



**The World Bank**

Philippines: Methane Recovery from Waste Management Project (P115080)

REPORT NO.: RES51757

DOCUMENT OF THE WORLD BANK

RESTRUCTURING PAPER

ON A

PROPOSED PROJECT RESTRUCTURING

OF

PHILIPPINES: METHANE RECOVERY FROM WASTE MANAGEMENT PROJECT

APPROVED ON JANUARY 14, 2010

TO

LAND BANK OF THE PHILIPPINES

ENVIRONMENT, NATURAL RESOURCES & THE BLUE ECONOMY

EAST ASIA AND PACIFIC

Regional Vice President:	Manuela V. Ferro
Country Director:	Ndiame Diop
Regional Director:	Benoit Bosquet
Practice Manager/Manager:	Mona Sur
Task Team Leader(s):	Katelijan Van den Berg, Keiko Ashida Tao

**I. BASIC DATA****Product Information**

Project ID P115080	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 14-Jan-2010	Current Closing Date 30-Jun-2022

**Organizations**

Borrower Land Bank of the Philippines	Responsible Agency Land Bank of Philippines
--	--

**Project Development Objective (PDO)**

Original PDO

To reduce greenhouse gas emissions from participating sites. This will be accomplished through the expanded adoption of non-mandatory low GHG-emitting waste management technologies as part of sector modernization anticipated under the Clean Water Act and the Ecological Solid Waste Management Act.

**Summary Status of Financing (US\$, Millions)**

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
TF-A2867	01-Dec-2016	13-Dec-2016	13-Dec-2016	31-Dec-2021	1.23	1.30	0
TF-A1705	22-Dec-2015	23-Dec-2015	23-Dec-2015	30-Jun-2022	2.61	1.42	1.43
TF-A0254	20-May-2015	25-May-2015	25-May-2015	30-Jun-2022	.76	.08	.61
TF-95936	14-Jan-2010	14-Jan-2010	14-Jan-2010	30-Jun-2017	-.40	.06	0



## Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No

## II. SUMMARY OF PROJECT STATUS AND PROPOSED CHANGES

### 1. Summary of Project Status

The Project's development objective (PDO) to reduce greenhouse gas emissions from participating sites remain achievable as emission reductions (ERs) have already been generated during the reporting years specified in the Emission Reductions Purchase Agreements (ERPAs) for both the Animal Waste Program (TFOA0254) and the Sanitary Landfill Program (TFOA1705). The total certified ERs (CERs) projected for delivery from the Animal Waste Program (TFOA0254) are 118% of the amended maximum Contract CER Volume for the entire monitoring period specified in the ERPA (January 1, 2015 - December 31, 2020). The Animal Waste Program is in the process of verifications of ERs for two monitoring periods (July 1, 2015 - December 31, 2019 and January 1, 2020 - December 31, 2020). For the Sanitary Landfill Program, the total estimated CERs are 66% of the amended maximum Contract Volume. There is only one verification and certification process pending for this Program.

The performance of the Land Bank of the Philippines (LANDBANK), as the signatory of the ERPAs and the coordinating entity of the Clean Development Mechanism (CDM) programs for both ERPAs, remains satisfactory. During the last implementation support mission conducted on May 11-12, 2022, LANDBANK agreed to continue working with the Designated Operating Entity (DOE) to complete verifications of the remaining ERs and submit the last request for certification and issuance by the CDM Board by October 2022.

Safeguards. The Project has a satisfactory track record of safeguards implementation. LANDBANK conducted safeguards monitoring at least twice a year. The participating farms and landfills are operating in accordance with the Environmental Social Management Plans. LANDBANK confirmed that Indigenous Peoples, land acquisition, and involuntary resettlement are not involved in project implementation. GRM and disclosure are in effect as evidenced by the complaint regarding an ESMP that did not contain the correct drawings. This has since been rectified. Health and safety measures related to COVID and Occupational Health and Safety are being implemented.

ERPA compliance. There is no pending covenant for compliance.

### 2. Rationale for the Proposed Extension

This restructuring proposes an extension of the ERPAs for the Animal Waste Program (TFOA0254) and the Sanitary Landfill Program TFOA1705 until May 31, 2023. The hiring of the Designated Operating Entity (DOE) for verifications of ERs and the verification process itself have been delayed and taking longer due to the impacts of quarantines from COVID-19 and African Swine Flue in the project areas. It is projected that the last set of verification and certification will be completed around January 2023, provided that there is no additional review requested by the DOE or the CDM Board. On June 9, 2022, LANDBANK submitted an official request to extend the term of both ERPAs until May 31, 2023 to ensure that there is enough time to deliver the CERs to the CPF and the corresponding payments to LANDBANK are processed. The CPF has provided their approval to the proposed extension.



**III. DETAILED CHANGES**

**LOAN CLOSING DATE(S)**

<b>Ln/Cr/Tf</b>	<b>Status</b>	<b>Original Closing</b>	<b>Revised Closing(s)</b>	<b>Proposed Closing</b>	<b>Proposed Deadline for Withdrawal Applications</b>
TF-95936	Closed	30-Jun-2015	31-Dec-2015, 30-Jun-2017, 30-Jan-2019		
TF-A0254	Effective	30-Jun-2022		31-May-2023	31-May-2023
TF-A1705	Effective	30-Jun-2022		31-May-2023	31-May-2023
TF-A2867	Closed	31-Dec-2021	08-Mar-2022		