

I. PROJECT IDENTIFICATION

1. PROJECT TITLE
LOCAL DEVELOPMENT

APPENDIX ATTACHED
 YES NO **30 p**

2. PROJECT NO. (M.O. 1095.2)
492-11-995-256

3. RECIPIENT (specify)
 COUNTRY **PHILIPPINES**
 REGIONAL INTERREGIONAL

4. LIFE OF PROJECT
 BEGINS FY **1974**
 ENDS FY **1978**

5. SUBMISSION
 ORIGINAL **20 Dec 72** DATE
 REV. NO. _____ DATE
 CONTR./PASA NO. _____

II. FUNDING (\$000) AND MAN MONTHS (MM) REQUIREMENTS

A. FUNDING BY FISCAL YEAR	B. TOTAL \$	C. PERSONNEL		D. PARTICIPANTS		E. COMMODITIES \$	F. OTHER COSTS \$	G. PASA/CONTR.		H. LOCAL EXCHANGE RATE = 26.7 (U.S. OWNED)		
		(1) \$	(2) MM	(1) \$	(2) MM			(1) \$	(2) MM	(1) U.S. GRANT LOAN	(2) COOP COUNTRY (P1000)	
										(A) JOINT	(B) BUDGET	
1. PRIOR THRU ACTUAL FY												
2. OPRN FY												
3. BUDGET FY 74	1110	570		100		440		(150)			2100	7600
4. BUDGET +1 FY 75	1280	740		100		440		(300)			1500	9600
5. BUDGET +2 FY 76	700	620		80		--		(250)			2000	11600
6. BUDGET +3 FY 77	530	470		60		--		(200)			2000	11900
7. ALL SUBO. FY	450	400		50		--		(200)			5000	12100
8. GRAND TOTAL	4070	2800		390		880		(1100)			12600	52800

9. OTHER DONOR CONTRIBUTIONS

(A) NAME OF DONOR	(B) KIND OF GOODS SERVICES	(C) AMOUNT

III. ORIGINATING OFFICE CLEARANCE

1. DR. Thomas L. Rose	TITLE Assistant Director/PD	DATE 20 Dec 72
2. CLEARANCE OFFICER Thomas C. Niblock	TITLE Director/USAID Philippines	DATE 20 Dec 72

IV. PROJECT AUTHORIZATION

1. CONDITIONS OF APPROVAL (1) The Mission will submit to AID/Washington by December 1973 an administrative arrangement agreed with the GOP to more fully integrate U.S. specialist advisers into offices of GOP officials responsible for provincial development programs in support of which U.S. advice is provided; (2) The Mission will submit to AID/Washington by December 1974 an administrative plan agreed by the GOP formally to assign U.S. generalists as advisers to the GOP officials responsible for the provincial development assistance program; (3) The Mission will submit to AID/Washington by December 1974 a specific plan worked out with the GOP indicating plans, inputs and anticipated outputs of the GOP having a precision comparable to present USAID plans for U.S. inputs to the program.

2. CLEARANCES

BUR./OFF.	SIGNATURE	DATE	BUR./OFF.	SIGNATURE	DATE
ASIA/EA	Dennis M. Chandler <i>DE</i>	2/28/73	ASIA/DP	Alexander Shakow <i>A. Shakow</i>	2/24/73
ASIA/EA	L. Paul Oechsli <i>LO</i>	2/23/73	PFC/RC	Eric Griffel <i>E. Griffel</i>	2/26/73
ASIA/TECH	J. J. Dalton <i>J.J.D.</i>		TA/DA	Jack Koteen <i>J. Koteen</i>	2/5/73
			AA/PFC	Philip Birnbaum <i>P. Birnbaum</i>	1/9/73

3. APPROVAL AAS OR OFFICE DIRECTORS
 SIGNATURE **D. G. MacDonald** DATE **2/28/73**

4. APPROVAL A AID (See M.O. 1025.1 VIC)
 SIGNATURE **Marion Williams** DATE **12 MAR**

MAY 14, 1972 Old Cy -- Revised cy

PP
3-1-25
D132
INFRASTRUCTURE
PLANNING
SCHOOL NUTRITION
SOUTH COTABATO
MORALES, M.

LOCAL DEVELOPMENT PROJECT

PROP

PROJECT NO. 492-11-995-256

Capital Improvement Program

Province of LEYTE

ANNUAL REPORT
1971-1972
LOCAL DEVELOPMENT

PROVINCE OF MISAMIS ORIENTAL

FY 73-75

FISCAL MANAGEMENT IMPROVEMENT PROGRAM

CAPITAL IMPROVEMENT PROGRAM

Province of ORIENTAL MINDORO

Governor ALFONSO L. UMALI



PREPARED BY LOCAL DEVELOPMENT STAFF

Family Planning Program



PROVINCE OF ILOILO

FUNDAMENTALS OF EQUIPMENT POOL OPERATIONS

Prepared By: USAID/AD/PD PHILIPPINES and DALTON TASK FORCE

21 Nov. 1972



72-77

Tanggapan ng Pangulo ng Pilipinas
(OFFICE OF THE PRESIDENT OF THE PHILIPPINES)

20 December 1972

MEMORANDUM TO: Thomas L. Rose
Asst. Director for Provincial Development
USAID, Manila

FROM : Gregorio R. Vigilar
Executive Director
Provincial Development Assistance Project
Manila

SUBJECT : PROP-Local (Provincial) Development

This is with reference to your memo dated December 19, 1972 regarding the revised draft of the PROP for USAID Local (Provincial) Development Project.

I have personally reviewed the revised draft of the subject PROP and I find no substantial difference from the earlier version that we discussed in some detail. I feel that the document fairly represents the joint GOP/USAID goals for the Provincial Development Assistance Project and coincides with the observation expressed by Executive Secretary Melchor in his letter of 8 December 1972 to Director Niblock.

We recognize that some of the details expressed in the above-mentioned document will require additional study before we can establish a firm course of action. However, I concur with the desirability of the general goals and courses of action as recorded in the subject PROP.

I sincerely hope that we can jointly move forward on the implementation of this program in a timely manner.



Tanggapan ng Pangulo ng Pilipinas
(OFFICE OF THE PRESIDENT OF THE PHILIPPINES)

8 December 1972

Mr. Thomas Niblock
Director
US/AID Philippines
M a n i l a

Dear Tom:

It seems as though the Provincial Development Assistance Project (PDAP) is catching fire all over the country. This Office continues to receive requests from local governments to the effect that they be made participants of the PDAP. With the experience accumulated over the past years in the Project and with the new thrust the government is giving to the acceleration of local development, we feel that it is time for the project to be given more attention, particularly now that we have evolved a well defined approach to achieve the desired results from the project's as well as from the country's counterpart resources.

On this account and from the Philippine Government's side, the agreement reached between us, that the PDAP project supervisor be transferred from the National Economic Council (NEC) to the Development Management Staff of this Office, has now been put into effect. Of course, this is with the understanding that this is purely an interim measure since ultimately the PDAP will be moved into the newly-created Department of Local Government and Community Development after that Department shall have been fully organized and established to take over the project. Furthermore, as part of our resolve to strengthen the Project Management, we have appointed one of our senior administrators, Mr. Gregorio Vigilar, as Executive Project Director.

As you may have noticed, the work on the project has been intensified during this calendar year. We expect to further increase our inputs into the project,

8 December 1972
Mr. Thomas Niblock
Page 2 -

particularly by way of beefing up the number and quality of the technical staff in the field. This is with the intention of being able to at least maintain in the short-run the annual rate of expansion of the Project by way of adding some 5 new provinces per year and the long-run plan of having all our provinces actively participating in the PDAP.

With this hiked tempo of activities and the defined approach your government and ours have taken towards the accelerated development of our provinces, we feel that we will need your support even more. Needless to say, we know we can always count on your development-oriented Agency and Staff.

With warm personal regards.

Very truly yours,


ALEJANDRO MELCHOR
Executive Secretary

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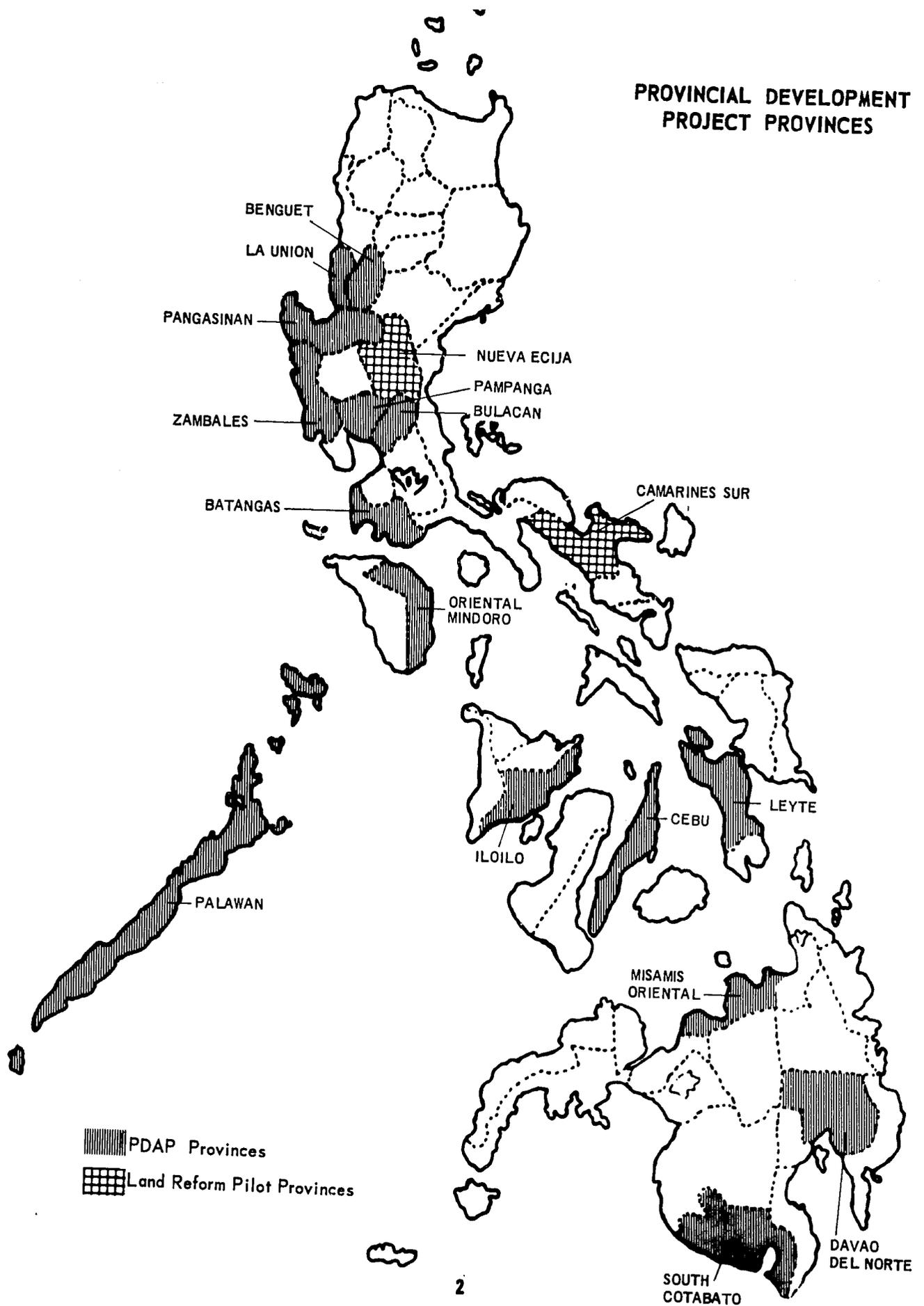
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PROVINCIAL DEVELOPMENT ASSISTANCE

-----PROJECT MAP-----

PROVINCIAL DEVELOPMENT PROJECT PROVINCES



-----PDAP PROJECT PICTORIAL



In all Project Provinces, the USAID/
PDAP Development STAFF IS THE
NERVE CENTER OF THE Provinces'
Development Planning and Project
monitoring efforts, FY 71 & 72 saw
an increasing number of Provinces
prepare One Year Action Plans, and
Capital Improvement Plans which lay-
out areas of priority involvement.

PDAP/USAID sponsored training pro-
grams in capital improvement plan-
ning, budget preparation, communi-
cation and feasibility studies have
strengthened the staff's ability to take
an active role in charting the Province's
course of development....



**INFRASTRUCTURE HAS BEEN THE BACKBONE
OF THE PROVINCIAL DEVELOPMENT ASSISTANCE PROJECT**



Through its advisory assistance, Excess Property and Training programs, NEC/USAID has played a key role in assisting the PDAP Provinces in developing the Equipment Pool capability needed to support an expanding Infrastructure program.

A new feeder road to Barrio Morales, is part of the 400 Kms. of road constructed by the Province of South Cotabato since 1969, which have benefited about 150,000 barrio people.



FDAP also actively supports programs in

. . . AGRICULTURE . . .



Sorghum also has shown a great deal of promise in the Cotabato area.

Production technicians in sorghum, rice, vegetables have been trained in NFAC/USAID sponsored training programs.

. . . TAX MAPPING . . .



NUTRITION



A Provincial Nutritionist lectures to mothers on menu preparation

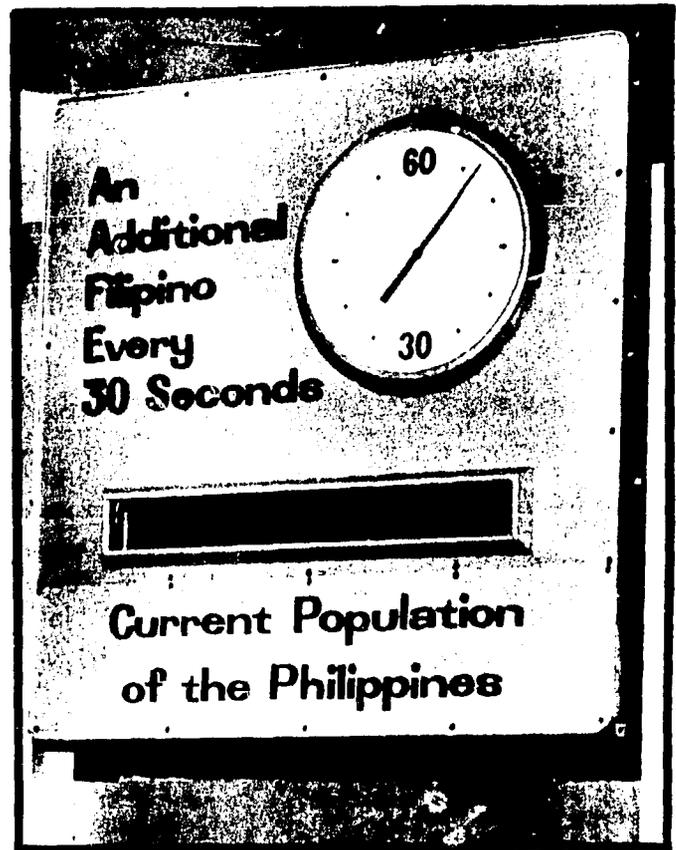


Provinces have expanding preschool nutrition programs assisted by NNP/USAID.

and

FAMILY PLANNING . . .

All PDAP Provinces have active FP Programs with a ratio of Cumulative acceptors to eligible women of .145 which compares favorably with the National ration of .150^{1/}



Basic instruction in Family Planning is provided by both government and private sector medical personnel throughout the project provinces.

^{1/} Data as of July 1972.

----- **FACE SHEET**

.....**RATIONALE**

A. RATIONALE

"The usefulness of development assistance is dependent upon much more than the question of volume. We must find more effective ways to utilize aid so that it can make a positive difference in the quality of the lives of the poor people in the LDC's."

John A. Hannah
October 16, 1972

1. Summary

This project provides for continuation of a more narrowly defined Provincial Development Program over the next five years, and for a series of studies designed to strengthen and improve the program on a nationwide scale. The Government of the Philippines has requested that for the present the program be expanded five provinces a year, which is substantially in line with USAID projections.

2. The Setting

The goal of this project is to improve the life and the lot of the little man. The little man, as we define the term, represents more than 75% of the country's total population. He is the rural dweller who occupies nearly 90% of the total developed land area. By any standard, he leads a marginal existence. In many cases he is under paid, under employed, under served and isolated. All too often his children are malnourished and receive only minimal educational benefits.

A majority of rural dwellers are small farmers, over 50% of whom are tenants. The median small farmer is statistically characterized as a poor man who farms 3-1/2 acres, uses modern crop technology to only a limited extent, shares one carabao, finds truly productive work only about half of the time and has an annual family income of about \$350. He lives with his family of five to seven children in a very small, partially weatherproof house without plumbing or electricity, often some distance from an all weather road and public transportation. He

consumes about 1970 calories a day, has six years of education, is indebted to the middleman, has little hope for future change and will probably be dead by the age of 55. Nonetheless, experience has shown that he will respond to economic opportunity and to sincere, dedicated leadership.

3. Background and Accomplishments

The current GOP/US local development project originated with efforts initiated in 1966 to support agricultural production through a pilot approach in Tarlac and Laguna provinces entitled "Operation SPREAD". Under this pilot approach, USAID dealt directly with the participating provinces. The project successfully identified, through field application, the inputs and technology crucial to a province's development.

As a result of the accomplishments of Operation SPREAD the Provincial Development Assistance Project (PDAP) was created in 1968, establishing a close working relationship between the National Economic Council (NEC) and USAID. It was at this point that USAID development assistance shifted from direct application to the provinces involved to working through a GOP national agency specifically established to support provincial development. PDAP thus become a key agency at the national level for determining development requirements and for bringing the benefits of technology and improved management to the rural areas. (See Attachment 1).

PDAP has provided technical support, training and commodity assistance to provincial programs designed to improve the quality of rural life. From the inception of PDAP, efforts focused on sector programs in Agriculture, Infrastructure and Tax Administration. Based on the NEC Four Year Development Plan adopted in FY 71, PDAP added Family Planning and targeted Nutrition as sector priorities. More recently, again reflecting National Government priorities concerning rural employment opportunities, this list was expanded to include rural electrification and rural industries, and is expected to encompass land reform in the near future.

Activity programs designed to achieve specified objectives under the above provincial priority programs have been proceeding steadily in each of the 16 PDAP project provinces. (See Attachment 2). Despite the fact that five of the sixteen project provinces joined the program within the past six months, accomplishments include: a. organiza-

tion of Provincial Development Councils and sectoral task forces or committees in 13 provinces; b. organization, recruitment and training of supporting development staffs in 13 provinces; c. development and implementation of sectoral plans, programs and systems in six provinces; d. development and implementation of management planning systems, including 3-5 year capital improvement program, project monitoring and measurement system, equipment maintenance system and procedure manuals for each activity in six provinces; and e. development of adequately staffed and equipped provincial equipment pools in support of the infrastructure and agriculture programs in nine provinces.

Recently, following the flood disaster which occurred in the Central Luzon provinces in July and August of 1972, the Office of the President directed PDAP to assume an additional responsibility, that of extending assistance to the hardest hit provinces through a provincial infrastructure rehabilitation program. This program has assumed many of the characteristics of the on-going PDAP project programs. It is also building experience for a possible future countrywide approach since it involves development or strengthening of the engineering and equipment pool organizations, staffs and programs; emphasizes and seeks to sharpen provincial program leadership; brings improved management of financial resources directly into the rehabilitation process; and incorporates practical public management techniques in every stage of the recovery effort. The rehabilitation program greatly expands external financing of province based infrastructure activities, thereby introducing to the project for the first time a substantial addition of operating capital. Experience with this new undertaking will be important to assessing the potential for a major transfer of resources via PDAP.

A common theme running throughout all three of the above described projects (Operation SPREAD, the PDAP program and the Luzon Flood Rehabilitation Program), has been emphasis on developing institutional capabilities, on building them solidly into the local government framework, and jointly working with this institutional capability in the attainment of agreed upon program objectives as a means of accomplishing more institutional growth and project results. This single aspect of project accomplishment is believed to be absolutely vital in creating provincial abilities to plan and carry out programs of development long after the project technical support has terminated.

The Provincial Development Assistance Project, as it has functioned in the provinces, has become a recognized institutional vehicle for delivering needed services and facilities to rural populations. It has gained favorable recognition throughout the Philippines. Participation in the project is actively sought by governors whose provinces have not yet been included in the program. At the central level the project has also created a decidedly positive image, has gained recognition for exerting a strong impact on increasing the effectiveness of provincial governments and has earned for itself a significantly higher placement in the government structure. As of November 1972, the entire Provincial Development Assistance Project has been moved into the Office of the Executive Secretary to the President where it will function as an adjunct of the Development Management Staff. (See Attachment 1)

4. Project Design and Future Courses of Action

The Local Development Project is designed to assist provincial governments to respond effectively to rural needs for lowered transport costs, access to markets, equitable taxation, expended public investments and improved rural employment opportunities through:

- a. Establishing and managing provincially operated planning systems which interlink development resources and tax payment performance on an equitable incentive basis.
- b. Developing fiscal resources, including equitable property tax administration.
- c. Efficiently maintaining, upgrading and constructing planned, standardized and inter-netted provincial road systems using force account, contract and labor intensive methods.
- d. Developing processes and capabilities by which vertical and horizontal communication is facilitated among all agencies.

The four areas of provincial development activity identified above represent a narrowing and sharpening of project focus. The first three activities, development planning, fiscal resource development and road system engineering and development, are the functional areas upon which the project will concentrate its technical assistance and resources. These are the areas for which by law and by the nature of the organization of the Philippine government,

the provinces are the responsible and most appropriate implementing agencies. In particular, programming efforts will be centered on developing a substantially stronger total provincial engineering capability. Recent field experience in the Luzon flood rehabilitation provinces has clearly demonstrated the urgency of strengthening professional engineering staffs and their leadership; of utilizing this enhanced capability to transfer general provincial planning into attainable projects; of relating the resource generating capabilities of the province to attainable improvements in the infrastructure, particularly the road systems; and of putting together and successfully administering the systems for constructing projects, including force account, contract and labor intensive methods. Project concentration on provincial equipment pool development will stress its function as support for the engineering sector toward accomplishment of project work. By focusing increased local attention on the attainment of other national goals the project will also enhance the implementation of such projects as family planning, nutrition, land reform, etc. This has been shown to be a major spin-off effect of the project over the past several years.

The other area of activity pertains to the coordinating role of the province, particularly with respect to meshing program activities of central government agencies operating at province level with the programs of provincial agencies. This is a critical area of provincial administration, frequently calling upon the leadership of the Provincial Governor to develop team efforts among central and local agency officials and private sector representatives as well. This activity also concerns the need for developing and extending lines of two-way communication horizontally, between the province and central agencies operating at province level, and vertically between the province and the central level, between the province and the regional level and between the province and the municipal level. Good communication between the province and its municipalities is particularly important since the influence of the local political structure is often the key to success in project work in the Philippines.

The PDAP approach to local government has registered solid gains. It has been noted, in particular, that some very specific powers and responsibilities are in the hands of provincial governments. It has been demonstrated that these can be tied together in systems of planning and

implementation which do affect rural income growth and income distribution. It has also been noted that these various powers are dependent upon the exercise of improved capabilities.

Therefore, in order to capitalize on the past experience and exploit opportunities offering much scope for impact upon rural development, this PROP provides for two concurrent courses of action:

- a. The proven development program approach will be continued in a targeted segment of the provincial governments, but will be more concentrated in focus and scope. The program content will focus on planning, provincial engineering operations on rural roads, and tax administration. Special planning, management, training, and reporting systems related to these matters will be built into the administrative and line agencies of the selected provinces.

This course of action, together with work already accomplished or well advanced in previous or present project provinces, will expose a total of 32 provinces with approximately 60% of the country's population to some new and practical processes of local development. (See Attachment 3.) It will establish a substantial reservoir of provinces that are receptive to new approaches and are equipped and able to administer them. This solid base of established managerial competence and experience will do much to insure the success of any future countrywide programs that might be initiated.

- b. A series of preliminary studies and special tests and experiments (see Attachment 4) will be launched by PDAP and USAID to determine the feasibility of undertaking, perhaps one or two years from now, a nationwide project to support provincial development. These would concern the potentials and feasibilities surrounding national government commitment to an enlarged nationwide program of assisting the development of specific capabilities in provincial governments. The studies would obtain detailed data, special experience, and general perspectives essential to shaping the content of future discussions with national authorities. Such efforts could lead to the initiation of feasibility studies financed, perhaps, by development loans, relating to shifting selected phases of provincial development to countrywide scope. This PROP will be

revised based on these studies and, like the Mission's Rural Electrification PROP, will include a combination of technical assistance, development loans, excess property and PL-480 proceeds.

In the case of real property tax administration, practical experience gained over the past two years and the currently receptive situation in the national government provide the basis upon which even more immediate steps could be taken to shift a major development related program to countrywide application. The Local Government Center (LGC) and the Training Center for Applied Geodesy and Photogrammetry (TCAGP), both of the University of the Philippines, are already heavily involved in assisting project provinces in the area of property tax administration. It is proposed that early discussions and necessary studies be initiated to develop support for a countrywide approach to assisting provinces in developing their property tax administration capabilities. This approach, using already existing institutional resources, could in a relatively short period of time eliminate the need for foreign assistance in the real property tax administration program.

The organizing, handling, and supervising of the necessary preliminary studies and related negotiations concerning a countrywide program will require both staff and time to accomplish. Concentration in the continuing PDAP program will also require staff and time. Therefore, the pace and timing of adding more provinces to PDAP programming will be regulated by annual reviews concerning current workloads, projected work and demands for the coming twelve-month period. These reviews would operate under the initial criteria that:

- a. Given staff limitations, full time USAID Area Development Specialists will be assigned to only eight provinces (see Attachment 5), however, these specialists will be given a second priority assignment in one or more additional provinces;
- b. At least one USAID staff member will be assigned full time to pursue the second course of action described above; and
- c. There will be a careful review of the mix of technical assistance skills and sources (i.e., Institutional Contracts, PASA Direct Hire, Personal Service Contracts and Local Contracts) in light of ratio of workload and content requirements between the two courses of action cited above.

.....**PROJECT GOAL**

B. THE PROJECT GOAL

1. The Goal Statement

The goal of this project is to improve the quality of rural life by speeding development of those services and service related incentives, forms of institutional cooperation, and planning and implementing capabilities which are responsive to rural needs.

2. Measurement of Goal Achievement

- a. Increase in public transportation coverage of province; reduction of real transportation rates.
- b. Facilitation, through adequate feeder road systems, of movement of crops and crop related commodities and equipment.
- c. Higher profit margins at the farm production level; lower risks of unmarketed crops.
- d. Raise in quantity of technical assistance to rural areas.
- e. Increase in provincially/municipally generated property tax revenues in support of feeder road construction and maintenance.
- f. Operation of relationship between local revenue raising results and the planning, financing and construction of infrastructure elements serving the local population.
- g. Active involvement of municipal governments and the private sector, including cooperatives, in province development planning and programming.
- h. Local support for development oriented expenditure of public funds as opposed to non-productive use.

3. Assumptions of Goal Achievement

- a. Feeder road construction will be concentrated in areas of highest agricultural potential.
- b. Improved farm access to markets contributes directly to improved farm income and lessened marketing risks.
- c. Improved feeder roads and networks reduce costs of public and private road transportation.

- d. Capital improvements planned and constructed by provincial governments will be intended to improve the general welfare of a majority of the citizens.
- e. Provincial governments will be able and willing to adopt and implement modern real property tax administration systems.
- f. Provincial leadership will become increasingly aware that good development is good politics.
- g. Provincial and municipal governments will be able and willing to commit increased property tax revenues to programmed infrastructure construction.

-----**PROJECT PURPOSE**

C. THE PROJECT PURPOSE

1. Statement of the Purpose

The purpose of this project is to strengthen the ability of provincial governments to effectively respond to rural needs for lower transportation costs, access to markets, equitable taxation, expanded public investment and rural employment opportunities.

2. Conditions at the End of the Project

- a. Project provinces are planning, financing and conducting both short and long range operations on the basis of duly adopted comprehensive development plans, five year capital improvement programs and one year action plans tied to performance/service oriented annual budgets.
- b. Project provinces have the financial, material and technical resources to construct or reconstruct the equivalent of 50 kms. of feeder road per year, and to maintain the entire provincial road network.
- c. Of the total provincial road network mileage in each project province, 70% is all-weather.
- d. No barrio over 1,000 population is without an all-weather road connecting it to the provincial road network.
- e. Of the assessable property in each project province, at least 90% has been assessed and is covered by valid tax declarations.
- f. Real property tax collections in project provinces exceed 65% of current collectibles. (Current national average is below 50%).
- g. The range of current property tax collection percentages as among municipalities in each project province is not greater than 20%.
- h. Not less than 15% of the provincial budget of project provinces is being devoted to capital improvements.

3. Basic Assumptions

- a. There will be strong, development-minded local leadership in each project province at both provincial and municipal levels.
- b. Local policy making bodies will support local development.
- c. Each project province will make adequate budgetary investments in planning, in tax administration, and in infrastructure construction and maintenance.

OUTPUTS

D. PROJECT OUTPUTS

<u>OUTPUTS</u>	<u>INDICATORS</u>	<u>TARGETS</u>
1. A Demonstrated Capability to Plan Comprehensive Development Programs	Existence of Provincial Development Council and Working Committees	Cumulative No. Provinces: 1974 <u>14</u> ; 75 <u>16</u> 1976 <u>18</u> ; 77 <u>20</u> 1978 <u>23</u> .
	Existence of Provincial Development Staff	Cumulative No. Provinces: 1974 <u>15</u> ; 75 <u>18</u> 1976 <u>21</u> ; 77 <u>24</u> 1978 <u>27</u> .
	Existence of One-Year Action Program	Cumulative No. Provinces: 1974 <u>10</u> ; 75 <u>14</u> 1976 <u>18</u> ; 77 <u>21</u> 1978 <u>25</u> .
	Existence of Provincial Road Network Development Plan	Cumulative No. Provinces: 1974 <u>6</u> ; 75 <u>10</u> 1976 <u>14</u> ; 77 <u>18</u> 1978 <u>21</u> .
	Existence of Capital Improvement Program	Cumulative No. Provinces: 1974 <u>12</u> ; 75 <u>16</u> 1976 <u>20</u> ; 77 <u>24</u> 1978 <u>27</u> .
	Existence of Project Monitoring and Data Collection System	Cumulative No. Provinces: 1974 <u>6</u> ; 75 <u>9</u> 1976 <u>12</u> ; 77 <u>16</u> 1978 <u>19</u> .

<u>OUTPUTS</u>	<u>INDICATORS</u>	<u>TARGETS</u>
	Existence of Comprehensive Provincial Development Plan	Cumulative No. Provinces: 1974 <u>3</u> ; 75 <u>5</u> 1976 <u>9</u> ; 77 <u>14</u> 1978 <u>18</u> .
2. A Demonstrated Capability to Implement Infrastructure Development and Maintenance Program	Existence of Adequate Equipment Pool with Deadline Rate under 20%	Cumulative No. Provinces: 1974 <u>10</u> ; 75 <u>12</u> 1976 <u>15</u> ; 77 <u>20</u> 1978 <u>25</u> .
	Existence of Feeder Road Construction or Reconstruction Capability at Rate of 50 Kms/Yr.	Cumulative No. Provinces: 1974 <u>9</u> ; 75 <u>11</u> 1976 <u>14</u> ; 77 <u>17</u> 1978 <u>20</u> .
3. A Demonstrated Capability to Implement a Property Tax Administration Program	Operation of Time-Framed Municipality-by-Municipality Tax Mapping and Reassessment Program.	Cumulative No. Provinces: 1974 <u>8</u> ; 75 <u>10</u> 1976 <u>12</u> ; 77 <u>14</u> 1978 <u>17</u> .
	Total Assessed Valuation Increased at Rate of 15-20%/Yr.	Cumulative No. Provinces: 1974 <u>6</u> ; 75 <u>6</u> 1976 <u>8</u> ; 77 <u>12</u> 1978 <u>16</u> .
	Operation of Time-Framed Municipality-by-Municipality Tax Education and Collection Program	Cumulative No. Provinces: 1974 <u>4</u> ; 75 <u>6</u> 1976 <u>8</u> ; 77 <u>10</u> 1978 <u>13</u> .

OUTPUTS

INDICATORS

TARGETS

	Increased Total Real Property Tax Collection at Rate of 20-25%/Yr.	Cumulative No. Provinces: 1974 <u>3</u> ; 75 <u>5</u> 1976 <u>6</u> ; 77 <u>8</u> 1978 <u>11</u> .
4. A Demonstrated Capability to Finance Development Projects	First Year of CIP Incorporated in Current Annual Budget	Cumulative No. Provinces: 1974 <u>9</u> ; 75 <u>12</u> 1976 <u>15</u> ; 77 <u>19</u> 1978 <u>22</u> .
	Integrated One-Year Action Program and Budget Adopted	Cumulative No. Provinces: 1974 <u>7</u> ; 75 <u>10</u> 1976 <u>14</u> ; 77 <u>17</u> 1978 <u>20</u> .
	Increased Portion of Provincial Budget Channeled to Development Projects	Cumulative No. Provinces: 1974 <u>14</u> ; 75 <u>18</u> 1976 <u>21</u> ; 77 <u>25</u> 1978 <u>28</u> .
5. A National Government Commitment to Strengthen Provincial Government	Assignment of Special Staff (GOP/USAID) to Explore Implications of Expanded Program.	Early 1974
	Release of Funds (GOP/USAID) to Support Contract Studies.	Mid-1974.

-----INPUTS

E. PROJECT INPUTS

<u>KINDS OF INPUTS</u>	<u>MAGNITUDE OF INPUTS</u>	<u>DATE SCHEDULED FOR DELIVERY</u>
------------------------	----------------------------	------------------------------------

U.S.:

TA Personnel

		74	75	76	77	78
1. Project Management	2 each year	2	2	2	1	1
2. Area Development Specialists	-8 each year	8	8	6	4	2
3. Fiscal/Tax Advisor*	1 each year	1	1	1	1	1
4. Municipal Advisor*	1 for 2 years	1	1	-	-	-
5. Equipment Pool Advisors	2 each year	2	2	2	1	1

6. Long-Term Contract Specialists

- Public Administration Advisory and Training Specialists 1/
 3 during life of project or as required FY 74 - FY 78

7. Short-Term Contract Specialists

- Property Assessment, Tax Mapping, EDP System and Other Related Specialists
 8 as required During life of project

Commodities

1. Office Equipment/Vehicles	Basic set per province. (See Attachment 6.)	
	4 provinces	FY 74
	4 provinces	FY 75
	4 provinces	FY 76

1/ Anticipate advisory services through contracts with PAS and/or University of Connecticut.

* The Mission has agreed to submit additional information concerning:
 (a) Pilot Municipal program
 (b) Plan of work for proposed fiscal/tax advisor

<u>KINDS OF INPUTS</u>	<u>MAGNITUDE OF INPUTS</u>	<u>DATE SCHEDULED FOR DELIVERY</u>
2. Tax Mapping/Office Equipment and Vehicles	Basic set per province. (See Attachment 7.)	
	4 provinces	FY 74
	4 provinces	FY 75
	4 provinces	FY 76
3. Construction Equipment and Shop Tools	Dependent upon size of equipment pool. (See Attachments 8 and 9.)	
	4 provinces	FY 74
	4 provinces	FY 75
	4 provinces	FY 76
4. Procurement of commodity component after FY 75 will be funded by a long term Development Loan.		

G.O.P./U.S.:

Training

1. Participant Training

Development
Planning/Administration

Training Course at Univ. of Connecticut in Dev. Admin. for Provincial Coordinators, LGC and AIM Personnel	4 Provincial Coordinators & 1 LGC Staff Member	FY 74
	4 Provincial Coordinators & 1 LGC Staff Member	FY 75
	4 Provincial Coordinators & 1 AIM Staff Member	FY 76
Orientation/Observation	9 Governors	FY 75
Tour for Prov. Governors	8 Governors	FY 77

Fiscal Management

Third Country Property Tax Observation Tour for Provincial Assessors, Provincial Treasurers and TCAGP Personnel	5 Assessors, 5 Treasurers & 1 TCAGP Staff Member	FY 74
	4 Assessors, 4 Treasurers & 1 TCAGP Staff Member	FY 75
	4 Assessors & 4 Treasurers	FY 76
	4 Assessors & 4 Treasurers	FY 77

<u>KINDS OF INPUTS</u>	<u>MAGNITUDE OF INPUTS</u>	<u>DATE SCHEDULED FOR DELIVERY</u>
2. In-Country Training		
- Fiscal Management		
Tax Mapping (TCAGP)	2 to 4 Technicians from each newly admitted Province	FY 74 FY 75 FY 76
- Infrastructure Development		
Seminar/Workshop for Provincial Engineers (Clark, Subic, OICC)	9 Provincial Engrs. 4 Provincial Engrs. 4 Provincial Engrs.	FY 74 FY 75 FY 76
Seminar/Workshop for Equipment Pool Supt's (Using equipment pool of one participating province as workshop)	9 Equip. Pool Supt's 4 Equip. Pool Supt's 4 Equip. Pool Supt's	FY 74 FY 75 FY 76

Specialized Studies 1/

- | | | |
|--|-----------------------|-------|
| 1. Preliminary investigation of provincial road networks countrywide, their composition, condition, construction and maintenance. | ₱500,000
\$ 25,000 | FY 74 |
| 2. Preliminary investigation of the management of PEO's in 20 selected provinces re personnel, budgeting, fiscal controls, capital facilities and equipment and basic functions including planning, design, construction, maintenance and contract administration. | ₱400,000
\$ 60,000 | FY 74 |
| 3. Study concerning costing, management, labor employment impact, equipment configuration, and production characteristics when utilizing differing "mixes" of labor and capital-intensive equipment on various kinds of rural work. | ₱200,000
\$ 60,000 | FY 74 |

1/ These are tentative study identifications only. Further reviews will be made to determine exact study makeup. See Attachment 4 for listing of possible preliminary and subsequent major study coverages.

<u>KINDS OF INPUTS</u>	<u>MAGNITUDE OF INPUTS</u>	<u>DATE SCHEDULED FOR DELIVERY</u>
<u>G.O.P.:</u>		
<u>TA Personnel (PDAP)</u>		
1. Management and Technical Staff	8 each year	FY 74 - FY 78
2. Area Development Specialists	8 each year	FY 74 - FY 78
3. Clerical Support	10 each year	FY 74 - FY 78
<u>Budget Support</u>		
1. National Budget (PDAP)	₱6,000,000	Life of project
2. Counterpart Funding (Provinces)	₱500,000 per province	During period of active participation in project
3. Salaries of Provincial Development Staff Members (Provinces)	₱100,000 per province per year	During period of active participation in project

----- COURSES OF ACTION

F. COURSES OF ACTION

1. Implementation Plan

- Prepare agreements with new provinces on requirements to be met during life of project.
 - (a) 4 provinces Sept. 1973
 - (b) 4 provinces Sept. 1974
 - (c) 4 provinces Sept. 1975

- Sign excess property agreements with provinces.
 - (a) 4 provinces Oct. 1973
 - (b) 4 provinces Oct. 1974
 - (c) 4 provinces Oct. 1975

- Appoint Provincial Development Coordinator and Key Development Staff members.
 - (a) 4 provinces Nov. 1973
 - (b) 4 provinces Nov. 1974
 - (c) 4 provinces Nov. 1975

- Assign USAID Area Development Specialist.
 - (a) 4 provinces Dec. 1973
 - (b) 4 provinces Dec. 1974
 - (c) 4 provinces Dec. 1975

- Assign PDAP Area Development Specialist.
 - (a) 5 provinces July 1973
 - (b) 4 provinces Dec. 1973
 - (c) 4 provinces Dec. 1974
 - (d) 4 provinces Dec. 1975

- Organize Development Committees or Task Forces under the Provincial Development Council.
 - (a) 4 provinces Jan. 1974
 - (b) 4 provinces Jan. 1975
 - (c) 4 provinces Jan. 1976

- Initial release of USAID commodities and equipment.
 - (a) 4 provinces Jan. 1974
 - (b) 4 provinces Jan. 1975
 - (c) 4 provinces Jan. 1976

- Preparation of one-year action programs funded in part by Provincial Budget.
 - (a) 10 provinces Jan. to July 1974
 - (b) 14 provinces Jan. to July 1975
 - (c) 18 provinces Jan. to July 1976
 - (d) 21 provinces Jan. to July 1977
 - (e) 25 provinces Jan. to July 1978

- Preparation of outline Multi-Year Development Plan covering infrastructure, fiscal management, agriculture, nutrition and family planning.
 - (a) 3 provinces July to Dec. 1974
 - (b) 5 provinces July to Dec. 1975
 - (c) 9 provinces July to Dec. 1976
 - (d) 14 provinces July to Dec. 1977
 - (e) 18 provinces July to Dec. 1978

- Preparation of Capital Improvement Program.
 - (a) 12 provinces Jan. to Mar. 1974
 - (b) 16 provinces Jan. to Mar. 1975
 - (c) 20 provinces Jan. to Mar. 1976
 - (d) 24 provinces Jan. to Mar. 1977
 - (e) 27 provinces Jan. to Mar. 1978

- Development of adequate Equipment Pool with deadline rate under 20%.
 - (a) 10 provinces 1974
 - (b) 12 provinces 1975
 - (c) 15 provinces 1976
 - (d) 20 provinces 1977
 - (e) 25 provinces 1978

**Development of time-framed Tax
Mapping and Reassessment Program**

(a)	8 provinces	1974
(b)	10 provinces	1975
(c)	12 provinces	1976
(d)	14 provinces	1977
(e)	17 provinces	1978

**Development of time-framed
Tax Education and Collection
Program.**

(a)	4 provinces	1974
(b)	6 provinces	1975
(c)	8 provinces	1976
(d)	10 provinces	1977
(e)	13 provinces	1978

**- Phasedown USAID technical
assistance.**

(a)	5 provinces	Jan. to July 1975
(b)	4 provinces	Jan. to July 1976
(c)	4 provinces	Jan. to July 1977
(d)	4 provinces	Jan. to July 1978

----- **NARRATIVE**

G. NARRATIVE STATEMENT

1. Concurrent Courses of Project Action

Two concurrent and mutually supporting courses of action are proposed for this project. These are: (a) determining the feasibility of a countrywide program, while (b) simultaneously pursuing a proven development approach in targeted provinces. Since the provincial development program, as it is presently operating, is a proven and highly practical approach for facilitating local development, its continued use will not only serve the Philippines well, but can do much to insure the success of an expanded program. Just as the projected shift to countrywide application is designed to concentrate on a narrowed program focus, namely planning, property tax administration and provincial road network maintenance and construction, so too will the ongoing development program place its highest priority on these particular areas of development. By so doing, project progress will be sustained and essential test data demonstrating the feasibility of an enlarged national commitment will be generated. In particular, current development program emphasis on systems design and installation, on skills training and on program monitoring and measurement will dovetail with the evaluations and preparatory steps which must precede any countrywide program application.

In pursuing the first course of action, a number of special studies will be initiated. These will use PDAP staff, American advisors, Filipino contractors, Filipino institutions, and foreign contractors funded, at least in the initial stages, under a series of grants mutually arranged between GOP and USAID. In one case, that of tax administration, the opportunity for nationwide expansion is already present. USAID is now in an excellent position to assist PDAP in mounting a major effort designed for countrywide application, and putting to use available specialist manpower, newly developed systems and procedures and existing training services. This early shift in program application could be initiated in short order under special agreements between the GOP and USAID using in-country Philippine institutions and short term external consultants.

The second course of action is an outgrowth of the pilot province approach which was utilized in the Provincial Development Project (492-11-995-236). All

sixteen provinces in that program have been included in this project, as well as four additional provinces that are presently covered by the ongoing PDAP/USAID Flood Recovery Project (492-11-995-255). The level of assistance to the twelve earlier provinces will be very limited, but their continuing participation in the program is intended to solidify the gains that were achieved under these other programs and to take full advantage of their developed capabilities to implement programs related to the primary focus of this project, as well as any shift to countrywide application.

Using the techniques and programs with demonstrated reliability as established in the pilot province project, this project will continue its primary concentration on developing comprehensive socio-economic development programs in up to twelve of the remaining provinces yet to be selected by the GOP that offer the greatest opportunity for achieving significant results as measured against required inputs. The project is not designed to assist the highly developed provinces such as Rizal, nor is it applicable, as presently designed, in a number of smaller provinces with such limited resources as to raise serious questions concerning the viability of development programs.

2. Program Focus

As indicated above, the project will focus primary attention on three provincial development objectives applicable to both the continuing program and to projected countrywide application. These are:

a. Developing and institutionalizing an effective provincial planning capability.

Within each province the project will assist in the organization, training and operation of an effective development planning unit. This unit will be responsible for both general planning related to the comprehensive development of the entire province, and to specific planning supportive of the other two priority areas, engineering and property tax administration.

b. Developing and institutionalizing an effective provincial engineering capability.

Within each province, the project will assist in the development of engineering staffs and engineering management systems to enable the province to carry out

orderly, properly engineered and properly financed provincial road network maintenance and construction program and activities. Stress will be given to insuring that engineering staff elements charged with road construction planning and programming are trained and equipped: (1) to relate these activities directly to local revenue generation results, (2) to utilize appropriate current engineering criteria and application techniques in road network maintenance and construction planning and implementation, (3) to utilize the most advantageous mix of force account, private contract and labor intensive approaches for road maintenance and construction operations, and (4) to effectively utilize and enforce adopted construction standards, particularly those affecting quality control.

c. Developing and institutionalizing an effective provincial tax management capability.

Within each province, the project will assist in the development of a fiscal management staff equipped to handle a comprehensive fiscal management program with primary emphasis on real property tax administration. Property tax administration will cover: (1) all phases of real property tax assessment, including tax mapping, parcel identification, field and office appraisal techniques, tax records administration, and administration of regular and special programs for revision of valuations; (2) all phases of real property tax collection, including enforcement techniques, taxpayer education and tax records administration; and (3) the establishment of direct and easily understood relationships between tax collection returns and the planning and upgrading of the provincial road network.

Operating through the provincial planning unit, the project will also have a secondary focus on improving the ability of provinces to achieve program priorities in agriculture, family planning, targeted nutrition, rural electrification and rural industries. Success of provincial program activities in each of these areas is dependent directly upon the quality of leadership, planning, programming, coordination and monitoring which take place at provincial level among a multiplicity of agencies, both national and local. Here the planning unit of the provincial development

organization will develop the basis upon which these essential elements of program success are introduced and applied. First, it will bring together for joint planning purposes the respective local and national officials concerned with each priority program. Where necessary, it will rely upon the leadership of the Provincial Governor, particularly when agencies and officials have not been accustomed to working and planning together and sharing both responsibility and authority in connection with the achievement of shared objectives. Second, it will facilitate the interrelation of national and local priority requirements, making them possible of attainment and more easily understandable by officials at both levels. And third, it will lead to the establishment of effective communications, both vertical and horizontal, among participating agencies. Thus, the planning unit will be in a position to make a dual contribution. It will assist the provinces to attain their primary objectives in tax administration and road system maintenance and construction. It will also make a major contribution to the attainment of secondary objectives, particularly those where many officials and agencies are involved and where coordination of effort is the prime determinant of success.

3. New Provinces

Criteria for selection of priority provinces to be admitted into the continuing development program include development potential, priority status in relation to national goals, and potential financial viability of the provincial government. A critical precondition is the demonstrated existence of a dynamic local leadership that has a sincere concern for the social and economic well-being of the local populace.

Each new province must meet a number of basic requirements before it is accepted into the project. Foremost of these is that a Provincial Development Coordinator must be appointed and competent personnel assigned to the Provincial Development Staff (PDS). Second, the province must agree to participate in a comprehensive training program established by PDAP, the Local Government Center and other cooperating institutions. (See Attachments 10 and 11.) Third, each province must provide the salaries, office space and basic supplies and equipment to enable the development staff to function.

These actions required to create a provincial planning capability represent a substantial investment by each

participating province. On the average this will amount to more than P100,000 for staff salaries and P50,000 for annual operating expenses. To accelerate this institutional development phase, the project, through PDAP, will provide each new Provincial Development Staff with the basic office equipment necessary to administratively execute the provincial plan, and with necessary project vehicles to provide the mobility to the PDS for data collection, program monitoring and coordination of field activities. (See Attachment 6.)

After admission into the project the provincial government must complete a specified schedule of accomplishments and must reach designated milestones specifically covered in a memorandum of agreement between PDAP and the province. Each accomplishment directly relates to project outputs. (See Attachment 12). The required project accomplishments include a multi-year development plan, a three year capital improvement program, a study and determination of heavy equipment requirements followed by the necessary trust fund deposit for obtaining the equipment, a study and determination of equipment pool manpower requirements, budgetary provision for maintenance of provincial vehicular and construction equipment, and a one year action plan prepared by the staff and approved and funded by the Provincial Board.

Each province will also be required to develop an equipment pool facility requiring the investment of from P200,000 to P500,000, and to deposit funds for acquisition of equipment. While the amounts will vary, the average province will deposit at least P500,000 for excess property during the initial three years of participation in the project. These deposits will be equivalent to the dollar cost of acquisition by the project of excess property for the provincial equipment pools. Construction equipment, including rolling stock, heavy equipment, shop tools and spare parts (see Attachments 8 and 9), will provide each province with the capability to implement its provincial infrastructure program.

Where experience demonstrates that the excess property program is not a reliable source for selected items of construction equipment required by the provinces to implement annual infrastructure programs, the Mission will encourage the GOP to secure a development loan to cover the purchase of these items. Provinces would reimburse the national government, on appropriate concessional terms, for the equivalent peso cost of each unit that they receive under such a program.

As the foregoing listing of requirements indicates, each new participating province must make a very substantial and effectively binding commitment of a significant segment of its resources and its efforts to enter the development program and to maintain active status. Experience indicates that provinces are ready and willing to make this commitment to a development program which they can accept, understand and implement.

4. Role of Area Development Specialists

The PDAP field advisory effort will be built around full-time generalists knowledgeable or trainable in modern management and planning methods and systems. These generalists may serve as resident PDAP representatives during an initial period after provinces have joined the project, or may provide follow-up assistance and evaluations in the older project provinces.

In each new project province, both PDAP and USAID will assign an Area Development Specialist (ADS) to assist with the initial implementation processes. The ADS's will concentrate their efforts on organization and development of the local units responsible for planning and/or effective implementation of project primary and secondary activities. Specifically they will: (a) work with the provincial political leadership and the Provincial Development Staff in developing and applying the systems and skills necessary to establish and periodically re-examine program priorities; (b) assist the Provincial Development Staff to develop and apply systems and skills that will incorporate program priorities into an action-oriented provincial development plan with focus primarily on Provincial Engineering Office operations, tax administration and their interrelationships; (c) assist in installing systems and developing skills required to establish an effective vertical and horizontal communications and reporting system required for planning and monitoring provincial programs; and (d) encourage the development of systems that will foster the active involvement of the private sector in the provincial planning processes.

5. Vertical and Horizontal Communications

Crucial among the special needs of the provincial governments are improved vertical and horizontal communications systems and associated attitudes. There are also needs concerning improvement of provincial government communication downwards to the municipalities as well as between the local governments and national agencies operating

at the local level. Finally, there is a growing need for improved communication between provincial governments and regionally located national administrative and planning agencies. The present Provincial Development Council System, with its Provincial Development Staff, is an important device which this project will continue to use in facilitating the establishment of these vital communications links.

It is proposed that improvement of communications between provincial governments and regional offices will be the subject of intensive attention by PDAP using the Area Development Specialists for assisting in designing and building in the necessary systems and training. In the case of provinces and municipalities, it is proposed, on a pilot basis, to employ one USAID specialist accompanied by a PDAP generalist to work in a limited number of municipalities within a few provinces to assist in designing the necessary communications systems and related action programs.

6. Strengthening Provincial Engineering

Provincial Engineering Offices, particularly in their rural road maintenance, upgrading, and construction activities, will also become objects of intensified attention. In this connection, Provincial Development Staffs will be encouraged to develop and apply the necessary planning systems for designing road networks, selecting road priorities and selecting projects. This will apply particularly when linking provincial government rural infrastructure activities to rationally projected income trends and appropriate investment policies.

Locally adopted engineering management systems concerning standards, costing, mixing capital-intensive and labor-extensive inputs, contracting, fixing and meeting targets, equipment utilization, and depreciation practices will be developed and installed. Over time, this may require alteration in the skills configuration of the American advisory staff. PDAP will be encouraged to recruit staff proficient in this area. In this connection also, it may be possible to test out the use of Filipino contractors as advisors for this kind of activity.

How to link the foregoing engineering and communications operations into planning and managing allocation of locally derived tax revenues will be another major function of Provincial Development Staffs. It will be their responsibility to develop appropriate planning and monitoring systems

related to these matters. Assistance in designing such systems, in carrying out necessary tests, and in developing the appropriate skills training will be provided by PDAP Filipino and American ADS's and where necessary, by associated Filipino or American contract advisory specialists.

7. Developing Provincial Equipment Pools

The USAID Equipment Specialists will assist PDAP Equipment Specialists in providing technical assistance to the provincial governments on planning and developing their equipment pools. This activity will involve approximately P500,000 worth of equipment, mostly from U.S. excess property stocks, and an average of 35 skilled and semi-skilled personnel per province. The equipment pool will thus represent the largest single operational investment of the provincial government. During the initial period after each province has joined the project, the technicians will visit each equipment pool on a scheduled basis giving close attention to: (a) condition and use of rolling stock and equipment, (b) condition and use of repair facilities, (c) shop management, (d) preventive maintenance, and (e) spare parts procurement and storage. They will provide on-the-spot advisory services, including corrective training, for all levels of equipment pool personnel. They will design and/or recommend specific training programs for shop foremen, mechanics and machinists. Before the phaseout of USAID technical assistance to each provincial equipment pool, an equipment pool operations manual will be prepared and installed, including the presentation of related training programs.

8. Strengthening Property Tax Administration

An integral part of provincial development is the province's ability to finance its programs. Since the real property tax is the major source of local revenue available to provincial governments, it is imperative that provinces devote close and continuing attention to improving the total property tax administration program. As part of the PDAP pilot province program, systems have been developed for improving provincial tax operations ranging from reliance upon traditional Filipino methods to the use of more sophisticated EDP systems. The latter methods require tax maps developed from cadastral surveys and/or aerial photographs. Where these data sources exist, provinces will be encouraged to establish the more modern systems. In the other provinces, pending the implementation of a national real property tax administration improvement program, the local governments will be encouraged to initiate the more limited improvements that are possible within the constraints of the available

system. However, in all cases, provinces will be required: (a) to have members of their assessor's staff trained in aerial photo interpretation at the University of the Philippines Training Center for Applied Geodesy and Photogrammetry; (b) to prepare and apply current schedules of values; and (c) to arrange land tax records in a prescribed manner that will facilitate the introduction of modern real property tax administration systems as soon as aerial photographs are available for preparation of tax maps. Demonstrated continuing improvement in real property tax collection will be a mandatory condition for each province for continuing participation in the project. For each project province undertaking a program to improve tax administration, PDAP and USAID will provide commodity support to accelerate the initial efforts. (See Attachment 7.)

9. Strengthening Development through Training

As frequent references to training programs and processes in preceding sections would indicate, this project places considerable emphasis and dependence on the training of provincial officials and technicians participating in the development program. Without a strong training element this project could not expect to accomplish its purpose. It is therefore intended that training will begin as each new province is admitted to the project, and will continue regularly thereafter throughout the period of active participation. Training will be conducted centrally, regionally and in the provinces, and both on the job and away from the job.

PDAP will be responsible for the design and implementation of the comprehensive training program covering all associated provincial personnel. This will be accomplished by utilizing the facilities and resources of such on-going institutions as the Local Government Center (LGC), Asian Institute of Management (AIM), and the University of the Philippines Training Center for Applied Geodesy and Photogrammetry (TCAGP).

PDAP personnel will also be responsible for the various phases of the training program that will provide the necessary orientation and skills for all members of the Provincial Development Staff and the principal officials directly involved in the design and implementation of the provincial plan. It is estimated that approximately forty officials and staff personnel from each province will participate in at least ten courses over the six-month training period. (See Attachments 10 and 11.) This training will normally be conducted shortly after the province signs

a memorandum of agreement with PDAP. Follow-up training will be undertaken in each participating province after completion of the initial six-month training program.

PDAP and USAID will jointly develop a participant training component designed to sharpen the development related knowledges and skills of key provincial officials and technicians. This participant training component will include highly selective programs involving a small number of participants, most of whom will be senior provincial staff officials. In this connection, use will be made of the University of Connecticut's Development Administration Training Course for training Provincial Development Coordinators and Senior Development Analysts (Deputy Provincial Development Coordinators). Other participant training requirements and resources will be identified as the PDAP/LGC comprehensive training program progresses.

Efforts will be continued to develop the in-country capability to serve project training needs in lieu of participant training. Under this program, several LGC staff members will attend Training of Trainees courses at the University of Connecticut.

The pilot province approach of the Provincial Development Project identified the need for one or more national level entities to provide selected technical support services for the provincial governments. This need was particularly evident in the case of in-service training for real property tax administration. Accordingly, this project will support the development of the national institutions to provide these needed services. Several institutions such as LGC, AIM and TCAGP are already heavily involved in training programs relating to provincial assistance activities. The project will assist these institutions to develop expanded capabilities that can ultimately eliminate the need for foreign assistance in key areas of development training.

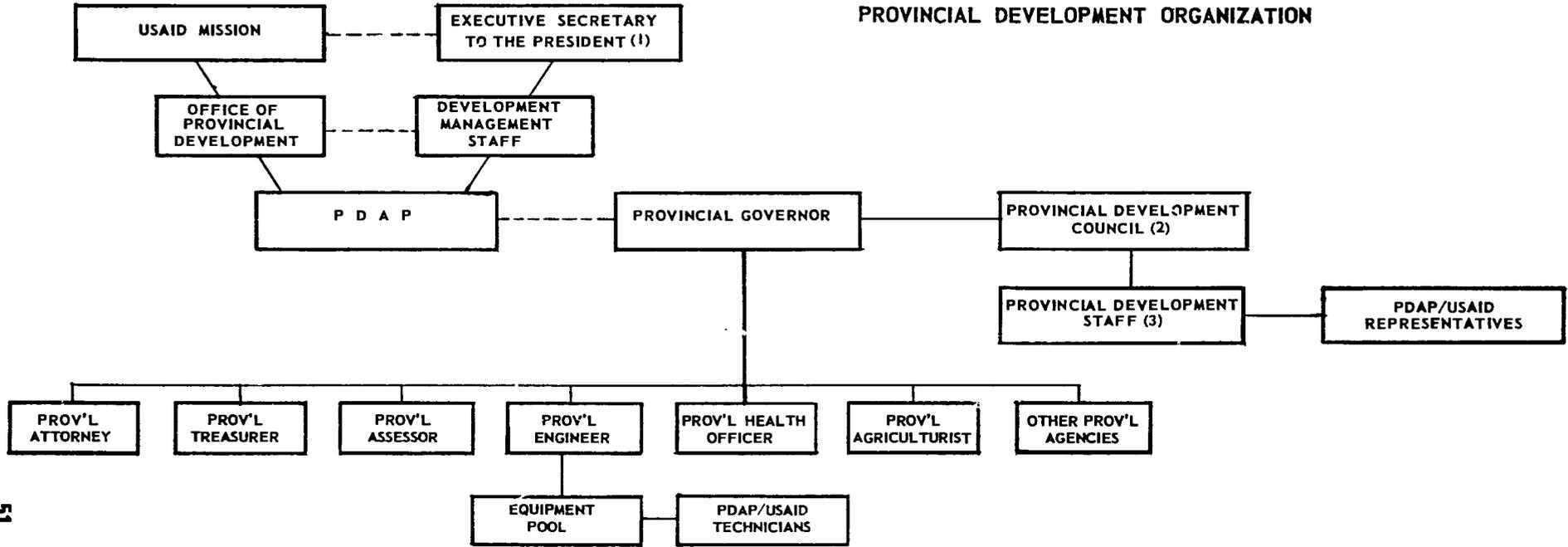
The PDAP and USAID staffs, using training consultants as needed, will monitor and participate in the proposed comprehensive provincial training program. They will review the program, including the long range potential of the various training units (LGC, AIM, etc.), determine the design deficiencies and make recommendations for modifying and expanding training materials and curriculum. Special attention will be devoted to creating a permanent yet flexible institutionalized training program that may be repeated during the first half of every fiscal year during the period of FY 1974-1978.

10. GOP/USAID Coordination

The PDAP Director and the USAID Project Manager will cooperate and coordinate in all matters relating to the planning, management and implementation of the project. They will collaborate in determining the level and development of project resources to transform GOP/USAID project policies into appropriate and responsive field activities. They will take the necessary steps to insure that their **respective** staffs also work closely and harmoniously together, both centrally and in the provinces. To these ends, the PDAP Director and the USAID Project Manager will see that two-way communications take place at each level of project activity, that complete agreement is reached on all significant project objectives and related courses of action, and that management and staff efforts in the center and in the field, will reflect a unity of purpose to which both the GOP and USAID can fully subscribe.

ATTACHMENTS

PROVINCIAL DEVELOPMENT ORGANIZATION



- (1) PDAP Transferred from National Economic Council to Office of the Executive Secretary to the President in November 1972.
- (2) Chiefs of Provincial and National Offices are members of Provincial Development Council.
- (3) Recommended Composition of Provincial Development Staff:

Chief: Provincial Development Coordinator

Staff: Project Analyst
 Fiscal Analyst
 Engineering Analyst
 Agricultural Analyst
 Statistician

Researcher
 Draftsman/Illustrator
 Information Writer
 Family Planning/Nutrition
 Liaison Officer

ADMISSION OF PROVINCES TO
DEVELOPMENT AND REHABILITATION PROGRAMS

	<u>OPERATION SPREAD</u>	<u>PDAP *</u>	<u>FLOOD REHABILITATION</u>
Tarlac	1966		1972
Laguna	1966		1972
Palawan		1968	
Leyte		1968	
South Cotabato		1968	
Iloilo		1969	
Bulacan		1969	1972
Mindoro Oriental		1969	
Cebu		1969	
Misamis Oriental		1970	
Batangas		1971	1972
Benguet		1971	
Davao del Norte		1971	
Camarines Sur		1972	
La Union		1972	
Pampanga		1972	1972
Pangasinan		1972	1972
Zambales		1972	1972
Nueva Ecija			1972
Bataan			1972
TOTAL : 20	2	16	9

* Provincial Development Assistance Project

ATTACHMENT 2

PROJECTED PROJECT COVERAGE

NO.:	PROJ.*:	INITIAL YEAR	PROVINCE	POPULATION (1000)	NO. OF MUNICIPALITIES	NO. OF BARRIOS	PROV. ROAD NET-KMS-1972	REAL PROPERTY TAX COL.-1971 (P1000)	
1	A	69	South Cotabato	466	12	193	826	891	
2	A	69	Bulacan	836	24	512	342	2819	
3	A	69	Palawan	231	19	287	531	208	
4	A	69	Leyte	1110	49	1333	588	718	
5	A	69	Cebu	1631	48	1118	876	1175	
6	A	69	Iloilo	1164	46	1701	826	794	
7	A	69	Mindoro Oriental	328	15	357	415	400	
8	A	70	Misamis Oriental	472	23	290	433	602	
9	A	71	Davao del Norte	440	19	338	663	856	
10	A	71	Batangas	925	32	893	497	1608	
11	A	71	Benguet	262	13	156	376	690	
12	A	73	Zambales	342	13	193	171	515	
13	A	73	Pampanga	906	21	517	311	1798	
14	A	73	Pangasinan	1385	45	1244	877	1494	
15	A	73	La Union	373	20	531	217	582	
16	A	73	Camarines Sur	947	35	947	786	408	
17	B	73	Tarlac	559	17	462	475	1334	
18	B	73	Laguna	698	29	507	241	1536	
19	B	73	Nueva Ecija	851	29	676	563	1105	
20	B	73	Bataan	216	12	196	152	1080	
21	C	74	To be selected						
22	C	74	" "						
23	C	74	" "						
24	C	74	" "						
25	C	75	" "	Average	Average	Average	Average	Average	
26	C	75	" "	530	19	444	369	726	
27	C	75	" "	Each	Each	Each	Each	Each	
28	C	75	" "	New	New	New	New	New	
29	C	75	" "	Prov	Prov.	Prov.	Prov.	Prov.	
30	C	76	" "						
31	C	76	" "						
32	C	76	" "						
PROJECTED PROJECT TOTAL				32	20,502	749	17,779	14,594	29,325
NATIONAL TOTAL				68	36,590	1,454	33,776	27,879	55,447
PERCENTAGE: PROJECT/NATION					56%	52%	53%	52%	53%

*A - PROVINCIAL DEVELOPMENT PROJECT NO.- 492-11-995-236

C - LOCAL DEVELOPMENT PROJECT - CURRENT PROP

B - PDAP/USAID FLOOD REHAB PROJECT NO.- 492-11-995-265

DESCRIPTION OF STUDIES RECOMMENDED BY DALTON TASK FORCE

I. Provincial Engineering and Fiscal Management:

1. Preliminary investigation of provincial road networks, road network conditions, PEO organizations and PEO activities countrywide.

Filipino contractor: Pesos 500,000
USAID grant

Supervision and liaison by two specially assigned PDAP and USAID/PD staff.

2. Preliminary investigation of 20 provincial government's management of PEO's re personnel, budgeting, financial controls, investment, etc.

Filipino contractor: Pesos 400,000
USAID grant

Supervision and liaison by two specially assigned PDAP and USAID/PD staff members.

3. Initial series of studies on selected rural roads in order to obtain: traffic counts, data on costs of transport per km. of road, property value trends, etc.

Filipino contractor: Pesos 200,000
USAID grant

Supervision by USAID/PD staff.

4. Preliminary development of rural road engineering standards and costing for 30 kms. of varying kinds of road in Rehabilitation provinces.

Filipino contractor: Pesos 500,000
USAID grant

Supervision by two USAID qualified engineering TDY specialists.

5. Study of technical requirements related to nation-wide photo-survey for tax assessment purposes.

Filipino contractor: Pesos 200,000
USAID grant

ATTACHMENT 4

Supervision and liaison by specially assigned PDAP and USAID/PD staff members.

6. Initial costing, work flow, and time studies concerning routine processing of tax assessment and valuation data on a provincewide basis.

Filipino contractor: Pesos 200,000
USAID grant

Supervision and liaison by specially assigned PDAP and USAID/PD staff members.

7. Survey of Philippine institutions and contractors that may be used in large-scale training programs of provincial staffs.

Specially assigned PDAP and USAID/PD staff.

8. Study of selected number of provinces to determine corrections in tax assessment and collection policies and delivery of provincial services to communities.

Assigned PDAP staff and USAID/PD staff.

II. Planning:

1. Investigation of all provinces to determine nature, quality, staffing of present PDS.

Filipino contractor: Pesos 300,000
USAID grant

Supervision and liaison by assigned PDAP and USAID/PD staff.

2. Development of preliminary test efforts at designing at least two provincial planning tools adjusted to narrow concentration.

Filipino contractor: Pesos 200,000
USAID grant

Supervision and liaison by assigned PDAP and USAID/PD staff.

3. Survey of vertical and horizontal communication gaps in selected number of provinces.

PDAP staff and assigned USAID/PD staff.

ATTACHMENT 4 P. 2

4. Survey of possible training institutions and contractors that could be used in an expanded planning training program.

PDAP staff and assigned USAID/PD staff.

5. Study of decision-making processes by elective provincial government officials.

Filipino contractor: Pesos 150,000
USAID grant

Supervision and liaison by assigned PDAP and USAID/PD staff.

6. Survey of regional planning and administration in relation to provincial PDS work and potentials.

PDAP staff and assigned USAID/PD staff.

III. Developmental and Supporting Technical Assistance:

1. Study of alternative national organizational devices and structures required to effectively assist provinces in expanded program.

PDAP staff and assigned USAID/PD staff.

2. Study of various devices concerning grants-in-aid, loans, incentives, controls useful to the national government when assisting an expanded program.

PDAP staff and assigned USAID/PD staff.

3. Survey of provincial governments (20 to 30) from point of view of examining overall internal management characteristics and weaknesses in relation to determining needed capacities for supporting increased developmental activities.

Filipino contractor: Pesos 400,000
USAID grant

Supervision and liaison by assigned PDAP and USAID/PD staff.

4. Studies of national government rules and procedures related to auditing, procurement, etc. and their application in provinces with view to determining necessary changes needed.

PDAP staff, personnel drawn from relevant national government agencies and USAID/PD staff.

5. Development of various kinds of criteria for use in judging whether one, two, or all three of the principal concentration tasks should be introduced in any one province, and design of alternative suggested modes of introduction and operation.

American/Filipino contractors: US \$400,000
USAID grant

Supervision and liaison by assigned PDAP and USAID/PD staff.

IV. Estimated total costs of foregoing Initial Exploratory Activities:

Pesos	3,850,000
U. S. \$	1,200,000

Note: Face Sheet funding provides for studies to be conducted in FY 1974 only. Insufficient time was available to develop study makeups and costs for subsequent FY's. When accomplished and when agreement thereon is reached with GOP an amendment to this PROP will be submitted.

USAID MANPOWER UTILIZATION PLAN

TENTATIVE-SUBJECT TO ANNUAL REVIEW OF WORKLOADS

PDAP PROVINCES	PILOT PROV.	FLOOD REHAB	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
1. South Cotabato	X							
2. Bulacan	X	X						
3. Palawan	X							
4. Leyte	X							
5. Cebu	X							
6. Iloilo	X							
7. Mindoro Oriental	X							
8. Misamis Oriental	X							
9. Davao del Norte	X							
10. Batangas	X							
11. Benguet	X							
12. Zambales	X	X						
13. Pampanga	X	X						
14. Pangasinan	X	X						
15. La Union	X							
16. Camarines Sur (special status)*	X	X						
17. Tarlac		X						
18. Laguna		X						
19. Nueva Ecija		X						
20. Bataan		X						
21. To Be Selected								
22. " " "								
23. " " "								
24. " " "								
25. " " "								
26. " " "								
27. " " "								
28. " " "								
29. " " "								
30. " " "								
31. " " "								
32. " " "								

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ATTACHMENT 5

* U.S. Field Advisor Provided by Agriculture Office

LEGEND: -----Training Program ————— Full Time USAID REP;
 ~~~~~ Part Time USAID REP

**BASIC EQUIPMENT/VEHICLE SUPPORT**  
**FOR**  
**PROVINCIAL DEVELOPMENT STAFF**

| ITEM          | DESCRIPTION                         | TOTAL<br>QUAN-<br>TITY | FOR         |           |          | TOTAL<br>COST      |
|---------------|-------------------------------------|------------------------|-------------|-----------|----------|--------------------|
|               |                                     |                        | PD<br>STAFF | TREASURER | ASSESSOR |                    |
| 1.            | Typewriter 1" Manual                | 4                      | 2           | 1         | 1        | \$ 740.00          |
| 2.            | Typewriter 20" Manual               | 3                      | 1           | 1         | 1        | 650.00             |
| 3.            | Calculator, Manual                  | 1                      | 1           |           |          | 280.00             |
| 4.            | Calculator, Electric                | 2                      |             | 1         | 1        | 850.00             |
| 5.            | Adding Machine, Manual              | 1                      | 1           |           |          | 100.00             |
| 6.            | Adding Machine, Electric            | 2                      |             | 1         | 1        | 450.00             |
| 7.            | Tape Recorder, Portable             | 1                      | 1           |           |          | 100.00             |
| 8.            | Tape Recorder, Electric             | 1                      | 1           |           |          | 200.00             |
| 9.            | Opaque Projector                    | 1                      | 1           |           |          | 500.00             |
| 10.           | Overhead Projector                  | 1                      | 1           |           |          | 380.00             |
| 11.           | Camera 35mm (with attach-<br>ments) | 1                      | 1           |           |          | 260.00             |
| 12.           | Slide Projector                     | 1                      | 1           |           |          | 140.00             |
| 13.           | Mimeograph Electric                 | 1                      | 1           |           |          | 620.00             |
| 14.           | Dry Process Copier                  | 1                      | 1           |           |          | 1,000.00           |
| 15.           | Intercom System (2 masters)         | 1                      | 1           |           |          | 280.00             |
| 16.           | Reference Book Set                  | 1                      | 1           |           |          | 130.00             |
| 17.           | Punching Machine                    | 1                      | 1           |           |          | 320.00             |
| 18.           | Binding Machine                     | 1                      | 1           |           |          | 250.00             |
| 19.           | Jeep Type Station Wagon             | 1                      | 1           |           |          | 4,500.00           |
| 20.           | Jeeps                               | 3                      | 3           |           |          | 11,300.00          |
| T O T A L - - |                                     |                        |             |           |          | <u>\$23,150.00</u> |

**BASIC EQUIPMENT/VEHICLE SUPPORT**  
**FOR**  
**PROVINCIAL REAL PROPERTY TAX ADMINISTRATION PROGRAM**

| ITEM | DESCRIPTION                    | Prov'l<br>Treas. | Muni.<br>Treas. | Prov'l<br>Assess. | Tot.<br>No. | Total<br>Cost |
|------|--------------------------------|------------------|-----------------|-------------------|-------------|---------------|
| 1.   | Typewriter 13" Manual          | 1                | 5               | 1                 | 7           | \$1,300       |
| 2.   | Typewriter 20" Manual          | 1                | 5               | 1                 | 7           | 1,500         |
| 3.   | Typewriter, Manual<br>Portable |                  |                 | 1                 | 1           | 100           |
| 4.   | Calculator, Electric           | 1                |                 | 1                 | 2           | 800           |
| 5.   | Calculator, Manual             |                  | 5               |                   | 5           | 1,700         |
| 6.   | Adding Machine, Electric       | 1                |                 | 1                 | 2           | 400           |
| 7.   | Adding Machine, Manual         |                  | 5               | 1                 | 6           | 500           |
| 8.   | Drafting Table                 |                  |                 | 1                 | 1           | 200           |
| 9.   | Tracing Table                  |                  |                 | 1                 | 1           | 200           |
| 10.  | Letter Lettering Set           |                  |                 | 2                 | 2           | 300           |
| 11.  | Drafting Machine               |                  |                 | 2                 | 2           | 600           |
| 12.  | Precision Pantograph           |                  |                 | 1                 | 1           | 300           |
| 13.  | Reflecting Projector           |                  |                 | 1                 | 1           | 1,400         |
| 14.  | Planimeter                     |                  |                 | 2                 | 2           | 400           |
| 15.  | Photogrametric Computer        |                  |                 | 2                 | 2           | NIL           |
| 16.  | Height Finder                  |                  |                 | 2                 | 2           | 100           |
| 17.  | Stereoscope                    |                  |                 | 2                 | 2           | 100           |
| 18.  | Map Cabinet (set)              |                  |                 | 1                 | 1           | 400           |
| 19.  | Jeep                           | 1                |                 | 1                 | 2           | 7,700         |
| 20.  | Portable Tape Recorder         |                  |                 | 1                 |             | 100           |

**TOTAL \$18,100**

\*For Shared Use by Treasurer and Assessor

ATTACHMENT 7

CONSTRUCTION EQUIPMENT SUPPORT  
FOR  
PROVINCIAL EQUIPMENT POOL

| ITEM | DESCRIPTION                                          | UNIT<br>OAC* | UNIT<br>COST** | QUANTITY<br>REQUIRED | TOTAL<br>COST*** |
|------|------------------------------------------------------|--------------|----------------|----------------------|------------------|
| 1.   | Tractor, Crawler<br>w/Dozer D6/D7/D18                | \$18,200     | \$5,460        | 3                    | \$16,400         |
| 2.   | Grader, Road Bed<br>12" Moldboard                    | 19,000       | 5,700          | 3                    | 17,100           |
| 3.   | Truck, Dump 5 ton                                    | 7,300        | 2,200          | 10                   | 21,900           |
| 4.   | Truck, Dump 2-1/2<br>ton                             | 6,000        | 1,800          | 6                    | 10,800           |
| 5.   | Loader, Front End<br>2/2-1/2 cu yd                   | 30,000       | 9,000          | 3                    | 27,000           |
| 6.   | Loader, Front End<br>1/1-1/2 cu yd                   | 21,000       | 6,300          | 2                    | 12,600           |
| 7.   | Roller, Road 5 to<br>8 ton                           | 7,000        | 2,100          | 2                    | 4,200            |
| 8.   | Truck Tractor<br>5 ton                               | 11,000       | 3,300          | 2                    | 6,600            |
| 9.   | Trailer, SMI, Low<br>Bed 15/20 ton                   | 6,000        | 1,800          | 2                    | 3,600            |
| 10.  | Truck, Cargo 2-1/2<br>ton                            | 5,500        | 1,600          | 4                    | 6,600            |
| 11.  | Truck, Wrecker 5 ton                                 | 23,300       | 7,000          | 1                    | 7,000            |
| 12.  | Truck, Wrecker<br>2-1/2 ton                          | 13,000       | 3,900          | 1                    | 3,900            |
| 13.  | Concrete Mixer<br>15 cu ft                           | 3,800        | 1,100          | 3                    | 3,400            |
| 14.  | Truck, Tank, Fuel,<br>or Trailer                     | 9,000        | 2,700          | 2                    | 5,400            |
| 15.  | Truck, Pick-Up<br>3/4 ton                            | 3,000        | 1,200          | 4                    | 4,800            |
| 16.  | Air Compressor,<br>Trk MTD 210 CFM                   | 7,000        | 2,100          | 1                    | 2,100            |
| 17.  | Asphalt Distributor<br>Trk MTD                       | 17,000       | 5,100          | 1                    | 5,100            |
| 18.  | Truck, Maintenance<br>2-1/2 ton                      | 5,300        | 1,600          | 8                    | 12,700           |
| 19.  | Truck, Utility (Jeep)                                | 3,800        | 1,100          | 3                    | 3,400            |
| 20.  | Truck, Tanker, Water                                 | 6,000        | 1,800          | 1                    | 1,800            |
| 21.  | Crane, Truck MTD<br>10/15 ton                        | 43,000       | 12,900         | 2                    | 25,800           |
| 22.  | Industrial 5200 to<br>7500 LD DBP Tractor<br>Wheeled | 8,000        | 2,400          | 1                    | 2,400            |

ATTACHMENT 8

|                                                   | UNIT<br>OAC* | UNIT<br>COST** | QUANTITY<br>REQUIRED | TOTAL<br>COST*** |
|---------------------------------------------------|--------------|----------------|----------------------|------------------|
| 23. Crane Attachments:                            |              |                |                      |                  |
| Dragline Bucket<br>3/4 cu yd                      | 1,700        | 500            | 1                    | 500              |
| Clamshell Bucket<br>3/4 cu yd                     | 1,700        | 500            | 1                    | 500              |
| Shovel Front 3/4<br>cu yd Dipper                  | 5,200        | 1,500          | 1                    | 1,500            |
| File Driver Lead<br>and Banner                    | 9,000        | 2,700          | 1                    | 2,700            |
| 24. Roller Towed, Rubber<br>Tired 13 Tired        | 1,700        | 500            | 1                    | 500              |
| 25. Truck Forklift<br>6000 lb, Pneumatic<br>Tires | 6,500        | 1,900          | 1                    | 1,900            |

TOTAL COST CONSTRUCTION EQUIPMENT - - \$212,200

\* Original Acquisition Cost.

\*\* Minor differences between Unit Costs and Extensions due to rounding.

\*\*\* Assuming Equipment Pool Acquisition Under 608 Program - Actual Project Cost will be less because of anticipated procurement of a substantial portion of the equipment under the 607 program. Face sheet amounts reflect the lower project acquisition cost.

ATTACHMENT 8, P. 2

**BASIC SHOP EQUIPMENT SUPPORT**  
**FOR**  
**PROVINCIAL EQUIPMENT POOL**

| ITEM | DESCRIPTION                                 | UNIT<br>OAC* | UNIT<br>COST | QUANTITY<br>REQUIRED | TOTAL**<br>COST |
|------|---------------------------------------------|--------------|--------------|----------------------|-----------------|
| 1.   | Power Hacksaw                               | \$1,700      | \$ 500       | 1                    | \$ 500          |
| 2.   | Drilling Mach Upright<br>Floor MTD          | 500          | 150          | 1                    | 150             |
| 3.   | Drilling Mach Upright<br>Bench MTD          | 400          | 100          | 1                    | 100             |
| 4.   | Grinding Mach, Utilit<br>Hvy Duty           | 250          | 100          | 1                    | 100             |
| 5.   | Lathe Floor, Eng 13<br>Inch Swing           | 4,000        | 1,200        | 1                    | 1,200           |
| 6.   | Lathe Floor, Eng 20<br>Inch Swing           | 8,000        | 2,400        | 1                    | 2,400           |
| 7.   | Lathe Bench MTD High<br>Speed 10 Inch Swing | 3,600        | 1,000        | 1                    | 1,000           |
| 8.   | Milling Mach, Horztl<br>18 In. Trvl         | 4,000        | 1,200        | 1                    | 1,200           |
| 9.   | Shaper, Mtl Cut<br>Horztl Floor MTD         | 5,200        | 1,600        | 1                    | 1,600           |
| 10.  | Sewing Mach. Contr,<br>Band, Mtl Cut        | 2,300        | 700          | 1                    | 700             |
| 11.  | Welding Mach, GHD<br>300 AMP TRL MTD        | 2,500        | 750          | 1                    | 750             |
| 12.  | Press Hydraulic,<br>Portable 100 ton        | 1,600        | 500          | 1                    | 500             |
| 13.  | Compressor Air, EMD<br>15/25 CFM            | 800          | 250          | 1                    | 250             |
| 14.  | Lathe Brake Drum                            | 1,700        | 500          | 1                    | 500             |
| 15.  | Boring Machine,<br>Engine Cylinder          | 900          | 300          | 1                    | 300             |
| 16.  | Reliner, Machine,<br>Brake Shoe & Clch      | 500          | 150          | 1                    | 150             |
| 17.  | Grinding Machine<br>Valve, Face             | 450          | 150          | 1                    | 150             |
| 18.  | Grinding Machine<br>Valve, Seat             | 300          | 100          | 1                    | 100             |
| 19.  | Mounter & Demounter,<br>Tire                | 275          | 100          | 1                    | 100             |
| 20.  | Lbr. & Svc. Unit<br>TRL Mounted             | 4,800        | 1,400        | 1                    | 1,400           |
| 21.  | Generator Set 30/50<br>KW                   | 3,000        | 900          | 1                    | 900             |
| 22.  | Charger Battery                             | 215          | 50           | 1                    | 50              |

ATTACHMENT 9

| ITEM                            | DESCRIPTION                          | UNIT<br>OAC* | UNIT<br>COST | QUANTITY<br>REQUIRED | TOTAL<br>COST** |
|---------------------------------|--------------------------------------|--------------|--------------|----------------------|-----------------|
| 23.                             | Chain Hoist Hand<br>Operated 2-5 ton | 90           | 50           | 1                    | \$ 50           |
| 24.                             | Hand Tools                           | 1,500        | 450          | 1                    | 450             |
| 25.                             | Sho, Tools                           | 2,000        | 600          | 1                    | 600             |
| 26.                             | Electric Drill 1/2"<br>or 3/8"       | 75           | 25           | 2                    | 50              |
| TOTAL COST SHOP EQUIPMENT ----- |                                      |              |              |                      | \$15,250        |

\* Original Acquisition Cost

\*\* Assuming Equipment Pool Acquisition Under 608 Program

ATTACHMENT 9, P. 2

PROVINCIAL DEVELOPMENT PROJECT TRAINING SCHEDULE  
FY 74 - FY 76

| TYPE OF TRAINING                                                                                                                                                                                                                                                                                                                                  | NO. OF NEW PROV. PARTICIPATING | FY 1974 |   |   |   | FY 1975 |   |   |   | FY 1976 |   |   |   | PARTICIPANTS                                                                                                                                                                                              | DURATION                                                                                           | TRAINING INSTITUTION                                                                  | COST | LOC                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------|---|---|---|---------|---|---|---|---------|---|---|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|------|-----------------------|
|                                                                                                                                                                                                                                                                                                                                                   |                                | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 | 1       | 2 | 3 | 4 |                                                                                                                                                                                                           |                                                                                                    |                                                                                       |      |                       |
| 1. General Orientation (A)<br>2. General Orientation (B)<br>3. Local Dev'l. Planning & Admin.<br>4. Prov'l. Dev'l. Staff Orientation<br>5. Basic Skills Training<br>6. Post Training Follow-Up<br>*7. Real Property Assessment/Collection<br>8. Prov'l Nutrition Orientation/Trng.<br>*9. Family Planning OR/Rev.<br>*10. Equipment Pool Training | 4                              |         |   |   |   |         |   |   |   |         |   |   |   | Prov'l Gov. Bd. Mem<br>Office Chiefs<br>Dev'l Coord Proj Anal<br>All PDS Members<br>All PDS Members<br>All PDS Mem. USAID<br>Prov. Rep.<br>Assessors/Treasurer<br>Prov. Nutritionist<br>PHO Personnel     | 3-5 days<br>3-5 days<br>6 wks<br>1 wk<br>7 wks<br>1 wk<br>2 wks<br>1 wk NNP<br>1 mo Res.<br>Varies | LGC/USAID<br>LGC<br>PDAP/USAID<br>LGC/PDAP/USAID<br>PDAP/USAID<br>LGC<br>NNP Local MC |      | M<br>M<br>M<br>B<br>M |
| 1. General Orientation (A)<br>2. General Orientation (B)<br>3. Local Dev'l. Planning & Admin.<br>4. Prov'l Dev'l Staff Orientation<br>5. Basic Skills Training<br>6. Post Training Follow-Up<br>*7. Real Property Assessment/Collection<br>8. Prov'l Nutrition Orientation/Trng.<br>*9. Family Planning OR/Rev.<br>*10. Equipment Pool Training   | 4                              |         |   |   |   |         |   |   |   |         |   |   |   | Prov'l Gov. Bd. Mem.<br>Office Chiefs<br>Dev'l Coord Proj Anal<br>All PDS Members<br>All PDS Members<br>All PDS Mem. USAID<br>Prov. Rep.<br>Assessors/Treasurer<br>Prov. Nutritionist<br>PHO Personnel    | 3-5 days<br>3-5 days<br>6 wks<br>1 wk<br>7 wks<br>1 wk<br>2 wks<br>1 wk NNP<br>1 mo Res.<br>Varies | LGC/USAID<br>LGC<br>PDAP/USAID<br>LGC/PDAP/USAID<br>PDAP/USAID<br>LGC<br>NNP Local MC |      | M<br>M<br>M<br>B<br>M |
| 1. General Orientation (A)<br>2. General Orientation (B)<br>3. Local Dev'l. Planning & Admin.<br>4. Prov'l Dev'l Staff Orientation<br>5. Basic Skills Training<br>6. Post Training Follow-Up<br>*7. Real Property Assessment/Collection<br>8. Prov'l Nutrition Orientation/Trng.<br>*9. Family Planning OR/Rev.<br>*10. Equipment Pool Training   | 4                              |         |   |   |   |         |   |   |   |         |   |   |   | Prov'l Gov. Bd. Mem.<br>Office Chiefs<br>Prov'l Coord Proj Anal<br>All PDS Members<br>All PDS Members<br>All PDS Mem. USAID<br>Prov. Rep.<br>Assessors/Treasurer<br>Prov'l. Nutritionist<br>PHO Personnel | 3-5 days<br>6 wks<br>1 wk<br>7 wks<br>1 wk<br>2 wks<br>1 wk NNP<br>1 mo Res.<br>Varies             | LGC/USAID<br>LGC<br>PDAP/USAID<br>LGC/PDAP/USAID<br>PDAP/USAID<br>LGC<br>NNP Local MC |      | M<br>M<br>M<br>B<br>M |

TOTAL

12

A Prov'l Gov. Bd. Member  
 B Prov'l Dev'l Council  
 \* Specialized skill training  
 on selected province basis

## OUTLINE OF PROPOSED TRAINING PROGRAM

FOR

NEW PROVINCES

### I. Purpose of the Training Program:

The purpose of the training program is to provide the prospective new PDAP provinces with the basic orientation and skills required for active involvement in the restructured Provincial Development Program.

It is further designed, to insure favorable attitudes toward developmental activities of key government personnel, i.e., Governor, Board Members, Provincial Chiefs of offices, etc., and that required skills of Development Staff members are in place prior to the assignment of the USAID Resident Advisor.

The Provincial Development plan is designed to accommodate the prospective new provinces per the following schedule:

FY 74 - 4

FY 75 - 4

FY 76 -  $\frac{4}{12}$

July to December of each calendar year will be utilized for implementation of the PDAP/LGC/USAID intensive training program. Provincial participation is mandatory as will be explained under the milestone system.

### II. Proposed Training Courses:

- A. 1. General Orientation (A) - This orientation is for Provincial Governors, Board members, Auditors and Treasurers, Provincial Agriculturists, Provincial Engineers and Provincial Health Officers. It is designed to acquaint new province personnel with basic local government responsibilities, their role in development, the USAID program, and the

requirements of the province for participation in the Project (Milestone System). Main thrust will be to lay down requirements for participation.

2. General Orientation (B) - This orientation is for the broader Provincial Development Council and will generally cover the same topics as A above. LGC already has courses for these two target audiences and is willing to modify to suit PDAP/USAID requirements.
  
- B. Local Development Planning and Administration. This course which is run by LGC, will give the new Development Coordinators, and Project Analysts an overview of local government administration and finance, local development planning and project coordination. LGC has a standard 10-week course that can be modified to fit the exact needs of PDAP/USAID.
  
- C. Provincial Development Staff (PDS) Orientation. Immediately following the LGC course for the Coordinators and the Project Analyst, the entire development staff (Development Coordinator, Project Analyst, Fiscal Analyst, Engineer, Agriculturist, Researcher Statistician) will convene for one week to discuss in detail the role and function of the development staff and a detailed briefing on individual job descriptions.
  
- D. Basic Skills Training. This course is for all PDS staff members and will cover a broad range of special skill courses that staff members will need in order to effectively function in their new role.
  1. General Development Planning, which will stress data collection and use, the establishment of priorities, plan preparation, project monitoring and reporting.  
2 weeks
  
  2. Capital Improvement Program Design and Preparation, will stress mechanics of preparation and its relation to the multi-year plan and the provincial budget.  
1 week
  
  3. Budget and Action Plan Preparation, designed to provide staff members with a working knowledge of provincial

ATTACHMENT 11 P. 2

finances and the mechanics of budget preparation as it relates to the Province's Annual One-Year Action Program. 1 week

4. Basic Research Techniques, designed to provide PDS members with an understanding of research techniques particularly random samples and base line surveys. 1 week
5. Project Feasibility Studies and How to Prepare. One of the key functions of the development staff will be in the preparation of project feasibility studies in order to: (1) make use of 608 refund, and (2) generally describe investment opportunities in the province. 1 week

E. Follow-Up Problem Solving Session

After the staff members have completed the core course series and have prepared a preliminary work plan covering an initial phase of staff operation, they go back to the province and begin to operate for a month and a half, becoming involved in and with the provincial machinery.

Early in January, the new development staffs along with the Governors, will be recalled to Manila to discuss, review and solve problems that they may have encountered.

During this meeting, the resident USAID advisors would also be in attendance to assist in working out some of the problems that have developed.

- F. Provincial Nutrition Orientation and Training. This training program actually has two phases. First, after the Governor has appointed a "qualified" person as Provincial Nutritionist, she will be sent for a one-week overview of the national nutrition program at NNP headquarters in Manila. This will be followed by a one-month apprenticeship in an on-going mothercraft nutrition center in a neighboring province.

The second phase will involve a province-wide nutrition/family planning seminar once the nutritionist has been trained. The province-wide seminar will serve as a "kick off" for a concentrated provincial effort in the two areas of nutrition and family planning.

G. Family Planning Orientation and Review. The new provinces will probably have on-going family planning programs. What is pictured here will be a briefing and pep talk by POPCOM and a general exploration of ways of strengthening the existing program if need be. The relative merits of new innovations (mobile vans, hilot training, etc.) will be presented in order to determine whether or not the new provinces can use these ideas.

H. Real Property Assessment/Collection. A series of specialized courses will be offered for those provinces expressing interest. One of these will be the LGC course of a property assessment slightly modified to include a number of sessions on tax collection as it relates to assessment.

For those provinces committed to the use of tax maps prepared from aerial photos, arrangements can be made with UP for the 3-month course in tax mapping.

The detailed course outlines and budgets for each training program are being prepared and will be ready for review shortly. Many of the courses are already well defined.

I. Refresher Courses of Old Provinces. Since the formal training cycle will run from July to January of any calendar year, it is tentatively being planned to allow "old" provinces to participate in some of the training sessions for new provinces.

For example, five (5) new provinces will participate in the upcoming training program scheduled for early 1973. The following year, any representative that is interested will be invited to participate in the training program for the provinces next admitted to the project.

This will add a continuous follow-up or refresher element to the training program which is currently lacking.

J. It is anticipated that once the Provincial Development Program is underway, the need for additional or special

training, including upgrading the skills of equipment pool personnel (mechanics, welders, foremen, etc.), will necessitate the designing and execution of additional training programs.

**NOTE:** Because of the key role of the Provincial Governor and Provincial Coordinator, both will be encouraged to participate in any and all training courses.

**ATTACHMENT 11 P. 5**

SUGGESTED USAID/NEC PROJECT MILESTONES

| PROJECT TRAINING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | FIRST YEAR PLANNING CYCLE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | PROJECT MONITORING                                                                                                                                                                                                                                                                                                                                                                                                                                                    | SECOND YEAR PLANNING CYCLE                                                                                                                                                                                                                                                                                                                 | PROJECT MONITORING               | THIRD YEAR PLANNING AND PHASEOUT |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | FIRST YEAR IMPLEMENTATION PHASE                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                            | SECOND YEAR IMPLEMENTATION PHASE |                                  |
| <ol style="list-style-type: none"> <li>1. Development Staff Organization office space provided.</li> <li>2. Provincial Development Coordinator named.</li> <li>3. Key Provincial officials attend 3-5 day orientation.</li> <li>4. Coordinator, Project Analyst attended 6 week course in local government and administration.</li> <li>5. Provincial nutritionist appointed and trained.</li> <li>6. Commitment from Governor to support Family Planning Program.</li> <li>7. Development Staff attends one week orientation.</li> <li>8. Development Staff attends 7 weeks specialized skill training course.</li> <li>9. FBO personnel have to attend Family Planning orientation seminar.</li> <li>10. NEC/USAID/Prov sign sub-ProAg.</li> </ol> | <ol style="list-style-type: none"> <li>1. First multi-year development plan completed.</li> <li>2. Three year CIP completed first year approved by Provincial Board.</li> <li>3. Heavy equipment requirements determined and trust fund deposit made.</li> <li>4. Determine Equipment Pool Manpower requirement.</li> <li>5. Provision made for adequate maintenance and financial support of Provincial Equipment.</li> <li>6. One year action plan prepared and funded by Provincial Board.</li> </ol> | <ol style="list-style-type: none"> <li>1. Successful implementation in progress of previously planned programs.</li> <li>2. PDS completed project monitoring system with project progress indicators.</li> <li>3. Governor and Development Coordinator attend Annual Evaluation Conference.</li> <li>4. Development Staff attends refresher course in Development Planning, CIP, and Budget Preparation.</li> <li>5. Spare parts supply system instituted.</li> </ol> | <ol style="list-style-type: none"> <li>1. First year Program Implementation reached appropriate target levels in all priority areas.</li> <li>2. Revised CIP prepared.</li> <li>3. Second year action program prepared and funded.</li> <li>4. Family Planning monthly acceptors approaching 30 acceptors per clinic per month.</li> </ol> |                                  |                                  |
| <p><u>NEC/USAID Releases</u></p> <ol style="list-style-type: none"> <li>1. PDS office equipment &amp; staff jeeps.</li> <li>2. Token release of heavy equipment.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <p><u>NEC/USAID Releases</u></p> <ol style="list-style-type: none"> <li>1. 1/3-1/4 heavy equipment.</li> <li>2. Wagoner released for nutrition.</li> <li>3. Shop equipment.</li> </ol>                                                                                                                                                                                                                                                                                                                   | <p><u>NEC/USAID Releases</u></p> <ol style="list-style-type: none"> <li>1. 1/2 heavy equipment.</li> <li>2. Shop equipment.</li> </ol>                                                                                                                                                                                                                                                                                                                                | <p><u>NEC/USAID Releases</u></p> <ol style="list-style-type: none"> <li>1. Remaining shop equipment.</li> <li>2. Remaining heavy equipment.</li> </ol>                                                                                                                                                                                     |                                  |                                  |

FEB 28 1973

ACTION MEMORANDUM FOR THE ADMINISTRATOR

THRU: AA/PPC, Philip Birnbaum  
FROM: AA/ASIA, D. G. MacDonald  
SUBJECT: PROP Approval for the Philippines Provincial (Local) Development Project 492-11-995-256

Problem: This project is designed to assist the Philippines in the development of the rural areas. The project has a planned obligation span of FY 1974 through FY 1978 and will provide \$4 million in technical advisory services, participant training, and commodities.

Discussion: As is the case in many developing countries, the rural sector in the Philippines has lagged significantly behind the urban centers in its development. This situation has not only hampered the nation's overall growth, but it has also seriously affected the quality of the lives of the poor people in the rural areas.

In order to help alleviate these conditions, A.I.D. has in the past provided technical services and commodities to selected provinces in the Philippines. Largely because of the success of these earlier efforts, the Government of the Philippines (GOP) established a Provincial Development Assistance Project (PDAP) office to help coordinate and further the development activities in the provinces. The success of such programs so far has been significant and the GOP has requested additional A.I.D. assistance in this area. Recent natural disasters in the Philippines have also increased even more the necessity for the continuation of this provincial development program.

The new Provincial Development Project proposes to emphasize three fields -- tax and fiscal management, provincial planning, and infrastructure development -- as the key areas for development in the Philippine provinces and where this project can make the greatest impact. While the earlier program has placed primary emphasis on the role of the provincial governments in these activities, the new project is directed at establishing a stronger GOP institutional capability to plan and carry out these development programs in ultimately all provinces. To help achieve this objective the USAID Mission has agreed to work with the central government on strengthening this GOP commitment, leading to the submission by the end of 1974 of specific plans indicating the increased inputs of the GOP in this program.

The U.S. input in this project involves the assignment of two project managers and also four specialists (one taxation and/or fiscal management adviser, one planning adviser, and two equipment

advisers). These specialists will work with both the central government and the provinces to assist in developing Philippine skills in these areas. The Mission has agreed to notify us by the end of 1973 regarding the closer integration of these specialists into the GOP operations.

In addition, this project will provide for U.S. area development advisers or generalists to work in the Philippine provinces in planning and implementing this program. There will be up to eight generalists in each of the first two years of the project, with their number being reduced over the remaining life of the project. The Mission has also agreed to work with the GOP in coordinating the work of these generalists with that of PDAP and to submit a plan for the closer integration of responsibilities by the end of 1974.

A further U.S. input in this project is the commodity component. Both new items and excess property are to be used to assist the Philippines in the operations of this program, especially in infrastructure development and equipment pools. It is anticipated that this commodity component will be financed from technical assistance grant funds in the first two years of this project, with Development Loan financing being considered for the funding of commodities during the remaining part of the project.

The final U.S. inputs involve participant training and specialized studies. These elements as described in the PROP appear appropriate to the needs of this project, although additional reviews will be made later to determine the further makeup of the particular studies.

Recommendation: That you approve the project by signing the attached Project Authorization, subject to the following conditions:

- (1) The Mission will submit to AID/Washington by December 1973 an administrative arrangement agreed with the GOP to more fully integrate U.S. specialist advisers into offices of GOP officials responsible for provincial development programs in support of which U.S. advice is provided.
- (2) The Mission will submit to AID/Washington by December 1974 an administrative plan agreed by the GOP formally to assign U.S. generalists as advisers to the GOP officials responsible for the provincial development assistance program.
- (3) The Mission will submit to AID/Washington by December 1974 a specific plan worked out with the GOP indicating plans, inputs and anticipated outputs of the GOP having a precision comparable to present USAID plans for U.S. inputs to the program.

Your approval of this important project will continue what has already been in operation and build toward attaining a much enlarged measure of national government support. The project, as prescribed within the PROP, will be reviewed annually. It will also be subject to annual review for establishment of an OYB and issuance of obligational authority to allottees.

~~APPROVED~~ \_\_\_\_\_

~~DISAPPROVED~~ \_\_\_\_\_

~~DATE~~ \_\_\_\_\_