

What is a BIP?

BIP is an abbreviation for Barangay Infrastructure Project. BIPs are infrastructure projects that are important for accelerating economic growth in barangays and other small communities, and that can be constructed without causing adverse effects to the environment. The cost range per project is usually between P0.2 million and P2.0 million.

What communities are eligible for BIPs?

The geographic focus is primarily the ARMM and other conflict-affected areas of Mindanao. It is estimated that 90% of all BIPs will be constructed in these areas. However, BIPs may be constructed in other areas in special circumstances.

What types of applicants are eligible for BIP assistance?

BIPs can be constructed in partnership with either local government units (barangays, municipalities or provinces) or established, functioning cooperatives or producer associations. In all cases, the recipient LGU or cooperative must have a good track record in developing, operating, and maintaining infrastructure facilities.

What types of infrastructure facilities can be constructed under the BIP?

A wide range of different kinds of infrastructure is possible. The key determining factors are the anticipated cost of the infrastructure facility (which must fall within the range suggested above), the anticipated contribution of the proposed facility to economic progress of the recipient community or cooperative, and the willingness and ability of the recipient to share the cost of construction of the facility and to properly manage and maintain the facility in the future.

Eligible infrastructure facilities include, but are not limited to: boat landing construction, footbridge construction and upgrading, culvert construction and upgrading, road upgrading, irrigation/drainage canal development or upgrading, trading center construction, water systems development, grains/seaweed warehouse construction and solar dryer construction. "Social infrastructure" such as schools, clinics, municipal halls, etc. are not eligible for assistance under this program.

Memorandum of Agreement (MOA)

Expectations and obligations of USAID-GEM and the recipient community or group will be included in a MOA, which will be signed by appropriate officials. The MOA will address, for example, continuing maintenance responsibilities, cost-sharing requirements, and ownership matters, among other subjects.

GEM may cancel proposed BIPs, even if construction work is underway, if recipient communities or groups have misrepresented any key factor regarding the proposed BIP (misrepresentation of facts about target beneficiaries, ownership, ability to provide continuing maintenance or ability to provide appropriate cost-sharing). Proposed BIPs may also be cancelled if there is any indication of extortion, corruption, bribery, or intimidation in connection with any aspect of the construction of the project.

What are the eligibility requirements for BIP assistance?

1. BIP recipient communities or groups, for the most part, must be located in the ARMM or other conflict-affected areas of Mindanao.

2. BIP recipient communities or groups must include a substantial percentage of individuals belonging to groups that have been historically "under-served" in the allocation of publicly-funded infrastructure resources.

3. BIP recipient communities and groups must have good track records in managing and maintaining infrastructure facilities.

4. In the case of proposed expansion or upgrade of infrastructure, or construction of new infrastructure facilities, recipient communities and groups must contribute approximately 25% of the anticipated cost of the facilities. They must also demonstrate that they have the financial capability to provide adequate maintenance of the facilities on a continuing basis.

5. In the case of the rehabilitation/repair of established facilities, recipient communities and groups must contribute at least 40% of the cost of the rehabilitation/repair (with a 50% contribution being desirable). They must also demonstrate that they have the financial capability to provide adequate maintenance of the facilities on a continuing basis.

6. BIP recipient communities and groups must assure adequate security for GEM staff and for GEM-contracted construction personnel while on the project sites.

7. BIP recipient communities and groups must agree to the placement of signs, permanently affixed to BIP-provided facilities, which acknowledge that the facility was constructed or developed with financial assistance provided by USAID's GEM Program.

