

A Book Speaks on “Engaging Official Development Assistance Lessons in Civil Society Participation”

From the time of the late President Ferdinand Marcos to the present, the government considers Official Development Assistance (ODA) as a prerequisite in implementing the national development agenda given a deficit-ridden national budget. Essentially, ODA is seen as “resources flows provided by bilateral sources with the objective of promoting the economic development and welfare of the recipient country.”

Since the 1950s to the ‘60s, ODAs came through bilateral agreements. This developed into multi-laterals through the International Monetary Fund-World Bank (IMF-WB), Asian Development Bank (ADB) and other financial institutions in the ‘70s. In the late 80s, ODA funds multiplied in support of the Aquino administration. Some quarters believe that a big part of this was coursed through NGOs set up overnight. In the 1990s, ODA-funded projects of the Department of Agrarian Reform (DAR) increased paving the way for the engagement of more NGOs and popularizing the so-called “tripartite partnership.” Tripartism is defined as “the complementary roles of government (GO), non-government (NGO) and peoples’ organizations (POs) in the planning, implementation, monitoring and evaluation of projects related to agrarian reform and rural development.”

Civil society groups differ in their views on ODA. Some do not want to have anything to do with ODA because of their past experiences, a big part of which dates back to the Marcos regime when it is believed that the dictator used huge ODA funds to perpetuate himself in power. Others look at ODA as one that may help in community development and a possible venue for the people’s claim-taking. One such group is ODA Watch. Formed in 2002, the body is a consortium of five NGOs namely, Alternate Forum for Research in Mindanao (AFRIM), Kasanyangan-Mindanao Foundation Inc. (KFI), Management and Organizational Development for Empowerment, Inc. (MODE), Philippine Network of Rural Development Institutes (PhilNet-RDI) and the Centro Saka Incorporated (CSI). ODA Watch conducted a research which started in August 2003 in six ODA-funded areas nationwide. The research gave birth to a book titled, “Engaging Official Development Assistance: Lessons in Civil Society Participation.”

A glimpse on the research areas

The *Western Mindanao Community Initiatives Project (WMCIP)* costs Php 678.43 million and was funded by the Rome-based International Fund for Agricultural Development (IFAD). It was approved on April 23, 1998 but its implementation started only in October 2000, a delay of almost two years. The main reasons for the delay were the volatile political climate which includes the change of the President and the DAR

Secretary as well as the differences in political lines among stakeholders, their conflicting interests and differing interpretations on partnership, etc.

Several NGO's went through a bidding process before the project took off. For sometime, those selected by DAR were not acceptable to IFAD and vice versa. Finally, the DAR and IFAD executives agreed to hire the Ipil Development Foundation-Lakewood Consortium (IDF-LC), a group of NGOs formed in the mid-'80s and working together for the advancement of indigenous peoples' rights and welfare. The consortium's contract was on community and institutional development in six project areas among Subanen tribes. Based on the original design, the IDF-LC was to manage the site operations units (SOU) but this was changed in the process of implementation. Activities and projects identified by the communities included infrastructure projects including the construction of multipurpose halls, development of barangay roads, rehabilitation of communal irrigations and expansion of barangay warehouses. These were complemented with natural resource management, small enterprise development and credit components.

The delay of the project implementation was a big problem for the NGOs and POs. Since the four-year project had to be implemented in barely two years, the IDF-LC and the POs ended up cramming for the desired outputs. With the occasional budget delays so that the consortium had to use its funds in several instances so as not to cause further delay. Nevertheless, IDF-LC was identified as "good performing NGOs having delivered desired outputs" according to the WMCIP community development specialist.

The *Agrarian Reform Support Project (ARSP) in Agusan del Sur and Agusan del Norte* aimed to provide agricultural support services to 40,500 farmers in 63 agrarian reform communities (ARCs) in Camarines Sur, Sorsogon, Negros Occ., Agusan del Sur and Agusan del Norte. Involving nine POs, the research covered 19 barangays of Agusan del Norte and 52 barangays of Agusan del Sur. Fifty percent of the staff was from DAR while the other 50% was externally hired mostly coming from NGOs namely, the Educational Discipline in Culture & Area Based Development Services (EDCADS) and Associates for Integral Development Foundation (AIDF).

Called Agrarian Reform Support Project (ARSP), the project was from October 1995 to December 2000 but was extended until December 2001. Its total cost was Euro 26.833-million; Euro 20 million from the EU with the balance as counterpart of the government. The Project Management Office (PMO), the highest leading body, was based in Cebu City. This was headed by two co-directors, a Philippine national and an EU counterpart. The PMO approved projects above P500,000 while any of the two directors approved those below P500,000. EU-designated specialists were part of the PMO and their salaries taken from the project funds were higher than their Filipino counterpart. The EU, the DAR national office and the NEDA monitored the project through regular reports from the PMO. A Provincial Project Office (PPO) was set up in each of the provinces. More than a year was used for setting up the PMO in Cebu City and the PPOs in Bacolod, Naga and Butuan, drafting a framework of operations as well as formulating policies, systems and procedures.

The main tasks of the NGOs were social preparation (community profiling, baselining, training needs assessment and planning), organizational development which included community organizing, capability-building, enterprise development (institutionalization and implementation of policies, systems and procedures), alliance building, trainings, etc. In the main, NGOs were unable to substantially influence program framework, policies and direction as their role was limited to project implementation. Some POs cited that although some projects were not successful, they came out with experiences and skills they need in pursuing their goals towards development.

The *Agrarian Reform Communities Project (ARCP) in Sultan Kudarat* was funded by the Asian Development Bank (ADB). Covering July 1999 to December 2005 and costing US\$168.9 million, the project was intended for 140 Agrarian Reform Communities (ARCs). Through a bidding process among Davao-based NGOs, the project was awarded to the Rural Development Institute – Sultan Kudarat (RDI-SK). Working with the DAR Provincial office and POs, RDI-SK's involvement in four ARCs in Masiag, Columbio, Pimbalayan and Lutayan in Sultan Kudarat started in July 2001 and ended in December 2003.

RDI-SK brought to the partnership its experiences and expertise in community organizing coupled with its clear development framework and perspectives. In the area of agricultural development, the NGO integrated into the framework the principle of organic farming practices. RDI-SK provided support funds to POs for alternative income generating projects while the POs contributed labor, time and ideas in designing development assistance. At the beginning of the partnership, there were disagreements over project objectives and standards but these were resolved and the parties managed to move on to a friendly working condition. The DARPO gave RDI-SK the flexibility and discretion to use strategies it saw fit. RDI-SK went on with its work among the communities beyond the project period because it wanted to sustain the development momentum achieved by the POs.

The *Belgian Integrated Agrarian Reform Support Project (BIARSP)* in Canlaon, Negros Oriental was implemented in two phases: Phase I – March 1998-August 2000 and Phase 2 – September 2000 to August 2003. The beneficiaries were 74 ARCs from Regions VII and IX specifically Negros Oriental, Cebu, Bohol and Siquijor in the Visayas and Western Mindanao centering on 60,000 ARBs and 20,000 non-ARBs. The project costs Php 639.50 million, Php 444.50 million from the Belgian grant with the remaining Php 109.50 million from the national, provincial and municipal government. The research was conducted in Canlaon, Negros Oriental where a part of the project was implemented by the Negros Institute for Rural Development (NIRD). The project included organizing and strengthening cooperatives, rural infrastructure support, credit assistance for farm inputs, income-generating projects and procurement of work animals for farmer-beneficiaries of CARP.

In his paper, *Partners or Competitors: NGO and Government in BIARSP*, George Evangelista, the researcher in the area, cited that “BIARSP was a highly comprehensive package of agricultural support. Fundamental issues of land reform and the power dynamics of influential landowners were factors that determined information and cooperation dynamics between the partner NGO and the government.” Aside from its involvement in the BIARSP, NIRD had other projects in the same area and this caused misunderstandings with the DAR. At the early stage of the partnership, NIRD’s relationship with the DAR was cordial but problems on “overlapping service areas, contrasting perspectives” affected the partnership.

The *Western Samar Agricultural Resources Development Program (WESAMAR)* was funded by the European Economic Community (EEC). The five-year project costs US\$ 17.963 million covering 1994 to 1999 but was extended to 2000. Several local NGOs were tasked with community organizing and development, rural finance services, enterprise and cooperative development.

At the early stage of the project, NGOs were consulted in terms of identifying intervention strategies resulting to the adoption of the community development process (CDP) as the strategic operational framework. However, there was a shift from community development to livelihood enterprise development towards the middle of the project. Prompted by the recommendation of mid-term evaluators sent by the EEC, the shift brought fundamental changes in the very nature and underlying framework of the community development process. More and more, NGOs were treated as mere contracted workers having no influence on the program’s implementation and direction. At one point, the WESAMAR management even suspected some NGOs as having a “hidden agenda.” The contracts entered into by the NGOs every year reflect the shift in the overall direction of the program and the way the WESAMAR management dealt with the NGOs.

The *Agrarian Reform Infrastructure Support Program Phase 2 (ARISP 2) in Pampanga* or ARISP 2 is the second phase of a two-phase 10-year project which started in 1995. Of the total project cost which is Php 6.74 billion, 84% was a 25-year loan package from the Japan Bank for International Cooperation (JBIC) and the remaining 16% was shouldered by the government. The project was intended to help 150 ARCs in 55 provinces in 14 regions nationwide. The research was conducted in two areas in Pampanga, the Anao ARC in Mexico and the Paligue ARC in Candaba. The partner-NGO was Philippine Network of Rural Development Institutes (PhilNet-RDI). Their contract was on Institutional Development Component-Cooperative Development (IDC-CDC). As PhilNet-RDI had been working in Pampanga prior to the engagement, it viewed ARISP 2 as an opportunity to expand its project site in the province.

At the beginning of the project, many of the cooperatives were in deep organizational distress and financial difficulties. Despite this situation, PhilNet-RDI tried its best to ensure that project performance was at the optimum level in terms of stakeholders’ participation and key outputs. It focused on enhancing the capacity of the community members and raising their level of interest and involvement in the program.

The members of the cooperatives recognized the NGO's efforts and dedication in facilitating the strengthening of their cooperatives. However, PhilNet-RDI had a limited space of engagement in the ARISP 2 so that it went beyond the contract by integrating ARISP-2 in its long-term program in the province. The researcher recommended that "built-in monitoring mechanisms should be enhanced so that program issues and concerns at the local level are tackled quickly and efficiently. Feedback mechanisms should be established in a way that it can contribute and influence policy issues and concerns both at the program and national level."

Striking points

The research brought forth lots of eye-openers and confirmations of earlier views on civil society's engagement in ODA-funded projects.

The experience of RDI-SK in Sultan Kudarat proves that an NGO can have an effective place in an ODA-funded project. This is accounted to the fact that RDI-SK brought in its development framework and expertise into the partnership. Aside from this, it spent its own funds when government budget was delayed so that the project was not affected. However, most NGOs and POs said that the process they went through was highly politicized from the pipelining and bidding to project conceptualization and designing to project implementation and termination. Some cited they were hardly involved in decision-making concerning their projects. For instance, in Agusan, the POs' suggestion not to tap a bank that exacted a higher mark-up for channeled funds was rejected as the bank was the choice of the project manager. Many of the project proposals from the POs were rejected by the PPOs without satisfactory explanations. With the delay of project implementation common to the project areas, the NGOs and POs had to work double time and the tight situation did not offer a favorable climate for the needed processes in line with community-building and development.

In the main, the "tripartite partnership framework" as a basis for NGOs, GOs and POs to work together do not guarantee the success of the programs and projects because there are different interpretations on the framework and its practice. The contracts of NGOs which were renewable every year speak of their changing roles in the "tripartite partnership" year by year. Highly influential individuals; i.e. foreign consultants from the donor agencies and managers from the government dominated the decision-making in most of the project areas. One glaring example of this is the experience in WESAMAR. The project shift from community development to enterprise development at the middle of the program was attributed to the foreign consultants from the donor agency. The shift occurred without the consent of the NGOs and POs in the area.

The differences in the development frameworks of the "partners" greatly affected project implementation as seen in true-to-life stories in the project areas. For instance, in Sultan Kudarat, NGO workers stressed the value of cooperatives while government officials released livelihood funds without considering organizational processes. In another area, while the NGO workers trained the communities on organic farming and sustainable agriculture, government personnel simply distributed chemical fertilizers.

While POs were still processing their project among themselves, the PPOs had already procured the breed of goats (anglo-nuvian and mix-breed variety) for them. In another project, a Finnish consultant introduced a tool used for digging in Finland. This was manufactured locally and had become part of the loan package but the farmers could not use it.

The communication process was ineffective in most areas. In Zamboanga, the management style of top officials resulted to the NGOs' voluminous paper work to the detriment of the work at the ground. In Pampanga, the review of a training design by a national level implementing NGO delayed the local NGO's training activities. As a whole, feedback mechanisms among stakeholders were not institutionalized so that insights from the ground were not utilized more so, maximized.

Availability of budget is another key problem. NGO services are funded by the government counterpart. Delays on project implementation happened whenever budget from the government was delayed except when the NGO has its own funds to use in the meantime. At the project level, funds could not be readily accessed because of highly restrictive policies of the Landbank. What could be the cause(s) of budget delays? Among others, can these be due to graft and corruption which everybody knows had been rampant in our country over the years? A related article titled: "Donors tell RP: Curb corruption, spend more" (PDI, April 1, 2006) speak clearly on this issue.

Steps forward

Good intentions and hard work matter but track record, clear development framework, skills and flexibility count a lot for NGOs which engage in ODA-funded projects. Before engaging with ODA, an organizational self-reflection may be needed. Some questions that may be asked are: Is the project congruent with our development framework? If not, do we have the capability to influence the project design and implementation process? Do we have the capacity to implement our part in the project? Can we influence at the project level and/or network with national and international NGOs which can help us lobby our government and foreign governments for appropriate policies?

Ethical standards and accountability must be stressed, too. Government institutions derive their authority and legal mandate to implement projects from the government but are accountable not only to the government but to the people as well. NGOs are directly accountable to the communities with whom they work and to the poor in our society who needs support to liberate themselves from the pangs of hunger. PO members are accountable to one another and to the wider society. Donor countries are accountable to their tax-paying people. All the members of the so-called "tripartite partnership" are accountable to humanity particularly to the world's poor, the acknowledged focus of all development initiatives. At hindsight, why do we have to pay for foreign consultants who receive salaries higher than their local counterparts as seen in some of the research areas? In line with our fears related to the "brain drain" issue, many of our brilliant minds go abroad because of lack of job opportunities in our country.

Can ODA become an effective tool for genuine development? Offhand, a common comment of POs in most of the research areas was – “the project failed to deliver its promise of alleviating economic conditions.” However, NGOs remarked that worthwhile initiatives were initiated among the POs; i.e. strengthening their organizations, acquiring skills on community development, setting up livelihood projects and infrastructure-building but many projects remain pending or unfinished.

Huge ODA-funded projects continue to flow into the country. This is proven by the article, “ODAs seen to exceed ’06 target” (PDI, April 4, 2006) giving the impression that the inflow of ODA funds is by itself an indicator of the country’s march towards development. Evaluating ODA as a mechanism for eradicating poverty is crucial given the fact that some 80% of its cost is paid by taxpayers’ sweat and money. Indeed, it is urgent to weigh the costs of ODA vis-à-vis its concrete impact in terms of poverty eradication and the development of our country. The resounding call for civil society then is to play a key role in this important arena.

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