



**FORUM ON ENHANCING
COORDINATION & MANAGEMENT
OF ODA BY LGUS:
IMPROVING THE EFFECTIVENESS OF
ODA IN ILOILO**

Mr . Austere Panadero
Assistant Secretary & Lead-Convener
Working Group on Decentralization
and Local Government

Outline

1

The Philippine Development Forum (PDF)

2

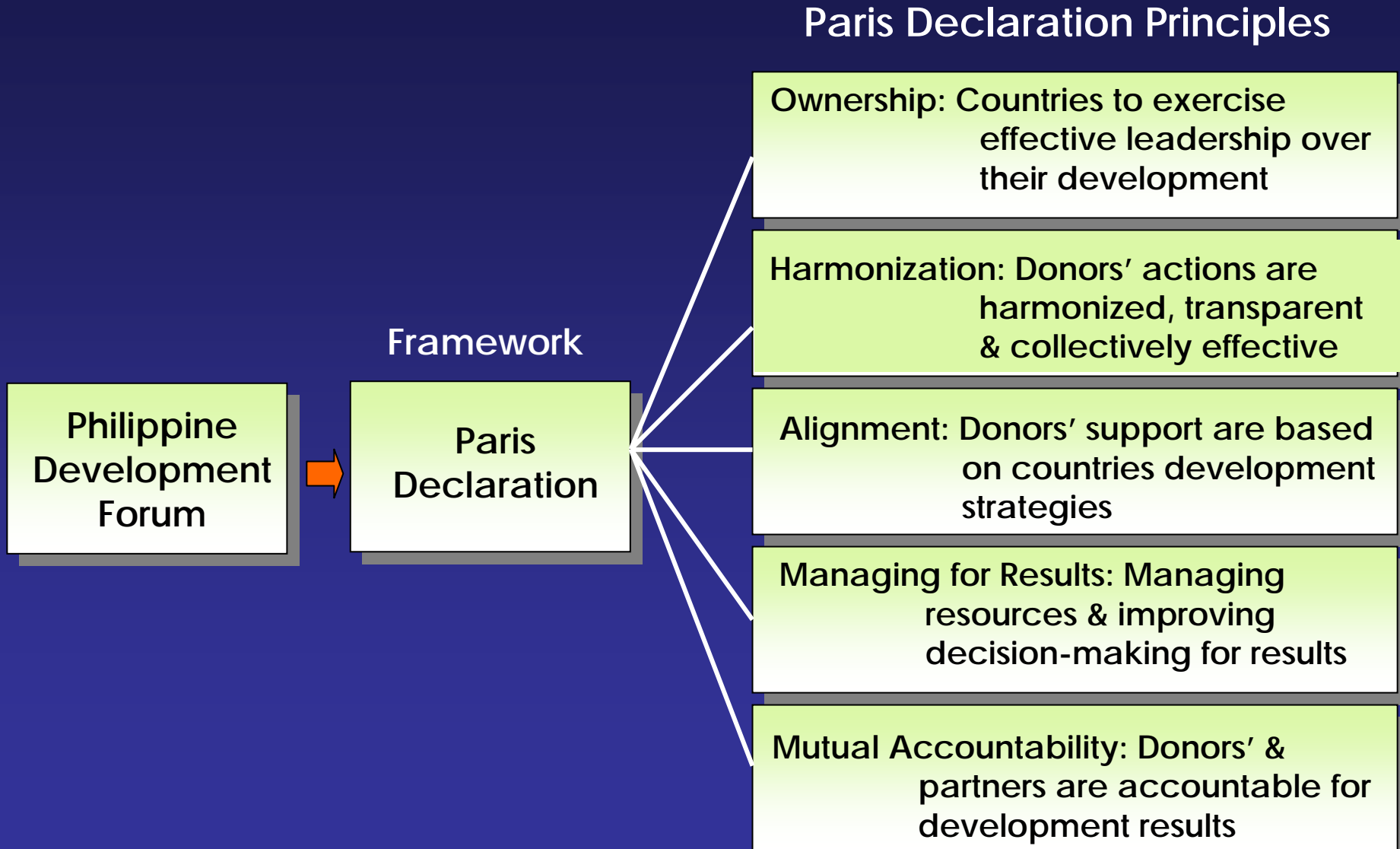
Objectives of the Forum

3

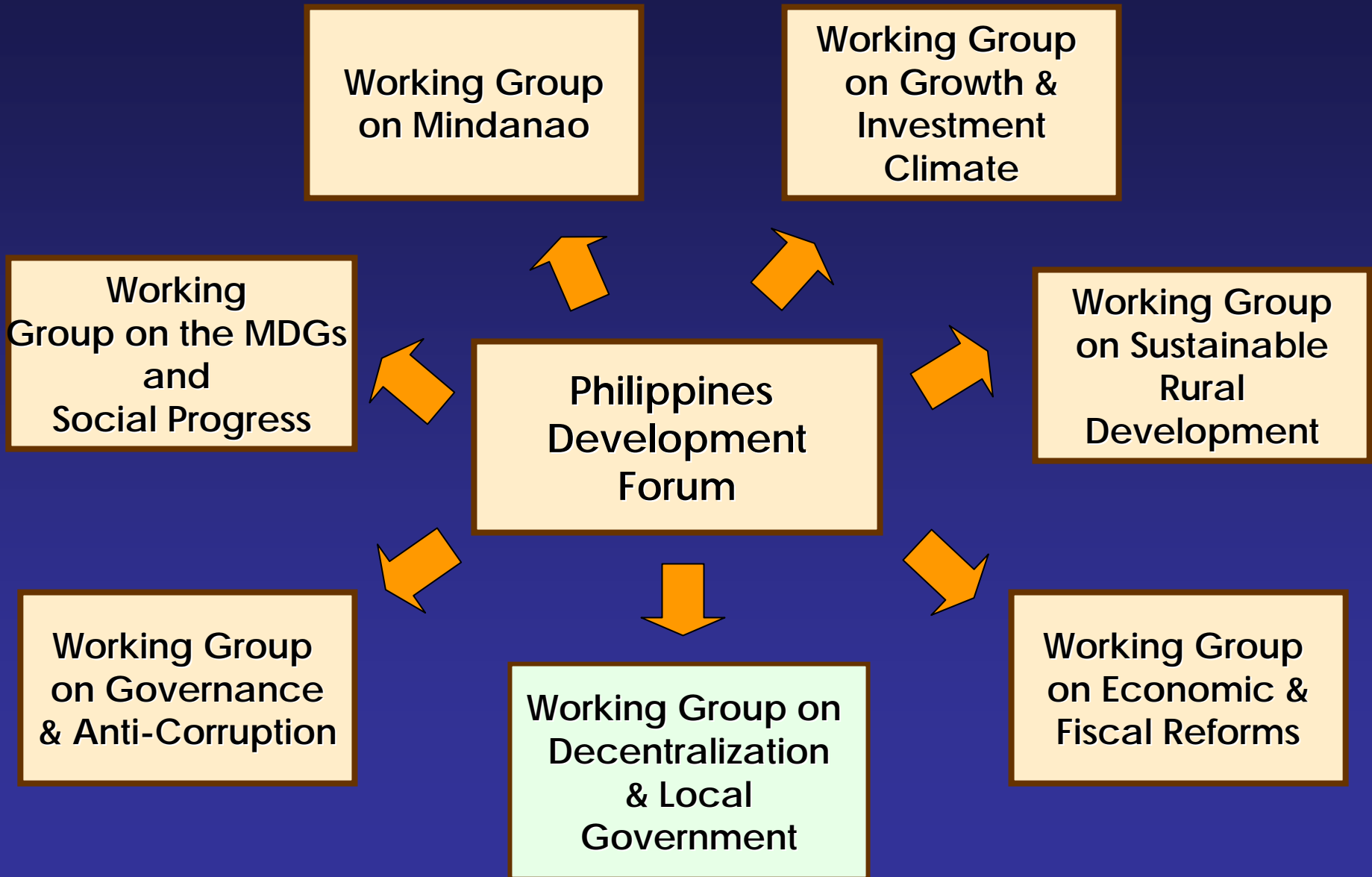
The Bohol Experience in
Managing ODA



FRAMEWORK FOR PDF ACTIVITIES



STRUCTURE OF THE PHILIPPINE DEVELOPMENT FORUM



MEMBERSHIP OF THE WG ON DECENTRALIZATION & LOCAL GOVERNMENT

DILG (Asst. Sec. Austere Panadero – Lead Convener)
WB (Ms. R. Mukami Kariuki) – Co - Convener

Government

National Government

- DILG
- DOF
- NEDA
- DBM
- Others

Leagues of LGUs

- League of Provinces
- League of Cities
- League of Municipalities
- Liga ng mga Barangay
- Union of Local Authorities of the Philippines

Development Partners

- ADB
- AusAID
- CIDA
- EU
- GTZ/KfW
- JBIC/JICA/Japan Embassy
- NZ
- UN Agencies
- USAID
- WB
- Others

FOUR THEMES OF THE WORKING GROUP ON DECENTRALIZATION AND LOCAL GOVERNMENT

Capacity Building

Performance Benchmarking

LGU Finance

Policy Reforms

Major Challenge: For the WG to Become an Effective Catalyst for Strengthening Decentralization & Harmonizing Development Assistance

Working Group



Improved Coordination



ODA Harmonization & Effectiveness

NG Agencies

Leagues of LGUs

Development Partners

Private Sector



Among NG Agencies

Among Development Partners

Between NG & Development Partners

Between Donors & Leagues

Among the "Quartet"
(NG, LGUs, Development Partners, Private Sector)

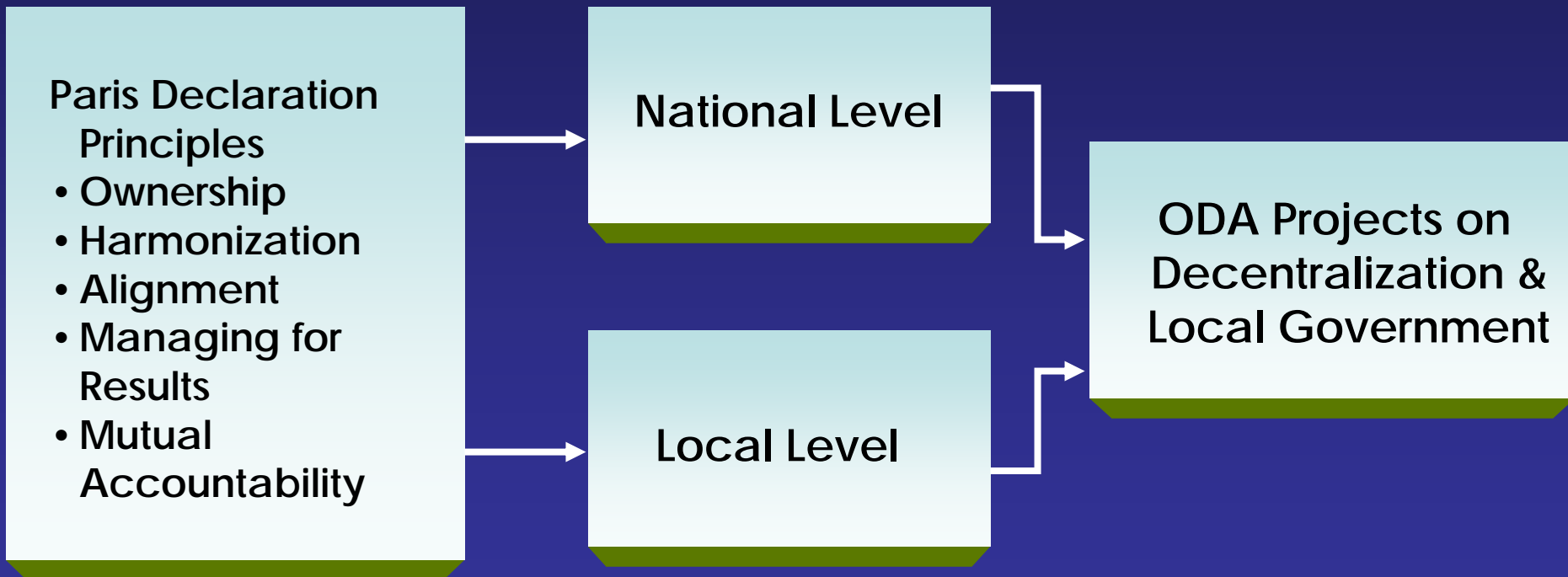


- Consensus building among NG agencies on national policies on decentralization and local government
- Better identification of needs & performance of LGUs
- Less duplication of donor initiatives on decentralization and local government

OBJECTIVES OF THE FORUM

- ❖ To discuss aid effectiveness at the local level using Metro Iloilo & Guimaras & Western Visayas region as examples
- ❖ To examine the constraints faced by LGUs in coordination & managing ODA & identify possible solutions
- ❖ Forge joint actions by development partners, the WG agencies & the MIDGEDC to improve coordination and management of projects in Metro Iloilo and Guimaras

OPERATIONALIZING THE PARIS DECLARATION IN THE PHILIPPINES



MANAGEMENT & COORDINATION OF ODA LEARNING FROM THE BOHOL EXPERIENCE

- ❖ Success factors that attracted ODA to Bohol
- ❖ Problems encountered by LGUs in Implementing ODA Projects
- ❖ Summary of Development Partners' Requirements

**Success Factors for Bohol's
Effective Management &
Coordination of
ODA Projects**

**Dynamic
Leadership**

**Improving
Development
Outcomes**

**Clear
Framework for
ODA Projects**

**Close Public-
Private Sector
Partnership**

**Competence
of Bohol Local
Government
Staffs**

**Easy Donor
Entry and
Institutional
Support for
ODA Project
Management**

WHY BOHOL WAS SUCCESSFUL IN ATTRACTING ODA PROJECTS

1. Dynamic Leadership

- With vision
- Aggressive
- Follow-through
- Built on successes of past administrations
- Concerned with sustainability of projects
- Close Provincial-City-Municipal Interface
- Supports participatory planning and strong private-public partnership
- Commands respect from colleagues and NG agencies
- Adheres to governance principles

WHY BOHOL WAS SUCCESSFUL IN ATTRACTING ODA PROJECTS

2. Clear Framework for ODA Projects

- Bohol Vision, Mission & Goals
- Bohol Poverty Framework for Poverty Reduction
- Executive Agenda
- Poverty Database Monitoring System

WHY BOHOL WAS SUCCESSFUL IN ATTRACTING ODA PROJECTS

3. Close public-private sector partnership

- Promoted participatory planning which facilitated acceptance of ODA projects
- Presently in a “productive and maturing partnership” (i.e. counterparting, joint planning and decision-making towards a common directions and shared responsibilities)

WHY BOHOL WAS SUCCESSFUL IN ATTRACTING ODA PROJECTS

4. Competence of LGU Staffs

- Ability to align needs of Bohol with donor priorities
- Can prepare project proposals & the other requirements of ODA projects
- Provide technical assistance/transfer of technology to lower level LGUs
- Set-up systems for monitoring ODA projects province wide

WHY BOHOL WAS SUCCESSFUL IN ATTRACTING ODA PROJECTS

5. Institutional Support to Implement ODA Projects

- Provided counterpart requirement of projects (e.g. Provincial Development Initiative Program,)
- Set-up donor coordination mechanics (e.g. monthly coordination meetings, ODA desk)

6. Improving Development Outcomes for Bohol

- Improvements in the poverty & security situation of the province
- Recipient of various awards for innovative projects

PROBLEMS ENCOUNTERED BY BOHOL IN MANAGING AND COORDINATING ODA PROJECTS

1. Counterpart funds, esp. for lower level LGUs
 - Resource sharing scheme
 - Provincial government providing counterpart funds to lower-level LGUs
2. Requirements of sovereign guarantee by development partners
 - WB & ADB formulating sub-sovereign lending facilities
3. Slow processing of LGU projects by NG Oversight Agencies
 - Set-up regional ICC
4. Lack of in-house capacity to develop project proposals
 - Capacity building for PPDOs
5. Different project requirements of development partners

SUMMARY OF DEVELOPMENT PARTNERS' BROAD REQUIREMENTS FOR LGU PROJECTS

1. Alignment of LGU projects with development partners' programs for the Philippines as reflected in Country Assistance Strategies of the development partners (e.g. poverty reduction)
2. Commitment to the principles of good governance, e.g. accountability, transparency
3. Institutional support to implement ODA projects
 - Willingness to commit counterpart funds and resources
 - Presence of financial management & control system in LGUs
 - Payment of VAT & other taxes (case of JICA)
4. Sustainability of Project initiatives
5. Peace & Order

ILOILO-MIGEDC CHALLENGES

- ❖ Derive lessons to be learned from the experiences in managing ODA
- ❖ Helpful institutional mechanisms for managing and coordinating ODA

THANK YOU