

Country Assistance Strategy (CAS) FY 2003-2005

The World Bank's mission is to help countries fight poverty. It carries out this mission by providing member countries with loans as well as policy advice, technical assistance and other non-lending services.

The World Bank's assistance to the Philippines is governed by a Country Assistance Strategy, or CAS. A Country Assistance Strategy identifies and specifies the development objectives and priorities for the member-country.

The Country Assistance Strategy for the Philippines FY 2003-2005 takes an integrated approach to development that balances economic, human and physical needs. Based on the Philippine government's longer-term vision and strategy, the CAS was developed in consultation with both government and

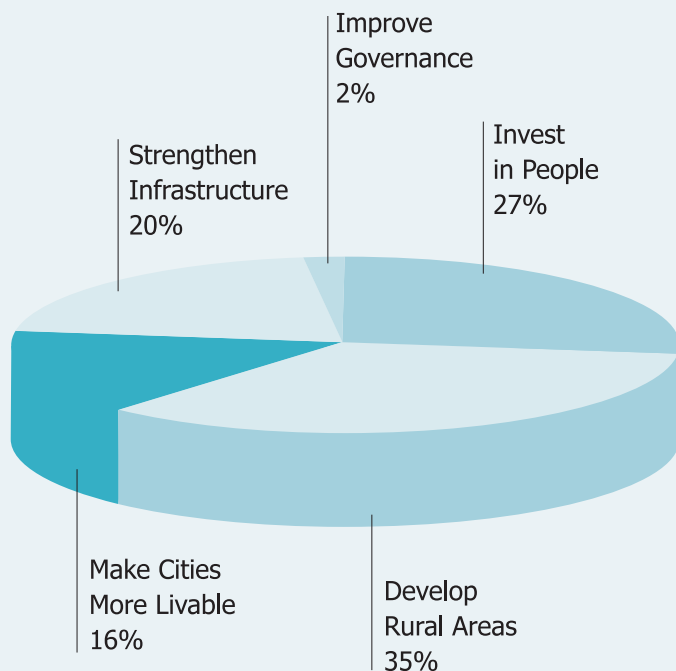
non-governmental stakeholders.

For FY 2003-2005, the World Bank Group's objective is to assist the Philippine government in reestablishing a pattern of rapid and sustained poverty reduction. This entails initiatives to accelerate growth and empower the poor. To hasten growth, the Bank Group will ensure that increased investment and productivity are firmly in place. To empower the poor, the World Bank will focus on a sustained program of: a) improving investment in education and health and ensuring access by the poor; b) efficient provision of basic services; c) increasing access to productive assets; d) strengthening the capacity of the poor to engage in local development activities; and e) initiating efforts to protect the environment and natural resources.

The World Bank Group, including the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC) and Multilateral Investment Guaranty Agency (MIGA) as well as the World Bank Institute, works closely together to support the CAS for the Philippines.



OVERVIEW OF THE WORLD BANK'S PHILIPPINE PORTFOLIO (as of July 2004)



23 Projects, 52% of which are for direct poverty reduction

- Net Commitment: \$1.158 Billion
- Disbursed Amount: \$467 Million
- Undisbursed Amount: \$693 Million

This overall strategy links to the four challenges under the government's Medium-Term Philippine Development Plan, which is currently being updated based on President Gloria Macapagal Arroyo's development priorities under her new term. The CAS addresses the following: (i) helping local governments deliver more efficient public services; (ii) providing assistance to realize the development potential of the conflict-affected region of Mindanao; (iii) ensuring environmental sustainability; and (iv) improving performance monitoring to measure economic growth and empowerment of the poor.

A new CAS is currently being developed in consultation with various groups of stakeholders. The new CAS will provide the framework for the Bank's assistance to the Philippines for FY 2006-2008.



The World Bank in the Philippines

SUMMARY OF ONGOING WORLD BANK-ASSISTED PROJECTS IN THE PHILIPPINES (as of July 2004)

	Net Commitment (in US\$)	Closing Date
INVEST IN PEOPLE		
Third Elementary Education Project (TEEP)	\$93.3M	June 2006
Early Childhood Development Project (ECD)	\$19M	December 2004
Second Social Expenditure Management Project (SEMP2)	\$100M	December 2005
KALAHI-Comprehensive and Integrated Delivery of Social Services Project (KALAHI-CIDSS)	\$100M	June 2009
DEVELOP RURAL AREAS		
Third Rural Finance Project (RF3)	\$150M	June 2005
Second Agrarian Reform Communities Project (ARCDP2)	\$50M	December 2007
Water Resources Development Project (WRDP)	\$41.7M	June 2005
Community-Based Resource Management Project (CBRMP)	\$38M	June 2006
ARMM Social Fund Project (ASFP)	\$33.6M	June 2008
Mindanao Rural Development Project (MRDP)	\$22M	December 2004
MRDP-Coastal Marine Project (GEF Grant)	\$1.3M	December 2005
Land Administration and Management Project (LAMP)	\$4.8M	December 2004
Diversified Farm Income and Market Development Project (DFIMDP)	\$60M	June 2009
MAKE CITIES MORE LIVABLE		
LGU Urban Water and Sanitation Project (LGUWSP)	\$30M	November 2006
Manila Second Sewerage Project (MSSP)	\$36.1M	December 2004
Water Districts Development Project (WDDP)	\$27.9M	December 2005
Ozone Depletion Substance Phase Out-Montreal Protocol Project (ODSSP)	\$30M	June 2010
Laguna de Bay Institutional Strengthening & Community Participation Project (LISCOP)	\$5M	January 2009
Local Government Finance and Development Project (LOGOFIND)	\$60M	June 2006
STRENGTHEN INFRASTRUCTURE		
Rural Power Project (RPP)	\$10M	December 2009
Supplemental Project to the Rural Power Project	\$9M	December 2009
Metro Manila Urban Transport Integration Project (MMURTRIP)	\$60M	March 2007
MMURTRIP- Bicycle Network Demonstration Pilot (GEF Grant)	\$1.3M	March 2007
National Roads Improvement and Management Project (NRIMP)	\$150M	June 2005
IMPROVE GOVERNANCE		
Judicial Reform Support Project (JRSP)	\$21.9M	December 2009

PROPOSED WORLD BANK-ASSISTED PROJECTS IN THE PHILIPPINES (FY05)

SECOND WOMEN'S HEALTH AND SAFE MOTHERHOOD PROJECT

The project aims to:

- 1) increase the access of disadvantaged women of reproductive age in selected project sites to acceptable, high quality and cost-effective reproductive health services and enable them to safely attain their desired spacing and number of children.
- 2) assist in the development and implementation of sustainable and replicable systems within the framework of the Health Sector Reform Agenda for financing and delivery of reproductive health services.

Net Commitment: US\$30.0 Million

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LAND ADMINISTRATION AND MANAGEMENT PROJECT II

The purpose of the project is to:

- (i) improve land tenure security and land administration service delivery through the development of an efficient, transparent, and sustainable land titling and administration system;
- (ii) increase government revenues from land related taxes and fees.

Net Commitment: US\$32.7 Million

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RIVER BASIN AND WATERSHED MANAGEMENT PROJECT

The objectives of the project are: (i) in a pilot basin, Bicol; (a) engage communities in development activities supporting increased economic and agricultural production and rural incomes, improved service facilities, and

sustainable management of the resource base; and (b) pilot comprehensive water resources planning and management; and (ii) at the national level, start developing capacity for integrated water resources management and future investments for the two most water stressed cities of Manila and Cebu through the preparation of water resources management action plans by two Task Forces.

Net Commitment: US\$21.6 Million

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MANILA THIRD SEWERAGE PROJECT

The main project development objective is to improve and expand sewerage and sanitation services in the East Zone concession of the MWSS service area by providing cost-effective investments. The project is expected to reduce the further pollution of Pasig River, Manila Bay, Laguna Lake and other tributaries in and around Metro Manila. The project is also expected to have a significant impact on improving the living conditions of mostly low-income urban poor who live in densely populated areas and along inland waterways.

Net Commitment: US\$64.0 Million

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SECOND MINDANAO RURAL DEVELOPMENT PROJECT

The second phase of a targeted poverty reduction program in Mindanao funded through an Adaptable Program Loan—a phased support for a long-term development program designed to build on lessons from one phase to the next. The project aims to improve incomes, food security, access to livelihood opportunities and agricultural and fisheries services delivery in targeted rural communities in Mindanao.

Net Commitment: US\$70.0 Million

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