



**COMPACT GOAL**

The Compact intends to support: (i) reforms and investments to modernize the Bureau of Internal Revenue to increase fiscal space for public investment and to reduce opportunities for corruption in tax administration; (ii) expansion and enhancement of a community-driven development project, Kalahi-CIDSS; and (iii) rehabilitation of a secondary national road in Samar province.



**COMPACT AT A GLANCE**

Compact Signed	<b>09-23-2010</b>
Entry Into Force	<b>05-25-2011</b>
Compact End Date	<b>05-25-2016</b>
Compact Total	<b>\$433,910,000</b>
Amount Committed	<b>\$160,916,561</b>
Amount Expended	<b>\$44,995,065</b>
Estimated Program Beneficiaries	<b>125,822,000</b>
Estimated Increase in Household Income	<b>\$649,300,000</b>

**% OF TOTAL COMPACT BUDGET (USD MILLIONS)**

<b>28%</b>	<b>Kalahi-CIDSS Community Development Project</b>	<b>\$120.0</b>
<b>49%</b>	<b>Secondary National Roads Development Project</b>	<b>\$214.4</b>
<b>13%</b>	<b>Revenue Administration Reform Project</b>	<b>\$54.3</b>
<b>2%</b>	<b>Monitoring and Evaluation</b>	<b>\$8.2</b>
<b>9%</b>	<b>Program Administration &amp; Control</b>	<b>\$36.9</b>

■ Project Preparation ■ Project Implementation

Kalahi-CIDSS Community Development Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES <sup>1</sup>				
	<b>\$120,000,000</b>	<b>\$47,389,704</b>	<b>\$17,908,979</b>				
<p>Improve the responsiveness of local governments to enhance economic self-reliance in rural areas by targeting poor communities for small-scale, community-driven development projects. Empower and strengthen capacity of communities by helping them prioritize, design, and implement development projects.</p> <p><b>Projected Long-Term Results</b> (Up to 20 years)</p> <table border="1"> <tr> <td>ESTIMATED BENEFICIARIES</td> <td>ESTIMATED INCREASE IN HOUSEHOLD INCOME</td> </tr> <tr> <td><b>5,215,000</b></td> <td><b>\$118,100,000</b></td> </tr> </table>	ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	<b>5,215,000</b>	<b>\$118,100,000</b>			
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<p><b>PROJECTED RESULTS BY END OF COMPACT</b></p> <p>Depending on the priorities of each community, results are expected to include: savings in transport costs, reduced post-harvest losses, time savings, decreased morbidity from waterborne diseases, and higher enrollment rates and lower dropout rates.</p>	<p><b>PROGRESS TO DATE</b></p> <p>3,829 barangays have been selected to receive grant funding through the program. 334 funded sub-projects have been completed with another 724 in various stages of implementation. These include roads, school buildings, health stations, drainage systems, and footpaths. Several innovations have been introduced, including improvements in engineering standards, focus on gender integration, and strengthened environmental impact mitigation measures.</p>	<p><b>PROJECT ACHIEVEMENTS</b></p> <p>Engagement with the World Bank on several initiatives, including impact evaluation, gender integration, social preparation and sub-project assessment.</p>					

<b>Secondary National Roads Development Project</b>	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES <sup>†</sup>
	<b>\$214,440,000</b>	<b>\$93,633,852</b>	<b>\$15,863,247</b>
Reduce transportation costs and improve access to markets and social services through the rehabilitation of an existing 222 km road segment.			
<b>Projected Long-Term Results</b> (Up to 20 years)			
ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	PROJECTED RESULTS BY END OF COMPACT	PROJECT ACHIEVEMENTS
<b>282,000</b>	<b>\$205,100,000</b>	Savings in time and lower vehicle operating costs and road maintenance costs are intended to increase commerce in and between the provinces of Samar and Eastern Samar, and ultimately increase incomes.	Collaboration with International Road Assessment Programme (IRAP) for enhancing road safety measures. Signed Memorandum of Agreement with Visayan Forum incorporating anti-Trafficking in Persons (TIP) measures in Compact implementation in Samar - a source of large percentage of TIP victims in the Philippines.
		PROGRESS TO DATE	
		Engineering designs and environmental assessments are complete and the first two (of four) construction packages have been awarded. Construction is expected to start in the last quarter of calendar year 2012. Procurement is underway for the remaining two construction packages.	

<b>Revenue Administration Reform Project</b>	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES <sup>†</sup>
	<b>\$54,300,000</b>	<b>\$5,388,750</b>	<b>\$4,447,486</b>
Address the need to raise tax revenues and reduce tax evasion and revenue agent-related corruption by increasing the efficiency and sustainability of revenue collection through a redesign and computerization of business processes.			
<b>Projected Long-Term Results</b> (Up to 20 years)			
ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	PROJECTED RESULTS BY END OF COMPACT	PROJECT ACHIEVEMENTS
<b>125,000,000</b>	<b>\$160,100,000</b>	Narrow the gap between potential and actual tax collections, and improved efficiency through better public sector revenue administration and increased taxpayer compliance. Reduce the discretion of individual tax and customs collection officers.	Completed renovation of the Computer Assisted Audit Tools and Techniques laboratory and training center.
		PROGRESS TO DATE	
		Business reengineering and policy reform related to tax administration processes (filing, registration, assessment payment, etc.) is complete. MCC-funded automated audit tools training facility was recently inaugurated and procurement planning for the electronic tax information system (eTIS) is underway. The project is serving as a catalyst behind the Tax Commissioner's reform agenda.	

<sup>†</sup>Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.