

# Partners Or Competitors: NGO and Government in BIARSP

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## EXECUTIVE SUMMARY

**T**his case study is an inquiry into the dynamics of the implementation of the Belgian Integrated Agrarian Reform Support Program (BIARSP) in an Agrarian Reform Community (ARC) in Canlaon, Negros Oriental. It generally aims to:

1. Assess the processes and activities by which different stakeholders contributed to the design, formulation, and actual implementation of the projects.
2. Propose measures to enhance the roles and participation of relevant stakeholders, particularly farmers' organizations, and their partner NGOs in the monitoring and redesign of policies, particularly on advocating the content and allocation of foreign aid in community-based projects.

The case study discusses the dynamics of the implementation of the BIARSP from different institutional and stakeholder views.

The introduction provides a brief summary of the framework, methods and the documents consulted for this study. The study tapped data from key informant interviews and group discussions with officers and workers of several government and nongovernment groups. These include the Negros Institute for Rural Development (NIRD), the Provincial Agrarian Reform Office (PARO) of Negros, the Department of Agrarian Reform (DAR) Municipal Office (DARMO) in Canlaon, and eight Agrarian Reform Beneficiary (ARB) co-operatives assisted by either DAR or NIRD.

The study will also provide a brief account of the BIARSP, its origins, rationale, components, and institutional arrangements, as they exist in Canlaon. The main discussion analyzes the BIARSP framework, how it was linked to the government's agrarian program, and how different stakeholders appreciated it in the light of debates on the use of ODA for developmental goals.

The study then describes the political and economic environment of Canlaon, highlighting the interests and tendencies of various actors and stakeholders that either impeded or facilitated the implementation of BIARSP.

A historical background of NIRD's partnership with BIARSP is also presented in a section. This section will explain the dynamics of BIARSP implementation, evaluating how program-level congruence –or the lack of it– among stakeholders contributed to program successes or failures. The views of key respondents of NIRD and DAR on the conduct of parallel as well as collaborative projects are presented to show how differences influenced the delivery of services to partner-farmer beneficiaries.

A section presents analyses on the experiences of farmer-beneficiaries in BIARSP implementation and evaluates how some factors contributed to or hindered the performance of the farmers and their partner service providers. The sixth chapter analyzes the disposition, performance and achievements of each stakeholder in BIARSP through a summing up of the findings of each chapter. Finally, the study will present conclusion culled from findings based on the discussion of the paper.

## **I. RESEARCH OVERVIEW**

### **A. Introduction**

The Belgian Integrated Agrarian Reform Support Program (BIARSP) covered 74 agrarian reform communities (ARCs) in Regions VII and IX. It was implemented in two phases: Phase I from March 1998 to August 2000 and Phase 2 from September 2000 to August of 2003. Of the total P639.50-million project funds, P444.50 million came from the Belgian grant while the Philippine government committed to pay for the remaining cost of P109.50 million from the national, provincial, and municipal government budgets.

The BIARSP provided the ARCs the following projects:

1. Organizing and strengthening of all estate-based co-operatives in all 12 barangays of Canlaon. This included aid for financial systems installation, capital build-up, project development, management, and entrepreneurial skills development for the farmer beneficiaries of the Comprehensive Agrarian Reform Program or CARP.
2. Rural Infrastructure Support, which includes the installation of a P859,999-Level 2 water system in Barangay Panubigan and the construction of a farm to market road worth P5,185,391.87.
3. Credit assistance for farm inputs, income-generating projects, and procurement of work animals for farmer beneficiaries.

4. Social infrastructure building strengthening (SIBS) assistance for the health workers and stakeholders of local health care units and the Guihulngan District Hospital. The latter is a 75-bed secondary public hospital, which provides socialized services through household membership fees and inter-local government unit (LGU) cost-sharing by the neighboring towns of Guihulngan, Villahermoso, La Libertad and Canlaon.

Of all ARCs in Regions VII and IX, Canlaon was chosen for this study owing to its elements that are not too prominent in other ARCs. These include haciendero's influence on the local government and the implementing agency, the gravity of problematic Land Tenure Improvement (LTI) cases, and conflict between BIARSP and its contracted nongovernment organizations (NGOs) over the framework addressing agrarian reform and rural development in the area.

### **B. Specific Objectives of the Study**

This research aims to study the implementation of phase 2 of the BIARSP in Canlaon to draw lessons from the groups' engagement in an environment having agrarian issues. Specifically, it aims to accomplish the following objectives:

1. To assess the processes by which the different stakeholders (donors, government offices and agencies, farmer organizations, non-government organizations, implementing organizations and other players) contributed to the design, formulation and actual implementation of the projects.
2. To propose measures to enhance the roles and participation of relevant stakeholders –particularly farmers' organizations and their partner NGOs– in the monitoring and redesign of policies, particularly with regard to advocating the content and allocation of ODA in community-based projects such as the BIARSP

### **C. Scope and Limitations of the Study**

This study will focus only on the program component of strengthening farmers' co-operatives and the DAR-PO-NGO institutional arrangements for ensuring delivery of services to farmer beneficiaries. The experiences that would be examined would be those of the BIARSP-contracted NGO in Canlaon and its partner farmer co-operatives.

This study will not evaluate the impact of BIARSP. This study will analyze the implementation of the BIARSP within the political and economic context

of Canlaon, and the respective paradigms and interests that shape the options available to different stakeholders.

This study attempts to clarify the factors that prompted different players to act the way they did and how their conduct had either contributed to or impeded the program's objectives. From the insights that the study gains, lessons would be culled on how NGOs and POs can take part in engaging ODA and influencing it in ways that would optimize benefits to the community.

#### **D. Framework and Methodology**

Figure 1 presents the framework of the study. The study will examine the objectives and standards of BIARSP as originally conceived by the donors. Since real-world people with specific interests in specific milieus carry out programs, it is inevitable that the actual program would bear the stamp of their interests, attitudes, and concerns.

Figure 1 shows that the BIARSP would be affected by various factors such as lawmakers' readiness to fund reform, local executives' stakes in projects, and capability of implementers. While formal institutional arrangements may provide safeguards for the faithful implementation of BIARSP according to its intent, these factors could either facilitate or hinder the progress of reform depending on how these mesh or clash with the interests and norms of people whose active collaboration or neutrality is vital for program success.

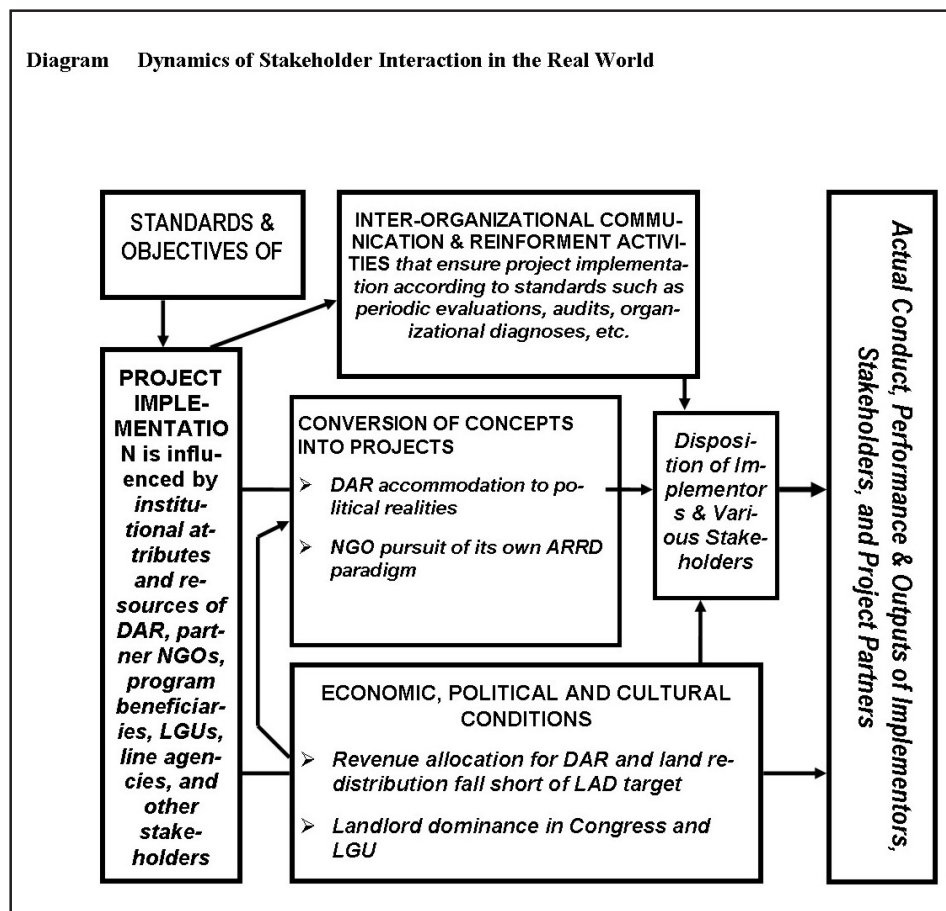
Moreover, the very people for whom the programs are intended may not unanimously concur with the very design of the programs being offered as suggested by the views expressed by farmers interviewed.

This study utilized a variety of tools to gather and analyze data, namely:

1. Survey of literature. The books, journals and monographs consulted include BIARSP reports, data sheets from various government agencies and local government units, such as plans, organizational reports and discussion papers of the implementing agency, partner NGO and beneficiary organizations.

2. Focused Discussion Groups. This involved group discussions with a few key representatives of the beneficiary organizations, the implementing agency and the contracted NGO.

3. Key Informant Interviews. This approach was applied to pursue inquiry



on issues regarding the merits of the BIARSP component on institutional strengthening.

4. Validation Conference. This activity sought to validate the findings of the study by triangulating field study results with the responses of the key informants. Among the participants of this activity were the Municipal Agrarian Reform Office (MARO) of Northern Development Center 2 (NDC 2), NIRD staff engaged in BIARSP and representatives of ARB co-operatives.

The following questions were posed to key respondents:

1. What factors enhanced or blocked collaboration between the DAR and the contracted NGO in implementing BIARSP and in agrarian reform and rural development?

2. Are farmers' organizations ready to undertake development of key assets (land and agricultural enterprises) sans current level of assistance of DAR and their partner NGO or with the immediate phase-out of DAR and partner NGO?

Secondary data for this study were furnished by the DAR Central Office, PhilNet-RDI in Quezon City and Cebu City, the BIARSP Provincial Office in Dumaguete, NIRD and DARMO in Canlaon City.

The field study was conducted in eight of CARP-covered estates in Canlaon from April 30 to May 28, 2004.

The main document "Final Report on BIARSP Phase 2, September 2000 – August 2003" furnished by the BIARSP-PMO in Dumaguete provides national, regional and provincial aggregate data as indicators of BIARSP accomplishments. To understand the details of the conditions cited in the report, the researcher conducted in-depth interviews with individuals directly engaged in BIARSP implementation. Since some of these individuals e.g., from DARMO and NIRD, were not interviewed, the researcher studied organizational papers (NIRD) and DARMO reports to understand how projects under the BIARSP were implemented.

## **II. OVERVIEW OF THE BIARSP**

The Belgian Integrated Agrarian Reform Support Project (BIARSP) is a package of support services covering 74 agrarian reform communities in Central Visayas (Region VII-Negros Oriental, Cebu, Bohol and Siquijor) and Western Mindanao (Region IX). BIARSP expected to benefit 60,000 agrarian reform beneficiaries (ARBs) and 20,000 non-ARBs.

BIARSP was a bilateral program between the Governments of Belgium and the Philippines, a grant aimed at "assisting in developing conditions for self-reliant and sustainable rural development in the Agrarian Reform Communities".

### **A. Origins of the BIARSP**

BIARSP originated from the Belgian Agrarian Reform Support Program (BARSP) that was implemented in the country from 1994 to 1998. The BARSP was conceived after a European Commission's Fact Finding Mission here on the agrarian situation in 1993.

The Belgian Government's official development assistance (ODA) to agrarian reform in the Philippines rests on three principles, namely: human rights; democratization; and, good governance<sup>1</sup>.

In 1994, the Belgian Government and the Philippine Government signed a Memorandum of Agreement on BARSP giving P182M, or 77 percent of the total program fund, to: productivity systems development (PSD), land tenure improvement (LTI) and social infrastructure building and strengthening (SIBS).

Under the MOA, the Belgian Government contracts a national NGO partner that would provide the project manager and the specialists in agronomy, training, and project monitoring and evaluation. While this formed the arrangement for the project's duration of the project, it was open for amendment or extension. Representatives from the Belgian Agency for Development Cooperation and the DAR managed the program. The two agencies also evaluated the project. Release of the funds for the PSD relied on the momentum of LTI. Lastly, the BARSP Project Management Office (PMO) acted as an Administrative Office within the Office of the DAR Secretary.

BARSP was implemented in 11 areas in Region IV with the Philippine Partnership for the Development of Human Resources in Rural Areas (PhilDHRRA) and nine local NGOs as partners. At that time, the DAR was campaigning for greater collaboration between government agencies, POs and NGOs. This gave partner NGOs and POs a bigger space for commenting on, participating, and evaluating CARP implementation.

Some NGOs, however, criticized the DAR for including PhilDHRRA, saying that this group's proposal "was packaged by the same team that composed the 1994 fact-finding mission whose missions were decisive for BARSP implementation".

## **B. The BIARSP Today**

Another Belgian mission reviewed the BARSP implementation in 1996. The findings resulted in a new Memorandum of Understanding and the signing of the BIARSP in November 1997. While retaining its predecessor's goal of poverty alleviation, productivity enhancement, and increased rural incomes, BIARSP incorporated major changes in scope, priority and choice of institutional arrangements. These were the following:<sup>2</sup>

1. Expansion of coverage from 11 areas in Region VII to 74 areas in Regions VII and IX;
2. Removal of the national NGO partner in program implementation, coordination, monitoring and evaluation, and mainstreaming of program implementation within the bureaucracy;
3. Bureaucratic changes that involve the transfer of financial controls and decision-making powers from the Philippine office to the Brussels office;
4. Incremental impact of new components such as primary health, basic education and water and sanitation on the budget and institutional arrangements; on the project design and nature of partnerships; and the diminution of NGO and PO participation at the program level;
5. Deconstruction of program duration and subjecting the bilateral agreement to conditional renewal of contracts according to the results of annual or phase-based assessments; and,
6. Removal of the program's land tenure improvement (LTI) component.

### **C. Components**

In Canlaon, the BIARSP concentrated on the following components:<sup>3</sup>

1. An agricultural productivity systems development component aimed at enabling ARBs to raise incomes through joint accessing of support services and collaboration with line agencies.<sup>4</sup> Of high importance to the farmers was a savings and low-interest credit component of this project that enticed farmers' co-operatives to engage in capital build-up and enterprise development. A condition of said project was the member's promise to repay their loan obligations at the end of the project term.
2. Basic Education that sought to reduce illiteracy/innumeracy among the rural poor (adults and out-of-school youths) as well as improve the capacity of the LGUs and the Department of Education in education planning, coordination and management.
3. Primary Health Care that aimed to establish a functional Provincial Health Unit in every province, a Rural Health Unit for every cluster of 15,000 residents per municipality and a functional Barangay Health Station (BHS) for every cluster of 4,000 residents.<sup>5</sup>
4. Water Sanitation Program that provided ARCs with access to safe, adequate and permanent potable water supply through the creation of water



and sanitation associations, latrine facilities, service systems and an operational water quality control and surveillance mechanism.<sup>6</sup>

The BIARSP based the above changes in strategy and institutional arrangements on the following grounds:

First, BIARSP officials believed in the efficacy and adequacy of improvements in institutional and technical capabilities of both government agencies and people's organizations as factors in advancing agrarian reform and consolidating its gains.<sup>7</sup>

Second, BIARSP took the Philippine government's stand that limited financial resources are barriers to agrarian reform and rural development. The Philippine Government's recommendation that the program should be mainstreamed to the state bureaucracy was prompted by its desire to cut cost and lower deficits.

Third, the perceived underperformance of the national NGO partner to monitor PO performance and build alliances with ARCs led to a greater reluctance to put more money in the program. For its part, BIARSP officials saw it as a donor prerogative to review the implementation of the program before renewing it annually.

#### **D. Institutional arrangements for BIARSP implementation**

The diagram (Figure 2) presents the interaction and cooperation of various agencies and stakeholders in implementing the BIARSP.

Basic strategies and program priorities was at the top-most level (central, regional and provincial offices) to ensure coherence of various agrarian reform components with the national development efforts as articulated in the DAR-CO's plan.

1. At the very top, a project management office (PMO) coordinated with the DAR-CO to decide matters of strategic significance to BIARSP.

The PMO consisted of the Belgian Government's permanent technical adviser and his Filipino counterpart. It was lodged directly with the Office of the DAR Secretary and kept its Region VII office in Dumaguete City. It had the power to approve and disburse funds for proposals within the range of P100,000 to P500,000. Previously, projects above P100,000 required approval from Belgium. As part of its management functions, the PMO conducted bi-annual SIBS and financial plan assessments.