

## Foreword

Formed in 2002, the Official Development Assistance Watch (ODA-Watch) is composed of nongovernment organizations working on agrarian reform and rural development. These organizations work among rural poor in several provinces in all three-island regions of the Philippines. Their work involves research, advocacy and program implementation; areas where they could include ODA concerns as crosscutting issues affecting rural development.

The group believes ODA should serve genuine development and, thus, work in influencing institutions, policies and practices to address inequitable relations between and among development stakeholders.

According to the website Wikipedia, ODA is aid given by governments on certain concessional terms, usually as simple donations. It is given by governments through individual countries' international aid agencies and through multilateral institutions such as the World Bank, and by individuals through development groups such as Care International or Oxfam.

In many cases, however, aid comes with conditions attached ranging from demands that some or all of the donated money be spent on goods or services (such as consultancy) from the donor country ("tied aid"), to demands that the recipient privatise various services ("conditionality").

In August 2003, ODA Watch embarked on an action research titled "NGO engagements in ODA projects: Reflections from within." The group committed to share resources for a set of activities using the case study approach. Six case study areas were selected: Pampanga (Luzon), Western Samar and Negros Oriental (Visayas) and Agusan del Sur, Sultan Kudarat and Zamboanga del Norte (Mindanao).

The group selected these areas based on a set of criterion, to wit:

1. Agrarian reform and rural development and democratization. Since all members are in this sector, the project was set within this category.
2. Areas of operation. The research was applied in areas where the members have activities or operate. At the very least, they have contacts to facilitate the research activity.

3. Willingness of project implementers. Implementers, particularly from nongovernment groups, were willing and open to share ideas and experiences and willing to work with ODA Watch researchers.

The research aimed for five objectives.

First, it wanted to explore experiences in NGO engagement of ODA projects since these can give insights on handling ODA policy advocacy. The research aimed to explore a compilation of these experiences.

Secondly, the research aimed to explore and review development frameworks and partnerships, especially differences, on ODA engagements. What motivated NGOs to engage in mainly state-led machinery? Were they successful in the so-called “claim-taking” strategy or were NGOs used as instruments by vested interests in government and other institutions?

The research also aimed to explore policy formulation by producing actual case documentation, which defines the finer points on how to formulate policies on implementing ODA-funded projects.

A fourth exploration anchored on NGO-engagement guidelines. ODA Watch wanted to share the results of the study with other NGOs that are thinking of engaging in ODA projects. The study can be instructive if these groups formulate guidelines or anticipate possible hindrances for their planning purposes.

Finally, as an action research, the study aimed to explore initiating actions along the process that would include different development actors from various sectors in the research process. Information, while being shared and communicated somehow create some ripples that, hopefully, enhance people’s understanding on ODA as a development tool.

In the main, this book contains stories of people, their thoughts on their multi-faceted experiences, and interpretation of such experiences.

We hope these experiences –and the lessons derived from them– can help guide organizations in their engagements with government and foreign agencies on development aid.

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# Synopsis

## NGO Engagements in ODA: A reflection from within

*Leonora S. Garcia*

### I. NGO Engagement

*You may say I am a dreamer,  
but I am not the only one.*

– John Lennon

Many nongovernment organizations remember having a forward-looking attitude when they first engaged in projects funded through official development assistance. NGOs' attitude and engagement are part of their strategic move to deliver services and assist in the development process in areas where they operate.

They are forward-looking because it is an option for a "claim-taking" that allows critical collaboration. For others, the term "strategic engagement" is important because previous experiences in relation to ODA gave them reasons to be wary.

This vigilance stems from a view that ODA was used by then-president Ferdinand E. Marcos as an instrument of repression. Some viewed donor countries using aid as a tool to promote their foreign policy or support their economic and political interests in the region.

Some NGOs' initial disposition towards development aid was rooted from their experiences with Marcos's repressive rule that was largely supported by ODA. Some of these groups, however, also got their share of aid funds that were mostly channeled through religious organizations.

In the latter part of the eighties, the donor community increased aid to support the administration of then President Corazon Aquino. Large ODA funds were channeled through NGOs; a lot of it became donor-driven given the context of a government in transition and an over-eager donor community.

ODA management at this period was complex and overshadowed by government suspicion that funds channeled to NGOs were used to support activities against the state. NGOs remained marginal in their ODA engagement until the early nineties.

Despite problems, the late eighties to early nineties could be seen as the beginning of NGO engagement of aid windows. It was also at this time that delivery of ODA funds was through debt-for-equity and debt-for-nature schemes. These were products of advocacy and networking of Southern NGO coalitions with Northern NGO networks e.g., government and aid delivery institutions like Canadian International Development Agency and the United States Agency for International Development. It also helped that, within the bureaucracy, there were champions or policy “fixers” with activist backgrounds.

In 1992, the National Economic Development Authority came out with an ODA handbook that contained guidelines on collaboration between nongovernment groups and government organizations. To accommodate all strands of NGOs, the handbook gave broad criteria, namely: no umbrella organization should be formed to accredit NGOs, and simple and less bureaucratic accreditation criteria should be adopted by specific agency.

The minimum set of criteria for NGOs included broad-based membership; integrity; commitment; track record; complementarity of program goals and objectives; management capability; financial viability; absorptive capacity; ability to provide counterpart fund; and, can share overhead and administrative expense of about 20-30 percent.

The handbook also included this qualifier<sup>1</sup>: “The process described ... represents what is perceived to be generally applicable. The sequencing of activities and the decision/action points does not necessarily apply in every case. Neither has it been officially adopted or prescribed by NEDA, ICC or any government agency.”

In the nineties, the Department of Agrarian Reform funded many projects with ODA. This was also the time when agrarian reform scholars and activists proposed key factors for a successful agrarian reform program: strong and vibrant rural movement, strong state and international pressure. These, they said, should be supported with expansion and consolidation of civil society and support of aid agencies.

Also at this time, a confluence of factors provided for a more favorable environment for agrarian reform and rural development projects. Policies were updated and bureaucratic support in the agency was arranged. NGOs started to open more on the use of ODA engagement as a tool to push their agendas. Agrarian reform and rural development and democratization or ARRDD sector workers started to use the buzzword “tripartism,” or

partnership between GOs, NGOs, and POs (people's organizations).

NGOs that engaged in ODA projects as contractors and for service delivery saw these roles as forms of "claim-taking" and used these to influence program implementation. Other NGOs saw this move as co-optation.

## II. CIVIL SOCIETY PARTICIPATION

*"You don't need a Weatherman  
to see where the wind blows."*

– Bob Dylan

Congruent with the opening of more NGO participation from the bureaucracy, the latter part of the nineties was also a period of changing world economic perspectives. Even multilateral donor agencies like the World Bank and Asian Development Bank were advocating for more NGO participation in their projects.

In 1997, the WB released their widely-cited World Development Report ("The State in a Changing World") stating that the government should be more realistic in their roles in development –essentially, government should perform roles according to their capacity. Parallel developments that time were the influence of participatory process and their advocates in the policies of organizations like the WB. It was an easy convincing process because for the WB, even using the lens of neo-liberal framework, participation makes sense: lower costs of project implementation with better outputs and outcomes.

If this was true for institutions like the WB, this was more prevalent for more open-minded organizations like International Fund for Agricultural Development and to some extent European Commission (partly due to the advocacy works of both Southern and Northern NGOs).

Interestingly, the trends resulted in conservative organizations (i.e., those that are not participatory in their processes and tend to impose projects and programs to the detriment of environment or livelihoods of communities), churning out remarkable documents and policies on civil society participation. Some of these documents would even shame some NGOs because these appear better than their documents and policies.

Contemporaneous to these events was the increasing number of Philippine NGO participation in ODA-funded projects –not just big national NGO networks who served as brokers for smaller contracts but also smaller locally-based NGOs who saw the opportunity to develop their organizations and expand their operations.

NGOs started with tenacity in their ODA engagement and proceeded despite the arbitrary procedures of engagement through bidding that reeks of patron-client relations. Confluence of factors (from the donor side, government and pro-active stance of NGOs) paved the way for NGO engagement in ODA funded projects.

### III. THE ODA WATCH RESEARCH

*“A world free from want and fear,  
where peoples and nations respect each other as equals; and,  
where solidarity and cooperation result in mutual benefit.”*

– ODA Watch Vision

ODA Watch, a group of development-oriented civil society organizations, conducted this study to provide a deeper understanding on ODA as a development tool and how it is implemented in the Philippines.

ODA Watch convenors began this project with a two-month formative research that defined and delineated the areas of inquiry. The initial research resulted in a review of literature, which provided insights on the constant themes permeating studies sponsored by donor countries, their governments, and civil society. Some of these themes include: ODA as tools for development and in foreign policy; effectiveness and delivery systems of aid; what works, what doesn't and why; ODA and development framework; donor countries; and, donor agency policies.

The review of literature also contains studies and reports on ODA in the Philippines by government, NGOs, and analysts. Major themes running through in these documents include evaluation studies; project evaluation, role of ODA in rural development; tied-aid; administrative and bureaucratic capacity; trends in ODA flow; and, advocacy.

### IV. ACTION RESEARCH

*“I hear and I forget. I see and I remember.  
I do and I understand.”*

– Confucius

Through this action research, ODA Watch aims to explore and develop more understanding on the following areas:

1. Experiences of NGO engagement that provide insights on handling ODA policy advocacy.
2. Development frameworks and partnerships that review different perspectives on ODA engagements.
3. Policy formulation that stems from a view that NGOs lobby for policy changes but are weak in formulating policies.
4. NGO engagement guidelines that aims to help groups planning to engage ODA projects.

In addition, ODA Watch expected actions along the process were initiated in the course of the action research.

Based on criteria, ODA Watch conveners selected the following cases:

**Table 1: Select cases of ODA**

Donor Agencies	IFAD	ADB	EU
<b>Project Name</b>	Western Mindanao Community Initiatives Project (WMCIP)	Agrarian Reform Communities Project (ARCP)	Agrarian Reform Support Project (ARSP)
<b>Project Duration</b>	April 1998 – December 2005 (with one year extension)	July 1999 – December 2005	October 1995 – December 2001 (includes extension period)
<b>Project Cost</b>	US\$18.15 M (₱775 M) Loan: US\$14.789 M (₱576.44M) GOP: US\$2.613 M (₱101.86M)	US\$168.9 M	Ecu 20 M
<b>Project Coverage</b>	Four (4) Provinces of the Zamboanga Peninsula	140 Agrarian Reform Communities (ARCs) all over the country	Agusan del Norte and del Sur, Camarines Sur, Sorsogon and Negros Occidental
<b>Project Components</b>	Community and Institutional Development (₱85 M or 11% ); Natural Resource Management (₱375 M or 48%); Small Enterprise Development Component (₱191 M or 25%); Project Implementation ( ₱124 M or 16%).	Rural infrastructure e.g. farm-to-market road, bridges, communal irrigation & water system; Land survey of about 100,000 hectares of public land; Development services support component for agriculture, rural enterprise, community & institutional development and credit; Capacity building & project management	Land Tenure Improvement (LTI); Institutional Strengthening (IS); Productivity Systems Development (PSD); Rural Infrastructure (RI); Agricultural Credit (AC);

<b>Project Area Covered By The Research</b>	Lakewood, Zamboanga del Sur	Sultan Kudarat	Agusan Provinces
<b>Partner NGO</b>	Ipil Development Foundation (IDF)	Rural Development Institute – Sultan Kudarat (RDI-SK)	Educational Discipline in Culture & Area Based Development Services (EDCADS)
<b>Project Component Contracted To Partner NGO</b>	Community and Institutional Development	Institutional development activities	Institutional Strengthening
<b>Duration Of NGO Engagement</b>	March 2001 – March 2002 July 2002 – July 2003 April 2004 – December 2004	July 2001 – December 2003	October 1995 – December 2001
<b>Project Areas Covered By The NGO Engagement</b>	Six (6) Barangays of the Municipality of Lakewood namely: Biswangan, Bagong Kahayag, Bgy. Sebuguey, Matalang, Gasa and Bgy. Poblacion.	ARCs of Masiag, Columbio, Pimbalayan and Lutayan	ARCs of Sibagat, Sto Niño Magdago-oc, Sanghan, POMARC

**Table 2: Select Cases of ODA**

<b>Donor Agencies</b>	<b>EC</b>	<b>JBIC</b>	<b>Belgian ODA</b>
<b>Project Name</b>	<b>Western Samar Agricultural Resources Development Program (WESAMAR)</b>	Agrarian Reform Integrated Support Program II (ARISPII)	Belgian Integrated Agrarian Reform Support Project (BIARSP)
<b>Project Duration</b>	1994 – 2000 (includes 1 year extension)	2000 - 2005	1998 - 2003
<b>Project Cost</b>	Ecu 15 M	P6.74 Billion 84% concessional loan 16% GOP	BEF 1240 M (BEF 900 M from Belgian Govt)
<b>Project Coverage</b>	Western Samar	150 ARCS nationwide	74 ARCs in Region VII & IX
<b>Project Components</b>	Community organization and development Rural finance services Enterprise development (micro and macro) Cooperative development Institutional strengthening	Basic Infrastructure Irrigation/Drainage Facilities Farm to Market Roads Post Harvest Facilities Rural Water Supply System Institutional Development Institutional Development of Farmers Cooperatives, Irrigators Association and Waters Users Association (Agricultural Development for Cooperatives) Institutional Development for LGUs	Agricultural component including social infrastructure building and rural infrastructure support Basic Education Primary Health Care Water Sanitation Program Technical Resource Personnel Pool



<b>Project Area Covered By The Research</b>	Western Samar	Pampanga	Canlaon, Negros Oriental
<b>Partner NGO</b>	Samar NGOs	Philippine Network of Rural Development Institutes (PhilNET RDI)	Negros Institute for Rural Development (NIRD)
<b>Project Component Contracted To Partner NGO</b>	Community organization and development Rural finance services Enterprise development (micro and macro) Cooperative development Institutional strengthening	Institutional Development Component – Cooperative Development Component (IDC – CDC)	Institution Building and Strengthening Component
<b>Duration Of NGO Engagement</b>	1994 – 2000 (includes 1 year extension)	January 2002 – September 2004	1999 - 2003
<b>Project Areas Covered By The NGO Engagement</b>	Western Samar	Barangays Anao, Mexico and Paligue, Candaba	12 barangays of Canlaon, Negros Oriental

After the case selection, ODA Watch hired one researcher per case in a total of six projects in six provinces. All researchers were independent consultants. While they worked independently from ODA Watch conveners, a coordinator and a Manila-based researcher supervised the research. These researchers have backgrounds in economics, sociology, political science, anthropology, community development and development administration. They all have development work experience background and have basic knowledge of the NGO sector in the Philippines.

The formative research provided inputs to clarify the research direction and questions. The research team decided that an implementation study would provide additional contribution to an understanding of ODA implementation in the Philippines. The focus, hence, was more on the why's rather than the what's of each project. Along the process, and using Van Meter and Van Horn's policy implementation framework, what occurred in the projects also became prominent. Still, the analytical focus and the emergent discussion of implementation factors focused on the reasons for such occurrences in the ODA program.

Van Meter and Van Horn's project implementation framework uses the input-conversion-output scheme. Inputs in this research included project standards, objectives, and resources. The conversion here included characteristic of implementing agencies; communication of different stakeholders; socio-

economic, political and cultural factors; and, the disposition of different project actors. Output includes project outcome.

After considering the input-conversion-output interplay, the researcher analyzed the performance of the ODA program.

The research team had a workshop before doing the actual case studies. Speakers from government, the academe and the NGO sector provided additional inputs on ODA issues in the Philippines. There was also sharing of ideas regarding tools, techniques and methodologies on how to enhance each researcher's research design.

While researchers gathered data, the coordinator and the Manila-based researcher conducted additional activities, including production of working papers on ODA.<sup>2</sup>

The research team also conducted interviews and discussions with donor ODA implementing agencies, government implementers, and ODA programmers.

## V. HIGHLIGHTS

*“To know that we know what we know  
and that we do not know what we do not know  
is true knowledge.”*

*– Henry David Thoreau*

While the six researchers used different styles in presenting their reports, they all verified their analysis with different stakeholders they interviewed. ODA Watch members and government staff critiqued the initial reports. The researchers presented their revised reports to a much bigger audience that included representatives from NGOs, media, government and the academe.<sup>3</sup>

The following are highlights of the researchers' reports and the insights culled from presentations in various fora:

*Engagement of NGOs in an ODA Program: The case of Samar NGOs and WESAMAR*, written by researcher Joven Descanzo, largely focused on the NGO experiences in an ODA program in Western Samar as told by various stakeholders. He juxtaposed this with the shift in project strategies and the roles of key program operators. Descanzo also underscores the interplay of different NGOs's orientation with other project implementation factors such

as: innovative project components, strong-willed European managers, and community organization's capacity and development framework of different stakeholders.

*Rules and Roles of Engagement: NGO experience in the Western Mindanao Community Initiatives Project*, written by researcher Maisie Faith Dagapiosos, underlined the roles and rules of engagement narrated using the experience of the NGO Ipil Development Foundation in Zamboanga del Sur. Her report presents the rich insights on how the project conversion process takes place. Just like Wesamar, WMCIP project is a clear case where NGOs played a big role from project design to project implementation. Dagapiosos cites the factors leading to tired and disappointed NGO workers, one of whom quipped that a year doesn't contain the days required for them to meet project requirements.

*Engaging the ARCP: Prospects for RDI institutional strengthening and sustainability*, written by researcher Janette Abing-Taga-an, has an interesting case of government-NGO partnership. The researcher and other participants in the validation and research presentation process showed surprise that NGO and government officials she talked to heaped praises on each other. Taga-an's case study proves the possibility for mutual trust and cooperation among NGOs and GOs.

*Official Development Assistance under the Rubric of Civil Society Participation and People's Organization Initiatives: The Case of the Agrarian Reform Support Project in Agusan*, written by researcher Nikki Philline de la Rosa, is an account of the interplay of program implementation factors: people's organizations (POs), NGOs, decision-makers, personal interests, and politics. In terms of the decision-making and dispositions and interpersonal dynamics of key leaders, de la Rosa emphasized the role of the European manager as affecting the program.

*Partners or Competitors: NGO and government in BIARSP*, written by researcher George Evangelista, revisited the still on-going BIARSP implementation in Canlaon, Negros Oriental. BIARSP has been viewed as a project that offers highly comprehensive package of agricultural support and even promoted as a very good model by the government. Evangelista attempts to show how the program fared in Canlaon, a city that contains fundamental issues on land reform and power dynamics of strong and highly influential landowners. Given the political context of the area, it is evident that official information went through both formal and informal channels.

*ARISP-2 Pampanga: Building Capabilities in the Community*, written by researcher Jermaine Bayas is an implementation study of ARISP II in Pampanga. There, Bayas discovers that the project is predilected against a people-centered development strategy in a program that had infrastructure as its main component. It appears that the social infrastructure development is geared towards the support on how to sustain the infrastructure. Bayas also points out the role of the national NGO partner in monitoring and evaluating the project using 14 dimensions with about 80 indicators. Bayas said this was biased against generating participation from the community and for making people secondary to infrastructure.

## VI. SYNTHESIS OF PROBLEMS AND ISSUES RAISED IN THE CASE STUDIES

*“The significant problems we face cannot  
be solved at the same level of thinking  
we were at when we created them.”*

*–Albert Einstein*

The following persistent and emergent points are the cross-cutting issues that bring about the drawbacks and challenges of NGO engagement in ODA projects. These issues and points were culled from discussions after the presentation of the case study results.

### Operational

1. Delay in fund release impacts on schedule of deliverables and penalty for ODA loans
2. Low transparency in bidding process
  - Rooted in political patronage/accommodation
  - Poor implementation of existing policies and procedures
  - Poor transparency in criteria used, selection body, application, disclosure of decision and basis

### Policy

3. Inappropriate / failed technology imposed on community stakeholder
  - Rooted in difference in development framework that guide funding

agencies (e.g., high yielding-input dependent technology) and NGO/Pos (low input-sustainable agriculture)

- Tied loans
  - Donor-driven monitoring by government that puts emphasis on financial and quantitative aspect while weak in monitoring process and quality of outputs, impact; time consuming due to report requirements
4. Agricultural credit inaccessible to farmers and remain idle
    - Restrictive Land Bank policies
    - Fungible credit
    - Limited to cooperatives
  5. Non-inclusion of Land Tenure Improvement as component in ODA
  6. Conditionalities of donor countries
    - Donor country's commercial interests
    - Debt burden
    - Entry of international consulting firms that compete with local NGOs for ODA contracts

### **Institutional**

7. Weak role of LGU vis-à-vis DAR/DA in PIME and in ensuring that project is mainstreamed in local development plan
  - Perceived low stake of barangay and municipal LGU in projects vis-a-vis other concerns
  - Weak LGU development orientation and/or capacity in looking at projects in a more integrated way
8. Unrealistic project objectives given the timeframe
  - Delays not factored in planning
  - Institutional support not available
9. Project management structure returned to regular DAR structure
  - Tends to marginalize the NGOs in the design, planning
10. Gaps in communicating and using lessons learned from ODA projects, thus repeating the same mistakes

11. Poor financial transparency of GO and NGO to community stakeholders

### **Political dynamics**

12. Power play at various levels (GO-NGO/PO, NGO-NGO, NGO-PO, PO-PO)

13. Disposition of key personalities from donor agency

- Impatience over process vis-à-vis results; results-oriented
- Lack of sensitivity to cultural/social milieu of project (e.g., community development process)
- “Killer assumption” re: institutional context (i.e., institutions are working well)
- Rooted in the “power of the purse”

### **Emergent**

1. Tripartism: DAR-NGO-PO as a dominant model - should be expanded to state-civil society-market

2. Ethical issues in NGO practice

- Lack of “social accountability”
- Lack of transparency vis-a-vis POs
- Overestimation of actual competency in conducting ODA projects
- Absence of a code of ethics that can guide NGOs and POs
- Consulting firms posing as NGOs that compete with local NGOs in getting ODA contracts and are perceived as profit-seeking
- NGOs being co-opted in the process of ODA engagement; advocacy role eroded
- Who qualifies as NGO in the NGO component of ODA?

## VII. DRAWBACKS AND CHALLENGES

*“The beginning of wisdom is to call  
things by their right names.”*

*—Anonymous*

### 1. Government’s budget problems.

In many cases, the budget for NGO services in ODA projects comes from the government counterpart fund. Project implementation delays occurred because of budget problems. In Mindanao’s Sultan Kudarat, the operators experienced waiting for three months for the budget so they could continue project implementation. The NGO there provided the salary of the staff in charge of the project while waiting for government’s fund release.

### 2. Highly politicized process.

Some NGO leaders said the reality remains such that processes in ODA would always be political. This could happen in the pipelining, bidding and implementation of projects. However, preparing more effective guidelines that could make the process less arbitrary could mitigate problems. In the case of WMCIP, the impasse caused an 18-month delay.

However, President Joseph Estrada’s assumption to office resulted in government favoring groups of NGOs over others. Even for those deemed favored, this appears unethical and ineffective. They maintain that selection criteria should always be based on merit and clear-cut guidelines and policies and the selection process should be done in a transparent manner.

### 3. Role of highly influential individuals.

In the Samar and Agusan del Sur cases, the disposition of foreign consultants and managers prevailed. In Samar, the project shift from community development to enterprise development was attributed to the consultants and donor agency. This occurred without the consent or ineffective protests of other actors.

### 4. Ineffective communication process.

In all cases, exchange of information was ineffective. In Pampanga’s case, the review of a training design by national level implementing NGO delayed the local NGO’s training activities. In Zamboanga, the management style of top officials resulted to NGOs doing voluminous paper work. In Agusan,

while farmers mulled goat raising in their area, project managers already bought the goats. In Sultan Kudarat, the NGO workers trained people on organic farming while government personnel distributed chemical fertilizers.

### **5. Development framework.**

In all cases, too, differences in development framework affected the project implementation. In Sultan Kudarat, NGO workers taught people the value of a strong co-operative while government officials released livelihood funds without considering the organizational process. In the case of Pampanga, the NGOs said social infrastructure building was the last agenda in every meeting, when most participants have already left.

### **6. Development partnership.**

In Agusan, PO members' suggestion not to tap a local bank that exacts a higher mark-up for channeled funds was rejected as the bank was the project manager's bank of choice. In several cases, POs said they were less informed about the financial transactions and decision-making in the project.

### **7. "Fungibility" of ODA.**

Beneficiaries of three ODA projects could not access funds due to highly restrictive policies of the Land Bank of the Philippines (LBP). In all the cases, project stakeholders could not implement activities like training on livelihood and enterprise development because, they said, the bank's policy refused to recognize Philippine co-operatives' reality.

### **8. NGO orientation.**

Are NGOs capable enough to influence ODA projects? Do they know the channels on how to influence the project design? Is there a room for them to influence at the project level or should they engage in networking with Northern NGOs and other national networks of NGOs to influence policies?

These questions lead to the importance of self-reflection, with questions like: "Is our engagement based on a well- thought out project environment analysis? What is our motivation in the engagement?"

### **9. NGO capacity.**

The cutting-edge of NGOs is their flexibility, ability to innovate, compassion, reach, targeting, and value-oriented process they bring in the project. Were these enough?



At least in two cases (Samar and Agusan), some NGOs bid and get to implement rural development projects even if their background and experiences do not suffice. If only good intention and hard work were enough, then NGOs could be more effective in their ODA engagements. Unfortunately, ODA project implementation exacts more than that.

#### 10. Ethical standards.

To whom are NGOs accountable? Government agencies have the authority and the legal mandate to implement projects. The law provides their accountability. Donor agencies, on the other hand, are answerable to their respective government. NGO workers say they are answerable to communities where they operate. They add that the group would lose credibility and risk being banned in the community. This research bares the need to emphasize that NGOs are not exempt from a set of ethical standards.

### VIII. IMPLICATIONS: POINTS TO PONDER

*“Begin challenging your own assumptions.  
Your assumptions are your windows on the world.  
Scrub them off every once in a while,  
or the light won’t come in.”*

—Alan Alda

The study provides the reasons that projects fail or succeed. In addition, the study shows people appreciated the ODA programs that intervened in their communities.

The people of a program in Agusan del Sur enjoys the electricity while in Western Mindanao it was the opportunity to continue work with indigenous peoples. In Sultan Kudarat, the NGO can now sustain their work after the ODA program’s end while people in Pampanga appreciate the roads built through ODA.

Indeed, NGO participation provided ODA programs the cutting-edge advantages NGOs have.

However, the end of ODA programs also created operational problems.

How can people continue gaining access to government services? How

would ODA agencies help address government financial institution's negative assessment of people's credit-worthiness? In a cash-strapped area like Canlaon, what will be the implication for communities when the government project implementers consider NGO financial service as competition?

For NGOs planning to engage in ODA programs in the future, the study reveals that such engagement is a tricky process. Hence, they should check their motivations. They should also clarify if they would be selling-out along the process or if they are capable enough to buy-in the other project actors. Can they actually deliver? Do they know the ODA delivery landscape in the Philippines and how affected it is by the fiscal and other budgetary problems?

For the funding agency, imposing their development framework would clearly result to project failures. Even the well-meaning donor agencies can commit fundamental errors in project implementation. The disposition of individuals who call the shots in project implementation affects the direction and eventual failure or success of the project.

## IX. CONCLUSIONS: REFLECTIONS FROM WITHIN

*“Even those who fancy themselves the most progressive  
will fight against other kinds of progress, for each  
of us is convinced that our way is the best way.”*

—Louis L'Amour

*“All is connected ... no one thing can change by itself.”*

—Paul Hawken

*“I'll go anywhere as long as it's forward.”*

—David Livingstone

### 1. Six cases of ODA projects.

The case studies are a compilation of NGO experiences on ODA engagements. Each research provides a glimpse on how operational, policy, institutional, political and even cultural dynamics affect multi-million dollar projects. The studies show that benefits from ODA engagement come with costs.

NGOs that were engaged in the program had to prepare for such costs by clarifying motivation and goals and availability of money, people, skills,

ethical standards, and the ability to deliver based on a contract. The study bares that NGOs also have to identify willingness to compromise and what they would give up for something in return. Likewise, the study explains NGOs have to identify leverage points in negotiating with government.

## **2. Development framework and partnership.**

An ODA project is fraught with tensions and, hence, focusing on sources of conflict is moot. What is more important is how each stakeholder handles partnership. When Confucius said “Life is really simple but we insist on making it complicated,” he must have been thinking of the ODA project implementers.

Development partnership should be based on trust and respect. If farmers say they want some livelihood projects that are feasible given their circumstances, then other stakeholders must listen. This means a dialogue on innovation and external resources that could complement the community resources and testing the viability of an idea. For NGOs and POs, there should be some re-thinking of relationships.

In the case of Sultan Kudarat, the government and NGO were transparent in dealing with each other and with the PO and the community. Budgetary constraints and operational glitches become sources of distrust if not properly or openly communicated and affect disposition of other implementers. The principle of transparency is based on a sound partnership that values respect, trust and openness. A researcher recommended: “Watch yourself.”

## **3. Policy formulation.**

The case studies point to several areas of policy improvement and policy change. A prominent and persistent issue cited was access to finances that are part of the ODA loan package.

A review of the history of cooperatives in the Philippines shows it is not surprising that the cooperatives within the projects would not pass the stringent policies of the Landbank of the Philippines. Rural cooperatives died or suffered from comatose because of previous supply-driven policy on rural finance. Those forming new co-operatives end up being asked for track records.

In the case of bidding process and awarding of contracts, many ODA projects experience delays because of contentious process. In the case of giving more space for NGO participation, there should be policies that will provide more space for NGOs in terms of ODA programming and pipelining.

The existing policies provide broad strokes but NGOs should be given a role in the formulation of implementing rules and regulations.

This is predicated with a reminder that the role should not be given as a token participation in a “participatory event,” like calling for presentation of policies without giving NGOs enough time and information to fully and effectively participate in the process.

This is not the kind of participation asked by NGOs; rather, participation is a process that guarantees quality inputs and communication process. Another side of the coin is for NGOs to be prepared for policy formulation processes.

Policies, once made, are not self-implementing things. Formulating implementing rules and regulations is one area where NGOs should be prepared and effectively participate in the process. Policy advocacy is one thing, policy formulation is another. NGOs should be ready to influence both.

#### **4. NGO engagement.**

NGO engagement in ODA projects should be a shrewd decision. These cases show that those who tend to benefit more from their ODA engagements are those who have clear ideas on what they want to achieve from the process. Those with clear ideas and substantial support are the ones who can become more flexible and more willing to review their role vis-a-vis their partners. An NGO who engage otherwise would either end up sidetracked by arrogant donor agency consultants or left wondering what went wrong.

For the government, there should be a rethinking on their recent move of limiting NGO participation in ODA program implementation. The case studies show that NGOs clearly fill the gaps that could not be delivered by government. The ten-year record of RDI-SK facilitates smooth implementation of projects in a multi-ethnic and conflict-prone area. The case of IDF’s previous partnership with the indigenous groups in Zamboanga adds to the extensive reach of the project. Hence, these NGOs warn against being eased out by government in ODA program implementation. The Philippine government cannot justify such move on the reason of fiscal prudence.

The cases showed that NGOs should have ethical standards in their project engagements, which include having a realistic assessment of their capacity and limitations. They should also improve the reflection skills among themselves and think on how they contribute to projects by participating in sector consolidation, by enhancing the learning elements from their engagements,

by sharing information and taking the time to reflect together.

### **5. Actions along the process.**

ODA Watch organized at least five roundtable discussions alongside research.<sup>3</sup>

Other actions along the process are the activities carried out by each researcher in the case study areas. Those activities, hopefully, would enhance collective building of commitments among stakeholders for well-coordinated decisions and actions to better understand ODA program and project implementation in the rural development sector.

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## Endnotes

<sup>1</sup> on administrative process of securing loans, p. 4

<sup>2</sup> These papers used mainly in discussions of ODA Watch members included: “An Assessment of ODA Policies in the Philippines” Garcia, Leonora and Lumilan, Eden Grace [May 2004]; “ODA Trend Updates: Donors and NGO experiences” Antiporta, Juvena [May 2004]; “Local NGOs-Funding agencies: More prospects or introspection” Antiporta, Juvena [August 2004]; and, “ODA: Along time and policy changes, perspectives and challenges” Garcia, Leonora [October 2004]. p. 10

<sup>3</sup> These roundtable discussions were: ODA Watch convenors forum on how to clarify the issues of “ODA NGO engagements: Reflections from within”; Philippine ODA policy assessments, with a representative from the Japan Bank for International Cooperation (JBIC); Case study presentation to ODA Watch members; presentation of research results; and, a forum where three cases in Mindanao were shared with the NGO community in Mindanao. p. 10

## ACRONYMS USED IN THIS BOOK

ACRONYM	DEFINITION
ARB	Agrarian reform beneficiary/-ies
ARBO	Agrarian reform beneficiary organization
ARCP	Agrarian Reform Communities Project
ARC	Agrarian Reform Community
ARCDP	Agrarian Reform Community Development Project
ARCWG	Agrarian Reform Community Working Group
ARISP II	Agrarian Reform Infrastructure Support Program Phase II
ARISP	Agrarian Reform Infrastructure Support Program
ARSP	Agrarian Reform Support Program
AGRIDEV	Agricultural development
AFRIM	Alternate Forum for Research in Mindanao Inc.
AMPCI	Anao Multi-Purpose Cooperative, Inc.
ADSRMP	Ancestral Domain Sustainable Resource Management Plan
AMPUCO	Angas I Agricultural Multi-Purpose Cooperative
AWB	Annual Workplan and Budget
ADMT	Area Development Management Team
AIT	Area Implementing Team
ALDA	Area Level Development Assessment
AMT	Area Management Team
APO	Area Project Office
ADB	Asian Development Bank
APM	Assistant Program Manager
BHS	Barangay Health Station
BLGU	Barangay Local Government Unit
BFLMC	Barangay Lumapao Farmers Community Multi-Purpose Cooperative
BSS	Basic Social Services
BARBMUCO	Bayog Agrarian Reform Beneficiaries Multi-Purpose Cooperative
BARSP	Belgian Agrarian Reform Support Program
BIARSP	Belgian Integrated Agrarian Reform Support Program
BDCD	Beneficiaries Development and Coordination Division
BFAMCO	Binalbagan Farmers Multi-Purpose Cooperative
BOD	Board of directors
BPRE	Bureau of Post-harvest for Research and Extension
CBU	Capital Build Up
CPMO	Central Project Management Office
CADC	Certificate of Ancestral Domain Claims
CLOA	Certificate of Land Ownership and Award
CIS	Communal Irrigation System
CDP	Community Development Process
CDW	Community Development Worker
CO	Community Organizer
COS	Community Organizing Supervisor
CBO	Community-based Organization
CARP	Comprehensive Agrarian Reform Program

ACRONYM	DEFINITION
CDAP	Cooperative Development Action Plan
CDA	Cooperative Development Authority
CDC	Cooperative Development Component
COMAT	Cooperative Management Team
COCI	Cooperative Organizational Capacity Index
Co-ops	Cooperatives
DARMO	DAR Municipal Office
DAR	Department of Agrarian Reform
DARCO	Department of Agrarian Reform Central Office
DARPO	Department of Agrarian Reform Provincial Office
DA	Department of Agriculture
DENR	Department of Environment and Natural Resources
DOH	Department of Health
DPWH	Department of Public Works and Highways
DAP	Development Academy of the Philippines
DF	Development Facilitator
ECOPISS	Economic and Physical Infrastructure Services
EC	European Community
EEC	European Economic Community
FTM	Facilitating Team Meeting
FMR	Farm-To-Market Road
FEA	Field Extension Agent
FM	Financing Memorandum
FGD	Focus Group Discussion
FAPSO	Foreign Assistance Project Services Office
GAD	Gender and Development
GO	Government organization
GOP	Government of the Philippines
GBE	Group-based enterprises
IP	indigenous peoples
IPA	Indigenous Peoples Apostolate
ID	Institutional Development
IDC	Institutional Development Component
IDO	Institutional Development Officer
ISFO	Integrated Social Forestry Organizations
ISFP	Integrated Social Forestry Program
ICCO	Inter Church Cooperation
IRA	Internal Revenue Allotment
ICRAF	International Center for Research on Agro Forestry
IFAD	International Fund for Agricultural Development
ICC	Investment Coordinating Council
IDF-LC	Ipil Development Foundation – Lakewood Consortium
IA	Irrigators' Association
JBIC	Japan Bank for International Cooperation
JICA	Japan International Cooperation Agency

ACRONYM	DEFINITION
KFI	Kasanyangan Foundation Inc.
KASAMAKA-AMAKAN	Katipunan ng mga Samahan ng Maralita sa Kanayunan – Alyansa ng mga Maralita sa Sultan Kudarat
LAFICO	Lakewood Association of Farmers Integrated Cooperative
LAD	Land Acquisition and Distribution
LBP	Land Bank of the Philippines
LTi	Land Tenure Improvement
LMT	LBPI Monitoring Team
LEISA	Less External Inputs for Sustainable Agriculture
LBPI	Local Based Partner Institutions
LCDP	Local Cadre Development Plan
LGU	Local Government Unit
LUPAMCO	Look-Up Multipurpose Cooperative
MAGKASAMA	Mag-Uumang Katawhan Sa Malaiba Multi-Purpose Cooperative
MRM	Management Review Mission
MTRM	Mid-term Review Mission
MARO	Municipal Agrarian Reform Officer
MDP	municipal development plan
MDT	municipal development team
MLGU	Municipal Local Government Unit
NEDA	National Economic Development Authority
NIA	National Irrigation Administration
NPMO	National Project Management Office
NRM	Natural Resource Management
NVS	natural vegetative strip
NIRD	Negros Institute for Rural Development
NGOPP	NGO point person
NGO	nongovernment organization
NDC	Northern Development Centers
ODA	Official Development Assistance
OMA	Organizational Maturity Assessment
PMPCI	Paligue Multi-Purpose Cooperative, Inc.
PO	Peoples Organization
PDAP	Philippine Development Assistance Program
PhilNET-RDI	Philippine Network of Rural Development Institutes
PhilDHRRRA	Philippine Partnership for the Development of Human Resources in Rural Areas
PPI	Philippine Peasant Institute
PC-LGSP	Philippines-Canada Local Government Support Program
PSPs	Policies, Systems and Procedures
PHF	Post Harvest Facility
PCM	Pre-Completion Mission
PSD	Productivity Systems Development
PCR	Programme Completion Report
PMO	Project Management Office

ACRONYM	DEFINITION
PMT	Project Management Team
PARAB	Provincial Agrarian Reform Arbitration Board
PARCOM	Provincial Agrarian Reform Coordinating Committee
PARO	Provincial Agrarian Reform Officer
PCEDO	Provincial Cooperative and Enterprise Development Office
PCC	Provincial Coordinating Committee
PIDC	Provincial Institutional Development Coordinator
PPMO	Provincial Project Management Office
PULFAMPUCO	Pula Farmers Multi-purpose Cooperative
QCSR	Quarterly Cooperative Status Report
QUEDANCOR	Quedan and Rural Credit Guarantee Corporation
RAMPUCO	Ramrod Multi-purpose Cooperative
RARO	Regional Agrarian Reform Office
R/PPST	Regional and Provincial Program Support Teams
RCC	Regional Coordinating Committee
RLF	Revolving Loan Fund
ROW	Right of Way
RDD	Rural Development and Democratization
RDI-SK	Rural Development Institute of Sultan Kudarat
RDI	Rural Development Institutes
RWS	Rural Water System
SFAWMULCO	San Francisco Agricultural Workers Multi-Purpose Cooperative
SOU	Site Operations Unit
SIBS	Social Infrastructure Building and Strengthening
STAR-CM	Support to Agrarian Reform in Central Mindanao
SBDP	Sustainable Barangay Development Plan
TARF	Tigum-Apod Rotating Fund
TDC	Total Direct Cost
TNA	Training Needs Analysis
UP/OC	Ugnayan ng Pahinungod Oblation Corps, Los Baños
UNOPS	United Nations Office for Project Service
UEC	Universal Equity Corporation
UP	University of the Philippines
VMGS	Vision, Mission, Goals, Strategies
VOS	Voluntary Offer to Sell
WUA	Water Users' Association
WMCIP	Western Mindanao Community Initiatives Project
WESAMAR	Western Samar Agricultural Resources Program