

Data Sheet

USAID Mission:	Philippines
Program Title:	Environment and Energy
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	492-004
Status:	Continuing
Planned FY 2005 Obligation:	\$8,076,000 DA; \$5,320,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$6,076,000 DA; \$3,320,000 ESF
Year of Initial Obligation:	1995
Estimated Year of Final Obligation:	2009

Summary: USAID's environment and energy objective is aimed at strengthening local management of key natural resources, with a geographic focus on Mindanao and other conflict-affected areas, as well as on high-biodiversity sites. It will fund activities to build capacities to address declining natural resource productivity due to over-exploitation and poor governance of forest, coastal and fishery resources; promote access to sufficient, clean and affordable energy; provide renewable energy to remote communities; reduce, prevent, and mitigate pollution from vehicle emissions, solid wastes and waste water; and expand access to clean water.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$2,576,000 DA; \$2,820,000 ESF). To promote good environmental governance at both national and local levels, USAID will support to at least 80 local governments, communities, and other stakeholders to implement forest and coastal resource use plans through training for local governments and communities, sharing of best practices, promotion of private-public partnerships, and sustainable livelihood approaches. USAID will continue to support the Philippine Tropical Forest Conservation Foundation in promoting forest conservation activities of local organizations. USAID will establish baseline data and indicators for monitoring fish stocks in four economically significant marine ecosystem areas (to develop improved management practices that can be widely applied) and continue assistance to protect and monitor existing (and establish new) marine sanctuaries in important coastal areas. USAID will also support the implementation of an environmental governance index to promote improved governance of natural resources. Implementing partners include Development Alternatives, Inc. (DAI), Tetra-Tech, Agriculture Cooperation Development International/Volunteers in Overseas Cooperative Assistance, World Wide Fund for Nature, and the U.S. Department of the Interior.

Expand and Improve Access to Economic and Social Infrastructure - Energy (\$1,500,000 DA; \$2,500,000 ESF). USAID will electrify 1,500 additional households in remote communities in conflict-affected areas with renewable energy systems, including solar and micro-hydro. Support for the energy sector reform process will be intensified, with focus on organizational development and capacity building of key energy institutions, improving governance through new and/or improved policy frameworks, and enhancing public understanding of sector reforms. USAID will support needed reform of energy sector regulation, competitive markets, and privatization of state-owned assets. Activities will also support development of alternative, indigenous, and clean fuels, as well as renewable energy sources as part of the country's energy security strategy. Implementing partners include PA Consulting, Winrock, and the U.S. Department of Energy.

Reduce, Prevent and Mitigate Pollution (\$2,000,000 DA). USAID will continue to support activities leading to cleaner air, including a vehicle emission testing system and training on preventative maintenance for public transport operators (a very cost-effective way to reduce emissions). USAID will support central and local governments to improve management of solid and hazardous waste, including helping at least 60 local governments in increasing recycling and composting rates by at least 25%. Principal contractors and grantees include PA Consulting, DAI, and Infinite Progressions Foundation.

Improve Access to Clean Water and Sanitation (\$2,000,000 DA). USAID intends to implement recommendations of an ongoing feasibility study for establishing a Philippine Water Revolving Fund (WRF). Specific activities may include actions to address constraints to private sector financing of water and sanitation infrastructure, building capacity of the WRF fund manager and exploring options for use of a Development Credit Authority (DCA) guarantee to the WRF. USAID estimates about \$1,000,000 for DCA. USAID will also work with at least 10 local governments to implement low-cost wastewater treatment facilities. Businesses and communities in coastal tourism areas will receive USAID assistance in raising awareness, sharing lessons learned more broadly, and identifying options to reduce solid waste generation and organic pollution through improved disposal and sanitation technologies. Principal contractors include DAI, PADCO, and Louis Berger Group. USAID expects to identify a new contractor to implement the WRF and associated program.

FY 2006 Program: Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$3,140,000 DA; \$820,000 ESF). USAID will continue supporting local government and community forest and coastal management efforts in key sites. USAID will assist in the establishment of 15 marine sanctuaries and in the implementation of key legislation, policy development, information and education, law enforcement, and livelihoods. USAID also expects to increase support to expanding financing options, such as environmental user fees, in the forestry and coastal-marine sectors. USAID will intensify training of both local and national government on social marketing and advocacy for resource conservation and management. Same implementers as above.

Expand and Improve Access to Economic and Social Infrastructure - Energy (\$720,000 DA; \$2,500,000 ESF). USAID plans to electrify 1,500 more households and continue support to community initiatives for economic use of renewable energy systems. With continued progress in power sector reform, USAID expects to maintain support to the reform process, including assistance to the Energy Regulatory Commission and the promotion of clean and renewable energy. Same implementers as above.

Reduce, Prevent and Mitigate Pollution (\$1,358,000 DA). USAID plans to continue to strengthen the vehicle emissions testing system and promote use of alternative fuels. USAID may also support introduction of less-polluting technologies, public awareness campaigns to increase understanding of the health impacts of air pollution, and promote public-private consumer alliance building aimed at improving driving habits and reducing traffic congestion (to reduce air pollution). Support will also be provided to help develop and implement solid and hazardous wastes disposal measures. Same implementers as above.

Improve Access to Clean Water and Sanitation (\$858,000 DA). USAID may continue support of the WRF, including implementation of policy and institutional reforms, strengthening capacity of the WRF, and provision of a DCA guarantee. USAID will also continue work with local governments to implement low-cost wastewater treatment facilities and public awareness campaigns on the health effects of poor water. USAID also expects to continue efforts to promote appropriate sanitation and waste management in coastal areas with tourism. Same implementers as above.

Performance and Results: The environment and energy objective has achieved results in forest and coastal resource management, rural electrification, and urban environmental management. Over 40,000 hectares of coastal waters have been placed under improved management. USAID helped to maintain 284,335 hectares of forest cover under local government and community management. Energy sector reforms helped the country move towards adequate, clean, and affordable energy. USAID brought electricity to over 4,000 households in isolated conflict-affected areas of Mindanao. Efforts to mitigate the environmental and health hazards posed by poor air quality and improper waste management met with success in both rural and urban areas. USAID initiated a collaborative effort with the Japanese to bring clean water and sanitation services to more Filipinos. New policies and laws, such as the landmark Clean Water Act and the Autonomous Region in Muslim Mindanao's Sustainable Forest Management Act, are providing legal underpinning for long-term success and scaling up of USAID-initiated natural resource protection and management efforts.

US Financing in Thousands of Dollars

Philippines

492-004 Environment and Energy	DA	ESF	MAI
Through September 30, 2003			
Obligations	65,221	0	117,757
Expenditures	44,604	0	117,757
Unliquidated	20,617	0	0
Fiscal Year 2004			
Obligations	9,796	1,596	0
Expenditures	13,777	0	0
Through September 30, 2004			
Obligations	75,017	1,596	117,757
Expenditures	58,381	0	117,757
Unliquidated	16,636	1,596	0
Prior Year Unobligated Funds			
Obligations	0	0	0
Planned Fiscal Year 2005 NOA			
Obligations	8,076	5,320	0
Total Planned Fiscal Year 2005			
Obligations	8,076	5,320	0
Proposed Fiscal Year 2006 NOA			
Obligations	6,076	3,320	0
Future Obligations	34,170	11,255	0
Est. Total Cost	123,339	21,491	117,757