAR Central Office</b>		
19 February 2020, Wednesday		
01:00 pm	Meeting with Oversight Agencies Undesecretaries/Directors of DOF, NEDA, DA SPCMAD/PDS, Office of the DA Chief of Staff Mission Members, BFAR Management, PSCO Heads	BFAR Director's Conference Room, 3 <sup>rd</sup> Floor, PCA Bldg, Quezon City
20 February 2020, Thursday		
09:00 am	Pre Wrap-Up Meeting Mission Members, Regional Directors and RPMO Officers of Regions 5, 8, 13 and BARMM, PSCO Officers	Dreamworld Hotel EDSA, Quezon City
21 February 2020, Friday		
09:00 am	Wrap-up Meeting Mission Members, PSC Members, BFAR Management and Central Officers, Regional Directors and RPMO Officers of Regions 5, 8, 13 and BARMM, PSCO Officers	Dreamworld Hotel EDSA, Quezon City

**IFAD SUPERVISION AND IMPLEMENTATION SUPPORT (SIS) MISSION  
LIST OF PERSONS MET BY THE SIS MISSION  
KICK-OFF MEETING, 10 February 2020  
Dreamworld Hotel, Quezon City**

Office	Name	Designation
<b>NEDA</b>	Noel Quejada	Senior EDS
<b>NEDA</b>	Ianah Olonan	EDSI
<b>DILG-BLGD</b>	Virginia Clavel	Division Chief
<b>DILG-BLGD</b>	Julie Ann Lara	LGOO
<b>DENR-BMB</b>	Desiree Eve Maaño	Supervising EMS
<b>DA - SPCMAD</b>	Josefina Venturanza	DMO II

Office	Name	Designation
<b>DA - SPCMAD</b>	Chelsie Ann Red	FA II
<b>DA - SPCMAD</b>	Marianne Labrador	DMO II
<b>DA – PDS</b>	Rowel del Rosario	PDO III
<b>DA – PDS</b>	Marie Flor Aquino	PDO III
<b>BFAR Central Office</b>	Drusila Esther E. Bayate	Assistant Director
<b>BFAR Central Office</b>	James Braga	PO II
<b>BFAR Central Office</b>	Angelica Villafuerte	Attorney Iv
<b>BFAR Central Office</b>	Aileen Santos	Admin. Officer IV
<b>BFAR Region 5</b>	Melchor B. Deramas	Chief, Finance and Admin. Div.
<b>RPMO Region 5</b>	Fermino Rempilla	Regional Coordinator
<b>RPMO Region 8</b>	Ruperto Sievert	Regional Coordinator
<b>BFAR Caraga</b>	Edgardo Balambao	Assist. Regional Director
<b>RPMO Caraga</b>	Rolando Leopoldo	Regional Coordinator
<b>MAFAR BARM</b>	Alimudin Pendulat	FishCORAL Focal Person
<b>RPMO BARM</b>	Terry Posadas	Regional Coordinator
<b>PSCO</b>	Jessica Muñoz	Project Coordinator
<b>PSCO</b>	Marcedita Tan	BFAR-PMO Head
<b>PSCO</b>	Allan Urtal	Procurement Specialist
<b>PSCO</b>	Rhine Joy Lesigues	Institutions/Gender Specialist
<b>PSCO</b>	Zenaida Silao	Planning Officer
<b>PSCO</b>	Raul dela Cruz	Finance Officer
<b>PSCO</b>	Raymund dela Cruz, Jr.	M&E Officer
<b>PSCO</b>	Shayne Araullo	KM Officer
<b>PSCO</b>	Job Parreño	MIS Officer
<b>PSCO</b>	Haidee Joy Cabiladas	M&E Assistant
<b>PSCO</b>	Zenaida Santos	Admin. Officer
<b>PSCO</b>	Michelle Abulad	Finance Assistant
<b>PSCO</b>	Mary Florence Rebleza	Finance Assistant
<b>PSCO</b>	Michelle Allauigan	Admin Assistant

**IFAD SUPERVISION AND IMPLEMENTATION SUPPORT (SIS) MISSION  
LIST OF PERSONS MET BY THE SIS MISSION  
MEETING WITH OVERSIGHT AGENCIES, 19 FEBRUARY 2020  
BFAR Director's Conference Room, PCA Building, Quezon City**

Office	Name	Designation
<b>DA</b>	Rodolfo V. Vicerra	Undersecretary for Policy and Planning
<b>NEDA-ANRES</b>	Diane Gail Majarjan	Assistant Director
<b>NEDA-ANRES</b>	John Kenneth Casabal	EDS I
<b>NEDA-PIS</b>	Ma. Luisa Magbojos	Senior EDS
<b>NEDA-MES</b>	Ianah Olonan	EDS 1
<b>DA SPCMAD</b>	Adamar Estrada	DMO IV
<b>DA SPCMAD</b>	Angelita Martir	DMO III

Office	Name	Designation
DA SPCMAD	Josefina Venturanza	DMO II
DA SPCMAD	Byron Gadiano	PA IV
DA SPCMAD	Chelsie Ann Red	FA II
DA – PDS	Fernando Flores	OIC Director
DA – PDS	Rowel del Rosario	PDO III
DA – PDS	Marie Flor Aquino	PDO III
PSCO	Jessica Muñoz	Project Coordinator
PSCO	Mercedita Tan	OIC PMO
PSCO	Zenaida Silao	Planning Officer
PSCO	Raymundo dela Cruz, Jr.	M&E Officer
PSCO	Raul dela Cruz	Finance Officer
PSCO	Shayne Araullo	KM Officer
PSCO	Job Parreño	MIS Officer

**IFAD SUPERVISION AND IMPLEMENTATION SUPPORT (SIS) MISSION  
LIST OF PERSONS MET BY THE SIS MISSION  
PRE WRAP-UP MEETING, 20 February 2020  
Dreamworld Hotel, Quezon City**

Office	Name	Designation
NEDA	Noel Quejada	Senior EDS
NEDA	Ianah Olonan	EDSI
DA - SPCMAD	Byron Gadiano	PA IV
DA - SPCMAD	Chelsie Ann Red	FA II
DA - SPCMAD	Josefina Venturanza	DMO II
DA – PDS	Rowel del Rosario	PDO III
DA – PDS	Marie Flor Aquino	PDO III
BFAR Central Office	Joseph Borromeo	Consultant
BFAR Region 5	Melchor B. Deramas	Chief, Finance and Admin. Div.
BFAR Region 5	Nonie Enolva	CRM Officer
BFAR Region 5	Anna Liza dela Fuente	CDO I
RPMO Region 5	Fermino Rempilla	Regional Coordinator
RPMO Region 5	Eduardo Azuelo	Institutions/Gender Officer
RPMO Region 5	Roberta San Agustin	Finance Officer
BFAR Region 8	Juan Albaladejo	Regional Director
RPMO Region 8	Ruperto Sievert	Regional Coordinator
RPMO Region 8	Elaine Merro	Livelihood Officer
RPMO Region 8	Darvin Rosa	M&E Officer
RPMO Region 8	Marlyn Budlayon	Finance Officer
RPMO Region 8	Eugenio Israel	Rural Infra Officer
RPMO Region 8	Lehana Espinosa	Procurement Officer
BFAR Caraga	Visa Dimerin	Regional Director
BFAR Caraga	Edgardo Balambao	Assist. Regional Director
RPMO Caraga	Rolando Leopoldo	Regional Coordinator
RPMO Caraga	Glenfhy Hablo	M&E Officer
RPMO Caraga	Renelyn Balagot	CRM Officer
RPMO Caraga	Vanessa Vingua	Livelihood Officer
RPMO Caraga	Marisol Tusso	Institutions/Gender Officer

Office	Name	Designation
<b>RPMO Caraga</b>	Elias Josal	Rural Infra Officer
<b>RPMO Caraga</b>	Arvin Sanorio	MIS Officer
<b>MAFAR BARM</b>	Alimudin Pendulat	FishCORAL Focal Person
<b>RPMO BARM</b>	Terry Posadas	Regional Coordinator
<b>RPMO BARM</b>	Felisa Poniente	Finance Officer
<b>RPMO BARM</b>	Honey Lou Marcelo	Livelihood Officer
<b>RPMO BARM</b>	Ziahara Ismael	Institutions/Gender Officer
<b>RPMO BARM</b>	John Enriq Batapa	CRM Officer
<b>PSCO</b>	Jessica Muñoz	Project Coordinator
<b>PSCO</b>	Marcedita Tan	BFAR-PMO Head
<b>PSCO</b>	Allan Urtal	Procurement Specialist
<b>PSCO</b>	Rhine Joy Lesigues	Institutions/Gender Specialist
<b>PSCO</b>	Zenaida Silao	Planning Officer
<b>PSCO</b>	Raul dela Cruz	Finance Officer
<b>PSCO</b>	Raymund dela Cruz, Jr.	M&E Officer
<b>PSCO</b>	Shayne Araullo	KM Officer
<b>PSCO</b>	Job Parreño	MIS Officer
<b>PSCO</b>	Haidee Joy Cabiladas	M&E Assistant
<b>PSCO</b>	Zenaida Santos	Admin. Officer
<b>PSCO</b>	Michelle Abulad	Finance Assistant
<b>PSCO</b>	Mary Florence Rebleza	Finance Assistant
<b>PSCO</b>	Michelle Allauigan	Admin Assistant

**IFAD SUPERVISION AND IMPLEMENTATION SUPPORT (SIS) MISSION**  
**LIST OF PERSONS MET BY THE SIS MISSION**  
**WRAP-UP MEETING, 21 February 2020**  
**Dreamworld Hotel, Quezon City**

Office	Name	Designation
<b>DA</b>	Rodolfo V. Vicerra	Undersecretary for Policy and Planning
<b>DA</b>	Cheryl Marie Natividad-Caballero	Undersecretary and Chief of Staff
<b>NEDA-MES</b>	Gemma Agagas	Supervising EDS
<b>NEDA-MES</b>	Noel Quejada	Senior EDS
<b>NEDA-MES</b>	Ianah Olonan	EDSI
<b>DILG-BLGD</b>	Virginia Clavel	Division Chief
<b>DILG-BLGD</b>	Julie Ann Lara	LG00
<b>PCIC</b>	Manuel Cortina	OIC BDMD
<b>DA - SPCMAD</b>	U-Nichols Manalo	Chief
<b>DA - SPCMAD</b>	Josefina Venturanza	DMO II
<b>DA - SPCMAD</b>	Byron Gadiano	PA IV
<b>DA - SPCMAD</b>	Chelsie Ann Red	FA II
<b>DA - SPCMAD</b>	Mark Lester Red	DMO I
<b>DA - PDS</b>	Fernando Flores	OIC Director
<b>DA - PDS</b>	Rowel del Rosario	PDO III
<b>DA - PDS</b>	Marie Flor Aquino	PDO III

Office	Name	Designation
<b>BFAR Central Office</b>	Drusila Esther E. Bayate	Assistant Director
<b>BFAR Central Office</b>	Joseph Borromeo	Consultant
<b>BFAR Region 5</b>	Melchor B. Deramas	Chief, Finance and Admin. Div.
<b>BFAR Region 5</b>	Nonie Enolva	CRM Officer
<b>BFAR Region 5</b>	Anna Liza dela Fuente	CDO I
<b>RPMO Region 5</b>	Fermino Rempilla	Regional Coordinator
<b>RPMO Region 5</b>	Eduardo Azuelo	Institutions/Gender Officer
<b>RPMO Region 5</b>	Roberta San Agustin	Finance Officer
<b>RPMO Region 5</b>	Kathleen Hilotin	KM Officer
<b>BFAR Region 8</b>	Juan Albaladejo	Regional Director
<b>RPMO Region 8</b>	Ruperto Sievert	Regional Coordinator
<b>RPMO Region 8</b>	Elaine Merro	Livelihood Officer
<b>RPMO Region 8</b>	Darvin Rosa	M&E Officer
<b>RPMO Region 8</b>	Marlyn Budlayon	Finance Officer
<b>RPMO Region 8</b>	Eugenio Israel	Rural Infra Officer
<b>RPMO Region 8</b>	Lehana Espinosa	Procurement Officer
<b>BFAR Caraga</b>	Visa Dimerin	Regional Director
<b>BFAR Caraga</b>	Edgardo Balambao	Assist. Regional Director
<b>BFAR Caraga</b>	Elvera Sayas	OIC FAD
<b>RPMO Caraga</b>	Rolando Leopoldo	Regional Coordinator
<b>RPMO Caraga</b>	Glenfhy Hablo	M&E Officer
<b>RPMO Caraga</b>	Renelyn Balagot	CRM Officer
<b>RPMO Caraga</b>	Vanessa Vingua	Livelihood Officer
<b>RPMO Caraga</b>	Marisol Tuso	Institutions/Gender Officer
<b>RPMO Caraga</b>	Elias Josol	Rural Infra Officer
<b>RPMO Caraga</b>	Arvin Sanorio	MIS Officer
<b>MAFAR BARMM</b>	Alimudin Pendulat	FishCORAL Focal Person
<b>RPMO BARMM</b>	Terry Posadas	Regional Coordinator
<b>RPMO BARMM</b>	Felisa Poniente	Finance Officer
<b>RPMO BARMM</b>	Honey Lou Marcelo	Livelihood Officer
<b>RPMO BARMM</b>	Ziahara Ismael	Institutions/Gender Officer
<b>RPMO BARMM</b>	John Enriq Batapa	CRM Officer
<b>PSCO</b>	Jessica Muñoz	Project Coordinator
<b>PSCO</b>	Marcedita Tan	BFAR-PMO Head
<b>PSCO</b>	Allan Urtal	Procurement Specialist
<b>PSCO</b>	Rhine Joy Lesigues	Institutions/Gender Specialist
<b>PSCO</b>	Zenaida Silao	Planning Officer
<b>PSCO</b>	Raul dela Cruz	Finance Officer
<b>PSCO</b>	Raymund dela Cruz, Jr.	M&E Officer
<b>PSCO</b>	Shayne Araullo	KM Officer
<b>PSCO</b>	Job Parreño	MIS Officer
<b>PSCO</b>	Haidee Joy Cabiladas	M&E Assistant
<b>PSCO</b>	Zenaida Santos	Admin. Officer
<b>PSCO</b>	Michelle Abulad	Finance Assistant
<b>PSCO</b>	Mary Florence Rebleza	Finance Assistant
<b>PSCO</b>	Michelle Allauigan	Admin Assistant

**IFAD SUPERVISION AND IMPLEMENTATION SUPPORT (SIS) MISSION**

**10-21 February 2020**

**LIST OF PERSONS MET BY THE SIS MISSION in the REGIONS**

Date	Meeting	Office / Org	Municipality/ Province	Name	Designation / Office
<b>REGION 5</b>					
11 Feb	Kick-off Meeting	BFAR RO	Naga City	Nelson Bien	Regional Director
	Avenue Plaza	RPMO /PFOs		Arnaldo Romeo Claveron	Provincial Fisheries Officer (PFO) Sorsogon
		Agencies		Rolando Tiam	Provincial Fisheries Officer (PFO) Masbate
				Consuelo Sempuego	Provincial Fisheries Officer (PFO) Camarines Sur
				Alvin Christopher Lat	Provincial Fisheries Officer (PFO) Albay
				Alvin Palaypayon	LBP CASLC
				Ferdinand Bercasio	DTI CSPO Naga City
				Marissa Joy Berina	DA Regional Office
				Christopher Gloria	PCIC Naga City
				Paolo Pardinias	PCIC Naga City
				Felizario Pat	DOST
				Alex Sanchez, Jr.	DOLE
				Peter Rene	Tropics Agro Industrial Inc.
12 Feb	Meeting	LGU	Ragay, Camarines Sur	Thaddeus Ramos	Mayor
	Municipal Hall			Elmer Linao	Vice Mayor
				Andres Salvador Genio	Agricultural Technologist Fisheries
				Rhoderick Polin	Sangguniang Bayan - Fisheries
				Vergie Vergara	Sangguniang Bayan - Fisheries
				Marcola Bornilla	MPDO
				Ruben Perico	PNP
	Meeting	LGU/PO		Thaddeus Ramos	Mayor
	Catabangan Proper			Roderick Sandagun	Barangay Captain, Catabangan Proper
	<b>110 PO Member Attendees</b>			Phoebus Mañada	Barangay Councilor, San Rafael
				Venus Ibanez	Chairperson, Lower Omon fisherfolk Association
				Gideon Gupong	Member, Malayang Samahan sa Ikauunlad ng Catabangan, Inc. (MASICAT, Inc.)
				Cristoto Dalayday	Chairperson, Catabangan Proper Fisherfolk Association
				Rosalia Guinto	Chairperson, Samahang Mag-iisda ng San Rafael Ragay
				Edelito Dolleson	Chairperson, Ragay Marine Aquaculture Association
				Marilou dela Vega	Chairperson, Samahang Bagotayok Lohong, (SABALO)
				Elias Briza	Chairperson, Samahang Buenas
				Arlene Labay	Chairperson, Karagatan Ating Lakas Sandigan Orgznization (KALASO)
13 Feb	Exit Meeting	BFAR RO		Nelson Bien	Regional Director
	Avenue Plaza	RPMO		Arnaldo Romeo Claveron	Provincial Fisheries Officer (PFO) Sorsogon
				Rolando Tiam	Provincial Fisheries Officer (PFO) Masbate
				Consuelo Sempuego	Provincial Fisheries Officer (PFO) Camarines Sur
				Alvin Christopher Lat	Provincial Fisheries Officer (PFO) Albay

Date	Meeting	Office / Org	Municipality/ Province	Name	Designation / Office
<b>REGION 8</b>					
11 Feb	Kick-off Meeting	BFAR RO		Justerie Granali	Regional Focal Person
	Venue: Ironwood Hotel	RPMO/PFOs		Viodela Pen	Alternate Focal Person
	Team 1A: Meeting Venue: CFLC	LGU	Amandayehan, Basey, Samar	Mansueto Delovino	Sanggunian Bayan Member
				Municipal Agriculturist and Agricultural Technologists	Municipal Agricultural Office (Fisheries)
				Regional Officers	Negosyo Center, DTI
				FLET Members	
				FARMC Officers	
	Team 1B: Meeting	LGU / PO	San Isidro, St. Bernard, Southern Leyte	Valeriano Raagas	Sanggunian Bayan Member
	<b>10 PO Member Attendees</b>			Buenaventura Leyva	Leyte Lending Center, PCIC, Tacloban
				Personnel	Southern Leyte Provincial Environment and Natural Resources Management Office
				Municipal Agriculturist and Agricultural Technologists	Municipal Agricultural Office (Fisheries)
				Officers and Staff	Municipal Environment and Natural Resources
				Regional Officers	Negosyo Center, Department of Trade and Industry
				FLET Members	
				FARMC Officers	
				PNP Officers	
				Volunteer	US Peace Corps
12 Feb	Team 1A : Meeting	LGU	Poblacion, Quinapondan,	Rafael Asebias	Mayor and Alliance of 7 LGUs for ICZM Chairperson
	Venue: Gonzaga House		Eastern Samar	Elena Macawile	Sanggunian Bayan Member
				Municipal Agriculturist and Agricultural Technologists	Municipal Agricultural Office (Fisheries)
				Officers and Staff	Municipal Environment and Natural Resources
				Regional Officers	Negosyo Center, Department of Trade and Industry
				FLET Members	
				FARMC Officers	
				PNP Officers	
	Team 1B: Meeting	LGU	Pangdan, Catbalogan,	Officer	Punong Barangay of Amandayehan
	Venue: Lucas Wharf		Samar	Personnel	Samar Provincial Government Fishery Office
				Municipal Agriculturist and Agricultural Technologists	Municipal Agricultural Office (Fisheries)

Date	Meeting	Office / Org	Municipality/ Province	Name	Designation / Office
				Regional Officers	Negosyo Center, DTI Samar
				PENRO personnel	DENR Samar
				Regional Officers	DILG Samar
				Regional Officers	DOST Samar Provincial Office
				Regional Officers	TESDA Samar Provincial Office
				FLET Members	Samar Office
				PNP and PCG Officers	Samar Office
				Faculty	Samar State University
	Meeting and Site Visit	PO	Pangdan, Catbalogan,	PO Members	Madalunot Bec Fisherfolk Association
	Sitio Madalunot		Samar		
	<b>26 PO Member Attendees</b>				
<u>13 Feb</u>	Wrap-Up Meeting	BFAR RO		Juan Albaladejo	Regional Director
	Venue: Ironwood Hotel	RPMO/PFOs		Justerie Granali	Regional Focal Person
				Officers and Beneficiaries, Fisherfolk Representatives	Fisherfolk Associations of Basey, St. Bernard, Quinapondan, Moting, Tacloban and Catbalogan
<b>CARAGA REGION</b>					
14 Feb	Kick-off Meeting	BFAR RO	Butuan City	Edgardo Balambao	Assistant Regional Director, Focal Person
	Grand Palace Hotel	RPMO/PFOs		Loida Arreglado	OIC CRM Section, Alternate Focal Person
				Elvera Sayas	OIC Finance and Admin Division
				Rizalinda Abing	Chief, Production Division
				Bimbo Lagare	Planning Officer
				Rustico Ranoco	OIC Provincial Fishery Office, Surigao del Sur
				Noel Pugoy	OIC Provincial Fishery Office, Agusan del Norte
	Meeting	BMC/ RCSC	Butuan City	Pedrito Nalam	Municipal Agriculturist, Tubay, Agusan del Norte/ Chairperson- Technical Working Group, BBDA
				Enrico Corvera	Mayor, Nasipit, Agusan del Norte/ Chairperson of the Butuan Bay Development Alliance
				Dennis Solis	Trade and Industry Specialist
				Jodel Tabada	Philippine Rural Development Project- Department of Agriculture Caraga/ Permanent Alternate to the Regional Director in the RCSC
				Dr. Cynthia Sajot	Campus Director, Surigao del Sur State University- Lianga Campus/ Secretariat- Coastal Communities Alliance Unified for Sustainable Ecosystems (CCAUSE)
				Bernesita Rojas	Provincial Fisheries and Aquatic Resources Officer, Tandag, Surigao del Sur
				Lydia Apatan	Municipal Agriculturist, Nasipit, Agusan del Norte/ Secretary of the BBDA TWG
				Joy Orozco	Environment Management Specialist, DENR Caraga. Permanent Alternate of the RD to the RCSC
				Marilou Macabuhay	Development Management Officer, DENR Caraga, Permanent Alternate of the RD to the RCSC

Date	Meeting	Office / Org	Municipality/ Province	Name	Designation / Office
				April Fritz P. Viscaya	Local Government Operations Officer, DILG Caraga
	Meeting with Traders/ Processors and Fls	Private Sector / Fls	Butuan City	Constantino Jose Gajardo	Country Director, CODESPA Foundation
				Reziel Daquio	Project Coordinator, Seaweeds Enhancement Project- CODESPA Foundation
				Dennis Solis	Trade and Industry Specialist, DTI Caraga
				Merry Flor Lepio	Lobster Consolidator/ Grower
				Joseph Martin Borromeo	National Lobster Focal Person
				Rho Cougee Garrido. Manager	Mangangoy Fishermen Cooperative
15 Feb	Meeting with PO and	PO	Loyola, Hinatuan,	Shem Garay	Mayor, Hinatuan, Surigao del Sur
	Site Visit		Surigao del Sur	Severina Porre	Municipal Agriculturist
	<b>___ PO Member Attendees</b>			Rizalito Mamayabay	PO Chair, Hinatuan Seaweeds Producers Association
				Jupiter Casas	Board of Director, Hinatuan
				Bonifacia Bughao, Vice Chair	People Unite to Guard Aquamarine Wealth
	Meeting	PO	Liatemco, Lianga,	Edwin Igsoc	Municipal Agriculturist
	<b>___ PO Member Attendees</b>		Surigao del Sur	Daniel Consigna	PO Chair
16 Feb	Meeting	PO	Tubay, Agusan del Norte	Pedrito Nalam	Municipal Agriculturist
	<b>___ PO Member Attendees</b>			Ramon Bulalhog	Chair, Punta Gracia Farmers and Fisherfolk Association
	Meeting	PO	Cabadbaran City	Emman Clyde Chavez	Agricultural Technologist for Fisheries
	<b>___ PO Member Attendees</b>			Rodel Rosas	Chair, Bgy 10 Fisherfolk Associatioin
	Site Visit to Jetty Port and Fish Sanctuary	LGU	Cabadbaran City	Arceli Soria	City Agriculturist
				Christy Ihada	Agricultural Technologist for Fisheries
	Site Visit	PO	Tinago, Matabao,	Emman Clyde Chavez	Agricultural Technologist for Fisheries
	<b>___ PO Member Attendees</b>		Buenavista, ADN	Ariel Candole	Chair, Gagmay'ng Mangingisda sa Tinago (GaMaSATI)
	Exit Meeting	BFAR RO	Butuan City	Visa Tan-Dimerin	Regional Director
	Grand Palace Hotel	RPMO		Edgardo Balambao	Assistant Regional Director, Focal Person
				Elvera Sayas	OIC Finance and Admin Division
				Omni B. Olama	Regulatory Officer
<b>BARMM</b>					

Date	Meeting	Office / Org	Municipality/ Province	Name	Designation / Office
14 Feb	Meeting with MAFAR	MAFAR		Dr. Mohammad Yacob	Minister, MAFAR
	Kick-off Meeting	MAFAR			
	Alnor Hotel	RPMO/PFOs			
15 Feb	Meeting with BMC/LGU	BMC/LGU		Said Ampuang	BMC, Laut, Basilan
	Alnor Hotel			Dima, Mama	BMC, Kapatagan Lanao del Sur
				Abdurahman Sahi III	MFARMC, Haj. Muhamad, Basilan
				Sophian Maalum	MFARMC, Sumisip, Basilan
				Jojo Camlian	MFARMC, Maluso, Basilan
				Luvisinda Hayudini	LGU, Patikul, Sulu
				Abdurahman, Ampao	LGU, Sumisip, Basilan
				Melinda Ampao	LGU, Tabuan Lasa, Basilan
				Faisal Alon	LGU, Datu Blah Sinsuat
				Densaud Kong	LGU, Muhtamad
				Ansano, Abutalib	Balabagan, Lanao del Sur
				Isnaera, Bangeda	Malabang, Lanao del Sur
				Naira Sultan Lawan	Picong, Lanao del Sur
16 Feb	Meeting and Site Visit	LGU/PO	Picong, Lanao del Sur	Mamintal Balindong, jr.	Municipal Agriculturist
	<b>28 PO Member Attendees</b>			Usop Limano	Barangay Chairman
				Haron Macatoon	Treasurer, Terminator Farmers and Fisherfolks Producer Organization, Inc.
				Abdulcader Abdulcaris	Bookeeper

## **Philippines**

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### **Fisheries, Coastal Resources and Livelihood Project Supervision Report**

#### **Appendix 6: Procurement**

Mission Dates: 09-26 February 2020  
Document Date 26/03/2020  
Project No. 1100001548  
Report No. 5375-PH

Asia and the Pacific Division  
Programme Management Department

## Appendix 6: Procurement Review

Project Name: FishCORAL  
Name of Procurement Specialist: ARTHUR F. TANTUAN  
Mission Dates: February 10-21,2020  
Field Locations: Leyte Province, Naga City, Cotabato City and Surigao City.

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#### i. Review of Procurement Plan

Procurement Plan consistent with latest approved AWPB but, across the regions, procurement activities are seriously delayed. Selection of procurement methods are in compliance with the Letter to the Borrower. However, time estimates were not realistic. A number of procurement packages were not adequately packaged. Except Region Caraga, procurement packages in the PP are described in bulk and not disaggregated to reflect planned specific procurement packages with their corresponding Approved Budget of the Contract (ABC) and schedules rendering the PP ineffective as a planning and monitoring tool. RPMOs failed to update/upgrade their respective Procurement Plan (PP) resulting in the inability of the PSCO to further update/upgrade the project wide PP. PP not publicly and easily accessible. PP upgrades not submitted to IFAD NO. Project relied more on its Procurement and Contracts Administration Register.

Php9.464Million worth of Procurement for watch towers and seaweeds solar dryers programmed under 2017 PP by **Region V not yet procured.** the entire project fund (Php70.47M) for procurement under the 2017 PP were transferred for procurement and implementation to 24 Local Government Units (LGUs) per directive of then DA Central Management. While these funds were obligated by Memorandum of Agreement with LGUs, they did not immediately translate to contracting and disbursement because the LGUs still needed to conduct procurement and implement the procurement contract. Php9.464M of these obligated funds have not been transferred and covered projects not procured because the concerned LGUs have not been able to liquidate funds released to them from other Department of Agriculture projects. Project needs to decide whether to continue

with the projects with these LGUs which have not been fully procured. Mission is alarmed that Php35.077M of these transferred funds are still ongoing implementation by the LGUs.

In **Region VIII**, a total of Php10.08M was obligated by MOA with LGUs in 2016-2017. A total of Php2.42M is still for transfer to MLGUs due to unliquidated fund transfers in other projects. An amount of 1.94M is still under procurement while another 3.24M is ongoing implementation. Project likewise needs to decide whether to continue with the projects with these LGUs which have not been fully procured. The mission is equally alarmed that, despite more than sufficient time, a total of Php5.18M is either still on procurement stage or ongoing implementation. In Region CARAGA, Php 4.46M under the 2019 continuing fund remains unobligated and unprocured. Due to the ongoing transition from ARMM to **BARM**, the BAC managing the procurement for the project was reorganized and selection process for staff changes are continuing. As a natural consequence, procurement in the project area was minimal.

## **ii. Review of Ongoing/Completed Procurement Activities and Documentation**

**Process and procedures from prequalification(if applicable) to bidding.** Project procurements were for goods and infrastructure. Most items procured were in the procurement plan. Due to the failure to upgrade the PP, some items procured were not in the PP because the procurement referred to bulk items. Prescribed procurement methods were utilized and procurements are initiated by approved Purchase Requests. Schedules of requirements (i.e. technical specifications, quantities or terms of reference, etc.) are clearly expressed and measurable in procurements subjected to competitive bidding. However, Requests for Quotations (RFQs) need to be strengthened by ensuring that the specifications and other bid requirements are adequately stated. Enough time given to sufficient bidders to seek clarifications and prepare bids. No late bids were accepted. In general, procurement processes and procedures exhibit consistency, fairness, competition, efficiency, comply with national procurement regulations and laws, IFAD Project Procurement Guidelines, the Financing Agreement and other policies and requirements, such as the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.

## **iii. Process and Procedures from Evaluation to Awards:**

In general, evaluation and contract award processes and procedures were applied but not consistent. In Region V, there was an instance of an ineligible bidder (failure to show similar contract equivalent to at least fifty percent (50%) of the Approved Budget of the contract) being awarded a contract which the project rescinded during the mission. In Region VIII, the mission observed that post-qualification reports were undated which might raise questions on the credibility of the conduct of post qualification. The procurement of seawater flake ice machine with cooling tower & ice storage room with the contract amount of Php2,888,888.00 under the 2019 continuing PP was obligated and procured without a duly signed BAC Resolution To Award, Notice of Award and Contract. The same constitutes mis-procurement and is ineligible<sup>1</sup> for loan financing.

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<sup>1</sup> Per IFAD-GOP Financing Agreement, procurement that are declared ineligible cannot be charged to the IFAD loan.

In Region CARAGA there was repeated failure to secure prior IFAD No Objection to evaluation reports and draft contracts contrary to the Letter the Borrower. Despite IFAD previous concerns on award of contract without seeking prior No Objection (NO), under the 2018 PP, procurement of goods (Commercial Feeds) in the amount of Php 1,161,290.00 was awarded to Pacifica Agrivet Supplies, Inc. without prior IFAD NO. Also, for the same procurement year, procurement of civil works (watchtower) in the amount of Php 1,252,000.00 was awarded to Fountainhead Construction and Supply without prior IFAD NO. Under the 2019 PP, procurement of Fishing Materials (Bulk-materials for various livelihood projects) for a contract amount of Php 3,925,240.00 was awarded to Valdeber International Trading Corporation without prior IFAD NO. However, other than the failure to seek prior NO, the procedures and evaluation conducted for these procurement appear to be in order. The Caraga RPMO was advised that future non-compliance with prior IFAD NO requirements could result in the ineligibility of financing under the loan proceeds. Also in Region CARAGA, under the 2019 PP, a significant number of small value procurements amounting to Php 3,033,315.00 under the livelihood component were obligated without duly signed BAC recommendation for award and Purchase Orders. Requests for Quotations(RFQs) were submitted and considered after the lapse of the period to respond to the RFQs. The BAC Secretariat neither extended the deadline for submission of RFQs nor reposted the RFQs after they can no longer be extended. Effectively, these obligated small value procurements were obligated without a valid procurement process and are ineligible for loan financing. Under the CRM component, procurement of laptops programmed under 2018 PP for the BMC were not procured.

#### **iv. Review of Contract Administration and Management**

In all the project regions, performance securities were not confirmed from issuing financial institutions. In **Region V**, contract agreement forms issued in the competitive bidding documents were not executed between the project and the awarded suppliers/contractors. Contracts were still in Purchase Order forms which are proper in contracts procured via alternative modes. Contracts (MOAs) with LGUs were not also properly managed resulting in delays in project implementation. No action was taken on MOAs with LGUs in Region V and VIII which cannot be recipients of fund transfers for failure to liquidate fund transfers in other DA projects. Likewise, in **Region VIII, Region Caraga** and **BARMM**, the project was advised to comply with the procedures for blacklisting of contractors/suppliers/consultants with terminated contracts under Appendix 17 of the 2016 Revised IRR of RA 9184 (Government Procurement Reform Act). In **Caraga**, there are existing livelihood procurement contracts that need focused contract management due to non-deliveries of contracted materials or deliveries that do not conform with the required specifications. In BARMM, the project failed to act on the failure of Ayeshia General Trading Services to deliver seaweeds for Sulu under a Purchase Order dated March 5, 2018.

#### **v. Review of project's procurement filing system and the ease of document retrieval**

Due to lack of office space, the PSCO does not have centralized file of all procurements in all the project regions. Hard copies are in the offices of the project regions. However, the project regions have inadequate procurement filing system. Files are generally with the BAC Secretariat or regular Supply officer who helps manage contracts. Project is still in the process of securing a protected in house server to save procurement documents electronically.

vi. **Review of issues identified in the previous procurement supervision and aide-mémoire and procurement related issues identified in project audit reports**

Regions VIII and CARAGA failed to commence blacklisting of defaulting suppliers/contractors with terminated contracts.

vii. **Assessment of further procurement staff training needs**

Procurement staff needs training on contract administration and management. Region CARAGA needs to fill up position of Procurement Officer. PSCO and other project regions have Procurement Officer. Procurement documents produced are of sufficient. Procurement and financial management functions are separated.

viii. **Review of any significant changes in the Borrower/Recipient's procurement system and practices**

There are no significant changes in the Borrower procurement system and practices.

ix. **Key findings and conclusions from the PRM assessment update**

Initial assessment still to be done during the mission.

x. **Procurement performance indicator rating and justification**

Pillars	Rating	Justification
A. Review of Procurement planning	3	Procurement planning exhibits significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.
B. Process and Procedures: from prequalification to bidding	4	Processes and procedures applied exhibit some gaps and inconsistencies that have limited impact on project implementation and performance. Implementation support is required, however, prompt resolution of issues/constraints is likely
C. Process and Procedures: from evaluation to awards	3	Processes and procedures applied exhibit significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.

D. Contract management	3	Processes, procedures and systems for administration, supervision and management of contracts exhibit numerous shortcomings. Project implementation is negatively impacted; implementation support is required; resolution of issues/constraints is likely but will take some time
E. Record Retention	4	The project's record retention exhibits some weaknesses. Implementation support is required, however, prompt resolution of issues/constraints is like
Overall	3	Processes, procedures and systems applied exhibit significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.

**xi. Recommendations for improvement and follow-up actions for the Borrower/Recipient and/or IFAD**

**a) Recommendations**

Agreed Action	Responsibility	Agreed Date
Update/upgrade procurement plans Update and upgrade Procurement Plan identifying specific contract packages and setting realistic procurement schedules	PSCO, RPMOs	March/2020
RPMOs BAC prioritization of FishCORAL procurement due to the limited remaining time duration of the project and adhere to earliest possible time prescribed by GPPB	RPMOs	March/2020
Contract Management: Review status of projects for implementation by LGUs for cancellation of covering MOAs or immediate physical completion; Review ongoing goods/works contracts and closely monitor compliance by suppliers/contractors of delivery periods, required specifications and enforce warranties and performance securities	RPMOs, MLGUs, psc	March/2020

**b) Follow-up**

Recommendation	Follow-up action	Responsibility	Agreed Date
Update/Upgrade of PP	Submit to IFAD for NO upgraded PP	PSCO	March/2020

BAC prioritization of procurement	Monitor posting of invitation to bids/Requests for Quotation	PSCO and RPMO Procurement Officers	March/2020
Contract Management	Regional inventory on status of existing contracts	PSCO and RPMO Procurement Officers	March 2020

#### A. Annotated Guide for procurement review

##### Review of Procurement Plan

**B. Procurement planning process** - PP is aligned with the AWPB, is prepared and updated consistently and accurately and is based on consultative and collaborative processes. PP follows the IFAD PP template, has a summary page with an AWPB reference column, methods and thresholds are entered correctly, and no less than 80% of the procurements listed are ongoing/completed as planned. PP is updated (with the “actuals” rows updated) and upgraded as necessary in a timely manner, with IFAD NOs provided accordingly. All procurements carried out are in the PP, as consistent with the Financing Agreement and the Letter to the Borrower. PP is easily and publicly accessible – demonstrating transparency and promoting participation and competition.

Review of Procurement Plan for each procurement should be completed in accordance to the following questions:

- Is it consistent with the latest approved AWPB:
  - Do the nature and quantity of goods/works/services appear consistent with the activities in the AWPB?
  - Is the procurement schedule consistent with the implementation schedules in the AWPB (does the delivery of goods, works and services correspond to targets in the AWPB)?
  - Is the procurement budget adequate?
- Is the selection of procurement methods in compliance with the provisions of the LTB?
- Do the time estimates indicated seem realistic?

- Adequacy of procurement packaging:
  - Are the procurement activities systematically and logically grouped according to the categories of the procurement (goods/works/services)?
  - Has packaging been done in a way that generally facilitates the use of the most competitive and efficient procurement method, that ensures the best value for money and that avoids pseudo-packaging?
- Progress in implementing and updating and upgrading the PP, including identifying significant delays and causes, proposing adjustments to the PP and recommending improvements relating to planned/ongoing procurement processes (e.g. in the preparation of the bidding documents)

### **Review of Ongoing/Completed Procurement Activities and Documentation**

**C. Process and Procedures from Prequalification to bidding** - From prequalification (if applicable) to bidding, processes and procedures applied by the Lead Project Implementing Agency exhibit consistency, fairness, value for money, competition, efficiency, and responsiveness to requests for information and to complaints. Processes and procedures are consistent and comply with the following: national procurement regulations and laws; IFAD Project Procurement Guidelines and Handbook (including any ancillary IFAD Procurement Documents/Templates); the Financing Agreement and Letter to the Borrower (including provisions for prior review); and, other policies and requirements, such as the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations. Prequalification criteria and schedules of requirements (i.e. technical specifications, quantities or terms of reference, etc.) are clearly expressed and measurable. Evaluation methodology is fully disclosed in the bidding documents. There are 20 no requirements in the bidding documents that present a barrier to entry for bidders, except for acceptable national participation requirements. There is evidence showing the following: more than the minimum number of bidders were invited to participate; all bidders received the bidding documents; minimum number of bids were received, as per method requirements; and, competition was maximised.

Process and Procedures from Prequalification to bidding for each procurement should be completed in accordance to the following questions:

- Is the item in the Procurement Plan?
- Is there a formal Procurement Requisition that initiates the process?
- Is the Method proposed in the PP used?
- Is enough done to demonstrate that competition was achieved?
- Is there time provided for bidders to request and receive clarifications, before the submission deadline?

- Is there sufficient time allotted for bidders to prepare quotations, bids and proposals?
- No late bids were accepted?

**D. Process and Procedures from Evaluation to Awards:** Processes and procedures applied by the Lead Project Implementing Agency for evaluation and contract award exhibit consistency, fairness, value for money, competition, efficiency, and responsiveness to requests for information and to complaints. Processes and procedures are consistent and comply with the following: national procurement regulations and laws; IFAD Project Procurement Guidelines and Handbook (including any ancillary IFAD Procurement Documents/Templates); the Financing Agreement and Letter to the Borrower (including provisions for prior review); and, other policies and requirements, such as the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations. Proper number of evaluation committee members as per IFAD, including at least 1 member with the technical knowledge and experience in coherence with the type of procurement. Evaluation done across 3 steps, Preliminary Examination, Technical Evaluation and Financial Evaluation, consistent with the methods of procurement. Evidence of signatures of evaluation committee members in the pages that carry final recommendation and final scores. Arithmetic corrections are accurate with evidence to show that the errors were formally communicated to bidders, and bidders' acceptance of such corrections. For Prior Review procurements, Technical and Combined Evaluation Reports and Draft Contracts evident with IFAD No Objection filed. Evidentiary documents and/or justification to show how bidders were eliminated from each step. For Post Review procurements, evaluation reports and contracts showing the steps, evident in file.

The Evaluation process for each procurement should be completed in accordance to the following questions:

- Was Preliminary Examination done?
- Are there objective and justifiable reasons for rejections at Preliminary Examination?
- Was Technical Evaluation done?
- Are there objective and justifiable reasons for rejections at Technical Evaluation?
- For QCBS and QBS was a Technical Evaluation Report submitted to and not objected to by IFAD before the Financial Proposal(s) was/were opened?
- For all advertised procurement, were bidders informed of the (technical) evaluation outcome?
- Were the bidders given sufficient explanation as to their performance at the (technical) evaluation, if one or more requested this information?

- Were bidders given enough time to submit a challenge/protest?
- For consulting services under QCBS, QBS and LCS, was there a formal opening of financial proposals?
- Was Financial evaluation done and properly?
- Were corrections to Bidders' financials/prices were done, is there correspondence to show that the bidders were (i) notified and (ii) accepted the correction?
- Are there objective and justifiable reasons for rejections at Financial Evaluation?
- For consulting services under QCBS, were bidders provided the results of the combined evaluation and accorded sufficient time to challenge/protest?
- Were challenges/protests received? Were they handled properly?

The Award and negotiations process for each procurement should be completed in accordance to the following questions:

- Was award done after all challenges/protests were received?
- Negotiations were not held for Goods and Works
- Negotiations were held for consulting services?
- Did the negotiations significantly alter:
  - the scope
  - the duration
  - the price

#### **Review of Contract Administration and Management**

**E. Contract management and Administration:** The Lead Project Implementing Agency has sound processes, procedures and systems in place for administration, supervision and management of contracts, including for non-procured contracts/agreements such as grants, partnership agreements etc. Contract formats are consistent with bid documents and/or other legal templates, and include provisions regarding prohibited practises and IFAD's right to audit. Contracts are signed by Project/Government authorities. Correspondences and communication between the parties to the contract are available. As applicable, warranties, guarantees (advance payment, performance, retention) and insurance are available or valid. Payments are consistent and timely in accordance with contract provisions. Delivery of goods, works and services is in accordance with timelines. Supervision of works contract is undertaken. Delays are managed and liquidated damages are applied consistently. Complaints and disputes are managed and promptly resolved. IFAD prior review requirements are complied with. Contract register follows IFAD's

template and is updated correctly and submitted in accordance with provisions in the Letter to the Borrower.

To ensure that **contract administration review** is effective and efficient, the following should be addressed:

- Advance payment (for Goods and Works): review should include checks for a copy of the advance payment security, acceptability of the format (guarantee, bond, etc.), validity, advance payment recovery plan as captured in the contract, and formal correspondence from issuing bank/financial institution confirming security was issued by them;
- Performance security (for Goods and Works): review should include checks for a copy of the performance security, acceptability of the format (guarantee, bond, etc.), validity (should be valid up to 28 days after contract completion), and formal correspondence from issuing bank/financial institution confirming security was issued by them;
- Retention money guarantee (for Works): review should include checks for need for a retention money guarantee as against a retention, validity, and formal correspondence from issuing bank/financial institution confirming security was issued by them;
- Timeliness of progress payments; and
- Validity of insurance policies.

To ensure that **contract management review** is effective and efficient, the following should be addressed:

- Assessing if contracts are effectively managed by the technical units in charge; and if contracts are executed as per the original schedule.

To ensure that **contract payment monitoring form** review is effective and efficient, the following should be addressed:

- Identifying issues and weaknesses (and the relevant underlying causes of these issues and weaknesses) in contract administration and management and recommend improvements.

The contract, contract administration and management process for each procurement should be completed in accordance to the following questions:

- Was the Contract signed by both parties? (A copy must be evident in file)

- Has the contract the standard commercial and contractual terms required for a proper procurement agreement, as per relevant category and method?
- Is the procurement requirement (terms of reference, description of services, schedule of requirements, technical specifications) expressed in the contract as consistent with the successful bidder's bid evaluation report and negotiated outcome?
- Was a Contract amendment made to extend time/add funds/add scope?

#### **Review of project's procurement filing system and the ease of document retrieval**

**E. Record retention:** The Lead Project Implementing Agency keeps procurement records orderly in file records in shelves or other safe place, or even better if records are saved orderly electronically and are uploaded to the cloud or other safe electronic environment (including a protected in-house server). The file record should not be cramped. Excess papers should be in additional volumes in one or more additional lever-arch folders. Bids and proposals submitted by bidders may be left out of the lever arch file and kept in appropriately labelled box files. Lever arch folders should have a side label and a file index.

File Index should carry the following minimum information:

- Copy of Procurement Plan, with the item highlighted
- Signed Requisition
- Bidding Document
- Bid Opening documents
- Bids, proposals or quotations (when these are voluminous, a box-file should be used)
- Evaluation documents
- Contract documents
- Any other relevant documents

#### **Review of issues identified in the previous procurement supervision and aide-mémoire and procurement related issues identified in project audit reports**

Such review assesses if adequate remedial actions are being taken to address issues or weaknesses raised in the previous procurement supervision, aide-mémoire and in recent project audit reports, as well as identifying any outstanding risk mitigation actions and other procurement-related issues arising from implementation support and monitoring. Based on such review, further actions to be taken by IFAD, the project or the Borrower/Recipient will be recommended.

### **Assessment of further procurement staff training needs**

The assessment of further procurement staff training needs entails ensuring relevant training is planned and provided to project management and procurement staff in a timely manner. The assessment should refer to the Capability in Public Procurement under Project Institutional risk assessment of the Risk Matrix. The following must be addressed:

- Existence of a Procurement Unit with at least 2 staff members (Design stage, reference is to government agency)
- Existence of a Procurement Officer (Implementation)
- Staff member(s) required experience in donor funded public procurement
- General quality of documents produced by the procurement office
- Procurement staff having immediate access to the legal and regulatory framework documents
- Procurement and financial management functions being separated

### **Review of any significant changes in the Borrower/Recipient's procurement system and practices**

The review should ensure project procurement procedures and systems are updated accordingly and should focus on the Legal and Regulatory Framework and the Accountability and Transparency under the Country Risk Assessment of the Procurement Risk Matrix. The following must be addressed:

#### **Legal And Regulatory Framework**

- Country procurement law, regulations and manual exist
- Existence of Standard Bidding Documents for Goods, Works and Services
- Procurement Monitoring
- Procurement Methods
- Public access to procurement information

#### **Accountability and Transparency**

- Procurement Complaints Management
- Country Corruption Perception Index score
- 2-tiered system to handle complaints
- Existence of a debarment system

- Existence of an independent and competent local authority responsible for investigating corruption allegations

### **Key findings and conclusions from the PRM assessment update**

A project's PRM will need to be reviewed and updated every time the procurement performance of a project is supervised. The PRM will be updated in light of evolving conditions or circumstances, for example, with respect to the national procurement system, improvement/deterioration of project procurement performance, overall implementation progress and results delivery. As a result, procurement and prior review thresholds may be revised, other existing risk mitigation measures may be adjusted or additional measures may be introduced.

If the colour of the circle under the **NET RISK RATING** of the Procurement Matrix changes from:

- 1) **Low risk to High Risk or Medium Risk to High Risk-** (  →  ) (  →  )

Procurement specialist must give thorough explanation why the change has occurred, and what the recommendations are

- 2) **High Risk to Medium Risk or Medium to Low Risk** (  →  ) (  →  )

Procurement Specialist must give thorough explanation why the change has occurred and how

- 3) **Risk remains the same** (colour remains the same)

Procurement Specialist is not required to provide any justification

### **Procurement performance indicator rating and justification**

The Borrower/Recipient and Lead Project Implementing Agency's performance with respect to procurement is assessed in terms of the quality, reliability, transparency and efficiency with which it carries out procurement processes it is responsible for, and the effects on project implementation and results delivery. The procurement performance indicator consists of five pillar sub-ratings that must be averaged (on an equal weight basis) to compute the overall rating. This indicator will be assessed at least once a year.

#### **Ratings (as per below):**

Pillars/Ratings	(6) Highly satisfactory	(5) Satisfactory	(4) Moderately Satisfactory	(3) Moderately unsatisfactory	(2) Unsatisfactory	(1) Highly unsatisfactory
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<b>A. Planning</b>	Procurement is very well planned, and all related processes and procedures applied fully meet requirements	Procurement planning exhibits minor shortcomings that have no impact on project implementation and performance.	Procurement planning exhibits some gaps and inconsistencies that have limited impact on project implementation and performance. Implementation support is required, however, prompt resolution of issues/constraints is likely	Procurement planning exhibits significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.	Procurement planning exhibits serious shortcomings and inconsistencies across the board. Project implementation is severely impacted and delayed; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some evidence of prohibited practices.	Procurement planning is non-functional. Project implementation and achievement of development objectives are compromised; procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.
<b>B. Pre-qualification - Bidding</b>	Processes and procedures applied fully meet requirements.	Processes and procedures applied exhibit minor shortcomings that have no impact on project implementation and performance.	Processes and procedures applied exhibit some gaps and inconsistencies that have limited impact on project implementation and performance. Implementation support is required, however, prompt resolution of issues/constraints is likely	Processes and procedures applied exhibit significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.	Procurement process and procedures applied exhibit serious shortcomings and inconsistencies across the board. Project implementation is severely impacted and delayed; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some evidence of prohibited practices.	Processes and procedures are non-functional. Project implementation and achievement of development objectives are compromised; procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.
<b>C. Evaluation - Award</b>	Processes and procedures applied fully meet requirements.	Processes and procedures applied exhibit minor shortcomings that have no impact on project implementation and performance.	Processes and procedures applied exhibit some gaps and inconsistencies that have limited impact on project implementation and performance. 21 Implementation support is required, however, prompt resolution of issues/constraints is likely.	Processes and procedures applied exhibit significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.	Procurement process and procedures applied exhibit serious shortcomings and inconsistencies across the board. Project implementation is severely impacted and delayed; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some evidence of prohibited practices.	Processes and procedures are non-functional. Project implementation and achievement of development objectives are compromised; procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.
<b>D. Contract management</b>	Processes, procedures and systems for administration, supervision and management of contracts exhibit high performance across all requirements	Processes, procedures and systems for administration, supervision and management of contracts exhibit minor shortcomings that have no impact on project implementation and performance.	Processes, procedures and systems for administration, supervision and management of contracts exhibit some weaknesses. Implementation support is required, however, prompt resolution of issues/constraints is likely	Processes, procedures and systems for administration, supervision and management of contracts exhibit numerous shortcomings. Project implementation is negatively impacted; implementation support is required; resolution of issues/constraints is likely but will take some time.	Processes, procedures and systems for administration, supervision and management of contract exhibit significant lapses and gaps in terms of performance standards, inconsistently applied controls, inefficiency, and transparency. Project implementation is severely impacted; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some	Processes, procedures and systems for administration, supervision and management of contracts are non-functional. Project implementation and achievement of development objectives are compromised; procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.

					evidence of	
<b>E. Record retention</b>	The project's record retention fully meets requirements, and can be regarded as a best practice.	The project's record retention exhibits minor shortcomings that have no impact on project implementation and performance.	The project's record retention exhibits some weaknesses. Implementation support is required, however, prompt resolution of issues/constraints is likely	The project's record retention exhibits numerous shortcomings. Project implementation is negatively impacted; implementation support is required; resolution of issues/constraints is likely but will take some time.	The project's record retention exhibits serious shortcomings and inconsistencies across the board. Project implementation is severely impacted and delayed; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some evidence of prohibited practices.	The project's record retention is non-functional. Project implementation and achievement of development objectives are compromised; procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.
<b>OVERALL</b>	Processes, procedures and systems applied fully meet requirements.	Processes, procedures and systems applied exhibit minor shortcomings that have no impact on project implementation and performance.	Processes, procedures and systems applied exhibit some gaps and inconsistencies that have limited impact on project implementation and performance. Implementation support is required, however, prompt resolution of issues/constraints is likely.	Processes, procedures and systems applied exhibit significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.	Processes, procedures and systems applied exhibit serious shortcomings and inconsistencies across the board. Project implementation is severely impacted and delayed; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some evidence of prohibited practices.	Processes, procedures and systems are non-functional. Project implementation and achievement of development objectives are compromised; procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.

### **Recommendations for improvement and follow-up actions for the Borrower/Recipient and/or IFAD**

Based on the supervision review, recommendations for improvement and follow actions should be worked out.

- c)** In the recommendations, agreed actions should be worked out in order to improve the procurement process

Agreed Action	Responsibility	Agreed Date

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- d)** The follow-up actions must be based on what has been stated in the recommendation for the improvement.

Recommendation	Follow-up action	Responsibility	Agreed Date