

Signing of Japanese ODA Loan Agreement with the Philippines: Contributing to the mitigation of flood damage to industrial hubs through a flood control project

On November 13, the Japan International Cooperation Agency (JICA) signed a loan agreement with the Government of the Republic of the Philippines in Manila, the capital city, to provide a Japanese ODA loan of up to 15,928 billion yen for the Cavite Industrial Area Flood Risk Management Project.

The project will implement flood control measures such as a flood diversion channel and river improvements in Cavite Province, which is vulnerable to flooding despite the presence of industrial complexes, to mitigate flood damage in the region. The loan funds will be allocated to public works such as the construction of flood control facilities, drainage channel rehabilitation and river improvements as well as to consulting services (including detailed design work, bidding assistance, construction supervision and support for non-structural measures).

Adjacent to the southern edge of Metro Manila, Cavite Province has a large population and has one of the fastest economic growths among the provinces in the Philippines. Cavite Province has more than 30 industrial complexes where many Japanese companies are in operation. However, the province is a lowland area situated at the lower basins of three rivers (the Imus, San Juan and Cañas) that flow through the province where the flow capacity* of the rivers and discharge channels is low, so that large typhoons cause widespread destruction, including damage at the middle and lower river basins. The flood water level from such typhoons has reached two or three meters in residential areas and industrial complexes, damaging household belongings and industrial equipment. Such flood damage has occurred recently at a frequency of once every two years, not only hindering people's lives, but causing economic losses due to malfunction of industrial complexes and arterial roads caused by inundation. Because the region is undergoing rapid urbanization as a result of favorable access to Metro Manila and focused economic activities, there is a risk that the scale of flood damage will grow in the future.

Given these circumstances, JICA carried out the Study on Comprehensive Flood Mitigation for Cavite Lowland Area in 2009 and formulated a flood mitigation master plan for Cavite Province. Currently, priority projects are underway as part of the implementation of the master plan and the revised edition. The projects are expected to mitigate flood damage in Cavite Province, particularly in the industrial complex areas, and to contribute to sustainable, stable economic development in the region.

Since the 1970s, JICA has been providing a wide range of support to the Philippines, including formulating flood control plans, implementing projects and providing support to the central government, and will continue to provide inclusive support in the field of disaster risk reduction.

* The capacity of rivers, drainage channels or other waterways to accommodate water safely without overflowing.

1. Terms and Amount of Loan

Project title	Amount (million yen)	Annual interest rate (%)		Repayment period (years)	Grace period (years)	Procurement
		Project	Consulting services			
Cavite Industrial Area Flood Risk Management Project	15,928	0.3	0.01	40	10	General untied

2. Executing Agency

Department of Public Works and Highways
Address: Bonifacio Drive, Port Area, Manila, Philippines
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3. Planned Implementation Schedule

- (1) Completion of project: April 2024 – when the facilities are put into service
- (2) Issuing of letters of invitation for consulting services (including detailed design work): February 2018
- (3) Tender announcement of initial procurement package for international competitive bidding on project construction:
Procurement package title: Civil Works Package 1
Release date: December 2019



signing ceremony