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**"MID-TERM STRATEGIC ASSESSMENT  
OF THE PVO CO-FINANCING III  
PROJECT"**

Submitted to:

**OFFPVC  
USAID/Philippines**

Submitted by:

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**PVO Co-Financing III Project**  
**Mid-Term Strategic Assessment**

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## **LIST OF ACRONYMS**

<b>BRC</b>	<b>Business Research Center</b>
<b>CHF</b>	<b>Cooperative Housing Foundation</b>
<b>DIHO</b>	<b>Davao Independent Housing Foundation</b>
<b>DPF</b>	<b>Development of People's Foundation</b>
<b>II</b>	<b>Intermediate Institution</b>
<b>IGP</b>	<b>Income Generating Project</b>
<b>KUF</b>	<b>Kapwa Upliftment Foundation, Inc.</b>
<b>LGU</b>	<b>Local Government Unit</b>
<b>NEDF</b>	<b>Negros Economic Development Foundation</b>
<b>NGO</b>	<b>Non-Government Organization</b>
<b>NDEA</b>	<b>Notre Dame Educational Association</b>
<b>NEDA</b>	<b>National Economic Development Authority</b>
<b>OFFPVC</b>	<b>Office of Food for Peace and Private Voluntary Cooperation</b>
<b>ONRAD</b>	<b>Office of Natural Resources, Agribusiness and Decentralization</b>
<b>PACD</b>	<b>Project Assistance Completion Date</b>
<b>PBSP</b>	<b>Philippine Business for Social Progress</b>
<b>PP</b>	<b>Project Paper</b>

<b>PID</b>	<b>Project Identification Document</b>
<b>PINOI</b>	<b>Philippine Institute of Non-Governmental Organizations, Inc.</b>
<b>PVO</b>	<b>Private Voluntary Organization</b>
<b>PVO Co-Fi</b>	<b>Philippine Voluntary Organization-Co-Financing</b>
<b>RAFI</b>	<b>Ramon Aboitiz Foundation, Inc.</b>
<b>SCFI</b>	<b>South Cotabato Foundation, Inc.</b>
<b>TSPI</b>	<b>Tulay sa Pag-unlad, Inc.</b>
<b>UICI</b>	<b>Urban Integrated Consultants, Inc.</b>
<b>USAID</b>	<b>United States Agency for International Development</b>

## **PVO Co-Financing III Project**

### **Mid-Term Strategic Assessment**

#### **EXECUTIVE SUMMARY**

This report summarizes the findings and recommendations of a mid-term strategic assessment of the Private Voluntary Organization (PVO) Co-Financing III Project, the third in a series of such projects being financed by the USAID Mission in the Philippines. The assessment was conducted by a 3-person team of consultants from Development Associates, Inc., of Arlington, Virginia.

The Scope of Work for the assessment requested that the Assessment Team (1) conduct a final appraisal of the PVO Co-Fi II Project, which is scheduled to terminate on September 30, 1992; (2) identify desirable mid-term course corrections for the Co-Fi III Project, which is presently due to end December 31, 1996; and (3) shape an appropriate strategy for a prospective Co-Fi IV Project.

#### **KEY FINDINGS AND RECOMMENDATIONS**

1. The Assessment Team considers that the Co-Fi II Project has essentially achieved its principal objectives and the Co-Fi III Project, which is at mid-term, is being effectively implemented and progressing well toward achieving its objectives. Also, both projects are contributing significantly toward achievement of the overall goal of the Co-Fi program, which is to improve the socio-economic status of selected poor groups, including ethnic minorities, through participatory development activities.
2. However, the Team believes that certain of the Co-Fi III Project's goals and objectives will need to be modified for the balance of the project and considered for Co-Fi IV, to permit the USAID's Office of Food for Peace and Private Voluntary Cooperation (OFFPVC) to capitalize on the success that has been achieved in implementing project-funded credit, enterprise development and business training programs, and to take account of recent adjustments in the U.S. assistance program. Program areas affected include environmental conservation and natural resource management, income generating projects, housing, and disaster relief assistance.
  - a. Environmental conservation and natural resource management has essentially been dropped as a Co-Fi III objective inasmuch as this area of USAID assistance is being taken over by the Office of Natural Resources, Agriculture and Decentralization (ONRAD). However, the lesson learned under the Co-Fi program, that

community development is essential to the success of reforestation efforts, should not be lost. OFFPVC should continue to use Co-Fi resources to help strengthen the community organizations that will be needed to sustain ONRAD-funded reforestation and other natural resource management projects.

- b. Future Co-Fi activities should be weighted toward income-generating projects (IGPs), with intermediate institutions (IIs) such as PBSP, TSPI and RAFI operating more and more like bank windows and subleasing to micro and small enterprises that are not now being accommodated by commercial banks. Putting increased emphasis on IGPs will contribute significantly towards increasing job opportunities and incomes in the rural communities being assisted by PVOs.
  - c. Co-Fi assistance for low-cost housing should continue to be provided for low-income groups that are not presently being served by the market. Housing construction activities are basically self-sustaining and can become self-expanding. They provide considerable scope for leveraging USAID resources, and while housing projects remain an important element of community development programs, there are virtually no commercial developers outside the Metro Manila area engaged in building low-cost units.
  - d. USAID should undertake a comprehensive assessment of the Philippines' recurrent needs for disaster relief assistance, and evaluate the extent to which this assistance can be provided through Philippine-based PVOs. OFFPVC should make this information available on a one-time basis to the three or four large PVOs that appear qualified to manage disaster relief programs. This recommendation anticipates OFDA agreement to pre-position U.S. disaster relief commodities and equipment in the Philippines.
3. OFFPVC should begin directing an increased share of Co-Fi financing to intermediate institutions (IIs) that have become financially sound. Doing so will enable OFFPVC to capitalize on the success that the IIs have had in leveraging USAID resources, and will help assure the continuation of PVO community development activities in the event USAID funding levels are reduced.
  4. OFFPVC should develop means to track leveraging, i.e., the ability of PVOs to generate non-USAID resources. To facilitate this effort, USAID should require that PVO financial statements submitted to the USAID be disaggregated to show inputs of both USAID and non-USAID resources. This would provide Co-Fi project managers with a key indicator of project sustainability.

5. Notwithstanding the Team's recommendation that increased emphasis be given to II subgranting activities, USAID should continue to support II efforts to strengthen the capacities of smaller PVOs to deliver essential social services to rural areas and to develop the community organizations needed to maintain such services. PVOs have demonstrated their unique capability to provide this kind of assistance in a cost-effective manner.
6. The Team recommends that the USAID consider developing overhead rates for key, well-managed IIs, such as PBSP, TSPI, and RAFI. This proposal recognizes that the entire organization and staff of an institution, not just its project management staff, are essential to the successful implementation of Co-Fi activities. The overhead rates should then be applied to Co-Fi grants and used in determining II counterpart contributions.
7. Income-generating projects currently being assisted under the Co-Fi program normally involve micro and small enterprises that base their production, pricing and marketing levels on local markets. Expanding market access and the marketing base for these enterprises would greatly enhance their income-generating prospects. As a step in this direction, the Team recommends that Co-Fi resources be used to support PVO efforts to compile and provide IGPs a broader range of information on demand, supply and pricing conditions in local and nearby market areas.
8. USAID should encourage the three Co-Fi training centers to survey the credit management techniques that have been used by a number of PVOs to successfully minimize the problem of arrearages and defaults, and package this knowledge for use in training PVOs engaged in relending programs. A similar effort should be made to package training techniques used to improve marketing skills. Disseminating this kind of information would help foster PVO sustainability.
9. The Team recommends that the USAID not consider proposals to build additional PVO training centers in the absence of market research indicating the need for such facilities and demonstrating their financial viability (excluding USAID-financed training).
10. OFFPVC should maintain the Co-Fi database developed by the UPECON Foundation as it relates to project implementation and impact, and use it to track progress toward project objectives. The matrices developed by the Assessment Team and included in Annex D, are an indication of how this kind of information can be used.
11. USAID should standardize the time when it no longer monitors the use of credit reflows. This would eliminate the confusion regarding this issue that now exists among Co-Fi grantees.

12. The Team noted inconsistencies among Co-Fi PVOs in implementing the USAID's "market-determined" interest rate policy. There were several cases in which funds were loaned far below prevailing market rates and far below the prevailing rate of inflation. In one case, the rate to beneficiaries was somewhat higher than the market rate. The Team recommends that the USAID clarify its policy.

**PVO Co-Financing III Project**  
**Mid-Term Strategic Assessment**

**THE MAIN REPORT**

**I. INTRODUCTION**

This report presents the findings and recommendations of a mid-term strategic assessment of the Private Voluntary Organization (PVO) Co-Financing III Project. The assessment was conducted by a 3-person team of consultants from Development Associates, Inc., of Arlington, Virginia.

**A. Scope of Work**

The Scope of Work requested that the Assessment Team conduct a final appraisal of the PVO Co-Fi II Project, which is scheduled to terminate on September 30, 1992; identify desirable mid-term course corrections for the Co-Fi III Project, which is presently due to end December 31, 1996; and shape an appropriate strategy for Co-Fi IV. A copy of the Scope of Work is presented as Annex C.

**B. Purposes of the Assessment**

The main purposes of the assessment were to determine: (1) the extent to which the Co-Fi III project has been achieving its principal goals and objectives; (2) whether these goals and objectives need to be adjusted in the light of recent changes in the Philippines development situation; and (3) the modifications needed, if any, to strengthen implementation of the Co-Fi III project and expand its impact.

**II. BACKGROUND AND DESCRIPTION OF THE PROJECT**

**A. The Country Context**

The Philippines' current economic problems are seriously affecting government efforts to develop social infrastructure and provide essential community services. Because of government budgetary deficits, primary health care and other services are generally inadequate. Rapid population growth continues to place even heavier strains on existing facilities, and disparities in income have constrained access to services for a large proportion of the population who currently live under conditions of poverty.

Widespread soil erosion caused by denuded forests and the loss of watershed areas, has resulted in a sizable reduction of arable land. The two-thirds of the Philippine population who live in rural areas and who depend on agriculture for subsistence-level livelihood, are being driven towards further poverty in the absence of effective community assistance programs. The implementation of such programs has traditionally been a responsibility of the government; however, the country's economic problems have now grown too large for any approach not involving the participation of private sector organizations.

**B. Relationship of the Project to the USAID Strategy**

The overall goal of the U.S. aid program in the Philippines, as set forth in the USAID Mission's Assistance Strategy Statement for FY 1991-1995, is to promote broad-based, sustainable economic growth in a market-oriented society through the active partnership of public and private agencies and organizations.

Within the context of this overall goal, U.S. aid programs are focused on achieving the following objectives:

- 1) Development by the Government of a policy and institutional framework that will stimulate private sector growth and lead to the establishment of open and competitive markets;
- 2) The expansion of economic and social infrastructure so as to contribute to the more efficient delivery of essential services; and
- 3) The adoption of sustainable resource management practices to help conserve the country's diminishing stocks of natural resources.

The Co-Fi program addresses in particular the Mission's first and second major objectives.

Decentralization of authority and a focus on development outside Manila are also guiding themes of U.S. assistance. Decentralization permits responsibility for the management of resources to be placed at the local level, enabling citizens to have a greater voice in the country's decision-making process. Focusing U.S. assistance on development projects outside the Metropolitan Manila region is aimed at ensuring greater returns in terms of per dollar impact on growth and community development.

USAID is pressing to enhance the role of PVOs in providing essential services to the country's rural communities and in developing income-generating projects (IGPs), through co-financing arrangements such as those being implemented under the PVO Co-Fi program.

Beginning in 1988, USAID began increasing Co-Fi grants to intermediate institutions (IIs) to bolster their own capacities and, working through sub-grants, the capacities of the smaller PVOs that are focused on helping rural communities define and meet their economic and social development opportunities and needs.

C. The PVO Co-Financing Program

The PVO Co-Financing (Co-Fi) program, which began in 1980, has consisted of three projects to date. The most recent project, the PVO Co-Fi III Project, was authorized in February, 1989. The present "mid-term strategic assessment" of the Co-Fi III Project is the second such undertaking. The first assessment was undertaken in December, 1989.

The Project Identification Sheet for the Co-Fi III project is included in Annex A.

**III. ASSESSMENT METHODOLOGY**

The Assessment Team was composed of three consultants, including a development economist who served as the Team Leader, a financial management specialist, and a management training specialist. Mrs. Fleur de Lys Torres, a social development expert employed by the Philippine Government's National Economic and Development Authority (NEDA), accompanied the Team on its field visits and participated in interviews.

As its first step, the Team reviewed pertinent background materials, e.g., the Project Paper, the USAID's current country assistance strategy paper, guidance manuals and other materials used in developing project proposals, sub-project grant agreements and implementation plans, and quarterly progress reports. This was followed by interviews with the staff of OFFPVC and other USAID offices involved in the Co-Fi project, by field visits to a number of project activities, and by discussions with the staff of PVOs, community leaders and project beneficiaries.

The Assessment Team looked in depth at a sample of 11 of the 36 grantees currently implementing Co-Fi II and Co-Fi III projects. The grantees selected for intensive study included PVOs that are providing

essential social services to some of the most deprived segments of the Philippine society, but which are largely dependent upon the USAID as their primary source of funding. Also included were relatively sophisticated institutions that had existed long before the PVO Co-Fi grant program, which have the capacity to mobilize funding from a variety of sources other than the USAID.

Summary information on the PVOs visited by the Team is contained in Annex E, and a list of persons interviewed is contained in Annex F.

#### **IV. THE PROGRESS OF PROJECT IMPLEMENTATION**

##### **A. Grantee Funding to Date**

Total Co-Fi III funding to date has amounted to \$33.0 million of which \$25.0 million has been provided by the USAID and the balance of approximately \$8.0 million contributed as counterpart funds by grantees. About 80 percent of the funds provided by the USAID have been obligated.

The \$8.0 million of total counterpart contributions represents essentially the minimum 25 percent level considered appropriate under USAID policy.

##### **B. PVO Participation in the Co-Fi III Project**

In order to qualify for Co-Fi funding, PVOs must register with the Philippine Government's Securities and Exchange Commission (SEC) and with the USAID. NEDA registers PVOs for sector program involvement.

In deciding on PVO participation in the Co-Fi program, the Mission's Co-Fi proposal review committee normally considers a number of key factors regarding the PVO and its proposal, such as:

- 1) the "track record" of the PVO, e.g., whether it has had prior experience implementing similar kinds of projects;
- 2) the innovative nature of the proposal;
- 3) its economic and financial soundness; and
- 4) its applicability in terms of Co-Fi program objectives, e.g., encouraging income-generating activities, or delivering essential social services to rural poor communities.

Like the two Co-Fi projects that preceded it, the Co-Fi III Project has helped to finance the participation of a broad spectrum of PVOs in Philippine community development activities. Although a comparatively large share of project funding has been channeled to income-generating projects through IIs, attention has also been given to supporting the activities of smaller, single-purpose PVOs like the Kapwa Upliftment Foundation (KUF) in Davao, which is trying to involve indigenous minority groups in community development activities. The project has also supported innovative PVOs like the Business Research Center (BRC) in General Santos City, which has developed a curriculum of business training courses for micro and small enterprises that is being copied throughout the Philippines. A number of farmer credit and marketing cooperatives have been organized by USAID-supported PVOs under the Co-Fi program, and many of these cooperatives are participating in the Co-Fi III Project as sub-grantees. The Team considers this to be an appropriate level of cooperative involvement.

C. The Allocation of Project Resources in Relation to Project Goals and Objectives

The Team constructed three matrices to obtain an overview of grant activity under the Co-Fi II and Co-Fi III projects. The matrices, which were based on information compiled by the UPECON Foundation for a report on Co-Fi program impact, appear in Annex D.

The matrices confirm that a broad array of PVOs has participated in the Co-Fi II and III projects, and show the allocation of project resources to be generally consistent with OFFPVC's strategy for achieving project goals and objectives, as presented in the Project Paper. A comparatively large number of the grants awarded under the Co-Fi II and III projects support activities that are aimed at increasing beneficiary employment and income. The primary beneficiary groups being assisted are the rural poor, followed by the urban poor in areas outside Metro Manila. The main sectors targeted for impact are micro-enterprise development, agriculture and fishing.

The progress of project implementation was also borne out in interviews Team members had with Co-Fi grantees and beneficiaries, as indicated below.

1. Increased productivity, employment and income

Co-Fi grantees are addressing this objective through a variety of activities, including support for income-generating

enterprises; the establishment of production, marketing and credit cooperatives; subblending and credit programs; and by providing business advisory services and training to micro and small enterprises.

- a. Income-generating enterprise development  
PVO Co-Fi assistance to income-generating enterprises is being directed primarily toward micro and small business enterprises in rural, low-income areas, through subblending programs.

The Team noted that Co-Fi PVOs engaged in subblending programs generally encourage beneficiaries to graduate from one borrowing level to a more demanding one. In many cases, the higher-level programs are also USAID-funded, and include the ECD grant program managed by OFFPVC which provides matching funds to Philippine private businesses involved in community development projects, and the PESO project, which is financed by the USAID's private sector office, and which addresses medium and large-scale enterprises.

- b. Production, marketing and credit associations and cooperatives

In many parts of the Philippines, small farmers are subjected to arbitrary credit and pricing practices. Because of the shortage of dependable formal financial institutions in rural areas, and as a result of their own low-income status, small farmers generally must obtain credit from money lenders who charge interest of around 10 percent per month, well above commercial rates. Because of a lack of purchasing power within their own communities, and inadequate marketing structures, these farmers are often forced to market their products in urban and export markets through brokers who generally buy low and sell high.

The Team noted that the Co-Fi program has been supporting PVOs like the South Cotabato Foundation, Inc. (SCFI), which is helping small farmers overcome these problems by establishing cooperatives that provide low-cost credit for production inputs and marketing, and better transport and post-harvest processing facilities. The cooperatives also monitor

market demand and supply conditions to establish a basis for negotiating more favorable market prices.

c. Sublending and credit operations

The Team found that Tulay sa Pag-unlad, Inc. (TSPi) provides a good example of the innovative approaches that Co-Fi grantees are taking to establish sustainable sublending and credit operations for the benefit of small entrepreneurs. TSPi provides direct loans to income-generating enterprises in amounts ranging from P50,000 to P250,000. It also lends to cooperatives and other intermediaries, interested or engaged in setting up credit programs for micro and cottage entrepreneurs.

TSPi also has a lending program that caters to sub-borrowers with asset bases of up to P5 million who have viable job-creating projects, but who are not big enough to meet the minimum collateral requirements of banks. TSPi's goal is to help these viable but non-bankable entrepreneurs progress to the point where they will be bankable in the future. TSPi has six regional partners, of which four are presently being assisted by USAID.

d. Business training

The Business Research Center (BRC), a sub-grantee of the Notre Dame Educational Association, started operations in General Santos City in 1978 as a small business management information center. BRC had four main objectives:

- to provide business training at subsidized rates to micro and small enterprises, based on a survey of their training needs;
- to undertake feasibility and market research studies on business opportunities in the vicinity of General Santos City, and to share this information with prospective small business entrepreneurs;
- to establish a computer-based business information system that compiles baseline information and monitors business activity; and

- to provide financial assistance to small entrepreneurs.

Like TSPI, BRC tries to graduate small businesses into doing business with commercial banks, and has established sector-based business clubs with a view to transforming these clubs into credit cooperatives that can then manage their own lending programs.

## 2. Environment and natural resource management

ONRAD is in the process of taking over USAID involvement in environment and natural resource management activities, and will work with PVOs through the GOP Department of Environment and Natural Resources (DENR).

During the Team's visit to the Kapwa Upliftment Foundation, Inc., Kapwa staff expressed grave concern about the possible implementation of reforestation projects by ONRAD, which may not include supportive community development and income-generating components.

Kapwa has been involved in providing direct, hands-on assistance to upland people, for some time. Through this experience, Kapwa has found that reforestation projects that do not have community development and alternative income-generating components usually do not work. The staff cited examples in which upland people had been hired to plant trees without such components, and the seedlings were just thrown away. Even seedlings that do get planted become firewood in a couple of years, when alternative income-generating activities are not provided.

## 3. Co-Fi PVO disaster relief operations

The Philippines is disaster prone. It averages over 20 typhoons a year (four of which are usually extremely destructive). It also periodically experiences serious earthquakes.

Pre-positioning non-perishable commodities in the Philippines under the control of USAID and OFDA, would greatly reduce the time it takes to respond to such disasters. In addition, commodities such as plastic sheeting, blankets and plastic water containers, that are needed immediately following a disaster, could be brought in by boat instead of having to be airlifted from Guam or Singapore. This would result in considerable transport cost savings.

The Team found considerable merit in OFFPVC's plan to strengthen the capacity of selected PVOs to handle disasters. The Team recommends that USAID support include limited equipment and some commodities. The Team noted that effective telecommunications is also a key requirement to assuring quick and effective responses when natural disasters occur.

4. Improving community health and nutrition

The Team found that a number of Co-Fi grantees are in the forefront of delivering primary health care and nutrition services to rural communities in the Philippines. These include the Development of Peoples Foundation (DPF) and the Kapwa Upliftment Foundation (KUF) in southern and central Mindanao, the Andres Soriano Foundation (ASF) on Palawan, and the Amanat Foundation in Jolo and Sulu.

The Team visited the DPF and was briefed on the nature of PVO health and nutrition assistance projects.

5. Housing

The Cooperative Housing Federation (CHF), a US PVO, is a grantee successfully building low-income housing in Negros Occidental. The Federation has used USAID grant funds to acquire land for housing, and to design, build, market and finance low-cost houses.

The activity appears highly sustainable and CHF is currently in a position to use its profits to expand. This expansion could occur fairly rapidly. While CHF initially finances the houses, it then sells the mortgages to the National Home Mortgage Finance Corporation, which provides 25-year financing.

The houses currently being constructed are in the P80,000 to P135,000 price range. According to CHF there are no commercial developers in this price range because there is more profit in the P250,000 and up range. CHF has a waiting list of 400 families.

The Team's only concern regarding the CHF project relates to the nature of the project's beneficiaries. One group is comprised of members of an association of local government employees and the other, an association of NGO employees.

We were told by CHF that these beneficiaries were required to meet the project's maximum income limitation.

The Team also visited the Davao Independent Housing Foundation (DIHo) low-cost housing project, which was initiated in 1988. DIHo has completed two major projects that have produced 266 fully-serviced residential lots. Starter houses for low-income beneficiaries have been constructed on 129 of the lots, and construction of the remaining 137 units is expected to be completed in the near future.

DIHo is actively seeking to involve cooperatives, local financial institutions, employee groups, and other NGOs in developing future projects.

6. Developing PVOs among indigenous minority groups

As indicated in Table B of Annex D, there are at least seven Co-Fi PVOs currently involved in providing assistance to indigenous minority groups, including the DPF and Kapwa. Co-Fi grants to these PVOs, which have been involved in other community development activities as well as minority group assistance, have amounted to approximately \$3.2 million over the past three years. The Assessment Team discussed the kinds of assistance rendered to ethnic minorities with DPF and Kapwa, but did not visit any of the community sites involved.

7. Strengthening PVOs as catalysts for change at the national and local levels

Annual PVO meetings are hosted by USAID and have been useful fora for the discussion of policy issues and problems affecting PVO Co-Fi activities in the Philippines. There is a need, however, for further discussion of a number of key issues that impact directly on the capacity of PVOs to implement community development programs effectively and to serve as catalysts for change at the national and local levels. These issues include:

- The potential impact on USAID-assisted community development efforts of NEDA Board Resolution No. 2, which concerns NGOs being partners with the Government. There is a need to make sure that PVOs don't become the handmaiden of local government units (LGUs).

- The impediments to implementing the Government's recent decentralization decree. Decentralization will have a major impact on community development over the next decade. Uncertainties remain as to local funding availabilities and community taxing authorities. Co-Fi PVOs will need to follow developments closely and should be prepared to weigh in on questions regarding the allocation and use of local resources.
- The role of PINOI in relation to the USAID-assisted PVO community in the Philippines, and the several other PVO networks that have been set up.
- The need to confront Philippine commercial banks regarding implementation of the GOP-mandated 10 percent set-aside for rural development activities.
- The changing circumstances of the Philippine development situation.

**8. Beneficiary involvement in project planning**

During its review of OFFPVC Co-Fi project documentation, the Team noted that a substantial number of project proposals cite community participation as a key objective. This is reflected in Annex D, Table A. Team discussions with PVO staff and the staff of Co-Fi training facilities indicate that Co-Fi training programs, which include courses on community organization, economic feasibility, social soundness analysis and proposal development, are directed mainly at *community beneficiaries*.

The Team also heard from a number of sources including UICI, PBSP, RAFI, DPF, and NEDA, comments to the effect that virtually all rural communities in the Philippines, except for the indigenous minorities, have in place the basic organizational structures and skills needed to implement community development projects.

It seems clear from the above, that community beneficiaries are actively participating in the development of Co-Fi projects.

**D. The Extent to Which Project Goals and Objectives Are Being Achieved**

In view of the Team's findings regarding the broad participation of PVOs in the Co-Fi II and Co-Fi III projects; the fact that these projects are being implemented in a manner consistent with the strategy and priorities set down in the Project Paper; and the progress being registered with respect to beneficiary participation and the achievement of project objectives, the Team considers that the Co-Fi II Project has essentially achieved its principal objectives, and the Co-Fi III Project, which is at mid-term, is being effectively implemented and progressing well toward achieving its objectives.

Taking account of the impact on Co-Fi grantees and beneficiaries of subproject as well as directly-funded project activities, this conclusion appears have been or are being achieved, appear to be supported by the findings of the UPECON Foundation study. The study has noted that Co-Fi interventions have had a positive impact on the economic welfare of project beneficiaries; however, it would put less emphasis on strengthening PVO management capacities than has been suggested by the Assessment Team, and greater emphasis on activities that have a direct impact on poor beneficiary communities.

We believe that the "direct impact" option would require greater rather than less USAID involvement in the management of Co-Fi activities, and could result in the underutilization of existing PVO management capacities, in particular the capacity of the IIs to mobilize non-USAID resources.

**E. The Cost-Effectiveness of Resource Delivery**

All of the PVOs visited by the Team, and particularly the IIs, appear to have evolved sound strategies for the use of Co-Fi resources. PBSP indicated that the USAID's country assistance strategy paper is its starting point for setting its own priorities for the use of Co-Fi resources. It then undertakes strategic planning informally with OFFPVC, and uses a province-focused approach to identify prospective beneficiary groups and impact areas. RAFI and DPF follow similar approaches, using their own activity classification and phasing schemes.

Among USAID offices involved with PVOs, including OFFPVC, ONRAD and OPHN, coordination of effort is achieved primarily through frequent, informal consultation. All three offices indicated that they see no need to formalize the process.

Coupled with the proposed increased use of IIs to develop and manage Co-Fi activities, including PVO capacity building as well as direct impact activities, the development by the IIs of sound strategies for the use of Co-Fi resources and the close coordination of effort being fostered through frequent USAID in-house consultation, indicates that the community development resources available through the Co-Fi program, are being delivered to beneficiaries in a highly cost-effective way.

F. Clustering Activities to Improve the Efficiency of Co-Fi Program Implementation

The practice by certain PVOs, such as PBSP, RAFI, DPF, and Kauswagan, whereby Co-Fi activities are focused within specific delimited geographic areas, allows for more efficient implementation of project activities, including reduced travel and onsite monitoring requirements. The Team recommends that this approach be adopted by other PVOs, where feasible, to improve the efficiency of Co-Fi program implementation.

G. The Adequacy of Project Documentation and Monitoring

The Team believes that the oversight of grants currently being implemented under this project is adequate. The various audits and monitoring activities being carried out by project managers are sufficient to keep activities on track. The recent addition by USAID of a recipient audit requirement has the potential, however, to hurt the project by causing grantees to choose defensive courses of action rather than those that might better achieve project objectives.

1. Project monitoring

USAID monitors the grants under this project with project officers assigned specific grantees. They maintain contact with the grantees and visit them periodically to make sure implementation is being carried out properly.

USAID has hired Urban Integrated Consultants, Inc. (UICI), a local management consulting firm, to monitor the grants (and a selection of sub-grants) semi-annually. UICI sends both a financial person and an operational person to project sites to assess operations.

2. Financial monitoring and audits

For new grantees, the Controller sends OFM staff to assess the PVO's financial management capabilities and to check on its non-profit status. OFM also does periodic spot checks. Grantees must provide USAID with audited statements every year to maintain registration as a PVO.

The AID Inspector General, through the Regional Inspector General for Audit, performs audits with his own resources, and through CPA firms in the Non-Federal Audit Program, on a schedule determined by the Inspector General. Like all Federal programs, USAID projects are also subject to audit by the U.S. General Accounting Office (GAO).

The IIs have set up internal audit units which perform audits of sub-grantees at least every six months - but in many cases more frequently. OFFPVC is considering a scheme to put money into II grants to enable them to do their own monitoring or to hire UICI.

3. The new AID requirement for recipient audits

The Team learned from the USAID Controller of a recent AID Handbook requirement, which will require each grant agreement of over \$25,000 and each sub-grant agreement of over \$10,000, to include provision for a "recipient audit" to be performed by a qualified accounting firm.

~~The Mission's Controller estimated that implementing this~~ requirement could result in about 200 additional audit reports per year, which would exceed his office's capacity to manage with current staff. It is his understanding that these proposed audits would be handled in a manner similar to RIG/A reports which require intensive tracking of the disposition of all recommendations.

The Controller noted that he has negotiated an implementation plan with the RIG/A which would permit USAID, the first year, to include the "recipient audit" requirement in only 15 Co-Fi grant agreements as a pilot.

USAID-supported PVOs had a workshop last May regarding the general provisions of grant agreements. The PVOs were given definite actions to be taken after the workshop, such as the procedures to be followed to implement AID's new audit requirement, and OFFPVC's new monitoring report forms

(which require monitoring program accomplishments as well as financial benchmarks).

While the team believes that the project is being adequately monitored and audited at present, we are concerned that piling on additional auditing requirements may: (1) consume a disproportionate amount of project resources (both human and financial); and (2) cause decisions made by the grantee to become defensive in nature rather than project goal-oriented.

4. Quarterly reporting

A new quarterly reporting system has been designed by UICI, and is now being put into operation by OFFPVC. The Team recommends that OFFPVC explore ways to link this system with the Co-Fi program database that has been constructed by the UPECON Foundation.

**V. THE SUSTAINABILITY OF CO-FI PVOs AND OTHER FINANCIAL ISSUES**

Sustainability is essentially a financial issue. If a PVO does not have a reliable source of non-USAID revenue, it is doubtful that it will survive once USAID funding stops. On the other hand, if it has such a source, it can acquire the ingredients needed to stay in operation.

As the Co-Fi program has matured, the large, established IIs have become highly sensitized to the necessity to move more and more to IGPs. A side benefit of this shift is that the benefits provided to target groups are also more sustainable because they are creating economic activity and providing long-term jobs.

A. The Issue of Co-Fi Sustainability

The issue of grantee sustainability cannot, in our opinion, be fully considered without taking account of the components that, when combined, largely determine whether an activity is sustainable or is virtually dependent upon USAID grants.

The factors that the Assessment Team believe to be essential in assessing sustainability include the type of activity being undertaken by the PVO, i.e., is it engaged in a social services activity such as health services delivery which generates no revenue, or is it engaged in an income-generating project (IGP), such as making loans to small or micro-enterprise groups, which generate income in the form of credit reflows and interest.

**Other pertinent factors include:**

- the institution's ability to mobilize funds outside of the USAID program;
- the availability of credit reflows; and
- the PVO's ability to leverage USAID funds.

**1. The ability of PVOs to mobilize funds**

Grantee ability to raise non-USAID resources varies widely. The graphs on the following pages clearly demonstrate that established IIs like PBSP, TSPI and RAFI, have generated fairly large amounts of non-USAID resources both from the private sector and from other donor sources. Most other grantees such as Kapwa, the South Cotabato Foundation, the Notre Dame Business Research Center (BRC), and the Negros Economic Development Foundation (NEDF), are highly dependent on USAID resources. These institutions are aware of the necessity to become more self-sustaining, however, and in most cases are developing plans to achieve this goal.

**2. Use of credit reflows**

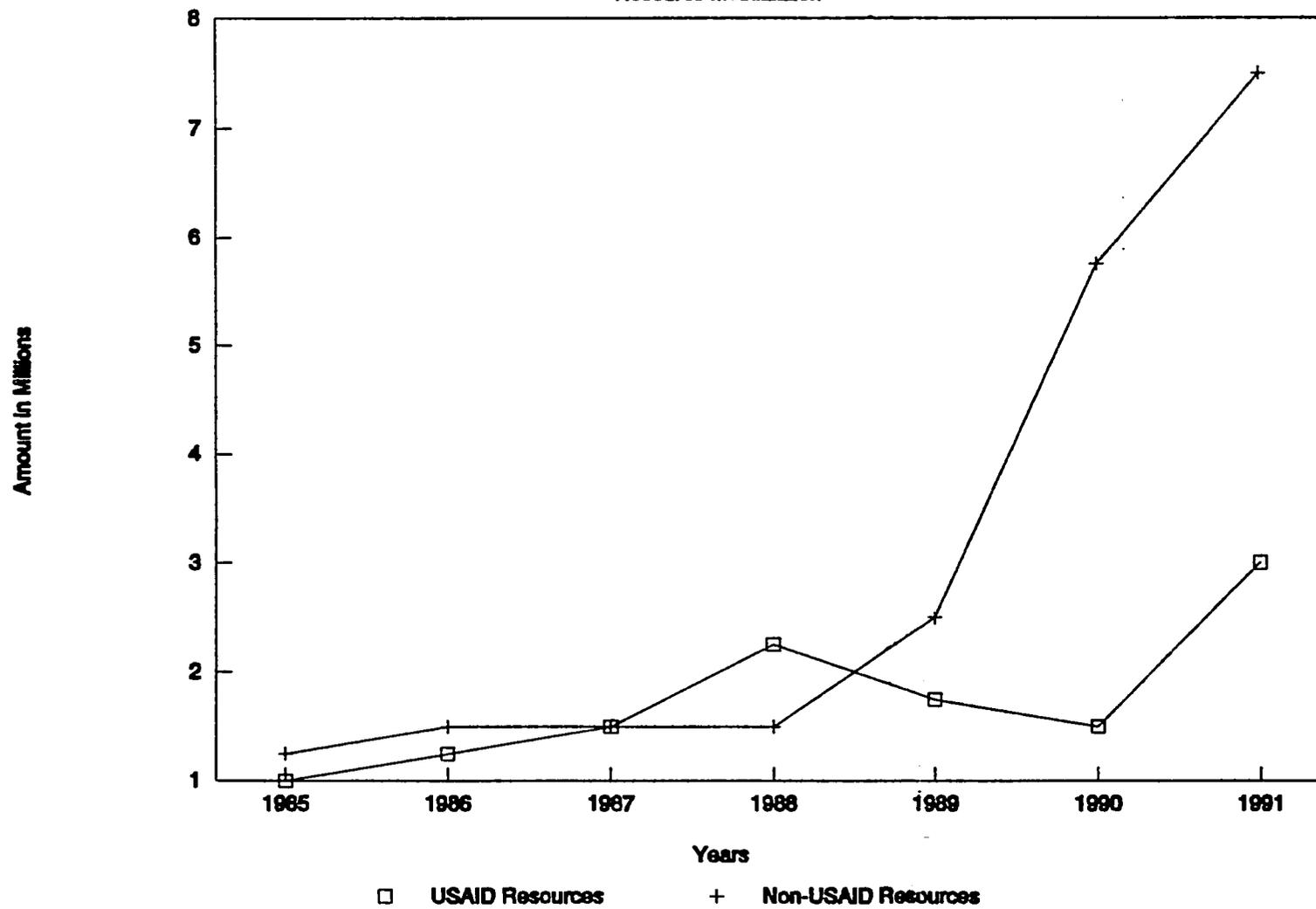
Many grantee activities are income-generating projects which involve loans to cooperatives or micro and small enterprises that eventually result in the repayment of the capital provided. This will become an increasingly important feature of grantee activity as PVOs take steps to assure their own sustainability.

There are two areas in dealing with credit reflows that USAID may want to consider in moving toward the design of Co-Fi IV. The first concerns whether IIs should participate in revenue generation resulting from credit operations of sub-grantees. The second relates to how long after the PACD, credit reflows should be monitored by grantees or the USAID.

Most II grantees are participating in the revenue flows generated by credit activities; however, the Team noted that DPF does not do so, as a matter of policy. Under the terms of its USAID grant, DPF could have structured its sub-lending activities to provide income generation for the II, not just the sub-grantees. Some of these activities seemed quite profitable. At one of the activities visited, which involved

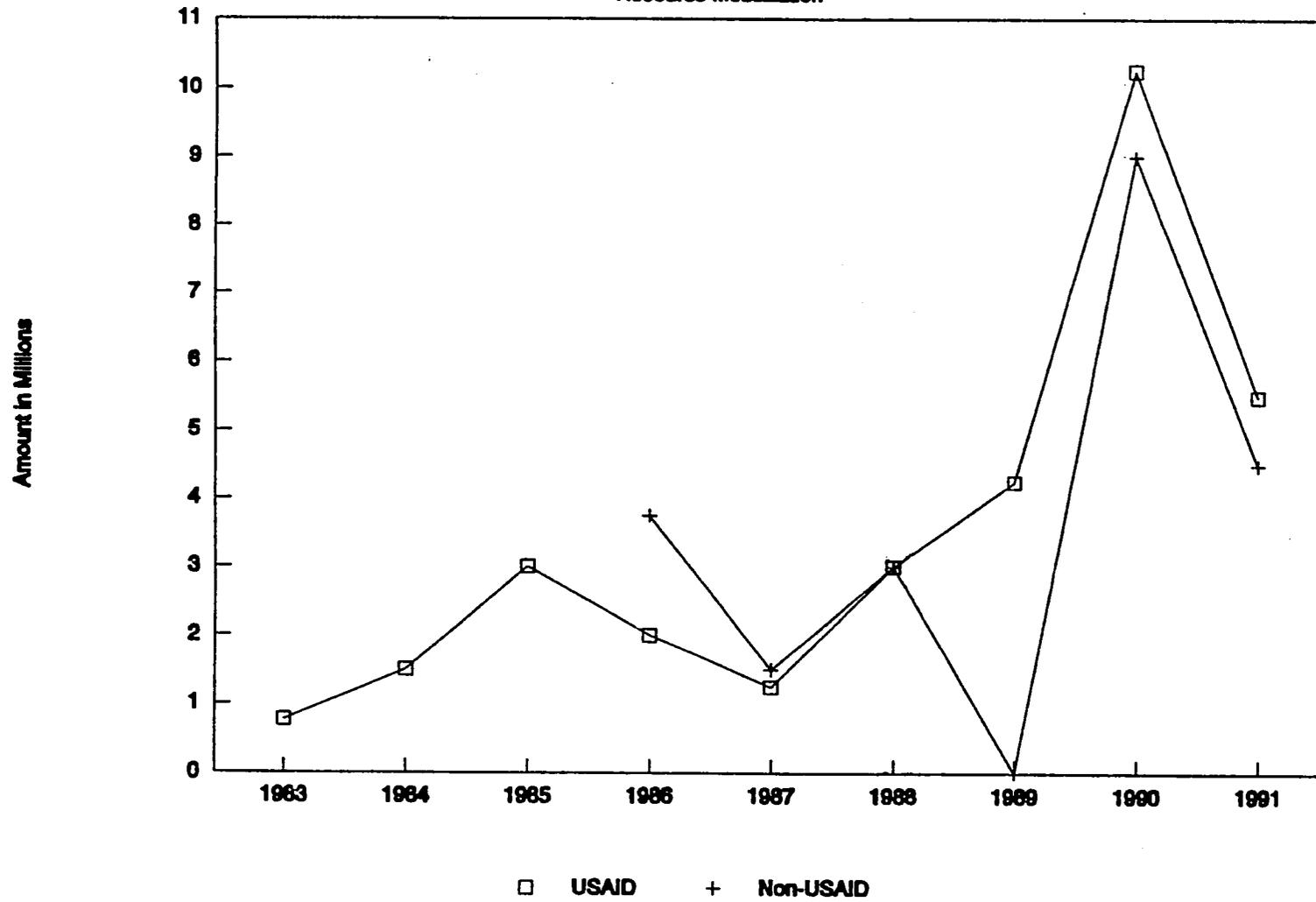
# PBSP

## Resource Mobilization



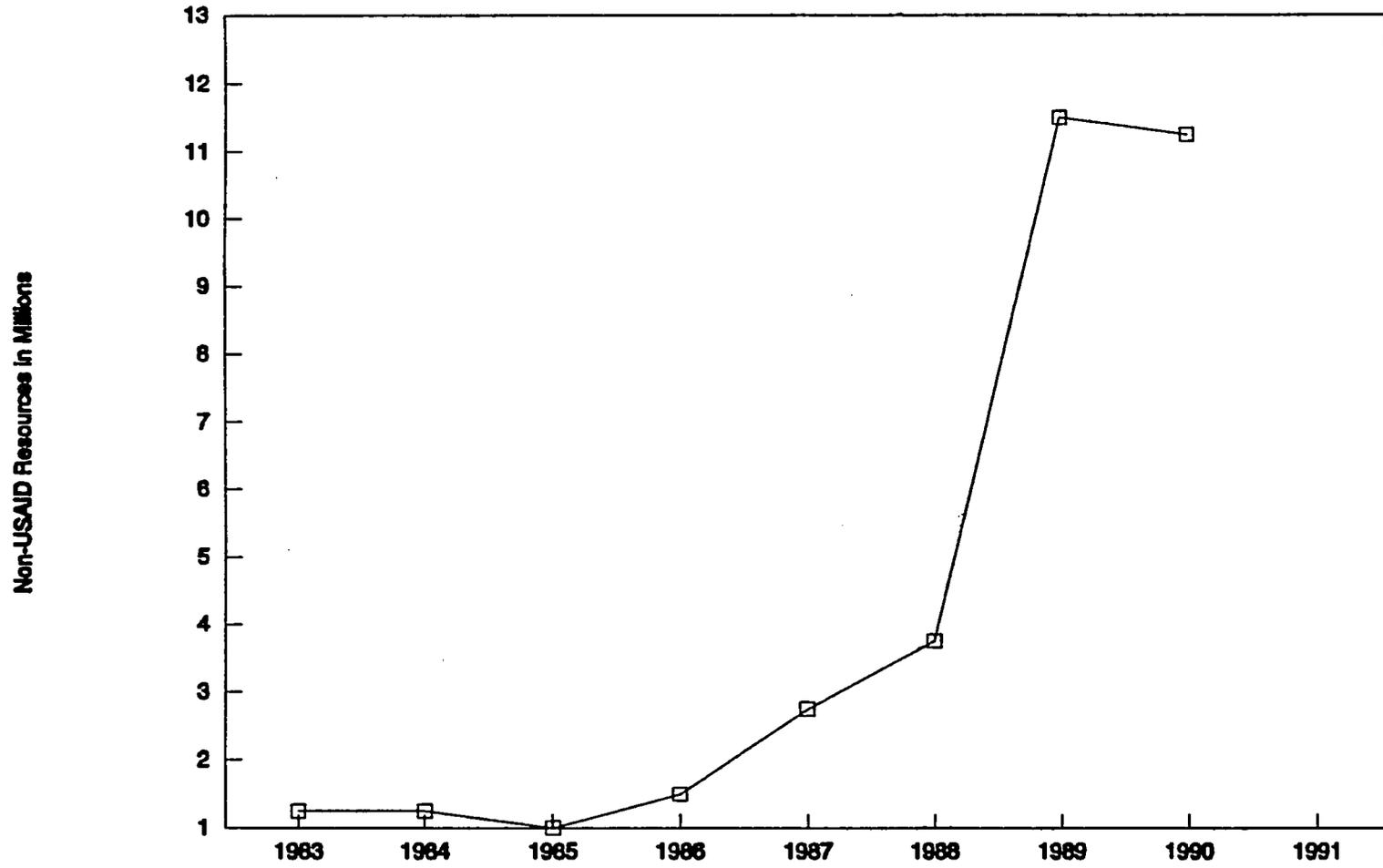
# TSPI

## Resource Mobilization



# RAFI

## Resource Mobilization



loans for micro-enterprise, the capital fund had more than doubled in just two years, with an effective interest rate of over 40 percent (compounded), and a very low default rate.

There is no good reason why IIs should not participate in utilizing the resources being generated by subblending activities. The Team believes the USAID should encourage all IIs to adopt policies that would permit them to do so.

As for how long the USAID and IIs should monitor credit reflows, there are no specific guidelines. Urban Integrated Consultants, Inc. (UICI) monitors credit reflows until the Project Activity Completion Date (PACD). IIs generally monitor credit reflows for at least one year after PACD, and Co-Fi activities are subject to audit by RIG/A and the GAO for a period of three years after PACD.

The Team recommends that USAID consider standardizing the time when it is no longer necessary to monitor the use of credit reflows.

### **3. Leveraging USAID resources**

Leveraging can be looked at in two ways: one way is grant-by-grant, and sub-grant by sub-grant. The other is on an overall grantee basis.

On a grant-by-grant basis, the Team noted that some of the leveraging indicated in grant (or sub-grant) budgets becomes elusive and difficult to pin down. In many cases, the leveraged component (counterpart contribution) is an attribution (or a percentage) of personnel costs without records sufficient to demonstrate them. In certain of these cases, project budgets include estimated amounts of sub-grantees efforts before the sub-grantees are even identified.

We believe that a better way to gauge leveraging would be to measure increases in a grantee's ability to raise funding resources outside of USAID. As shown in the graphs on pages 17-19, Co-Fi funding has resulted in the mobilization of greatly increased non-USAID resources for three key IIs.

From our visits to specific sub-activities, it is also evident that IGP's invariably result in more leveraging than non-IGP's. Without exception, the IGP, whether it is a farmer cooperative or micro enterprise, results in the mobilization of considerable resources outside of Co-Fi project funds.

It should be noted that leveraging additional resources is not an easy task, particularly outside of the Manila area. As one grantee in Davao pointed out, many resources generated in Mindanao, as reflected by bank deposits and other measures, are not retained in Mindanao. His study of recent trends showed that 70 percent of the commercial resources generated in Mindanao find their way to the Manila area. This is partly offset with GOP programs, but the net resource outflow is still believed to be at least 50 percent.

**B. PVO Efforts to Strengthen Their Own Income Generation Structures**

Except for Kapwa, all of the PVOs that the Team visited have schemes in place or plans to generate revenues on their own to help sustain their community assistance activities.

The Team noted that some PVOs, like Kapwa, were engaged in community development and the hands-on delivery of services that do not generate any revenues. In the case of Kapwa, even the small loan component to a cooperative was at a rate of interest not only below the commercial rate, but below the inflation rate, thus assuring capital erosion. It should be noted, however, that income generation is not a primary Kapwa purpose.

In another grant, to Tulay sa Pag-unlad, Inc. (TSPI), virtually all of the grantee's activities are income-generating enterprise development loans that assure capital preservation and growth, as long as credit risks are well managed. The default loss rate has been only about 3 percent over the past 10 years, and even less in more recent years.

Between these two grantees are several others which are undertaking a mix of IGP and non-income producing activities. For example, at the Development of Peoples Foundation (DPF), plans had been drafted to help assure the sustainability of a training center built with Co-Fi funds. However, in other activities DPF was sub-granting resources to IGPs without provision to participate in the credit reflows or interest income. We were told that this approach would be modified in future activities to assure DPF participation in resource generation.

At Kauswagan sa Timugang Mindanaw Foundation Inc. (Kauswagan) we noted that while the grantee was involved in IGPs, it was prohibited by the terms of its grant agreement from participating in credit reflows. USAID may wish to consider amending the grant agreement to permit the grantee to participate.

Overall, the Team noted a heightened awareness among grantees of the need to provide for their own sustainability in the years ahead by becoming more involved in IGPs.

While all of these activities seem to have the potential to provide a stream of income, they could also become a distraction to top management by requiring attention that would be better spent on achieving the Co-Fi program's primary objectives, i.e., economic and social development. We recommend that the USAID encourage the IIs to participate in credit reflows as the preferred method of assuring their financial sustainability.

**C. Other Financial Issues**

**1. Instituting II overhead rates**

The grantees under the Co-Fi project vary in size and scope of work, from relatively small, single purpose, hands-on delivery of services, to large intermediate institutions (IIs) which manage activities financed by many different sources. These large sophisticated institutions function as mini-USAIDs and manage hundreds of sub-grants with smaller PVOs.

It is the Assessment Team's opinion that this group of larger IIs forms an essential base which greatly facilitates the success of the Co-Fi project. Also, this group, which includes PBSP, RAFI and TSPI, are in our opinion the most sustainable and are having the most impact on economic development of all of those we visited. We expect that the USAID is planning to continue its long-term relationships with these PVOs.

At present, USAID's method of financially dealing with this group is on a grant-by-grant basis, with the II coming up with a counterpart contribution in each grant budget to meet the minimum 25 percent contribution requirement. The IIs do this, to a large extent, by attributing the cost of certain management personnel and other home office costs to the project.

In our opinion, two things are wrong with this approach. First, it is difficult to defend because it is virtually impossible to keep track of where top management spends its time. Second, it ignores the fact that to carry out the activities desired by USAID successfully, the entire organization is needed. It

should also be noted that this approach is often an accounting nightmare.

We believe that for the IIs mentioned above, (and for others that may fit the criteria), USAID should consider establishing overhead rates which could be counted toward counterpart and which would more realistically reflect USAID's relationship with the institutions.

## **2. Interest rates and arrearages**

Among the grantees, interest rates on IGPs varied from 9 percent to around 40 percent per year. Likewise, arrearages varied from over 60 percent to virtually zero. There were, however, themes common to most grantees. First, most IIs had more difficulty getting farmer groups to repay loans than micro enterprises and, second, there is not much resistance to interest rates that are on a par with commercial rates.

Interest rates for most PVOs are not a problem. Generally, the PVOs believe that a 24 percent to 30 percent interest is lower than beneficiaries have paid in the past. Arrearages on loans bearing this range of interest generally relate more to attitudes than to interest.

The exception to the rule that PVOs think interest rates are not a problem, is PBSP. In some cases, PBSP staff appear to be under the impression that the first stage of a loan (PBSP to a sub-activity) must be at 28 percent (roughly market) so that by the time the loan passes through one or two more stages, which add administrative costs, the rate to the beneficiary becomes about 40 percent per annum.

We recommend that the USAID clarify its interest rate policy. Is it roughly commercial rates to the consumer (beneficiary) or commercial rates at the first stage?

Most IIs had difficulties with arrearages and defaults when they first went into IGP loan activities; however, they have, for the most part, developed techniques to improve the rates of repayment. Farm groups, which generally enjoy the lowest interest rates also have the highest rate of non-repayment. At most IIs, the belief was that farmers had received GOP loan assistance in the past that did not need to be repaid. These loans were used as sort of a "political" benefit to farmers.

At least early in the Co-Fi program (but perhaps to a lesser degree now), NGOs were perceived by farmers to be at least quasi- governmental in nature and farmers felt no need to repay Co-Fi loans. What is needed, according to NGO staff, is an adjustment in the attitude of farmers toward debt responsibility, not interest rate adjustments.

The Team has noted that farm groups which undertake income-generating activities in addition to crop production, such as grain drying, milling and marketing, are more likely to repay loans than crop production alone. Obviously, while crops can and do fail periodically, these losses can be offset when farmers are also involved in other income-generating activities.

TSPI has developed techniques to minimize the collection problem. These include: (1) requiring collateral; (2) requiring a co-signer; and (3) making a group liable for the debts of individual members of the group. It should be noted that the collateral required need not be equal to the value of the loan but it can still be a powerful psychological factor to induce repayment. In some cases, borrowers are required to pledge their household furnishings and pots and pans.

Other grantees have not yet discovered the techniques that most successfully reduce repayment. But in almost all cases the problem of arrearages is not now as serious (though it is still serious) as it had been in the past.

While the problem of arrearages and defaults has improved at most IIs, we believe further progress is feasible. USAID may wish to consider studying the risk management techniques of a number of the IIs that have been successful in avoiding arrearages and defaults. This could be used as short-term training to be passed on to all grantees. Reducing defaults is rapidly becoming more important as PVOs move into IGPs and toward a higher degree of sustainability.

## **VI. STRENGTHENING PVO MANAGEMENT CAPACITIES**

### **A. Enhancing PVO Staff Capabilities**

As indicated above, established IIs like TSPI, PBSP, and RAFI have the capacity to become self-sustaining beyond USAID support. These organizations now generally have in place the management skills and experience needed to sustain community development operations without outside help. This is not the case, however, for a number of other Co-Fi PVOs, where steps to enhance staff capabilities through training and more targeted hiring practices are needed.

#### **1. The quality of PVO staffing**

The Team found the senior staff of the PVOs visited to be very articulate about the Co-Fi program, and its goals and operations. Most of these staff appear to have been with their PVOs for substantial periods of time. The Executive Director and Deputy Director of PBSP and the Director of Program Development and Evaluation of RAFI, for example, have been with their organizations for more than 15 years.

The staff visited were also generally knowledgeable about their PVO's mission and organizational framework. The one exception was at NEDF, where the President did not seem to know much about NEDF operations, nor its Co-Fi activities.

Mid-level staff, including first-line supervisors, project officers, and financial clerks, have on average been with their PVOs for shorter periods of time, more on the order of 1-3 years.

We were told that most PVO staff positions can usually easily be filled with good candidates. An exception was noted by TSPI which has recently advertised heavily for a credit project manager, without turning up any viable candidates. TSPI requires specialized banking skills and is competing for candidates in the Manila area, where a large number of financial institutions are located.

#### **2. Staff turnover**

The PVOs visited say that they experience some, but not frequent turnover of mid-level staff. One reason cited for the turnover that does occur, is the lower salaries paid by PVOs relative to those available in the business community or from

other donors. Kauswagan noted that a staff member left recently for another job at double her salary.

It was also noted that, on occasion, staff leave as a grant nears completion. DPF has lost several staff for this reason. PVOs visited indicated that they were paying increased attention to keeping good staff, primarily to avoid the expense and time involved in recruiting and training new staff.

While a variety of incentives have been used by PVOs to help retain staff, it is clear that the best way to keep good staff is to pay them well. In undertaking future efforts to strengthen IIs and other major PVOs, the Team believes that provision should be made to pay salaries that will attract and keep good staff.

**B. The Training Dimension of Capacity Building**

**1. The issue of the demand for training and training facilities**

The team was told about the substantial demand for training at most sites visited. PBSP/Manila is looking ahead to the creation of a next generation of courses concerned with such topics as regional decentralization, joint ventures, the role of PVOs on local development councils, and the role of PVOs in privatization actions.

PBSP/Davao has asked DPF for overflow data on their training programs to help justify creation of a PBSP/Davao training center. DPF thinks Mindanao could easily support five centers and sees no competition from PBSP, but an opportunity to cooperate. DPF has suggested that PBSP/Davao locate a new center near the DPF center with large conference space that both could share.

RAFI identified about 9,000 PVOs that were registered and another 23,000 PVOs that were not registered as potential clients of its training center. It is unclear as to what training needs these PVOs have and who would pay for the training.

In Negros, NEDF expressed interest in developing a training center. The primary justification seems to be geographic. Transportation and per diem costs for training in Cebu and Manila could be avoided by using a facility located in Negros.

Kapwa suggested that it could operate an Upland Development Training Center after becoming more knowledgeable about how to foster upland development. Kauswagan also noted the possibility that it might construct its own training facility.

The demand for training can be driven by several factors, e.g., the need to acquire new skills, the availability of funds, the construction of new facilities, and management needs. Its build in a demand for training with their subgrantees.

While the Team did not obtain data regarding training needs, or the sources of demand for the three training centers that USAID is now supporting, we recommend that a comprehensive needs assessment be conducted before USAID considers supporting the construction of any additional facilities.

## 2. Approaches to developing training programs

Two approaches appear useful in developing Co-Fi training programs. One involves reviewing current Co-Fi activities to identify particular strategies that have been effective in reaching Co-Fi objectives. Such strategies might include the credit management approaches used by TSPI, the training and technical assistance techniques used by Micro-Link to identify and access potential markets, and the business development training techniques used by BRC.

The other approach involves using ~~experts to provide~~ technical inputs, and training center staff to design the training curriculum. Outside experts should, of course, have hands-on experience relevant to tasks the trainees will be expected to perform. A banker, for example, might serve as the resource person for a risk management course, and the owner of a successful manufacturing plant might could serve as the resource person for a training course on enterprise development.

Training should also require the hands-on involvement of the trainees, and follow-up technical assistance should be provided to help trainees use their recently acquired skills and knowledge after they have returned to their jobs.

As the focus of the Co-Fi program moves to more complicated and higher level activities like marketing and credit

management, the Team believes that the three regional training centers should offer training in these areas. Except for TSPI, virtually all USAID-supported PVOs, including the first-line IIs could use more targeted, high-skills training.

3. The development of regional training centers

Training has been a centerpiece of the Co-Fi Program's efforts to build the capacity of PVOs. USAID awarded a grant to each of three IIs for the development of a regional training center. The first grant was made in 1984 to establish the PBSP Social Development Management Institute in Manila, to serve Luzon. The second grant was made in 1988 to create the DPF Mindanao Training Resource Center, which began operation on July 15, 1991. The third grant was made in 1991 and the land has just been cleared for the RAFI Development Studies Center, which is to serve the Visayas.

Interest was expressed at RAFI in providing training on conflict resolution, the reduction of political risks, and the promotion of democracy, which could lead to the formation of local advocacy groups. If and when the proposed USAID democracy initiative project comes to fruition, RAFI plans to use the Cebu Development Studies Center to conduct democracy training and development studies.

## VII. CONCLUSIONS AND RECOMMENDATIONS

The Assessment Team considers that the Co-Fi II Project has essentially achieved its principal objectives and the Co-Fi III Project, which is at mid-term, is being effectively implemented and progressing well toward achieving its objectives. Both projects are contributing appreciably toward achievement of the overall goal of the Co-Fi program, which is to improve the socio-economic status of selected poor groups, including ethnic minorities, through participatory development activities.

Following are the Team's specific conclusions and recommendations.

1. There is a need to refocus Co-Fi Program objectives

Certain of the Co-Fi program's goals and objectives will need to be modified for Co-Fi III and considered for Co-Fi IV. These changes should enable OFFPVC to capitalize on the successful implementation of project-funded credit, enterprise development and business training programs, and recent adjustments in the U.S.

assistance program. Program areas affected include environmental conservation and natural resource management, income generating projects, disaster relief assistance and housing.

a. Natural resource management and environmental protection

ONRAD will take over USAID involvement in natural resource management and environmental protection activities. However, the lesson learned under Co-Fi III, that community development is essential to the success of reforestation efforts, should not be lost. OFFPVC should continue to use Co-Fi resources to help strengthen the community organizations that will be needed to sustain ONRAD reforestation and other natural resource management projects.

Recommendation: OFFPVC should use these resources to accelerate its efforts to strengthen the community-level organizations and institutions that will be needed to sustain ONRAD reforestation and other natural resource management projects. This will require a high degree of coordination between OFFPVC and ONRAD, and the PVOs being assisted by each.

b. Continuing the emphasis being given to income-generating projects

Under Co-Fi III, greater emphasis has been given to income generation projects, primarily at the micro-entrepreneur and community cooperative levels. Continuing this emphasis will enhance the contribution the Co-Fi program is making towards increasing job opportunities and incomes in the rural communities being assisted by PVOs.

Recommendation: Co-Fi activities should continue to be weighted toward IGPs (enterprise development, etc.) with the IIs becoming more and more like a bank window for micro and small enterprises not now being accommodated by commercial banks. Emphasizing IGPs and supporting these activities through II subblending operations will contribute significantly toward improving the sustainability of Co-Fi activities.

c. Disaster relief assistance

The Philippines is disaster prone. It averages over 20 typhoons per year (4 of which on average are extremely

destructive) and periodically experiences serious earthquakes. A current major problem is the aftermath of the Mt. Pinatubo eruption.

**Recommendation:** USAID should undertake a comprehensive assessment of the Philippines' recurrent needs for disaster relief commodities, equipment and training. OFFPVC should provide this information, on a one-time basis, to the 3 or 4 large PVOs that appear qualified to manage disaster relief programs. This recommendation anticipates OFDA agreement to pre-position U.S. commodities and equipment in the Philippines.

d. **Cooperative housing**

The Cooperative Housing Federation (CHF), a US PVO, is a Co-Fi grantee successfully building low-income housing in Negros Occidental. Similar success has been achieved by the DIHo Co-Fi project in the Davao area. These activities have used USAID grant funds to acquire land, and to design, build, market and finance low-cost houses.

There is considerable scope for leveraging USAID resources in this kind of program. Housing construction activities are basically self-sustaining and can become self-expanding. While housing projects remain an important element of community development programs, there are virtually no commercial developers engaged in building low-cost housing.

**Recommendation:** Co-Fi assistance for low-cost housing should continue to be provided to low-income groups who are not now being served by the market.

2. **Expanding the role of IIs in Co-Fi project implementation**

The evolution of certain PVOs into IIs has resulted in:

- increased accessibility of smaller PVOs to USAID funding and technical assistance; and
- more viable and sustainable subgrantee project activities.

It has lessened the project monitoring and management burden on USAID. IIs also do considerable training.

**Recommendation:** OFFPVC should begin directing an increased share of Co-Fi financing to IIs that have become financially sound,

and should bring these IIs to the point where they can function as lending institutions for micro and small enterprises. This approach would enable OFFPVC to capitalize on the success Co-Fi IIs have had in leveraging USAID resources, and would assure the continuation of PVO community development activities in the event USAID funding levels are reduced.

3. Tracking PVO capacities to leverage non-USAID resources

OFFPVC should develop means to track and measure leveraging, i.e., the ability of a PVO to generate non-USAID resources, which can serve as a key indicator of PVO sustainability. To monitor leveraging, USAID should require that financial statements be disaggregated to show a PVO's ability to generate non-USAID resources.

4. Strengthening the capacities of smaller PVOs to deliver essential social services

Smaller PVOs have demonstrated their unique ability to deliver essential social services to rural areas in a cost-effective manner, and to develop the community organizations needed to maintain such services.

Recommendation: USAID should continue to support II efforts to strengthen the capacities of smaller PVOs to deliver these services.

5. Using overhead rates for IIs in lieu of attributing counterpart and in-kind contributions

Counterpart contributions along with leveraging are, in many cases, undocumented attributions. In several cases, grant budgets include as counterpart, estimates of efforts of subgrantees which have not yet even been identified. In other cases, counterpart has amounted to an attribution of personnel costs and other equally elusive factors.

Recommendation: Inasmuch as the entire organization and staff of an institution, not just its project management staff, are essential to the successful implementation of Co-Fi activities, the USAID should consider developing overhead rates for the key PVOs (IIs). These rates should then be applied to Co-Fi grants for these institutions and used in determining their counterpart contributions.

6. Developing market information systems for IGPs

Income-generating projects currently being assisted under the Co-Fi program normally involve micro and small enterprises that base their production, pricing and marketing levels on local markets. Expanding market access and the marketing base for these enterprises would greatly enhance their income-generating prospects.

Recommendation: As a step toward expanding market access, the Team recommends that Co-Fi resources be used to support PVO efforts to compile and provide IGPs a broader range of information on demand, supply and pricing conditions in local and nearby market areas.

7. Using loan reflows to enhance PVO sustainability

Most of the PVOs visited by the team are considering income generating activities for their own sustainability, including the use of loan reflows for business development purposes. At one sub-activity visited, the capital fund had more than doubled in just two years. Many grantee activities are income-generating projects (IGPs) which involve loans to cooperatives or micro and small enterprises that eventually result in the repayment of the capital provided. This is becoming an increasingly important feature of grantee activity.

Recommendation: We see no reason why IIs and other PVOs should not participate in the resources being generated through relending operations. USAID should encourage IIs to adopt a policy of participating in the revenues of these types of activities as a means of encouraging long-term sustainability.

8. The need to refocus training activities

The increased emphasis being given by OFFPVC to strengthening the PVO management support capacities of intermediate institutions such as PBSP, TSPI, and RAFI, coupled with increased Co-Fi support for PVOs involved in production, marketing and other income-generating projects, indicates a need to adjust the focus of Co-Fi training and technical assistance activities.

Except for TSPI, virtually all USAID-supported PVOs, including the first-line IIs could use more targeted, high-skills training, e.g., in credit management and marketing.

**Recommendation:** Co-Fi training centers should survey the credit management techniques that have been used by a number of PVOs to successfully minimize the problem of arrearages and defaults, and package this knowledge for use in training all PVOs engaged in relending programs. A similar effort should be made to package training techniques used to improve marketing skills. Disseminating this kind of information would help foster PVO sustainability.

9. **The construction of additional training centers**

Training has been a centerpiece of the Co-Fi program in its continuing efforts to strengthen the management capacities of PVOs. USAID awarded a grant to each of three IIs for the development of a regional training center.

The Assessment Team was not able to determine whether comprehensive data regarding PVO and beneficiary training needs had been compiled for the three regional training centers that USAID helped, or is helping to construct.

**Recommendation:** USAID should not consider additional proposals to build training centers in the absence of market research indicating the need for such facilities and demonstrating their financial viability (excluding USAID-financed training).

10. **Standardizing the time period for monitoring loan reflows**

There is a need to review how grantees manage reflows and for how long the USAID and IIs intend to monitor reflows. Urban Integrated Consultants, Inc. (UICI) monitors credit reflows until the Project Activity Completion Date (PACD). We noted, however, that the IIs generally monitor credit reflows for at least one year after PACD. We further noted that these activities are subject to audit for a period of 3 years after PACD.

**Recommendation:** The Team recommends that USAID standardize the time when it no longer monitors the use of credit reflows. This would eliminate the general confusion that now exists among Co-Fi PVOs regarding this issue.

11. **Co-Fi interest rates**

We have noted some inconsistencies in the implementation of the USAID's "market-determined" interest rate policy. There are some cases in which funds are being loaned, particularly to farmers groups, at far below market rates, and far below the prevailing rate of inflation. We also noted one case in which there seemed to be a

misunderstanding of USAID policy, and interest rates to the consumer were somewhat higher than the market rate.

**Recommendation:** We suggest that the USAID clarify its interest rate policy. Is it roughly commercial rates to the consumer (beneficiary) or commercial rates at the first stage?

12. **Subproject monitoring and audits**

The team believes that oversight of this project is adequate at present; however, once the USAID requirement for "recipient audits" is in place, the project could become "audit driven." This would mean that decisions made would be defensive rather than goal-oriented.

**Recommendation:** First-line II PVOs like PBSP, TSPI and RAFI are capable of doing their own sub-grant monitoring. We therefore endorse the USAID's proposed scheme to include funding in Co-Fi grants to enable the IIs to do their own monitoring, or hire UICI to do it.

13. **Maintaining the Co-Fi database**

OFFPVC should maintain the Co-Fi database developed by the UPECON Foundation as it relates to project implementation and impact, and use it to track progress toward project objectives. The matrices developed by the Assessment Team and included in Annex D, are an indication of how this kind of information can be used.

14. **Improving coordination between PVO grantees and other community development organizations**

Co-Fi PVOs appear to be quite active in getting Government community development agencies to respond to community needs. In order to participate meaningfully in the Government's current decentralization scheme, PVOs are also working closely with Government regional, provincial and local councils, on which they now have representation.

**Recommendation:** In order to enhance their effectiveness in catalyzing community development activities and policies at the local level, Co-Fi grantees should broaden their coordinative networks at the local community level to include organizations other than local government units, such as the local branches of commercial banks, business firms, academic institutions and civic organizations.

## VIII. IMPLICATIONS OF THE ASSESSMENT FOR CO-FI IV

In setting forth its views on the implications of the mid-term assessment for the Co-Fi IV project, the Team is assuming that the Co-Fi IV grant level will average about \$5.0 million annually, which could put project disbursements at a level slightly less than that which has been registered for the past several years. However, coupled with the expected continued success of II leveraging efforts, this level of assistance should permit the USAID to continue recording progress toward the goals and objectives which it has established for the Co-Fi program.

The Team believes that the findings and recommendations of the Co-Fi III Project assessment could have a number of important implications for the development of a strategy for the Co-Fi IV project.

- A. The Team's findings regarding the success IIs have demonstrated in leveraging Co-Fi resources appears to represent the culmination of prolonged OFFPVC efforts to strengthen the financial and management capacities of these institutions. It provides the USAID a rationale for shifting an increased share of Co-Fi program management responsibilities to the IIs.**

As indicated in the assessment, there is scope for using the IIs as banking facilities for community-based income-generating enterprises that are not now being served by commercial institutions, and also as enabling agents to qualify small entrepreneurs for access to commercial funding sources.

In view of their enhanced capacities, the IIs should also be given expanded Co-Fi monitoring and training responsibilities.

- B. The capacity shown by income-generating projects (IGPs) to increase job opportunities and incomes in rural communities provides a broad avenue for expanding Co-Fi support for income-generating activities.**

IGP activities help solve community development resource problems. Accordingly, an appropriate share of Co-Fi IV resources should be directed to expanding market access and the marketing bases for promising micro and small enterprises, to enhance their income-generating prospects.

Low-cost housing construction activities, which help meet a critical and growing community need, and which are basically self-sustaining activities, should be included as IGPs for the purpose of allocating Co-Fi IV resources.

- C. The fact that many of the PVOs visited by the Team are considering income-generating activities to assure their own sustainability, could result in the diversion of management attention from their primary community development purposes.**

The USAID will need to indicate that there are alternative sustainability options, e.g., the mobilization of non-USAID resources which appears to be an underutilized option in the Philippines, and subblending activities which when directed toward viable IGPs can lead to sustained reflows.

- D. The need identified by the Assessment Team regarding the modification of Co-Fi objectives could have serious implications for the design of the Co-Fi IV Project, inasmuch as the changes will mean losing reforestation, a promising area for Co-Fi PVO involvement, and may require putting greater emphasis on other less-promising areas such as housing and disaster relief activities.**

The changes provide USAID a convenient opportunity to reduce USAID inputs to Philippine community development activities; however, experience may show that the proliferation of reforestation activities that is likely to occur once the ONRAD program gets underway, each of which will require a community development component to assure viability, could result in a greater need for Co-Fi resources.

In any event, placing reforestation assistance with ONRAD will put an added burden on the coordinative responsibilities of OFFPVC and ONRAD within the USAID.

OFFPVC can also anticipate encountering situations where Co-Fi PVOs will be interfacing with and receiving resources from several different USAID offices simultaneously.

- E. USAID should consider reducing its own direct involvement in delivering essential social services to rural communities and increase its support for II efforts to strengthen the capacities of the smaller, stand-alone PVOs to deliver these services.**

This should not, however, preclude the USAID from keeping its options open regarding targets of opportunity, e.g., new innovative PVOs.

**F. The assessment has provided OFFPVC a number of ideas as to areas where it might streamline Co-Fi management policies and practices, such as:**

1. Converting key IIs to a system of overhead rates for administrative counterpart contributions, in lieu of the attribution system now being used.
2. Requiring audited source and application of funds statements to be disaggregated to show a PVO's ability to mobilize non-USAID resources.
3. Clarifying its interest rate policy, and standardizing the time when it no longer monitors the use of credit reflows.

**G. The Team has indicated its support for USAID's proposed scheme to include funding in grants to enable the IIs to do their own monitoring or to hire UICI to do it.**

As the IIs acquire experience in monitoring sub-grantees, USAID should consider limiting the scope of UICI monitoring to grantees.

To further improve Co-Fi monitoring, OFFPVC should continue to maintain the Co-Fi database developed by the UPECON Foundation and begin constructing informational links between the Co-Fi database and OFFPVC's new quarterly reporting system.

**H. The assessment noted that the USAID should not entertain additional proposals to build training centers in the absence of market research demonstrating their financial viability.**

In addition to providing Co-Fi participants and beneficiaries with basic training in community organization and financial management, the three regional training centers will have the skills and capacity to improve the credit management, marketing, and business skills of PVO staff and participants. Design of the Co-Fi IV project should take full account of these capacities.

**I. The Team identified a number of policy issues and problems affecting PVO Co-Fi activities in the Philippines that impact directly on the capacity of PVOs to implement community development programs effectively and to serve as catalysts for change at the national and local levels. These issues will need to be addressed early on in the design stages of the Co-Fi IV project. They include:**

1. **The potential impact on USAID-assisted community development efforts of NEDA Board Resolution No. 2, which concerns NGOs being partners with the Government. There is a need to make sure that PVOs don't become the handmaiden of LGUs, as a result of aggressive Government implementation of the resolution.**
2. **The impediments to implementing the Government's recent decentralization decree. Uncertainties remain as to local funding availabilities and community taxing authorities. PVOs will need to follow developments closely and should be prepared to weigh in on questions regarding the allocation and use of local resources.**
3. **The role of PINOI and its potential capacity to strengthen PVO participation in activities related to community development policies and programs at the national, regional and local levels. The role of PINOI in relation to the several other PVO networks that have been set up should also be examined.**
4. **The need to confront Philippine commercial banks regarding their refusal to implement the GOP-mandated 10 percent set-aside for rural development activities.**
5. **The changing circumstances of the Philippines' development situation.**

# ANNEX A

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AGENCY FOR INTERNATIONAL DEVELOPMENT  
PROJECT IDENTIFICATION DOCUMENT  
FACESHEET (PID)

1. TRANSACTION CODE  
 A = Add  
 C = Change  
 D = Delete  
 Revision No. \_\_\_\_\_  
 DOCUMENT CODE 1

COUNTRY/ENTITY  
USAID/Philippines

3. PROJECT NUMBER  
492-0367

BUREAU/OFFICE  
 A. Symbol \_\_\_\_\_ B. Code 04

5. PROJECT TITLE (maximum 40 characters)  
PVO Co-Financing II

6. ESTIMATED FY OF AUTHORIZATION/OBLIGATION/COMPLETION  
 A. Initial FY 8 | 4 |  
 B. Final FY 8 | 8 |  
 C. PACD 9 | 1 | (REVISED 2/83)

7. ESTIMATED COSTS (\$000 OR EQUIVALENT, \$1 = 1.00)

FUNDING SOURCE		LIFE OF PROJECT
A. AID	10,000	10,000
B. Other U.S.	1. _____	
	2. US PVOs	2,500
C. Host Country		
D. Other Donor's IPVOs		2,500
TOTAL		15,000

8. PROPOSED BUDGET AID FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. 1ST FY 83		E. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
ADD	200	200		1,000		5,000	
HEALTH	500	500		250		1,500	
ED	600	600		250		1,500	
SDA	700	700		500		2,000	
TOTALS				2,000		10,000	

9. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)  
 000 200 500 600 700

10. SECONDARY PURPOSE CODE  
240

11. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)  
 A. Code DD ECTV PART PVOU PVOON WED  
 B. Amount \_\_\_\_\_

12. PROJECT PURPOSE (maximum 480 characters)  
 a. To strengthen and support established PVOs to enhance their abilities to plan and to implement projects;  
 b. To help to develop indigenous PVOs that register with USAID;  
 c. Through these PVOs to reach the rural poor with participatory development programs and innovative, small-scale or pilot activities.

13. RESOURCES REQUIRED FOR PROJECT DEVELOPMENT  
 Staff:  
  
 Funds:

14. ORIGINATING OFFICE CLEARANCE  
 Signature: Anthony M. Schwarzwalder  
 Title: Director USAID/Philippines  
 Date Signed: MM DD YY 03/12/81  
 15. DATE DOCUMENT RECEIVED U AID/W, OR FOR AID/W DOCU. MENTS, DATE OF DISTRIBUTION: MM DD YY 03/29/82

16. PROJECT DOCUMENT ACTION TAKEN  
 S = Suspended CA = Conditionally Approved  
 A = Approved DD = Decision Deferred  
 D = Disapproved

17. COMMENTS

18. ACTION REFERENCE  
 19. ACTION DATE

# ANNEX B

PROJECT DESIGN SUMMARY  
LOGICAL FRAMEWORK  
(Revised)

Life Cycle: \_\_\_\_\_  
From FY \_\_\_\_\_ to FY \_\_\_\_\_  
Total U. S. Funding \_\_\_\_\_  
Date Prepared: \_\_\_\_\_

Project Title & Number: PVO CO-FINANCING III 492-0419

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p><b>Program or Sector Goal: The broader objective to which this project contributes: (A-1)</b></p> <ol style="list-style-type: none"> <li>To improve the socio-economic status of selected poor groups including ethnic and cultural minorities through participatory activities.</li> </ol>	<p><b>Measures of Goal Achievement; (A-2)</b></p> <ol style="list-style-type: none"> <li>Income levels</li> <li>Employment</li> <li>Nutrition status</li> <li>Health condition</li> </ol>	<p><b>(A-3)</b></p> <ol style="list-style-type: none"> <li>National statistics</li> <li>Household and Community Surveys</li> </ol>	<p><b>Assumptions for achieving goal targets: (A-4)</b></p> <ol style="list-style-type: none"> <li>Private development efforts can be channeled to meet the need of the socially and economically disadvantaged.</li> <li>Private organizations and intended beneficiaries are willing to mobilize their resources to carry out developmental activities to supplement the government efforts.</li> <li>Institutionalization of skills and structures at the beneficiary level to sustain development activities introduced can be achieved.</li> <li>Program activities will be acceptable to intended beneficiary communities.</li> </ol>
<p><b>Project Purpose: (B-1)</b></p> <ol style="list-style-type: none"> <li>To increase productivity, raise incomes and generate employment of target beneficiaries.</li> <li>To increase the capacity of PVOs to plan, manage and execute development activities with an emphasis on enterprise development implemented through intermediate institutions and facilitate their coordination with government organizations.</li> </ol>	<p><b>Conditions that will indicate purpose has been achieved: End-of-Project status. (B-2)</b></p> <ol style="list-style-type: none"> <li>Increased number of beneficiaries directly benefiting from project activities.</li> <li>Increased number of PVOs with improved capabilities to plan and execute development activities.</li> <li>Increased number of PVOs capable of serving as intermediaries in making subgrants to smaller PVOs and overseeing their implementation.</li> <li>Increased number of projects exhibiting government/PVO collaboration and consultation.</li> </ol>	<p><b>(B-3)</b></p> <ol style="list-style-type: none"> <li>Baseline and impact studies of sub-projects.</li> <li>Monitoring and evaluation reports on grants both by USAID and the COP</li> <li>Review of PVO financial and management systems.</li> <li>Final reports by grantees.</li> </ol>	<p><b>Assumptions for achieving purpose: (B-4)</b></p> <ol style="list-style-type: none"> <li>COP policy will continue to encourage private sector initiative and participation in development activities.</li> <li>USAID Co-FI funds will supplement and not substitute for PVO development funding.</li> <li>Voluntarism will remain a central feature of both U.S. and Philippine societies.</li> <li>PVOs will mobilize additional private resources, both from internal and external sources, to sustain activities initiated under the PVO Co-FI Project.</li> <li>COP/private sector relationships will permit collaboration in developmental activities.</li> </ol>
<p><b>Project Outputs: (C-1)</b></p> <ol style="list-style-type: none"> <li>PVOs implementing development projects</li> <li>PVOs able to meet the required standards of financial accountability and management effectiveness for registration.</li> <li>Cultural/ethnic minority PVOs serving the needs of their own communities.</li> <li>PVOs serving effectively as intermediaries in overseeing the execution of projects by smaller PVOs.</li> <li>Strengthened collaboration between the COP and PVOs in development activities.</li> <li>Local government units with upgraded management, service delivery systems and community organizing capabilities resulting from collaborating with PVOs.</li> </ol>	<p><b>Magnitude of outputs: (C-2)</b></p> <ol style="list-style-type: none"> <li>5 to 10 U.S. PVOs participating in the project</li> <li>19 to 25 local PVOs participating in the project, of which 9 are intermediate institutions</li> <li>Cultural/ethnic minority PVOs accredited under the project</li> <li>Proposals exhibiting consultation with concerned COP units and incorporating a greater role for such units in project implementation.</li> </ol>	<p><b>(C-3)</b></p> <ol style="list-style-type: none"> <li>Number and quality of proposals submitted.</li> <li>Number and categories of PVOs with proven capacity to plan and manage developmental projects.</li> <li>Number and total cost of grants to PVOs serving as intermediaries.</li> </ol>	<p><b>Assumptions for achieving outputs: (C-4)</b></p> <ol style="list-style-type: none"> <li>The COP will continue to allow U.S. and international PVOs to operate in the country.</li> <li>Philippine PVOs will be able to meet eligibility criteria set forth under this project, both for direct grants and intermediate institutions as well as ethnic/cultural minority PVOs.</li> <li>PVOs will continue to find Co-FI grants a valuable source of additional resources for expanding their development activities.</li> <li>Government agencies at the local, regional and national level are available for and have the machinery to ensure consultation with PVOs and participation in their proposed subprojects.</li> </ol>
<p><b>Project Inputs: (D-1)</b></p> <p><b>USAID:</b></p> <ol style="list-style-type: none"> <li>Grant funds; b) Consulting services; c) Staff monitoring and support; d) Training &amp; orientation</li> </ol> <p><b>PVOs:</b></p> <ol style="list-style-type: none"> <li>Planning and implementation management; b) Non-USAID resources including counterpart contributions; c) Logistics</li> </ol> <p><b>Beneficiaries:</b></p> <ol style="list-style-type: none"> <li>Planning, implementation and evaluation; b) Funds or contributions in kind</li> </ol> <p><b>Other Donors:</b></p> <ol style="list-style-type: none"> <li>Funds or contributions in kind</li> </ol>	<p><b>Implementation Target (Type and Quantity) (D-2)</b></p> <ol style="list-style-type: none"> <li>USAID:             <ol style="list-style-type: none"> <li>25 million</li> <li>Consulting services from project funds</li> <li>Monitoring and support from O/E funds</li> <li>Training as needed from project funds</li> </ol> </li> <li>PVOs )</li> <li>COP )</li> <li>Beneficiaries ) 8 million</li> <li>Other Donors )</li> <li>Key intermediate institutions - Non-USAID resource mobilization equal to USAID grants</li> </ol>	<p><b>(D-3)</b></p> <p><b>USAID:</b></p> <ol style="list-style-type: none"> <li>Signed grants</li> <li>Training and Orientation sessions</li> <li>Consultation services</li> <li>Publications, etc.</li> </ol> <p><b>PVOs:</b></p> <ol style="list-style-type: none"> <li>Signed grants</li> <li>Reports</li> </ol> <p><b>COP:</b></p> <ol style="list-style-type: none"> <li>Subprojects endorsed</li> <li>Contributions</li> <li>Participating in evaluation and monitoring</li> </ol> <p><b>Beneficiaries:</b></p> <ol style="list-style-type: none"> <li>Participation</li> <li>Contributions</li> </ol> <p><b>Other Donors:</b></p> <ol style="list-style-type: none"> <li>Contributions.</li> </ol>	<p><b>Assumptions for providing inputs: (D-4)</b></p> <p><b>USAID:</b></p> <ol style="list-style-type: none"> <li>Budget allowances are adequate.</li> <li>USAID can provide necessary staff through direct hire or contract.</li> </ol> <p><b>PVOs and Beneficiaries:</b></p> <ol style="list-style-type: none"> <li>Contributions in cash or kind will be possible and forthcoming on the scale required.</li> <li>PVOs can continue to provide the necessary technical managerial and administrative staff.</li> </ol> <p><b>COP:</b></p> <ol style="list-style-type: none"> <li>Staff can be made available for consultation, participation, collaboration, monitoring, etc.</li> <li>Regional Project Contracting Systems are installed and operational.</li> </ol>

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## SCOPE OF WORK

## CO-FINANCING PROGRAM EVALUATION

## BACKGROUND

The purposes of USAID/Philippines' Private Voluntary Organization (PVO), Co-financing Program have been shaped by the development of three discrete projects over the past decade. Nevertheless, the Co-Fi Program has continued to focus on three overriding objectives, namely: (1) to increase productivity, raise incomes and generate employment among target beneficiaries, (2) to increase PVOs' and cooperatives' abilities to effectively plan, execute, manage and evaluate development projects; and (3) to facilitate linkages and coordination between PVOs, cooperatives and government organizations.

Beginning with approval of the PVO Co-Financing (Co-Fi) I (Project No. 492-0345) in March, 1980, USAID/Philippines has made available A.I.D. funding, expertise, and other resources matching those of U.S. and local private voluntary organizations which address development priorities of disadvantaged sectors of the Philippine population. Over its six-year life of project (LOP), Co-Fi I made available \$6.61 million through 30 grants to 8 U.S. and 10 Philippine PVOs through subproject grants aimed at meeting basic services such as improving agricultural production, expanding employment opportunities and increasing the poorest segment of the population's access to non-formal education, better sanitation, family planning and nutrition information, and legal assistance. These funds matched funds, goods and services furnished by PVO grantee counterparts valued at \$4.24 million in support of their subproject activities.

Building upon its successful experience with Co-Fi I, USAID launched PVO Co-Financing II (Project No. 492-0367) in February, 1984 with an initial A.I.D. funding authorization of \$10 million. This was subsequently increased by project amendments in January, 1987 and July, 1988 respectively to \$18.639 million. By the time this project terminates on 30 September, 1992, the Mission expects that Co-Fi II subproject grants will have generated the dollar equivalent of \$8 million in counterpart resources. Moving beyond the "basic human needs approach", Co-Financing II stated purpose is to:

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"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. "

In furtherance of this purpose, Co-Fi II has, through September 30, 1990, made 46 subproject grants with an A.I.D. funding level approximating \$17.1 million. These grants have been oriented towards: (a) stimulating PVO subproject grantees to attempt more numerous and diverse development activities, (b) strengthening PVO's capacities (particularly those of local PVOs (LPVOs), in project design, management and evaluation; and (c) effectively engaging poor, primarily rural beneficiaries in constructive development activities through PVOs. So as to accelerate this process, use of larger and more capable Philippine PVOs as intermediaries able to reach smaller local PVOs through subgrants was encouraged by the Mission.

Based on the favorable results of a mid-term evaluation of the Co-Fi II Project in September 1986, the Mission designed PVO Co-Financing III (Project No. 492-0419), having as its goal: "The improvement of the socio-economic status of selected poor groups, including ethnic minorities, through participatory development activities." The purpose-level objectives of Co-Fi III; i.e. those of increasing productivity, income and employment opportunities among the poor, and the capacity-raising of PVOs to manage subproject grants remain broadly similar to those of Co-Fi II.

Yet, predicated upon the results of Co-Fi II's evaluation, the design of Co-Fi III is based on a new strategy containing five elements; namely: (1) assisting ethnic and Islamic minorities in developing subproject grant activities as well as in formation of indigenous PVOs; (2) broadening eligibility for Co-Financing grants to A.I.D. - registered cooperatives; (3) facilitating the coordination between subproject grantees and government organizations, specifically local government units (LGUs); (4) focusing subproject activities on environmental conservation and natural resource management; and (5) emphasizing the development of PVOs' capacities to become intermediate institutions (IIs) managing grants to smaller PVOs.

Since its initial A.I.D. authorization of \$15 million in February, 1989, 44 Co-Fi III grants with a DA funding level of \$11.719 million have been made through September 30, 1990. Thus far, Co-Fi III has leveraged counterpart resource commitments valued at \$29 million. During FYs 1991

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and 92, USAID expects to make available funds for subproject grants amounting to approximately \$7.0 and \$7.2 million respectively.

Over the past three fiscal years, Co-Fi III has proven to be one of USAID's quickest disbursing projects, under the management of Office of Food for Peace and Voluntary Cooperation, obligating 100% of its annual OYB allocation each year since its inception in FY 1984. Given its successful track record of obligations and expenditures, the Mission has decided to increase the Project's current authorization by an additional \$12 million, thus raising its A.I.D. funding authorization from \$15 to \$27 million. Co-Financing III's project assistance completion date (PACD) is being extended from December 31, 1994 to December 31, 1996.

In December, 1989, an assessment of USAID's PVO Co-Financing program concluded that over its 9-year life-span, co-financing has been an effective mode of delivering services, funds, and in facilitating linkages between PVOs, beneficiaries, LGUs and the private sector. Subproject grants which are oriented towards small enterprise development, and/or aimed at enabling beneficiaries to access government services, were also found to have had a generally favorable impact. The assessment also concluded that of all its objectives, the Co-Financing program was most effective in supporting the growth of a network of viable Philippine PVOs at both the national and regional levels. Although it was considered premature to weigh Co-Fi III's impact on PVO-host government coordination, the assessment team found that mechanisms were in place to make coordination possible, and that an "appropriate degree" of coordination was taking place.

In addressing the issue of sustainability, the assessment team observed that while it was unrealistic to expect PVO subproject grantees to maintain AID-assisted activities at the same level, they were nevertheless preparing beneficiaries to build organizations to draw upon GOP/and other institutions for continuing support. The team also found evidence that PVOs could establish improved linkages between communities and LGUs, although replicable models had not yet been established.

The assessment also resulted in a number of specific recommendations to improve the efficiency and impact of the Co-Financing program; these included:

- channeling resources to PVOs targetting enterprises/activities which have proven capacity to raise income and generate sustainable employment;

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efforts should be made to examine why certain income-generating projects were successful than others with a view towards replicating their success;

- USAID should explore using a Philippine national or multi-regional PVO to provide technical assistance to facilitate other PVO's access to the GOP's Unified Home Lending Program;
- special efforts should be made to assist PVOs managing loan funds in arresting the problem of arrearages;
- USAID should reduce its monitoring of PVOs showing demonstrated management capacity;
- USAID should encourage subproject grantees to establish and make use of systems to track implementation and measure beneficiary impact.

#### ARTICLE I - TITLE

PVO Co-Financing Program -- SECOND STRATEGIC ASSESSMENT:

(Projects: 492-0367 and 492-0419)

#### ARTICLE II - OBJECTIVES

- A. To provide a 3-person team which shall conduct a second strategic assessment of the PVO Co-Financing Program and make specific recommendations to USAID/Philippines concerning whether: (a) the PVO Co-Financing II Project has attained its stated purposes and goals, (b) whether the Co-Financing III Project is "on track" concerning the attainment of purposes and goals; and (c) whether the Co-financing Program is reaching its overall purpose.

The assessment team is expected to be multi-disciplinary, consisting of a specialist in performing assessments of this kind. He/she may also function as Team Leader. The second and third members of the team will be a development economist and a specialist in financial analysis. This three-member team is expected to arrive together, work concomitantly, and depart together. One representative from the Govt. of the Philippines' National Economic Development

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Authority (NEDA) will also participate in the assessment exercise as a team member. He or she may be assigned by NEDA, and will be under the nominal guidance of the Team Leader. Personnel from USAID's Office of Food for Peace and Voluntary Cooperation (O/FFPVC) will also be assigned to assist the assessment team, and will also be under the nominal guidance of the Team Leader.

- B. The purpose of this assessment is to conduct a final appraisal of the PVO Co-Financing II Project and a follow up examination of the PVO Co-Financing Program. The findings of this assessment are required as early as possible in FY 1992 so as to make, as may be required, mid-term "course corrections" in the PVO Co-Financing III Project. The results will also be factored in the design of future Co-Financing projects and in the early implementation of USAID's Philippine Democracy Program (PDP) which will be managed by O/FFPVC.
- C. This second strategic assessment is timely in that the final evaluation of Co-FI II is being accelerated so as to learn as much as possible from implementation of this project. While Co-FI. III continues, Co-FI III's life of project was recently extended to Dec. 31, 1996. The Mission also believes that the results of another strategic assessment will be useful in implementation of the PDP Project, funds for which are to be obligated no later than the second quarter of FY 1992.

ARTICLE III - STATEMENT OF WORK

- A. Given that the Co-Financing II Project is in its final year of implementation, and the decisions has been taken to extend the PACD and increase the authorized funding level of the Co-FI. III Project, the Mission has concluded that another assessment of Co-Financing is timely and warranted. Therefore, this second strategic assessment will address and make specific recommendations concerning the following issues:
1. The PVO Co-FI III Project Paper was prepared some 5 years ago and there are developments in the state of the NGO community as well as the environment during the intervening period. Is there a need/demand to refocus project objectives? For instance, how do we strengthen PVO capability and reinforce their role in public policy? Are the credit programs effective? Which credit groups should be addressed?

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2. How do we improve sustainability? How do we ensure that phase out mechanisms are implemented and do not remain on paper? How should USAID's assistance be phased to develop and strengthen self-sustainability of PVOs?
3. How do we address management and staff turnover? How do we guarantee commitment throughout the three year grant period and thereafter? How do we achieve institution building?
4. In what manner are subproject grants funded under the PVO Co-Fi. II and III Projects contributing to the overall goals and objectives of the Co-Financing Program? Namely, increased incomes, employment and productivity in subproject impact areas, building of PVOs, capacities to become intermediate institutions, and improved linkages between PVOs grantees and government organizations. By the same token, are there certain types of subproject grants that should be funded over others?
5. To what extent has the five-pronged strategy of the Co-Fi III Project been effective in furthering the Mission's objectives of: (a) encouraging the participation of ethnic and religious minorities in the Co-Financing program and in the formation of PVOs, (b) encouraging and assisting coordination between PVO grantees and GOP organizations; particularly local government units, (c) addressing environmental and natural resource management concerns; and (d) strengthening certain Co-Fi grantees as intermediate institutions? What are the purpose-level indicators of these objectives? To what extent have they been achieved?
6. Has the development of Philippine PVOs into intermediate institutions effectively resulted in: (i) increasing the accessibility of smaller PVOs to USAID funding and technical assistance? (ii)

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resulted in more viable and sustainable subgrantee project activities?; and (iii) lessened the subproject grant assessment and management burden on USAID?

7. Through an assessment of a representative sample of subproject grants, assess the benefits of the Co-Financing II and III Projects against their costs. The Mission is contracting a data collection exercise that will examine a representative sample of co-financing grants to provide preliminary data on their economic and/or financial impact on beneficiaries and whether this impact was significant.
8. Following up on the results of the September-October 1989 Co-Fi. Strategic Assessment, the team will also readdress these issues:
  - a. to what extent have subproject beneficiary communities been actively involved in planning, executing, and evaluating Co-Fi. subproject grants?
  - b. to what extent is beneficiary assumption of subproject's recurrent costs a feasible objective?
  - c. to what extent is the Co-Financing Program's facilitating of linkages between subproject grantee PVOs and beneficiaries on one hand, and between the PVOs, beneficiaries and LGUs and the private sector on the other, effective in delivering basic services to the most disadvantaged in the Philippines?
9. How and in what manner can the PVO Co-Financing Program's effectiveness in delivering its resources and services be improved?
10. Has the Mission's heightened emphasis on subproject grant monitoring and rendering of technical assistance through monitoring been cost-effective? What could be done to improve this mode of assistance?
11. Should additional criteria or factors be considered for "repeat" grantees; what would these be?

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12. Have credit activities, requiring market-determined interest rates implemented this requirement consistently? What mechanisms are now in place or are needed to assist PVOs manage their arrearages. How are the loan reflows used?
13. What are the implications of the Assessment for an appropriate PVO assistance strategy for USAID? What would be appropriate elements (policy and program interventions) to implement this strategy?

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**ILLUSTRATIVE SCHEDULE**

The following seven-week and two day schedule is illustrative and may be adjusted as mutually agreed upon by USAID and the assessment team.

1. **First and Second weeks:**
  - a) U.S. members of the Team assemble in Wash. D.C., on or about Sept. 27, 1991, and review literature for three working days. They meet with O/FFPVC's Chief in Washington on/about Sept. 30, and discuss and agree on details of the scope of work;
  - b) U.S. members travel to Manila in October, 1991, and meet NEDA representative on arrival;
  - c) Discuss with O/FFPVC staff, assessment design and individual team member assignments;
  - d) Review documents including pre-assessment analysis of a selected sample of Co-financing II and III subproject grants.
  - e) Interview USAID, PVO grantee staffs in Manila; and
  - f) Make arrangements for field visits in consultation with O/FFPVC.
  - g) Submit for O/FFPVC clearance, an inception report outlining the methodology that will be used in conducting the assessment
2. **Third week:**
  - a) Complete initial interviews
  - b) Begin field work before mid-week.
3. **Fourth week:** field work.
4. **Fifth week:**
  - a) Complete field work;
  - b) Provide preliminary briefing to USAID on findings, conclusions and recommendations;
  - c) Draft assessment report, present draft by end of the week.
5. **Sixth week:**
  - a) Presentation of findings, conclusions, and recommendations early in the week;
  - b) Revise draft report based on USAID's feedback on draft and submit revised draft before departure for U.S.
6. **Seventh week:**
  - a) Prepare final report at home office;
  - b) Submit final report to USAID by end of the Seventh week.

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In the course of its seven-week assessment of the PVO Co-financing Program, the Assessment Team will be expected to assemble information reviewing project documentation, conducting interviews and making field visits to a sampling of subproject sites in accordance with the above schedule. The assessment team will review at a minimum, the following documentation:

1. Co-financing II and III Project Papers and PP amendments;
2. The PVO Co-Financing II Evaluation Report dated September, 1986, and the Strategic Assessment of the PVO Co-Financing III Project dated December, 1989.
3. Materials and publications providing information and guidance to prospective and active PVO Co-financing grantees concerning registration with USAID and development of subproject proposals;
4. Criteria being used to assess subproject grant proposals and in allocation of grant funds;
5. A representative and comparable sample of funded and unfunded PVO subproject proposals (so as to assess Mission performance in employing criteria in arriving at funding decisions, and also to assess trends in the quality of funded and unfunded proposals;
6. A sample of quarterly progress and financial reports and supporting documentation submitted by subproject grantees;
7. Grant agreements and other documents relevant to specific subproject grant activities.
8. By the time the Assessment Team assembles, it is expected that a pre-evaluation economic analysis of a selected sample of Co-FI. II and III subproject grants will have been completed.

The Assessment Team will also be expected to interview:

1. The Chief and staff of USAID's Office of Food for Peace and Voluntary Cooperation (O/FFPVC), and members of the Co-Financing Project Committee;

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2. Staff of the GOP's National Economic Development Authority (NEDA) relevant to Co-financing activities including regional level staff near areas of on-site subproject reviews;
3. Staffs of a randomly selected sample of U.S. and Philippine PVOs;
4. A randomly selected sample of sub-project beneficiaries
5. Local community leaders; and
6. Other individuals as may be recommended by USAID and the PVOs.

ARTICLE IV - REPORTS

The assessment team will be required to provide in a final report: (a) their findings (i.e. the evidence); (b) their conclusions (i.e. their interpretations of the evidence and their best judgement based on this interpretations); and (c) their recommendations based on their judgements, findings and conclusions, and to set these forth in a clear and succinct manner.

**A. Content and Format**

The assessment team will prepare both its preliminary draft and final assessment reports in accordance with the following format:

1. Basic Project Identification Data Sheet. (See Annex A attached);
2. A.I.D. Assessment Summary. (See Annex B attached)
3. Body of the Report. The report is to include a description of the country context in which the project was developed and is being carried out, and provide the information (evidence and analysis) on which the conclusions and recommendations are based. The length of the main body of the report should not exceed 40 pages. The report may include any additional information they deem appropriate in appendices.

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4. The report should end with a full statement of conclusions and recommendations. Conclusions should be short and succinct, with the topic identified by a short sub-heading related to the questions posed in the Statement of Work. Recommendations should correspond to the conclusions; whenever possible, the recommendations should specify who, or what agency, should take the recommended actions.
5. Appendices. These are to include at a minimum the following first four items:
  - a) the assessment Scope of Work;
  - b) A suggested revised logical framework, for the PVO Co-FI III Project together with a brief summary of the current status/attainment of original, or modified inputs and outputs (if these are not already indicated in the body of the report);
  - c) a description of the methodology used in the assessment (e.g., the research approach or design, the types of indicators used to measure change of the direction/trend of impacts, how external factors were treated in the analysis);
  - d) a bibliography of documents consulted.
  - e) other appendices may include more details on special topics, and a list of agencies consulted.

**B. Submission of Report**

The assessment team leader will be responsible for submitting a draft assessment report to USAID's Office of Food for Peace and Voluntary Cooperation by Tuesday of the fifth week. The final assessment report will be submitted to USAID from the contractor's home office by the end of the sixth week.

**C. Debriefing**

The assessment team will provide a preliminary briefing to USAID on their findings, conclusions and recommendations upon completion of their field work during the fourth week. Team will also provide a final briefing to USAID after USAID has completed its review of the draft assessment report and prior to the team's departure at the end of the fifth week.

# ANNEX D

**Table A. APPLICATION OF CO-FI RESOURCES  
(PVO Grants)  
BY OBJECTIVES**

NAME OF GRANTEE	LOCATION	AMOUNT (\$)	OBJECTIVES					
			Increased Employment Income	Environ't Resource Management	Health/ Nutrition	Education/ Training _1/	Develop PVOs	Communit Partic'ptn
<b>A. UNDER CO-FINANCING II (492-0367)</b>								
1. Dev. of Peoples Fdn. (DPF II)	Davao del Norte	1,000,000	X		X			
2. Credit Union Nat'l Assn. (CUNA)	Nationwide	900,000	X					X coops
3. Save the Children Federation	Metro Manila	262,623	X		X	X		X
4. Ilaw International Center	Bohol	220,000	X	X		X		
5. Notre Dame Edu. Assn. (NDEA)	South Cotabato	200,000	X			X		
6. Jaime Ongpin Fdn.	Benquet	200,000	X			X		
7. SLU/EISSIF	Benquet	150,000	X			X		
8. Xavier Science Foundation	Mindanao	100,000					Minority	X
<b>B. UNDER CO-FINANCING III (492-0419)</b>								
9. The Asia Foundation -Amendment in FY 1991	Nationwide	1,500,000 * (1,000,000)		X			X	
10. Ramon Aboitiz Foundation, Inc.	Reg. VI, VII, VIII	1,200,000					X	
11. Phil. Business for Social Prog.	Nationwide	1,132,849 +					X	X coops
12. Phil. Business for Social Prog. a) Hermana Fausta Dev Fdn	Nationwide Lucena	1,050,000 (50,000)	X			X		
13. Kauswagan sa Timogang Mindanaw	Davao	1,000,000	X	X			X	X
14. Dev. of Peoples Foundation (additional reservation)	Mindanao	959,121 105,000	X		X		X	X

\_1/ Beneficiary training only. Others is a training element in all activities directed toward "Developing PVO's" institution building.

\* AQJ training new systems

+ USAID PVO Annual Meeting

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NAME OF GRANTEE	LOCATION	AMOUNT (\$)	SECTORS OF IMPACT							
			Agric'l Fishing	Health/Welfare	Micro En'prise	Union Org	Envi-ronment	Disaster Relief	Credit Finance	Housing
15. Ramon Aboitiz Foundation, Inc.	Reg 7 & 10	620,000	X		X			X	X	
a) Silliman University	Negros Oriental	(95,238)								
b) Integrated Services for Live & Dev.	Bohol	(73,927)								
c) Mindanao Grassroots Dev Inst.	Cagayan de Oro	(34,151)								
d) Bol-anon Foundation, Inc.	Bol-anon	(30,738)								
e) Mutya Bayanihan Multi-Purp Coop	Bol-anon	(28,571)								
f) Prod.Upgrading for Grow in AgriSec	Bol-anon	(28,571)								
g) Dangpanan Livelihood Fdn.	Negros	(28,500)								
h) Tech.Outreach & Comm. Help	Cagayan de Oro	(28,082)								
i) Bukidnon United Non-Govt.Agencies Fdn	Bukidnon	(23,850)								
j) Xavier Science Foundation	Cagayan de Oro	(23,809)								
k) Bohol fdn. for the Deaf	Bohol	(23,809)								
l) Mindanao Alliance of Self Help Soc	Cagayan de Oro	(22,857)								
m) Valencia Flower Growers Assn.	Negros Oriental	(18,807)								
16. Phil. Bus. For Soc. Prog. (PBSP)	Provinces	500,000								
17. Phil. Center for Pop. and Dev.		500,000		X						X
18. Andres Soriano Foundation	Surigao del Sur	500,000								
19. Kapwa Upliftment Foundation	Davao	482,000	X	X						
a) Medical Ambassadors Int'l	Jolo	(71,428)								
20. Ayala Foundation	Cot,Dev,Pampanga	432,685			X					
21. Mother Rosa Memorial Foundation	Pampanga,N.Ecija	417,852	X		X					X
22. Fdn. for Educ.Evol. & Dev.(FEED)	Reg.III,IV,V	400,000	X		X					
a) Bicol Livelihood Foundation	Camarines Sur	(71,428)								
b) Agri.Managers & Servs. Fdn.	Nueva Ecija	(71,428)								
23. Notre Dame Educational Assn.	Gen.Santos/Cot	376,980			X					X
24. Tulay sa Pag-unlad, Inc.	Pamp.,Cag.de Oro	370,000			X			X		
25. Pilipinas Shell Foundation	Camarines Sur	360,000	X							

\* Infrastructure also e.g. community centers

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NAME OF GRANTEE	LOCATION	AMOUNT (\$)	SECTORS OF IMPACT							
			Agric'l Fishing	Health/Welfare	Micro En'prise	Union Org	Envi-ronment	Disaster Relief	Credit Finance	Housing
26. South Cotabato Foundation, Inc. (additional reservation)	South Cotabato	325,000 74,074	X							X
27. Microlink Philippines, Inc. a) Marinduque Dev Foundation	Metro Manila	325,000 (65,217)			X				X	
28. SERDEF a) Microlink b) Fdn.for Peoples' Livelihood & Well	NCR and Palawan	325,000 (125,000) (100,000)			X					
29. Actuator for Socio-Econ.Prog. a) Innovative Ser.Spec.Dev.Inc.	Pangasinan Oas/Ligao, Albay	320,000 (100,000)	X						X	
30. Xavier Science Foundation/EIL	Mindanao	310,000	X							
31. World Wildlife Fund	Nationwide	300,207					X			
32. Cooperative Housing Foundation	Neg.Occidental	300,000					X		X	X
33. Population Center Foundation a) Holy Trinity Nursing College b) Aquinas University c) Iloilo Doctor's College	Reg. IV & V Palawan Albay Iloilo	300,000 (48,013) (47,345) (46,707)								
34. Medical Amb. of the Phil. (MAP)	Luzon, Mindanao	300,000		X						
35. Xavier Science Foundation, Inc. a) Maranao Upliftment Foundation b) Halandanan Tribal Datus Assn. c) Tribal Leaders Ass. d) Subanen Econ. & Educ. Dev. e) Pagadian Highlanders Fdn. f) Yakan Integrated Devt g) Salam Integrated Cooperative h) Kabuhian Foundation i) Halungon Hilltribes Assn. j) Dawa Foundation	Mindanao Cagayan de Oro South Cotabato Basilan Tawi-Tawi	280,000 (11,905) (11,905) (11,905) (11,905) (11,905) (11,905) (11,905) (11,364) (7,429)	X	X	X				X	

NAME OF GRANTEE	LOCATION	AMOUNT (\$)	SECTORS OF IMPACT							
			Agric'l Fishing	Health/Welfare	Micro En'prise	Union Org	Envi-ronment	Disaster Relief	Credit Finance	Housing
36. Negros Econ. Dev. Fdn., Inc.	Negros	265,297	X						X	
37. Jaime V. Ongpin Foundation	Benguet	260,000	X						X	
38. Credit Union Natl Assn.	Nationwide	250,000							X	
39. Tulay sa Pag-unlad, Inc.	NCR, Iloilo, Bag.	250,000			X				X	
40. Salesian Missions	Cebu, Neg. Oriental	250,000	X							
a) Salesians of St. John Bosco		(126,932)								
b) Daughters of Mary Help of Christians	Dumaguete	(67,675)								
41. Lusok Projects, Inc.	Nueva Ecija	250,000	X	X					X	
42. Helen Keller International	NCR and Reg. VI	244,875		X						
43. Intl. Exec. Services Corps (IESC)	Nationwide	224,000			X					
44. Davao Independent Housing (additional reservation)	Davao	215,000							X	X
45. Save the Children Federation		100,000								
46. Asian-Am Free Labor Inst(AAFLI)	B. Tanyag, Taguig Nationwide	200,000			X					
47. Mercy Corps International	Iloilo	200,000				X				
48. Gerry Roxas Foundation	Capiz	150,000	X						X	
49. Notre Dame Educ. Association	Cotabato	150,000			X				X	
50. The Andres Soriano Foundation, Inc.	Palawan	140,000		X						
51. Amanat Foundation	Jolo, Sulu	125,000		X	X					
52. Feed My People International	Reg. V and NCR	114,159		X	X					
53. Trickle Up Program Inc.	Silang, Cebu, Nav	100,000		X						
54. Phil. Business for Social Prog.	Nationwide	96,000		X						
55. Asian Institute of Management	Nationwide	93,200 *				X				

\* Potentially all; depends on which PVO's attend training.

NAME OF GRANTEE	LOCATION	AMOUNT (\$)	SECTORS OF IMPACT							
			Agric'l Fishing	Health/Welfare	Micro En'prise	Union Org	Envi-ronment	Disaster Relief	Credit Finance	Housing
56. Tulay sa Pag-unlad, Inc.	Cebu	86,033 +								
57. Population Center Foundation		75,450		X						
58. Salesian Society	Cebu	68,000 +								
59. Kapwa Upliftment Foundation	Davao	56,000 *								
60. Negros Economic Development Fdn.		54,212	FM training for all types of PVO's							
61. Yakan Int.Resources Dev. Fdn.	Basilan	50,000			X					
62. Yakan Ministry Foundation, Inc.	Basilan	50,000		X						
63. Maguindanao Development Fdn.	South Cotabato	50,000	X		X		X		X	
64. Amanat Foundation	Sulu	50,000		X						
65. Ramon Aboitiz Foundation, Inc.	Nationwide	31,500								
66. Bishop's Businessmen's Conference	Nationwide	30,000	See group to be assisted							
67. PBSP - Support Grant	Nationwide	30,000								
68. Population Center Foundation	Cebu	26,500		X						
69. Ramon Aboitiz Foundation, Inc.	Cebu	26,000 +								
70. Negros Econ. Dev. Foundation	Bacolod	25,000 x			X					
71. Ramon Aboitiz Foundation, Inc.	Nationwide	23,000						X	(Training PVO's)	
72. Jaime V. Ongpin Foundation	Bangladesh	15,563							X	
73. Saint Louis Univ-EISSEF	Baguio	12,000	Financial Mgmt. Trng for sub-grantees							

- + Depends on PVO's that attend USAID PVO meeting.
- ++ Annual USAID PVO/ECP Meeting - potential areas of impact are all
- \* Conduct FM seminars for USAID PVO's
- x Earthquake Rehab

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**Table B. APPLICATION OF CO-FI RESOURCES  
(PVO Grants)  
BY GROUPS TO BE ASSISTED**

NAME OF GRANTEE	LOCATION	AMOUNT (\$)	GROUPS TO BE ASSISTED					
			Youth	Ethnic Minorities	Women	Rural Poor	Urban Poor	
<b>A. UNDER CO-FINANCING II (492-0367)</b>								
1. Dev. of Peoples Fdn. (DPF II)	Davao del Norte	1,000,000				X		
2. Credit Union Nat'l Assn. (CUNA)	Nationwide	900,000				X	X	
3. Save the Children Federation	Metro Manila	262,623					X	
4. Ilaw International Center	Bohol	220,000				X		
5. Notre Dame Edu. Assn. (NDEA)	South Cotabato	200,000				X		
6. Jaime Ongpin Fdn.	Benquet	200,000				X		
7. SLU/EISSIF	Benquet	150,000				X		
8. Xavier Science Foundation	Mindanao	100,000		X				
<b>B. UNDER CO-FINANCING III (492-0419)</b>								
9. The Asia Foundation -Amendment in FY 1991	Nationwide	1,500,000 (1,000,000)		X		X	X	
10. Ramon Aboitiz Foundation, Inc.	Reg. VI, VII, VIII	1,200,000	Not specific-Instit'n Bldg. for RAFI & other PVOs by RAFI					
11. Phil. Business for Social Prog.	Nationwide	1,132,849						
12. Phil. Business for Social Prog. a) Hermana Fausta Dev Fdn	Nationwide	1,050,000				X		
	Lucena	(50,000)						
13. Kauswagan sa Timogang Mindanaw	Davao	1,000,000					X	
14. Dev. of Peoples Foundation (additional reservation)	Mindanao	959,121 105,000				X	X	

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NAME OF GRANTEE	LOCATION	AMOUNT (\$)	GROUPS TO BE ASSISTED				
			Youth	Ethnic Minorities	Women	Rural Poor	Urban Poor
15. Ramon Aboitiz Foundation, Inc.	Reg 7 & 10	620,000				X	
a) Silliman University	Negros Oriental	(95,238)					
b) Integrated Services for Live & Dev.	Bohol	(73,927)					
c) Mindanao Grassroots Dev Inst.	Cagayan de Oro	(34,151)					
d) Bol-anon Foundation, Inc.	Bohol	(30,738)					
e) Mutya Bayanihan Multi-Purp Coop	Bukidnon	(28,571)					
f) Prod.Upgrading for Grow in AgriSec	Cebu	(28,571)					
g) Dangpanan Livelihood Fdn.	Negros	(28,500)					
h) Tech.Outreach & Comm. Help	Cagayan de Oro	(28,082)					
i) Bukidnon United Non-GovtAgencies Fdn	Bukidnon	(23,850)					
j) Xavier Science Foundation	Cagayan de Oro	(23,809)					
k) Bohol fdn. for the Deaf	Bohol	(23,809)					
l) Mindanao Alliance of Self Help Soc	Cagayan de Oro	(22,857)					
m) Valencia Flower Growers Assn.	Negros Oriental	(18,807)					
16. Phil. Bus. For Soc. Prog. (PBSP)	Provinces	500,000					X
17. Phil. Center for Pop. and Dev.		500,000				X	
18. Andres Soriano Foundation	Surigao del Sur	500,000				X	
19. Kapwa Upliftment Foundation	Davao	482,000		X		X	
a) Medical Ambassadors Int'l	Jolo	(71,428)					
20. Ayala Foundation	Cot,Dav,Pampanga	432,685				X	
21. Mother Rosa Memorial Foundation	Pampanga,N.Ecija	417,852				X	
22. Fdn. for Educ.Evol. & Dev.(FEED)	Reg.III,IV,V	400,000				X	
a) Bicol Livelihood Foundation	Camarines Sur	(71,428)					
b) Agri.Managers & Servs. Fdn.	Nueva Ecija	(71,428)					
23. Notre Dame Educational Assn.	Gen.Santos/Cot	376,980		X	X		X
24. Tulay sa Pag-unlad, Inc.	Pamp.,Cag.de Oro	370,000					X
25. Pilipinas Shell Foundation	Camarines Sur	360,000				X	

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Application of Co-Fi Resources by Groups to be Visited, page 3

NAME OF GRANTEE	LOCATION	AMOUNT (\$)	GROUPS TO BE ASSISTED				
			Youth	Ethnic Minorities	Women	Rural Poor	Urban Poor
26. South Cotabato Foundation, Inc. (additional reservation)	South Cotabato	325,000				X	
		74,074				X	
27. Microlink Philippines, Inc. a) Marinduca Dev Foundation	Metro Manila	325,000				X	X
		(65,217)				X	
28. SERDEF a) Microlink b) Fdn.for Peoples' Livelihood & Welf.	NCR and Palawan	325,000				X	
		(125,000)					
		(100,000)					
29. Actuator for Socio-Econ.Prog. a) Innovative Ser.Spec.Dev.Inc.	Pangasinan	320,000				X	
	Oas/Ligao, Albay	(100,000)					
30. Xavier Science Foundation/EIL	Mindanao	310,000				X	
31. World Wildlife Fund	Nationwide	300,207				X	
32. Cooperative Housing Foundation	Neg.Occidental	300,000				X	
33. Population Center Foundation a) Holy Trinity Nursing College b) Aquinas University c) Iloilo Doctor's College	Reg. IV & V	300,000				X	X
	Palawan	(48,013)					
	Albay	(47,345)					
	Iloilo	(46,707)					
34. Medical Amb. of the Phil. (MAP)	Luzon, Mindanao	300,000		X		X	
35. Xavier Science Foundation, Inc. a) Maranao Upliftment Foundation b) Halandanan Tribal Datus Assn. c) Tribal Leaders Ass. d) Subanen Econ. & Educ. Dev. e) Pagadian Highlanders Fdn. f) Yakan Integrated Devt g) Salam Integrated Cooperative h) Kabuhian Foundation i) Halungon Tribes Assn. j) Dawa Foundation	Mindanao	280,000		X			
	Cagayan de Oro	(11,905)					
		(11,905)					
	South Cotabato	(11,905)					
		(11,905)					
		(11,905)					
	Basilan	(11,905)					
		(11,905)					
	Tawi-Tawi	(11,364)					
		(7,429)					

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Application of Co-Fi Resources by Groups to be Visited, page 4

NAME OF GRANTEE	LOCATION	AMOUNT (\$)	GROUPS TO BE ASSISTED				
			Youth	Ethnic Minorities	Women	Rural Poor	Urban Poor
36. Negros Econ. Dev. Fdn., Inc.	Negros	265,297				X	
37. Jaime V. Ongpin Foundation	Benguet	260,000				X	
38. Credit Union Natl Assn.	Nationwide	250,000					
39. Tulay sa Pag-unlad, Inc.	NCR, Iloilo, Bag.	250,000				X	X
40. Salesian Missions	Cebu, Neg. Oriental	250,000			X	X	X
a) Salesians of St. John Bosco		(126,932)					
b) Daughters of Mary Help of Christians	Dumaguete	(67,675)					
41. Lusok Projects, Inc.	Nueva Ecija	250,000				X	
42. Helen Keller International	NCR and Reg. VI	244,875				X	X
43. Intl. Exec. Services Corps (IESC)	Nationwide	224,000				X	X
44. Davao Independent Housing (additional reservation)	Davao	215,000					X
45. Save the Children Federation	B. Tanyag, Taguig	200,000			X		X
46. Asian-Arn Free Labor Inst (AAFLI)	Nationwide	200,000					X
47. Mercy Corps International	Iloilo	150,000		X			
48. Gerry Roxas Foundation	Capiz	150,000				X	X
49. Notre Dame Educ. Association	Cotabato	150,000			X		
50. The Andres Soriano Foundation, Inc.	Palawan	140,000					X
51. Amanat Foundation	Jolo, Sulu	125,000			X	X	
52. Feed My People International	Reg. V and NCR	114,159					X
53. Trickle Up Program Inc.	Silang, Cebu, Nav	100,000					X
54. Phil. Business for Social Prog.	Nationwide	96,000				X	X
55. Asian Institute of Management	Nationwide	93,200					

\* Potentially all; depends on which PVOs attend training.

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Application of Co-Fi Resources by Groups to be Visited, page 5

NAME OF GRANTEE	LOCATION	AMOUNT (\$)	GROUPS TO BE ASSISTED				
			Youth	Ethnic Minorities	Women	Rural Poor	Urban Poor
56. Tulay sa Pag-unlad, Inc.	Cebu	86,033					
57. Population Center Foundation		75,450				X	
58. Salesian Society	Cebu	68,000	X				
59. Kapwa Upliftment Foundation	Davao	56,000 **					
60. Negros Economic Development Fdn.		54,212		Not specific (see Area of Impact)			
61. Yakan Int. Resources Dev. Fdn.	Basilan	50,000				X	
62. Yakan Ministry Foundation, Inc.	Basilan	50,000					
63. Maguindanao Development Fdn.	South Cotabato	50,000		X			
64. Amanat Foundation	Sulu	50,000				X	
65. Ramon Aboitiz Foundation, Inc.	Nationwide	31,500				X	
66. Bishop's Businessmen's Conference	Nationwide	30,000	Business confer with labor/peace?				X
67. PBSP - Support Grant	Nationwide	30,000					
68. Population Center Foundation	Cebu	26,500				X	
69. Ramon Aboitiz Foundation, Inc.	Cebu	26,000 +					
70. Negros Econ. Dev. Foundation	Bacolod	25,000 x					
71. Ramon Aboitiz Foundation, Inc.	Nationwide	23,000	Not specific (Training PVOs to deal with Disasters)				
72. Jaime V. Ongpin Foundation	Bangladesh	15,563					
73. Saint Louis Univ-EISSEF	Baguio	12,000				X	

\*\* USAID PVO/ECD Grantees-Annual USAID Meeting

+ Project Development for USAID and other PVOs

x FM Seminars for USAID PVOs

**Table C. APPLICATION OF CO-FI RESOURCES  
(PVO Grants)  
BY SECTORS OF IMPACT**

NAME OF GRANTEE	LOCATION	AMOUNT (\$)	SECTORS OF IMPACT							
			Agric'l Fishing	Health/ Welfare	Micro En'prise	Union Org	Envi- ronment	Disaster Relief	Credit Finance	Housing
<b>A. UNDER CO-FINANCING II (492-0357)</b>										
1. Dev. of Peoples Fdn. (DPF II)	Davao del Norte	1,000,000		X	X					
2. Credit Union Nat'l Assn. (CUNA)	Nationwide	900,000							X	
3. Save the Children Federation	Metro Manila	262,623		X	X		X	X		
4. Ilaw International Center	Bohol	220,000	X				X			
5. Notre Dame Edu. Assn. (NDEA)	South Cotabato	200,000			X					
6. Jaime Ongpin Fdn.	Benquet	200,000	X						X	
7. SLU/EISSIF	Benquet	150,000			X				X	
8. Xavier Science Foundation	Mindanao	100,000	X	X	X					
<b>B. UNDER CO-FINANCING III (492-0419)</b>										
9. The Asia Foundation -Amendment in FY 1991	Nationwide	1,500,000 (1,000,000)	X	X			X			
10. Ramon Aboitiz Foundation, Inc.	Reg. VI, VII, VIII	1,200,000								
11. Phil. Business for Social Prog.	Nationwide	1,132,849	X					X	X	
12. Phil. Business for Social Prog. a) Hermana Fausta Dev Fdn	Nationwide Lucena	1,050,000 (50,000)			X					X
13. Kauswagan sa Timogang Mindanaw	Davao	1,000,000	X		X		X		X	
14. Dev. of Peoples Foundation (additional reservation)	Mindanao	959,121 105,000		X	X					

Application of Co-Fi Resources by Objectives, page 2

NAME OF GRANTEE	LOCATION	AMOUNT (\$)	OBJECTIVES					Communit Partic'ptn
			Increased Employment Income	Environ't Resource Management	Health/ Nutrition	Education/ Training 1/	Develop PVOs	
15. Ramon Aboitiz Foundation, Inc.	Reg 7 & 10	620,000	X			X	X	X
a) Silliman University	Negros Oriental	(95,238)						
b) Integrated Services for Live & Dev.	Bohol	(73,927)						
c) Mindanao Grassroots Dev Inst.	Cagayan de Oro	(34,151)						
d) Bol-anon Foundation, Inc.	Bohol	(30,738)						
e) Mutya Bayanihan Multi-Purp Coop	Bukidnon	(28,571)						
f) Prod.Upgrading for Grow in AgriSec	Cebu	(28,571)						
g) Dangpanan Livelihood Fdn.	Negros	(28,500)						
h) Tech.Outreach & Comm. Help	Cagayan de Oro	(28,082)						
i) Bukidnon United Non-Govt.Agencies Fdn	Bukidnon	(23,850)						
j) Xavier Science Foundation	Cagayan de Oro	(23,809)						
k) Bohol fdn. for the Deaf	Bohol	(23,809)						
l) Mindanao Alliance of Self Help Soc	Cagayan de Oro	(22,857)						
m) Valencia Flower Growers Assn.	Negros Oriental	(18,807)						
16. Phil. Bus. For Soc. Prog. (PBSP)	Provinces	500,000	X				X	
17. Phil. Center for Pop. and Dev.		500,000					X	X
18. Andres Soriano Foundation	Surigao del Sur	500,000	X			X		
19. Kapwa Upliftment Foundation	Davao	482,000			X			
a) Medical Ambassadors Int'l	Jolo	(71,428)						
20. Ayala Foundation	Cot,Dav,Pampanga	432,685	X				X	
21. Mother Rosa Memorial Foundation	Pampanga,N.Ecija	417,852	X				X	
22. Fdn. for Educ.Evol. & Dev.(FEED)	Reg.III,IV,V	400,000	X				X	
a) Bicol Livelihood Foundation	Camarines Sur	(71,428)						
b) Agri.Managers & Servs. Fdn.	Nueva Ecija	(71,428)						
23. Notre Dame Educational Assn.	Gen.Santos/Cot	376,980	X					X
24. Tulay sa Pag-unlad, Inc.	Pamp.,Cag.de Oro	370,000	X				X	
25. Pilipinas Shell Foundation	Camarines Sur	360,000				X		

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NAME OF GRANTEE	LOCATION	AMOUNT (\$)	OBJECTIVES					
			Increased Employment Income	Environ't Resource Management	Health/ Nutrition	Education/ Training _1/	Develop PVOs	Communit Partic'ptn
26. South Cotabato Foundation, Inc. (additional reservation)	South Cotabato	325,000 74,074	X				X	
27. Microlink Philippines, Inc. a) Marinducare Dev Foundation	Metro Manila	325,000 (65,217)	X					
28. SERDEF a) Microlink b) Fdn.for Peoples' Livelihood & Welf.	NCR and Palawan	325,000 (125,000) (100,000)	X			X		
29. Actuator for Socio-Econ.Prog. a) Innovative Ser.Spec.Dev.Inc.	Pangasinan Oas/Ligao, Albay	320,000 (100,000)						
30. Xavier Science Foundation/EIL	Mindanao	310,000	X				X	
31. World Wildlife Fund	Nationwide	300,207		X			X	
32. Cooperative Housing Foundation	Neg.Occidental	300,000	housing				X	
33. Population Center Foundation a) Holy Trinity Nursing College b) Aquinas University c) Iloilo Doctor's College	Reg. IV & V Palawan Albay Iloilo	300,000 (48,013) (47,345) (46,707)			X	X		
34. Medical Amb. of the Phil. (MAP)	Luzon, Mindanao	300,000			X	X		
35. Xavier Science Foundation, Inc. a) Maranao Upliftment Foundation b) Halandanan Tribal Datus Assn. c) Tribal Leaders Ass. d) Subanen Econ. & Educ. Dev. e) Pagadian Highlanders Fdn. f) Yakan Integrated Devt g) Salam Integrated Cooperative h) Kabuhian Foundation i) Halungon Hilltribes Assn. j) Dawa Foundation	Mindanao Cagayan de Oro  South Cotabato  Basilan  Tawi-Tawi	280,000 (11,905) (11,905) (11,905) (11,905) (11,905) (11,905) (11,905) (11,905) (11,364) (7,429)					x Minority	X

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NAME OF GRANTEE	LOCATION	AMOUNT (\$)	OBJECTIVES					
			Increased Employment Income	Environ't Resource Management	Health/Nutrition	Education/Training _1/	Develop PVOs	Communit Partic'ptn
36. Negros Econ. Dev. Fdn., Inc.	Negros	265,297	X				X	X
37. Jaime V. Ongpin Foundation	Benguet	260,000	X			X		X
38. Credit Union Natl Assn.	Nationwide	250,000					X	X
39. Tulay sa Pag-unlad, Inc.	NCR, Iloilo, Bag.	250,000	X				X	X
40. Salesian Missions	Cebu, Neg. Oriental	250,000	X			X		
a) Salesians of St. John Bosco		(126,932)						
b) Daughters of Mary Help of Christians	Dumaguete	(67,675)				X		
41. Lusok Projects, Inc.	Nueva Ecija	250,000	X		X		X	
42. Helen Keller International	NCR and Reg. VI	244,875			X		X	
43. Intl. Exec. Services Corps (IESC)	Nationwide	224,000	X			X		
44. Davao Independent Housing (additional reservation)	Davao	215,000		housing		X		
		100,000				X		
45. Save the Children Federation	B. Tanyag, Taguig	200,000	X		X			X
46. Asian-Am Free Labor Inst(AAFLI)	Nationwide	200,000				X		
47. Mercy Corps International	Iloilo	150,000	X			X		
48. Gerry Roxas Foundation	Capiz	150,000	X				X	
49. Notre Dame Educ. Association	Cotabato	150,000	X			X		X
50. The Andres Soriano Foundation, Inc.	Palawan	140,000			X	X		
51. Amanat Foundation	Jolo, Sulu	125,000	X		X		X	X
52. Feed My People International	Reg. V and NCR	114,159	X		X		X	X
53. Trickle Up Program Inc.	Silang, Cebu, Nav	100,000	X			X		
54. Phil. Business for Social Prog.	Nationwide	96,000					X	
55. Asian Institute of Management	Nationwide	93,200					X	
56. Tulay sa Pag-unlad, Inc.	Cebu	86,033 +					X	
57. Population Center Foundation		75,450					X	
58. Salesian Society	Cebu	68,000	X				X	
59. Kapwa Upliftment Foundation	Davao	56,000					X	
60. Negros Economic Development Fdn.		54,212					X	

+ USAID PVO Annual Meeting

NAME OF GRANTEE	LOCATION	AMOUNT (\$)	OBJECTIVES					
			Increased Employment Income	Environ't Resource Management	Health/Nutrition	Education/Training _1/	Develop PVOs	Communit Partic'ptn
61. Yakan Int.Resources Dev. Fdn.	Basilan	50,000	X				X	X coops
62. Yakan Ministry Foundation, Inc.	Basilan	50,000			X	X		
63. Maguindanao Development Fdn.	South Cotabato	50,000	X	X		X		X
64. Amanat Foundation	Sulu	50,000	X				X	X
65. Ramon Aboitiz Foundation, Inc.	Nationwide	31,500	X					
66. Bishop's Businessmen's Conference	Nationwide	30,000	X			x stretch		X
67. PBSP - Support Grant	Nationwide	30,000						
68. Population Center Foundation	Cebu	26,500				X		
69. Ramon Aboitiz Foundation, Inc.	Cebu	26,000					X	
70. Negros Econ. Dev. Foundation	Bacolod	25,000					X	
71. Ramon Aboitiz Foundation, Inc.	Nationwide	23,000					X	
72. Jaime V. Ongpin Foundation	Bangladesh	15,563						
73. Saint Louis Univ-EISSEF	Baguio	12,000					X	

TABLE/RP1

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# ANNEX E

### SUMMARY OF INFORMATION ON PVOs VISITED

<u>PVO Grantee</u>	<u>Project Areas</u>
Philippine Business for Social Progress (PBSP)	Community Organizing, Community Projects, Micro-Enterprise, Uplands Development and Rehabilitation, Training Center, Credit Management, Production, Social Services
Ramon Aboitiz Foundation Inc., (RAFI)	Training Center, Community Organizing, Community Projects, Micro-Enterprise, Social Services, Production, Post-Harvest Facilities, Credit Management
Development of Peoples Foundation (DPF)	Community Organizing, Production, Post-Harvest Facilities, Micro-enterprise, Health, Community Facilities, Training Center
Kauswagan Sa Timogang Mindanao Foundation, Inc.	Community Organizing, Community Projects, Micro-Enterprise, Community Facilities, Production, Post-Harvest Facilities
Tulay sa Pag-unlad, Inc. (TSPI)	Credit Management, Micro and Small Enterprise
Negros Economic Development Foundation (NEDF)	Community Organizing, Production, Post-Harvest Support, Credit Management, Micro and Small Enterprise

**South Cotabato  
Foundation, Inc.**

**Production, Agro-  
forestry, Post-  
Harvest Facilities,  
Credit Management,  
Community Organizing**

**Notre Dame Educational  
Association (NDEA)**

**Business Management  
Training, Business  
Development**

**Kapwa Upliftment  
Foundation**

**Agroforestry, Production,  
Soil/Water Conservation,  
Community Projects,  
Community Organizing,  
Minority Groups**

**Davao Independent  
Housing Foundation (DIHO)**

**Low Cost Housing,  
Credit Management**

**Cooperative Housing  
Foundation (CHF)**

**Low Cost Housing  
Credit Management**

# ANNEX F

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**LIST OF PEOPLE INTERVIEWED**

**USAID/PHILIPPINES**

**Office of Food for Peace and Voluntary Cooperation (OFFPVC)**

**Bryant George, Chief**  
**David Nelson, Deputy Chief**  
**Lisa Magno, Senior PVO Project Officer**  
**Monette Parado, PVO Project Officer**  
**Darlene Pridmore, PVO Specialist**  
**Monique Davis, PVO Specialist**  
**Virginia Basbas, Financial Analyst**  
**Ruth Siopongco, Financial Analyst**

**Office of Natural Resources, Agribusiness and  
Decentralization (ONRAD)**

**Harold Dickherber, Chief**  
**Decentralization and Local Development Division**

**Kevin A. Rushing, Agricultural Development  
Officer, Natural Resources Division**

**Office of Population, Health and Nutrition (OPHN)**

**Emmanuel Volugaropoulos, Chief**

**Office of Financial Management (OFM)**

**James Stanford, Controller**

**Private Enterprise Support Office (PESO)**

**Bruno Cornelio, Chief**  
**Monica Stein, Financial Management Officer**

**Contract Services Office (CSO)**

**Jose Ochoa, Contract Specialist**

**OTHER ORGANIZATIONS**

**Alalay sa Kaunlaran sa Gitnang Luzon, Inc. (ASKI)**

**Rolando Victoria, Executive Director**

**Alliance of Philippine Partners in Enterprise Development**

**Leah Genita, Executive Director**

**Genara Eduardte, Project Officer**

**Arcago, Inc.**

**Arthur M. Garcia, President**

**Business Research Center**

**Bro. Robert B. McGovern, Director**

**Chamber of Commerce, General Santos City**

**Donald R. Partridge, President**

**Davao Independent Housing Foundation, Inc. (DIHO)**

**Edgardo C. Baba, Project Manager**

**Cooperative Housing Foundation (CHF)**

**Bryan Winston, Resident Advisor**

**Kabalikat para sa Maunlad na Buhay, Inc. (KMBI)**

**Noel Alcalde, Executive Director**

**Kapwa Upliftment Foundation, Inc. (KUFU)**

**Alma Monica de la Paz, Program Consultant**

**Carlos Penera, Project Coordinator**

**Ronilo Bajenting, Tech. Staff - Training**

**Hagdan sa Pag-uswag Foundation, Inc. (HSPFI)**

**Yolanda Sareno, Executive Director**



**National Economic Development Foundation (NEDF)**

**Leonardo J. Gallardo, President  
Edwin Abanil, Executive Director  
Gloria Guillergan, Operations Manager  
Debbie Orozco, Finance Officer**

**Philippine Business for Social Progress (PBSP)**

**Ernesto D. Garilao, Executive Director  
Marcia Feria-Miranda, Group Director, Resource  
Development and Management  
Eugene Caccam, Jr., Manager, Social Development  
Management Institute**

**Ramon Aboitiz Foundation, Inc.**

**Leonardo V. Chiu, Director  
Program Development and Evaluation**

**Luis Misa, Director, Foundation Operations  
Dominica Chua, Director, Finance, Project Audit  
Office**

**Rangtay sa Pagrang-ay, Inc. (RSPI)**

**Faviola Bosman, President  
Reynaldo Suello, Executive Director**

**South Cotabato Foundation, Inc. (SCFI)**

**Rene D. Garrucho, Executive Director**

**Talete King Panyulung Kapampangan, Inc. (TPKI)**

**Nestor Esteban, Executive Director**

**Taytay sa Kauswagan, Inc. (TSKI)**

**Angel de Leon, Executive Director**

TS

**Tulay sa Pag-unlad, Inc. (TSPI)**

**Benjamin T. Montemayor, Executive Director**  
**Victor V. Zablan, Director, Resource**  
**Mobilization and Special Projects**  
**Office**

**Epimaco M. Densing, Jr., Director, Provincial      Networking Office**

**Gil V. Lacson, Director, Development Credit**  
**Operations**

**Urban Integrated Consultants, Inc. (UICI)**

**Helen F. Espinar, Vice President,**

**University of the Philippines Economic Foundation      (UP/ECON)**

**Ruperto P. Alonzo**



# ANNEX G

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