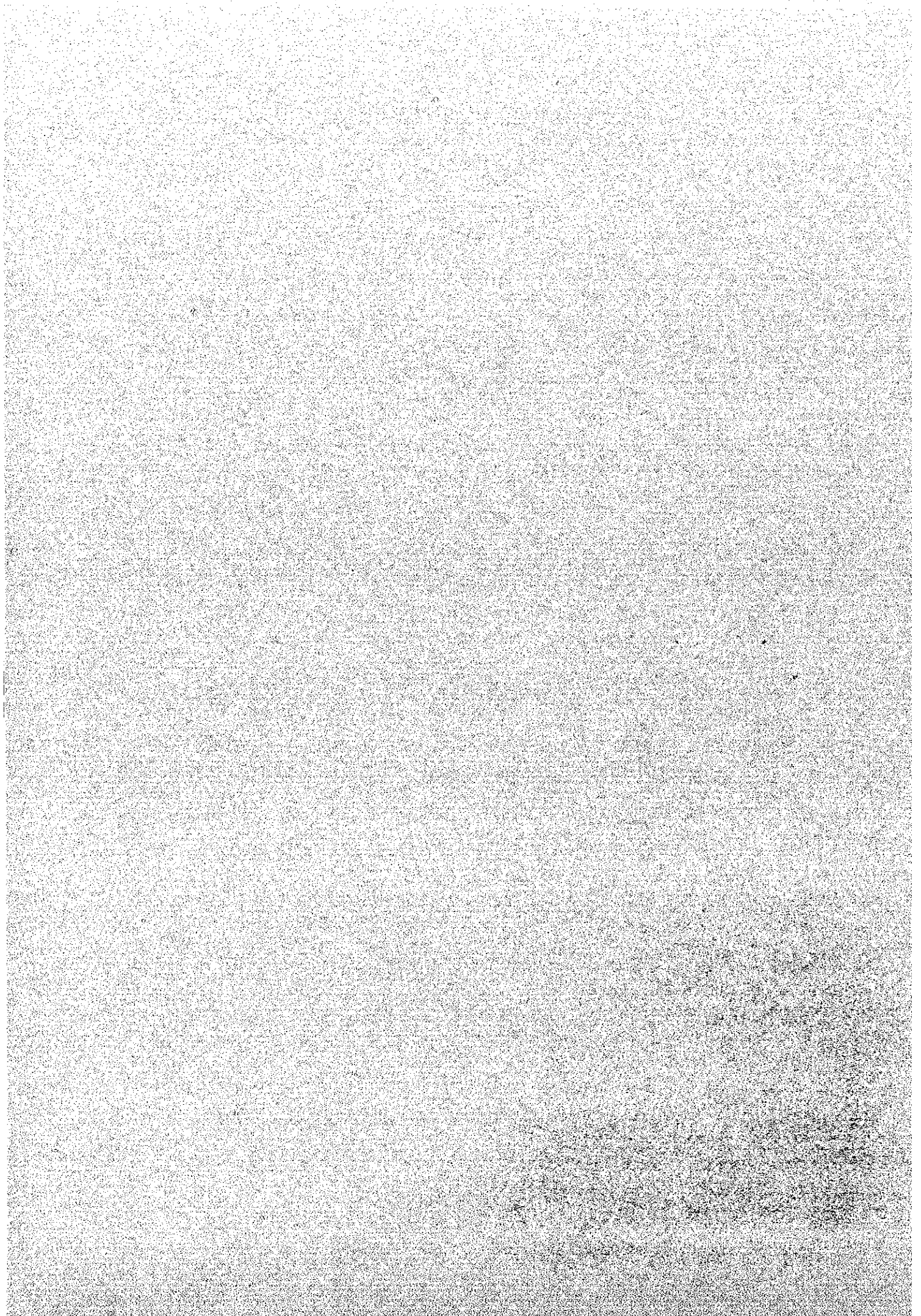


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*Chapter 7*  
*DIDP Operations Plan*

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## **7. DIDP Operations Plan**

### **7.1. Institutional Arrangements for DIDP Implementation**

#### **7.1.1. Conditions for DIDP implementation**

Continued priority policy and commitment by the Government for Mindanao will be an essential condition for the DIDP Area development in order to fill in the existing infrastructure gaps as well as to maintain peace and order. During the initial stage of the Master Plan implementation, therefore, greater bulk of development projects and programs proposed by the Master Plan will be implemented by relevant government agencies within the framework of existing development administration outlined in Section 4.4. At the same time, capacities of LGUs will continue to be enhanced for development planning, implementation and management. This can be accomplished most effectively through planning and implementation of increasing number of projects in various sectors with the local initiative. This will call for the mobilization of more local resources in the public and the private sectors. Projects to be implemented by government agencies and LGUs need to be coordinated to ensure effective realization of the DIDP Area development objectives established by the Master Plan.

In view of the above, the following conditions need to be satisfied by institutional arrangements for the DIDP Area development:

- 1) Planning and coordinating functions need to be strengthened at local and regional levels;
- 2) New funding mechanism should be devised to increase regional fund mobilization in a significant way;
- 3) Enhanced and more substantive people's participation should be institutionalized;
- 4) The private sector should be encouraged to participate actively in the DIDP Area development not only for a wider range of development activities but also for development management; and
- 5) Government priority policy and commitment should be reflected in the new institutional arrangements in the forms of necessary authorization, approval and initial funding.

#### **7.1.2. Institutional measures for DIDP Area development**

Institutional measures for the DIDP Area development are proposed to satisfy the conditions specified above. They include mechanism to strengthen the planning and coordinating functions, possible schemes to increase fund mobilization for the development, a new approach to effect bottom-up planning with people's participation, and the development management by public-private partnership. Necessary government supports are also mentioned.

##### **(1) Planning and coordination with DIDP PMO**

The planning and coordinating functions at local levels can be strengthened most effectively, given the limited manpower resources, by pooling expertises at a proper regional level to provide technical supports and guidance to all the LGUs. This is

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exactly the way the DIDP Project Management Office (PMO) is placed for the conduct of the DIDP Master Plan Study. Such a position, however, needs to be institutionalized by some legislative measures to create a permanent management office.

PMO should be supported by capital contribution by member-LGUs, authority for project coordination to be entrusted by provincial governors and city mayors, and staff seconded from the provincial/city governments. Initially, the project coordination authority may be limited to infrastructure projects implemented by LGUs using their IRA allocations and some inter-provincial projects requiring coordination among LGUs.

The PMO capacities may be expanded by participation of the private sector. Initially, PMO may employ a limited number of consultants for database development, project preparation and fund sourcing among other tasks. PMO will have an increasing number of private sector staff. The private sector should also be invited to make capital contributions through bond floatation or other means.

The planning and coordination functions at the regional level may continue to be provided by NEDA Region XI initially within the existing development administration, in cooperation with DIDP PMO, until PMO is much strengthened. For PMO to perform these functions subsequently, two conditions may be essential. First, PMO should have adequate authority for project approval to be delegated by provincial governors and city mayors and to be endorsed by the RDC chairman in order to ensure that projects to be implemented by government agencies and inter-provincial projects will be in line with the Master Plan objectives and strategy. Second, PMO should have some discretionary fund that can be used as counterpart fund for such projects.

## **(2) Fund mobilization**

There are many possible ways to increase fund mobilization for the DIDP Area development. Of utmost importance, however, is for LGUs to increase their financial capacity through improving property assessment and tax collection systems as well as to improve their financial management.

LGUs in coordination with DIDP PMO should make efforts also to utilize more effectively transfers from the Central Government, ensuring coordinated implementation of related local projects or project components by different agencies. One way for this is to open a common fund account for all related local projects through which proper disbursement would be made consistently without delays or duplications. Initiation of such inter-agency, multi-sector projects and fund management for their implementation through coordination are also expected functions of DIDP PMO in the future.

The 1991 LGC allows LGUs to make direct access to grant-in-aid assistance by international aid organizations, and to become executing agencies for such aid projects. LGUs should make wise use of this option, where access by many LGUs may be coordinated by DIDP PMO.

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Use of ODA concessionary loans by LGUs is currently constrained by extremely high on-lending interests, whether LGUs borrow the funds through the Land Bank or the Municipal Development Fund (MDF). In the case of two-step loans by MDF, LGUs should make a strong point that a "grant element" upto the maximum of 50% should be applied particularly for those projects related to environmental improvement and social development in rural areas involving IP communities. Also, restructuring of the MDF may be pursued.

In the case of two-step loans from the Land Bank, related projects should be packaged to avoid a piecemeal approach that may result in higher management costs and inflexibility in operation. This approach may apply particularly to projects related to PAICs and RAIC, which may include such measures as small scale loans to farmers, technical support services for small scale venture business, and technology infusion and support services.

LGUs can also borrow from domestic and foreign financing institutions, float bonds in domestic and international markets, promote various BOT schemes, and enter into a joint venture with the private sector. These options should be made to be known widely and their arrangements facilitated also by DIDP PMO.

As described above, it is recommended that DIDP PMO should have some discretionary fund that can be used as counterpart fund for projects to be implemented by LGUs. In addition to the capital contribution by member LGUs, it is highly desirable that the Government would make initial contributions as part of legislative procedure to institutionalize DIDP PMO in the form either of capitalization or block grants.

### **(3) People's participation**

Enhanced and more substantive people's participation is an essential condition to strengthen the development planning and administration at LGU levels. The participation should be institutionalized by effecting the Minimum Basic Needs (MBN) approach with more active participation of NGOs/POs.

First, the completion of the MBN survey should be expedited by tapping ample experiences of NGOs in rapid appraisal and other participatory methods. Then, the bottom-up planning by the MBN approach should be institutionalized in steps. Capacities of LGU personnel will be enhanced initially through the conduct of the MBN survey in cooperation with NGOs/POs, and then through local development planning to be conducted based on the survey. Implementation of programs responding to needs identified by the survey will be monitored by using a community databoard to be installed, and monitored results will be fed back to the planning process.

Another main area where active people's participation can contribute to the strengthening of development planning and administration at LGU levels is environmental management. In particular, for more effective conduct of environmental impact assessment (EIA), extensive public hearings and discussions to determine social acceptability of development projects would be indispensable with NGO/PO participation and disclosure of all the relevant information.

More substantial NGO/PO participation at LGU levels should be realized for the delivery of social services. In particular, health services have been suffering from

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reduced budget and manpower availability after the devolution. Wider application of community-based health financing and delivery schemes already implemented in small scale with varying success is indispensable.

**(4) Development management by public-private partnership**

As a means to expand the roles of the private sector in the DIDP Area development significantly, a corporate type entity for development management should be experimented and extended in steps. It could be a financing agency for private development activities (i.e. finance corporation), but it would better be an implementing agency (i.e. development corporation) to undertake major development activities including some infrastructure projects.

The corporation should not in any way be a substitute for DIDP PMO in the future, as the main function of the latter is coordination of public sector projects, which is difficult to perform by a corporate entity. Rather, it should take charge of some designated area within the DIDP Area. Core zones of any PAICs, the Samal Island eco-tourism zone, new town or urban renewal areas may be candidates for their jurisdictions.

For coordinated and coherent development, the corporation will first prepare a master plan for the designated area in line with the DIDP Master Plan for approval by the DIDP Board. The corporation will further prepare within the master plan, a land use plan, an infrastructure development plan, and urban design guidelines for individual developments within the area. It may then sell some plots of land to other developers, which will be developed according to the urban design guidelines. It may make a capital contribution to establish a company to develop some plots or facilities. It may engage in a joint venture with the public sector as well.

More development corporations may be established to take charge of different areas. More successful ones may be fully privatized in the subsequent stage.

**7.1.3. Initial development**

**(1) DIDP PMO**

The institutional measures described above would call for relatively minor modifications of the existing development administration initially. The only major change will be the re-establishment of DIDP-PMO as a permanent management office by some legislative actions. It should take the main responsibility for planning and coordination at the local level entrusted by provincial governors and city mayors. At the regional level, PMO should work closely with NEDA XI to coordinate inter-provincial and inter-agency projects within the DIDP Area.

To expand its capacities effectively, DIDP PMO should also be an implementing agency for particular types of projects to be planned and implemented by the local initiative. These projects are relatively small livelihood development projects implemented in cooperation with LGUs and NGOs, and environmental improvement and social development projects. Grant-in-aid assistance should be mobilized by direct access to international aid organizations for some of these projects as well as other survey and planning projects to follow up the DIDP Master Planning.

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As PMO accumulates experiences and expands its staff and financial capacity, it is expected to evolve into a genuine regional development authority supported by much strengthened LGUs and the private sector. It may be called the Davao Development Authority (DDA).

During this transitional period before the establishment of DDA, every effort should be made to expand administrative and financial capacity of LGUs and in turn, of DIDP PMO. This may be realized most effectively through planning and implementation of increasing number of projects with the LGU initiative. DIDP PMO should work closely with LGUs to utilize all the options for development fund mobilization as described above.

## **(2) Davao Investment and Development Corporation**

In parallel with the re-establishment and strengthening of DIDP PMO, a corporate type entity should be initiated to take charge of a smaller designated area within the DIDP Area. It may be called the Davao Investment and Development Corporation (DIDC).

It will be a "joint stock company" with relevant LGUs and the private sector holding shares. DIDP PMO or DDA may also subscribe to the Corporation's shares. This will effectively introduce a cross-subsidization mechanism, by which part of revenues of DIDC may be used to support non-revenue generating social and environmental projects to be implemented by DIDP PMO or DDA.

DIDC must be involved in revenue generating projects either by itself or with the private business entities to make its operation sustainable. Establishment of "ownership" for any such projects is the key for DIDC's identity.

Land development projects may be a natural choice for DIDP's ownership and identity, as the relevant LGUs and private land owners may make their contributions in kind in the form of their lands. To support DIDP's activities, land-related institutional measures should be introduced or streamlined. They include the following:

- 1) land re-adjustment system to make a sizeable land available for urban renewal without paying massive costs for land acquisition;
- 2) trust system based on land ownership and/or land use rights;
- 3) new local taxes to capture capital gains as a result of land and infrastructure development such as property tax and urban planning tax; and
- 4) new type of bond pegged to a development program such as a housing development bond.

## **(3) Alternatives for DIDP organizational structure**

More than a few alternatives are conceived for organizational structure to support the DIDP Area development. They are summarized in Table 7.1 with advantages and disadvantages of each. A few of them have predecessors in other regions, and a few others do not. Most predecessors are effectively central organizations attached to the Government such as the CALABARZON Council under DTI, the Presidential Commission for Central Luzon Growth Corridor, and the SOSKSARGEN Area Development Project Office under DA.

Table 7-1 Alternatives for DIDP Organization Structure

No.	Option	Basic Features	Advantages	Disadvantages	Models
1	DIDP Council	<p>Council-type organization with the council as policy-making body and a project management office as executing body.</p> <p>Funding comes from the contribution of various participating LGUs and agencies</p> <p>Basically, functions include coordinating and monitoring projects and programs within the area, project/investment promotion</p>	<p>Relatively easier and faster to establish since this can be created by an RDC-XI resolution</p> <p>Implementation of the master plan is good reason to create the council</p>	<p>Unstable. Existence is likely to be threatened by leadership turn over created by elections.</p> <p>Difficulty of securing funds for the operation and maintenance of the organization</p>	<p>CALABARZON Council</p> <p>Metro Cebu Development Council</p>
2	Davao Gulf Area Development Project Office	<p>Office created by an executive order (EO) of the President</p> <p>Funding comes from the national government integrated with the larger agency's budget to which the office will be attached which also provides direct supervision</p> <p>Commission or board as policy making body and an area development project office as executing body</p>	<p>More stable organizational structure</p> <p>Assurance of funding</p>	<p>Difficulty of ensuring a balanced development due to the bias of the agency to which it is attached</p>	<p>SOSKSARGEN Area Development Project Office</p> <p>PC-CLGC</p>
3	Davao Integrated Development Authority	<p>Created by congress through a legislation</p> <p>Independent or attached agency with very minimal supervision</p> <p>Mandate, powers and functions defined as created</p>	<p>Assurance to funding from General Appropriation Act</p> <p>Very stable organization structure</p>	<p>Undergoes a tedious and meticulous process</p> <p>Presence of SPDA is a key issue against its approval</p> <p>Proposal to create the Mindanao Development Authority poses a competition with the DIDA proposal</p>	<p>MMDA</p> <p>CDC, SBMA</p>
4	DIDP under SPDA	<p>DIDP is a program implemented by SPDA which may be placed under a particular unit such as a division</p>	<p>Can easily fit in the organizational of SPDA since DIDP Area is within the SPDA Area. Likewise, the mandate of SPDA is similar to DIDP.</p>	<p>Requires adoption of the Masterplan by and reorganization of the SPDA; cultural minority bias of the agency</p>	None
5	DIDP under MEDCO	<p>One unit of the MEDCO secretariat</p>		<p>Present organization does not fit integration of DIDP, thus requires reorganization of MEDCO</p> <p>DIDP may not be the focus of MEDCO</p>	None
6	Davao Investment and Development Corporation through capitalization by LGUs	<p>Created under General Corporation Law</p> <p>Require initial government capitalization</p>	<p>Relatively easy to establish through SEC registration</p> <p>Less politicized</p> <p>Bring management flexibility due to corporate nature</p>	<p>Difficulty in sourcing private sector funds due to lack of track record</p> <p>Difficulty in coordinating public projects of line agencies</p>	None

Source: JICA Study Team



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An alternative is a development authority to be created by congressional actions as an independent or attached agency with minimal supervision. MMA, CDC, or SBMA may provide a model depending on the degree of independence or the extent of supervision by any central agency.

The unique characteristics of the DIDP supported at present by a voluntary alliance of LGUs may justify experimentation of a new organizational structure not seen in any region in the Philippines. It should be based primarily on LGUs and local interests/supports. DDA and DIDC as proposed above represent this type of organizational structure. Even in this case, supports by the Government should be sought in the forms of authorization, approval and initial funding.

#### **7.1.4. Davao Development Authority**

DDA proposed here is not a central authority to be established by congressional actions. To clarify its characteristics, functions, organization, local support structure and staffing of DDA are outlined.

##### **(1) Functions**

There are several management functions that need to be fulfilled by DDA as a full status regional development authority. The following functions relate directly to the public sector management of resource allocation:

- 1) to prepare, update and modify the DIDP Master Plan occasionally with a long-term vision and Area-wide perspective, incorporating also local development plans,
- 2) to provide technical guidance and supports to LGUs in development planning,
- 3) to initiate inter-provincial, inter-agency projects in coordination with relevant LGUs and government agencies,
- 4) to coordinate the implementation of inter-provincial, inter-agency projects with fund management,
- 5) to assist LGUs and NGOs in fund sourcing for domestic and foreign funds,
- 6) to plan and implement various livelihood development projects in cooperation with LGUs and NGOs,
- 7) to assist accredited NGOs in making arrangements with implementing agencies for implementation of livelihood development components of various projects, and
- 8) to monitor and evaluate implementation and performance of development projects in cooperation with LGUs and NGOs.

Additional functions to guide and support private sector activities are as follows:

- 9) to provide guidance and administrative services for private investors,
- 10) to assist in financial and organizational arrangements for private investors,
- 11) to provide technical assistance for project development, including environmental protection and EIA by private business, and
- 12) to assist in marketing of project output.

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The following are common functions to support both public and private sector activities:

13) to conduct social marketing of the DIDP in cooperation with NGOs and cultivate public acceptance,

14) to conduct database development and management, and

15) to undertake some basic studies to generate additional management information.

**(2) Organization**

DDA should operate under the supervision of the Board of Directors. Board membership should include chief executives of LGUs and also regional directors of relevant government agencies to ensure the commitment of the latter to the DIDP. It is recommended that 25% representation by accredited NGOs/POs be pursued for the DIDP Board in the future in line with the Local Government Code of 1991. Chairmanship should be assumed by one of chief executives of LGUs.

DDA should have the following four basic divisions, as well as administrative and personnel sections, at the time of its inception: Program and Investment Division, Development and Planning Division, Monitoring and Evaluation Division, and Communications Division. The database management will be undertaken by the Development and Planning Division. Other divisions may also be justified such as PAIC/RAIC Support Division and Land Acquisition and Legal Affairs Division.

**(3) Local support structure**

An alternative to the NGO/PO representation in the DIDP Board as mentioned above is to establish a parallel structure for NGOs/POs to oversee and collaborate with the public sector initiative. It is logical to expect such a structure be built on the NGO-PO consortium led by ASDAR involved in the DIDP Master Planning.

Functions of the NGO-PO consortium should be complementary to those of DDA, the main ones relating to the outreach of services delivery to areas not reached by LGUs nor DDA. The consortium may be instrumental for social marketing of the DIDP Master Plan in the initial stage. It should be engaged increasingly in technical studies of development projects including EIA, implementation of people organizing, training and other components of any project/program, and monitoring and evaluation.

Local business communities may also be represented in the DIDP Board. Alternatively, a Local Advisory Board may be established by the private sector to support the policy decision by the Board.

**(4) Staffing**

The head of DDA may be called the Managing Director, and drawn from either the public or the private sector. It is a full time position to be assumed by a senior regional planner or the like, who would be willing to make this position a main part of his/her career. Initially, he/she may also assume the directorship of the Development and Planning Division to provide the stronger leadership necessary for these functions as well as to minimize staff requirements. Three more senior staff will be appointed to head the other divisions. Desirable qualifications include financial analysis for the Program and Investment Division, environmental

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management for the Monitoring and Evaluation Division, and social considerations for the Communications Division. Other staff may be drawn from related LGUs or the private sector. A GIS expert is highly recommendable for database development and management.

## **7.2. Action Plan**

Activities to be undertaken subsequent to the completion of the Master Plan for the DIDP Area development are (1) adoption and promotion of the Master Plan, (2) restructuring/strengthening of implementing arrangements centering around DIDP PMO, and (3) further development of individual projects and programs and implementation of identified priority projects. Those activities are described.

### **7.2.1. Master Plan adoption and promotion**

The bulk of development projects and programs proposed by the Master Plan can be implemented or further developed within the competence and policies of relevant sector agencies. However, the coordination of various development efforts by many agencies and timely implementation of anchor projects will have to be ensured. For this purpose, Master Plan proposals will have to be discussed among related agencies to resolve, sector concerns and conflicts, and the Master Plan should be formally adopted at RDC XI, if necessary with addenda. DIDP PMO should work closely with NEDA XI in this coordination and conflict resolution process. Further, to facilitate the Master Plan promotion and implementation under the re-structured institutional arrangements as discussed in the next section, it is desirable that the Master Plan should be endorsed by NEDA.

In parallel with these procedures the Master Plan proposals should be disseminated widely to facilitate implementation through further cultivating public acceptance. The following will be particularly effective:

- 1) implementation of orientation seminars to convey the Master Plan proposals to a wide range of people such as politicians, local government officials, NGO's, environmentalists and researchers as well as general public,
- 2) preparation of publicity materials such as brochures in addition to the video already prepared,
- 3) drafting of promotion materials for selected priority projects/programs.
- 4) launching of a series of local TV programs combining video presentation, plan schematics and commentaries by various people, and
- 5) organization of international donors meetings and investment promotion seminars by public-private cooperation.

Considering that the Master Plan has been prepared by effecting substantively participatory mechanisms through many consultative workshops and cooperation with the NGO-PO consortium, further cultivation of public acceptance is quite meaningful especially at the grassroots level. The NGO-PO may be mobilized and cooperate with DIDP PMO for social marketing of the DIDP Master Plan.

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### **7.2.2. Restructuring/strengthening of implementing arrangements**

Implementing arrangements for the DIDP should be re-structured/strengthened, centering around DIDP PMO. As proposed in the previous chapter, DIDP PMO is expected to be re-established by some legislature measures. It should become a permanent management office and a legal entity, although a specific form depends on socio-political factors. The re-structuring may involve re-definition of the DIDP Board possibly with enlarged membership to enhance transparency and accountability. Local support structure may also be established based on NGOs/POs and the business community.

Irrespective of the specific form, the re-structuring should be supported by the following:

- 1) the Master Plan formally adopted by RDC XI and endorsed by NEDA,
- 2) local supports manifested by local communities, the NGO-PO consortium and the business sector through the social marketing of the Master Plan, and
- 3) commitment of the member LGUs embodied in a formal document.

These will provide a strong base to call for substantive supports of the Government in the form of capitalization or provision of seed fund as well as formal recognition and authorization for the implementing arrangements.

### **7.2.3. Project development and implementation**

Many projects and programs proposed by the Master Plan are expected to be initiated or further developed during Phase 1 by relevant sector agencies. Coordinated implementation of various projects by many agencies should be ensured by the established planning and coordinating mechanism guided effectively by the Master Plan.

For inter-agency and inter-provincial projects as well as local projects, DIDP PMO should coordinate with LGUs and government agencies for further project development. For this purpose, a consultative workshop should be convened to select projects to be implemented in the nearest future. For each selected project, roles of various actors should be clarified, including LGUs, NGOs/POs, government agency regional offices, and the private sector. For those projects to be implemented by the LGU initiative, local financing should be clarified. Projects to be supported by international aid organizations should also be selected, and lead agencies identified.

#### **(1) Anchor projects**

Immediate actions to be taken for all the anchor projects are summarized in Table 7.2. Some projects are ready for continual implementation either as already planned by respective implementing agencies or following priority established by the Master Plan. They are:

- (EC-1) Small Irrigation Development (identified priority schemes),
- (IN-1) Inter-Regional Roads Upgrading (by identified road section),
- (IN-6) Davao Port Development (improvement of existing facilities),
- (IN-8) Davao International Airport Development (on-going first phase), and

**Table 7.2 Immediate Actions to be Taken for Anchor Projects**

No.	Project/Program	Immediate Actions
(EC-1)	Small Irrigation Development	• Implementation of identified priority schemes; study to identify more schemes
(EC-2)	Commercial Farms Convert ARBs Support	• Identification of subject ARBs by LGUs in cooperation with DAR followed by I/P preparation
(EC-3)	Abaca Industry Revitalization	• I/P preparation by FIDA and identification of abaca expansion area by LGUs
(EC-14)	Fisherfolks Livelihood Enhancement	• F/S by a consortium of NGOs in cooperation with LGUs and RFTC or the private sector
(EC-24)	Integrated SMEs IE Development	• F/S by PAIC alliances or the private sector
(SO-1)	Poverty Alleviation and Community Transformation	• I/P preparation by DSWD in cooperation with NGOs and LGUs
(SO-6)	Special Indigenous People's Education	• I/P preparation by DECS XI in cooperation with NGOs and NCIP XI
(SO-10)	Common Service Laboratory Facilities Development	• Preparation of I/P and aid proposal by the HEIs and CHED
(SO-19)	Regional Skills Training Center	• F/S by TESDA XI
(SO-21)	Hospital Services Delivery System Improvement	• Project design and budgeting for high priority hospital improvement
(SO-22)	Health Financing	• I/P preparation by LGUs and PHIs
(EN-1)	LGU Environmental Capacity Building	• I/P preparation by DENR and DILG
(EN-8)	Comprehensive CADC-Forest Management	• Setting up of task force to prepare ADMP
(EN-10)	Integrated Watershed Management	• Organization of basin council and F/S of multi-purpose dams
(EN-11)	Upland Farming Model Villages Establishment	• Identification of model villages by LGUs in cooperation with NGOs and DENR
(EN-12)	Comprehensive Davao Gulf Management	• Restructuring of DGMB
(EN-15)	Davao City Integrated Waste Management System Development	• Establishment of new sanitary landfill site and F/S.
(IN-1)	Inter-Regional Roads Upgrading	• Continual implementation
(IN-5)	Special Purpose Roads Improvement	• F/S on identified road sections
(IN-6)	Davao Port Development	• Continual implementation and F/S on new container port
(IN-8)	Davao International Airport Development	• Continual implementation of phase 1
(IN-15)	Rural Electrification and Renewable Energy	• Establishment of renewable energy council; F/S on solar energy development
(IN-18)	SWIM Expansion	• F/S on identified schemes by LGUs
(IN-27)	PAIC Support Infrastructure	• I/P preparation by project packaging by PAIC alliances
(GO-1)	MBN-based Bottom-up Planning System Establishment	• MBN survey by LGUs and NGOs
(EC-22)	BIMP-EAGA Construction Materials Merchandizing Center	• No action during Phase I other than continual dialogues between member countries
(EC-29)	EIMP-EAGA R & D Triad Linkage	• -ditto-

Source: JICA Study Team

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(GO-1) MBN-based Bottom-up Planning System Establishment (continual implementation of the MBN survey).

For some projects, priority schemes/areas need to be identified first by LGUs in cooperation with relevant government agencies, respectively. They are:

- (EC-2) Commercial Farms Convert ARBs Support Program (subject ARBs),
- (EC-3) Abaca Industry Re-vitalization (abaca expansion areas),
- (EN-11) Upland Farming Model Villages Establishment (model villages), and
- (IN-5) Special Purpose Roads Improvement (priority road sections).

A feasibility study needs to be carried out first for the following projects by relevant entitles, respectively:

- (EC-14) Fisherfolks Livelihood Enhancement Program (by a consortium of NGOs in cooperation with LGUs and RFTC),
- (EC-24) Integrated SMEs IE Development Program (by PAIC alliances or the private sector),
- (SO-19) Regional Skills Training Center (by TESDA XI),
- (ED-10) Integrated Watershed Management Program (for multi-purpose dams by NIA, DPWH and LGUs),
- (EN-15) Davao City Integrated Waste Management System Development (by City government), and
- (IN-18) SWIM Expansion (by LGUs).

The following projects/programs are more focused with well defined components, and thus designated implementing agencies may prepare implementation programs of their own to seek external assistance and/or budget their initial implementation:

- (SO-1) Poverty Alleviation and Community Transformation (DSWD),
- (SO-6) Special Indigenous People's Education (DECS XI)
- (SO-10) Common Services Laboratory Facilities Development (CHED),
- (SO-21) Hospital Services Delivery System Improvement (LGUs, hospitals),
- (SO-22) Health Financing Program (LGUs),
- (EN-1) LGU Environmental Capacity Building Program (LGUs), and
- (IN-27) PAIC Support Infrastructure Program (PAIC alliances).

For the following projects, implementing arrangements need to be established or restructured:

- (EN-8) Comprehensive CADC-Forest Management Program (task forces),
- (EN-10) Integrated Watershed Management Program (basin counsils),
- (EN-12) Comprehensive Davao Gulf Management Program (DGMB), and
- (IN-15) Rural Electrification and Renewable Energy Program (renewable energy council).

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**(2) Special program**

The special program for participatory development should be implemented in the nearest future. Some projects may be further developed by extending the efforts during the master planning, involving concerned local communities and NGOs supported by respective LGUs.

**(3) Sector projects**

Most sector projects and programs are expected to be implemented by relevant sector agencies. For most of them, further project development including feasibility studies and design can also be conducted by the sector agencies. Prioritization of sector projects and programs should be guided by the DIDP Master Plan.

The LGU initiative is important for early implementation of the following projects and programs.

**Economic development**

(EC-6) Herbal Plants Multiplication and Dissemination, and

(EC-13) Agricultural Potentials Survey.

**Social development**

(SO-3) Crisis Intervention/Holding Center,

(SO-4) Productivity Skills and Capacity-Building Center,

(SO-17) Tagum City TVET Program,

(SO-23) Compostela Valley Provincial Hospital Construction,

(SO-24) Emergency Medical Care System Establishment,

(SO-25) Primary Health Care Improvement,

(SO-28) Integrated Health Resources Management Program, and

(SO-29) Child Health Care Program.

**Environmental development**

(EN-4) Broad-based Environmental Management and Dissemination Program,

(EN-5) Urban Topographic Mapping,

(EN-6) Upgraded Regional Land Use Mapping,

(EN-9) Cadastre Mapping and Land Information System, and

(EN-22) Strategic Agricultural and Fishery Development Zone Promotion Program.

**Infrastructure development**

(IN-4) Rural and Farm-to-Market Road Program,

(IN-10) Urban Traffic Management Program,

(IN-11) Integrated Public Transportation Terminals Improvement,

(IN-21) Flash Flood Prevention Program,

(IN-25) Davao City Sewerage and Sanitation Development,

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- (IN-28) Service Urban Centers Strengthening,  
(IN-33) Davao City Greenery Development, and  
(IN-34) Davao Metropolitan Area Integrated Urban Development (study).

In case that external assistance is sought for any of these projects and programs, DIDP PMO should cooperate with the concerned LGUs to coordinate their applications either directly or through relevant government agencies.

Sector projects include some projects for which active participation of the private sector is expected. Their inclusion in the Master Plan signifies that they are in line with the vision and the scenario for the DIDP Area development. Most of them have some innovative nature, and strong support of DIDP PMO is expected for their promotion. They are the following.

Economic development

- (EC-19) Mineral Processing Zone,  
(EC-20) Jewelry Making Industry Development Program,  
(EC-21) Safety and Sustainable Mining Community Development Program,  
(EC-26) Industrial Community Development  
(EC-31) Davao Trade Business Center, and  
(EC-32) Davao Trade Corporation.

Social development

- (SO-9) Association of HEIs Establishment,  
(SO-11) Multi-resource Library Networking,  
(SO-12) Pro-Disadvantaged Scholarship Program,  
(SO-13) Basic and Teacher Education System Evaluation,  
(SO-16) Triad Labor Market Information System, and  
(SO-20) Project Best.

Infrastructure development

- (IN-7) Rapid Passenger Ferry Service Establishment,  
(IN-13) Davao Metropolitan Area Light Rail Transit,  
(IN-17) Eco-Energy Park,  
(IN-29) Comprehensive Housing Program,  
(IN-30) Samal Island Integrated Area Development,  
(IN-31) Sta. Ana, Bolton and Davao River Waterfront Development, and  
(IN-32) New Towns Development.

For some projects in the infrastructure development sector, it is recommendable that external assistance should be sought in the near future for technical and/or financial supports. The following sector projects are priority for this:



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- (IN-2) Intra-Regional Roads Development (technical and financial aids),  
(IN-12) Davao City Urban Arterial Roads Development (technical and financial aids),  
(IN-13) Davao Metropolitan Area Light Rail Transit (technical assistance for F/S),  
(IN-14) Davao Urban Transportation Development (technical assistance for M/P).  
(IN-22) Davao City Water Supply System Development (financial aid),and  
(IN-30) Samal Island Integrated Area Development (technical assistance for M/P).

Of these projects, implementation by the private sector initiative is expected to follow for the Davao Metropolitan Area Light Rail Transit and the Samal Island Integrated Area Development.

**(4) Special DIDP promotion package**

While continued priority policy and commitment by the Government for Mindanao are expected to apply to the DIDP Area development, the stronger local initiative will be essential for the DIDP Master Plan implementation from the early stage. Given the limited financial and administrative capacities of the DIDP LGUs, the local initiative should be supported by external assistance both directly for the LGUs and through DIDP PMO.

For this purpose, a special DIDP promotion package may be implemented with the support of any donor agencies. The package may be called the DIDP Socio-Economic and Environmental Development Program or the DIDP SEED Program.

Objectives

The objectives of the DIDP SEED Program are:

- 1) To support the early implementation of the DIDP through promotion of the DIDP Master Plan including social marketing, packaging of projects, and coordination of development efforts by various actors;
- 2) To enhance the capabilities of LGUs and DIDP PMO for development planning and administration, focusing particularly on poverty alleviation, livelihood development, social services and environmental management; and
- 3) To facilitate the establishment of the MBN-based Bottom-Up Planning System.

Program activities

The DIDP SEED Program may comprise the following anchor projects proposed by the DIDP Master plan:

- (SO-1) Poverty Alleviation and Community Transformation Project,
- (EN-1) LGU Environmental Capacity Building Program, and
- (GO-1) MBN-based Bottom-up Planning System Establishment Project.

Profiles of these projects are contained in Project Report. Other related elements may also be included in the Program.

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### Beneficiaries

The DIDP SEED Program addresses needs of the poor, the disadvantaged and the socially-deprived, directly or indirectly. Through its implementation, LGU officials and staff of DIDP PMO will also benefit and expand/enhance their capacities for development management and planning.

### Implementation schedule

The DIDP SEED Program should be implemented over five years to ensure sufficient local base would be established with more empowered local people and enhanced local officials and staff. The program will be implemented in two phases. Phase 1 will be the period for institutionalization where implementing arrangements will be established with LGUs, DIDP PMO and NGOs, and trainings provided for program personnel and beneficiaries.

An evaluation of the initial phase will be conducted, and activities for Phase 2 planned in detail. Phase 2 will be for the full implementation of the three component projects as specified respectively. Post evaluation will be conducted at the end of the five year implementation period.

### Input

Input to the DIDP SEED Program expected from any donor agencies consists of dispatch of experts, provision of equipment and facilities, and counterpart training overseas. Technical expertises required may include the following.

For long term:

- Development management,
- Rural development,
- Community organizing, and
- Environmental management.

For short term:

- Infrastructure development (project packaging),
- Rural financing,
- Marketing and promotion,
- Tourism development, and
- Non-conventional/rural energy.







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