



Canadian International  
Development Agency

Agence canadienne de  
développement international

# **Philippines Country Program Evaluation 1989/90 - 2001/02**

## **Summary Report**

**June 4, 2004**

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**Canada** 

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**PHILIPPINES COUNTRY  
PROGRAM EVALUATION  
1989/90 –2001/02**

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**SUMMARY REPORT**

Prepared by:

Evaluation Division  
Performance & Knowledge Management Branch  
Canadian International Development Agency

June 4, 2004

## Foreward

The Philippines Country Program Evaluation was carried out to help strengthen aid effectiveness and guide future development cooperation efforts. What was learned from this evaluation will be used to inform development of a new country strategy being launched by Asia Branch.

This report consolidates information drawn from four supporting reports prepared as part of this evaluation:

- Private Sector Development, Resource Group Inc., Marikina City, Philippines
- Support to Non-Governmental Organizations, Goss Gilroy Inc., Ottawa, Canada
- Governance Programming, Henedina Razon-Abad (Ateneo School of Government), Phillipines / M.M. Lynch Consultants International, Canada
- Evaluation Synthesis Report, Peter Bracegirdle, Appian Consulting, Ottawa, Canada

CIDA's Performance and Knowledge Management Branch (PKMB) remains responsible for the contents of this report.

### Acknowledgements

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We also gratefully acknowledge the cooperation of the many individuals who participated in this evaluation, and thank them for bringing their valuable knowledge, insights and ideas to the table. In particular, we would like to recognize the efforts of personnel from the Government of the Philippines, the Philippines-Canada Cooperation Office in Manila, and CIDA who were especially active and supportive throughout all phases of the evaluation. In addition, the many Canadian and Filipino organizations and individuals who gave their time generously for interviews are deserving of recognition.

Goberdhan Singh  
Director, Evaluation Division

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## Key Acronyms

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ARMM	Autonomous Region in Muslim Mindanao
ASEAN	Association of Southeast Asian Nations
CAP	Commodity Assistance Program
CDPF	Country Development Programming Framework
CEA	Canadian Executing Agency
CFLI	Canada Fund for Local Initiatives
CIDA	Canadian International Development Agency
CODE	Caucus of Development
CPB	Canadian Partnership Branch (CIDA)
CPR	Country Program Review
DF	Philippines-Canada Development Fund
DIWATA	Development Initiative for Women's Alternatives and Transformation Actions
FY	Fiscal Year
GDP	Gross Domestic Product
GOP	Government of the Philippines
LEA	Local Executing Agency
LGSP	Local Government Support Program
LGU	Local Government Unit
MPB	Multilateral Programs Branch (CIDA)
MSME	Micro, Small and Medium Enterprises
MTPDP	Medium-Term Philippine Development Plan
NATCCO	National Confederation of Cooperatives
NEDA	National Economic Development Authority (GOP)
NFE	Non-formal education
NGA	National Government Agency
NGO	Non-Governmental Organization
ODA	Official Development Assistance
PCPE	Philippines Country Program Evaluation
PO	People's Organizations
PSD	Private Sector Development
RBM	Results-Based Management
SME	Small and Medium Enterprise
SZOPAD	Special Zone for Peace and Development

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## Management Response

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(Prepared by Hau Sing Tse, VP of Asia Branch)

You will find here below our management response to the PCPE. We would like to thank the Evaluation team for taking a participatory approach in carrying out this evaluation. CIDA staff and the staff of the National Economic and Development Authority (NEDA) of the Government of the Philippines (GOP) were actively involved in the exercise and appreciative of the opportunity.

The timing of this report is especially useful in that its findings and recommendations can feed into our current and planned programming and the development of our new Country Development Programming Framework (CDPF).

We note that the evaluation focussed the inquiry on Strengthening Aid Effectiveness (SAE) principles. In doing so, the report confirms and validates some of the key factors that make our Program in the Philippines relevant:

- the program reflected the priorities of the GOP and those of Filipino stakeholders;
- all three thematic areas of the program were consistent with CIDA's overall mandate of poverty reduction; and
- there was a high degree of coherence with other international donor investments.

### Management Response:

We agree with all of the recommendations put forward in the PCPE. The primary vehicle for addressing the recommendations is the CDPF for the Philippines. The exercise to develop a new CDPF is to be launched in late 2004/early 2005 related to Vision 2010 and the International Policy Review. In the meantime, an Interim Strategy for the approval of the Vice President, Asia Branch, will guide programming decisions until the new CDPF is approved and launched and forms the basis for the development of the new CDPF.

Comments on specific recommendations are as follows.

**Recommendation 1: CIDA should take the lead in engaging the Department of Foreign Affairs to articulate a long-term vision for the Canada-Philippine relationship that: a) builds on the valued partnership that has been forged between the two countries, b) reflects Canada's geopolitical, economic, trade interests, c) embraces the needs and priorities of the national government and in-country stakeholders, and d) exploits resident competencies in a complementary manner.**

We agree that it is time for a strategic, forward-looking approach to Canada's relationship with the Philippines. This will be a consideration in the preparation of the new CDPF. It becomes even more important in the context of a low-middle income country, with the possible prospect of graduation from CIDA assistance in about 10 years .

In this context, CIDA will undertake a series of consultations with Other Government Departments (OGDs), and will actively engage Foreign Affairs Canada (FAC) to develop an overall vision which can take into account CIDA's role and capacity to shape an evolving relationship. The interim strategy, currently under preparation, will be shared in September 2004 with FAC, and be used to launch this consultative process on a new CDPF.



**Recommendation 2: In the context of this vision and CIDA's relatively modest resources, CIDA should strategically converge the scope and focus of its new programming framework on what it has proven to do best in the past (where it has consistently demonstrated its ability to deliver expected results), and build on strategies, approaches and practices that have worked, judiciously avoiding those that have been less fruitful.**

We agree that building on experience and lessons learned is critical to the success of future programming, and this PCPE will contribute to making strategic decisions for the new round of programming. We have noted the challenges detailed in the evaluation regarding capacity-building and institutionalisation of competencies and recognize the necessity of giving this further attention for greater sustainability.

**Recommendation 3: CIDA should concentrate on choosing and managing investments as a more integrated, coherent, Agency-wide portfolio within a decision-making framework that identifies targeted expected results at each level of intervention: macro, meso and micro; while respecting the needs and priorities of the national government and in-country stakeholders, and promoting complementarities within the development cooperation community.**

We agree with this recommendation, although there are important challenges in fully addressing it. With respect to coherence between various channels of assistance, we will continue to strive for an integrated CIDA approach. With respect to the bilateral program itself, the next CDPF will include these management and linkages issues as part of its implementation strategy.

**Recommendation 4: The CIDA Program should place more emphasis on the management of partnerships, and the role of policy dialogue to influence GOP and local partner decisions.**

We recognize the need to ensure that there is greater interaction/integration of activities and lessons learned between the micro, meso and macro levels. CIDA is involved in assisting partners in setting standards and defining options. We are already engaged in and will continue to engage with partners and stakeholders and to participate in consultations in the process of policy development. Starting in September 2004, workplans will incorporate specific activities related to policy dialogue, which will be tracked as part of the annual Country Program Performance Report. Building on a strong field team, the program believes it can use policy dialogue, as part of multi-donor partnership, to enhance the value and the results of our cooperation. We believe the challenge lies mostly in how to capture policy dialogue activities and their effects, since such activities tend not to be costed, are often undertaken around or in addition to projects, and therefore go largely unreported, at least in a structured, detailed manner.

**Recommendation 5: The program should focus its monitoring and evaluation activities at the thematic 'portfolio' level, and make a greater effort to share its performance expectations and results with national government agencies, local partners, implementing agencies, and other stakeholders.**

We agree fully with this recommendation and have taken steps to implement elements of it. Notably, monitoring at portfolio level has been initiated for the Private Sector Development objective. This approach can be further refined in the new CDPF as a coherent set of programme-level results are developed. The involvement of NEDA in the process will ensure a common set of agreed-upon "performance expectations". We also agree that there is a need to more effectively share and disseminate results and lessons learned from the

programme's experience. A knowledge management strategy will be integrated in the new CDPF.

The next CDPF will also include a Strategic Results Framework and a Program Measurement Framework, as per the current CDPF guidelines, which will establish the structure for thematic monitoring.

## Introduction

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Learning from experience to  
strengthen aid effectiveness

The Philippines Country Program Evaluation (PCPE) was carried out to gain a better understanding of how CIDA's investments had performed over the twelve-year period from FY1989/90 to FY 2001/02 in order to help strengthen aid effectiveness and guide future development cooperation efforts. The evaluation was designed to foster a learning continuum from this experience by identifying what results were achieved, what worked, what didn't – and why. What is learned from PCPE will be used to inform development of a new programming strategy for the Philippines that is being launched by Asia Branch.

The evaluation team examined a selection of programming initiatives in three thematic areas: 1) governance programming, 2) support for non-governmental organizations, and 3) private sector development. Over 400 documents were reviewed, some 250 interviews were carried out, and programming initiatives representing \$298.6M in CIDA investments were assessed. A focus was brought to identifying the relevance of the projects funded, the program's effectiveness in achieving sustainable results, and results related to gender equality (GE) and the environment.

PCPE reflected an active participatory orientation and, throughout the evaluation, opportunities to optimize knowledge building were stressed, both for CIDA's managers/staff and for the National Economic Development Authority (NEDA), the highest policy-making body in the Government of the Philippines (GOP). NEDA was actively involved in all phases of the evaluation, and evaluation team members included both Filipino and Canadian consultants.

From FY 1989/90 to FY 2001/02, CIDA invested \$398.6M in development cooperation programming in the Philippines and contributed to some 500 projects

### Report Organization

This report is structured as follows:

- Chapter 1 provides background information and historical perspective for development cooperation programming in the Philippines, highlighting the political, economic and social context; GOP priorities of the Government; and global Official Development Assistance (ODA);
- Chapter 2 profiles CIDA's Philippine Country Program, describing funding levels, guiding strategies/frameworks, geographic focus, partners/beneficiaries and branch programming mechanisms;
- Chapter 3 briefly explains how the evaluation was carried out, describing scope and coverage, project sampling, and the methodologies employed;

- Chapter 4 assesses the program's relevance to CIDA's corporate policies, GOP priorities, stakeholder needs, and coherence with the investments of other donors;
- Chapter 5 identifies the results achieved through governance programming in terms of: 1) capacity building, 2) advancing the enabling environment, and 3) ensuring equitable access to services;
- Chapter 6 describes the results from the Agency's support for non-governmental organizations (using the capacity building, enabling environments, equitable access categorizations);
- Chapter 7 sets out the results achieved through private sector development programming (capacity building, enabling environments, equitable access);
- Chapter 8 summarizes the evaluations team's findings on the sustainability of program results;
- Chapter 9 addresses how the PCPE addressed the crosscutting issues of gender equality and the environment;
- Chapter 10 provides an overall conclusion to the evaluation, identifying the broad objectives met and what shortcomings require attention;
- Chapter 11 describes what was learned from the PCPE which may have value for broader application (and provides a list of specific lessons learned);
- Chapter 12 looks to the future in addressing how the Canada-Philippines relationship could evolve over the next 10-to-15 years, and makes a series of recommendations for positioning the Agency over the longer-term and shaping its approaches to and mechanisms for planning and implementing development cooperation programming in the interim.

## Chapter 1: Context & Perspective

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Setting the historical background for program planning and implementation

The realities of development cooperation include a wide range of factors or circumstances that can be beyond CIDA's control (e.g. mitigating political, economic, and social dimensions, deficiencies in institutional frameworks, accessibility of key ministry officials). A realistic orientation is required that addresses the challenges inherent with working internationally and with a varied set of partners. To this end, it is important to identify mitigating impediments that influenced the Agency's efforts. This chapter sets the historical background and prevailing context against which the Agency's Philippines Country Program was implemented.

### 1.1 Political Context

A period characterized by uneasy stability

Between 1986 and 2002, the Philippines witnessed four presidential regimes:

- President Corazon Aquino (1986–1992) will be remembered for re-establishing constitutional democracy in the country, but the efforts of her administration were hindered by attempted political coups and the reluctance of those formerly in power to relinquish control.
- From 1992 to 1998, President Fidel V. Ramos brought relative stability to the fractured political landscape, tackling long-overdue economic reforms and rallying diverse groups to his 'Philippines 2000' vision.
- Joseph Estrada became President in 1998 representing himself as a champion of the poor with his anti-crime and anti-corruption agenda, but he was forced to resign in late 2000 amidst accusations of plunder, mass resignation from government and a second uprising of the social elite and civil society.
- In January 2001, the Supreme Court administered the presidential oath of office to Vice President Gloria Macapagal-Arroyo, who based her power on an anti-corruption platform, with a policy focus on improving service delivery, promoting ethical standards, and strengthening institutions. Her efforts to date to revive a sluggish economy have been undermined by factional disputes, widespread corruption, low domestic confidence, and continued kidnappings, violence and insurgency in Mindanao.

## 1.2 Economic Context

Slow economic growth despite uneasy political stability, the 1997 Asian financial crisis and increasing debt load

The Philippines is a lower middle-income country and has been among the slowest growing economies among the members of the Association of Southeast Asian Nations (ASEAN). In terms of purchasing power parity (PPP), the Gross Domestic Product (GDP) per capita increased from \$3,274 USD in 1986 to \$3,694 USD in 2002<sup>1</sup>. Using current USD, the Gross Net Income per capita improved from \$560 USD to \$1,030 USD in this same period.

During 1983–1986, the Philippines experienced the worst economic crisis in its postwar history, with high inflation, rising debt, falling employment, and persistent income inequalities and disparities among its regions and disruptive weather conditions. The ‘poor’ majority was impacted most directly as per capita incomes fell, maternal and child mortality rose, and the budgetary allocation for basic services slowly declined. Between 1986 and 1989, President Aquino laid the foundations for recovery.

Between 1989 and 1998, the real Gross Domestic Product (GDP) grew on average by 2.7 percent every year. The annual growth rate peaked at 5.8 percent in 1996, until the Asian financial crisis undermined the economy in 1997. In 1998, at the height of the crisis, the GDP growth fell to 0.6 percent, but recovered to 3.4 percent in 1999 and 4.5 percent in 2001.

## 1.3 Poverty Reduction

Poverty reduction rates have been steady, generally favouring families living in urban areas

The following table shows that the incidence of poverty among families steadily declined from 1985 (44.2 percent) to 1997 (31.8 percent) but increased again to 34.2 percent in 2000. Reductions in the incidence of family poverty generally favoured those living in urban settings (with rates decreasing from 33.6 percent in 1985 to 20.4 in 2000). The incidence of poverty among rural families, however, has not decreased as significantly (from 50.7 percent in 1985 to 47.4 percent in 2000).<sup>2</sup>

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<sup>1</sup> GDP per capita, based on purchasing power parity. GDP per capita is gross domestic product converted to international dollars using purchasing power parity rates. Data are in constant 1995 international dollars, World Bank Indicators Database

<sup>2</sup> Asian Development Bank, 2001a (from Illo, 2002. p. 8)

Poverty Reduction Indicators 1985–2000						
Indicator	1985	1988	1991	1994	1997	2000
Total number of poor families (in millions)	4.36	4.23	4.78	4.53	4.51m	5.22
Total poverty rate among families	44.2%	40.2%	39.9%	35.5%	31.8%	34.2%
Poverty rate among urban families	33.6%	30.1%	31.1%	24.0%	17.9%	20.4%
Poverty rate among rural families	50.7%	46.3%	48.6%	47.0%	44.4%	47.4%

Source: National Statistics Office, Family Income and Expenditures Survey (from Illo, 2002, p.9).

Income inequality deteriorated from a coefficient of 0.44 in 1985 to 0.48 in 2000.<sup>3</sup> During this period, poverty levels were exacerbated by: 1) the limited impact of economic growth, 2) the financial crisis of 1997, 3) continued high debt loads, 4) natural disasters (typhoons and earthquakes), 5) the pervasive leakage of scarce resources through corruption, and 6) armed conflicts and security problems in Mindanao. The Philippines has one of the highest population growth rates in the region (2.3 percent per annum). At the current growth rate, the population of the Philippines is expected to climb from 76.5M in 2000 to 96.8M in 2010 (National Statistics Coordination Board, 2001).

An estimated \$48 billion (USD) has been lost over the past twenty years due to corruption (from Florencio Abad, from Lynch and Abad, 2004, p.8), more than the total ODA that flowed to the Philippines during the same period

## 1.4 Human Development Indicators

A decreasing rank compared to other ASEAN countries

The Human Development Index is computed from a country's gross domestic production per capita, local purchasing power, rate of life expectancy, rate of adult literacy and rate of persons enrolled in educational institutions. The following table shows that while the Human Development Index for the Philippines has increased, the country's rank has decreased compared to other ASEAN countries. The Philippines have better education indicators but lag behind others, except for Indonesia, in terms of health and access to basic needs.

<sup>3</sup> According to the Family Income and Expenditures Survey of the National Statistics Office, GOP, the Gini coefficient was: 0.44 in 1985, 0.45 in 1994 and 0.48 in 2000 (from Illo, 2002, p. 124). The Gini index measures the extent to which the distribution of income among individuals or households within an economy deviates from a perfectly equally distribution (zero represents perfect equality, while 100 implies perfect inequality).

Comparative Human Development Indicators Selected Southeast Asian Countries (1985–1999)				
Year	Indonesia	Malaysia	Philippines	Thailand
<i>Human Development Index</i>				
1985	.58	.69	.69	.68
1990	.62	.72	.73	.71
1995	.66	.76	.73	.75
1999	.68	.77	.75	.76
<i>Life Expectancy at Birth (in years)</i>				
1995	64.0	71.4	67.4	69.5
1999	65.8	72.2	69.0	69.9
<i>Adult Literacy Rate</i>				
1994	83.8%	93.8%	94.6%	83.4%
1999	86.3%	87.0%	95.1%	95.3%
<i>Gross School Enrollment</i>				
1994	62.0%	61.0%	87.0%	55.0%
1999	65.0%	66.0%	82.0%	60.0%

Source: Human Development Report, United Nations, 1998, 2001 (from Illo, 2002, p. 134)

Note: The indices presented in this table have not been computed on a constant dollar value basis. These figures are useful as a proxy, of the general trend that is occurring over time.

## 1.5 Priorities of the Government of the Philippines

GOP poverty alleviation priorities have remained  
consistent since 1986

The GOP defines its strategic framework for poverty alleviation in Medium–Term Philippines Development Plans (MTPDPs). Since 1986, the strategic direction of the plans has remained consistent, emphasizing: 1) human resource development, 2) the devolution of responsibilities from the central to local and regional levels of government, 3) the increased role of non–governmental organizations (NGOs), and 4) the promotion of employment, economic growth and world competitiveness:

- The MTPDP 1987–92 (Aquinos' administration) emphasized public sector competence, jobs and employment, rural development, agrarian reform, privatization, decentralization and participatory development of the private sector, NGOs and community organizations.
- The MTPDP 1993–98 (Ramos' administration) shifted the underlying agenda toward economic reform and international competitiveness, highlighting the institutional context for development and setting 'people's empowerment' as its goal.
- The priorities for the Estrada MTPDP 1999–2004 were sustainable development, economic growth with social equity, poverty reduction and equitable distribution of income.
- When Gloria Macapagal–Arroyo became president in 2001, the Estrada MTPDP was updated for the 2001–2004 period to bring a focus to macroeconomic stability with equitable growth, agricultural modernization with social equity, comprehensive human



development and protection for the vulnerable, together with the promotion of good governance and the rule of law.

## 1.6 Global Official Development Assistance

Reliance on ODA dropped from 2.9 percent of GNP in 1990 to 0.9 percent of GNP in 1998

The Philippines received US\$20.94 billion in total ODA in the ten years from 1989 and 1998, averaging inflows of almost US\$2.1 billion annually during the period. In 1991, ODA reached a peak of US\$2.72 billion, but soon fell to a low of US\$1.19 billion in 1993. Between 1990 and 1998, the ratio of ODA to GNP fell from 2.9 percent to 0.9 percent while the ratio of total ODA to the government budget dropped from 33 percent to 14 percent.<sup>4</sup>

This table below establishes that by 1998, the GOP's reliance on ODA decreased and was comparable to its neighbouring countries (using GNP as an indicator).

Comparable ODA Statistics in Selected Southeast Asia Countries (1990 and 1998)				
Country	ODA/Capita (US\$)		ODA/Percent of Gross National Product	
	1990	1998	1990	1998
Indonesia	\$10.00	\$6	1.6%	1.5%
Malaysia	\$26.00	\$9	1.1%	0.3%
Philippines	\$20.00	\$8	2.9%	0.9%

Sources: World Bank, *World Development Report 1999 and 2000* (from Illo, 2002, p. 140)

ODA to the Philippines mostly comes from three large donors. From 1992 to 1999, Japan, the Asian Development Bank and the World Bank provided 82 percent of the ODA to the Philippines. Canada has been a modest contributor accounting for less than one percent of Official Development Assistance during this period.

The following table compares donor funding to the Philippines from 1992 to 1999:

Comparison of Donor ODA Funding (1992 to 1999)		
Donor	Amount of ODA (\$US billion)	Percentage of Total ODA Provided
Japan	\$6 billion	45%
Asia Development Bank	\$3 billion	19%
World Bank	\$3 billion	18%
United States	\$0.6 billion	4%
Canada	Less than \$0.2 billion	Less than 1%
Others	More than \$1.8 billion	More than 13%

Source: NEDA Public Investment Staff

<sup>4</sup> Gonzales, 2000 (from Bracegirdle, 2004, p. 19)

## Chapter 2: CIDA Philippine Country Program

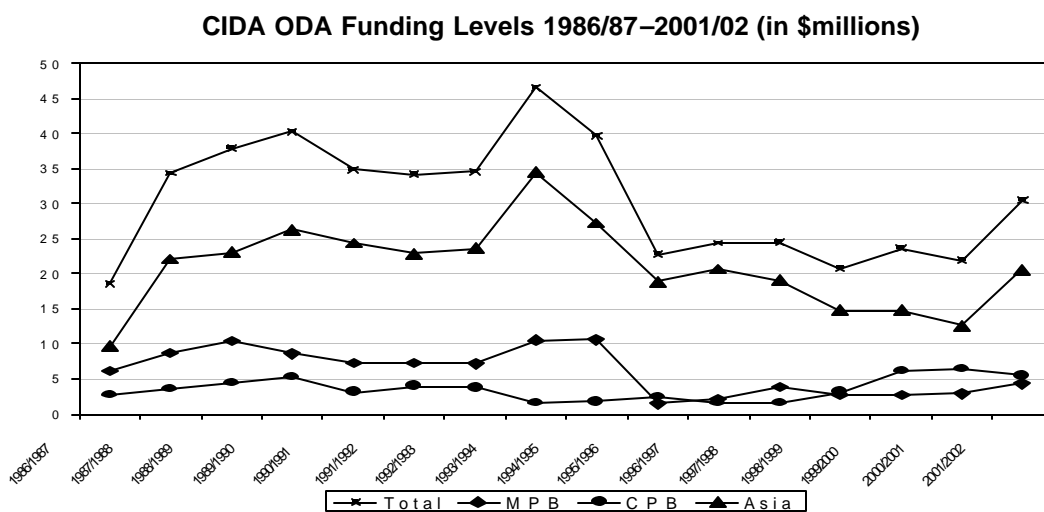
This chapter profiles the investments made in CIDA's Philippine Country Program, describing funding levels, guiding strategies/frameworks, the Agency's geographic focus, participating partners/beneficiaries and the branch programming mechanisms employed.

### 2.1 Funding Levels

CIDA invested \$398.6M contributing to some 500 initiatives  
(FY1989/90 to FY 2001/02)

From FY1989/90 to FY 2001/02, CIDA invested \$398.6M in development cooperation programming in the Philippines (including core funding for multilateral institutions) and contributed to some 500 programming initiatives. Funding reached almost \$47M in 1993/94, but has since fallen significantly. From 1995/96 on, the Agency has invested between \$20M and \$30M annually.

The resources for the Philippines Country Program were delivered through three CIDA branches: Asia Branch, Canadian Partnership Branch (CPB), and Multilateral Programs Branch (MPB). Asia Branch was the largest contributor, disbursing \$335.3M or 84.1 percent of the CIDA's total ODA funding to the country between 1986/87 and 2001/02.



## 2.2 Strategies and Frameworks

CIDA's investments were guided by GOP priorities, and the Agency's poverty reduction mandate and corporate policy environment

In 1986, CIDA put into place its Interim Strategy following Canada's commitment to provide \$100M in ODA over the ensuing five years. This assistance was meant to support democratic and economic reform and to help the Philippines government achieve economic stability over the short term, and sustained and equitable growth over the longer term. The Agency used NGOs as a mechanism to rapidly deploy funds.

### *1989 Country Program Review*

The 1987 policy statement "Sharing Our Future" guided CIDA's 1989 Country Program Review (CPR). This statement indicated that the primary purpose of Canadian ODA was to help the poorest countries and poorest people in the world. The CPR was led by the Embassy in Manila and based on consultative processes over a two-year period with a wide range of groups in Canada and the Philippines (including GOP and NGO officials). Sectors were chosen based on the priorities being articulated by the GOP – and by civil society and private sector partners.

The goal of the 1989 CPR was to help key public and private organizations develop and implement policies and programs for poverty alleviation and structural adjustment by:

- Providing policy support to assist the overall adjustment process and decentralization thrust;
- Building capacity of public and private institutions to improve people's access to opportunities, resources and services;
- Providing commodity assistance, and by;
- Supporting development in telecommunications.

The 1989 CPR set out fundamental parameters for CIDA's approach to programming which continued over the period examined under this evaluation. Two strategies, in particular, are at the core of this approach:

- Separate government from civil society programming: All stakeholders agreed that separate programming would be undertaken with government and NGOs. This effectively split the 'governance equation' into two portions. While there was recognition that good governance required both aspects, the adversarial relationships between the two groups dictated that the most effective approach was to establish parallel programming streams.
- Maximize local participation: The program delivery strategy called for CIDA to set broad parameters for programming, and left the planning and implementation of projects to its Philippine partners.

### *1995 Country Program Development Framework*

The 1995 Country Program Development Framework (CDPF) was launched as a corporate framework, linking activities of Asia Branch, CPB and MPB. The CDPF linked support to NGOs and Peoples' Organizations (POs) to CIDA's themes for good governance and private sector development. By 1997, funding for the development of NGOs was discontinued. At this time, the role of NGOs in delivering services was integrated directly into the governance and private sector thematic areas.

The CDPF aligned Canada's ODA with the policy objectives and six priorities set out in "Canada in the World" (1995), while expressing a commitment to working with partners, improving effectiveness, and demonstrating results. "Canada in the World" marked the beginning of the current era of policy-driven programming in the Philippines. In turn, this approach was reinforced by: 1) "CIDA's Policy on Results-Based Management" (1996), 2) "CIDA's Policy on Meeting Basic Human Needs" (1997), 3) "CIDA's Policy on Gender Equality" (1999), 4) "CIDA's Social Development Priorities" (2000), and 5) "Strengthening Aid Effectiveness" (2002).

### *2000 Country Program Development Framework Update*

In 2000, Asia Branch updated the CDPF for the period 2001/02 through to 2003/04. The goal of the program remained poverty reduction through equitable, sustainable development, but the objectives now included: 1) strengthening social development, 2) promoting responsible government, and 3) building private sector capacity to create jobs. The addition of the social development objective served to link CIDA's programming in the Philippines with the Agency's corporate Social Development Priorities.

Appendix I sets out CIDA's objectives in each of the thematic programming areas over the 1986/87 to 2001/02 period. The Appendix shows that the program has maintained a high level of continuity since its inception.

## **2.3 CIDA's Geographic Focus, Partners and Beneficiaries**

Partners included all levels of government, and private sector associations /enterprises, civil society groups, academic institutions and cooperatives

In the early 1990s, the geographic focus of the Philippine Country Program grew from three to seven regions in Western Visayas and Mindanao. CIDA has maintained this geographic focus to the present time, supporting opportunities for promoting peace, equity and growth in the Special Zone for Peace and Development (SZOPAD) in the western parts of Mindanao. The administrative regions of the Philippines are shown the map of the country attached as Appendix II. CIDA programming extended to seven of a total twelve administrative regions.

The local partners and beneficiaries included: 1) national, regional and local governments, 2) informal sector entrepreneurs, private sector enterprises and business associations, and 3)

wide range of civil society groups (including NGOs, POs, academic institutions and cooperatives).

This was one of CIDA's first country programs to pilot the decentralization strategy. This meant that the first phase of programming was implemented mostly by Filipino organizations. The Philippines have a relatively deep pool of qualified and experienced experts. However, with heightened concerns over Canada's accountability for the use of development funds and the advent of CIDA's Results Based Management (RBM) policy in 1996, the role of Canadian executing agencies increased, and the role of local agencies in delivering programming decreased.

Through the years, the program became increasingly focused on the strengthening of human capabilities and management capacities through training and technical assistance

## 2.4 Branch Programming Mechanisms

By the mid-1990s, bilateral programming shifted from demand driven or responsive projects to proactive programming models

Asia Branch, CPB and MPB delivered programming initiatives through a variety of programming mechanisms, including: 1) bilateral directive, 2) bilateral responsive, 3) regional program, 4) development funds (Governance Fund, Gender Equity Funds, Canadian Fund for Local Initiatives (CFLI), 5) counterpart funds (Philippines-Canada Development Fund financed by the sale of Canadian commodities under the Commodity Assistance Program (CAP)), 6) Canadian partnership arrangements (e.g. the Industrial Cooperation Program (INC), and 7) MBP support to multilateral development institutions and multilateral initiatives.

Under CIDA's 1989 CPR, CIDA designed many of the initial bilateral directive projects as demand driven or responsive facilities, which were delivered by local executing agencies. This was in accordance with the program delivery strategy that CIDA developed for the CPR, which stated that projects needed to be flexible and adaptable to changes and demands in the Philippines context. The initial group of NGO and governance projects, especially, were designed and implemented on this basis. Depending on the project, the proposal proponents were NGOs and POs, national government agencies, or local government units. Project boards, committees or management offices approved the proposals.

By the mid-1990s, the program began to introduce proactive programming models in key bilateral projects. This was part of a gradual movement away from responsive facilities toward more focused and results-oriented initiatives in the bilateral program. This shift was a reflection of CIDA's increasing emphasis on RBM.

## Chapter 3: Evaluation Approach & Methodologies

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The evaluation team reviewed 400 documents, carried out 250 interviews, and assessed investments totaling \$298.6M

Evaluation planning, implementation and reporting were carried out in a transparent and inclusive manner to maximize the knowledge building opportunities for CIDA managers and NEDA personnel. This was reflected in: 1) the use of teams of local and Canadian consultants, 2) the active participation of team members in work planning and data collection missions in the Philippines, 3) regular meetings with CIDA/NEDA personnel to ensure their involvement in defining the work plan and their staying current about developments, and 4) debriefings on findings at key points in the process. Debriefings were provided at the end of missions and upon return to Canada, during a video-conference involving CIDA and NEDA personnel/consultants in Hull and Manila), and at a forum for senior NEDA personnel in held Manila in early November 2003.

### 3.1 Scope & Focus

The primary focus was on Asia Branch, which accounted for 68.5 percent of CIDA's total ODA funding (from 1986/87 to 2001/02)

The PCPE focused on the period from FY1989/90 to FY 2001/02, extending from the start of Asia Branch's Country Program Review to the update of the Country Program Development Framework. Core issues focused on the program's effectiveness in achieving results, programming coherency, resource levels, sustainability of results, stakeholder participation, and the relevance of CIDA's country programming. PCPE was also to identify key lessons learned from the evaluation team's observations and assessments, and to put forward recommendations for use in helping to shape future country programming.

The primary emphasis of the evaluation was on the programming of Asia Branch, as this branch contributed the majority of funding. The evaluation team also examined the complementarities of programming of the Canadian Partnership and Multilateral Branch's programming to the Asia Branch thematic areas.

### 3.2 Approach

The evaluation team examined a selection of programming initiatives in three thematic areas: 1) governance programming, 2) support for non-governmental organizations, and 3) private sector development. An analytical framework was devised to facilitate the assessment of results. Team members produced separate evaluation reports on each theme that addressed findings, lessons learned and considerations for a future strategy. They also provided summaries of programming initiatives. In addition, a Synthesis Report analyzed the trends within and across the programming area reports and focused on the strategic issues that shaped the past and which could affect future programming.

### 3.3 Information Sources

Data was collected through a document review, and an extensive series of interviews. The evaluation team consulted with some 250 individuals in Canada and the Philippines, including representatives of CIDA's program branches, NEDA and other donor agencies, as well as thematic experts and locally engaged professionals. Other interviewees included directors, managers, and senior local staff from Canadian and Philippine implementing agencies who were active in the past or current program.

About 400 documents were reviewed and compared with the findings of the interviews. These documents included: CIDA's corporate policy, program and project documents and evaluations; GOP and other donors' reports and thematic materials; and other documents written by experts and academics.

### 3.4 Project Sample

The PCPE examined \$298.6M of programming, accounting for almost 76 percent of CIDA's disbursements from 1989/90 to 2001/02<sup>5</sup>. Asia Branch initiatives represent 88 percent of the total funding amount sampled, as shown below. CPB initiatives account for 10.5 percent and MPB initiatives make up less than 1.5 percent of the total funding amount sampled. The investments selected for review are profiled in Appendix III.

Overview of Initiatives Sampled								
Programming Area	Total of Initiatives		Asia Branch			CPB/MPB		
	No.	Amount	No.	Amount	%	No.	Amount	%
Governance	24	\$116.7M	16	\$112M	96	8	\$4.7M	4
NGO Support	20	73.4M	14	\$64.7M	88	6	\$8.7M	12
Private Sector	19	108.5M	15	\$86.1M	79	4	\$22.4M	21
Totals	63	\$298.6m	45	\$262.8M	88%	18	\$35.8M	12%

Source: CIDA, Corporate Memory, SAP

The initiatives were purposively selected to enable the evaluation team to see overall trends in programming and investment levels as well as to attain a high level of initiative coverage. The Asia Branch initiatives sampled represent large material investments and initiatives, which typically continued into multiple phases. CPB and MPB initiatives selected were typically smaller investments of shorter duration. These branches conduct programming at the institutional level (rather than on the country and result level) and therefore their structures for programming are different.

### 3.5 Analytical Framework

In an effort to identify and assess the broad trends within and across the three thematic programming areas (Governance, NGO Support, Private Sector Development), the evaluation team, in consultation with CIDA personnel in Manila, developed an analytical

<sup>5</sup> The funding amount for the Commodity Assistance Program (\$115.8M) is not included in the total number of projects examined or in the amount budgeted. Some of the revenues generated through CAP were used in the Philippines-Canada Development Fund to support the Local Government Support Program and 29 small initiatives. The CAP totals were not included to avoid counting the same numbers twice.

framework. By looking at the objectives within and across each thematic area, the evaluation team and Embassy personnel determined that there were three types of results:

- Access (micro level): the increased availability to communities of resources, opportunities and services;
- Capacity Building (meso level): the strengthened capacity of individuals and institutions to manage and implement processes and systems for development;
- Enabling Environment (macro level): the establishment of the policy, legislative, institutional environment and infrastructure required for development.

A two part analytical process was applied. First, each initiative was grouped and analyzed within its corresponding thematic area (e.g. Governance). Second, the initiatives were further grouped into the three key result areas (access, capacity and enabling environment) and were then analyzed.

This analytical framework enabled the evaluation team to: 1) aggregate the results of the initiatives to the thematic programming areas, 2) identify how the results of the individual interventions were linked within and across the thematic programming areas, 3) identify the resources allocated and the corresponding results achieved both at the thematic programming and key result levels. This analytical framework was used to structure the findings of this report.

As shown below, 56 percent of the funding of initiatives sampled focused on capacity building, 35 percent, represented investments in improving access to services, and nine percent related to enhancing the enabling environment:

Project Sample: Disbursed/Budgeted Funding by Result Area/Theme 1989/90–2003/04								
	Governance		NGO Support		Private Sector		Total	
Result Area	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Access	\$4.0M	1%	\$52.0M	17%	\$47.7M	16%	\$139.9M	35%
Capacity Building	\$110.0M	37%	\$16.3M	5%	\$41.8M	14%	\$224.4M	56%
Enabling Environment	\$2.7M	1%	\$5.1M	2%	\$17.9M	6%	\$34.3M	9%
Total	\$116.7M	39%	\$73.4M	25%	\$108.5M	36%	\$298.6M	100%

Source: CIDA, Corporate Memory, SAP

### 3.6 Limitations of Methodology

Key limitations were:

- The availability of baseline data at the individual intervention and thematic programming level was limited.
- The outcomes of capacity interventions and changes in the enabling environment take a long time to manifest and are difficult areas to measure quantitatively.
- The team elected to interview local partners and beneficiaries who were primarily located in Manila (for cost reasons). This decision was made due to: the wide geographic spread of projects across the seven regions, and the difficulty of locating individuals involved in projects more than a decade ago.



## Chapter 4: Program Relevance

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Supportive of GOP/stakeholder priorities, consistent with  
CIDA corporate policies, complementary to  
'other donors' programming

Overall, the evaluation team found that the program was: 1) responsive to and respectful of Filipino leadership, approaches and concerns (e.g. consistent with MTPDP priorities), 2) responsive to and consistent with CIDA's mandate policies and evolving priorities, and 3) consistent with the major programming thrusts of the main donor agencies working in the country. The development of strong networks and local partnerships helped the program to remain relevant to the Agency's partners' priorities and beneficiaries' needs.

### 4.1 Consistency with CIDA's Corporate Policies

CIDA's programming initiatives in all three thematic programming areas were consistent with the Agency's overall mandate of poverty reduction. As well, the programming areas responded to CIDA's corporate policies as they evolved over time. CIDA's Philippines Program became more policy oriented with the introduction of the 1995 foreign policy statement, "Canada in the World" and with the six ODA priorities. The policy environment of the Philippines was an instrumental force in shaping the Interim Strategy and the 1989 CPR, while the Canadian policy environment was a driving force in shaping the Program under the 1995 CDPF and the 2000 CDPF Update.

### 4.2 Relevance to National Government/Stakeholders' Priorities & Needs

On balance, the key result areas and themes of CIDA's Philippines Program reflected the priorities of the GOP and those of Filipino stakeholders. The Program's participatory approach to development cooperation fostered local ownership and strong partnerships. CIDA has been recognized for its inclusive approach to programming. Further, the planning and implementation of initiatives were generally characterized by openness to dialogue and receptivity to new thinking.

Appendix V summarizes the relevance of CIDA programming  
to MDPTPs for the assessment period

### 4.3 Complementarities with Other Donor Investments

Since Canada contributes a relatively small amount of ODA, it is important that CIDA leverage the benefits of programming by complementing the efforts of larger contributors. Information from interviewees and document reviews indicate that the Agency's Philippines Program complemented the efforts of the three major ODA donors (Japan, Asian Development Bank, World Bank). Other international donors share similar objectives. The common foci of programming are presented in Appendix IV.

Most other countries and donors (including Australia, Austria, Germany, Sweden, United Kingdom, European Union, United States and United Nations) also established programming priorities that were similar to those of Canada. Many of the donors were active in the seven regions in Western Visayas and Mindanao that comprise CIDA's geographic areas of focus.

The convergence of the international donor community has increased over the period studied in this evaluation. This convergence can be attributed to:

- The GOP's strong role in country-led partnerships and country ownership;
- NEDA's ongoing consultation with donors through formal and informal structures;
- The participation of donors in working groups and/or discussion groups, and informal and formal coordinating structures;
- Increased attention brought by the international community to donor coordination, with the publication of the report, "Shaping the 21<sup>st</sup> Century", by the Organization for Economic Cooperation and Development in 1996.

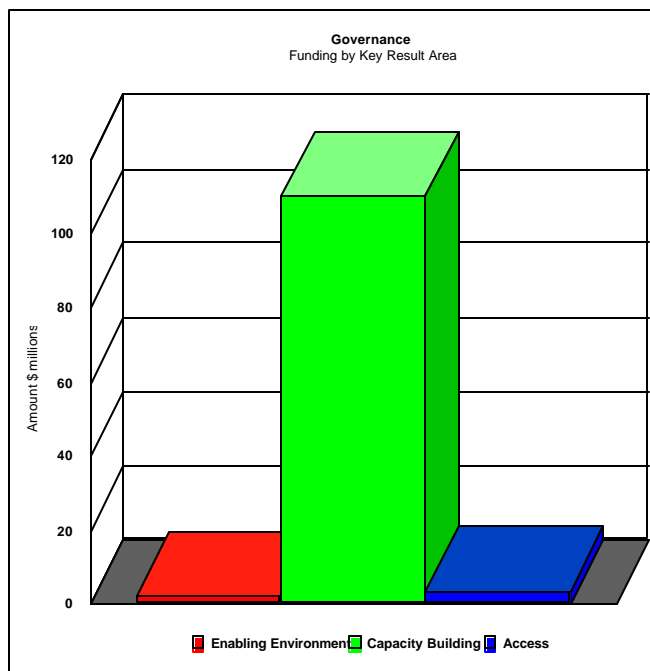
A listing of the government and non-government organizations/individuals that benefited from CIDA's Philippines Program is found in Appendix VI.

## Chapter 5: Results Achieved: Governance Programming

Primary emphasis on building capacity of national and local governments

CIDA's investments in 'governance' programming supported the: 1) return of constitutional democracy to the Philippines, 2) establishment of democratic reform processes in the country, 3) advancement of decentralized governance, 4) streamlining of national government agencies and 5) improvement of the capacity of local governments to deliver community based services. The evaluation team found, however, that improved capacity had not, as yet, necessarily translated into changes in the enabling environment or increased access to community services.

Throughout the period from 1989/90 to 2001/02, capacity building at national and local levels was the primary emphasis in governance programming. Some 37 percent (or \$110M) of CIDA's overall ODA funding sampled, was committed to the strengthening of resident competencies of government staff and improving systems of operation. Increasing access of communities to services represented one percent (or \$4M) of CIDA's ODA and strengthening the enabling environment received \$2.7M. The programming reached over thirty national line and oversight agencies, and over five hundred local government units.



The results achieved by the program as presented in this chapter (and in the two subsequent chapters on NGO support and private sector development results) represent the clearest indicators of what was achieved (and the significance and impact of such results)

## 5.1 Capacity Building

### Strengthening government competencies and systems

- The knowledge and skills of personnel in national and local government agencies were strengthened generating pools of trained staff. This training was valued by government and produced immediate results. Training programs, for example, strengthened the capacity of senior local government officials to be effective government leaders. Some 1,000 chief executives and senior officials were trained in local leadership and priority setting in two Local Government Units (LGUs) in Mindanao and in Western Visayas. Improved capacity resulted in better systems and more responsive programming at the local level. Multi–sectoral planning processes developed under LGSP (Phase I) aided the regional and provincial governments in formulating their development plans. These plans were considered the driving force for local governance.
- New procedures and processes were implemented in national level agencies that resulted in improved efficiency of operations. Training of staff in national agencies strengthened the capacity of staff to more efficiently implement the decentralization of basic services to the local level.
- The implementation of financial management systems led to significant increases in local government revenue in certain regions, and to the generation of additional external resources in one region. At the same time, the acquired competencies of local government units and increased revenue, did not lead to a substantive improvement in the delivery of services to the 'populations most in need'. Increased capacities and improved planning processes were important, but have not necessarily improved peoples' access to services in local communities. Through LGSP II, the number of LGUs with competent personnel for service delivery has risen almost 20 percent, and the number of LGUs with adequate systems, procedures and technologies for services has risen 25 percent. But the number of LGUs with adequate numbers and types of services being delivered has only risen four percent.

## 5.2 Enabling Environment

### Working with government to introduce reforms and make services more open

#### *Institutional Reform*

- National government systems and processes were strengthened, which increased the transparency and accountability of government operations to the public. For example, the pilot Electronic Procurement System and computerization of the Bureau of Customs rules and regulations improved efficiency and encouraged transparency of the government's procurement practices to the public. Interviewees considered these achievements at the institutional level to be important in the fight against corruption.

- Legislative frameworks were reformed and some local councils introduced local government codes and environmental policies. For example, five municipalities in the Metropolitan Iloilo area were assisted in developing a new inter-regional form of municipal framework. This framework tackled urban issues such as planning, waste management, economic development, and transportation.

#### *Policy and Legislative Reform*

- New national policies and legislation were developed to improve the enabling environment for capital market development and monetary policy. CIDA's 'governance' programming area supported the Securities and Exchange Commission in redrafting the Investment Companies Act. This act supported the development of the mutual fund industry as a key capital market catalyst. Work with the Philippines Central Bank contributed to inflation targeting as a monetary policy, that in turn has improved price stability.
- There was less emphasis on policy formulation at the local government level. Some projects helped councils to rationalize legislative frameworks, but since the projects are in their nascence, it is too early to assess their success.

### **5.3 Access to Services**

Some communities became more influential in engaging local governments

- Some improvements were made in the delivery of local services and solid waste management, coastal resources management and water supply. The paucity of examples, reflects the primordial focus of governance programming on capacity building and the inability of local government units to deliver programming due in part to the lack of funds transferred from the national level of government.

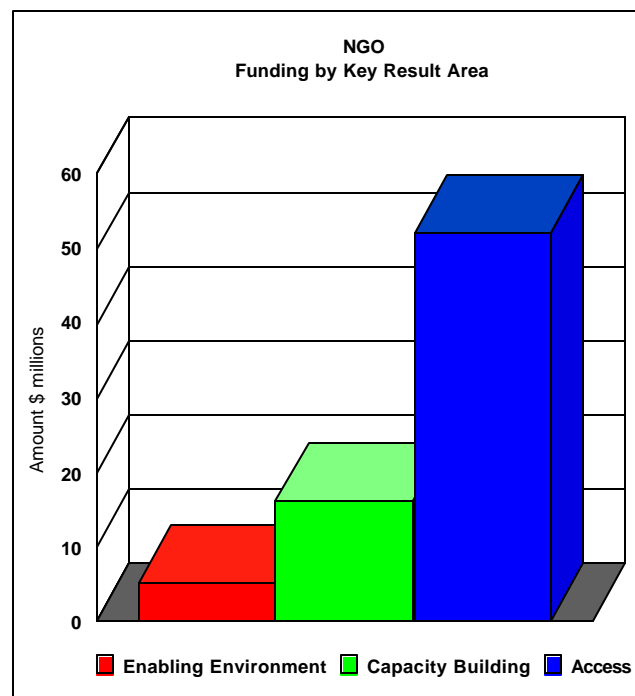
## Chapter 6: Results Achieved: Support for Non-Governmental Organizations

NGOs empowered to contribute to the delivery of healthcare, education, social services, and provide poorest communities with to access credit

CIDA's NGO program focused on capacity building of the NGO sector and to an even greater extent, increasing community access to services. Some of the greatest accomplishments of NGO programming include the empowerment and emergence of the NGO sector and the provision of micro-credit to the poorest segments of Filipino society.

NGO initiatives dedicated to improving community access to services received the largest proportion of 'NGO support' resourcing (17 percent of the total value of CIDA's ODA amounting to \$52M). Capacity development of the NGO sector was allocated five percent of the total value of CIDA's ODA (\$16.3M). Initiatives committed to changing the enabling environment received two percent (\$5.1M). NGO programming reached NGOs, POs, academics, public sector partners and individuals.

CIDA's NGO programming contributed to the following areas: 1) capacity building (organizational development of the NGO sector), 2) enabling environment (policy and legislative reform), and 3) access to services (healthcare, education, social services and micro-credit).



### 6.1 Capacity Building

- Individual NGO's skills were strengthened especially in areas linked to strategic planning project and financial management systems, and governance processes.
- Networks and coalitions were formed, such as the Caucus of Development – NGOs (CODE-NGO), which continue to exist today. (Philippines-Canada Human Resources Development Project, Asia Branch)
- For many NGOs, newly acquired capacities did not adequately translate into improved planning and reporting on results, or financial self-reliance. Subsequently, CIDA decided to discontinue funding of the NGO sector. As a result, some NGOs were disbanded and weaknesses in management continue to exist in other NGOs.

## 6.2 Enabling Environment

### *Policy and Legislation*

- Regional and national NGO coalitions (including CODE–NGO and the Development Initiative for Women’s Alternatives and Transformation Action (DIWATA)) were able to effectively lobby government for changes to legislation and policy. For example, CODE – NGO: 1) successfully lobbied for Government support of peace bonds in financial markets (proceeds of these bonds have secured long–term financial sustainability of CODE-NGO), 2) promoted accountability within sector by developing a code of ethics which was agreed to by major Filipino NGO networks, and 3) participated effectively in the revisions of the Mining Act.

## 6.3 Access to Services

### *Healthcare*

- Capacity to deliver services was increased in national health organizations, community health centers, community health posts and in health care workers. Increased capacity of health workers has led to improved access to healthcare for populations–in–need. (UNICEF Area–Based Child Survival and Development Project, Asia Branch)
- CIDA, the GOP, and UNICEF, through a joint effort, increased vaccination coverage which has been credited with the eradication of polio in the Philippines. The World Health Organization estimates that the immunization program saved approximately 147,000 children from dying of measles or pertussis (whooping cough) since 1986.
- Potential health hazards were reduced with improvements in the delivery and quality of water.

### *Education*

- Access of poor and marginalized groups to non-formal education opportunities was improved. As a result of the Philippines Non-Formal Education project, for example, the Department of Education has accepted non–formal education (NFE) learning, and 21 schools now offer NFE courses to communities. The objective of NFE learning is to train the population–in–need in skills required to increase their income levels.

### *Social Services*

- Access to services and benefits to grass roots women’s organizations was increased. DIWATA funded projects resulted in the raising of awareness, individual empowerment, and improvements in the lives of women and improvements in local services as a result of advocacy and organizing efforts.

### *Micro–Credit*

- Increased access to credit provided support for three hundred community development projects between 1989 and 1994. (Philippines Development Assistance Program, Asia Branch)
- CIDA’s Canada Fund for Local Initiatives enabled over 11,000 clients to receive micro-finance loans under the Canada Fund for Local Initiatives. An evaluation of the Canada Fund found that micro–credit projects had low sustainability and the strategy was shifted to support community–based development projects (e.g. in alternative energy, water and sanitation). There is anecdotal evidence of improved conditions in the communities that received loans.

## Chapter 7: Results Achieved: Private Sector Development

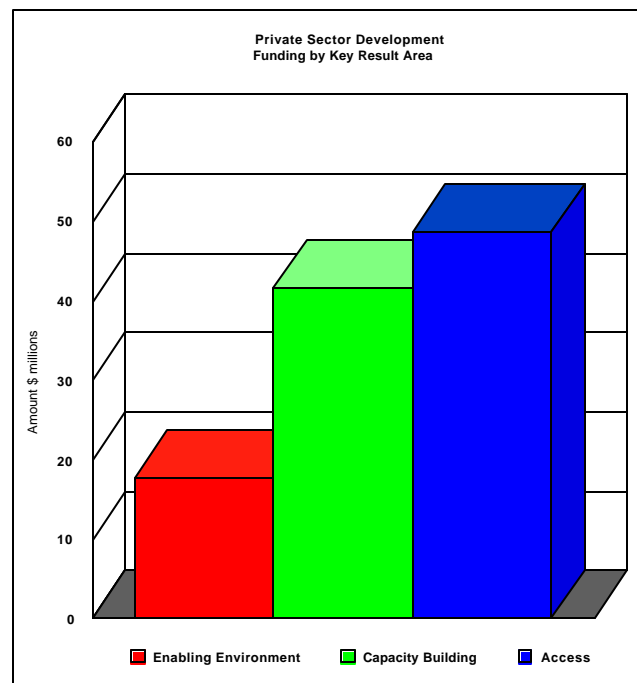
Empowering local businesses through training, networking, and access to credit and business development services

Investments in the private sector resulted in: 1) increased capacity of business providers to deliver training and financial services, 2) increased access to credit for local businesses, and 3) improved productivity and profitability of local businesses.

Initiatives focused on developing the capacity of business providers accounted for 14 percent of the total value of CIDA's ODA, or \$41.7M. Programming related to increasing the access of micro, medium and livelihood operations to credit and business development services was allocated 16 percent or \$48M. Six percent or \$17.9M was committed to changing the enabling environment.

The 'private sector development' programming supported linkages between Filipino and Canadian companies, business associations, and government partners (Industrial Cooperation Program (INC), CPB). These linkages helped Filipino companies, cooperatives and enterprises to increase their effectiveness and competitiveness, implement priority projects, protect and manage resources, and promote learning and replication of successful practices. The goodwill created by CIDA among local business associations through financial support to Small and Medium Enterprise (SME) development initiatives proved beneficial to the Canadian Ambassador and the Senior Trade Commissioner, as they organized trade and investment missions in the country.

'Private sector development' programming was involved in: capacity building (organizational development), enabling environment (infrastructure, legislative reform), and access to services (livelihood and micro and small enterprise development).



### 7.1 Capacity Building

- CIDA programming improved the capacities of financial cooperatives, National Government Agencies (Bureau of Small and Medium Enterprise Development, Department of Industry and Trade), business organizations, businesses and livelihood operations. For example, one thousand officers and staff at the National Confederation of Cooperatives (NATCCO), eight regional development centers and almost 200 primary cooperatives nation-wide received training. (Cooperative Business Development Program (CBDP), Philippines-Canada Development Fund). Increased capacities have



resulted in improvements in the productivity and profitability levels of participating MSMEs, MSEs, livelihood operations and cooperatives.

- NATTCO was instrumental in getting cooperatives to be recognized as an important force in the development of the economy. It participated in drafting the Cooperative Code of the Philippines, which was passed in 1990. This Code unified and rationalized existing laws related to cooperatives and contributed to a significant growth in the number of registered cooperatives in the country. From 1986 to 1993, the number of new cooperatives increased from 5,000 to about 21,000.<sup>6</sup>
- NATCCO created the Central Liquidity Fund to invest member cooperatives' funds on their behalf, which has helped members obtain a better rate of return on their monies.
- Access to credit and business development services has helped to launch many livelihood projects, MSMEs and SMEs.<sup>7</sup>

## 7.2 Enabling Environment

### *Infrastructure*

- Rural telephone services were established in twelve provinces, enabling businesses to work outside of their immediate geographic area and access government departments providing business advisory services. Unfortunately this infrastructure was not maintained, due to the lack of funds of the Filipino Department of Transportation and Communications. (Telecommunications Import Support Project II, Asia Branch)

### *Legislative Reform*

- Canadian companies working with the GOP, played an important role in strengthening national telecommunication departments and agencies (e.g. National Telecommunications Commission) in: 1) drafting the National Communications Development Plan, and 2) developing policy and procedures for the National Telecommunications Commission. These interventions directly influenced the industry opening up to the private sector.
- NATCCO participated in drafting the cooperative code for the Philippines and a legal framework for financial co-operatives (also mentioned above).

## 7.3 Access to Services

- Marginalized populations were able to access credit. Increased credit and access to business services resulted in the creation of jobs and in higher income levels. (Canada Fund for Local Initiatives (micro-finance), Private Enterprise Accelerated Resource Linkages, Asia Branch)
- Collectively MSMES posted increases of 116 percent in sales, 24 percent in investments, and 41 percent in jobs. (Enterprise Linkages Project (ELP), Philippines-Canada Development Fund)
- Rural beneficiaries identified increases of 20 percent in income and in crop yields. (Program for Peace and Development in SZOPAD, Philippines-Canada Development Area)

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<sup>6</sup> Alegre, 1996, (from Bracegirdle, p. 52)

<sup>7</sup> Entrepreneur Support Project and Business Advisory Project (Asia Branch), Canadian Executive Service Overseas General Program (CPB), Private Enterprise Accelerated Linkages (Asia Branch), Enterprise Linkages Project (Philippines – Canada Development Fund)

## Chapter 8: Gender Equality & Environment

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This chapter summarizes the evaluations team's findings on: 1) the achievement of GE results, and 2) how the environment was addressed in CIDA programming.

### 8.1 Gender Equality

Empowering women, improving access  
and increasing opportunities

CIDA's strong emphasis on GE programming as a crosscutting theme has helped to empower the Agency's partners to take on gender-related challenges.

Results included:

- Improved access of women to micro-credit services, health care, and counseling/medical services for victims of violence against women. (Philippines Development Assistance Program, DIWATA, Asia Branch)
- Increased opportunities for women in national and local levels of government: The national Department of Budget and Management and the Civil Service Commission integrated gender equality concerns into their specific responsibilities as partner oversight agencies (National Commission on the Role of Filipino Women, Institutional Strengthening II, Asia Branch). While several local government units passed gender plans and codes that have increased the profile of gender issues within the community, few local governments comply with the new requirements.
- Results from private sector development projects show an increase in access to opportunities and services for women. This reflects the growing recognition of the success of women who run livelihood operation, micro enterprises and SMEs. This recognition is important to women seeking assistance in the future.

### 8.2 Environment

CIDA programming did not consistently take a substantive,  
'crosscutting' approach to environmental issues

Environmental issues played a smaller role in CIDA programming, having been addressed by specific projects rather than as a crosscutting theme (Environment and Resource Management Project, UNICEF Child Survival and Development Project, Philippines Development Assistance Project). The exceptions were the governance initiatives that strengthen the LGU capacity to manage and deliver environmental services (LGSP, Philippines-Canada Environmental and Economic Management, Asia Branch).

## Chapter 9: Sustainability

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While CIDA's programming has created a positive legacy, the duration of the legacy may not, as yet, be fully evident

CIDA's ODA to the Philippines was designed to support democratic and economic reform in the country. At the level of program impact, the sustainability of results refers to CIDA's contributions to the lasting changes in these contexts. At the level of sustainable outcomes, it refers to changes in the way partner organizations perform, the environment in which they perform, and the benefits of improved performance to beneficiaries, including the poor and populations-in-need.

The program had a positive impact on the democratic reform processes in the country. It helped create various institutional structures in the NGO sector at a time when CIDA's GOP and NGO partners were struggling to reinforce the return of constitutional democracy to the Philippines. It also contributed to the sustainability of the decentralized framework for government management, service delivery and effective governance in the country, and reinforced the underlying assumption of decentralization that bringing government closer to the people will make it more responsive to their needs. The program helped to improve national governance by developing systems and processes for increased transparency in GOP operations. This work can be considered part of the 'institutional glue' that is needed to sustain improvements in government systems and operations.

The impact on economic reform while positive, was perhaps less pronounced. The program helped improve the enabling environment for capital market development, monetary policy and the cooperative sector. The sustainability of the investment in telecommunications infrastructure was mitigated by debt conditions in the country.

While the program produced many important outcomes, the continuation of the benefits of the program after the projects completion is largely determined by the extent to which the projects addressed all three levels of the result areas, and the presence of strategic feedback mechanisms to address changes in the external environment.

### 9.1 Key 'Sustainability' Factors

The evaluation team identified a series of factors and/or conditions that helped to promote the sustainability of results, including:

- The continued need for (relevance, value) the results and benefits;
- Strong ownership and commitment of local partners;
- A supportive policy and enabling environment;
- Adequacy in institutional capacity to deliver and implement programming (including technological), and the;

- Financial capacity to address recurrent costs.

The approach that partners took to capacity building largely determined the degree of sustainability of results. As explained in the report on governance programming by Henedina Razon–Abad (Ateneo School of Government) and Mary M. Lynch (M.M. Lynch Consultants International Inc.):

“Projects where capacity building interventions have largely focused on training, without institutionalization of competencies acquired through systems improvements or new ordinances, suffer the consequence of project results not being sustained even at an interventions level. A pool of competent technicians or managers may be developed but reforms that lead to improved access to policy, resources and services by the poor could not be guaranteed.”

## 9.2 Enduring Benefits

The evaluation team found that the focus on human resource enhancement did not necessarily translate into changes within organizations and institutions. Individuals benefited but not necessarily the groups. The narrow focus on improving human resources and systems did not always ensure that these would be applied, and actually result in improved systems.

Results from the Philippines Country Program that continue to resonate include:

- Increased influence of NGOs at the national and local levels: Various NGOs (e.g. CODE-NGO) have continued since the end of the NGO program in 1997. The NGO sector has a strengthened role and influence in the business of the Philippine government. For example, several of the individuals who received training at the NGO level went on to senior leadership positions in government. It is believed that the transition of individuals from NGOs to the GOP will support and reinforce the role of civil society in government decision–making. This example demonstrates: 1) the continued role and value of NGOs, 2) the support of the GOP (which institutionalized the role of NGOs in the delivery of local government services), and 3) the ongoing capacity of some NGOs supported by CIDA to be self–sustaining.
- Improved opportunities for women: The GOP recognized the need to mainstream GE concerns into government line agencies. This impacted government legislation, which required GE, and improved opportunities for women in communities. The institutional leadership provided by the National Commission on the Role of Filipino Women (NCRFW), the developments in enabling policy within National Government Agencies (NGAs) and government–wide, and the management tools and systems that were developed for use by NGAs were contributing factors. While there is national support and results appear to be sustainable, at the local level some LGUs have not allocated funds in support of GE issues as required by the local code.
- Improved access to community health services in Mindanao: The commitment and partnership between the Canadian Red Cross and the Filipino Red Cross strengthened community health services by developing institutional capacity of the health sector. This achievement was remarkable given the ongoing conflict in Mindanao. While these results

are sustainable for the short-term, long-term sustainability will depend on the government absorbing the ongoing financial costs.

- Improved access to credit and business development services: CIDA's support of cooperatives (e.g. National Confederation of Cooperatives) contributed to the emergence of strong organizations that helped to ensure a continuance of professional products and services to cooperatives at the national, regional and local levels. The sustainability of this example was affected by: 1) government support of cooperatives, 2) the institutional capacity of cooperatives, and 3) the continued need for access to credit and business development services for micro, small, medium-sized business and livelihood operations. The sustainability of cooperatives is also affected by external factors, such as the financial crisis in 1997 (which prompted 'credit access' difficulties).

### 9.3 Measuring Sustainability

The evaluation team found that results from more broad-based programming at higher macro and meso levels of intervention (related to, for example, building the enabling environment through legislative reform initiatives or institutional improvements) could take a longer time to manifest themselves at local levels. As a result, the team was not always able to comment on sustainability, as eventual outcomes in some cases were not as yet evident. It should be recognized, in some cases, that considerable time can be required to effect change (and to address systemic constraints) before results are realized by beneficiaries at the community level. For such programming initiatives, it would not be prudent to merely discount the possibility for enduring benefits.

The evaluation team also experienced difficulties in measuring what tangible results at the micro level could be attributed to programming interventions at the macro and meso levels as linkages between the Agency's programming initiatives and their impact on activities in the communities could be difficult to discern. The lapsing of time often detracted from what could be identified through consultations. Assessments were also complicated, in some instances, by apparent failures by centralized authorities to adequately transfer funds to local levels.

The 'disconnect' between macro and meso level interventions and the realization of results at the micro level implied a role for policy dialogue with national government bodies and within the international development community

## Chapter 10: Key Conclusions

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An opportunity to build on success

On balance, the Philippines Country Program has performed well in achieving its stated objectives and expected results. During the PCPE assessment period, the country was found to have made significant progress, and CIDA investments were inextricably linked to what was achieved in many areas.

Important contributions were made to the democratic transition of government and governance processes; the emerging role of civil society; people's access to opportunities, resources and services; and the development of supporting infrastructure. Steps were taken towards empowering MSMEs and livelihood operations and building an enabling environment for the alleviation of poverty. These results were achieved despite being faced by an ongoing series of formidable challenges, such as the Asian financial crisis of 1997, land reform issues, typhoons, security issues, the leakage of key resources through corruption, and limited resource transfers from national to local government levels. The program was found to be relevant to GOP and stakeholder priorities, consistent with CIDA's policy framework, and complementary to programming initiatives implemented by other donors. While results have been significant, country programming was not always strategic in addressing the conditions required to promote enduring benefits.

Commendable progress was made in improving the governance of national and local levels of government, strengthening government competencies and systems, and empowering civil society in performing a more active role as a natural check and balance to government decisions. Contributing to grass root services at the community level helped to alleviate poverty, and stimulate the growth and competitiveness of the economy. CIDA's support strengthened the NGOs' role and contribution in the delivery of healthcare, education, social services and the access of segments of the poorest communities to credit. Filipino's access to these services was enhanced with improved capacities and levels of funding. Investments in private sector development increased the capacity of business providers to deliver training and financial services, allowing local businesses better access to credit. Small and medium size businesses are demonstrating an entrepreneurial spirit and their profits are growing.

GE results were linked to capacity building in government (including heightening gender awareness and facilitating skills development), and the governmental institutionalization of GE policies. CIDA funding helped to improve women's access to resources and services and led to gender issues being addressed in public and private organizations. The program brought a lesser emphasis to environmental issues. In some cases, increased capacity to manage and deliver environmental services was strengthened at the local government and NGO levels.

The program was accredited for the use of inclusive approaches and methodologies in the targeting and achievement of results. Generally speaking, it was responsive to and respectful of Filipino leadership, priorities, approaches and concerns. From program initiation, the planning and implementation of programming initiatives were generally characterized by an openness to dialogue and a receptivity to new thinking.

Overall, the investments assessed were found to be innovative in the approaches adopted to achieve results and demonstrative of a strong partnership orientation. However, limited mechanisms to coordinate programming within and between CIDA program branches reduced opportunities to: 1) share lessons learned, 2) minimize overlap/duplication, and 3) create synergies between interventions. Opportunities likely exist downstream to improve on the Agency's strategies for risk management, and the implementation of results-based management at the project level.

CIDA's participatory approach to development cooperation in the Philippines was characterized by engaging a range of partners, fostering local ownership, delegating responsibility, and relying on partners to determine programming approaches and outcomes. This approach, however, could have benefited from a greater degree of strategic guidance from the Agency in some instances. At times, it was evident that this strategy had relegated CIDA to a passive, administrative 'funding' role. In addition, the responsive model, while promoting local ownership and strong partnerships, also complicated decision-making processes and proved difficult to administer.

To conclude, it might be prudent to take a broader perspective in reflecting on how country program resources were distributed. How did the allocation of resources among the three targeted themes measure up against what was intended at the outset? Did the sequential approval of investments lead to the desired outcome, or a different balance through accretion? Did the emphasis on building organizational capacities detract from the parallel need to also address in a substantive way the enabling environment and access to service priorities?

The overall positive outcome of the Philippine Country Program notwithstanding, the evaluation team found that, at times, the program functioned within a rather narrow, project-based paradigm and that opportunities were missed to enhance what could have been accomplished with greater cohesion, synergies and complementarities. Individual branch initiatives were linked to the broad thematic objectives, but not necessarily to each other. Devolved decision-making processes tended to disperse the initiatives and, therefore, results across sectors and geographic areas.

In retrospect, CIDA investments might have been more adroitly administered if investments had been managed as an integrated, coherent, Agency-wide portfolio from the outset, and if investment choices had been made within a decision-making framework that identified targeted thematic results at each level of intervention: macro, meso and micro. The PCPE assessment strongly indicated that a broad casting of programming objectives did not always provide adequate guidance for the making of investment choices. Effective programming requires a clear articulation of the program logic, and the defining of relationships between thematic interventions at each level. Such approach might have resulted in a more equitable balance between CIDA's investments in the building of organizational capacities, and those required to establish an enabling environment and more equitable access to services. In turn, this would have likely resulted in greater opportunities for the program to tackle poverty reduction.

Note: Unintended positive results included fostering leadership/goodwill, and replicating good practices outside the program

## Chapter 11: Lessons Learned

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Key lessons on investment choices, partnerships, participation, local ownership/commitment and sustainability

The following key lessons learned were developed from the information collected by evaluation team during the PCPE review of documents, consultations and sample project assessments. Lessons were selected based on their perceived usefulness for broader applications.

The key lessons learned are:

- 1 Investment choices are optimally made when managed as an integrated, coherent, Agency-wide portfolio within a decision-making framework that provides practitioners with tactical guidance for targeting thematic sectors at macro, meso and micro levels; while respecting the needs and priorities of the national government and in-country stakeholders, and promoting complementarity with development cooperation activities carried out by other donor agencies and international financial institutions.
- 2 Strong partnerships typically hinge on: 1) an enduring commitment to shared expectations, 2) relationships with competent, proven organizations, and 3) the resident availability of adequate capacities with national, regional and/or local organizations.
- 3 Participatory approaches promote in-country support for development cooperation programming when the needs and priorities of the recipient government, civil society, private sector partners and other resident stakeholders are appropriately reflected in interventions.
- 4 Local ownership and commitment is increased when: 1) in-country partnerships are built on mutual trust and accountability, 2) local autonomy is provided in decision-making, 3) programming initiatives respond to local needs and priorities, and 4) leadership is consistently and effectively demonstrated within communities.
- 5 Donor coordination becomes more feasible when the strategic direction of the recipient country is consistent over time, and the recipient country takes the lead in directing investments at thematic and sectoral levels.
- 6 After ODA stops, sustainable outcomes for investments are more likely to be achieved if: 1) there is a continuing need for the results (and benefits), 2) the policy and enabling environment is supportive, and 3) local partners have the commitment, capacity and resources to carry on.
- 7 Difficulties in measuring sustainable results from national and/or institutional level investments are accentuated by the significant timeframes usually required for outcomes to manifest themselves, an issue that becomes even more problematic when trying to identify linkages to what has been accomplished at 'distant' local levels.



## Chapter 12: 'Going Forward'

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Developing an Agency-wide approach for  
development cooperation programming

This chapter applies what we learned from the PCPE to make a series of recommendations that relate to three areas: 1) a long-term vision for the Canada-Philippines relationship, 2) how the new program strategy should be focused, and 3) managing and implementing the future program.

The launching of a new programming strategy for the Philippines provides CIDA an opportunity to reflect on how future development cooperation investments can be best employed to promote sustainable development, and to improve the day-to-day lives of the poor. To this end, it is hoped that this evaluation offers a useful building block for formulating a new country programming strategy.

### *Recommendations*

The following recommendations are put forward for consideration:

**Recommendation 1** CIDA should take the lead in engaging the Department of Foreign Affairs to articulate a long-term vision for the Canada-Philippine relationship that: a) builds on the valued partnership that has been forged between the two countries, b) reflects Canada's geopolitical, economic, trade interests, c) embraces the needs and priorities of the national government and in-country stakeholders, and d) exploits resident competencies in a complementary manner.

*How will the relationship between Canada and the Philippines evolve over the next 10-to-15 years? What role will ODA continue to play, if any? Should the relationship become one based more on mutual interests (e.g. trade, diplomacy, immigration)? How can CIDA help to position this relationship?*

*It may be prudent for CIDA to reflect on a number of important considerations. The Philippines is a lower middle-income country which has made significant progress since 1986 and maintains considerable potential for economic growth, benefiting from economic trends in the region. There is evidence of a declining dependence on ODA. The country has proven its resilient nature (e.g. overcoming the impact of the 1997 Asian financial crisis), and one can argue that in the long term, Canada should transition towards a different kind of relationship. In the interim, however, poverty and income inequality will continue to be significant issues, and CIDA will need to focus its modest resources where they can do the most good.*

**Recommendation 2** In the context of this vision and CIDA's relatively modest resources, CIDA should strategically converge the scope and focus of its new programming framework on what it has proven to do best in the past (where it has consistently demonstrated its ability to deliver expected results), and build on strategies, approaches and practices that have worked, judiciously avoiding those that have been less fruitful.

*The strategy for future programming should give consideration to CIDA consolidating gains made and continuing to invest in areas such as governance, democratic development and the strengthening of civil society, and private sector development initiatives. These themes are: 1) still relevant to the priorities of the Government of the Philippines and Filipino stakeholders, and 2) remain within Canada's comparative advantage. The opportunity to learn from past experiences in these areas should not be overlooked. This would include taking into account the factors and drivers that are linked to the success and sustainability of initiatives. Consideration should be given to system-wide issues, such as linking capacity building interventions with interventions to institutionalize competencies and developing enabling environments. A focus should be brought to: 1) clearly articulating how the benefits of programming will flow through to the poor, 2) how CIDA can best work with other donors to maximize the leverage of its modest level of investments, and 3) the importance of effectively aligning investments to ensure that resources are not too thinly spread.*

**Recommendation 3:** CIDA should concentrate on choosing and managing investments as a more integrated, coherent, Agency-wide portfolio within a decision-making framework that identifies targeted expected results at each level of intervention: macro, meso and micro; while respecting the needs and priorities of the national government and in-country stakeholders, and promoting complementarities within the development cooperation community.

**Recommendation 4:** The CIDA Program should place more emphasis on the management of partnerships, and the role of policy dialogue to influence GOP and local partner decisions.

**Recommendation 5:** The program should focus its monitoring and evaluation activities at the thematic 'portfolio' level, and make a greater effort to share its performance expectations and results with national government agencies, local partners, implementing agencies, and other stakeholders.

The last three recommendations attempts to address the observation in the report that a broad casting of programming objectives in the previous CDPFs did not always provide adequate guidance for making focused investment choices, especially when these investment choices are made sequentially over an extended period of time and by different players (Bilateral Desk, CPB, Canadian and local partners, etc). There is the risk of missing opportunities to maximize coherence, complementarity and synergy among initiatives at different levels within thematic areas of focus as well as between thematic areas. There is also the issue of aggregation to consider, and the benefits from engagement in policy dialogue and coordination among the various actors – all of which influence the effectiveness of our development efforts.

**Appendix I – CIDA’s Objectives by Thematic Programming Area  
1986/87–2001/2002**

Period	Strengthening Civil Society	Governance	Private Sector Development
Interim Strategy 1986/87 to 1988/89	<i>Community-based Projects</i>  To support direct impact projects at the grass-roots level	<i>Development Planning</i>  To provide support for economic stabilization assistance in economic and sectoral planning	<i>Commodity Assistance</i>  To support the policy adjustment process and ease balance of payments and budgetary deficits
Country Program Review 1989/90 to 1994/95	<i>Public &amp; Private Organizations</i>  To strengthen public and private organizations critical to enabling the poor to gain access to assets and services	<i>Government Decentralization</i>  To strengthen the capacity of national, regional and local government authorities to develop and implement policies and programs in support of Philippines government decentralization	<i>Economic Development</i>  To support the Philippines macro-economic adjustment process
CDPF 1995/96 to 2000/01	<i>NGOs and POs</i>  To strengthen the capacity of democratic institutions and NGOs/POs to promote responsible governance and the factors which will build private sector capabilities	<i>Good Governance</i>  To promote responsible governance related to economic and social policy through improved mechanisms, legal frameworks, resources and services	<i>Private Sector Development</i>  To promote factors which will build Philippine private sector capabilities by sharing Canadian technology and skills in areas of mutual interest
CDPF Update 2001/02 to 2003/04	<i>Social Development</i>  To contribute to poverty reduction through support to social development priorities	<i>Good Governance</i>  To foster efficient, responsive, transparent and accountable governance at all levels	<i>Private Sector Development</i>  To support the development of small and medium enterprises that create meaningful jobs for both men and women

Appendix II – Map of the Philippines



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### Appendix III – Summary of Initiatives Sampled

Theme	Sector	Investment (Asia Branch managed, unless otherwise indicated)	No. of Projects	Total
Governance Programming (\$116.4M)	National Government Support	<ul style="list-style-type: none"> <li>● Policy, Technical Assistance and Training Facility (I-II)</li> <li>● National Commission on Role of Filipino Women Institutional Strengthening project (I-II)</li> <li>● Philippines Information Infrastructure Policy Support Project</li> <li>● Environment Resource Management Project (I-II)</li> <li>● Southeast Asia Fund for Institutional Legal Development (SEAFILD)</li> </ul>	8	\$34.3M
	Local and Regional Government Support	<ul style="list-style-type: none"> <li>● Local Government Support Program (I-II)</li> <li>● Philippines–Canada Environmental and Economic Management Project</li> <li>● Canadian Urban Institute (CUI) programs (I-IV) (CPB)</li> <li>● Federation of Canadian Municipalities (FCM) Programs (I-III) (CPB)</li> <li>● Institute of Public Administration of Canada (IPAC) Programs (I-II) (CPB)</li> <li>● Responsive Governance Fund</li> <li>● Philippines Governance Fund</li> <li>● Southeast Asia Fund for Institutional and Legal Development (SEAFILD)</li> <li>● Environmental Security and Management Program</li> <li>● Governance for Philippine Agenda 21 Project</li> </ul>	16	\$82.5M
Support for NGOs (\$73.4M)	NGO and POs Support	<ul style="list-style-type: none"> <li>● Philippines Development Assistance Program (PDAP I-II)</li> <li>● Philippines–Canada Human Resources Development Project (PCHRD).</li> </ul>	3	\$30.5M
	Health	<ul style="list-style-type: none"> <li>● Philippines Tuberculosis Control and Prevention Projects (I-II)</li> <li>● Philippines Immunization Program</li> <li>● UNICEF Area-Based Child Survival and Development Project</li> <li>● Davao Health Development Project</li> <li>● Canadian Red Cross Primary Health Care Project (MPB)</li> </ul>	6	\$21.0M
	Micro-credit	<ul style="list-style-type: none"> <li>● Christian Reformed World Relief Canada (CRWRC) Program (CPB)</li> <li>● Canada Fund for Local Initiatives</li> </ul>	2	\$3.5M

Theme	Sector	Investment (Asia Branch managed, unless otherwise indicated)	No. of Projects	Total
	Education	<ul style="list-style-type: none"> <li>● Philippines Non-Formal Education Project</li> <li>● Association of Community Colleges of Canada (ACCC) Program (CPB)</li> <li>● Association of Universities and Colleges of Canada (AUCC) Program (CPB)</li> <li>● Dalhousie Island Sustainability, Livelihood and Equity (ISLE) Program (CPB)</li> </ul>	4	\$9.2M
	Social	<ul style="list-style-type: none"> <li>● Anglican Church of Canada (ACC) Program (CPB)</li> <li>● Southeast Asia Gender Equity Program (SEAGEP)</li> <li>● Gender Fund</li> <li>● Gender Equity Fund</li> <li>● Development Initiative for Women's Alternatives and Transformation Action (DIWATA)</li> </ul>	5	\$9.2M
Private Sector Development (\$108.5M)	Infrastructure Development	<ul style="list-style-type: none"> <li>● Batangas Telecommunications Development Project (BTDP)</li> <li>● Philippines Telecommunications Technical Assistance Project (Telecom TA)</li> <li>● Telecommunications Import Support Project (I-II)</li> </ul>	4	\$33.2M
	Cooperative Development	<ul style="list-style-type: none"> <li>● Philippines Cooperative Development Assistance Program (P-CODAP)</li> <li>● Cooperative Business Development Program (CBDP)</li> <li>● Socio-Economic Development through Cooperatives in the Philippines (SEDCOP)</li> <li>● Canadian Cooperative Association (CCA I-II) Programs (CPB)</li> </ul>	5	\$14.6M
	Small and Medium Enterprise Development	<ul style="list-style-type: none"> <li>● Private Enterprise Accelerated Resource Linkages (PEARL) Project</li> <li>● Entrepreneur Support Project (ESP)</li> <li>● Business Advisory Project (BAP)</li> <li>● Canadian Executive Service Overseas (CESO) Program</li> <li>● Projects under the Industrial Cooperation Program (CIDA-INC) (CPB)</li> </ul>	5	\$37.4M
	Livelihood and Micro and Small Enterprise Development	<ul style="list-style-type: none"> <li>● Negros Rehabilitation and Development Fund (NRDF)</li> <li>● Enterprise Linkages Project (ELP)</li> <li>● Promoting Participation for Sustainable Enterprises (PPSE)</li> <li>● Program for Peace and Development in SZOPAD Area (PPDSA)</li> <li>● Canada Fund Micro-Finance Initiatives</li> </ul>	5	\$23.3M
		<b>Total</b>	<b>63</b>	<b>\$298.6M</b>

### Appendix IV – Donor Programming Foci Comparison

Donor	Governance	Social Development	Agri–Industry and Infrastructure
Canada	<ul style="list-style-type: none"> <li>National government support</li> <li>Local government support</li> </ul>	<ul style="list-style-type: none"> <li>NGO sector</li> <li>Health</li> <li>Basic education</li> <li>Social sector</li> </ul>	<ul style="list-style-type: none"> <li>Livelihood and micro/small enterprises</li> <li>Small and medium enterprises</li> <li>Cooperatives</li> <li>Commodities support</li> <li>Telecommunications</li> </ul>
Environment and gender equality (crosscutting themes)			
Japan	<ul style="list-style-type: none"> <li>Environmental conservation and disaster management</li> </ul>	<ul style="list-style-type: none"> <li>Basic living conditions</li> <li>Basic education</li> <li>Technical education</li> <li>Administrative and institution building</li> </ul>	<ul style="list-style-type: none"> <li>Macroeconomic management</li> <li>Economic structure and infrastructure</li> <li>Small and medium enterprises</li> <li>Agriculture and rural development</li> </ul>
Asian Development Bank	<ul style="list-style-type: none"> <li>Environment</li> <li>Governance</li> </ul>	<ul style="list-style-type: none"> <li>Basic social services, (e.g. education, health, sanitation and housing)</li> </ul>	<ul style="list-style-type: none"> <li>Agriculture / rural development</li> <li>Energy</li> <li>Transportation</li> </ul>
World Bank	<ul style="list-style-type: none"> <li>Environment</li> <li>Governance</li> <li>Urban development</li> </ul>	<ul style="list-style-type: none"> <li>Poverty alleviation</li> <li>Human development</li> <li>Social services</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructure</li> <li>Agri–industrial development</li> </ul>

### Appendix V – Relevance to Medium Term Philippines Development Plans

GOP MTPDP Priorities	CIDA Policies	CIDA's Philippines Program
Poverty Reduction	CIDA has a poverty reduction mandate, which was formally articulated in succession of CIDA policies, including the CIDA's <i>Policy on Poverty Reduction</i> (1996).	All CIDA projects were aimed at reducing poverty, although the beneficiaries of CIDA projects were often intermediaries who provide services to the poor and disadvantaged.
Economic Growth and Competitiveness	CIDA's 1986 Interim Strategy identified support to Philippines structural adjustment program (SAP) as an objective. <i>Sharing our Future</i> (1987) committed CIDA support to SAPs worldwide.	CIDA projects such as PTTAF, PEARL, CAP and TISP targeted public sector officials who implemented economic reforms at the enabling environment (macro) level.
Employment Generation	CIDA's Interim Strategy, 1989 CPR and 1995 CDPF and Update have all highlighted employment creation and income generation through SMEs, MSEs, and cooperatives.	CIDA supported SME, MSE and cooperative development since 1986 with over \$75m in investments through at least 15 bilateral, partnership and DF projects in the Philippines.
Human Resource Development	CIDA's policy, <i>Sharing our Future</i> saw human resources development as the lens through which all CIDA programming flows. The 1989 CPR examined various issues through this lens.	NGO programming was aimed at human resources development. CIDA also supported basic education particularly through Canadian Partnership Branch. All projects provided training for skills development and application.
Rural Development	The recent CIDA policy on rural development has not yet had an impact on the program.	Private sector development and NGO programming has supported rural development through livelihood projects, cooperative development, alternative rural technologies and enterprise development.
Infrastructure	Support to infrastructure services was one of CIDA's six ODA priorities identified in CIDA's foreign policy document, <i>Canada in the World</i> (1995). From 1987, national governments of Philippines and Canada both saw telecommunications as area of mutual interest.	CIDA supported the telecommunications sector from 1987 to 1998 with \$33.3m investment through 4 projects to reinforce the enabling environment (macro level) needed for privatization in the sector.
Public Sector Competence	CIDA's 1999 Strategy Framework on Governance for the CIDA Philippines Program described the CIDA's support to public sector reform processes.	Many governance and private sector development initiatives strengthened public sector competence at national, regional and local levels (especially LGSP, PTTAF and PEARL).
Decentralization and Participatory Development	CIDA's 1999 Strategy Framework on Governance for the CIDA Philippines Program described CIDA's support to decentralization processes.	Support to decentralization was cornerstone of program since LGSP in 1991. Canadian Partnership Branch also involved in support for local government units. NGO program aided Filipino civil society's participation in development.
Regional Development	1989 CPR, CIDA took a regional approach and targeted the poorest regions. It has focused on Mindanao, working in ARMM.	CIDA has targeted regional inequities in the Philippines though governance programming, particularly LGSP, which



GOP MTPDP Priorities	CIDA Policies	CIDA's Philippines Program
	CIDA coordinated efforts with other donors as per the MTPDP.	was closely aligned to regional plans and structures, especially in phase I of the LGSP project.
Peace and Order	<i>Canada in the World</i> identifies security and stability as a foreign policy objective. CIDA's policies focus on social equity and participation and do not directly focus on peace and order.	CIDA focused on Mindanao since outset of program. The responsive funds (Philippines–Canada Development Fund and governance funds) have supported numerous peace building initiatives.
Sustainable Development	CIDA stated its commitment to sustainable development in <i>Sharing our Future</i> and <i>Our Commitment to Sustainable Human Development</i> (1997) among other policies.	CIDA projects in all three programming areas have reinforced concepts of sustainable economic growth, and sustainable management and use of natural resources.

**Appendix VI – Listing of In-Country Partners and Beneficiaries  
(from initiatives sampled)**

Partners and Beneficiaries	NGO Program	Governance Program	PSD Program
National Govt Agencies	Tuberculosis II, PIP, UNICEF, Primary Health, SEAGEP	PTAFF I & II, NCRFW I & II, PIIP, LGSP II, ERMP I & II, Gov. Fund	CAP I – IV, Batangas, Telecom TA, TISP I & II
Regional Governments		NCRFW I & II, LGSP I & II	
Local Govt Units		LGSP I & II, PCEEM, ERMP I & II, CUI, FCM, IPAC, DF, Gov. Fund	
Leagues of Cities, etc.		LGSP II, FCM	
Democratic Institutions		Governance Funds	
Academic Institutions	ACCC, AUCC, CRWRC, Dalhousie, PNFE	ERMP I & II, IPAC, DF sub-projects	
Informal Sector Entrepreneurs			P-CODAP, SEDCOP, CCA, ELP, PPSE, NRDF, PPDSA, CFLI
Private Sector Enterprises			ESP, PEARL, BAP, CIDA-INC, CESO
Business Associations			ELP, ESP, PEARL, BAP
Cooperative Associations			P-CODAP, SEDCOP, CBDP, CCA
NGOs, CSOs and POs	Tuberculosis I & II, PDAP I & II, PCHRD, DIWATA, Gender funds, ACC, CFLI, Davao Health, SEAGEP	Governance Funds, DF sub-projects	NRDF, PPSE
Individuals in Communities	Tuberculosis I & II, PDAP I & II, PCHRD, DIWATA, ACC, ACCC, AUCC, Dalhousie, CFLI, Davao Health, PNFE, PIP, UNICEF, Primary Health		

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