

Annex B. Summary of Programs by Donors, by Government Agencies, by Academic Institutions, and by Major NGOs

1. Foreign Donors

1.1. Canadian International Development Agency (CIDA)

1.1.1 The Philippine-Canada Local Government Support Program (LGSP)

The LGSP is a capacity development program that is funded by CIDA. It started in 1991 to support the government's policies on devolution by strengthening local governance in the areas of management, service delivery, mobilization of resources, and participatory governance. Phase I of LGSP was instituted from 1991 to 1999 with a C\$22.4 million grant; Phase II continues the work until August 2006 with a C\$34.8 million grant. LGSP I and II supported 205 LGUs (175 municipalities, 11 cities and 18 provinces across Mindanao, and in Western Visayas). Direct work with LGUs ended in December 2004. Since then, LGSP has focused on sustaining and institutionalizing results at the national level with DILG and the Leagues, particularly related to local planning, policy development, replication of exemplary practices, institutionalizing LGPMS, DILG local resource centres, and DILG organizational development.

The LGSP uses a staged approach in its capacity building programs.

Stage 1 is the Development of Consensus. Stakeholders are assisted in assessing their CD needs until a consensus is reached on organizational development priorities and a plan for change. A baseline capacity survey (i.e. National Performance Measurement System)¹ enables the participants to identify strengths and weaknesses of the LGUs using indicators in performance areas such as fiscal management and participatory planning. Thereafter, stakeholders are guided to arrive at a consensus on capacity gaps that need to be prioritized. The Local Chief Executive participates in the "Local Chief Executive Development Management Program" along with his peers to strengthen skills leading to the development of an Executive Legislative Agenda (ELA). It is a three-year action program that identifies the development priorities of an LGU and translates them into programs and activities. The ELA is developed through participatory planning process. Although it is an output, the ELA is a means to develop participatory governance.

Stage 2 is Strengthening. Capacity strengthening activities are undertaken to reinforce capacity building activities. For cost effectiveness, LGUs are clustered into groups of peers that share similar priorities. They participate in workshops, conferences and seminars to that build information and develop skills on areas that they prioritize such as resource generation and environmental management. These workshops are also opportunities for guided peer-to-peer technical exchanges and study tours.

¹ This has spun off into the Local Governance Performance Measurement System (LGPMS) that is managed by the Bureau of Local Government Supervision of the DILG.

Stage 3 is Application. This is the learn-by-doing phase. Partners are assisted in the application of their new skills to improve program implementation. Local Resource Partners (LRPs) serve as “mentors” and “on-site coaches” to provide on-going support in problem solving and decision making. Although the focus of mentoring may differ from one LGU to another, there is a standard TOR for coaches that defines their responsibilities and how mentoring will be conducted. The LGSP has developed a template on interventions and methodologies that are appropriate relative to capacity needs.

The LGSP assists project implementation by facilitating discussion of issues, linking LGUs with other partners, and in some areas, assisting LGUs in mobilizing and leveraging resources to enable a project to take off.

The impact of programs is evaluated by identifying outcomes such as the formulation of a revenue plan, increasing collection efficiency, and expansion of the tax base.

Stage 4 is Institutionalization. Individuals and organizations are assisted to institutionalize new processes as well as to internalize the process of capacity development. Structures and processes are improved towards efficiency: improving physical layout of offices, using the one stop shop concept, streamlining procedures, introduction of new technologies, and development of policies and systems to support the change process. The steps to improve the processes are documented into manuals and are developed into knowledge products that are disseminated among LGUs. The “How To” materials include formulating an ELA, Records Management, Enhancing Participation, and Organizing Workshops. LGSP partners with Leagues, DILG and other agencies to disseminate best practices. Exposure to demonstration sites and pilot projects are also part of its replication strategy.

The CD program supports the processes of change in an individual, in institutions, and in the enabling environment. LGU officials, their staff and community leaders participate in training programs. Capabilities of local resource partners, NGOs, and business groups are developed to enable them to participate in and support the reform process. The organization of systems and processes strengthen the LGU as an institution. LGSP works with leagues and national government agencies to enhance their capacities in: coordination and facilitation of local government agendas; supporting capacity building programs of LGUs, policy advocacy and participatory governance.

LGSP uses adult learning methods to support capacities of LGUs or the direct application of new skills to learning situations. Since learning will likely be iterative, LGSP provides on-going support through mentoring and coaching. Project officers and Local Resource Partners (LRPs) engage LGU officials and personnel in regular dialogues to discuss implementation problems and alternatives to address them. The other tools to facilitate learning are : guided peer-to-peer technical exchanges, structured study visits with follow-ups, provision of resource kits, manuals and guides, and partnering LGUs with other stakeholders, peers, donors, national government agencies, and the private sector.

LGSP sums its major lessons from its CD programs:

1. Sustainable CD requires local ownership. It must be responsive to self-assessed needs and should not be imposed.
2. External support for CD requires a strategic and comprehensive approach based on analysis at the system, organization and individual levels.
3. Investing in those who deliver CD assistance ensures quality and consistency. Capacitated service providers ensure support to LGUs beyond the life of the donor-assisted program.
4. Adult learning methods, learning and on-site coaching are usually more effective than traditional large group training sessions with an “expert-trainer”
5. Peer-to-peer learning and technical exchanges are effective capacity development mechanisms.
6. Local partnerships are equally important. There is value in building alliances among groups of local governments with common concerns and interests.
7. Enhancing the enabling environment is critical for institutionalization, replication and sustainability.
8. For sharing information and replicating exemplary practices, national and regional-level mechanisms are necessary.
9. Projects and partners should take cultural diversity into consideration in planning and implementing CD activities.
10. LGUs must be assisted in coordinating CD support from various agents and integrating it into their core work.

The areas that remain to be addressed are the following:

1. Sustainability and efficiency of initiatives in the ELA such as resource generation.
2. Greater awareness of the absorptive capacity of the LGU and integrating it into project planning.

1.1.2 Philippines-Canada Local Governance Support Program in ARMM (LGSPA)

LGSPA supports capacity development for all 105 LGUs in ARMM, select departments of the ARG, and LGU leagues from 2005 to 2010. It builds on the LGSP capacity building frameworks, methodologies and lessons learned. The program also collaborates closely with the World Bank’s ARMM Social Fund Project. LGPSA is an C\$18.0 million grant.

1.1.3. The Federation of Canadian Municipalities² Municipal Development Program

The MDP (2002-07) seeks to increase the capacity of municipal governments to address local issues around social development, environmental sustainability, and economic well-being, improve the policy and management environment in which municipalities operate, and strengthen the regional and multilateral networks that support municipalities. The core of the program is partnerships and exchanges

² The Federation of Canadian Municipalities Program (FCM) is the national association of municipal governments in Canada. FCM’s international programming is funded by CIDA.

between Canadian and overseas municipalities including national association of municipal government. MDP's program in the Philippines (C\$300,000), supports partnerships between:

The Provincial Authority of Bohol and Portage La Prairie to implement a strategic planning project in four pilot municipalities to improve municipal capacity for corporate planning and the budgeting process;

Sta Maria and Olongapo with Milton and Windsor to improve their capacity to manage solid waste;

San Fernando and Langley to enhance capacity for land use planning and emergency services.

The program also engages in dialogue with the League of Cities and the League of Municipalities to strengthen local capacity to manage internal operations, address social development, environment and economic issues affecting local governments and to engage in policy dialogue with national government agencies.

Capacity building is carried out in four phases: diagnosis and consensus; development of knowledge and skills; development of systems, tools, and procedures; and incorporation of new skills and systems into day to day operations to create sustainable improvements. The CD program for each LGU is collaboratively designed by a Canadian city and Philippine partner and within a two year period and uses the following activities:

1. Needs analysis through baseline surveys
2. Technical exchange missions in Canada and in the Philippines to learn best practices
3. Workshops and support activities
4. Replication of results

1.1.4 Canada Philippines Partnership Project for Good Urban Governance

Through this project (C\$1.6M), the Canadian Urban Institute supports decentralization and empowerment of communities in Western Visayas. Assistance began in 1994 and the current three-year program will end in 2006. The Metropolitan Iloilo Initiative assists five local governments to pursue inter-municipal cooperation, regional planning, growth management and improvements to regional service delivery through the metro Iloilo Development Council. The Guimaras Economic Initiative develops capacities of provincial and municipal governments for economic development and poverty reduction, as well as sustain earlier environmental protection undertakings. The Malay Local Social Service Delivery Enhancement Initiative assists the municipality to improve the delivery of health services for disadvantaged groups.

1.1.5 Public Sector Capacity Building for Governance and Social Development Program

In the Philippines, this program of the Institute of Public Administration of Canada, partners the Government of the Province of Manitoba with the Local Government Academy to strengthen capacity of selected local officials and functionaries of the provinces of Samar and Benguet and targeted LGUs, provincial officers of the Leagues, and DILG Region VIII and CAR.

1.3. ASIA FOUNDATION AND TRANSPARENT ACCOUNTABLE GOVERNANCE

The “Transparent and Accountable Governance Project (TAG) is implemented by the Asia Foundation with a US\$10.5 million grant from the USAID from September 1999 to 2007. TAG aims to build civil society and private sector constituencies for a counter-corruption reform agenda targeting economic growth and poverty reduction. TAG focused initially on agencies of the national government. The project now extends to the city and municipal levels in Mindanao through the promotion of accountability and transparency in governance.

TAG works with 16 cities (60 percent of the cities in Mindanao) (Butuan, Dipolog, Panabo, Oroquieta, Ozamis, Zamboanga, Malaybalay, Tacurong, Koronadal, Iligan, Marawi, Cotobato, Surigao, General Santos, Samal, Dapitan). Its city-level activities are conducted in partnership with LCP, academic institutions, the Mindanao Business Council, NGO networks and LRPs.

Its municipal engagement is with 76 municipalities in ARMM and neighboring conflict-affected areas.

Procedural Reform Agenda of Mindanao Cities. Reforms are targeted to enable city governments to restructure services to improve efficiency, decrease the costs of doing business, and encourage investments. The CD program starts with consultations with major stakeholders on priority reforms. A Mindanao Mayors’ Meeting was held in April 2005 where Mayors drafted a covenant that commits them to the development and implementation of TAG Action Plans. Assessment studies are conducted to determine the required technical assistance. Technical consultants are engaged by the LCP to assist the city in developing a reform agenda. The agenda includes the formulation of a work plan and conduct of participatory workshops.

Making Cities Work. The project enables city governments to improve business processes and procedures in business registration and licensing (with special attention to small enterprises.) It is also about empowering the private sector to advocate policies that provide better support services to business.

The implementing partner is Ateneo School of Government which selects participating cities. The criteria include the presence of a local business association that can co-manage the project and the willingness of the LGU to co-share project costs. Assessment studies and the organization of technical working groups are undertaken to determine the technical assistance package that will be provided to the city government.

The results of the 2005 Business Permit Renewal Study serves as an input to the project. The survey is undertaken annually and determines the number of steps to renew a business permit, the number of forms and signatories required for each step, transparency in the computation of fees, among others. The results of the survey are used to benchmark the progress made by pilot cities in process simplification.

Public Service Excellence, Ethics and Accountability Program (PSEEP). It aims to establish the values of public service excellence, ethics and accountability. The program is composed of six modules that run from six to eight months: service vision and values, service audit, service improvements, celebrating accomplishments, basic customer service skills, and public service and accountability.³ . The workshops are facilitated by university-based foundations and NGOs to elicit the participation of local government employees in improving transparency in operations and the quality of service delivery. The employees identify specific transactions in LGU offices that can be improved, e.g. issuance of mayor's permit, registration of birth, payment of real property tax, and application for permits. They then formulate an action plan to correct observed inefficiencies. Follow-up workshops are conducted to assess the extent of implementation of these action plans.

Local Development Planning and Budgeting. From 2002 to 2005, the Asia Foundation provided technical assistance to 57 municipalities and 583 barangays in Mindanao on development planning and budgeting. The CD program involves capacity building on team building, group facilitation methods, data gathering and analysis, and formulation of plans and budgets. The CD culminates in the development of barangay and municipal development plans.

The project includes a training of trainers who will assist the municipal officials in training barangay officials who are not covered by the project. To date, the project has trained about 360 workshop facilitators.

Building Capacities of the Muslim leagues. The Foundation provides institutional funding and technical assistance for the setting up of a secretariat that will support staff and capacity building of the Muslim League of Cities, Municipalities and Communities of the Philippines (MLCMCP). The CD program provides a two-day orientation on the ethics and accountability program, study tour and cross visits, newsletter and the development of a web based database system. There are also two to five days workshops on resource mobilization, networking, and technical writing.

Asia Foundations Programs outside Mindanao

eGovernance Initiatives. One to two day workshops are provided to orient LCEs and other IT champions in the Visayas areas on how to get started

³ The modules were developed from the UNDP and Civil Service Commission workshop materials.

on eGovernance and how to outsource systems development. An eGovernance Online Website is being developed in partnership with the Union of Local Authorities of the Philippines. The website will include best practices in eGovernance, a list of accredited service providers, and how to source funds.

Public Governance Scorecard Strategy. The project is implemented in selected cities to equip city administrators and heads of people's councils to initiate and pursue a public governance improvement program. At the end of the training-workshop, the participants are expected to identify benchmarks of good governance and responsible citizenship, propose a breakthrough strategy to promote good governance, develop a plan of action to how to deepen involvement of stakeholders in the PSG process. The cities that participate in the PSG project are: San Fernando, Calbayog, Tagbilaran, Naga, Samal, Surigao, Marikina, Iloilo, and Cebu.

1.4. AusAID'S Programs

1.4.1. Technical Assistance to Physical Planning (TAPP)

The project assisted 77 provincial land use committees to refine and improve the processes and outputs of physical planning and land use decisions through technical and training assistance.

The project developed manuals and databases such as:

- Refined regional and physical framework planning guidelines
- Refined regional physical framework plans
- Prescribed processes and procedures for integrating physical planning at all levels
- Draft provincial physical framework plans
- Learning materials for a provincial physical framework plan training program

The major lesson from the project is the clear evidence that learning-with work or the off-the job/on-the training approach of the type undertaken by the TAPP project is an appropriate approach to be considered in other similar bilateral projects.

1.4. 2. AusAID's Philippine Regional Municipal Development Project (PRMDP) 1997-2002

The project assisted 6 city governments in Southern Philippines (Bacolod, Cagayan de Oro, General Santos, Iligan, Puerto Princesa, Tagbilaran) to improve the processes of land tax revenues, asset maintenance, engineering planning, design and construction, land use planning and control and human resource development. It also assisted the process of consultation with communities on the delivery of basic services by city governments.

All cities developed and implemented LIS which consist of two major sub-components: a GIS based system of mapping and spatial identification and the TRACS; an Engineering Systems for Municipal Asset management (MAMS), Pavement asset Management (PAMS) and a Computerized Asset Register (CAR in the city engineers departments, Manuals and guidelines for planning and management and operation of engineering services and contract supervision (not widely utilized); Master plan for waste management.

The project was considered successful in helping improve the capacity of six cities to develop their planning and land information systems, training and revenue collection systems. However, the project has not resulted in the cities developing a strategic approach to planning and management which would have provided greater coherence to the component activities and more sustainable and extensive outcomes. The project was too technology-driven to service the needs of the infra outcomes, It may have been too ambitious in its expected outcomes, given the low base and capabilities of the cities to absorb advanced systems and new management practices. Many activities are still not complete; there are technical difficulties in using and upgrading some of the software systems and some systems are no longer operational.

No significant benefits appear to have accrued to the regions, provinces or other municipalities in which cities are located, thus the 'regional' nature of the program was not promoted, rather, it just focused on cities.

The replicable components of the program are the following:

- Computerized system of tax rating, assessment, collection and receipting which is operating on national standard endorsed by the appropriate national agencies
- Land information system (LIS)
- Support training and HR systems within framework of organizational needs assessment and organizational change models
- Development of master plans that is part of planning component

In 2003, the DILG submitted a proposal to AusAID for a second phase of PRMDP. AusAID subsequently developed a concept paper which proposed the development of a Local development Governance development Program (LGDP) to assist institutional capacity building at the local government level.

1.4.3. Philippines Australia Governance Facility (PAGF)

The facility was intended to provide responsive and effective support for governance at national, regional and local levels. The CD program was carried out in different LGUs (Goa, Camarines Sur, Provinces of Agusan del Sur, Albay, Camarines Sur, Northern Samar, Misamis Oriental, Naga City, Gingoog City,

The project developed the following manuals:

- A Resource manual on managing the fiscal gap: revenue generation and resource mobilization for effective local governance—tools for assessing current approaches to revenue generation and resource mobilization. Good and best practices from Australia and the Philippines were included.
- Model for LGU in revenue mobilization
- Naga City Peoples' Council (NCPC) training modules for basic and specialized courses for the basic sectors- the module consists of means to strengthen participation of non-government organizations and peoples' organizations in governance: leadership and communication, local government planning and budgeting, local administration and governance, documentation and recording, organizational management, simple accounting for non-accountants and advocacy
- Integrated groundwater management system-databases and GIS guidelines and procedures report---it covers the system design objectives, system description , and user manuals for the following components: groundwater database; water permits database; and geographical information system
- Planning and Monitoring framework-Operational planning and monitoring manual—an operation guideline that sets out detailed procedural requirements for interdepartmental operation planning and monitoring for the whole provincial planning process. It also covers procedural guidelines in conducting meetings, planning, budgeting, and monitoring and other coordination mechanisms. Gives performance indicators and schedules, timelines and guidelines in monitoring report preparation. It was developed in partnership with the province of Northern Samar.
- A manual on the local development administration performance—a set of indicators to measure local development administration in the Philippines in the areas of participatory governance, delivery of basic services, role of local legislative bodies in local governance, participation of NGOs in local special bodies, participation of NGOs in local special bodies. The manual provides for a workshop and is produced in diskette form. The project was implemented in partnership with DAP and was called the Local Development Administration Measurement System (LDAMS)
- Operations Manual on Developmental legislation—it contains roles of the legislature, legislative research and agenda preparation, development of legislative measures, tracking, monitoring, and evaluation of legislative measures. A licensed software on 'Legislative Tracking System' was installed. This was in partnership with the provincial government of Albay.
- Guidelines on strategic planning in urban areas—use of strategic planning process in the preparation and revision of comprehensive land use plans and other strategic urban area issues.
- Different manuals on community-based health management programs in partnership with Agusan del Sur: managing community-based health programs,

financial management of foreign aid funds, operations of the provincial health resource center, MIS for an RHU, various manuals for BHWs, e.g. early case detection and treatment

The project also produced the following reports:

- Overview of the nature of local revenue generation and resource mobilization strategies in the Philippines. It reviews related studies and policy initiatives in the past, statistics on different government levels; best practice on resource generation, and the issues regarding LU revenue mobilization
- Overview of revenue generation schemes in Australia and New Zealand
- Case studies assessing local revenue generation efforts and plans to strengthen resource generation
- Report on the IRA, estimating the IRA, Centrally-Provided local public goods and services, and other central fiscal transfers to local governments—it contains the baseline estimates of transfers to LGUS from 1995 to 1999; simulation results and analysis of alternative IRA distribution schemes
- Analysis of the provisions of the LGC on peoples' participation in local development councils, experiences on peoples' participation and an action agenda

The facility also supported the following programs:

- The Local Development Watch Project of the Bureau of Local Government Supervision (BLGS) was part of this facility. It produced a software that was installed within DILG that assesses the state of development of local governments across the country. It summarizes indicators that are available at the city/municipal levels. The Local DevWatch has a user-friendly manual that provides the indicators, how to generate and interpret them.
- Design of the LGU credit rating system and database and the computerized management and monitoring system in partnership with the Local Government Unit Guarantee Corporation (LGUGC)

1.4.4. The Philippines Australia Technical Support for Agrarian Reform and Rural Development (PATSARRD)

2003-2006

It assisted the DAR and LGUs in involving farmer beneficiaries into the development planning processes and was carried out in Agusan del Sur, Bohol, Northern Samar, Surigao del Norte, Misamis Occidental, and Aklan with an Australian grant of A\$10.0 million. Their participation was a way to facilitate delivery of support services, improve efficiency in resource allocation and demonstrate means to improve

access of rural poor to improved technology, markets and micro finance. The project developed the following materials:

- Participatory area planning manual
- Resource mobilization and networking
- Convergence: PATSARRD Experience (a monogram)

The project was considered highly successful with respect to developing participatory planning process.

1.4.5. Philippine Australia Local Sustainability Program (PALS)

2004-2009

PALS 1 was undertaken with an Australian grant of A\$12.0 million from 1999 to 2004. It piloted an integrated approach to community-based development in six municipalities in Misamis Occidental. The project has been extended in May 2004, PALS 2 to include the remaining eight municipalities in the province. The program aims to build the capacity of the LGUs to better plan, implement and manage sustainable activities to improve the livelihood of the rural poor. It attempt to address key constraints: lack of community participation in planning, weak community planning processes, poor access to basic water supply and sanitation services, unsustainable natural resource use and management practices, and disparities among vulnerable groups.

The strengthening activities during the first years focus on preparatory reviews and the conduct of assessments of provincial and municipal development plans. Modules and databases were developed on formulating barangay development plans and barangay profiles, how to conduct household surveys, and assess of coastal resources.

It noted the limited ongoing capacity of LGU officials to monitor Phase 1 supported projects and that resource constraints have constrained local staff in undertaking field activities. Turnover in LGU counterparts have had a negative impact on project implementation.

1.4.6. Philippines-Australia Human Resource Development Facility (PAHRDF)

2004-2009

The facility aims to achieve sustainable and equitable development in the Philippines by providing long-term scholarships and short-term specialized training to improve governance and management of key public and private institutions. It brings a new approach to structured HRD interventions by focusing more on the specific HR needs of key institutions. The focus of the program is on economic governance, rural development, security and stability with special emphasis on southern Philippines (Bohol, Northern Samar, Misamis Occidental, Agusan del Sur, and Surigao del Norte.)

Engagement with the services of the programs of the facility is by invitation only. Institutions are profiled against a set of criteria before partnering agreements are developed. The Australian grant is A\$59.6 million.

The HRD solution will support the needs of the institutions rather than adopting a standard format of short-course customized training. For instance, programs may include training or other activities in third world countries. Increased emphasis will be placed on utilizing local service providers, particularly those that are Mindanao-based. Assistance will also be given to selected local providers to improve their capability to provide services to the Facility. This may involve workshops on proposal preparation or technical assistance. The TOR may also support for hardware and software to enable the institutions to enable the graduating training cohort to implement the change strategy.

All graduates will be assisted via a re-entry program to implement their action plans'.

Some of the examples of the CD programs are as follows:

Bohol

- Short-term (five days) on integrated management of the HRMD function
- Mentoring on HRMD plan development and installation, enhancement
- Ten-day course on social marketing and ID development
- Assistance to a Local Resource Partner to develop a curriculum for masters or diploma course on integrated rural planning
- Modular course on development planning
- Mentoring and consultancy assistance on the preparation of the Master Development Plan
- Two-days session on fundamentals of economics and market analysis

The other training programs to participating programs depending on needs are as follows:

- IT Planning and Implementation
- Coastal resource management
- Benchmarking and setting Performance Standards
- Improving Customer Services

1.4.7. Philippines Australia Short Term Training Facility (PASTT)

The Facility provides short-term targeted training and HRD support to partner- agencies and key personnel. The PASTT activities concentrate on southern Philippines particularly Mindanao.

The staff of the facility works with organizations to develop initial training proposals. Training requests are then evaluated to ensure that they are an integral part

of the documented strategic and HRD plans of the organization involving change. The form of training that can be supported by the PASTT Facility is very flexible: e.g. training structures that combine in-Philippines and in-Australia training; training that includes follow-up workplace placement built into the training design; phased training wherein several phases of sequential training are given to a group of trainees, and training that incorporated distance modes of delivery.

1.5.LGU CAPABILITY BUILDING PROGRAMS OF THE WORLD BANK

1.5.1.Philippines-Water District Development Project (WDDP) 1999-

The WDDP finances investments to support NG's effort to improve sectoral capacity to deliver basic water supply and sanitation services to consumers. The project has two focus:

1. To test out a public performance audit system in the Metropolitan Waterworks and Sewerage System (MWSS); and,
2. To finance investment programs in sewerage, on-site sanitation, drainage development, and urban environmental improvements in low income communities based on LGU and community demand.

The project will support LGUs and water districts of participating cities⁴ to plan and implement sewerage and sanitation investments based on their residents' wishes and willingness to pay. The expectation is when residents perceive the benefits of improved sanitation, the demand for follow-up loans in other parts of the city would increase.

Ownership of the communal sanitation facilities will rest with the LGUs. They will be constructed through competitive bidding. Operation and maintenance will be undertaken by private operators on a three-year lease arrangement for an agreed monthly fee payable to the LGUs.

Institutional services will include consulting services for an O and M manual for each city, train operators on the basics of pond treatment of sewage and septage. Technical assistance will be provided on project monitoring and evaluation so that lessons learned could be fed back to improve future performance.

The selection of sub-projects in participating cities will be based on assessment of demand at three levels: LGU, barangay and household levels. The choice will be made by LGU councils based on results of cost-benefit analysis and long-term financial projections of revenues and expenditures. User consultations will be the instrument for deciding whether qualified barangays would participate in the project and also for

⁴ The loan was restructured into a line of credit on the basis of demand from any LGU willing to borrow on the project's lending terms.

choosing between options of technologies to be used in barangays. Where appropriate, household level surveys will be conducted for a rapid appraisal of demand.

The World Bank loan will be for US\$38.6 million of which US\$36.3 million will finance the households, civil society, and city councils' loan (SSD).

1.5.2.Philippines-Community Based Resource Management

1998-

The main objective of the project is to reduce rural poverty and environmental degradation through support for locally generated and implemented natural resource management projects.⁵ This would be done through: 1) enhancing the capacity of low-income rural LGUs and communities to plan, implement and sustain priority natural resource management projects; 2) provision of resources to LGUs to finance natural resource management projects; and 3) strengthen higher levels of government systems to transfer finance and improve implementation of environmental policies. The LGU Subproject investments has a total of US\$54.3 million that would provide eligible LGUs with a mix of grants and loans to finance community-based resource management projects on a demand-driven basis. Another US\$6.7 million would provide planning and implementation support to LGUs and their communities by way of training trough DILG and community organizers, and grants for financing project preparation. The project would support LGUs and their communities to become more effective managers of upland watersheds and coastal and nearshore resources that have been subjected to a lot of people looking for livelihood. The project would support the enhancement of planning and implementation capabilities of LGUs by providing training in preparing development plans, formulating project packages according to the Manual of Operations, and managing implementation of approved subprojects, including procurement and financial management. Training will be managed by the LGA of DILG at LGA centers. The training at the centers would cover: 1) planning for CBRM; 2) social preparation; 3) CBRM technology packages; 4) institutional development. In addition, training at the project sites will include: 1) participatory process; 2) local policy development and implementation; 3) project development management; 4) municipal finance. The project would provide support to Barangay Development Councils and communities in preparing development plans which will be integrated in the overall proposals of LGUs. Training will be provided to the Municipal Planning and Engineering Offices and the Provincial Engineering Office in contracting, contract management and supervision. The Treasurers' Office would be provided with technical assistance to enhance its financial and accounting system to meet the project's requirements.

The project would be implemented by LGUs while national government agencies would provide assistance in financial intermediation, technical support and project management. Project proposals would be formulated at the barangay level and the municipal government should consolidate interventions responding to locally perceived

⁵ Some of the lessons that the World Bank learned in its earlier projects on natural resources management are the need for an adequate local decision making powers and that beneficiaries must acquire the ability to operate within this framework by receiving the required managerial, political and technical skills from the project.

needs that are identified in line with Barangay and municipal development plans. Formulation, prioritization and packaging of subprojects would be supported by a community organizer (CO) with assistance from provincial government agencies. The COs will help to ensure that the voice of all groups will be represented in the community plans. Information from the social and economic profiles as well as gender analysis obtained for the each participating community will be used in planning so that all benefit and no one will be unduly burdened. Extra attention in planning and implementation will be provided to communities with indigenous groups. Project staff will be provided training on development for indigenous populations.

Community organizing for CBRM deals with the social preparation and community organizing processes which are necessary as soon as project requests for municipalities are approved. COs, who will be provided by municipalities, will be trained by the project to work with communities to identify their needs, priorities, strengths, opportunities and resources to prepare and implement viable subprojects. The COs will be fully engaged in data collection and conduct of social profiles of the community, gender analysis, and facilitation of participation, collective action, leadership identification and training, group formation, and or strengthening of project activities.

The project targets around 125 municipalities (40 percent of over 300 municipalities) in regions 5, 7, 8 and 13, the poorest classes of municipalities with high poverty incidence.

1.5.3. Philippines-Third Elementary Education Project

1996

The project would build the institutional capacity of DEPED and other stakeholders to manage the change process using the strategy of decentralization, partnerships with LGUs and communities. It aims to improve learning achievements, completion rates and access to quality elementary education in 26 poor provinces. Overall responsibility for project management would lie with the DEPED, in close partnerships with LGUs.

The project has an investment component, support to decentralized implementation and elementary education improvement, and provincial management structure capacity-building. Capacity building for LGUs is embedded in advocacy where the advocacy team will conduct research, formulate strategy and manage community mobilization work to gain support from stakeholders. It is also part of the elementary education improvement component (US\$453.7 million) to enable communities to actively support the program. Training will be on the project's principles and design, and the participatory activities such as planning, school management advisory council, and performance audit. The Loan will finance workshops and materials.

1.5.4. Philippines-Early Childhood Development Project

1996-

The project would assist the government to improve the health, nutritional, educational and psycho-social developmental status of pre-school children and improve the capacity of communities, local governments and NGOs to plan, manage, and finance child development interventions in an integrated manner. LGUs are the main implementing agencies and project funds are estimated at US\$34.9 million for service delivery and US\$ 12.3 million for support for LGU sub-projects that would be channeled to them. The first component is a program support for provincial LGUs: Expanded Program of Immunization, Integrated Management of Child Illness, the Micronutrient Malnutrition Prevention and Control which will all be managed by DOH. The parent effectiveness service will be managed by DSWD in coordination with DEPED and the DOH provincial health offices will incorporate it into the health education program. The grade 1 ECE/ECD package improves the child-readiness of elementary schools through the introduction of an 8-week "Early Child Experiences" module. The package would be managed by DEPED.

The financing facility will operate through the Municipal Development Fund. A facility will provide matching financing on a flexible cost-sharing basis relative to LGUs from cover regions 6, 7, and 12 (Antique, Bohol, Capiz, Cebu, Guimaras, Iloilo, Lanao del Norte, Negros Occidental, Negros Oriental, and North Cotobato. LGUs would submit proposals for three-year investment packages such as protein-energy malnutrition control program. The component will be managed by DSWD.

The program supports LGUs to implement investment packages in the areas of communications (advocacy, information, education, communication for LGU executives, opinion leaders, and decision makers, ECD providers and parents) planning, targeting, management information system, and human resource development. This sub-component would be managed by DSWD in coordination with a mix of agencies and NGOs.

The Research and development project will support strengthening of LGU capacity to manage and implement ECD programs and services.

1.5.5.Philippines-ARMM Social Fund Projects

The goals of the project are to reduce poverty and provide support mechanisms for the promotion of peace in the conflict-affected areas in ARMM. Part of the project's objective is improving local governance and institutional capacities with a focus on improved transparency and accountability in the allocation and management of public resources by participating communities, LGUs and ARMM regional government. The project is intended to be community-driven through improved partnerships and multiple mechanisms such as quick response methods. POs will receive on a demand basis technical and financial assistance so they may efficiently implement subprojects addressing their priority socio-economic needs. The approach will involve community contracting and various accountability mechanisms to ensure efficient and transparent use of funds.

The project has a component, US\$8.80 million that supports project management, institutional strengthening and enhanced governance. This component will initiate

processes towards improving service delivery, transparency and accountability. The component will support the cross-cutting theme of good governance in all the sub-project components. Open and transparent procedures will be piloted. Cross-visits will be organized to expose ARMM and LGU officials to best practices in local governance and public service delivery in other regions. Project management assistance will be implemented through “learning by doing” and in-service training. Information requirements and gaps will be assessed and a social marketing campaign will be conducted. The development of materials and other inputs could be sub-contracted to a private firm.

CIDA-LGSPA shall devise the appropriate implementing mechanism and processes for the TA support. This component will facilitate collaboration with the ADB’s TA support to ARMM. The TA for effective local governance will also use existing implementing guidelines and readiness processes that are applied by CIDA-LGSP. LGSP- assisted communities will be given priority to receive assistance. Opportunities for collaboration with USAID project’s TAG component are also seen.

The project will target 20 percent of ARMM barangay but all municipalities will be eligible to participate in accordance with the project’s selection criteria.

1.5.6. Diversified Farm Income and Market Development Project

The project has macro and micro interventions. At the macro level, the institutional capacity of DA will be strengthened through improving systems for planning, enforcements and support for market development. At the micro level, support will be given to focus area within the framework of devolution: Region 10 (Bukidnon and central highlands of Mindanao; Region 7 (Cebu and Negros Oriental), Region 6 (Panay Island) and CAR. DA investments in rural roads and other infrastructure will be strengthened by sharpening the selection, approval and implementation criteria to ensure demand-driven, market-oriented investments are supported primarily through LGUs and producer groups. Partnership with LGUs will be established to make information on technology development to farmers who are not affiliated with organized farmers’ groups. Information will include prices and on volume traded in major outlets.

The approach of the project builds on lessons learned from implementing WB projects in the past. Community-driven approaches are good but they should be done within the clear institutional context of devolution wherein LGUs play a critical role in facilitating these approaches to ensure better chances of sustainability. The grant involves a sizeable TA component using local consultants to work with LGUs to strengthen the role and capability of LGUs. It is important for rural infra to be prioritized by communities and implemented by LGUs. For these infra projects to be sustainable, practical O and M mechanisms should be put in place by LGUs themselves.

1.5.7. Philippines-Kalahi-CIDSS

The five-year project will empower communities through enhanced participation in barangay governance and involvement in the design, implementation and management of development activities that reduce poverty. This goal is pursued through: empowerment of communities based on facilitated participatory planning,

implementation and management of local development activities. Formal and informal institutions in local governance are strengthened to become more inclusive, accountable, and effective. Communities will be engaged in a demand-driven process of problem solving by consultations that match needs with limited resources.

The components of the project include: community block grants to the barangay that will be used for community investment activities. Implementation support will be given to facilitate barangay planning, implementation and maintenance of assets and investments.

The project will be implemented through the participation of LGUs. The province provides data on the ranking of municipalities. The provincial development plan provides the funding for higher infra investments to support those at the community level.

The municipalities will monitor and handle problem solving at monthly inter-barangay assembly meetings, provide technical services on request, support community investments through complementary municipal development planning, and audit accounting reports. To prepare guidance during implementation, the following manuals have been prepared:

- Community Organizing
- Community Infrastructure
- Community Livelihood
- Kalahi-CIDSS Project Financial System
- Community-Based Financial System
- Monitoring and Evaluation
- Training and Capacity Building
- Human Resources and Staffing

Sustainability is built-in the process. The comprehensive facilitation process aims at ensuring inclusive participation by the poor, indigenous groups, men, women, and youth in the planning process.

Community participation will be achieved using the following pillars;

1. A robust facilitation framework to ensure the inclusion and participation of poor and marginal groups and minimize gender bias. The participating barangays will submit proposals to the inter-barangay forum for selection. All barangays have equal chances to access project funds based on the feasibility of proposed activities.
2. Direct fund flows to beneficiary communities should revamp local decision making, build capabilities of barangays to manage assets and establish accountability and transparency.
3. A conflict resolution framework
4. An anti-corruption strategy including ex ante mechanism based on information flows and disclosure rules. Ex Post mechanisms include audits, suspensions and legal actions.
5. Cost-sharing

The implementation support consists of the following:

1. Social Mobilization and Community Organizing—project will recruit and train community facilitators in each region to undertake info dissemination at the community level, mobilize and support community volunteers regarding participation in project planning and implementation. Community facilitators will liaise with municipalities and consultants and facilitate inter-barangay forums. They will be provided training on development planning and management, conflict resolution, intra-and inter-barangay mediation, quality reviews, poverty assessments.
2. Capacity building for LGU communities---training will be provided on project planning, contracting, construction supervision, O and M, bookkeeping and financial management to barangay development councils. Training will be provided to technical staff to support barangay level activities regarding assessment of technical feasibility of projects, project design and management, and monitoring.
3. Monitoring and Evaluation—this will involve participatory monitoring by communities on self-defined indicators, internal monitoring of inputs, process and outputs. Baseline data for impact monitoring will be established during project implementation.

The project will cover one-fourth of all municipalities in provinces where the incidence of poverty is above the national average of 33.7 percent or 5,378 barangay in 193 municipalities in 40 provinces.

1.5.8.Laguna de Bay Institutional Strengthening and Community Participation (LISCOP), 2003-2009

The project will assist the Laguna Lake development Authority (LLDA), LGUs and other stakeholders improve the environmental quality of the Laguna de Bay watershed. The project will have two components: 1) support demand-driven investments that will improve the watershed environmental quality. Selection and prioritization will be based on the results of a participatory micro-watershed-based planning and identification process. The identified interventions will be implemented by multiple LGUs with each LGU borrowing for a sub-project within its jurisdiction. LGUs would be required to earmark a portion of their IRA for operation and maintenance. The LGUs would be required to reimburse LLDA the costs of doing the feasibility studies in the event that it decides not to proceed with the sub-project. 2) capacity building for LLDA, LGUs River councils and watershed stakeholders on environmental, social, technical, financial and managerial aspects of watershed management.

The project will strengthen LGUs capacity and provide financing to undertake environmental planning and investments. The process will be integrated and institutionalized as part of the local development planning and programs of the LGUs, thereby influencing other related sectoral plans and policies.

The project will further develop River councils into an advisory consultative and coordinative multi-stakeholder body for micro-watershed environmental issues. This will

be done through the micro-watershed planning framework that will include all LGUs in the micro-watershed. Additionally, implementation of programs of actions will be done by multiple LGUs to ensure a coordinated approach that can address the inter-jurisdictional micro-watershed issues.

The project will also provide an organized structure to involve civil society in environmental planning and management. Once this planning and implementation process is institutionalized, into the LGU development planning, the River Councils will serve as a permanent forum for LGUs to discuss environmental issues and to plan needed interventions.

The project will assist MDFO to develop and pilot a framework to enable LGUs within a micro-shed to collectively borrow and implement sub-projects for the first time.

The capacity building activities are the following: social marketing and promotion; household and enterprise surveys; water quality monitoring; technical analysis for identifying sources and causes of environmental degradation; setting priorities and identifying solutions and technical options; public consultation and participation; consensus building; detailing social, environmental, and technical interventions; capacity building needs assessment; preparing action plans; disclosure and dissemination.

Training programs will be grouped into broad categories: a) cross-cutting activities that are important for micro-watershed protection involving all stakeholders and stakeholder-specific targeted activities.