

**DM 2005 Project Implementation
PROGRESS REPORT**

(11/15/2005)

In order to ensure transparency, accountability, as well as to share lessons learned, we will post this Progress Report on the Development Marketplace website at www.developmentmarketplace.org. However, if you would like to share any sensitive information with us, you can do so in section VI. The information provided in this part of the report will be handled as confidential; thereby it will not appear on the DM website.

I. Background Information

DM Project Number and Title	Benefiting from the Dreaded Janitor Fish (#3765)	
Report Author's Name (if different from Team Leader)		
Total Award	US\$ 143,746.51	
Amount Disbursed to Date	US\$ 35,936.63	(25 % of the Total Award)

II. Progress Against Milestones

i) List the milestone objectives in the first column as expressed in the Project Agreement. The second column should indicate the current status of each milestone objective. In the third column, please provide quantitative data and qualitative information describing the status of the project against that particular milestone.

Milestone Objectives (Copy from the Agreement)	Status (Completed/ In Progress)	Descriptive Information on the Status
1. Project Team Formed and Project Staff Hired	Completed	The project team has been formed consisting of a project team leader, an assistant project leader, eight (8) project staff and three (3) support staff. Two (2) Research Assistants and one (1) driver have also been hired. (Annex 2 – M.O. Creating Project Team)
2. Project Implementation Plan Prepared	Completed	The Project Implementation Plan has been prepared. (Annex 3).
3. Orientation Meetings and Trainings Conducted <ul style="list-style-type: none"> • Six (6) Teams of FARMC and River Council Members Trained in Rudiments of Feed Formulation and Manufacturing. 	Completed	Two orientation meetings each were conducted in the Municipalities of Siniloan, Binan, Bay in the Province of Laguna and Cardona in the Province of Rizal. The orientation meetings were attended by the members of the FARMCs in each of the identified municipalities. In Siniloan, backyard hog raisers who were identified by the Siniloan River Rehabilitation and Management Fdn. (SRRMFI) also attended said orientation meetings. All of the Municipal FARMC members and the individual hog raisers expressed their interest and willingness to be partners in the project, not only because of the potential income that would accrue to them but also because they

		<p>hope that this project will be the solution to the proliferation of the janitor fish in the lake.</p> <p>A two day training was conducted on October 25 and 26. It was attended by two (2) representatives of the SRRMFI, six (6) hog raisers from Siniloan and 34 MFARMC members from the four towns identified above. Experts were invited to give lectures on project management and fish meal processing and feed formulation and manufacturing. During the training, responsibilities and commitments were identified and were finally agreed upon by the parties concerned and these were included in the Memorandum of Agreements which were signed by each of the project partner. (Annex 4-6)</p>
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ii) If you did not achieve some of your stated milestone objectives, please explain the reasons.

All of the milestone objectives were achieved.

iii) Has your project's overall accomplishments to date exceeded the original plan?

Yes No

If Yes, describe your achievements:

Procurement of the necessary equipment for fish meal processing and feed formulation and manufacturing has been initiated. A qualified fabricator of the equipment has been engaged. Forty percent (40%) down payment has already been paid out to the fabricator as stipulated in the contract of service that has been consummated.

III. Overall Project Progress

i) What have been the main challenges of your project to date? What, if any, adjustments have you made to your original business plan in order to overcome the challenges and meet your objectives?

Challenges:	Adjustments:
<p>During the orientation meetings, many FARMC members aired their concern over the many problems that may be encountered in setting up fish cages in the lake. Security of the fish that will be stocked in such fish cages was a major concern. Apart from this, supplemental feeding in the lake is also being discouraged</p>	<p>The SRRMFI and LLDA decided that instead of setting up four fish cages (1 ha) in the Lake - each to be located in that portion of the lake fronting in the identified municipalities, The LLDA will instead allow the use of four earthen fish-ponds (located at LLDA office in Calauan, Laguna where the central feed processing plant will be located) Each earthen pond, also one hectare in size will still be managed by the Municipal FARMCs of the four Municipalities identified previously. .</p>
<p>A problem with regard to the area identified for the establishment of a feed mill in Siniloan was</p>	<p>It was agreed upon that the establishment of a demo facility for the production of both the fish meal and</p>

encountered. Apparently, the area is an open space and it would be difficult to secure the equipment that will be installed.	the hog feeds be centralized at the LLDA office in Calauan, Laguna. Centralizing feed manufacturing would facilitate the provision of feeds to the fish ponds (also in LLDA) as well as to the hog raisers in Siniloan.
High cost for the fabrication of the needed equipment for the processing of janitor fish into fish meal was not anticipated.	In the project proposal, the establishment of a demo facility for feed production was included. However, upon consultation with experts, it was found out that the processing of janitor fish into fish meal needs another set of equipment and is more complicated and even more expensive. Hence, re-alignment of the budget became necessary in order to address this immediate concern.
The LGU of Siniloan will pass a Zoning Ordinance (effective January 2006) delineating the area intended for backyard hog raising thus limiting the number of possible backyard hog raisers as project partners.	Because of the anticipated zoning ordinance, the number of backyard hog raisers was reduced from 10 to 6 cooperators. Each will be given 18 piglets which will be raised in accordance with the statistical design suggested by the specialist.
The need to know the inclusion rate of janitor fish meal into animal feeds is necessary.	In order to know the inclusion rate of the janitor fish meal, a student of the University of the Philippines has been engaged to do an Undergraduate Thesis about feeding trial for broiler chicken. Expenses will be shared both by the project and the student. This minimal cost adjustment is reflected in the re-aligned budget. (Annex 7)
The need to compare performance of animals being raised with feeds using janitor fish meal vis a vis other raw materials is necessary.	The cost for other raw materials was computed and included in the re-aligned budget.
Alarm over possible toxicity of the janitor fish was raised it being a bottom dweller.	Fish samples were gathered and brought to a laboratory for toxicity analysis.

ii) Have any of your objectives changed or have you added new objectives since you signed your Project Agreement? If Yes, explain the changes.

Yes No

iii) Do you have any concerns about meeting your next milestone objectives?

Yes No

If Yes, what are the concerns and how do you plan on addressing those challenges?

iii) Although this is an interim report, are there any development outcomes or results of your activities to date that you would like to call attention to?

iv) **Reminder:** In accordance with Paragraph 3.1.1 of the Project Agreement, each project team is required to submit a statement of account showing the use of the funds within three months after the last disbursement. As a part of periodical expenditure review exercise, please provide an annex with un-audited summary of expenses during this reporting period.

IV. Ancillary Achievements

i) Have you or has your organization received any awards/recognitions or media attention as a result of your DM-funded project during this period?

- Yes No

If Yes, please specify the sources and identify the names.

Award /Recognition	Media
<input type="checkbox"/> Local: <input type="checkbox"/> National: <input type="checkbox"/> International:	e.g. <input checked="" type="checkbox"/> International: BBC News on Dec. 3-4, 2003 <input type="checkbox"/> Local: <input type="checkbox"/> National: <input type="checkbox"/> International:

Explain the Award/Recognition or the Media content:

Attach web links/news clips, if available:

ii) Has your organization made any new partnerships as a result of this project during this reporting period?

- Yes No

If Yes, specify type of the organization from the list below and describe nature of the partnership:

<input type="checkbox"/> Local Government: <input type="checkbox"/> National Government: <input type="checkbox"/> NGO: <input type="checkbox"/> Bilateral Development Agency:	<input type="checkbox"/> Multilateral Development Agency: <input type="checkbox"/> Private Corporations: <input type="checkbox"/> Other: e.g. <input checked="" type="checkbox"/> Multilateral Development Agency: Development Marketplace of the World Bank (financial partnership and technical assistance)
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iii) Sustainability and scalability after completion of the DM fund are top of the DM Team’s priorities. Has your organization leveraged new funding or secured future funding during this reporting period?

- Yes No

If Yes, provide the following information.

Funding Sources: Names of the Organizations
Amounts Funded/Committed: US\$ 000,000

V. Requests to the DM

i) Do you have any comments on the overall process and support provided by the DM Team or Project Liaison?

The support being extended by the DM Team and the Project Liaison have been more than satisfactory and prompt. We anticipate a smooth implementation of the project.

Annex 1

Siniloan River Rehabilitation and Management Foundation, Inc.
Balance Sheet
November 14, 2005

ASSETS

Cash on hand	P 166,268.52
Due from PNB-Siniloan (Laguna), Branch	27,658.18
Prepaid expense-comprehensive insurance premium	25,000.00
Property, plant and equipment:	
Utility vehicle	836,000.00
Machineries and equipment	1,531,000.00
Deferred charged-development, experimental and organizational costs	325, 175.80
Total Assets	<u><u>P 2,911,102.50</u></u>

LIABILITIES and OWNER'S EQUITY

Accounts payable-non trade	918,600.00
Siniloan River rehabilitation and Management Foundation, Inc.	
CAPITAL	<u>1,992,502.50</u>
Total Liabilities and Owner's Equity	<u><u>P 2, 911,102.50</u></u>

(See accompanying notes to financial statement)

PROJECTED CASH FLOWS
November 14-December 15, 2005

November 15-30	
Salaries of two research asst. and one driver	P 15,400.00
Honorarium of one project staff and auditor	10,175.00
Projected cost of 20 plastic bins @ 700/pc	14,000.00
Honorarium of project staff	76,725.00
Projected diesoline expense for the period	7,000.00
December 1-15	
Salaries of two research asst. and one driver	15,400.00
Projected diesoline expense for the period	7,000.00
Procurement of live janitor fish, broiler chicks and supplies for experiment	5,568.52
Broiler feeds for experiment	15,000.00
Total	P 166,268.52

Siniloan River Rehabilitation and Management Foundation, Inc.
NOTES TO FINANCIAL STATEMENT

Cash on hand-P 166,268.52

This is the remaining balance of bills and coins as of the cut-off date of accounting period. Since the foundation has not yet formally started its processing and manufacturing operations, the end of the month cut-off date for statement was set aside temporarily. As a matter of policy, cash on hand is kept in a cash vault.

Due from PNB- P 27, 658.18

This is the remaining balance of the foundation's bank deposits.

Prepaid expense-P 25,000.00

This is the annual comprehensive insurance premium of utility vehicle. The equal monthly amortization of prepaid insurance for a period of twelve months is withheld pending the regular and actual operations.

Utility vehicle-P 836,000.00

Registered in the name of SRRMFI. The vehicle is used for official business only. The vehicle provides the mobility required in reaching-out program participants in the towns of Laguna and Rizal provinces.

Machineries and Equipment-P 1,531,000.00

Booked at costs based on contracted price between the SRRMFI and supplier. The main machineries are mixer, hammer mill and processor for janitor fish.

Deferred charges-P 325,175.80

Operating expenses were initially consolidated in this account. Once operational, the aggregate amount shall be amortized over a reasonable number of years. Breakdown of deferred charges:

Salaries/Honorarium	P 241,587.50
Fuel and lubricants	23,525.48
Management and professional fees-notarial fees	2,000.00
Proximate analyses of janitor fish	935.00
Chemical analyses of janitor fish	6,520.00
Taxes and licenses-utility vehicle registration fees, 3 years	6,260.00
Advertisement and promotion- Meals and snacks expended in conducting meetings, briefings and orientations about the janitor fish program on various dates	3,622.50
In-house training expenses, October 25-26, food expenses for more or less 100 participants	26,046.50
Training supplies	412.00
Honoraria of resource speakers, 3 @ P 2,500.00	7, 500.00

Reimbursement of actual transportation expenses of trainees	4,666.00
Raw materials, 70 kg. Live janitor fish @ P 5.00	350.00
Office supplies	48.00
Miscellaneous expenses:	
Toll fees	557.00
Styro box	340.75
Xerox fees	12.50
Coil chain and pad lock of spare tire	748.25
Streamer	600.00
Total	<u>325,731.48</u>
Interest of bank deposits-net	<u>(555.68)</u>
 Net deferred charges	 <u><u>P 325,175.80</u></u>

Accounts payable-non trade-P 918,600.00

This is the balance in account with the supplier of main machineries.

Owner's Equity-P 1,992,502.50

This is the first tranche of grants out of four tranches released by World Bank for "Janitor Fish Program".

Prepared/Audited By:

SIGNED

LIBRADO G. MERCADO

PRC Reg'n. No.33163

PTR No. 3440268

Issued at Siniloan, Laguna

Issued on January 01,2005

Certified Correct/Approved:

SIGNED

JOSE K. CARIÑO III

PROJECT TEAM LEADER