# Department of Agriculture

# PHILIPPINE RURAL DEVELOPMENT PROJECT SCALE-UP

# RURAL INFRASTRUCTURE MARKET LINKAGE

# I-BUILD

(Intensified Building-Up of Infrastructure and Logistics for Development)

# OPERATIONS MANUAL

**June 2023**

**Table of Contents:**

**List of Tables:**

**List of Figures:**

**Annexes:**

| | |
|---|---|
| Annex 1 | PRDP SU - List of Priority Subprojects and its Explanatory Notes |
| Annex 2 | PRDP SU - Feasibility Study Outline for FMR |
| Annex 3 | PRDP SU - Feasibility Study Outline for Irrigation Facilities |
| Annex 4 | PRDP SU - Feasibility Study Outline for Potable Water Supply |
| Annex 5 | PRDP SU - Feasibility Study Outline for Value Chain Rural Infrastructure - Slaughterhouse Dressing Plant |
| Annex 6 | PRDP SU - Feasibility Study Outline for Value Chain Rural Infrastructure - Fish Landing Feeder Port |
| Annex 7 | PRDP SU - Feasibility Study Outline for Value Chain Rural Infrastructure - Warehouse - Warehouse with MPDP |
| Annex 8 | PRDP SU - Subproject Validation Report for FMR and Bridges |
| Annex 9 | PRDP SU - Subproject Validation Report for Irrigation System |
| Annex 10 | PRDP SU - Subproject Validation Report for Potable Water Supply |
| Annex 11 | PRDP SU - Subproject Validation Report for Value Chain Rural Infrastructure |
| Annex 12 | PRDP SU - Traffic Count Form and Instruction |
| Annex 13 | PRDP SU - Review Checklist for FMRs and Bridges |
| Annex 14 | PRDP SU - Review Checklist for Irrigation Facilities |
| Annex 15 | PRDP SU - Review Checklist for Potable Water Supply |
| Annex 16 | PRDP SU - Review Checklist for Value Chain Rural Infrastructure |
| Annex 17 | PRDP SU - Typical Drawings for Access Road subprojects |
| Annex 18 | PRDP SU - Typical Drawings for RCDG Bridge - Bored Pile subprojects |
| Annex 19 | PRDP SU - Typical Drawings for RCDG Bridges |
| Annex 20 | PRDP SU - Typical Drawings for Communal Irrigation subprojects |
| Annex 21 | PRDP SU - Drawings and Specifications for Small Scale Irrigation System Subprojects |
| Annex 22 | PRDP SU - Typical Drawings for Potable Water Supply Subprojects |
| Annex 23 | PRDP SU - Typical Warehouse Solar Drier Drawings |
| Annex 24 | PRDP SU - Typical Rock Causeway Timber Port Drawings |
| Annex 25 | PRDP SU - Standard Drawing Size & Title Blocks |
| Annex 26 | PRDP SU - POW Format |
| Annex 27 | PRDP SU - Subproject Signboard |
| Annex 28 | PRDP SU - Construction Log Book |
| Annex 29 | PRDP SU - Weather Chart |
| Annex 30 | PRDP SU - Site Inspection Report |

## Appendix:

**Abbreviations & Acronyms:**

| | |
|---|---|
| ABE | - Agricultural and Bio-system Engineer |
| ACEL | - Association of Carriers and Equipment Lessors |
| ADB | - Asian Development Bank |
| ADSDPP | - Ancestral Domains Sustainable Development and Protection Plan |
| ADT | - Average Daily Traffic |
| AF-1 | - First Additional Financing |
| AF-2 | - Second Additional Financing |
| AFMP | - Agriculture and Fisheries Modernization Plan |
| Agri. | - Agriculture |
| AIP | - Annual Investment Plan |
| ARC | - Agrarian Reform Community |
| BAC | - Bid and Award Committee |
| BAFE | - Bureau of Agricultural and Fisheries Engineering |
| BAI | - Bureau of Animal Industry |
| BARMM | - Bangsamoro Autonomous Region in Muslim Mindanao |
| BAWASA | - Barangay Water and Service Association |
| BER | - Bid Evaluation Review |
| BFAR | - Bureau of Fisheries and Aquatic Resources |
| BSWM | - Bureau of Soils and Water Management |
| CAF | - Certificate of Availability of Funds |
| CARI | - Contractor' All Risk Insurance |
| CAO | - City Agriculture Office |
| CBR | - California Bearing Ratio |
| CENRO | - City Environment and Natural Resources Office |
| CEO | - City Engineering Office |
| CERC | - Contingent Emergency Response Component |
| CHARM | - Cordillera Highland Agricultural Resource Management Project |
| CIS | - Communal Irrigation System |
| CLGU | - City Local Government Unit |
| CNC | - Certificate of None Coverage |
| COA | - Commission on Audit |
| CP | - Contractor's Profit |

| | |
|---|---|
| CPDO | - City Planning and Development Office |
| CPM | - Critical Path Method |
| CPMIU | - City Project Management Implementing Unit |
| CSO | - Civil Society Organizations |
| CSS | - Context Sensitive Solutions |
| DA | - Department of Agriculture |
| DAR | - Department of Agrarian Reform |
| DC | - Direct Cost |
| DED | - Detailed Engineering Design |
| DENR | - Department of Environmental and Natural Resources |
| DEO | - District Engineering Office |
| DILG | - Department of the Interior and Local Government |
| DO | - Department Order |
| DOH | - Department of Health |
| DOLE | - Department of Labor and Employment |
| DOST | - Department of Science and Technology |
| DPD | - Deputy Project Director |
| DPWH | - Department of Public Works and Highways |
| DSWD | - Department of Social Welfare and Development |
| DTI | - Department of Trade and Industry |
| DUPA | - Detailed Unit Price Analysis |
| e-VSA | - expanded Vulnerability and Suitability Assessments |
| ECC | - Environmental Compliance Certificate |
| Econ | - Economics |
| EDC | - Estimated Direct Cost |
| EPC | - Estimated Project Cost |
| ESF | - Environmental and Social Framework |
| ESMP | - Environmental and Social Management Plan |
| ESSF | - Environmental and Social Safeguards Framework |
| EU | - European Union |
| FCA | - Farmers Cooperatives/Associations |
| FMR | - Farm to Market Road |
| FPIC | - Free and Prior Inform Consent |

| | |
|---|---|
| FS | - Feasibility Study |
| GGU | - Geo-mapping and Governance Unit |
| GOP | - Government of the Philippines |
| I-BUILD | - Intensified Building-Up of Infrastructure and Logistics for Development |
| | - Rural Infrastructure Market Linkage |
| I-REAP | - Enterprise Development |
| I-PLAN | - National and Local Level Planning |
| I-SUPPORT | - Project Implementation Support |
| IA | - Irrigators Association |
| IDC | - Indirect Cost |
| IDO | - Institutional Development Officer |
| IEC | - Information, Education and Communication |
| IMA | - Implementation Management Agreement |
| INFRES | - Infrastructure for the Rural Productivity Enhancement Sector |
| IP | - Indigenous People |
| IQMDS | - Infrastructure Quality Monitoring and Durability System |
| ITP | - Inspection and Test Plan |
| JBIC | - Japan Bank for International Cooperation |
| JIT | - Joint Inspectorate Team |
| JTR | - Joint Technical Review |
| LB/ES | - Labor Based Equipment Supported |
| LGU | - Local Government Units |
| LOI | - Letter of Intent |
| LP | - Loan Proceed |
| LWUA | - Local Water Utilities Administration |
| MAFAR | - Ministry of Agriculture-Fishery and Agrarian Reform |
| MAO | - Municipal Agriculture Office |
| MEO | - Municipal Engineering Office |
| MENRO | - Municipal Environment and Natural Resources Office |
| MLGU | - Municipal Local Government Unit |
| MMTR | - Minimum Materials Testing Requirement |
| MOA | - Memorandum of Agreement |
| MPDO | - Municipal Planning and Development Office |

MPMC - Municipal Project Monitoring Council

MPMIU - Municipal Project Management Implementing Unit

MRDP - Mindanao Rural Development Program

NAFMIP - National Agriculture and Fisheries Modernization and Industrialization Plan

NCIP - National Commission on Indigenous Peoples

NGO - None Government Organization

NIA - National Irrigation Administration

NMIS - National Meat Inspection Service

NOL - No Objection Letter

NOL-1 - No Objection Letter one (1)

NOL-2 - No Objection Letter two (2)

NPCO - National Project Coordination Office

NPSC - National Project Steering Committee

NTP - Notice to Proceed

NWRB - National Water Resources Board

O & M - Operations and Maintenance

OCM - Overhead, Contingencies and Miscellaneous

OHSP - Occupational Health and Safety Program

OL - Original Loan

OM - Operations Manual

OMAS - Operation and Maintenance Audit System

PA - Provincial Agriculturist

PABES - Philippine Agricultural and Bio-systems Engineering Standard

PAES - Philippine Agriculture Engineering Standard

PAO - Provincial Agriculture Office

PAP - Project Affected Person

PBD - Philippine Bidding Documents

PCCP - Portland Cement Concrete Pavement

PCIP - Provincial Commodity Investment Plan

PD - Project Director

PDC - Provincial Development Council

PDM - Precedence Diagram Method

| | |
|---|---|
| PE | - Provincial Engineer |
| PEO | - Provincial Engineering Office |
| PENRO | - Provincial Environment and Natural Resources Office |
| PERT | - Project Evaluation and Review Technique |
| PhilFIDA | - Philippine Fiber Industry Development Authority |
| PhilMech | - Philippine Center for Postharvest Development and Mechanization |
| PLGU | - Provincial Local Government Unit |
| PMIU | - Project Management Implementing Units |
| PO | - Private Organization |
| POW | - Program of Works |
| PPDC | - Provincial Planning Development Council |
| PPDO | - Provincial Planning and Development Office |
| PPMC | - Provincial Project Monitoring Council |
| PPMIU | - Provincial Project Management Implementing Unit |
| PRA-PSA | - Participatory Rural Appraisal - Participatory Social Analysis |
| PRDP | - Philippine Rural Development Project |
| PRDP SU | - Philippine Rural Development Project Scale Up |
| PSO | - Project Support Office |
| PWS | - Potable Water Supply |
| QP | - Quality Plan |
| RAED | - Regional Agricultural Engineering Division |
| RAFIP | - Regional Agriculture and Fisheries Investment Portfolio |
| RBME | - Results Based Monitoring and Evaluation |
| RCBC | - Reinforced Concrete Box Culvert |
| RED | - Regional Executive Director |
| RFO | - Regional Field Office |
| RFU | - Regional Field Unit |
| RIA | - Road Influence Area |
| RMA | - Rapid Marketing Analysis |
| ROMAT | - Regional Operations and Maintenance Audit Team |
| ROW | - Right of Way |
| RPAB | - Regional Project Advisory Board |
| RPCO | - Regional Project Coordination Office |

RPMC - Regional Project Monitoring Council

RROW - Road Right of Way

RTD - Regional Technical Director

SES - Social and Environmental Safeguards

SP - Subproject

SPAR - Subproject Appraisal Report

SPIS - Solar Powered Irrigation Systems

STP - Standard Penetration Test

SWA - Statement of Work Accomplishment

SWIP - Small Water Impounding Project

VAT - Value Added Tax

VCA - Value Chain Analysis

VCRI - Value Chain Rural Infrastructure

VPD - Vehicles per Day

VSA - Vulnerability and Suitability Assessment

WB - World Bank

# 1.0 The Rural Infrastructure Market Linkage (I-BUILD) Operations Manual

## 1.1 Rationale and Purpose

The Philippine Rural Development Project Scale Up (PRDP SU) is an expanded response to the persistent challenges confronting the agri-fishery sector and the rural communities in the country producing priority commodities that are within the Provincial Commodity Investment Plans (PCIPs) and aligned with the National Agriculture and Fisheries Modernization and Industrialization Plan (NAFMIP). The Project aims to improve farmers and fisher folk access to markets and increase income from agri-fishery activities.

PRDP Scale Up envisioned to introduce a more holistic design and strategies by looking at a broader agri-fisheries food/commodity system to address the gaps in the whole commodity value chains, level up approaches and innovations based on lessons learned, contribute to improving climate resilience and modernizing the agriculture and fisheries sector. Interventions include the emphasis on rebuilding the whole value chain, improving the food supply chain and logistics, prioritizing farm to market roads (FMRs) with value chain infrastructure support, the inclusion of rice and corn focusing on value addition, and mainstreaming of institutional reforms in the Department of Agriculture (DA) programs and projects.

The Rural Infrastructure Market Linkage - Intensified Building-Up of Infrastructure and Logistics for Development (I-BUILD) component will focus on delivering climate-resilient access and value chain infrastructure support with the end goal of building up food distribution hubs and logistics systems to provide unhampered mobility, access and stable supply of food commodities and other agri-fishery products with reduced transport, handling, and hauling costs thereby improving product quality and prices in target markets. It will take off from I-PLAN's strategic overlay of criteria and parameters in coming up with key investment areas in the value and supply chains from the regional perspective. To further ensure more climate-resilient and sustainable rural infrastructure investments, hazard mapping analysis will be considered in the design and planning of infrastructure subprojects with the incorporation of the Philippine Agricultural and Bio-systems Engineering Standard (PABES), Green Building Code and the compliance with the new Environmental and Social Framework.

This operations manual is specifically prepared for the implementation of the Rural Infrastructure Market Linkage (I-BUILD) component. It will aid how subprojects in PRDP Scale Up will be identified, prioritized, validated, prepared, reviewed, evaluated, approved, implemented until its operation and maintenance. The subprojects that will be implemented under the loan are those that will contribute to the following key result areas:

1. Improving farmers and fisher folks access to markets and increase income from agri-fishery activities.
2. Higher productivity as a result of increased cropping intensity, cropped areas and average yields,
3. Food security and improved health from readily available potable water,

4. Increase in market value of agri-fishery products traded or processed, reduction in transport / post-harvest losses and reduction in hauling cost resulting in higher volume of outputs, better quality and more efficient support facilities,
5. Improving flow, distribution and prepositioning of agri-fishery foods, products and services even in times of calamity and epidemic/pandemic.

Project implementation will be further strengthened with the institutionalization of the new Environmental and Social Safeguards Framework (ESSF) and protocols, including adoption of latest guidelines on infrastructure development and enhancement of digitalization efforts, to ensure accountability, transparency and efficiency of all activities inherent to the project operation.

This manual will serve as a source book of information and procedures that can be used by the Department of Agriculture (DA), the Local Government Units (LGUs) and Farmers Cooperatives/Associations (FCA's) along the project development cycle.

## 1.2 Structure of the Manual

The manual is divided into 6 parts. **Part 1** is about the Rural Infrastructure Market linkage (I-BUILD) operation's manual, **Part 2** is about PRDP Scale-Up which includes the component description, the types of eligible rural infrastructure, the objectives and target outputs, the subproject development processes, the organizational set-up and implementation arrangements and policies, **Part 3** is the Rural Roads and Bridges, **Part 4** is the Irrigation System Facilities, **Part 5** is the Potable Water Supply and **Part 6** is the Value Chain Rural Infrastructure.

There are details in the manual that are placed in the appendices and annexes and the others are referred to the other operations manual on procurement, financial management, Geotagging and Good Governance, Social and Environmental Safeguards framework and monitoring and evaluation.

The annexes pertain to the various sample forms and pre-formatted documents to be used from pre-implementation to post-implementation of subprojects such as survey forms, validation forms, feasibility study formats, program of works, typical drawings, implementation progress monitoring forms, completion report format and other templates.

## 1.3 Scope of the Manual

The manual applies to rural infrastructure subprojects that are proposed for implementation under Rural Infrastructure Market Linkage (I-BUILD) component and infrastructure support of the Enterprise Component (I-REAP Civil Works) of PRDP Scale Up. It provides the guidelines on subproject Identification and Prioritization, subproject Validation, subproject Preparation and Packaging of feasibility and detailed engineering design, subproject Review, Evaluation and Approval, subproject Implementation and subproject Operation and Maintenance.

The infrastructure subproject types are farm to market roads and bridges, irrigation system facilities, potable water supply, value chain rural infrastructures and the civil works of the enterprise component (I-REAP).

### 1.4 Use and Target Users

The intended use of the manual will hope to harmonize the understanding of the different levels of Project management and LGU Proponents. The primary users are the DA line agencies and offices involved in the Project as well as the implementing LGUs and FCA's and participating POs and NGOs.

## 2.0 The Philippine Rural Development Project (PRDP) Scale Up

### 2.1 Background

**Original Loan (OL)**

Eight years into its implementation, the Philippine Rural Development Project (PRDP) has gained a wealth of experience in its engagement with various partner agencies, particularly with the Local Government Units (LGUs), in the delivery of the needed agriculture and fisheries services for rural development. Building on the good practices, experiences, and lessons learned from the Mindanao Rural Development Program (MRDP), the PRDP has significantly leveled up in strengthening this partnership by espousing relevant institutional and operational reforms in project implementation. The Project has become a viable platform of engagement with local governments in terms of integrating the national development agenda with local investment priorities through the commodity value chain approach, which is expressed in the Provincial Commodity Investment Plans (PCIPs) approved by all 81 provinces in the country.

**First Additional Financing (AF-1)**

This prompted the Project to request the US$ 450 million additional financing in 2016 to address the excess demand underpinned by the LGUs' strong interest and confidence to partner with the DA in pursuing their infrastructure development priorities. The US$ 170 million first additional financing (AF-1) which became available in 2018 focused mainly on additional rural infrastructures (I-BUILD) with 87% (PhP 8.6 billion) of the allocation. The Project has since employed prioritization criteria to strategically rationalize the types of investments to be funded, giving priority to LGUs that have not received PRDP interventions yet and to LGUs with good implementation performance. An additional selection and prioritization criteria for FMRs have been established as the subproject pipeline points to FMRs and FMRs with bridges being the most in-demand in terms of the type of investments comprising 94% of the I-BUILD allocation. This has further placed the DA, through the PRDP, as the lead for providing rural access in the countryside. Already, around 78 out of the 81 provinces with PCIPs have availed of funding with AF-1.

**Second Additional Financing (AF-2)**

The timing of the US$ 280 million second additional financing (AF-2), which only started in September 2021, has made the Project responsive to the impacts brought about by the COVID-19 pandemic. The PRDP has retrofitted the interventions under AF-2. Infrastructure investments focus on rural access to address gaps in the movement of agri-fishery products as well as on pre and post-harvest facilities to preposition and shore up the supply of primary commodities in strategic areas.

The addition of the EU co-financing grant to the AF-2 (or AF2-EU) has further broadened the Project's engagement with the more vulnerable sectors in Mindanao by focusing on LGUs with low-income and capacities, conflict-affected areas, Indigenous Peoples, and the BARMM.
The midterm evaluation study for PRDP conducted in 2018 underscored the importance of FMRs in reducing transport and hauling costs of farm and fishery produce and lowering production costs enabling farmers and fisher folks to offer better quality produce and enjoy bigger profits. The FMRs have proven to yield positive spillover effects stimulating economic and activities outside of the agriculture sector by bringing in more livelihood opportunities in rural areas.

**Lessons Learned in Implementing the PRDP**

The valuable lessons learned from the implementation experiences of the component have paved for developing and updating approaches and innovations to adhere to the development goals of the original Project.

Learning-by-doing as an approach to capability building of Project implementers on feasibility study preparation. This is perceived as an effective approach from the start of the engagement until the completion of activities and sub-projects. This ensures that all the stakeholders understand the process and the Project requirements, which allows a faster preparation of documents and approval of subprojects. Progressive capacity-building activities may be undertaken according to the level of competence and technical capacities to progress from one competency to another without being overwhelmed with the technicalities of information and knowledge.

The conduct of a Joint Technical Review (JTR) by the NPCO, PSO, and RPCO in the review of subproject proposals is an effective approach to fast-track the subproject review and approval process. It also prevents LGUs from a frequent revision of the project documents like the Feasibility Studies (FS) and Detailed Engineering Designs (DEDs) as the project review team (NPCO, PSO, and RPCO) provide collective and harmonized comments and agreements.

Involvement of the communities in monitoring the implementation and Operation and Maintenance (O&M) of subprojects encourages increased ownership of development projects. Through the Citizens Monitoring Teams organized by the PRDP, communities are able to obtain a higher sense of ownership of the subprojects in their localities, which is an important element to the sustainability of the subproject. Instead of merely beneficiaries, the citizens become partners of the DA and the proponent LGUs in ensuring the quality of the subprojects.

Mainstreaming of the Infrastructure Quality Monitoring and Durability System (IQMDS) to DA and LGU in the implementation of infrastructure SPs ensures road quality. Apart from close supervision and monitoring of the works during implementation, the IQMDS is proven to be effective in ensuring the quality of roads implemented. Project development in infrastructure is multi-disciplinary, thus, it is ensured that the other dimensions of subprojects aside from engineering aspects are taken into consideration, which are vital during implementation and during the O&M stage where impacts are expected.

## 2.2 Salient Features of PRDP Scale Up

The following are some of the enhancements from PRDP to PRDP Scale Up and features that the component will continue to pursue.

1. It will cover 82 PLGUs, MLGUs and independent component cities in 16 regions. The Proponent LGUs (Province/Municipalities/Cities) is the focal point of PRDP Scale Up investment planning and implementation.

2. The DA-RFUs/RPCOs are given more responsibility for overseeing the implementation of PRDP SU initiatives and the main source of support to LGUs. This in effect mainstreams the PRDP approaches within permanent government structures, i.e., the DA-RFUs. The PSO will provide technical support to the DA RFUs/RPCOs while the NPCO will facilitate coordination with the different oversight agencies and World Bank.

3. More capability building interventions – The planning and implementation capacities of the participating agencies and implementing units of PRDP SU will be strengthened especially in the planning approach using i) science-based tools in the subproject identification and prioritization stage to include the vulnerability and suitability assessment prepared by BSWM (VSA), expanded vulnerability and suitability assessments (e-VSA) and value chain analysis (VCA); and (ii) aligning rural infrastructure prioritization to local needs as prescribed in the provincial commodity investment plans (PCIPs). The basis for prioritization and selection of local infrastructure would be the regional AFMPs and the corresponding PCIPs. Concepts of climate change infrastructure resiliency and geo-tagging will be pursued in PRDP Scale Up.

4. Sustainability measures - the LGUs shall be required to submit a workable operation and maintenance plan (O&M) together with proof of yearly budget allocation for operation & maintenance activities during the submission of the feasibility study for approval.

5. Emphasis to be placed on transparency and accountability through the Results Based Monitoring and Evaluation (RBME) system highlighting the use of real time information gathering through geo-tagging. This aids implementers assess performance and make immediate adjustments as the Project progresses. Citizens participation through Civil Society Organizations' (CSOs) engagement in support to the Open Government Partnership will be pursued in PRDP SU.

6. Safer and more climate resilient Farm to Market Roads, Bridges, Irrigation Systems Facilities, Potable Water Supply and Value Chain Rural Infrastructures.

## 2.3 Goals, Objectives and Expected Outcomes

1. The Rural Infrastructure Market Linkage (I-BUILD) component aims to continue to develop a strategic network of safe and climate-resilient rural infrastructure and facilities supportive of the value chain in the Project areas.

2. From the pipeline and from the newly proposed subprojects by the LGUs, the types of infrastructure needed for PRDP scale up are farm-to-market roads, bridges, Irrigation System Facilities, potable water supply, and value chain rural infrastructure facilities.

3. At the end of PRDP Scale Up, the Rural Infrastructure Market Linkage (I-BUILD) component envisions to attain the following of which are stated in the Project's Development Objectives:

   - ✔ 30% reduction in transport costs in roads linking production areas to markets.
   - ✔ 40% reduction in travel time of farmer/ fisher folks from farm to market.
   - ✔ 180% Cropping intensity increased in areas served with new/improved irrigation services
   - ✔ 90% of completed climate-smart value chain infrastructure facilities operating as designed

**Table 2-1** IBUILD Indicative Physical and Financial Targets:

| **Subproject Type** | **No. SPs** | **Unit** | **Physical Target** | **Total Cost (EPC)** |
|---|---|---|---|---|
| Farm to Market Roads | 141 | kms. | 931.09 | 20,475,205,384.27 |
| FMR with Bridge | 29 | kms.- l.m. | | 6,234,558,987.95 |
| Road Component | | kms. | 243.31 | |
| Bridge Component | | l.m. | 1,173 | |
| Bridges | 12 | l.m. | 789 | 1,041,400,000.00 |
| Irrigation | 36 | Ha. | 2,517.64 | 803,539,026.74 |
| Potable Water Supply | 46 | No. of HH. | 64,512.00 | 2,456,930,517.75 |

| | | | | |
|---|---|---|---|---|
| Value Chain Rural Infrastructure | 62 | No. of SPs. | 62 | 3,221,750,812.71 |
| **Total** | **326** | | | **34,233,384,729.42** |
| | | | | |

## 2.4 Eligible Infrastructure Subprojects under PRDP Scale Up

The eligible rural infrastructure subprojects for PRDP Scale Up are *construction, upgrading, rehabilitation, repair, retro-fitting and completion* of: (a) Farm to Market Roads and Bridges; (b) Irrigation system facilities such as: CIP, CIS, SWIP, SPIS, Ram Pump, Spring Development Irrigation, Drip Irrigation System, shallow Tube Wells and other pressurized irrigation system (c) Potable Water Supply (Level 1 & 2) including desalination facility; and (d) "Value Chain Rural Infrastructures".

Value Chain Rural Infrastructures needed in the value chain to enhance the productivity and give value added quantities to products in agriculture and fishery industries such as production facilities, pre and post-harvest facilities, marketing facilities, consolidation facilities, processing facilities are eligible for funding for PRDP Scale Up.

Specific eligible facilities for Value Chain Rural Infrastructure under IBUILD funds are slaughterhouse / abattoir, poultry dressing plants, fish landing and facilities, feeder ports, tramlines, watch towers, slope stabilization works, silos, warehouses, warehouse with solar dryers/MPDP/mechanical dryers, cold storage facilities, agriculture composting facility, livestock auction facility, fish hatcheries and fishponds facilities, trading posts/centers and other infrastructure fully operated and managed by the LGU.

Other Value Chain rural infrastructures such as silos, warehouses, warehouse with solar dryers, solar dryers, cold storage facilities, fish hatcheries and fishponds facilities, trading posts/centers, food terminals equipped with cold or dry storage facilities, greenhouses, corn drying to milling centers/facilities with warehouses, silos, rice processing centers (for drying, milling, and packaging) with logistics facilities, fish trading centers with pre-processing and cold storage facilities, livestock breeding and grow-out facilities, dairy barns / production facilities, meat processing plants, dairy processing plants / centers with testing facilities, feed mill and other facilities managed by FCAs, co-managed by the LGU and FCAs and co-managed by FCAs and private entities are eligible IREAP funds.

The I-BUILD component will fund the subprojects identified under I-BUILD. These are value chain rural Infrastructure types categorized as public infrastructure and are those included in the I-BUILD identification and prioritization processes. I-REAP component will fund the value chain rural infrastructure support facilities identified under I-REAP procedures and processes to be operated by the LGUs and FCAs under the IREAP guidelines However, the design, review, approval and implementation is under the I-BUILD component.

The following lists of items or activities are not eligible for financing out of the proceeds of the Loan through Sub-projects: (a) use of pesticides, herbicides, insecticides, and asbestos; (b) purchase of land, ammunitions; (c) construction of school buildings; (d) construction of health centers; (e) construction of dam with height of 15 meters and above; (f) construction of roads within protected areas and national highways; (g) construction of national irrigation systems; (h) repair of government offices and (i) activities for fiestas, religious and other cultural activities.

## 2.5 Selection and Prioritization Criteria

The infrastructure development needs in the PRDP Scale Up project areas are numerous and varied. There is a high demand for IBUILD subprojects and its cost based from the pipelined subprojects is much higher than the IBUILD allocated budget and need to be prioritized. The project will continue to adopt the mechanism to prioritize the funding of subprojects based on key socio-economic indicators that have the greatest impact and are aligned with the development objectives and thrusts of the new project. The selection and prioritization criteria shall guide the Rural Infrastructure Market Linkage (I-BUILD) component to properly select and prioritize the most beneficial subprojects from several infrastructure value chain options or combinations. The main objective of such selection and prioritization criteria is to ensure that the selected subprojects will contribute optimally to the attainment of the objectives of PRDP Scale Up.

## 1. General Selection Criteria

- ✔ Relevance – The subproject must be relevant to the PRDP Scale Up goal of increasing rural incomes and enhancing farm and fishery productivity in the targeted project areas.

- ✔ Importance – The subproject must be a felt need of the LGUs that will benefit from the subproject.

- ✔ Urgency – The subproject must bring immediate results in terms of alleviating the plight of the rural agricultural poor by contributing to their increase in productivity and income.

- ✔ Viability – The subproject must be viable in the medium- and long-term not only from an economic, but from the social and environmental viewpoints as well.

## 2. Specific Selection Criteria

In furtherance of the above general criteria, the following specifics are prescribed:

### a. First Tier Criteria:

- ✔ The proponent LGU must be willing and capable to contribute the required equity.

- ✔ The proponent LGU and FCA must have the technical capability to plan and implement the subproject.

- ✔ The proponent LGU must have an Agricultural Bio-system Engineering Office. (LGUs to create an ABE Office if they do not have one, in compliance to the CSC Resolution No. 2200373 and Memorandum Circular No. 12, series of 2022). Until such time that ABE Office is created the LGU has an option to hire AB Engineers. (refer to DA Memo No. 17 s. 2023)
    - The Project will suspend the implementation of the criteria on the LGU's ABE office or its creation for two (2) years starting from the loan effectiveness of the project.

- LGUs that already have an ABE office shall include the office in the structure of their P/M/C PMIU.
- LGUs that do not have an ABE office should provide a commitment to hire an Agricultural and Bio-system Engineer and engage the ABE during the implementation of the subproject as a member of the P/M/C PMIU.
- LGUs that have an ABE employed under the P/M/C Agricultural Office should engage the ABE during the preparation of the proposal documents and during implementation as a member of the P/M/C PMIU.

✔ LGUs that participated in DA Projects (eg. PRDP, MRDP, INFRES, CHARM) should have had satisfactory performance (physical and financial) during the implementation and in the O&M of completed SPs. There should be no DA Projects' policies violated like: i) fund diversion or unliquidated funds for a period of 2 years from its due and non-payment of obligations; ii) not completed and abandoned subprojects due to the LGU's negligence; and iii) O&M rating of "severe" or "bad" at the latest assessment period which connotes failure of maintenance by the proponent.

**b. Second Tier Criteria:**

✔ The subproject must be a part of a priority value chain both in terms of the type of agri-fisheries product and the geographical location of the value chain.

✔ The subproject must generate economic and social benefits.

✔ The subproject must not encroach on protected areas and shall not in any case have adverse impacts on the environment and in consideration of the ADSDPP.

✔ The subproject except PWS must be in consonance with the provincial commodity investment plan (PCIP) of the PLGU and the CCIP of the CLGU, the DA regional Agriculture and Fisheries Modernization Plan (AFMP), National Agriculture and Fisheries Modernization and Industrialization Plan (NAFMIP), Regional Agriculture and Fisheries Investment Portfolio (RAFIP) containing key inter-provincial investment areas as output of regional perspective planning based on PCIPs, commodity roadmaps and Cluster Development Plans.

✔ The SP should serve an influence area that has significant agricultural potential within the agriculture and fisheries production areas, coastal landing points, and pre-postharvest and processing facilities.

✔ FMR SP must be included in the FMR Network Plan and irrigation SP must be included in the Irrigation / SSIP masterplan.

**3. Prioritization Criteria**

Even after the number of proposed subprojects were screened on the basis of the above criteria, based from the pipelined subproject, there are more sub-projects than the funds to implement them. This is where prioritization needs to be done and the following should be the prioritization guide:

- ✔ Number of beneficiaries – the bigger the higher the priority.
- ✔ EIRR – at least 10%; the higher the EIRR, the higher the priority.
- ✔ Per capita subproject cost – the lower the cost per beneficiary, the higher the priority.
- ✔ Subproject location – higher priority shall be given to subprojects located in LGUs that had no or limited government assistance similar to the type of subprojects being proposed.
- ✔ Gender and/or children sensitivity – all other things being equal, a subproject with more women and/or children to be benefited shall have higher priority.
- ✔ Level of poverty – if reliable statistics are available, the higher the poverty level, the higher the priority.
- ✔ SPs with established right-of-way (ROW) have higher priority

The IBUILD prioritization scheme for PRDP SU is attached as Appendix A