



Project Summary Information

Date of Document Preparation/Updating: 12/10/24	
Project Name	Laguna Lakeshore Road Network Project
Project Number	P000725
AIIB member	Philippines
Sector/Subsector	Transport
Alignment with AIIB's thematic priorities	Green infrastructure; Connectivity and Regional Cooperation
Status of Financing	Approved
Objective	To improve the efficiency of road travel in the National Capital Region (NCR) and key areas along the Laguna de Bay.
Project Description	The Project will co-finance the construction of a 12.23-kilometer (km) climate-resilient highway along the shoreline of Laguna Lake, connecting San Pedro in the north and Cabuyao in the south. The Project comprises the shoreline embankment plus viaduct, consisting of 7.50km of embankment, and 4.73km of viaducts and bridges combined with flyovers. It includes one interchange at San Pedro/Binan.
Expected Results	<p>The Project results will be monitored using the following key indicators:</p> <ul style="list-style-type: none"> • Outcome indicator: the efficiency of road travel: <ul style="list-style-type: none"> • Peak hour travel time between Lower Bicutan and Calamba (unit: hour) • Output indicators: expressway along Laguna Lakeshore built <ul style="list-style-type: none"> • Km of climate-resilient expressway mainline built (unit: km) • Km of connecting roads developed in the onshore sections with gender-responsive lanes for pedestrians (unit: km)
Environmental and Social Category	ADB has categorized the E&S risks of the Project as Category A for Environment, A for Involuntary Resettlement, and C for Indigenous Peoples (which are equivalent to Category A if AIIB's ESP were applicable).
Environmental and Social Information	Applicable Policy and Categorization: The Project will be co-financed with the Asian Development Bank (ADB) as lead co-financier, and the Project's environmental and social (E&S) risks and impacts were assessed in accordance with ADB's Safeguard Policy Statement (SPS 2009). To ensure a harmonized approach to addressing the E&S risks and impacts of the Project, and as permitted under AIIB's Environmental and Social Policy (ESP), ADB's SPS (2009) will apply to the Project in lieu of AIIB's ESP. AIIB has reviewed ADB's SPS and is satisfied that: (a) it is consistent with AIIB's Articles of Agreement

and materially consistent with the provisions of AIIB's ESP, including the Environmental and Social Exclusion List (ESEL) and the relevant Environmental and Social Standards (ESSs); and (b) the monitoring procedures that are in place are appropriate for LLRN. ADB has categorized the E&S risks of the Project as Category A for Environment, A for Involuntary Resettlement, and C for Indigenous Peoples (which are equivalent to Category A if AIIB's ESP were applicable). The National Commission on Indigenous Peoples (NCIP) issued a Certificate of Non-Overlap on August 20, 2024, confirming that the LLRN does not affect any ancestral land or domain of indigenous cultural communities. The category is based on risks due to large-scale construction activities, impacts on the lake ecosystems, and displacement of Project-affected People (PAP).

Environment and Social Instruments: In 2019, during the Feasibility Study (FS) Stage, an Environmental Impact Assessment (EIA) study for the Laguna Lakeshore Road Network (LLRN) was carried out following the procedural requirements and scope of impact assessment specified under the Philippine Environmental Impact Statement System (PEISS) and the ADB SPS. Upon completion of the Environmental Impact Statement (EIS) and Environmental Management Plan (EMP), an Environmental Compliance Certificate (ECC) was secured on 19 May 2022 by the Department of Public Works and Highway (DPWH). The EIA was upgraded based on the LLRN alignment in the detailed engineering design (DED) in April 2024 which has been disclosed on ADB website in May 2024 and AIIB website in July 2024. The E&S instruments have appropriately assessed the significant environmental and social impacts of LLRN and adequately addressed the issues for mitigating the identified risks and impacts throughout the project cycle.

Environmental Aspects: The environmental assessment for LLRN identified concerns such as flooding, water quality, and impacts on the lake ecosystem. The Project is in a flood-prone area and vulnerable to typhoons, though flooding risks, exacerbated by the embankment, are minimal. The Project design has incorporated the results of the flood analysis and an Emergency Response Plan (ERP) is in place to manage flood risks. Dredging will help reduce sedimentation and flooding risks. Water quality in Laguna Lake is below standards, and construction activities pose risks of spills and sediment runoff, with mitigation measures in place. Air and noise pollution are expected during the construction, with noise levels exceeding acceptable limits in some areas. Noise monitoring and the usages of sound barriers are proposed, with no significant noise impacts expected during the operations. In addition, the issues on critical habitat and biodiversity impacts were studied and assessed. Although the Project is not within the vicinity of any declared protected areas, national parks, watershed reserves nor wildlife preserves and sanctuaries, to help achieve net improvement in biodiversity of the lake, a Biodiversity Action Plan (BAP) has been developed, and additionally a separate assessment will be completed for the preparation of the Freshwater Habitat Planting Plan. The EMP includes comprehensive measures to monitor and mitigate environmental impacts throughout the project's life cycle.

Social Aspects: The involuntary resettlement impacts of the Project are expected to be significant. The Project will impact areas in San Pedro, Biñan, Santa Rosa, and Cabuyao, consisting of private and government lands. There will be economic impacts to commercial businesses, fish pens and fish cages. To mitigate the adverse social impacts, a Resettlement Framework (RF) and the Resettlement Plan (RP) has been prepared in accordance with ADB SPS (2009). The RF sets out requirements in terms of standards, entitlements, and practices to be applied by the Government of the Philippines (GoP)

to appropriately address and mitigate involuntary resettlement impacts caused by the Project. The RP provides compensation at replacement cost for all PAPs whose land or assets are lost due to land acquisition or Right of Way (ROW) clearing. In addition to compensation, the RP outlines support for income restoration, including relocation assistance, training programs, and job placement opportunities. The DPWH will work closely with local government units (LGUs) and housing agencies to implement the resettlement process and ensure compensation is provided before displacement occurs. Specific measures are also in place for informal settler families (ISFs), offering them access to government socialized housing and livelihood programs. No construction will begin until full compensation and assistance have been provided to affected families, in accordance with the RP.

Gender Aspects: LLRN has been classified by ADB as "Effective Gender Mainstreaming" due to its efforts in promoting gender equality and empowering women. A comprehensive Gender Assessment and Action Plan (GAAP) has been developed. This plan addresses the key gender issues identified among PAPs and outlines actions to mitigate these challenges. Key gender-related challenges identified include limited participation of women in decision-making processes, gender discrimination in infrastructure projects, and heightened risks of Gender-Based Violence (GBV) and Sexual Exploitation, Abuse, and Harassment (SEAH). To promote gender inclusivity, the Project includes gender-balanced stakeholder consultations and women-only focus groups. The implementation of the GAAP will be overseen by the DPWH UPMO RMC II. Quarterly and annual progress reports will be prepared and submitted to ADB and AIIB, and DPWH UPMO RMC II will facilitate gender-related missions and inspections to ensure effective implementation of the GAAP.

Occupational Health and Safety (OHS), Labor and Employment Conditions: OHS and Community Health and Safety (CHS) risks are expected during both the construction and operational phases of the Project. During construction, the primary risks include road accidents due to the movement of trucks, vehicles, and equipment, hazards associated with working over water for the construction of the viaduct and embankment, risks from pile driving activities, working at heights, falling debris, and potential injuries to workers. In the operational phase, road safety risks are anticipated, primarily related to increased traffic and higher speed limits on the bridge and viaduct, leading to a higher likelihood of road accidents. The EMP identifies several mitigation measures to address these risks. Contractors will be required to prepare and implement OHS Plan, an Emergency Preparedness and Response Plan, and a Traffic Management Plan. Additionally, to effectively manage labor and employment conditions, the EMP has outlined hiring requirements for contractors which should have provisions such as prioritizing and hiring local skilled and unskilled laborers, women skilled and unskilled laborers, particularly giving priority to the affected communities, transparent and non-discriminatory recruitment procedures, etc. These provisions will be incorporated in the bidding documents.

Stakeholder Engagement, Consultation and Information Disclosure. As part of the GoP requirements and ECC application process during the scoping stage of the EIA, stakeholder engagement commenced at the early stages (FS stage) and stakeholder identification and Information and Education Campaign (IEC) meetings have been completed for the Project. In general, the outcomes of these consultations have been positive and the support of the LGUs and key stakeholders were evident through their participation in the activities conducted for the LLRN. In addition, the Project has outlined a stakeholder

	<p>engagement and communication plan that will serve as a guide for executing consultations throughout the Project implementation. The ES documentation in English has been disclosed by DPWH on its website in July 2024, on ADB website (May 2024) and AIIB's website (July 2024): https://www.aiib.org/en/projects/details/2024/approved/Philippines-Laguna-Lakeshore-Road-Network-Phase-1-Project.html</p> <p>Project Grievance Redress Mechanism (GRM): LLRN has established a comprehensive GRM to address and resolve project-related grievances in accordance with ADB SPS (2009). The GRM is designed to be accessible to all individuals and entities within the LLRN's area of influence, handling complaints related to property damage, worker behavior, noise, traffic congestion, safety concerns, and disruptions to livelihoods and public services. A multi-layered grievance process has been developed, including levels at the contractor, construction supervision consultant, local government units, and DPWH UPMO. The GRM will also extend to workers who may raise concerns about working conditions or labor rights violations. Information about the Project GRM and the Accountability Mechanism (AM) of ADB has been disseminated to PAPs through public consultations and is included in the EIA, RP, and other environmental and social documents. Additionally, the existing DPWH complaints system, accessible via walk-in forms, email, phone, or social media, will be available to all stakeholders throughout the project.</p> <p>Monitoring and Supervision Arrangement. The Department of Public Works and Highways (DPWH) is the Executing Agency (EA) who is responsible for overall coordination, policy direction, and administration of project activities, including safeguards. DPWH will engage an external monitoring expert/agency, acceptable to ADB as per the requirement for a safeguard category A project financed by ADB. DPWH will prepare the monitoring reports to AIIB and ADB semi-annually, and AIIB will retain the rights to conduct implementation monitoring and supervision for the Project along with ADB.</p>			
Cost and Financing Plan	<p>Project cost: USD721.2 million</p> <p>Project Financing Plan:</p> <p>AIIB loan: USD188.18 million</p> <p>ADB loan: USD362.17 million</p> <p>GoP: USD170.84 million</p>			
Borrower	Republic of the Philippines			
Implementing Entity	Department of Public Works and Highway, Philippines			
Estimated date of loan closing	June 2029			
Contact Points:	AIIB	ADB	Borrower	Implementation Organization
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Date of Concept Decision	04/19/23			
Date of Appraisal Decision	08/23/24			
Date of Financing Approval	12/09/24			

Accountability Mechanism	<p>The proposed Project will be cofinanced with Asian Development Bank (ADB). The Bank has agreed that the ADB's SPS will apply to this Project and that it will rely on the ADB's determination as to whether compliance with those policies and procedures has been achieved under the Project. The Bank has further agreed with the ADB that it will rely on that institution's accountability mechanism (AM) to handle submissions relating to E&S issues under the Project. Consequently, in accordance with the Bank's Policy on Project-affected People's Mechanism (PPM), submissions to the PPM under this Project will not be eligible for consideration by the PPM.</p>
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