

RECORD OF DISCUSSIONS
ON
DAVAO CITY INFRASTRUCTURE DEVELOPMENT PLAN AND
CAPACITY BUILDING PROJECT
IN
THE REPUBLIC OF THE PHILIPPINES
AGREED UPON BETWEEN
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY
AND
JAPAN INTERNATIONAL COOPERATION AGENCY

Davao, August 25, 2016



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Based on the minutes of meetings on the Detailed Planning Survey on the *Davao City Infrastructure Development Plan and Capacity Building Project* (hereinafter referred to as “the Project”) signed on 26th October 2015 among the National Economic and Development Authority – Central Office (hereinafter referred to as “NEDA-CO”), NEDA Regional Office – XI (hereinafter referred to as “NRO XI”), City Government of Davao, and the Japan International Cooperation Agency (hereinafter referred to as “JICA”), JICA held a series of discussions with NEDA, City Government of Davao and relevant organizations to develop a detailed plan of the Project.

The parties agreed on the details of the Project and the main points discussed as described in **Appendix 1** and **Appendix 2**, respectively.

The parties also agreed that NRO XI, in coordination with the City Government of Davao and in cooperation with JICA, will be responsible for leading the overall coordination of the Project. The NEDA–CO, NRO XI, and the City Government of Davao will be also responsible for coordinating with other relevant organizations and ensure that the self-reliant operation of the Project is sustained during and after the implementation period in order to contribute toward social and economic development of the Republic of the Philippines.

The Project will be implemented within the framework of the Agreement on Technical Cooperation signed on April 4th 2006 (hereinafter referred to as “the Agreement”) and the Note Verbales exchanged on June 6th 2014 between the Government of Japan (hereinafter referred to as “GOJ”) and the Government of the Republic of the Philippines (hereinafter referred to as “GPH”).

Appendix 1: Project Description

Appendix 2: Minutes of Meetings on the Detailed Survey for the Davao City Infrastructure Development Plan and Capacity Building Project



Appendix 1

PROJECT DESCRIPTION

I. BACKGROUND

The 2011-2016 Philippine Development Plan (PDP) espouses the need for investments in urban infrastructure in view of the challenges faced by those living in highly urbanized areas (HUAs) and emerging growth centers. Traffic congestion, proliferation of urban population living in hazardous areas and under unsanitary conditions, lack of supply of potable water, and energy and solid waste management are main urban issues. In response to the sector issues brought about by urban development, the National Government (NG) has implemented policies and strategies to guide the provision of necessary infrastructure support through priority programs and projects.

Urban development planning in the Republic of the Philippines is conducted by local government. Roles of central government supporting local government were stipulated in government ordinance promulgated in March 2007 (Joint Memorandum Circular No. 1 Series of 2007 [hereinafter referred to as "JMC"]). This JMC states that urban development plans need to be consistent with regional and national development plans from technical and fiscal perspectives with the support of NEDA. However, in the present circumstances, a lack of consistency between urban development plans and its upper level development plans is found, and investment plans between urban and nation also lacks consistency. As a result, urban infrastructure development is not conducted smoothly.

Rapid urbanization causes traffic congestion and increases vulnerability to disaster in Davao City, which is the third largest city in the Republic of Philippines in terms of population. The Comprehensive Land Use Plan (hereinafter referred to as "CLUP") of Davao City gained approval through its assembly¹, however, a concrete urban infrastructure development plan has not been formulated yet. Therefore, an appropriate urban infrastructure development plan from economic, social, and environmental viewpoints, among others, which is based on a range of possible future scenarios, needs to be formulated before urban issues get worse.

Based on these circumstances, NEDA requested the Project with the objective of formulating an urban infrastructure development plan in Davao City while at the same time enhancing the capacity of NEDA and the City Government of Davao in planning, evaluating, coordinating, and monitoring the implementation of the urban infrastructure plan, in coordination with concerned related departments/organizations.

¹ Sangguniang Panlalawigan (SP) Resolution No. 02561-13, Series of 2013 and Ordinance No. 0546-13, Series of 2013 (Zoning Ordinance)



II. OUTLINE OF THE PROJECT

1. Title of the Project

Davao City Infrastructure Development Plan and Capacity Building Project

2. Expected Goals which will be attained after the Project Completion

(a) *Goal of the Davao City Infrastructure Development Plan and Capacity Building Project*

Develop an urban infrastructure development plan for Davao City to be approved by relevant authorities with corresponding capacity building support to enhance the capacities of NEDA and City Government of Davao in urban infrastructure planning, among others.

(b) *Goal which will be attained by utilizing the Davao City Infrastructure Development Plan proposed by the Project*

The urban infrastructure development plan for Davao City, which will be formulated under the Project, will be used to guide the infrastructure development of the City, which will ultimately improve the City's competitiveness, security from disasters, and general urban condition of Davao City, etc.

3. Outputs

(a) *Urban infrastructure development plan with corresponding investment program² for Davao City, including roads, transport, drainage, water supply, sewage, waste management, and disaster prevention, will be formulated with the target year 2022 in the short-term and 2045 for the long-term³*

(b) *Capacity Building activities, such as on-the-job trainings (OJT) and training workshops, to enhance the capacity of NEDA in planning, guiding, evaluating, and coordinating an urban infrastructure development plan*

² An **investment program** is a menu of potential programs, projects and activities (PPAs) that would accompany the urban infrastructure development plan (i.e., in the same way that the Philippine Development Plan and Results Matrices is accompanied by the Public Investment Program). These PPAs will be subject to feasibility studies (F/S) later on. The conduct of F/S is not covered under this TA.

³ It is important to include in the development plan the improvement/enhancement of access of the local people and urban residents to basic infrastructure facilities and services, taking into consideration informal settlers (if any) or those living in danger zones and deprived settlements.



- (c) *Capacity Building activities*, such as OJT and training *workshops*, to enhance the capacity of the City Government of Davao in urban infrastructure development planning

4. Activities

(a) *Review and analysis of current situation*

- i. Review of Philippines' national development plan and policy, Mindanao Spatial Strategy and Development Framework (MSS/DF), Updated Davao Region Physical Framework Plan (UDRPFPP) and related legal system and implementation structure
- ii. Review of current CLUP and Comprehensive Development Plan (hereinafter referred to as "CDP") of the City Government of Davao
- iii. Survey of current situation and identification of urban development issues in Davao City

(b) *Formulation of urban infrastructure development plan*

- i. Setting of social economic framework
- ii. Formulation of urban infrastructure development plan targeting at short, medium and long-term
- iii. Support implementing strategic environmental assessment and environmental impact assessment

(c) *Implementation of capacity building of NEDA* in guiding, evaluating, and coordinating urban infrastructure development plan by providing OJT and holding workshops

(d) *Implementation of capacity building of the City Government of Davao* in planning urban infrastructure development plan by providing OJT and holding workshops

5. Input

(a) *Input by JICA*

- i. Dispatch of Mission for the following:
 - Urban Infrastructure Planning;
 - Land Use Planning;
 - Organization System / Human Resource Development;
 - Urban Transportation / Urban Transportation Facilities;
 - Traffic Management;
 - Road Development;
 - Water Supply;

- Environmental Management Planning;
- Drainage / Sewage Treatment;
- Disaster Prevention;
- Solid Waste Management;
- Socio-Economic Framework;
- Economic and Financial Analysis;
- Industrial Development / Investment Promotion; and
- Environmental and Social Considerations;

ii. Trainings / Workshops

The number of trainings and workshops will be decided in the Project.

Input other than indicated above will be determined through mutual consultations between JICA, NEDA, and the City Government of Davao during the implementation of the Project, as necessary.

(b) *Input by NEDA-CO*

NEDA-CO will take necessary measures to provide at its own expense:

- i. Services of counterpart personnel and administrative personnel as referred to in II-6;
- ii. Information as well as support in obtaining medical service in Manila;
- iii. Available data (including maps and photographs) and information related to the Project;
- iv. Travel expenses necessary for the implementation of the Project *if funds become available*;

(c) *Input by NRO XI*

NRO XI will take necessary measures to provide at its own expense:

- i. Services of counterpart personnel and administrative personnel as referred to in II-6;
- ii. Suitable office space with necessary equipment;
- iii. Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts, and any other materials necessary for the implementation of the Project other than the equipment provided by JICA;
- iv. Information as well as support in obtaining medical service in Davao City;
- v. Credentials or identification cards;



- vi. Available data (including maps and photographs) and information related to the Project;
- vii. Running expenses necessary for the implementation of the Project such as travel expenses of counterpart personnel, costs to maintain office space, administrative expenses for the conduct of coordination meetings at the Regional Office;

(d) *Input by the City Government of Davao*

The City Government of Davao will take necessary measures to provide at its own expense:

- i. Services of counterpart personnel and administrative personnel as referred to in II-6;
- ii. Suitable office space with necessary equipment;
- iii. Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts, and any other materials necessary for the implementation of the Project other than the equipment provided by JICA;
- iv. Information as well as support in obtaining medical service in Davao City;
- v. Credentials or identification cards;
- vi. Available data (including maps and photographs) and information related to the Project; and
- vii. Running expenses necessary for the implementation of the Project such as travel expenses of counterpart personnel, costs to maintain office space and so on

6. Implementation Structure

The Project organization chart is given in the **Annex 1**. The roles and assignments of relevant organizations are as follows:

(a) *NEDA*

i. Project Coordinator

The Regional Director of NRO XI will be **Project Coordinator** responsible for leading and overall coordination of the Project.

ii. Assignment of counterpart personnel⁴

NRO XI will assign full time counterpart personnel for the capacity building component to be administered while developing

⁴ The NEDA counterpart personnel may be assigned as part of the Study Team for the entire contract duration, **but may be recalled by NEDA when necessary/in the exigency of service**. It should be noted that the JICA Missions' output should not be prejudiced by the absence/presence of said counterpart personnel.



the urban infrastructure development plan. The members will be provided to JICA before the commencement of the Project.

The NEDA-CO, through the Infrastructure Staff (IS), shall provide support or advice as may be necessary.

iii. Approvals for the urban infrastructure development plan

NEDA will facilitate obtaining approval/s for the urban infrastructure development plan to be formulated under the Project, from relevant authorities, such as the NEDA Board and/or Regional Development Council (RDC) of Region XI.

(b) City Government of Davao

i. Project Manager

The **Project Manager** responsible for the administration and implementation of the urban infrastructure development plan will be the Officer in Charge, Office of the City Planning and Development Coordinator, the City Government of Davao.

ii. Assignment of counterpart personnel

The City Government of Davao will assign full time counterpart personnel to collaborate with the JICA missions in developing the urban infrastructure development plan. The leader and the members will be provided to JICA before the commencement of the Project.

(c) JICA Experts

The JICA missions will develop the draft urban infrastructure development plan in collaboration with NEDA-CO, NRO XI, and the City Government of Davao. Throughout the Project implementation, the JICA missions will make utmost efforts to enhance technical capacity of relevant agencies, and nurture their sense of ownership of the output of the Project in order to facilitate realization of the urban infrastructure development plan. The progress of the work will be compiled in each report mentioned in Article 9.

(d) Joint Coordination Meeting

A Joint Coordination Meeting (hereinafter referred to as "JCM") will be held in order to facilitate inter-organizational coordination at national level. The JCM will be held whenever deemed necessary. A list of proposed members of JCM is shown in the **Annex 2**.



(e) *Project Implementation Committee*

A Project Implementation Committee (hereinafter referred to as "PIC") will be established in order to facilitate inter-organizational coordination *at the local level*. The PIC will convene whenever deemed necessary. A list of proposed members of PIC is shown in the **Annex 3**.

7. Project Site and Beneficiaries

(a) *Project site*

Davao City and the surrounding areas

(b) *Beneficiaries*

- i. Staff of NEDA and the City Government of Davao
- ii. People of Davao City (Approximately 1.45 million people)

8. Duration (Tentative)

The Project will be carried out for approximately 18 months.

9. Reports (Tentative)

JICA will prepare and submit the following reports to the NEDA and the City Government of Davao in English.

- (a) 10 copies for NEDA-CO, 10 copies for NRO XI, and 10 copies for the City Government of Davao of **Inception Report** at the commencement of the first work period in the Republic of the Philippines
- (b) 10 copies for NEDA-CO, 10 copies for NRO XI, and 10 copies for the City Government of Davao of **Progress Report** at the time about 5 months after the commencement of the first work period in the Republic of the Philippines
- (c) 10 copies for NEDA-CO, 10 copies for NRO XI, and 10 copies for the City Government of Davao of **Interim Report** at the time of 10 months after the commencement of the first work period in the Republic of the Philippines
- (d) 10 copies for NEDA, 10 copies for NEDA Regional Office XI, and 10 copies for the City Government of Davao of **Draft Final Report** at the end of the last work period in the Republic of the Philippines
- (e) 10 copies for NEDA, 10 copies for NEDA Regional Office XI, and 10 copies for the City Government of Davao of **Final Report** within one



(1) month after the receipt of the comments on the Draft Final Report

10. Environmental and Social Considerations

NEDA and the City Government of Davao agreed to abide by 'JICA Guidelines for Environmental and Social Considerations' in order to ensure that appropriate considerations will be made for the environmental and social impacts of the Project.

III. UNDERTAKINGS OF NEDA

NEDA will take necessary measures to:

- (a) Ensure that the technologies and knowledge acquired by the the Republic of the Philippines nationals as a result of Japanese technical cooperation contributes to the economic and social development of the Republic of the Philippines, and that the knowledge and experience acquired by the personnel of the Republic of the Philippines from technical training as well as the equipment provided by JICA will be utilized effectively in the implementation of the Project; and
- (b) Grant privileges, exemptions, and benefits to members of the JICA missions referred to in II-5, which are no less favorable than those granted to experts and members of the missions of third countries or international organizations performing similar missions in the Republic of the Philippines.

Other privileges, exemptions, and benefits will be provided in accordance with the Note Verbales exchanged on June 6th 2014 between the GOJ and GPH.

IV. MONITORING AND EVALUATION

JICA will conduct the following evaluations and surveys to mainly verify sustainability and impact of the Project and draw lessons. NEDA and the City Government of Davao will provide necessary support for them and NEDA will participate in evaluations and surveys as needed.

- (a) Ex-post evaluation three (3) years after the project completion, in principle; and
- (b) Follow-up surveys on necessity basis.

V. PROMOTION OF PUBLIC SUPPORT

For the purpose of promoting support for the Project, NEDA, and the City Government of Davao will take appropriate measures⁵ to make the Project widely known to the people of the Republic of the Philippines.

⁵ May include social preparation/mobilization



VI. MISCONDUCT

If JICA receives information related to suspected corrupt or fraudulent practices in the implementation of the Project, NEDA, the City Government of Davao, and relevant organizations shall provide JICA with such information as JICA may reasonably request, including information related to any concerned official of the government and/or public organizations of the the Republic of the Philippines.

NEDA, the City Government of Davao, and relevant organizations shall not unfairly or unfavorably treat the person and/or company which provided the information related to suspected corrupt or fraudulent practices in the implementation of the Project.

VII. MUTUAL CONSULTATION

JICA, NEDA, and the City Government of Davao will consult each other whenever any major issues arise in the course of the Project implementation.

VIII. AMENDMENTS

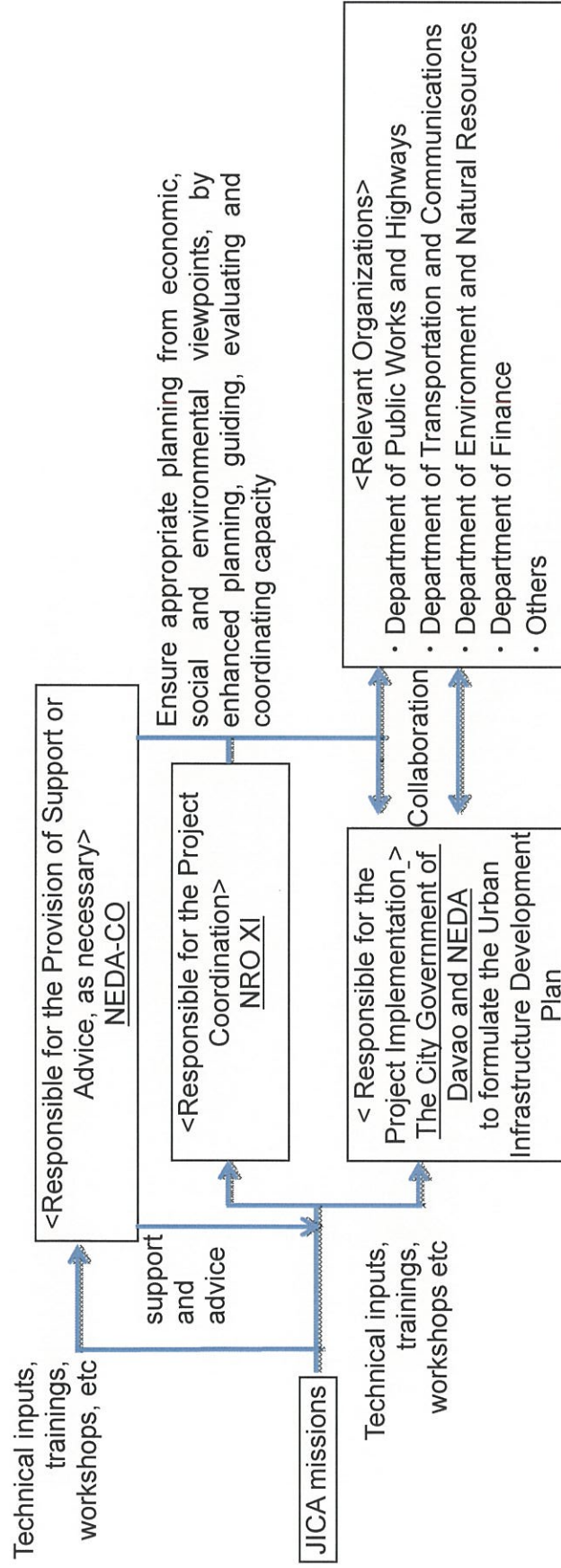
The record of discussions may be amended through the minutes of meetings among JICA, NEDA, and the City Government of Davao.

The minutes of meetings will be signed by authorized persons of each side who may be different from the signers of the record of discussions.

- Annex 1 Project Organization Chart
- Annex 2 A List of Proposed Participants of Joint Coordination Meeting
- Annex 3 A List of Proposed Participants of Project Implementation Committee
- Annex 4 Project Area



Project Organization Chart



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A List of Proposed Participants of Joint Coordination Meeting

1. Purpose

A JCM will be held at least the beginning of the project, the time of discussion for each report and whenever deemed necessary in order to fulfill the following functions:

- i. Approve work plan and review overall progress;
- ii. Discuss and approve the reports;
- iii. Conduct monitoring and evaluation of the Project; and
- iv. Exchange opinions on major issues arising during the implementation of the Project.

2. List of Participants

Philippines side

- i. NRO XI / Chair
- ii. NEDA-CO
- iii. City Government of Davao
- iv. Department of Public Works and Highways
- v. Department of Transportation
- vi. Department of Environment and Natural Resources
- vii. Department of Finance
- viii. Others as may be deemed necessary

Japan side

JICA Philippines Office
JICA missions

The chair may invite necessary representatives of relevant departments, relevant organizations, and other than indicated above.



A List of Proposed Participants of Project Implementation Committee

1. Purpose

The PIC will convene at least the beginning of the project, the time of discussion for each report and whenever deemed necessary in order to fulfill the following functions:

- i. Approve work plan and review overall progress;
- ii. Discuss and approve the reports;
- iii. Conduct monitoring and evaluation of the Project; and
- iv. Exchange opinions on major issues arising during the implementation of the Project.

2. List of Participants

Philippines side

- i. NRO XI / Chair
- ii. City Government of Davao
- iii. Regional Office of Department of Public Works and Highways
- iv. Regional Office of Department of Environment and Natural Resources
- v. Chairperson of the Department of Transportation Regional Management Committee
- vi. Davao City Water District
- vii. Others as may be deemed necessary

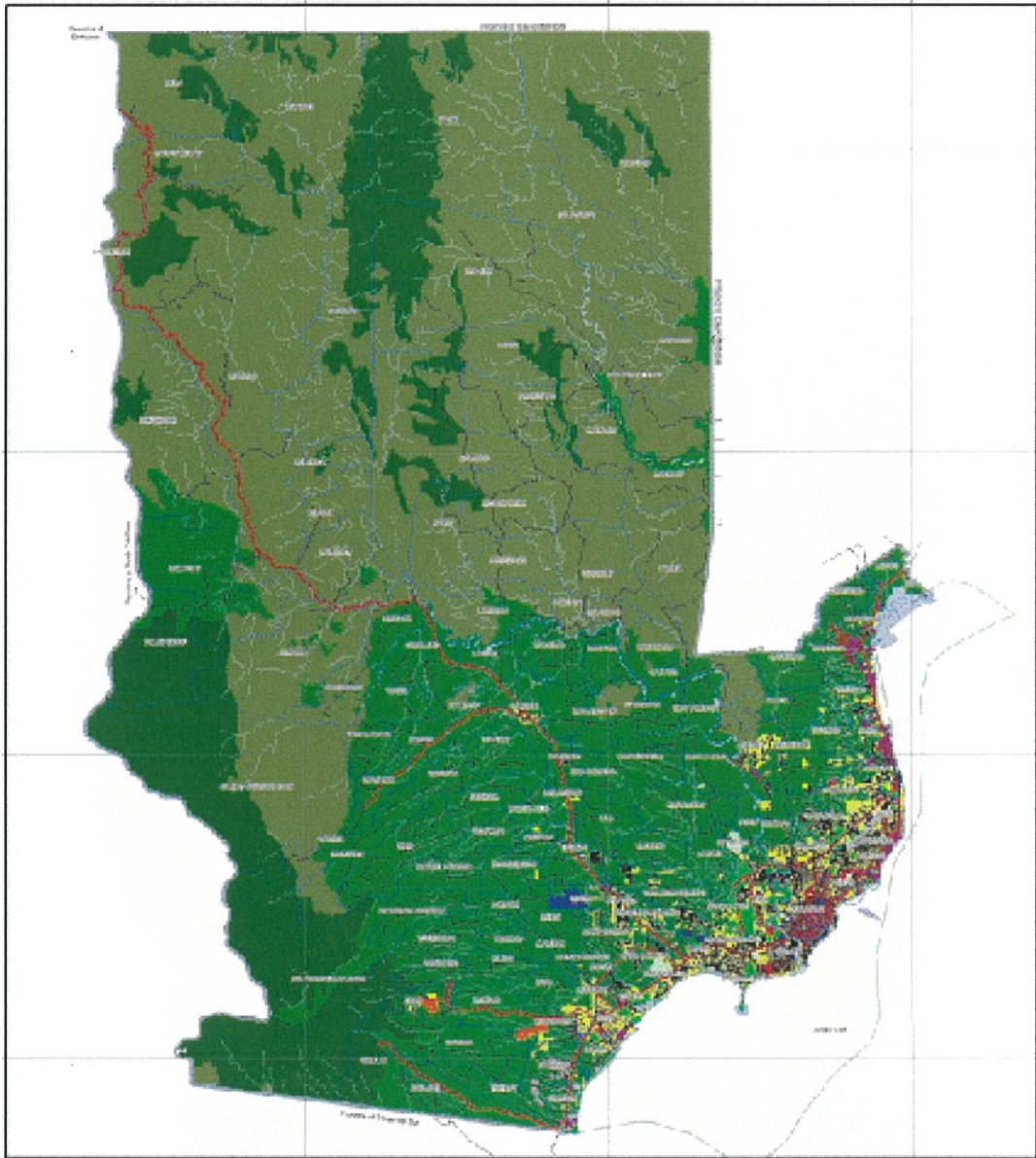
Japan side

JICA Philippines Office
JICA missions

The chair may invite necessary representatives of relevant departments, relevant organizations, and other than indicated above.



Project Area



Davao City
Existing Land Use Map (2011)

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