

## Signing of Japanese ODA Loan with the Republic of Philippines

To support recovery from the typhoons that hit the nation's economic center and to prevent secondary damage

1. Today, the Japan International Cooperation Agency signed a Japanese ODA Loan agreement with the Government of the Philippines to provide up to 9.912 billion yen for Post Ondoy and Pepeng Short-Term Infrastructure Rehabilitation Project.
2. Tropical storm Ondoy (international name: Ketsana) and typhoon Pepeng (international name: Parma) hit the Philippines in late September and early October 2009 respectively and caused enormous damage to human lives and economy of the Republic of the Philippines. By rehabilitating damaged flood control facilities, roads and bridges, this Project will provide protection from further damage and restore access to various socio-economic activities across the affected areas, and thereby contributing to the safety of the residents and sustainable economic development of the affected areas.
3. Tropical storm Ondoy directly hit the nation's capital of Manila and its surroundings, the area which accommodated about half of the country's population and generated around 60% of the national GDP. Ondoy also brought an extraordinary heavy rainfall that statistically occurs once every 180 years, causing a wide-range flood. Typhoon Pepeng stayed in the central and northern part of Luzon Island for as long as six days, inflicting severe landslide and flooding damage on this major granary of the Philippines. More than 950 people were killed, more than 700 injured and over 9 million affected by the two storms. Post-disaster needs assessment conducted by the World Bank and the Government of the Philippines in cooperation with JICA and other development partners estimated the loss and damages due to the disasters amounts to 4.4 billion dollars, which represents about 2.7% of the national GDP. Various infrastructures have also been severely damaged and their immediate recovery is required.
4. Requested by the Government of the Philippines for supporting its reconstruction efforts, the Government of Japan started to provide assistance just after the disasters including the provision of Emergency Disaster Relief; Emergency Grants (food aid) through the United Nations; and Grant Assistance for Grassroots Human Security Projects. Under this Project, Japan, through JICA, shall assist the reconstruction of roads and bridges which are essential for economic activities, and of flood control facilities which are critical to the protection of human lives and properties in the Philippines, that is a country frequently exposed to typhoons and said to be vulnerable to climate change.
5. In order to protect human lives from increasing natural disasters, JICA is committed to provide prompt emergency aid and reconstruction assistance to regions severely damaged by unexpected natural disasters and to actively provide both physical and unphysical assistance for the prevention and reduction of disaster damage.

### Reference

#### 1. Term and Amount of Loan

Project Name	Amount (Mil. Yen)	Interest Rate (% per annum)	Repayment Period/Grace Period (years)	Procurement
Post Ondoy and Pepeng Short-Term Infrastructure Rehabilitation Project	9,912	0.01%*	40/10*	Untied

\* Minimal Interest Rate "MIRAI" applicable for disaster recovery projects

### Executing Agency

Department of Public Works and Highways, Government of the Philippines  
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### Planned Implementation Schedule

- (i) Completion of project (completion of civil works): December 2011
- (ii) No Employment of consultants or International Competitive Biddings for civil works contracts is planned under this Project.