

Sharing Bohol's ODA Experience

By **Gov. Erico B. Aumentado**, National President
League of Provinces of the Philippines & Union of Local Authorities of the Philippines

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Australian Embassy First Secretary Angus Barnes, DILG ASEC Austere Panadero, Local Governance Development Project Director David Goodwins, Gov. Leo Ocampos, Provincial Planning and Development Coordinator Atty. Juanito Cambangay, Mayor Josephine Socorro Jumamoy, Mayor Givel Mamaril, LGDP Partnership Advisor Linda Paredes and Policy Advisor Elmer Mercado, distinguished participants to this forum, friends, ladies and gentlemen:

At the outset, allow me to welcome you officially to the Province of Bohol, the land of history and natural beauty. This tagline is the sum total of the stirring lyrics of the Bohol Hymn which speaks of Bohol's heroes, friendly and gentle people, the God-given Chocolate Hills, the lush verdant mountains and rivers as well as the powdery white sandy beaches.

For indeed history teaches us that the first international treaty entered into by the Philippines with a foreign power took place in Bohol with Datu Sikatuna and Spanish Conquistador Captain General Miguel Lopez de Legazpi executing the blood compact to seal the treaty of friendship, cooperation and amity on March 16, 1565.

Today, we are replicating the Sikatuna-Legazpi engagement, minus the Blood Compact or Pacto de Sangre, with this development forum for cooperation and solidarity to enhance coordination and management of Official Development Assistance (ODA) by foreign funders for the local government units (LGUs) to strengthen decentralization and local governance.

Towards this end, I shall now proceed to dwell on the Bohol experience in handling Official Development Assistance programs and projects.

For purposes of my presentation, I shall divide it into four areas of discussion as follows:

1. A Short History of Planning and Development in the Provincial Government of Bohol
2. The Present
3. The Challenges of Handling ODA Projects, and Our Responses
4. The Learnings: Why Bohol?

I. Short History of Planning and Development in the Provincial Government of Bohol

In the late 1970s, the era of plans, programs and projects came under the direction of the national government. Thus, with the help of the Japan International Cooperation Agency (JICA), the Bohol Integrated Area Development Plan was crafted and became the bible for Bohol's sectoral plan and high-impact mega-projects.

The sectoral plan covers economic, social, infrastructure and development administration.

On the other hand, the high-impact projects include the Bohol Circumferential Road Improvement Project Phases I and II, the Bohol Irrigation Project Stages I and II, the Leyte-Bohol Interconnection Project Phases I and II and Strategic Ports Development Program.

Parenthetically, I was lucky to represent the Provincial Government of Bohol as then a Provincial Board member in the Bohol Integrated Area Development Plan so that I have a clear understanding of the programs pipelined for the province.

In the early '90s, the LGUs were introduced into local autonomy, decentralization and devolution as a result of RA 7160 otherwise known as the Local Government Code. During the later period, Bohol had a USAID-GOLD project undertaken under my immediate predecessor where there was a felt need to be more participatory in governance to involve more stakeholders. This was the era of stand-alone donor programs and projects.

In 1992, incidentally, I became the congressman of the Second District of Bohol. In Congress (1992-2001), I worked for the packaging and funding of the Bohol mega projects by the Overseas Economic Cooperation Fund, and now, the Japan Bank for International Cooperation. These projects are the P3.5-billion Bohol Circumferential Road Improvement Project Phases I and II, the P4.2-billion Bohol Irrigation Project Stages I and II and the P3.4-billion Leyte-Bohol Interconnection Project Phases I and II.

Today, I have the privilege of participating in the implementation of the projects where I was part of the planning, packaging and sourcing of the funding as Provincial Board member, then Congressman and now, Governor of Bohol.

From the hindsight, I must candidly emphasize now that the USAID-GOLD Project leads to the evolution of the Bohol Provincial Vision, Mission and Goals (VMG) of eco-cultural tourism, investment promotion, agro-industrialization, culture and the arts development and environment management. This era could be classified as the period of realization: that donors might compete for turf, and there could be no duplication among projects.

II. The Present

When I took over as governor of Bohol in 2001, the province was a member of Club 20 – the 20 poorest provinces of the country and by reason of poverty among its people, Bohol was a hotbed of communist insurgency. In fact, it was the GHQ of the CPP-NDF and NPA in Central and Eastern Visayas. Thus I focused on poverty reduction for peace and development.

In the process, I established the Bohol Poverty Reduction Management Office, the Bohol Employment and Placement Office, the Bohol Tourism Office and the Bohol Environment Management Office, and strengthened the Center for Culture and the Arts Development and the Bohol Investment Promotion Center – as the lead agencies in the Provincial Government's fight against poverty, and insurgency, together with the military with a face, and community involvement, through its Special Operations Teams in rural areas immersion.

To ensure focus and clarity of our goals, our Team Bohol with the Provincial Planning and Development Office as the spearhead, crafted Bohol's Program Framework for Poverty Reduction (BPFPR).

The poverty reduction program covers a wide spectrum of areas – governance, environmental management, social welfare, peace and security, urban management,

education, health, rural improvement, population management, sustainable livelihood, infrastructure and economic management.

In addition to the Bohol VMG and BPFPR, there are new overarching macro policies such as on the Millennium Development Goals, to reduce by 50 percent Bohol's poverty incidence in 2015.

There is also the public sector reform to strengthen provincial governance through the management development program, capacity building and scholarship by the Australian Agency for International Development (AusAID) via the Philippines-Australia Human Resource Development Facility.

The Bohol Vision, Mission and Goals and the Bohol Program Framework for Poverty Reduction are geared for a sustained program to improve the quality of life of the Boholano people and eliminate the insurgency problem altogether in the province.

In line with the BPFPR, we have endeavored to delineate and coordinate the poverty reduction programs of the World Bank-Kalahi CIDSS, the Philippines-Australia Community Approach Program (PACAP), the Belgian Integrated Agrarian Reform Support Program (BIARSP), the Philippine-Australian Technical Support for Agrarian Reform and Rural Development (PATSARRD), the Second Agrarian Reform Communities Development Program (ARCDP-2) of World Bank, the Agrarian Reform Infrastructure Support Project Phase III (ARISP 3) funded by the Japan Bank for International Cooperation (JBIC),

Similarly, the programs are coordinated on the Millennium Development Goals (MDG) of the United Nations Development Programme (UNDP), the Heifer Project International Let's Help Bohol Program, United Nations Fund for Population Activities (UNFPA), the Fisheries Improved for Sustainable Harvest (FISH) of USAID, the Hospital Equipment Assistance Project (HEAP) of Spain, the GTZ of Germany, and the Private Enterprise Accelerated Resources Linkage (PEARL-2) Project Phase 2 of the Canadian International Development Agency (CIDA) and EcoBudget Asia of the European Commission among others, to avoid duplication of programs and projects in certain areas.

Thus, this is the era of donor coordination, the realization that ODA can be made more effective if complementarities are optimized and duplication avoided.

III. Challenges of Handling ODA Projects & Our Responses

At the start, some quarters in the Provincial Government of Bohol were resistant to ODA projects with the usual common wait-and-see attitude. To this challenge, our response has always been for consistent, sustained efforts from the first ODA projects onwards. The success of these early projects encouraged other department heads within the Provincial Government to initiate their own efforts to seek external funding.

At the start also, donors were hesitant to take a chance on Bohol with the question: What's in Bohol to merit ODA funding? Our response to this challenge is to chase our prospective donors, in a manner of speaking, and still we are doing this to sustain the momentum of our economic development.

A case in point is the Bohol Poverty Fair, the first of its kind in the country, facilitating direct contact between municipal LGUs of Bohol (exhibiting their poverty reduction project proposals) on one hand, and donor/grant agencies, NGAs and NGOs on the other, held on Oct. 30-31. The poverty fair generated about P284 million worth of poverty reduction projects funding commitments.

We also put in place the policy that every new ODA project shall be provided easy donor entry and the readiness of the Provincial Government to put up the necessary

counterpart, either in funding or personnel staff, as the case may be. The other LGUs – Municipal and barangays – were prepared to put up their share as counterpart under the convergence strategy and bayanihan spirit.

It may be emphasized in this light that Bohol's membership in Club 20 before my time as governor has driven my administration to focus on poverty reduction and reach out to the various ODA funders, the national government agencies, the non-government organizations, and other sectors.

We have also to inculcate in our local government units, the municipalities and the barangays, the convergence strategy and the bayanihan spirit in the implementation of projects especially those geared for poverty reduction, and ensuring the community or people empowerment in the project planning and implementation.

The end result is that according to the United Nations Development Programme Philippines 2005 Human Development Index Report, Bohol graduated from Club 20 and moved to No. 41 position among 79 provinces in the country. This year, the National Statistics Coordination Board has placed Bohol in the 52nd spot, with the corresponding reduction of our insurgency problem for which Bohol is no longer the headquarters of the CPP-NPA-NDF in Central and Eastern Visayas.

There is another challenge for an open menu of donor assistance which is really tempting. This can result to a possible scattering of development priorities of the Provincial Government. Our response is the adherence to our executive agenda as enunciated in our Vision, Mission and Goals and the Bohol Program Framework for Poverty Reduction.

We also put in place the policy of building upon the accomplishments of our predecessors and expanding on what they had started. A case in point is the Heifer Project International Let's Help Bohol program where my predecessor started with three towns. I continued the program and expanded it to seven towns. Today, there are 12 new towns, or a total of 19 towns that are covered by the project with the international non-government organization as our funder and partner.

Then there was the challenge of no verifiable means of tracking project impact and outcomes. Previously, project impact was largely inferred from project activities and outputs. Our response to this is the establishment of the Poverty Database Monitoring System (PDMS), formerly the LPRAP, a poverty monitoring software developed by the Provincial Planning and Development Office, the BPRMO then under Dr. Nestor Pestelos and the Bohol Local Development Foundation, now measures more than a dozen poverty/deprivation indicators down to the household level. Our indicators and benchmark are more than the UNDP's health, education and income basis for poverty indicators.

As a consequence, the PDMS software makes possible the accurate targeting of households, sub-villages and villages for projects and other interventions in support of poverty reduction. Later, with the updating of data, it can be a tool for tracking the impact of specific interventions, including their correlation over time.

The ODA projects are usually conceptualized and granted on a stand-alone basis; there is thus a risk of duplication and even conflict between projects. Our response has been the establishment of donor coordination systems like the monthly coordination meetings for the Bohol Circumferential Road Improvement Project Phases I & II, the Bohol Irrigation Project Stages I & II to solve problems including demands for access revolutionary tax by the communist insurgents.

We also continue the efforts to facilitate convergence among donor interventions, like **setting up a desk at the PPDO for coordinating with ODA programs and projects.**

On the tendency for ODA projects to be donor-driven rather than demand-driven, we lobbied with top ODA project management to address the development needs of Bohol and to adhere to Bohol's VMG, BPFPR and priorities in the Executive Agenda.

Previously, public sector and private sector efforts were disconnected, like NGO-implemented projects which might be completed without the knowledge or assistance of the municipal LGU concerned. Our response has been to encourage – even push – for private-public sector partnerships in implementing ODA projects because the VMG asserts private-public sector collaboration as a valued strategy. This private-public sector collaboration also acts as a mutual accountability mechanism.

So far, we still have no manual of operations for handling and coordinating ODA projects, but we are already working on this one with the PPDO as the focal agency to do it.

IV. The Learnings: Why Bohol?

1. We deliver. Bohol is one of the most improved in terms of poverty reduction. In calendar year 2000, Bohol was second to Ifugao with 50.2 percent poverty incidence and in 2003, it went down to 29.2 percent. Thus Bohol has a 21 percent net improvement rating against the national net improvement rating of 3.1 percent.
2. We try very hard to attract donor funding, as illustrated by the Bohol Poverty Fair on Oct. 30-31, 2006.
3. We think about sustainability of initiatives. Case in point: The BIPC, BEMO, BTO, CCAD, BEPO, BPRMO and other new offices were created to optimize the provision of direct services to the Boholano constituents. Their mission is to pursue a poverty reduction program and address the insurgency situation, in close coordination and collaboration with other agencies and the military.
4. We think about counterparting – not just of money, but of personnel, equipment and other resources.
5. With the now-pervasive “paradigm of collaboration” between the private and public sectors, the donor agency concerned can trust that each sector will do its part for the success of the project.
6. We attempt only what we can do – there is such a thing as over-reaching.
7. There is cross-sectoral acceptance of the VMG and the BPFPR, making for easier integration of cross-sectoral efforts.
8. All poverty reduction projects are tied with the Peace and Development efforts. Poverty breeds unrest, and to address insurgency, one must first address poverty and deprivation. The Poverty Reduction Program for Peace and Development won the Trailblazing Program Award and a Special Citation on Local Peace Initiatives – the first ever – from the Galing Pook Foundation in 2004. The number of CPP-NPA-NDF influenced barangays was reduced from 305 out of 1,109 to 46 by 2005. Armed NPA members were reduced from 283 in 2001 to 42 in 2005. The Central Visayas headquarters of the CPP-NPA has also been moved to Leyte.

Today, I am happy to report that the CPP-NDF-NPA political officer of Bohol – Domingo Samuya alias Ka Aryong – surrendered to me on Nov. 10 ultimo after 25 years of leading the insurgency movement in the province. This is a major breakthrough for Peace and Development in Bohol.

9. The awards have probably helped, too. A few of the major ones are

- The Konrad Adenauer Medal of Excellence (KAME) to be awarded to the governor of Bohol and the Konrad Adenauer and the Local Development Foundation (LOGODEF) national award in the search for a highly-performing provincial government for Bohol, both for 2006.
- Galing Pook Award for Continuing Excellence (ACE) in 2005 – Bohol is now in the Galing Pook Foundation Hall of Fame.
- Department of Tourism Kalakbay Awards in 2004:
 - i. Provincial Tourism Council of the Year
 - ii. Tourism Destination for the Year
 - iii. Secretary's Award for the Governor of Bohol
- The TUV Germany ISO-14001 Final Certificate for the Environment Management System in 2002 – the first ever granted to a Provincial LGU in Southeast Asia.
- The National Consistent Regional Outstanding Winner on Nutrition (CROWN) Award in 2002
- The Most Outstanding Peace and Order Council, as determined by the National Peace and Order Council in 2004
- The Visionary Leadership in Tourism Award given by the Network of Independent Travel Agencies or NITAS in 2004

Through it all, one underlying philosophy has served the Provincial Government well: consistent development priorities and master planning for Bohol, even through various administrations, has enhanced over time, with each administration building on the accomplishments of previous ones.

But, the gains we attain for Bohol in fighting poverty and insurgency must be sustained. For indeed, our 2.9 percent population growth rate could double Bohol's population of 1.2 million this year in the next 20 years, which could set back our gains to where Bohol was before my time.

This needs the continued support of ODA funders and institutions like the AusAID with its on-going PACAP, PATSARRD, PAHRDF, Land Administration and Management Project II (LAMP-2), LGDP, Strengthening the Implementation of Basic Education in Selected Provinces in the Visayas (Project STRIVE) and the new direction of AusAID's assistance program to the Philippines for rural infrastructure and related developmental projects.

Finally, Bohol supports strongly the advocacy of the League of Provinces of the Philippines and the Union of Local Authorities of the Philippines to have direct access to ODA concessional loans without sovereign guarantee by the national government, and to ODA performance grants.

We realize of course that only local government units with good financial housekeeping and governance shall qualify for the purpose and with the Internal Revenue Allotment intercept to the extent of the 20 Percent Development Fund as guarantee for such concessional loans. This way, the local government units – like Bohol – can sustain the momentum of its efforts to free the province from the bondage of poverty and insurgency.

Thank you!