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Enterprise
in the Philippines:
A Strategic Approach
to Private Sector
Family Planning

The Enterprise
Program

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Foreword

This study represents the second in a series of five country studies published by the Enterprise Program. Countries have been selected on the basis of regional diversity, the variety of socioeconomic and contraceptive prevalence conditions, and the level of private sector development and Enterprise activity. Each country study attempts to offer a thoughtful analysis of the different strategic approaches used to developing private sector interventions in family planning.

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EXECUTIVE SUMMARY

The Philippines has had a strong family planning policy for over 20 years. Even before the advent of official government support, non-governmental organizations (NGOs) had made important inroads and received substantial donor funding for the delivery of family planning services. Thus, when Enterprise began its Philippine program in 1986, it could take advantage of prior local experience in designing its intervention strategy, build on past successes, and stimulate innovative approaches to private sector family planning.

The Enterprise Strategic Response to the Family Planning Environment of the Philippines

The Enterprise strategy has three components:

1. Support high visibility, workplace-based programs to stimulate "spin off" programs in other companies;
2. Work with umbrella NGOs to develop multiple workplace-based service delivery programs;
3. Improve the business and management skills of NGOs to increase institutional self-reliance.

This strategy was formulated as a direct response to five key characteristics of the Philippine family planning environment:

- a continuing population growth that threatens economic recovery;
- a decline in the public family planning program;
- the traditional leadership role of NGOs in family planning;
- a well-developed industrial sector;
- a national law which mandates in-plant family planning services.

The Enterprise Program in the Philippines

Enterprise developed five subprojects in the Philippines. Some of these expanded approaches that have worked well in the past within the local environment, while others represented significant innovations. Some worked with organizations already involved in family planning, while others enlisted the support of entities new to the family planning arena.

Two subprojects provided direct support to individual companies, Benguet Gold Operations and the Matling Industrial and Commercial Corporation, to upgrade and expand existing family planning/maternal and child health services and to initiate or extend outreach activities. Two

subprojects funded umbrella NGOs, the Population Center Foundation and the Personnel Management Association of the Philippines-Cebu Chapter, to stimulate the establishment of multiple workplace-based programs. The fifth subproject represented an investment in a new NGO consortium, the Philippine NGO Council, to increase the financial self-reliance of its members.

The Enterprise subproject portfolio as a whole is consistent with the government's call for increasing private sector participation and the promotion of self-reliance through community-based approaches to family planning.

Governmental instability, civil unrest, economic decline, increasing opposition from the Catholic Church, uncertainty about the future configuration of the public program, and interruptions in donor funding challenged subproject implementation. Nevertheless, through creative leadership and commitment to the concept of private sector family planning, the subprojects have been successful in pursuing their objectives. The linkage between companies and family planning NGOs has been strengthened. More companies are providing more and better services. NGOs are growing stronger, refining their skills, and promoting successful innovations in programming. There is growing awareness of the need for self-reliance, and creative income generation schemes are emerging.

Approaches developed by the subproject organizations have successfully attracted eligible couples, and contraceptive prevalence levels have increased in the populations served. Most important, the subprojects have contributed greatly to the body of knowledge about approaches to private sector family planning programs.

Lessons Learned:

Four of the five subprojects are still underway. Therefore, outcome and impact data are not yet available. Lessons learned to date are based primarily on process data and include:

- The Philippine environment is ideal for Enterprise-type assistance.
- Documentation of successful, economically viable programs in industry can persuade corporate management that family planning is a worthwhile investment; however, the economic incentive alone is not always sufficient to stimulate program initiation.
- Support by top management is essential for the establishment and sustainability of workplace-based programs.

- Plantation-type companies with resident workforces and more expensive benefit programs recognize the financial advantages of family planning programs more readily than other companies. They are the best candidates for high-visibility projects which can be implemented easily and generate results rapidly.
- The best spokespersons for the adoption of workplace-based programs are company representatives.
- Subproject designs for workplace-based programs require attention to technical sustainability, as well as financial sustainability.
- The concept of a partnership between umbrella NGOs and industry is sound. More experimentation with different types of NGOs is needed to determine which ones have the best prospects for success.
- NGO subproject designs must have a strong, sound financial self-reliance component to ensure long-term participation and sustainability.

I. THE ENTERPRISE STRATEGIC RESPONSE TO THE FAMILY PLANNING ENVIRONMENT OF THE PHILIPPINES

The first Enterprise visit to the Philippines in 1986 resulted in the development of a three-pronged strategy to increase the quality and availability of private sector family planning services:

1. Support high visibility, workplace-based programs to stimulate "spin off" programs in other companies;
2. Work with umbrella NGOs to develop multiple workplace-based service delivery programs;
3. Improve the business and management skills of NGOs to increase institutional self-reliance.

The Enterprise strategy received the endorsements of both the Population Commission (POPCOM), the Philippine government coordinating agency, and the U.S. Agency for International Development (USAID).

The government was calling for increasing private sector participation and the promotion of self-reliance through community-based approaches. Thus, the timing was excellent for Enterprise intervention. The strategy was formulated as a direct response to five key characteristics of the Philippine family planning environment.

Continuing Population Growth Threatens Economic Recovery

The Philippine population has increased by over 300 percent since the end of World War II, reaching 64.9 million in 1989. Estimates for population growth are 86 million by 2000 increasing to 121.1 million by 2010. With crude birth and death rates of 34 and 8 respectively, the rate of natural annual increase is 2.6 percent. This rate has undergone a gradual decrease from 3.06 percent (1948-1960) to 2.78 percent (1970-1975) to 2.71 percent (1975-1980).¹ Infant mortality is 53/1000, lower than most other countries in Southeast Asia, and the total fertility rate of 4.4 exceeds the average of 3.8 for Southeast Asia. There was an 11 percent decline in fertility from 1972 to 1977, following the introduction of the national family planning program.

¹ The Population Act targeted a reduction to 1.92 percent by 1993 and to replacement fertility by 2010. This would require a contraceptive prevalence rate of 50 percent by 1993. The 1983-1987 Development Plan called for a birth rate of 27.9/1000 by 1987.

POPCOM estimates married couples of reproductive age will increase from 6.5 million in 1984 to 8.1 million in 1993. Gains in contraceptive prevalence realized at the height of the population program have gradually eroded, and the Population Reference Bureau's 1989 World Population Data Sheet estimates that 44 percent of married women use contraceptives, but only 21 percent are using effective methods. This is somewhat more pessimistic than the estimates of 34-38 percent released by the Philippine government.

The nation will be hard pressed to maintain even current levels of welfare given population projections over the next two decades. Some experts estimate it will have to increase food production by about 40 percent, absorb 300,000 children into the school system each year, and provide jobs for 750,000 new workers annually.

Decline in the Public Family Planning Program

In 1967, President Marcos signed the U.N. declaration on population, and in 1969 he created POPCOM to "recommend policy, make program recommendations, and undertake research." The Commission had broad representation -- which included the Catholic Church -- and issued a statement within a year. After Marcos was re-elected, he proposed legislation to make family planning programs official government services and reconstituted POPCOM to implement them in 1971.

The program had four basic policies that still prevail today: non-coercion, integration, multi-agency collaboration, and the unacceptability of abortion. There were about 43 organizations active in family planning at the time. POPCOM was to fund and use existing programs of government and private organizations as vehicles for family planning information and services.

Thus, public-private partnership has always been part of the Philippine national strategy. POPCOM's major programs were:

- the Population Education Program, operated by the Ministry of Education;
- the Adolescent Fertility Program;
- the Family Planning Program to target married couples of reproductive age (MCRA);²
- the Manpower Development Program; and
- the Population Information Management and Dissemination Program.

In 1972, following the declaration of martial law, Marcos sponsored a much "tougher" Revised Population Act that emphasized **effective** means of fertility control. It was at this point that the

² By 1985, this program operated through 3,496 clinics, hospitals, and sterilization centers. In 1984, it claimed 628,000 new acceptors, of which 111,131 selected sterilization. Its total of almost 2.5 million acceptors resulted in a prevalence rate of 35.19 percent.

government began to recognize the economic consequences of uncontrolled population growth. POPCOM then began to encourage the promotion of sterilization, pills, and IUDs and set quotas for field workers. This move provoked the Catholic Church hierarchy, and religious opposition has been heavy ever since. Nevertheless, considerable gains were realized during the 1970s, when the program was most active. The president's wife took up the cause and became the leading advocate for family planning in the nation. She also fostered family planning NGO development.

The collapse of the economy and the public infrastructure in the early 1980s eroded many of the previous decade's fertility gains. In rural areas especially, supplies became scarce, and there were fewer personnel allocated to the family planning program. POPCOM's budget was sharply reduced, and the range of services diminished.

The change in government in 1987 resulted in what is viewed by many as a much less vigorous family planning policy. Given the new government's concerns for stability and economic recovery, family planning is a relatively low priority and receives much less visible support. Many observers believe that President Aquino is reluctant to confront an increasingly outspoken Church hierarchy, since the Church supported much of the anti-Marcos opposition that brought her to power. Regardless of cause, the first Aquino government policy paper issued in May 1987 focused more on a commitment to family-centered public health than on fertility reduction, and other public statements appeared to favor the Church viewpoint.

The new policy environment created obstacles to service delivery. Funding responsibilities were transferred from POPCOM, traditionally the center of the population program, to the Department of Health. Whereas POPCOM had a staff of 250 specialists in Manila and 35 more in each of the country's 12 regions, the Health Department has only 35 staff in its family planning section. POPCOM, which had planned ongoing services to 3.8 million couples and new services to 1.5 million, now has authority only for monitoring. The government was unable to spend half of its \$8.9 million budget for population control in 1987. Major donors are still waiting for a firm policy statement in order to reinstate large amounts of funding.

The Traditional Leadership Role of NGOs in Family Planning

The first family planning activists in the Philippines were Protestant missionaries who discreetly advocated smaller families in the 1920s. For many years, the effectiveness of these activities was limited by laws restricting the importation of contraceptives or related instructional materials. After World War II, the Mary Johnston Hospital in Manila, a Protestant institution, began to help motivators with clinic support and contraceptive supplies. In 1957, the Philippine Federation of Christian Churches (now the National Council of Churches in the Philippines) started a family planning clinic in Manila. The Family Planning Association of the Philippines (FPAP) was established in 1965. The Family Relations Center was set up in 1969 under Protestant auspices and received an International Planned Parenthood Federation (IPPF) grant to deliver family planning services. This later became the Planned Parenthood Movement (PPM) in the

Philippines. Under IPPF pressure, FPAP and PPM merged into the Family Planning Organization of the Philippines (FPOP). The 1960s saw a massive infusion of international family planning funds into the Philippines, strengthening these and other private organizations, and creating a powerful, vocal NGO constituency that remains strong today. In a primarily Catholic country, the government was content for some time to allow these private services to continue, as long as it did not have to make a public commitment and confront a conservative Catholic clergy.

A Well-Developed Industrial Sector

The industrial sector of the Philippines is among the most well-developed in Asia, although the political and economic turmoil of the early 1980s is still being felt. Rapid expansion resulted from government's conviction that industrialization was the preferred path to economic growth. A policy of import substitution was adopted, protecting industrialists from import competition by tariff walls, and interest rates were low.

Today, manufacturing contributes about 25 percent of the GNP compared to about 18 percent in 1967, and employs about 12 percent of the country's work force. There are a wide variety of local and multinational companies operating in the Philippines, some in "export zones" providing special incentives. A 1989 increase in the minimum wage law has had a tremendous effect on payroll expenses, and many employers fear sharp drops in profit. Per capita GNP in 1987 was \$590, compared to an average of \$680 in Southeast Asia. The unemployment rate generally runs at 5 to 7 percent.

National Law Mandates In-Plant Family Planning Services

Philippine law requires all companies with a work force greater than 200 to offer on-site family planning services. Until recently, this requirement has not been enforced. The Department of Labor and Employment (DOLE), responsible for monitoring compliance, is only now beginning a strong monitoring program. Many employers have traditionally disregarded the law,³ and more may join their ranks in light of the new minimum wage law and other adverse economic conditions.

³ A 1986 survey by the Population Center Foundation found that only 28 percent of 4,000 covered establishments in and adjacent to Metro Manila provided family planning information, and only 66 percent of those reported to DOLE and were entitled to free supplies.

II. THE ENTERPRISE PROGRAM IN THE PHILIPPINES

In looking at the Enterprise portfolio, it is essential to keep in mind the current Philippine environment. While some of the subprojects are well on track, the results of others are less encouraging at this time. Some of these shortfalls are attributable to changes in local conditions that are beyond the control of the subprojects themselves and could not have been anticipated during the planning stage.

Industry has been beset by severe economic problems that inhibit managers' commitment to the establishment of on-site family planning programs. The new minimum wage law is just one more in a series of economic setbacks. The strong and still growing Catholic resistance to family planning is reflected in the viewpoints of many corporate leaders who belong to Opus Dei, a conservative Catholic lay organization, limiting their willingness to establish family planning programs. This resistance also affects the programming and fundraising capabilities of many family planning NGOs. Most important, political instability has interrupted general daily life and, in some areas, made program service delivery difficult and dangerous.

This section describes the activities supported under the three components of the Enterprise strategy.⁴ The five institutions selected for assistance made an early commitment to the Enterprise approach. They are well positioned to disseminate results and influence the privatization of family planning services elsewhere in the Philippines.

Strategy Component #1: Support high visibility, workplace-based programs which can be implemented easily and generate results quickly in order to stimulate "spin off" programs in other companies.

Two workplace-based programs were established with direct Enterprise support to two important Philippine companies, Benguet Gold Operations (BGO) and Matling Industrial and Commercial Corporation (MICC). Although similar in design, the two subprojects were confronted with very different environmental conditions.

Benguet Gold Operations (BGO)

Setting:

The Benguet Corporation is the oldest Philippine mining company. Located in Baguio on Luzon, BGO produces 50 percent of the national gold output through five mine sites. At subproject start-up, the five communities together housed about 20,000 people, including over 5,000 employees and over 14,000 dependents.

⁴ See Appendix for data on contract period and funding level for each subproject.

BGO started offering family planning services in the early 1970s as part of the Community Health Services program of its Balatoc clinic at the main mine site. Accredited by POPCOM, it was eligible for government contraceptives and other supplies. At the time, camp facilities and company-run schools were extremely overcrowded. Forward-thinking company executives apparently recognized the potential economic benefits of providing family planning services and bore the program's full costs.

A recently completed cost-benefit study shows a 12 to 1 return on investment in family planning services between 1971 and 1986. Management is extremely pleased with this outcome. An organization with a strong interest in the welfare of its employees, BGO considers family planning services an integral part of its overall benefits package, and has been highly supportive of the program. Economic returns have strengthened the rationale for company-based family planning, making management even more comfortable with its investment.

Early Enterprise discussions with Benguet Corporation officials coincided with BGO's decision to strengthen its family planning program. The staff had shrunk; outreach services were less vigorous; most services were available only at Balatoc; and the Information, Education and Communication (IEC) component was weak. Thus, Enterprise support helped this company attain objectives it had already established.

Goals and Activities:

A baseline survey in December 1987 showed 4,292 MCRA, of which 1,482 were acceptors. Thus, the contraceptive prevalence rate was 34.5 percent, but almost half were using traditional ("non-program") methods. The goal of the subproject was to reinvigorate the family health services program, bringing the prevalence level to 70 percent. Activities included:

- staff retraining;
- recruitment of additional staff and deployment of motivators to the outer mine sites;
- improvement of physical facilities;
- development of a strong IEC component, with special emphasis on male motivation;
- performance of a cost-benefit study; and
- dissemination of results.

Constraints:

In contrast to the MICC subproject which is similar in design, implementation at BGO was relatively smooth. Although the financial position of both companies

has been adversely affected by the economic decline and by labor problems, Baguio has experienced virtually no civil unrest, and daily life has not been disturbed.

Achievements:

The increase in family planning staff from two nurses and one motivator to a total of eight has enabled the program to make the house-to-house visits required to attract and retain new acceptors, and the number of IUD insertions has risen as a result of nurse training. Specially tailored IEC materials were developed with PCF assistance and have been well received by target males. Physical facilities have been markedly upgraded, and the extension of services outside the Balatoc area makes the full range of services available to all five mining communities. Clinic staff and motivators report that the education component has in large part eliminated unfounded rumors and fears of side effects, and that eligible couples are beginning to recognize the health and economic benefits of smaller families.

Management has consistently been highly supportive of the program, even allowing time at safety meetings for "responsible parenthood" lectures and discussions. Staff enthusiasm is high, reinforced by the growing numbers of users of family planning and other health services. When an FPOP orientation course for 50 volunteer motivators was arranged, attendance was 100 percent.

By the end of October 1989, the program had enrolled 1,119 acceptors, and 257 clients were referred for voluntary surgical contraception (VSC). The subproject provided 668 couple years of protection (CYP), excluding the VSC referrals. At the end of the subproject, data from the tracking system showed an increase in prevalence from 34.5 percent to 52 percent. They also showed a cost-benefit ratio of 8.91 to 1 in 1988, and 8.08 to 1 in 1989.

At subproject start-up, BGO was a highly profitable concern. In the last year however, profitability has decreased dramatically because the world price of gold has dropped and because the ore currently being mined is much more difficult and expensive to process. A loss of P1,000,000 (about \$47,000) was reported in the first eight months of 1989, and there was a voluntary reduction of 825 workers in August. Nevertheless, BGO management is persuaded that family planning is an excellent investment and is continuing the program independent of Enterprise support.

In addition, BGO has launched a "company outreach" component, providing technical assistance to seven of its Benguet Consolidated Mines, Inc., sister companies in establishing workplace-based family planning programs. BGO representatives have also discussed the program at mining association meetings and shared their perceptions of its benefits with colleagues.

Matling Industrial and Commercial Corporation (MICC)

Setting:

MICC is a privately owned agricultural plantation in Lanao del Sur Province on Mindanao. At subproject start-up, operations were profitable. The work force was 1,341, and the plantation had a total population of 3,646, more than half of which is Christian. The population of the community, in which MICC is the largest employer, is about 40,000 and is primarily Muslim. The fertility rate in the province is 4.22, and contraceptive prevalence is 7 percent, far below the national average. MICC has traditionally supported the local communities, building and operating elementary schools off the plantation, providing technical and material assistance to 6,000 farmers, and offering health services to non-employees through its plantation hospital.

Prior to Enterprise support, the hospital rendered limited on-site family planning, maternal and child health, and nutrition services to employee families and local residents, but facilities and equipment were inadequate. POPCOM provided oral contraceptives, condoms, and IUDs, but no equipment or instruments. There were no audiovisual or print materials for IEC activities, and staff were untrained in methods or motivation/counseling techniques. There were no outreach programs.

Goals and Activities:

The goal of the MICC subproject was to expand and improve existing family planning, maternal and child health, and nutrition services, and to develop an active outreach program to three municipalities. Activities included:

- training staff and upgrading physical facilities;
- designing and delivering outreach services through midwives-motivators and local volunteers; and
- documenting and disseminating the company's experience.

The target was to enroll and provide services to 1200-1500 acceptors from the plantation and the three municipalities.

Constraints:

This subproject was challenged by a full range of potential environmental problems. Mindanao is the most unstable region of the country, home to a large number of insurgents. Severe security problems have limited outreach activities as well as visits by outsiders. The economic decline caused a work force retrenchment and reduced profits at MICC. POPCOM delays in certifying training

institutions in turn delayed training of project staff. Travel hazards disrupted the delivery of equipment and supplies. Crises within the company caused staff turnover at management and clinic levels.

In early 1989, Enterprise and MICC agreed to confine services to the clinic, stop outreach activities, and drop two of the catchment areas. This was a realistic response to existing constraints and did not change the general objectives of the project. Because of internal restructuring and the need to hire and train new staff, it was later agreed to extend the subproject by six months, at no additional cost.

Achievements:

Within this context, the subproject's achievements are impressive. The facility has been improved and well equipped, and staff have been trained. As of September 30, 1989, there were 770 new acceptors, representing 64 percent of the target, and 402 CYPs had been provided. MICC management made presentations to other local employers, and another area company is now sending its employees and spouses to the MICC clinic for family planning services. Despite its internal problems and declining profitability, the company remains committed to carrying out the program now that Enterprise support has ended.

Strategy Component #2: Work through umbrella NGOs to facilitate the development of multiple workplace-based service delivery programs.

Enterprise undertook the first of its umbrella NGO programs with the Population Center Foundation (PCF). The second undertaking with the Personnel Management Association (PMAP) of the Philippines represents a more innovative approach to developing multiple workplace-based service delivery programs, designated as "Responsible Parenthood" programs. These efforts combined have resulted in the initiation of workplace-based programs at 39 companies, as well as programs operated by a civic organization and a municipality that is home to many cottage industries.

Population Center Foundation (PCF)

Setting:

Established in 1972, PCF is one of the Philippines' most respected NGOs involved in family planning. Its institutional purpose is to increase the involvement of the private sector in solving the nation's population problems. In 1985, PCF began the Industry-Based Family Planning Project in 30 companies in Metro Manila. Project activities were geared toward increasing demand for family planning

information and services through volunteer motivators and an intensive IEC campaign. Within 18 months, 27 percent of the eligible workers at the companies -- or 2,844 people -- were enrolled in the program.

Goals and Activities:

The Enterprise subproject built directly on PCF's early efforts in workplace-based family planning, providing PCF an opportunity to expand its application of a strategy already proven successful in stimulating the development of new workplace-based programs, and to apply the lessons learned from the earlier experience. The general goal is to introduce sustainable family planning programs into 20 more industrial companies in Metro-Manila and adjacent provinces. PCF estimated that these companies would employ 10,000 workers of child-bearing age, and that about half of these workers would already be acceptors. Its objective was to enroll the other half or their spouses in the program. Activities include:

- upgrading company staff and facilities and facilitating approval by POPCOM;
- stimulating the development of in-plant motivators;
- conducting cost-benefit studies at each company;
- creating awareness among labor officials; and
- disseminating results.

PCF also plans to focus on enhancing its own staff capabilities through workshops and training in marketing, and to assist DOLE monitors through on-the-job training.

There are three major innovations in this Enterprise-funded second round of "Responsible Parenthood" programs. First, companies are now required to contribute about 20 percent of the recurrent costs during the second year and 75 percent during the third. The major purpose is to strengthen company commitment, not to generate income for PCF. Of the first 18 companies scheduled to make payments, 13 fulfilled their obligation on time. Second, there is greater emphasis on training and supporting clinic staff. The earlier program relied heavily on in-plant motivators, but it became clear that clinic personnel are the real contact points for in-depth information. Third, the program now has a union support strategy, as failure to generate union enthusiasm in the first round made institutionalization more difficult. In addition to these differences, the new programs provide funding for training (previously available from POPCOM) and for the purchase of small instruments and gloves. Twenty-one companies are enrolled in the program.

Constraints:

Recruitment of companies was much more difficult than anticipated. In fact, 110 companies were approached before sufficient participation was obtained. In addition, PCF accepted several companies with work forces of 600-800, though the original criterion was 1,000. Apparently the "easy" companies were already complying with the law while the economic decline, the growth of religious conservatism, and other conditions increased resistance at other companies. The delay in start-up reduced the number of program operating months and has implications for meeting the numerical acceptor targets established in the design.

Achievements:

Despite some delays, the program is now running well. Staff have been trained, facilities upgraded, and baseline studies have been completed. Union awareness programs have been conducted, and cost-benefit studies initiated. The baseline studies revealed much lower prevalence than anticipated, with only about 30 percent using effective methods, so in December 1988 PCF increased its target acceptor enrollment from 5,000 to 8,900.⁵ This was based on PCF's objective of enrolling all non-users. As of August 1989, the half-way point, there were about 3,900 acceptors, which is 35 percent of the new target and 78 percent of the original target. The CYP figure is about 2,550, excluding 62 VSC referrals.

Personnel Management Association of the Philippines (PMAP) - Cebu Chapter

Setting:

PMAP is a professional membership organization of corporate personnel managers with chapters throughout the country. The Cebu Chapter has 70 members. This represented its first major project. Cebu is the industrial hub of the central Philippines, with a population of 2.5 million and a fertility rate of 4.3. There are about 110,000 workers at over 17,000 registered companies, 130 of which have over 200 workers. One of the baseline studies conducted by the subproject at five participating companies showed an average prevalence rate of 32.2 percent, but almost half of the users reported practicing a traditional method.

⁵ It is interesting to note that PCF does not tell each company what its individual target is, whereas PMAP, with a similar program design, establishes targets in consultation with company representatives.

Goals and Activities:

This subproject represents a new and innovative approach to developing workplace-based programs. The goal is to test the viability and replicability of the model. The complex structure is as follows. PMAP-Cebu is the managing arm, using its members' access to companies to persuade management to introduce in-plant family planning programs. Once PMAP gets a company's commitment and secures a Memorandum of Agreement, the Cebu Chapter of FPOP (under subcontract to PMAP) assists clinic staff as necessary, providing training, and delivering motivational lectures to employees.

The design also calls for FPOP/Cebu to provide contraceptives and earn income through its social marketing in the target plants. Under this scheme, FPOP/Cebu provides supplies to the in-plant distributors, who then sell them, keep a commission, and return the remaining revenue to FPOP/Cebu. FPOP/Cebu expects to recover 10 percent of the costs of FPOP/Cebu staff assigned to the project in year one, and 40 percent in year two.

FPOP/Cebu believed that the monetary incentive was sufficient to persuade clinic staff to promote FPOP's products. PCF, also under subcontract to PMAP, assists this subproject by developing and producing Responsible Parenthood Program IEC materials and conducting special training for PMAP and DOLE. The University of San Carlos is another subcontractor, with responsibility for baseline studies at each participating company and overall subproject evaluation. As the subproject progressed, the University was unable to do the baseline studies, and the responsibility for their execution was transferred to the PMAP Coordinator. Finally, a local Price Waterhouse affiliate was brought on board for bookkeeping and financial auditing.

PMAP planned to stimulate the development of sustainable programs at 30 member companies with a total labor force of about 16,000. It was estimated that about 36 percent of the work force, or 5,760 people, were eligible married workers of reproductive age. PMAP sought to enroll over half of these or their spouses (3,080) as acceptors through the in-plant programs.

Constraints:

Like PCF, PMAP/Cebu found it much more difficult than expected to enroll local companies. PMAP attributes this difficulty to several factors. First, many of the local industries were in intensive collective bargaining negotiations during 1989. Personnel managers, key to this subproject's approach, had little time to devote to recruitment, and companies were concerned with what they considered much more important issues. Second, some of the local industries have extremely strong leftist unions that have other priorities for health and welfare programs; in some

companies, these unions have great influence over programmatic decisions. Third, PMAP and its Responsible Parenthood Committee discovered that some of the members themselves were less than enthusiastic about the program, either because of their religious views or because they felt unable to exercise influence within their companies. Finally, the increase in the local minimum wage imposed a significant new burden, especially on a number of smaller companies that had indicated prior interest in cooperating with PMAP.

Because of the relatively slow start-up and the fact that the first company was enrolled in May of 1989 and service delivery did not begin until July, it is unlikely that cost recovery objectives or the target acceptor number will be achieved. A further complication is that DOLE, dormant during the design stage, suddenly became active at enrolled companies and provided free contraceptives from UNFPA. In early 1990, DOLE agreed to refrain from these activities until the subproject ends.

Achievements:

The basic subproject design has been carried out. PMAP, through its membership, the Responsible Parenthood Committee, or the Coordinator, initiated contact with candidate companies, explained the program and its potential benefits, and negotiated Memoranda of Agreement. PMAP then conducted a baseline study of various statistics, including worker age distribution and length of service, income level and family status, knowledge of and attitude toward family planning, and prevalence rate. The results were shared with company officials and used to establish numerical acceptor targets. Company officials have responded positively to these presentations, finding the information valuable. FPOP also received a copy of each baseline study so it could plan its implementation strategy. FPOP representatives consulted with company managers, doctors, and nurses to develop additional information and then embarked on the IEC and training components prior to service delivery.

As of November 1989, over one year into the project, 18 companies had been recruited, out of a target of 30. Several of those who signed agreements with PMAP have deferred program initiation until 1990. In addition, PMAP has extended its program beyond formal companies to include one local "barangay," the smallest Philippine municipal unit, which is home to about 5,000 cottage workers who supply local industries, and to the Atlas 4-H Clubs. PMAP also decided to expand its market to non-member companies. The 20 institutions currently enrolled have a combined eligible population of 13,011.

Strategy Component #3: Improve the business and management skills of NGOs to increase institutional self-reliance.

Key NGOs receive training in strategies for self-reliance and are developing income generation programs through the Enterprise subproject with the Philippine NGO Council, a local umbrella organization. In contrast to the other four Enterprise activities in the Philippines, the PNGOC subproject focuses solely on developing the organizational capacities of NGOs involved in family planning rather than on service delivery.

Philippine NGO Council (PNGOC)

Setting:

PNGOC is a relatively new organization, currently composed of 18 NGOs involved in family planning, and expanding to include others. Each member organization pays dues. The council was formed to promote advocacy for family planning in general, strengthen the programs of its members, and ultimately provide seed funding to NGOs for the development of programs that will increase their self-reliance. Given the socio-religious climate of the Philippines, PNGOC is in a better position than individual NGOs to produce pamphlets, newspaper articles, and other publications that challenge the anti-family planning position of the Catholic Church.

Goals and Activities:

The goal of the subproject is to strengthen the management of Philippine NGOs and increase their self-reliance. Enterprise funding supported:

- a needs assessment to determine what kind of help the members required to achieve self-sustainability;
- development of a self-reliance training program, including an organizational assessment workshop, training on income generation, and seminars and short courses on income-generating enterprises; and
- staff training to enable the Secretariat's key personnel to provide assistance to the members.

The first organizational assessment workshop was devoted to identifying organizational strengths and emphasizing the need for income generation. In addition to PNGOC staff, outside speakers were invited from PCF and POPCOM. This was followed by a Staff Development Workshop attended by the Secretariat and the Executive Committee of the Board which resulted in a five-year plan for PNGOC. This plan called for PNGOC to assist its members in achieving at least 25 percent self-reliance from domestic sources by the end of the plan period. It also set goals for networking and for PNGOC's technical assistance program. A

decision to establish a trust fund for seed money was later reversed when funds became available through The Asia Foundation.

The second organizational assessment initiative was undertaken in a pre-workshop during which participants were introduced to the process with assistance from the Enterprise manual Assessing Your Organizational Assets. There was also a lecture on the Philippine business environment and a "business game" for hands-on experience in income generation. Participants were instructed to complete selected sections of the manual within two months and return to the workshop with an action plan.

The workshop itself focused on refining the action plan and developing funding strategies. In addition, there were special sessions on the application of tax laws to NGOs, the potential for NGOs to become involved in workplace-based programs, and identifying new funding sources. Follow-up technical assistance by PNGOC was then scheduled. PNGOC also conducted a seminar on self-reliance for its membership during the Second Annual PNGOC Annual Assembly.

Constraints:

This subproject has not been affected by any significant environmental constraints. However, as a new organization, PNGOC is faced with the need to establish credibility among its own members as well as the larger family planning community, and to build a cohesive, competent staff.

Achievements:

The PNGOC subproject is generally on track, and its activities are timely. Renewed international donor funding for family planning awaits clarification of the roles of POPCOM and the Department of Health; the resultant funding shortage is essentially forcing many of the NGOs into self-reliance or to face cutbacks in programs and staff. The best answer at present seems to be resource mobilization in the local communities in which the NGOs operate, and many have come up with promising schemes as a result of the PNGOC training activities.

For example, the PNGOC member Integrated Maternal and Child Care Services and Development, Inc., is interested in developing a pathology laboratory and has developed a specific plan, including area coverage, service spectrum, instruments and personnel required, projected numbers of beneficiaries, prices, profit and loss estimates, and potential sources of funding. Another member organization, Development Concepts, Inc., which sharply reduced its youth family planning program in Manila when its USAID funds terminated, is considering a cottage industry project to subsidize this activity. All of the participating NGOs now recognize the need for local income generation programs. However, most of them

have lacked the basic skills to design them; hence, PNGOC is meeting an important need in providing this kind of training.

III. MAJOR FINDINGS AND LESSONS LEARNED

The Enterprise experience in the Philippines has yielded a number of important lessons on private sector family planning programming. Because three of the subprojects are still not completed, most of the lessons learned to date relate to design, overall strategy, and process, rather than to impact and cost-effectiveness.

The Philippine environment is ideal for Enterprise-type assistance.

Despite current political instability and economic problems, the Philippines offers many opportunities for private sector family planning programs. The favorable conditions include:

- o a government policy which encourages private sector participation;
- o the traditional leadership of NGOs in family planning;
- o a history of collaboration between the government and NGOs;
- o a large and well-developed commercial sector;
- o the legal obligation of large employers to provide in-plant family planning services, and increasing enforcement of the law;
- o a temporarily weakened public sector, resulting in unserved users; and
- o existing working linkages between NGOs and the for-profit sector.

The documentation of successful, economically viable programs in industry can persuade corporate management that family planning is a worthwhile investment. However, the economic incentive alone is not always sufficient to stimulate program initiation.

The Philippine experience presents something of a paradox. On the one hand, there is clear evidence that the economic incentive -- money saved -- is the most persuasive factor in influencing the establishment of workplace-based family planning programs. On the other, proof that savings have resulted at other companies does not always influence executives to adopt such a program. For example, PCF amassed considerable cost-benefit data from its first set of 30 companies and used it in recruiting participants for its second generation (Enterprise-supported) program. Nevertheless, 110 companies had to be approached before 21 agreed to participate.

According to PCF, "personal connections" with corporate management are as important as evidence of financial benefits, and sometimes even more so. This conclusion is supported by PMAP, which reports that many corporate participants joined the program because of close relationships between members of the subproject staff and local industrialists. It may be that a critical mass of workplace-based programs initiated

through these contacts can influence other companies to follow suit on a purely rational basis, but this mass has not yet been achieved.

Support by top management is essential for the establishment and sustainability of workplace-based programs.

All four of the Philippine service delivery subprojects support this conclusion. BGO is continuing its program independently, despite severe financial problems and cutbacks across the board, because top management is solidly behind it. The same is true at MICC, where Enterprise support has also ended. PCF reports easier access and better prospects for sustainability when top management is committed to the activity from the start. PMAP has learned a similar lesson: by design, its access point is the personnel manager, but it is clear that nothing will happen until the program has top management support. Where the personnel manager is acknowledged as an influential member of top management, the PMAP approach works well. In cases where it does not, it appears that some personnel managers are no more effective as salespersons than outsiders, such as NGO staff in the PCF model.

Plantation-type companies with resident work forces and more expensive benefit programs recognize the financial advantages of family planning programs more readily than other companies. They are the best candidates for high-visibility projects which can be implemented easily and yield results quickly.

Both BGO and MICC provide a wide range of benefits to workers and their families, such as health, education, and housing. It is relatively easy to convince these employers that births averted will reduce their benefits burden, and that the program must be sustained. Companies operating in urban areas and often experiencing high turnover, such as those participating with PCF, and companies with a less paternalistic tradition, such as many participating with PMAP, do not recognize the benefits as readily. Therefore, they are harder to recruit, and prospects for sustainability are less promising.

The best spokespersons for the adoption of workplace-based programs are company representatives.

All four of the service delivery subprojects have a dissemination component. The objective is to use positive outcomes to "sell" other companies on family planning. The assumption is that these outcomes will influence program adoption. It is too early to draw firm conclusions as to which sales strategy works best, but there is growing evidence that it is the company-to-company approach. BGO has already advocated family planning programs among five local employers and is providing technical assistance to

those companies in program start-up. MICC has also begun to "market" its gains to other area employers. It seems that company representatives "speak the same language," and that their sales pitches are credible to their peers. This contrasts with the experience of PCF, which had a great deal of difficulty recruiting new companies using evidence of success from its first 30 workplace-based projects.

Subproject designs for workplace-based programs require attention to technical sustainability, as well as financial sustainability.

The BGO, MICC, and PCF subprojects have generated preliminary information about sustainability. All companies appear willing to make the financial commitment if the financial return is worthwhile, and the subproject designs incorporate mechanisms for this measurement. They are less explicit about defining and providing for long-term technical assistance requirements, such as IEC materials and continuing staff training. BGO and MICC have arranged to secure these services from other local providers. The future of the 21 companies participating with PCF is less clear. They say they need continuing technical assistance from PCF and are willing to pay for it, but PCF is apparently not interested in this kind of income generation opportunity and does not consider it part of the NGO's mandate. The PCF design did not address this point, and these programs are at risk until a mechanism for ongoing technical assistance is developed.

The concept of a partnership between umbrella NGOs and industry is sound. More experimentation with different types of NGOs is needed to determine which partnerships offer the best chance for success.

PCF is a well-respected family planning NGO with a track record in helping companies establish family planning programs. Nevertheless, it is experiencing increasing difficulty in recruiting new companies and recognizes the need to refine its corporate marketing strategy. The assumption in the PMAP subproject that personnel managers could easily influence the adoption of in-plant programs has not been borne out. In fact, PMAP was forced to go beyond its membership rolls to non-member companies, communities and civic clubs to attempt to meet its quota of enrollees. Since top executive support is essential for company recruitment, an umbrella NGO representing this level (such as an association of mining executives, manufacturers, or textile producers) might be more successful.

NGO subproject designs must have a strong, sound financial self-reliance component to ensure long-term participation and sustainability.

The PNGOC subproject has a strong self-reliance component, while the other two NGO efforts do not. There is nothing in the PCF design that reduces the organization's reliance on donor support, and despite Enterprise urging, PCF is resistant to generating income from the sale of its continuing services on a continuing basis to companies already enrolled or providing services to new companies without donor backing. Thus, its continued relationship with industry depends on outside grants. The PMAP subproject incorporates no mechanism for the continuation of program activities. It does contain an income generation scheme for FPOP involving the sale of FPOP products to participating companies. However, estimates of cost recovery were far too ambitious, and there was no qualitative research conducted to determine what clients would pay and what would motivate their selection of FPOP products. Better subproject designs could have strengthened the participating NGOs and improved their prospects for continuing collaboration with industry without donor support.

IV. LOOKING FORWARD

Enterprise has found in the Philippines an environment which presents a wide range of opportunities for private sector family planning. Yet it continues to face major challenges in the form of economic and political turmoil.

Despite these constraints, the Enterprise Program has been successful in sustaining and building on the cumulative efforts undertaken by local NGOs. The introduction of cost recovery mechanisms will enable these non-profits to reinforce their financial and institutional base. USAID has recently announced its willingness to fund the expansion of PNGOC's self-reliance training activities.

Innovative approaches applied by the Enterprise subprojects have made significant contributions to the national body of knowledge about private sector family planning. Finding that incentives to adopt family planning vary among different industries, Enterprise has fostered different approaches and partnerships to convince company decision-makers. Wherever appropriate, Enterprise has invoked the "multiplier effect" to generate new company-based programs. USAID has agreed to further these efforts by funding the expansion of PCF's workplace-based family planning in 90 companies. Since a number of companies have requested continued assistance from PCF, USAID is requiring that services under this follow-on project be delivered on a fee basis to reduce the NGO's reliance on donor funds and to sustain continued project activity with industry. PMAP will offer personnel managers and clinic staff training on the integration of family planning services in company clinic activities.

The Enterprise experience in the Philippines has begun to create the critical mass necessary to expand private sector participation in family planning. From executives at mining companies and plantations, to representatives of NGOs and trade associations, the message remains the same: to sustain program activity, these "graduate" Enterprise subproject partners will continue to commit resources to family planning.

Given the success of these Enterprise efforts and the weakness of public programs, the private sector can assume a leadership role in the expansion of family planning service delivery in the Philippines.

**APPENDIX
SUBPROJECT SUMMARY**

Subproject Partner	Target # Acceptors	Contract Dates	FUNDING CONTRIBUTION (IN U.S. \$)			
			Enterprise Program	% of total	Partner	% of total
MICC	1,200-1,500	9/87 - 10/89 ¹	62,000	67	30,180	33
BGO	1,524	1/87 - 12/89	91,226	38	146,382 ²	62
PCF	5,000 ³	9/87 - 8/90	161,000	53	141,820 ⁴	47
PMAP	3,080	10/88 - 9/90	83,186	38	136,994 ⁵	62
PNGOC	N/A	10/88 - 9/90	50,000	100	N/A	

¹ Extended to March 1990.

² BGO's planned contribution was \$78,673, but the company readily increased it by over 100% when renovation costs exceeded the estimated budget.

³ Increased to 8,900 after baseline data was collected indicating lower baseline CPR.

⁴ Including PCF and the participating companies.

⁵ Including PMA, FPOP, and the participating companies.