

R. Ashton

U N C L A S S I F I E D

AGENCY FOR INTERNATIONAL DEVELOPMENT

Washington, D. C. 20523

PROJECT PAPER
AMENDMENT #2

PHILIPPINES: PVO Co-Financing II
(492-0367)

June 28, 1988

U N C L A S S I F I E D

PROJECT AUTHORIZATION AMENDMENT NO. 2

Name of Country: Philippines

Name of Project : PVO Co-Financing II
Number of Project: 492-0367

1. Pursuant to Sections 103, 104, 105 and 106 of the Foreign Assistance Act of 1961, as amended (the "FAA"), the Private and Voluntary Organization Co-Financing II Project (the "Project") for the Philippines (the "Cooperating Country") was authorized on February 29, 1984. The Project Authorization was amended on November 6, 1986. Pursuant to Sections 103, 104, 105 and 106 of the FAA, and in accordance with the authority delegated to me under Delegation of Authority No. 652, the Project Authorization is hereby further amended as follows:

(a) The level of planned grant obligations is increased from \$16,000,000 to \$18,639,000 to be obligated over a five year period from the date of initial authorization, subject to the availability of funds in accordance with the A.I.D. OYB/Allotment process. Of the total authorized amount of grant obligations \$10,136,000 is authorized pursuant to Section 103 of the FAA, \$4,883,000 is authorized pursuant to Section 104(c) of the FAA, \$1,901,000 is authorized pursuant to Section 105 of the FAA and \$1,719,000 is authorized pursuant to Section 106 of the FAA. The planned life of project is eight years from the date of initial obligation.

(b) Section 2 of the Project Authorization, as amended by Project Authorization Amendment No. 1, is further amended by inserting the following as the third sentence thereof:

"The Project will also support the development of rural credit cooperatives."

2. The Project Authorization, as previously amended, shall remain in full force and effect except as hereby further amended.

By: _____

John S. Blackton
Acting Director
USAID/Philippines

Date: 28 June 88

Clearances:

<u>Name</u>	<u>Initial</u>	<u>Date</u>
ORAD:JRBrady	(draft)	5/13/88
OCD:KEBrown	(draft)	3/9/88
OPHN:WHJohnson	(draft)	5/12/88
OFFPVC:BGeorge	(draft)	5/6/88
OD/PE:PRDeuster	(draft)	5/06/88
PRO/OD:WTOliver	<i>WTO</i>	6/28/88
CO:BLEckersley	(draft)	5/11/88
RLA:BMMiller	<i>BMM</i>	6/23/88

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET	1. TRANSACTION CODE <input checked="" type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	Amendment Number 2	DOCUMENT CODE 3
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2. COUNTRY/ENTITY Philippines	3. PROJECT NUMBER 492-0367
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4. BUREAU/OFFICE Asia and Near East <input type="checkbox"/> ANE	5. PROJECT TITLE (maximum 40 characters) PVO Co-Financing II
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6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 09 30 92	7. ESTIMATED DATE OF OBLIGATION (Under 'B' below, enter 1, 2, 3, or 4) A. Initial FY <input type="checkbox"/> 84 B. Quarter <input checked="" type="checkbox"/> C. Final FY <input type="checkbox"/> 88
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8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY 84			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(2,000)	()	(2,000)	(3,500)	(15,139)	(18,639)
(Loan)	(2,000)	()	(2,000)	(3,500)	(15,139)	(18,639)
Other 1.						
Other 2.						
Host Country						
Other Donor(s)		700	700		8,000	8,000
TOTALS	2,000	700	2,700	3,500	23,140	26,640

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE as of 9/30/87		E. AMOUNT APPROVED THIS ACTION *		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) ARDN	200	200		6,548		2,555		10,136	
(2) HE	500	500		3,648		360		4,883	
(3) EHRD	600	600		1,466		135		1,901	
(4) SDA	700	700		1,319		(411)		1,719	
TOTALS				12,918		2,639		18,639	

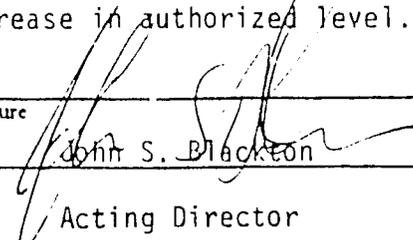
10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)	11. SECONDARY PURPOSE CODE
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12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each) A. Code B. Amount	
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13. PROJECT PURPOSE (maximum 480 characters) <div style="border: 1px solid black; padding: 10px; margin-top: 10px;"> <p>To improve the socio-economic status of selected poor groups through participatory development programs and innovative, small-scale or pilot activities which are proposed, developed and implemented by PVOs and Cooperatives.</p> </div>	
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14. SCHEDULED EVALUATIONS Interim MM YY 08 86 Final MM YY 03 92	15. SOURCE/ORIGIN OF GOODS AND SERVICES <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input type="checkbox"/> Other (Specify)
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- 16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a 2 page PP Amendment.)**
- Increase authorized level by \$2.39 million, to a new total of \$18.39 million for the eight-year life of project.
 - Permit funding of cooperative development activities.
 - Revise functional account breakdown.
- *Represents increase in authorized level.

17. APPROVED BY	Signature:  Title: Acting Director	Date Signed: MM DD YY 16 28 88	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY
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4. Suppose that you are trying to earn \$24. You have your choice between working at a hard job that pays \$6 per hour, or at an easy job that pays \$3 per hour, or you can work some time at both jobs. List some of the possible formulas which will show how you can earn the \$24.

The financial plan presented in PP Amendment No. 1 is hereby amended as follows:

Five-Year Financial Breakdown
(\$000)

		<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>	<u>Total</u>
ARDN	103	1,120	2,690	1,164	1,574	3,588	10,136
Health	104	300	300	1,922	1,126	1,235	4,883
EHRD	105	300	300	566	300	435	1,901
SDA	106	<u>400</u>	<u>400</u>	<u>519</u>	<u>-</u>	<u>400</u>	<u>1,719</u>
TOTAL		<u>2,120</u>	<u>3,690</u>	<u>4,171</u>	<u>3,000</u>	<u>5,658</u>	<u>18,639</u>

Summary Cost Estimates and Financial Plan
(\$000)

<u>Specific Inputs</u>	<u>USAID</u>	<u>Other Contributions</u>	<u>Total</u>
1. Grants to PVOs/Cooperatives	17,639	8,000	25,639
2. Project Consultants	400	-	400
3. Technical Assistance	350	-	350
4. Evaluation & Audits	100	-	100
5. Training Seminars	100	-	100
6. Other Direct Costs	<u>50</u>	<u>-</u>	<u>50</u>
T O T A L	<u>18,639</u>	<u>8,000</u>	<u>26,639</u>

5C(2) - PROJECT CHECKLIST

Listed below are statutory criteria applicable to projects. This section is divided into two parts. Part A includes criteria applicable to all projects. Part B applies to projects funded from specific sources only: B(1) applies to all projects funded with Development Assistance; B(2) applies to projects funded with Development Assistance loans; and B(3) applies to projects funded from ESF.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT?

A. GENERAL CRITERIA FOR PROJECT

1. FY 1988 Continuing Resolution Sec. 523; FAA Sec. 634A. If money is sought to be obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified? Yes, in CN which expired on 4/12/88 without any objections per State 125492.
2. FAA Sec. 611(a)(1). Prior to an obligation in excess of \$500,000, will there be (a) engineering, financial or other plans necessary to carry out the assistance, and (b) a reasonably firm estimate of the cost to the U.S. of the assistance? Yes
3. FAA Sec. 611(a)(2). If legislative action is required within recipient country, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance? NA

4. FAA Sec. 611(b); FY 1988 Continuing Resolution Sec. 501. If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See A.I.D. Handbook 3 for guidelines.) Yes.
5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively? N/A
6. FAA Sec. 209. Is project susceptible to execution as part of regional or multilateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs. No.
7. FAA Sec. 601(a). Information and conclusions on whether projects will encourage efforts of the country to:
(a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.
a), d), e) and f) - NA
B) the project fosters private initiatives through PVO's
c) the project supports credit cooperative development.
- FAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise). NA
8. FAA Secs. 612(b), 636(h). Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars. PVO grantees normally are required to provide a minimum of 25% counterpart funding from non-USG sources, although this requirement may be waived under special circumstances.

10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? No.
11. FY 1988 Continuing Resolution Sec. 521. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity? No, only project that manufactures a commodity for export in the SERDEF-In Hand project. Fishhooks & lures are being manufactured per a contract with a Norwegian firm.
12. FY 1988 Continuing Resolution Sec. 553. Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U.S. exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel? No. Small enterprises and livelihood activities being assisted do manufacture ready-to-wear clothes, slippers, handbags, wallets and handicrafts but only for local consumption.
13. FAA Sec. 119(q)(4)-(6). Will the assistance (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term - (3 yr. grant) agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas? a) No-
b) No (No ag. w/GOP)
c) Yes - Reforestation projects
d) No.

14. FAA 121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (either dollars or local currency generated therefrom)? NA
15. FY 1988 Continuing Resolution. If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government? Yes. These PVOs are registered in AID/W and update their registration annually with AID/W. This includes submission of annual financial statements which show the source of their funds.
16. FY Continuing Resolution Sec. 541. If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.? Yes.
17. FY 1988 Continuing Resolution Sec. 514. If funds are being obligated under an appropriation account to which they were not appropriated, has prior approval of the Appropriations Committees of Congress been obtained? NA
18. FY Continuing Resolution Sec. 515. If deob/reob authority is sought to be exercised in the provision of assistance, are the funds being obligated for the same general purpose, and for countries within the same general region as originally obligated, and have the Appropriations Committees of both Houses of Congress been properly notified? Yes. CN expired with no objections per State 125492
19. State Authorization Sec. 139 (as interpreted by conference report). Has confirmation of the date of signing of the project agreement, including the amount involved, been cabled to State L/T and A.I.D. LEG within 60 days of the agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 6G for agreements covered by this provision). NA

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

- a. FY 1988 Continuing Resolution Sec. 552 (as interpreted by conference report). If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities (a) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (b) in support of research that is intended primarily to benefit U.S. producers?
- a) No
b) No

- b. FAA Secs. 102(b), 111, 113, 281(a). Describe extent to which activity will (a) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and
- (See Continuation Sheet 1)

insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries.

- c. FAA Secs. 103, 103A, 104, 105, 106, 120-21. Does the project fit the criteria for the source of funds (functional account) being used? Yes.
- d. FAA Sec. 107. Is emphasis placed on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)? Yes.
- e. FAA Secs. 110, 124(d). Will the recipient country provide at least 25 percent of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)? Each PVO is required to provide 25% counterpart funding. Many provide counterpart funding exceeding 25% of the program costs. Exceptions to the rule include the 2 emergency projects w/c responded to the Negro crisis (grants made to CARE, PBSP). Mission Director used his authority to waive the 25% counterpart requirement. CHF (Cooperative Housing Fdn.) does not provide counterpart funding per legislation.
- f. FAA Sec. 128(b). If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority? Yes.

- g. FAA Sec. 281(b). Describe extent to (See Continuation Sheet 2) which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government.
- h. FY 1988 Continuing Resolution Sec. 538. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions? No.
- Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations? No.
- Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning? No.
- i. FY 1988 Continuing Resolution. Is the assistance being made available to any organization or program which has been determined to support or participate in the management of a program of coercive abortion or involuntary sterilization? No.
- If assistance is from the population functional account, are any of the funds to be made available to voluntary family planning projects which do not offer, either directly or through referral to or information about access to, a broad range of family planning methods and services? NA

- j. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes.
- k. FY 1988 Continuing Resolution. What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, colleges and universities having a student body in which more than 20 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)? Possible involvement of 8A firms in evaluation of Co-Fi project.
- l. FAA Sec. 118(c). Does the assistance comply with the environmental procedures set forth in A.I.D. Regulation 16? Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: (a) stress the importance of conserving and sustainably managing forest resources; (b) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (c) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (d) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices; (e) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared
- a. Yes
 - b. Yes
 - c. Yes
 - d. Yes
 - e. Yes
 - f. Yes
 - g. NA
 - h. NA
 - i. NA
 - j. yes
 - k. yes

fy

or degraded; (f) conserve forested watersheds and rehabilitate those which have been deforested; (g) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (h) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (i) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (j) seek to increase the awareness of U.S. government agencies and other donors of the immediate and long-term value of tropical forests; and (k) utilize the resources and abilities of all relevant U.S. government agencies?

- m. FAA Sec. 118(c)(13). If the assistance will support a program or project significantly affecting tropical forests (including projects involving the planting of exotic plant species), will the program or project (a) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land, and (b) take full account of the environmental impacts of the proposed activities on biological diversity?

Yes

- n. FAA Sec. 118(c)(14). Will assistance be used for (a) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; or (b) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas?
- a) No.
b) No.
- o. FAA Sec. 118(c)(15). Will assistance be used for (a) activities which would result in the conversion of forest lands to the rearing of livestock; (b) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undegraded forest lands; (c) the colonization of forest lands; or (d) the construction of dams or other water control structures which flood relatively undegraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?
- a) No.
b) No.
c) Partly - as in the case of tribal groups in the upland areas.
d) No.
- p. FY 1988 Continuing Resolution If assistance will come from the Sub-Saharan Africa DA account, is it (a) to be used to help the poor majority in Sub-Saharan Africa through a process of long-term development and economic growth that is equitable, participatory, environmentally sustainable, and self-reliant; (b) being provided in
- NA

accordance with the policies contained in section 102 of the FAA; (c) being provided, when consistent with the objectives of such assistance, through African, United States and other PVOs that have demonstrated effectiveness in the promotion of local grassroots activities on behalf of long-term development in Sub-Saharan Africa; (d) being used to help overcome shorter-term constraints to long-term development, to promote reform of sectoral economic policies, to support the critical sector priorities of agricultural production and natural resources, health, voluntary family planning services, education, and income generating opportunities, to bring about appropriate sectoral restructuring of the Sub-Saharan African economies, to support reform in public administration and finances and to establish a favorable environment for individual enterprise and self-sustaining development, and to take into account, in assisted policy reforms, the need to protect vulnerable groups; (e) being used to increase agricultural production in ways that protect and restore the natural resource base, especially food production, to maintain and improve basic transportation and communication networks, to maintain and restore the natural resource base in ways that increase agricultural production, to improve health conditions with special emphasis on meeting the health needs of mothers and children, including the establishment of self-sustaining primary health care systems that give priority to preventive care, to provide increased access to voluntary family planning services, to improve basic literacy and mathematics especially to those outside the formal educational system and to improve primary education, and to develop income-generating opportunities for the unemployed and underemployed in urban and rural areas?

- B.I.b (a) The PVO Co-Fi project effectively involves the poor through its income and employment generation subprojects which optimizes the use of local human and natural resources and utilizes appropriate technologies that fit the environment and the capability of the implementing PVOs. All subprojects rely on the participation of the target poor in the planning, implementation, evaluation, and continuation of subproject activities.
- (b) PVO Co-Fi actively assists the development of cooperatives and encourages democratic private and local government institutions. All subprojects are designed so that the target communities and PVO staff will work in cooperation with existing local formal and informal institutions. Existing rural cooperatives are tapped or otherwise strengthened by the subprojects and viewed as possible means of sustaining subproject activities at the completion of the grant. In the absence of associations or organized groups, the communities are encouraged to organize themselves into cohesive work groups (including marketing, credit or service coops) that are capable of responding to problems and achieving community goals. Despite the inherent mistrust existing between the private sector and the local government, PVOs are encouraged to relate to local government offices (e.g. rural health offices, planning offices, RDCs, BFD units, etc.) with the view in mind of identifying possible ways of jointly implementing subproject activities. Where credit assistance is built into the grants, the PVOs are likewise encouraged to work with the local banks in the processing of loan applications and servicing of the loans to lessen the administrative burden on the PVOs and help the beneficiaries establish business relationships with the banks.
- (c) All PVO subprojects are designed in a manner that involves the target beneficiaries to the maximum extent possible. Community counterpart is given emphasis. Self-help measures are built into the project and a phase-over is designed so that the project is "passed on" to the community leaders and the role of the PVO is lessened.
- (d) Many of the PVOs that the Mission deals with are established and led by women. Some of the more progressive PVOs have women executive directors and presidents. In addition, the Mission funds PVO subprojects that promote the active participation of women in the beneficiary level.

(Continuation Sheet 2)

- B.1.g. The program fully recognizes the needs, desires, and capacities of the people of the country. The PVO program is in line with the Mission's Country Development Strategy. On a lower level, baseline data are gathered for every subproject to ensure that priority needs of individual regions, provinces, or municipalities are considered. Where the need is evident, education and skills training is provided for the effective implementation of the subprojects. PVO leaders are encouraged and assisted in developing skills essential in participating in government processes. To date, several of our key PVO leaders have moved on to government offices and have paved the way for better working relationships between government and the private sector. Among these are the incumbent Commissioner of the Bureau of Internal Revenue, the Deputy Director General of NEDA, the Commissioner for the Urban Poor, the Governor of Bacolod, and many others.