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ENHANCING PROJECT
BENEFICIARY PARTICIPATION

By Napoleon Gabriel Y. Navarro
and
Karel S. San Juan

Submitted to:

Mondragon Foundation, Inc.
and the
United States Agency for International Development
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ENHANCING PROJECT BENEFICIARY PARTICIPATION

I.0. INTRODUCTION

Project Beneficiary (PB) participation has always been a major concern of people's organizations, nongovernmental organizations (NGOs), government agencies, and donors. For the US Agency for International Development (USAID), through the Office of Governance and Participation (OGP), this concern assumes greater importance, given its mission to undertake "democratic strengthening activities that enhance strong beneficiary participation in such areas as advocacy, economic empowerment, and improved access to justice through collaborative NGO self-governing mechanisms." This research project aimed at strengthening this mandate. Specifically, this research project had three objectives:

- To analyze the extent of the involvement and participation of beneficiaries under projects or grants funded by the USAID;
- To develop options for enhancing beneficiary participation in USAID-funded projects;
- To establish benchmarks for measuring the progress of citizen participation efforts in the various stages of project development and implementation.

Towards these ends, a multidisciplinary team was formed, with researchers coming from the fields of development studies, development management, sociology, and economics. The team also included practitioners from the NGO sector. From lists given by OGP-USAID, six projects were then chosen on the basis of geographic location and project type. A summary of the projects examined are given in **Table 1**, on the following page.

All projects were undertaken by NGOs with grants from USAID-OGP. As shown in **Table 1**, it was ensured that the six case studies would have two projects, from each of the major island groups, i.e. Luzon, Visayas, and Mindanao. The projects were also chosen to ensure that a broad spectrum of different project types would be represented. The case studies included, for Luzon, a **primary health care project** for ethnic communities and a **resettlement project** for displaced lahar victims; for the Visayas, an **integrated area development project** and a **post-harvest facility project**; and for Mindanao, a **reforestation project** and a **social credit and marketing project**.

The earliest project began in 1988. The latest, in 1991. By the time of field visits, of the six projects, three had already been completed. Two were still ongoing, but were already 2-3 years into implementation. One was a three-year old project that had been extended. Project costs ranged from a low of P240,000 to a high of an estimated P 131.8 million.

In terms of project beneficiaries, the projects varied considerably. Of the six projects, only the social credit and marketing project had urban low-income households as their primary beneficiary. The primary health care project and the reforestation project had PBs that could be classified as upland communities. The remaining projects had PBs which could be classified as rural households, either as fisherfolk or as small or landless farm households.

These projects were examined from the perspective of PB participation. Field visits were made and team members stayed for at least one week. The sources of information were interviews of key informants and primary project documents. Key informants included PBs, community leaders, project managers and officers, community organizers, and NGO leaders.

This paper discusses the results of these field visits. The paper is divided into six sections. *Section 2* discusses the mechanisms for PB participation, drawing lessons from the different case studies. Abstracting from the case studies, *Section 2* also presents the different options available to an NGO wanting to increase PB participation. *Section 3* discusses how an NGO might visualize the extent of PB participation in a project, through the use of a participation map. *Section 4* discusses the factors which affect the extent of PB participation. *Section 5* applies the perspectives given in Sections 3 and 4 for a specific project, through the use of Force Field Analysis. The *last section* summarizes the entire discussion, draws implications for PB participation, and indicates possible areas for future research.

As a synthesis paper, crucial details and the nuances about specific projects have been purposely left out for the sake of drawing generalizations. As such, readers are encouraged to read the actual case studies, included as a appendices to this paper.

2.0. AREAS FOR PARTICIPATION IN THE PROJECT CYCLE

How might PBs participate in the project cycle? Abstracting from the case studies, these mechanism for PB participation can be classified as (1) those common to all project types and (2) those specific to a project type. While not an exhaustive list, **Table 2** summarizes the different ways through which PB participation might occur in the project cycle, regardless of the project. **Table 3** lists those activities which are specific to project types.

TABLE 2 : PB PARTICIPATION IN THE PROJECT CYCLE

I Design & Preparation	II Implementation/Operation	III Completion & Sustainability
<ul style="list-style-type: none"> • Site selection • Participant selection • Conduct of baseline survey 	<ul style="list-style-type: none"> • Delivery of services • Resource mobilization (funds, labor, logistics) 	<ul style="list-style-type: none"> • Post-project evaluation and planning • Replication

<ul style="list-style-type: none"> • Feasibility analysis • Social preparation of the PB (e.g. community organizing, training) • Planning project implementation : objectives, budgets, programming of tasks and activities, division of tasks and responsibilities, schedule and mode of payment, etc. • Project redesign and replanning 	<ul style="list-style-type: none"> • Operation and maintenance of facilities • Contribution of counterpart • Supervision and control • Monitoring and operational evaluation • Cost recovery 	<ul style="list-style-type: none"> • Diversification • Development of Innovations • Expansion • Integration and networking with other sectors, communities, and organizations
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Column I in *Table 3* discusses the different ways by which PB participation might occur at the design and preparation stage. PB participation at the design stage aim at instilling a sense of “ownership” among the PBs and to ensure project design conform with local conditions. These activities might range from site and participant selection to the actual setting of project goals and objectives, tasking etc. PBs might also participate in the social preparation activities. Column II, on the other hand, discusses how PB participation might take place at implementation/operation stage. These activities might include PB participation in the delivery of services and the operation and maintenance of facilities; via resource mobilization, through counterpart contribution and cost recovery efforts; and finally through project management, by being given a degree of supervision and control.

TABLE 3 : OPTIONS FOR PB PARTICIPATION IN THE PROJECT CYCLE BY PROJECT TYPE

Design & Preparation	Implementation/Operations	Completion & Sustainability
Primary Health Care		
<ul style="list-style-type: none"> • Formation of Barangay Health Committees • Selection and training of Barangay Health Workers • Choice of clinic site • Integration of indigenous practices 	<ul style="list-style-type: none"> • Establishment of <i>Botika sa Barangay</i> and Barangay Health Stations • Promotion and service delivery of curative, preventive, and promotive health care 	<ul style="list-style-type: none"> • Endorsement of project to DOH (for authorization of health workers) and LGUs (for sustainable logistical and moral support)
Resettlement		
<ul style="list-style-type: none"> • Design of Houses • Sourcing of construction materials • Identification of livelihood opportunities 	<ul style="list-style-type: none"> • Screening of PB • Construction of houses 	<ul style="list-style-type: none"> • Networking and integration with non-settler communities • Development and expansion of homeowners

		association
<i>Infrastructure and Marketing</i>		
<ul style="list-style-type: none"> • Design of facilities • Choice of markets and marketing strategies 	<ul style="list-style-type: none"> • Construction of facilities • Capacity-maximization of facilities 	<ul style="list-style-type: none"> • Acquisition of new facilities • Diversification of services
<i>Integrated Area Development</i>		
<ul style="list-style-type: none"> • Design of area-specific interventions (e.g. livelihood, health, agroforestry, etc.) 	<ul style="list-style-type: none"> • Integration of different project components at area level • Linkages with LGUs 	<ul style="list-style-type: none"> • Transformation of associations into cooperatives
<i>Social Credit</i>		
<ul style="list-style-type: none"> • Design of credit schemes • Formation & preparation of peer groups • identification of livelihood opportunities 	<ul style="list-style-type: none"> • Ensuring loan repayment • Management of livelihood projects 	<ul style="list-style-type: none"> • Extension and diversification of credit programs • Facilitating integration with mainstream financial institutions
<i>Reforestation</i>		
<ul style="list-style-type: none"> • Choice of species, technologies, livelihood projects 	<ul style="list-style-type: none"> • site preparation • seedling production • planting • establishment of nurseries • Coordination with DENR to secure tenure 	<ul style="list-style-type: none"> • transformation of associations into coops

Column III lists activities in which participation can occur after project completion in order to achieve post-intervention sustainability (or PINS, for short). PINS might be facilitated by allowing the PBs to undertake post-project evaluation and planning, including diversification, expansion, and innovation efforts. PBs might also enhance PINS by actually undertaking networking and integration with other sectors, communities, and organizations. Options for PB participation in the project cycle can also be classified in terms of project type, as shown in *Table 3*. Again, this list is meant to be indicative, rather than exhaustive.

If there is anything striking about the case studies, it would be this: in all projects visited, there were always attempts at generating PB participation, at various stages of the project cycle, from design and preparation, to implementation, and to project completion and evaluation. Towards this end, it might be more instructive to examine two projects, the reforestation project and the integrated area development project, as shown in *Box Nos. 1 and 2*. Both projects chosen had been rated as successful, in terms of project performance, by the NGOs, USAID, the PBs, and by the researchers themselves. Both projects had been undertaken by corporate NGOs. Moreover, while concentrated at different stages of the project cycle, both projects had provisions for PB participation.

Box No. 1: The Reforestation Project

The reforestation project began in 1988 and was completed in 1991. The proponents, NGO "B" was a corporate foundation, whose plantation lay at the foot of Mt. M. While a forest reserve, some 1,000 hectares of forest on Mt. M had already been denuded, and government efforts had limited impact. Being a watershed area for three major rivers, the continued degradation of the mountain threatened the fresh water supply of nearby municipalities, including the plantation.

Project Objectives. Specifically, the project aimed

- to organize 325 forest dweller households around the integrated social forestry (ISF) principles of the Department of Environment and Natural Resources (DENR);
- to reforest 1,000 hectares of denuded portions of the mountain;
- to train the beneficiaries in sound hillside farming technology;
- to award individual stewardship titles to 1,000 hectares of land;
- to establish four nurseries;

Project Outcomes. The project was successful from two different perspectives, that of the NGO and that of the PBs. From the NGO side, the project had clearly exceeded all targets, in terms of number of hectares reforested, the number of beneficiaries, the number of nurseries built, and the creation of livelihood sources. Not to mention the palpable goodwill generated by the NGO among the PB communities. As far as the PBs were concerned the project was successful in improving the quality of their immediate environment: diminished soil erosion, increased volume of water from springs and streams, and the cooling of the climate.

PB participation. PB participation in the reforestation project was concentrated in project implementation and completion stages, and was facilitated by the formation of cooperatives and monetary remuneration. These activities included: seedling production, site preparation, planting, fund management, and monitoring and evaluation. If the PBs participated in the design and preparation stage, it was in the formulation of implementation plans: farm plans, seedling production, and monitoring. Local indigenous knowledge and skills was not at the core of the reforestation project. The choice of species was largely left to DENR.

Box No. 2 : An Integrated Area Development Project in Cebu Province (From Initiator to Facilitator)

The integrated area development project in Cebu province was first conceived in 1989. The grant agreement between USAID and NGO "R" was signed in July 1990. As in the reforestation project, the NGO "R" was a corporate foundation with long-standing links with the province.

Project Objectives. As an IAD, the project had multiple objectives, spanning community organizing and capability building, networking and linkaging, policy studies and advocacy, primary health care and potable water assistance, reforestation and agroforestry, and credit assistance and income generating projects. Its overall purpose of the IAD, however was clear: to initiate conservation and rehabilitation measures to prevent environmental degradation and to improve the socio-economic conditions in the province". The project covered a total of 52 barangays, which were distributed over 48 municipalities and four cities in the province.

Operationally, the project called for the formation of community-based organizations (CBOs) with the resources to (a) design, plan, implement and evaluate community-based development programs [i.e. CBDPs]; (2) develop linkages with external resource agencies for

partnership and assistance; (3) implement internal management and coordination systems in their communities”.

Project Outcomes. In discussing project outcomes, it is critical to distinguish two phases in the project life: IAD I and IAD II. The IAD I would roughly cover the first three years of the project life, from 1990-1993. During that period, the IAD was unable to meet targets set under the plan in the areas of credit assistance, tree planting, and primary health care. The variance was so serious that the NGO sought for an extension. In turn, the USAID sent a redesign team to investigate the matter. The team believed that the problem was rooted in the tendency for quantitative targets to take precedence over the community organizing process. Qualitative targets for the community organizing process were to be established alongside the quantitative ones.

The end result was IAD II, which redefined 'to act as a resource management institution that would enable communities to identify, design, implement, evaluate, and sustain self-reliant efforts in responding to their needs'. Specifically, this meant the initiation of 'environment protection and conservation activities through community-based resource management practices in barangay project sites; introduce appropriate development programs that would respond to the identified needs of the communities and to improve their standard of living'. The project underwent a dramatic turnaround, with actual (both qualitative and quantitative) accomplishments exceeding targets sets under IAD II.

PB Participation. Under IAD I, PB participation was concentrated in project implementation. Project design and preparation was done primarily by the NGO. Planning was conducted at the upper levels of management. The formation of CBO was seen as an instrument for the implementation of the different project components (i.e. as working committees).

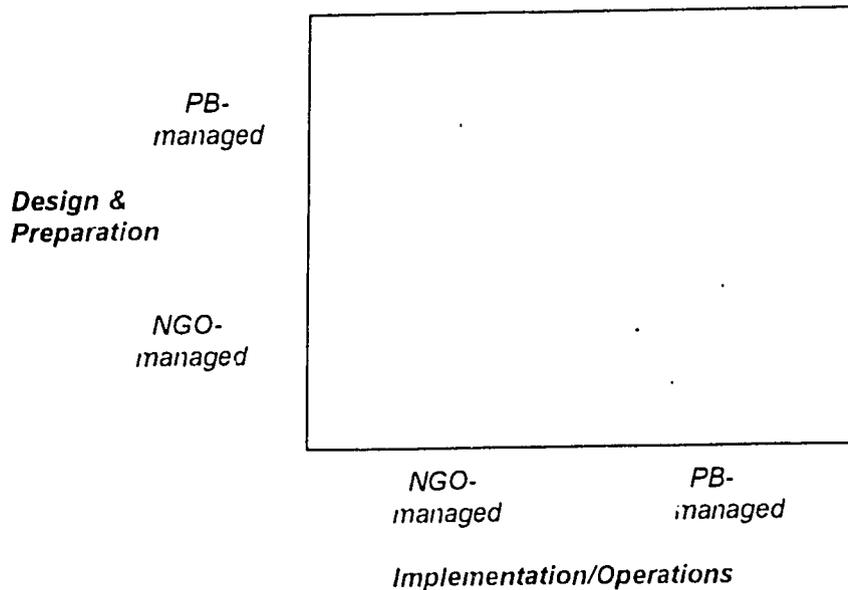
Under IAD II, PB participation took another dimension. PBs were given an opportunity to participate in project design and preparation by allowing the CBOs to formulate community-based development plans (CBDPs). CBOs became an essential part of the collective choice process. In the case of a specific barangay project site, PB participation was also quite extensive at the implementation stage, as discussed in the accompanying case study.

Indeed, these projects show that there is a lot of room for PB participation within the project cycle. Given this wide latitude, how can we then measure the extent of PB participation?

3.0. MAPPING THE EXTENT OF PB PARTICIPATION

One way of visualizing the extent of PB participation is to see it within a "participation map". A participation map can be constructed by choosing any two of the three basic stages of the cycle, such as shown below, in **Figure 1**. In **Figure 1**, the two dimensions chosen were design and preparation, and project implementation. Another participation map can be constructed using implementation and post-project activities as its dimensions.

Figure 1 : A Participation Map



In each side of the map, markers are added, indicating whether that stage of the project cycle was managed by the NGO (i.e. 'NGO managed') or by the PBs ('PB managed'). And if there should be any dividing line, it might be on **who makes the decisions**, i.e. strategic decisions and the operational decisions, and **who has the resources to enforce these decisions**.

- **Strategic decisions** are decisions which affect the design of the project, including the project redesign. **Operational decisions** would include decisions affecting the day-to-day operations of project implementation. PB participation in strategic and operational decisions assume the existence and PB use of 'voice' mechanisms, within the project structure or within the community.
- **Resources** would not only include financial resources but technical and technological competencies as well. On the part of the PBs, especially when community-based, it would include the amount of **social and institutional capital**, but this will be discussed later.

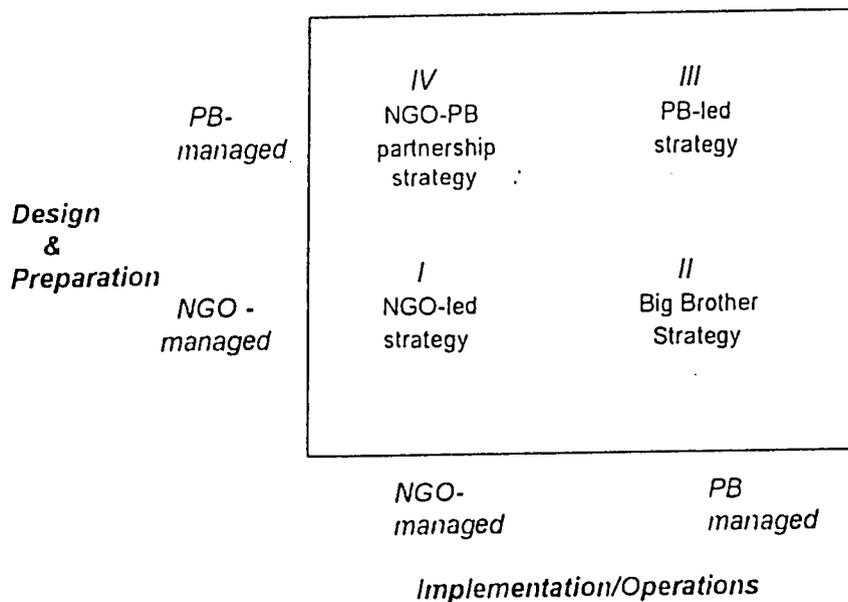
As shown in **Figure 2**, the participation map can be analyzed into four regions, namely regions I, II, III, and IV. The participation map can also be used to highlight four broad types of 'participation strategies', i.e. the general approach towards PB participation.

- In *region I*, project design and implementation are basically NGO-managed. PB participation is focused on providing 'inputs' -- e.g. resource contributions, technical inputs, information about local conditions, etc. -- into what is essentially NGO-

managed decision-making process. Projects whose PB participation strategy falls within *region I*, can be said to be following an “NGO-led” participation strategy.

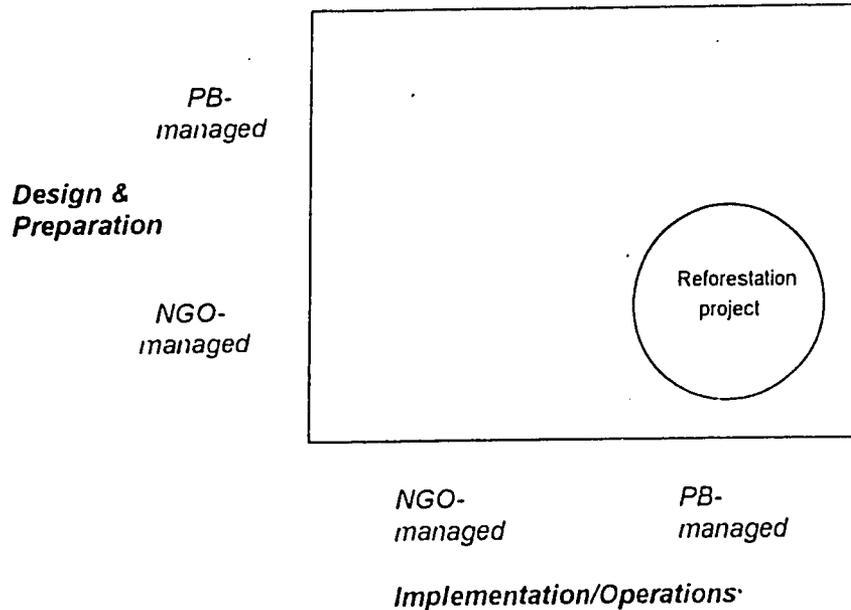
- In *region II*, while strategic decisions are with the NGO, operational decisions are made by the PBs themselves. Other than inputs, PB participation would include a degree of supervision and administrative control at the project level. *Region II* also implies that the PBs have the resources (i.e. technical and financial) to undertake these operational decisions. Projects with strategies falling under *region II* can be said to be following a “Big Brother” participation strategy.
- In *region III*, strategic decisions and operational decisions are made by PBs, who have the resources to do so. PB participation in *region III* is facilitated by PB control of decision-making mechanisms, at the strategic and operational levels. PB inputs are channeled to PB controlled decision-making mechanisms. NGOs participate through the provision of technical support. Projects whose strategies fall in this region, can be said to be pursuing “PB-led” or “community-led” participation strategies.
- In *region IV*, while strategic decisions are made by the PBs, the implementation is NGO-managed. While NGOs might be playing a supervisory role at the project level, project design (and redesign) is the product of PB controlled decision-making process. Projects with strategies falling under this region can be said to be pursuing a “NGO-PB Partnership” participation strategy.

Figure 2 : The Regions and the Different PB Participation Strategies within the Participation Map



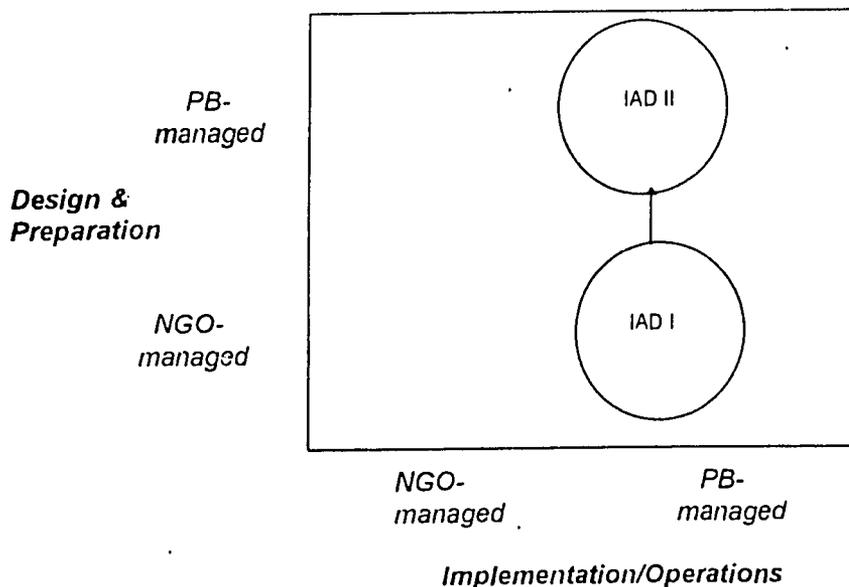
Applying the participation map to the reforestation project, it can be seen that the project was essentially pursuing a Big Brother participation strategy, as illustrated by **Figure 3**. While design and preparation was NGO-managed, implementation was not.

Figure 3 : The Reforestation Project



In the case of the IAD, on the other hand, a shift of strategies was observed. From what began as a Big Brother strategy, then IAD shifted to a hybrid between the NGO-PB partnership and the PB-led strategies, as shown in **Figure 4**.

Figure 4 : From IAD I to IAD II ("Shifting-Gears from Initiator to Facilitator")



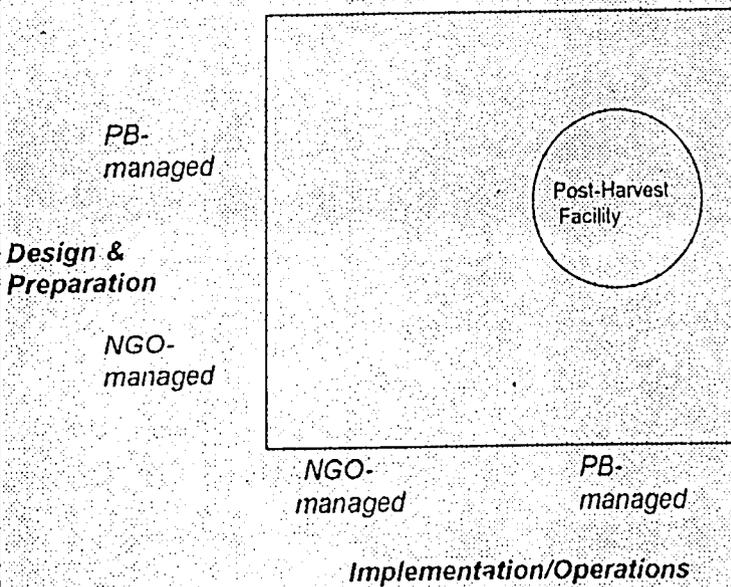
If anything, what these two examples illustrate is that project success, in terms of output and targets, cannot be associated with the pursuit of a single participation strategy. Both projects began with Big Brother strategies. But while the reforestation project managed to exceed its targets, the IAD required a change in participation strategy. For that matter, project failures cannot be associated with a single participation strategy either, as discussed in **Box No.3**.

Box No. 3 : PB Participation is not a Panacea

Participation is not a panacea, as Cohen and Uphoff (1980) once said. Creating mechanisms for PB participation is no guarantee of success. Moreover, there is no single PB participation strategy capable of insuring against project failure. Take the example of the Negros Occidental post-harvest facilities project and the Davao City social credit project, which were unable to meet major performance targets.

In the Negros Occidental case, the post-harvest facilities consisted of a rice mill and a solar drier owned and operated by a farmers' cooperative. As a form of forward integration, the project was reportedly one of the first of its kind, in the country, even antedating the efforts of the Land Bank of the Philippines. To finance the project, the project proponents sought the support of a Bacolod-based NGO "N", which was in turn able to source the needed funds from USAID.

While the NGO continued to provide the farmers' coop with technical assistance, the post-harvest facilities were effectively managed by the farmers themselves. In terms of the participation map, this meant that the project had pursued what came close to being a PB-led participation strategy, with the NGO playing a support role, as shown below.



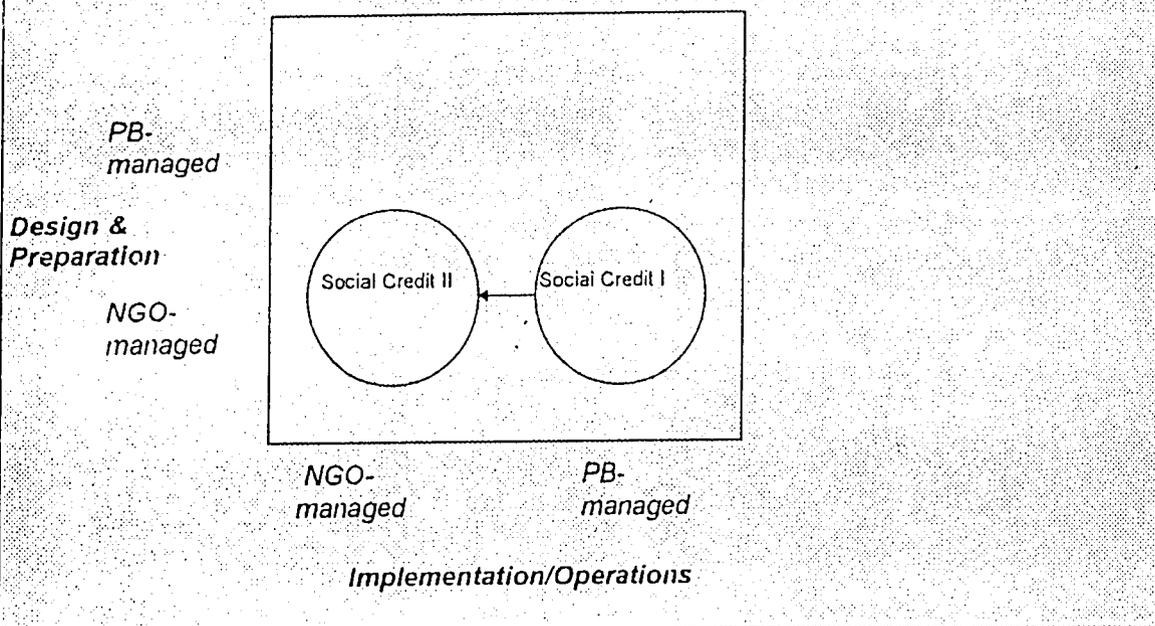
Unfortunately, the proponents lacked the technical and managerial competencies demanded by a PB-led project strategy like this. Due to this type of PB strategy, the role of the NGO in building the capabilities of the beneficiaries was not maximized.

In the case of the Davao City social credit project, the credit program was the brainchild of the sub-grantee NGO "K". While the final project document was written up by the NGO, consultation meetings were held with community members of some 10 barangays. The credit program intended to use peer-monitoring groups and centers, patterned after the Grameen Bank. The system worked well during the first 3-month cycle. Centers with the highest repayment rates were given recognition.

Problems began soon after the NGO moved its offices away from the project area, to a suburb of Davao City. Repayment rates started declining. The NGO responded by abandoning the peer-monitoring group system, and started relying on its own staff to undertake collection efforts. The efforts were futile and repayment rates slid even further.

When some PBs were queried why they had allowed repayments to the NGO to slip (while dutifully servicing their debt to loan sharks), their reply was: "*hindi kasi mahigpit*" (not strict enough). When the collectors were asked about the difficulties faced, they said that the area covered was simply too large to be covered regularly (only one collector was assigned to the entire project area). Compounding the problem was that the collectors were only part-time since the NGO did not have the resources to pay them. To make matters worse, collectors had to go back several times before being paid P5-10, which barely covered the transportation costs from the Davao suburb to the project area.

The social credit program exemplifies a failed attempt at shifting participation strategies. From a Big Brother strategy, NGO K attempted to adopt a NGO-managed participation strategy to no avail. The shift only increased the burden on an already cash-strapped NGO, without improving project performance.



Indeed, the social development field is simply too broad and the social problems too complex, to be reduced to a single PB participation strategy. Strategies which work elsewhere need not work under a different set of conditions. In general, it is difficult to "blueprint" PB participation strategies. Even the IAD II project is finding that out. While

the pursuing a hybrid PB-led participation strategy, the project managers are discovering that “sub-strategies” on the community level are necessary.

So far, NGO “R” in the IAD II project for example have been able to distinguish four types of communities. Type I communities are those which cannot sustain themselves organizationally. Here, the CBOs are wracked by “irreparable and deep-seated” divisions. In Type I communities, the hybrid-PB led strategy would make little sense. Instead of changing strategies, perhaps to a more NGO-led participation strategy, the NGO is considering pulling-out of these communities. Type II communities are those where CBOs require a degree of closer guidance from the NGO, and would require a hybrid of the Big Brother strategy and the PB-led strategy. Here NGO staff would have to “immerse themselves intensively in the community”. Type III communities would have CBOs which require a PB participation strategy much closer to the over-all strategy of IAD II. In Type III communities, weekly visits by NGO staff are sufficient. Type IV communities on the other hand have CBOs which can operate along the lines of a PB-led participation strategy.

The question now is : how does one determine the “appropriateness” of a PB participation strategy? This is the topic of the next section. For now, suffice to say that which strategy eventually prevails in a project (whether consciously or not), is the result of a complex set of conditions, over which the PBs, NGOs, and donor agencies do not exercise full control. In fact, it would be unrealistic to assume that the appropriate participation strategy can always be determined from Day 1. NGO “B” in the reforestation project got it right, but NGO R for the IAD didn’t. And neither did NGO “N” for the rice mill. Instead, PB participation strategies are often the fruit of evolutionary and learning process mechanisms.

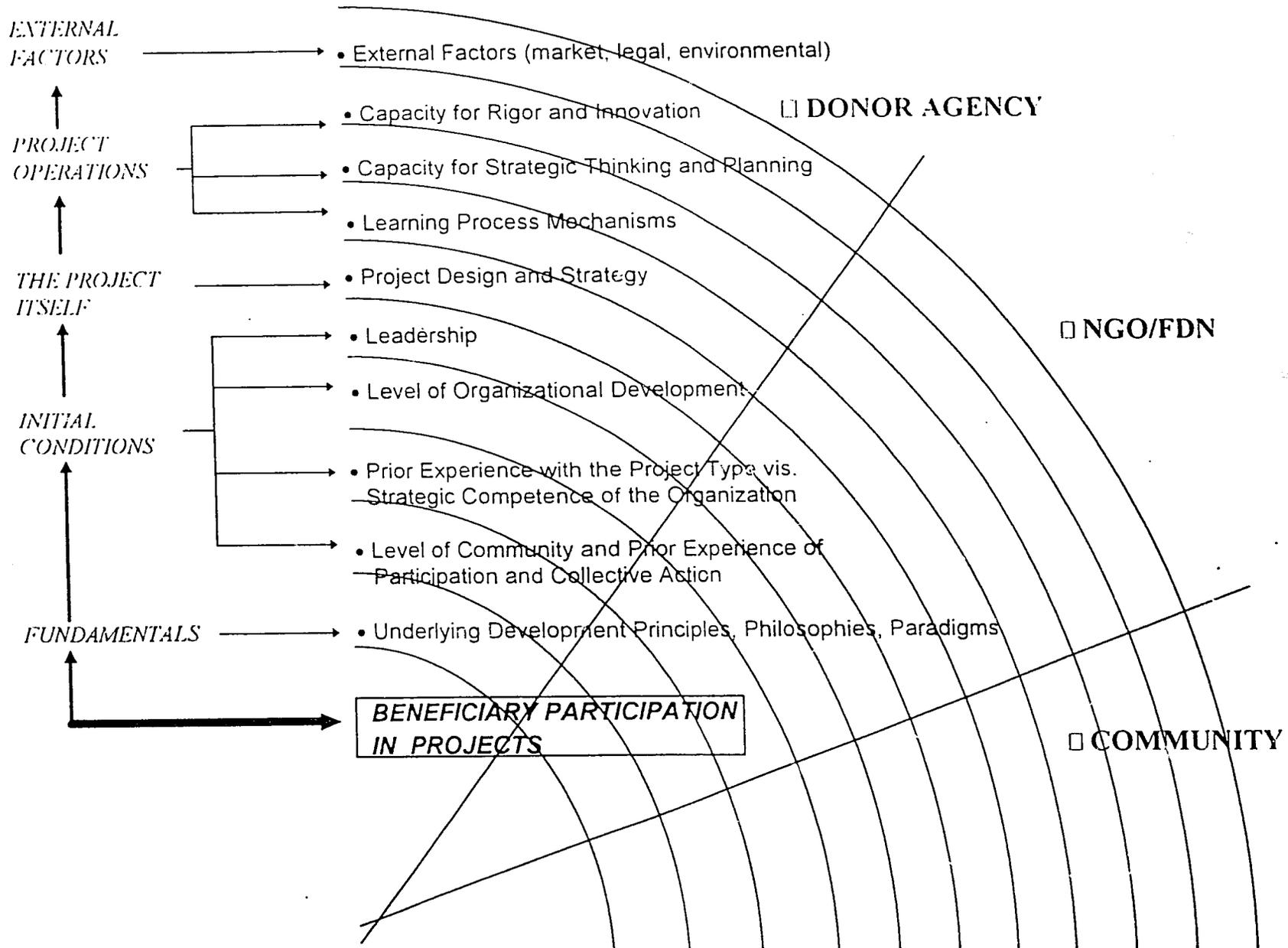
4.0. DETERMINANTS OF BENEFICIARY PARTICIPATION

Why a project should end up in which part of the participation map is a complex question. There are several factors which affect the extent and quality, as well as the possibility of beneficiary participation in development projects. Ten of these factors can be drawn out from the six cases examined in this study.

As shown in **Figure 5** one can visualize several layers which represent the determinants of PB participation. These determinants can be categorized into five main elements, namely:

- **Fundamental Orientation**
 - Underlying development principles, philosophies and paradigms
- **Initial Institutional Conditions**
 - Level of community and prior collective experience of participation (including indigenous practices of participation)

Figure 5: DETERMINANTS OF BENEFICIARY PARTICIPATION IN PROJECTS



12-11

- Prior experience with the project type and matching with the strategic competence of the organization
- Level of organizational development
- Leadership orientation and style
- **Project Design**
 - Design of the project strategy itself
- **Project Operations**
 - Learning process mechanisms
 - Capacity for strategic thinking and planning
 - Capacity for rigor and innovation
- **External Factors in the Project Environment**
 - Extraneous variables like market, legal and environmental conditions

These factors can characterize the three main players in the project: the community or beneficiaries, the NGO or foundation, and the donor agency. In any project, the experiences and capacities of all three, and not just one, merge and ultimately define the character and outcome of beneficiary participation.

Each of these ten determinants will be discussed below, along with specific references from the six cases that were studied:

4.1. Fundamental Orientation: Underlying Development Principles, Philosophies and Paradigms

The organizations' fundamental orientation toward development work determines the basic approaches that will be used in the projects. Underlying values, principles, philosophies and paradigms of development, articulated or not, predisposes the project participants (the community-beneficiaries, the NGO or foundation, and the donor agency) in the conduct of the project itself -- how it is conceived and how it will be managed. They also shape one's basic views about what development work is all about: the application or non-application of models or blueprints, the role of an external change agent, the importance of process vis-a-vis results, and ultimately, the value and necessity of beneficiary participation.

At the level of orientation many of the project proponents, particularly the NGOs, strongly adhere to the value of participation. Many NGOs usually take participation as an imperative; development work cannot be without it. Hence, for the **community-based primary health care project** in Northern Luzon, the **post-harvest facility project** in Western Visayas, and the **social credit project** in Mindanao, the way to do development work was to maximize the involvement of beneficiaries through community organizing. This is of course at the level of orientation; successfully implementing these principles is another matter.

4.2. Initial Institutional Conditions

Prior to the launching of the project, project participants start off from a given set of conditions and characteristics. Similar to the preceding point on fundamental orientation, these conditions lay the groundwork that determines the extent and direction of PB participation. This one however extends the concept from the level of principles to the level of institution. Institutional characteristics of the parties involved -- their historical experience as well as their current organizational situation -- are thus just as important as the work orientation.

Four conditions can be identified, namely, the level of community and prior experience of collective action or participation, prior experience with the type of project, level of organizational development, and the orientation and style of leadership involved.

4.2.1. Level of Community and Prior Collective Experience of Participation

For the beneficiaries of the project, the level of community is crucial as a form of "social capital" or social asset in projects which seek community participation. This sense or appreciation of the "community" (as distinct from individual or small group orientation) is formed through historical collective experience and indigenous community tradition. Conditions therefore vary across projects. There are communities which possess a clear sense of identity formed through the years, in the context of socio-economic-cultural-political practices. There are indigenous cultural practices which projects can hinge on to in order to instill participation. For other projects however, the sense of community among the beneficiaries has not been actualized yet due to lack of collective experiences in the past. An example would be a community composed of various subgroupings which have their own cultural identities.

The social credit project in Mindanao conceptually provided for community organization but in implementation, the lack of "social capital", or prior collective experience among the beneficiaries far outweighed the intention. The beneficiaries in this case were composed of migrants from various parts of Visayas and Mindanao and thus do not share a common history or value system.

In contrast there were kinship and community ties among the beneficiaries of the **post-harvest facility project** in Visayas, the **primary health care project** in Northern Luzon, and in the **resettlement project** in Luzon. Prior collective experiences of the beneficiaries created the basic social infrastructure for renewed community organizing which revolved around the project. The indigenous *bayanihan* system was tapped in these projects in the phase of constructing the post-harvest facilities, the barangay health station, and the housing facilities.

Related to this is the capacity to consider and integrate the knowledge systems of the community in project design, preparation and implementation. Some projects were not able to give enough consideration to community inputs to certain aspects of the project.

Examples would be the choice of species in the **reforestation project** in Mindanao, and the choice of livelihood undertakings in the **Luzon resettlement project**. The challenge for the **primary health care project** was how to integrate traditional health practices with the services it offered.

4.2.2. **Prior Experience with the Type of Project and Matching with the Strategic Competence of the Organization**

The extent of PB participation is also influenced by the availability or non-availability of experience of project participants in handling the particular type of project. Experience builds expertise in managing the specific project and thus, also the ability to design and implement the most appropriate form of PB participation.

The lack of experience in **resettlement, integrated area development, and post-harvest facilities** among the respective project proponents greatly affected the outcome as well as the degree of participation. Many projects were being done for the first time, resulting in understandable mistakes in implementation which in turn affected the degree beneficiary participation.

Aside from the factor of experience, it is also important to ask if the particular project type matches the strategic competence of the organizations involved. Is the project type in line with the organization's area of expertise or specialization?¹ Or is it beyond the competencies of the organization?

The **provision of health services for indigenous communities** was a clear strategic competence of the NGO which implemented the project in Northern Luzon. As a result, the role of the community in project implementation as well as in sustaining the project was just as clearly defined.

4.2.3. **Level of Organizational Development**

One of the most critical determinants is the level of development and maturity that has been attained by each of the participating organizations in the project. At the time of project design and implementation, these organizations were experiencing various issues and concerns that are peculiar of their stage of development. Newly-formed organizations would normally face problems like getting enough resources, building capability, and attaining over-all stability. More mature organizations however would encounter problems like leadership succession, internal consolidation, and expansion. Organizations which have weathered various crises in the past prove to be more capable in attaining peak performance levels than those experiencing internal conflicts for the first time.

¹ This assumes that the organization has to some extent chosen a specific area of specialization or expertise in development work, e.g. socio-economic development, ecosystem or environmental development, or other more specific and distinctive competencies like social credit and primary health care.

In the **resettlement project** case, while all three members of the consortium can be considered as mature or established organizations (due to their track record and competence), the consortium itself was not. In the context of the project, the project organization was the consortium. The members of this consortium thought that by giving each other the relative autonomy to exercise each other's competency ("to each its own expertise") the whole endeavor would succeed. They later discovered that harmonizing their respective strategies and approaches was needed. The consortium as an entirely new organizational arrangement had to be nurtured and developed as well.

In the **post-harvest facility project** in the Western Visayas, the beneficiaries who have formed a cooperative may not be considered new in terms of collective action since they have had previous experiences in community organization. The problem which hampered their organizational development as well as their capacity for meaningful participation in the project was the lack of capability to handle the technical demands of a new project. Building the cooperative was difficult enough for them since it required new organizational skills. This capability problem became more complicated as they started managing the milling, drying, and transporting facilities provided by the project. As a result their dependence on the assistance of the proponent NGO increased, hence a shift to an NGO-led mode of participation.

The **integrated area development project** in the Visayas is a complex undertaking as far as organizational management and development is concerned. The community organizations that were formed in 52 barangay project sites all over the province differ in terms of organizational development and maturity. It was therefore necessary for the project proponents to design distinct forms and levels of intervention. As a result, the extent of PB participation in each of these community organizations has likewise been distinct from each other.

Other organizational concerns -- both strategic and operational in nature -- which affect PB participation are the following: the level of team development among groups within the organization, the level of efficiency and effectiveness of the organization, the level of professionalism among project personnel, and the quality and sustainability of human and financial resources.

4.2.4. Leadership Orientation and Style

The project is affected by various levels of project leadership coming from the NGO/foundation central office and field-based personnel, the community organization, and the donor agency. Leadership orientation and style can veer toward "autocracy" (or leader-centered, authoritarian) on one extreme and "abdication" (or total abandonment of leadership function) at the other. Leadership modes of consultation, participation or partnership are found in between and are usually the case in most projects.

Another emergent style is situational leadership².

Leadership is thus fundamental to the feasibility and form of PB participation. At the formative stages of the Luzon **resettlement project**, the leadership was held by a sister who led the creation of the three-member consortium. Her orientation was clearly toward a community organizing approach to rehabilitation and resettlement. When the leadership responsibilities were transferred to the other members of the consortium, the priority also shifted from the community-oriented approach to a more "program-driven" and target-oriented approach. The dynamics of leadership also affected the beneficiary organization (the homeowners association) in terms of participation in decision-making processes.

In the Mindanao **reforestation project**, leadership rests largely on the corporate foundation, which for the most part determined the over-all design and direction of the project. Strong leadership on the part of the foundation conveniently matched the indigenous people's autocratic concept of leadership. Inadequate participatory management and leadership development mechanisms further reinforced this attitude toward leaders, and thus limited the opportunity of the community to participate more meaningfully in the project.

The USAID asserted its leadership role by stressing the imperative of beneficiary participation in its projects. The USAID evaluation and redesigning teams were partly responsible for advocating a redirection of thrusts toward a more participatory mode in the Visayas **integrated area development project**. This Agency priority also matched the participatory model of rehabilitation that was pursued in the **resettlement project**. Other projects were supported as well due to the importance given to participation.

4.3. Project Design and Strategy

The project itself, and how it is designed and conceptualized, becomes another determining factor of PB participation. A basic question to ask is the appropriateness of the project design and strategy to the situation of the intended beneficiaries. Too many projects have failed not just in the aspect of participation but in meeting their main objectives due to the incongruence of project design with the needs and conditions of beneficiaries. Projects also fail to reach its intended goals of participation due to a mismatch of the level of institutional, technological and financial requirements of the project with the beneficiaries' capability to deliver these (often in the form of counterpart contribution). Some projects may simply be too complex and demanding of the resources and capabilities of community organizations such that they end up not participating at all.

² Situational leadership is characterized by a style that adapts to the specific development stage of the organization, e.g. more leadership control at the initial stages, more delegation at the stage of stability.

The design of the **post-harvest facility project** incorporated wide avenues for participation of the cooperative in all stages of the project cycle. But the lack of institutional and technical capability of the cooperative to handle the project constrained its ability to participate. The blueprint approach which was initially employed in the Visayas **integrated area development** project could have worked in communities oriented to the autocratic style of leadership (like the indigenous communities in the **reforestation project** in Mindanao). But the project officers resisted the approach and pushed for its eventual reorientation toward community participation. Some projects like the **resettlement** and the **reforestation** projects were viewed by their beneficiaries to be weak in terms of providing viable livelihood opportunities for sustaining themselves *and* their participation or interest in the project.

Another inherent weakness in project design was the tendency to follow strict timeframes and mostly quantitative targets at the expense of process. The time-bound character of the project proved to be a major factor for determining the quality and degree of participation. Almost all the projects were pressured to deliver results and good performance. The cooperative in the **post-harvest facility project** was forced to expand its membership prematurely in order to meet the required number of members that was specified in the project proposal. The consortium in the **resettlement project** passed on its responsibilities to the homeowners association much too quickly to ensure quick payment of amortization and also to hasten the implementation of livelihood projects. The consortium was therefore viewed as "unreasonable" for expecting the people to start paying their dues when 70% were still unemployed and none of the livelihood projects had not taken off.

Hence there seems to be a conflict between the nature of projects to set time-bound targets, and the process-oriented nature of participatory projects the schedules of which may be difficult to predict. With the preoccupation to deliver the outputs at the promised completion date, the quality of the project -- as well as the quality and extent of real participation -- is sacrificed. The target numbers -- of forest dweller associations, of community-based organizations, of barangay health stations, of housing units -- may have been reached making the projects "successful" in these terms. But whether these outputs are stable, viable and sustainable in the long term is something which are not often measured nor reported.

4.4. Project Operations

At the operation and implementation phase of the project cycle, there are certain mechanisms and capacities that determine the extent of beneficiary participation. Three of such capacities are discussed here, namely: the capacity to look at the project as a learning process, the capacity to think and plan strategically, and the capacity to be rigorous and innovative in management processes. These capacities are exercised through various management mechanisms and systems like planning, supervision, monitoring and evaluation structures.

What seems to be important is not whether these mechanisms are present -- all projects would ensure that they are -- but more of the quality of such mechanisms. First of all, the perspective and orientation for learning, for the strategic dimension, and for rigor and innovation must be present. The next is the capacity of such mechanisms to facilitate a review and possible redirection (or redesign) of the project itself in general, and the goal of participation in particular.

4.4.1. Learning Process Mechanisms

Projects can be viewed as a learning process for *all* parties concerned. The community organization, the NGO, and even the donor agency are engaged in an undertaking where each of them learns the most appropriate, most effective, most efficient way of dealing with the development condition which the project was designed to respond to. In the course of project implementation, their respective learning curves³ will oftentimes differ from each other, especially given the different levels of experience with the project type, as well as capability to manage such.

This perspective allows certain flexibility in the design and implementation of the project. The appropriateness of project design gets validated during project implementation. There is the capacity to “embrace error”, or to treat mistakes as opportunities for learning and as impetus for possible modification and revision of previously held assumptions about and design of the project.

Management systems like periodic reflection and assessments, problem solving, and dialogues among project implementors can facilitate this learning process. Such processes can however be done mechanically or within the rigid framework of the project design, and hence, learning may not really occur. The challenge seems to be how to maximize these as opportunities to refine, enhance and develop project strategies and approaches.

These learning process mechanisms have been found wanting in almost all projects. In two pioneering projects, the **resettlement** and the **post-harvest facility** projects, issues and conflicts in project management could have been handled more proactively. Problems could have been anticipated and prevented, and errors lessened. The consciousness of the project as a learning enterprise seemed to have been absent in both NGO and community organization during the early stages, otherwise the project implementation design could have been reviewed and possibly modified more quickly than what had happened. Serious strategic assessment and planning occurred only years (two years for the resettlement project, four years for the post-harvest facility project) after the project started.

³ A learning curve describes in a graphic way the rate of absorption of new knowledge, skills, behavior (and other learnings), measured in terms of performance, against the time devoted for such learning. A steep learning curve indicates faster learning while a more horizontal one indicates slower rate of learning.

Engaging in learning processes requires from all parties a great deal of openness and capacity for reflection and action. Allowing beneficiaries to participate in these processes is in itself empowering.

4.4.2. Capacity for Strategic Thinking and Planning

Related to the previous point is the capacity of project participants to adapt a strategic perspective. Concerns and priorities would not be confined to the operational but would also include the strategic, i.e., questioning the long-term viability and effectiveness of primary strategies and major directions of the project. Like the learning process mechanisms, strategic planning exercises would allow a project to review its strategy midstream, and therefore make some necessary changes and modifications. With a strategic perspective, project managers can anticipate critical issues and concerns in implementation, prevent problems from occurring, forecast possible scenarios in the project environment, and prepare the organization internally for such. Hence, strategic goals and priorities like PB participation are assessed and planned for.

For many of the projects, the impetus for strategic planning came only after the project organization has experienced major problems and difficulties. In the **resettlement project** in Luzon, the strategic planning workshop, which was held around two years after the project started, managed to redefine the nature of relationships of the three organization members in the consortium. Before this the strategies pursued by the three organizations were not integrated into a unified or coherent approach to the resettlement. This lack of a clear identity of the consortium was a major cause of project implementation problems, which included the difficulty to promote beneficiary participation.

The **integrated area development project** in the Visayas experienced a major redirection of strategies as a result of their strategic planning exercise three years after the project started. From a blueprint, top-down approach, the project made a turnaround by choosing a completely different model which is community-based empowerment. The rethinking of strategies which the planning exercises engendered, and which the donor agency also encouraged, facilitated the choice and eventual institutionalization of more genuinely participatory approaches.

4.4.3. Capacity for Rigor and Innovation

Project success can be measured in terms of operational efficiency, effectiveness, and impact. Many projects have failed due to lack of competence and rigor in management. Such rigor would include the ability to install and maintain systems and procedures, the capacity to instill discipline among members of the organization in terms of accountability and control, and the orientation toward continuing improvement and excellence in operations. Rigor can be equated with sheer hard work and professionalism shared among the project participants -- the NGO or foundation, the community organization, the donor agency.

Despite its lack of participatory management mechanisms, the **reforestation project** demonstrated a lot of rigor and efficiency which enabled it to exceed its targets of reforestation coverage. The project proponents and beneficiaries of the **integrated area development project** exhibited their capability to systematize and discipline a complex network of community organizations undergoing a variety of activities: organizing, networking, policy advocacy, health care, agroforestry and credit.

Projects can contribute to the body of knowledge in development, particularly in terms of creating, validating, replicating, and enhancing models of development work of various types and modes. In this endeavor, the capacity to be innovative or creative in methodologies and approaches is crucial. Both rigor and innovation are key to continuing improvement and excellence in operations. While one suggests efficiency and discipline, the other points toward flexibility and creativity. In project operations in general and in participation in particular, both sides of the same coin are needed.

4.5. External Factors in the Project Environment

Critical factors are found in the projects' external environment. Legal requirements set by government influenced the participatory mechanisms in the **primary health care, resettlement, and reforestation projects**. Project proponents had to adhere to (and at times circumvent) requirements like the role of barangay health workers, the formalization of a homeowners association, and the use of government stewardship instruments for upland communities. These external factors set the limits to how far a project can go particularly in terms of participation. For instance, non-registered health workers are restricted from providing immunization; the indigenous community organization in the resettlement site had to be adjusted to take the form of a homeowners' association to satisfy HIGC requirement, and stewardship instruments cannot be given to farmers residing in reserved areas.

Outside market forces may also compete with the project like in the case of the **post-harvest facility and resettlement projects**. The presence of market alternatives like more accessible and affordable rice mills, dryers, and threshers in the community affected the consistency of patronizing the cooperative's own post-harvest facilities. The presence of more viable livelihood opportunities outside the vicinity of the project lowered the interest and commitment of the resettlement project beneficiaries.

5.0. SUMMARY AND CONCLUSION

As mentioned earlier, PB participation has always been a major concern of people's organizations, NGOs, and donor agencies. Efforts to involve PBs in different stages of the project cycle seem to be the norm. Participation is here to stay.

As discussed in *Section 2*, the possibilities for PB participation are indeed vast. In the course of this research, it was seen that all projects had made provisions for PB participation. Given this widespread adoption of PB participation, the debate is no longer between participation vs. non-participation, but on the quality of that participation.

Towards this end, *Section 3* presented the participation map as a means of visualizing PB participation. The map was then used to show typology of PB participation strategies and there are four: NGO-led, Big Brother, PB-led, and partnership strategies. From the analysis, two basic conclusions were reached:

First, project success and failure cannot be associated with any single participation strategy. Social development problems are simply too varied and too complex to be reduced to a single approach.

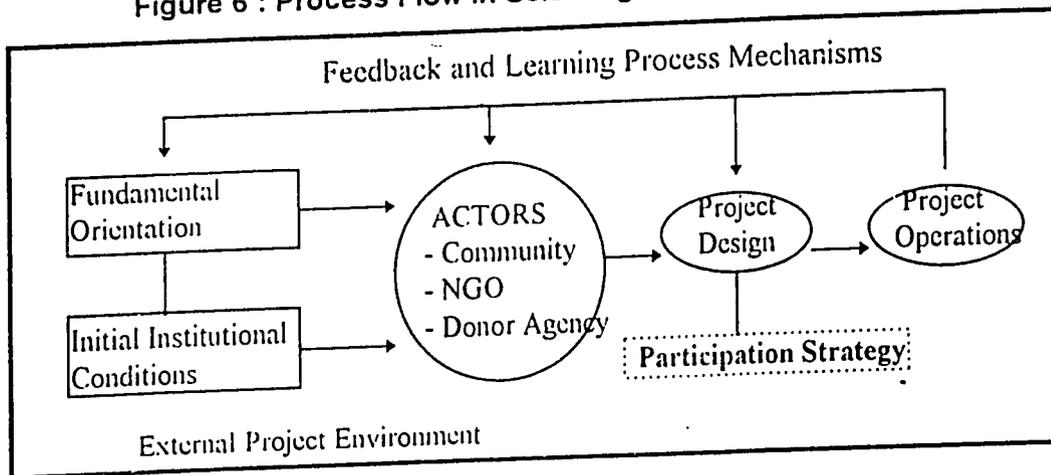
Second, as a rule, blueprint approaches to participation might not work due to differing local conditions. In the end, project proponents might have to be ready to adopt substrategies for PB participation, if not to shift participation strategies all together when necessary.

In *Section 4*, the factors which might affect the selection of PB participation were discussed extensively and were summarized in **Figure 5**. In broad terms, selection of PB participation strategy (and hence the extent of PB participation) depends on fundamentals, initial conditions, the project design and strategy, the conduct of project operations (particular the capacity for rigor and innovation, the capacity for strategic thinking and planning, and the existence of learning process mechanisms), and external factors as they affect PBs, NGOs, and donor agencies.

Owing to the complexity involved in strategy selection, the selection must properly be seen as an iterative process. It is almost impossible to identify what the appropriate strategy might be on Day 1. PBs, NGOs, and donor agencies might have to be content with making "initial" participation strategies, and reviewing them periodically, as discussed in **Box No.4** and as summarized in **Figure 6**.

As shown in **Figure 6**, the need for learning process mechanisms cannot be underestimated. Feedback is essential in strategy selection and re-selection. Without learning process mechanisms, participation strategy selection will end up being a wholly unconscious, if not ad hoc process. Learning processes are also important because key actors learn. Projects themselves may change the initial institutional conditions, underlying philosophies, and development paradigms of PBs, NGOs, and donors alike.

Figure 6 : Process Flow in Selecting a Participation Strategy



Looking at participation in terms of strategies rather than as disparate set of activities also gives an important lesson: there need not be trade-offs between participation and project performance. A successful participation strategy must lead to successful project outcomes, whichever way success is defined or seen. Participation strategies are ways to achieve project success.

Box No. 4 : Applying the Framework

How then do we determine the appropriate participation strategy? As discussed in Section 4, the appropriate participation strategy is the result of the interplay of the following:

- fundamental orientations
- initial institutional conditions
- project design
- project operations
- external variables

as they affect the key actors, namely, the PBs, the NGOs, and the donor agencies. Applying the framework to an actual project situation would require five basic steps.

Step 1: Evaluate the impact of the external environment on the key players.

This step should be undertaken together with the pre-feasibility studies usually required.

Step 2: Evaluate the fundamental orientation and the institutional conditions as these affect the key actors.

Fundamentals are important. The underlying development principles, philosophies, and paradigms of the key actors must be made explicit. For the PBs, this would include an examination of the level of community and prior collective experience with participation.

Examine, too, the prior experience of the key actors with the project type and their competencies. An assessment of the level of organizational development of key actors should also be made.

Step 3: Determine the initial project design, including the initial participation strategy.

The project design formulation and the participation strategy selection should not be seen as distinct planning activities. Other than the key information asked in *Step 2*, the information required for strategy selection is not any different than that required for project design.

Unfortunately, there is no hard and fast rule as to how the appropriate strategy might be selected. If any, it might be helpful to utilize a process of elimination, by evaluating each broad type of participation strategy, based on the factors discussed in *Step 2*.

Step 4 : Institutionalize learning process mechanisms in project operations.

It is important to set periodic review sessions to evaluate the initial participation strategy. Otherwise, regular strategic planning exercises should include an evaluation of the participation strategy. The basic question to ask is: Is the initial participation strategy still appropriate given current and past project performance? Or is there a need for rethinking and redesign of participation strategy?

Step 5 : Revise the participation strategy if necessary.

This step is not as simple as it sounds. Revising the strategy might require a changing of project deliverables, even indicators of project performance. Budgets might have to be revised upwards or downwards. A great deal of institutional flexibility is thus required from the key actors.

ANNEXES

- Case 1:** Mt. Pinatubo Resettlement Assistance Program Page 1
- Case 2:** Beneficiary Participation in a Primary Health Care Project: A Case Study on the Medical Ambassadors Philippines Program in Butuac, Aguinardo, Ifugao Page 22
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MT. PINATUBO RESETTLEMENT ASSISTANCE PROGRAM¹

I. BACKGROUND

The eruption of Mt. Pinatubo, a dormant volcano, on June 15, 1991 left thousands of families in the provinces of Pampanga, Tarlac and Zambales homeless. The damages to life and property shocked the entire Philippine population, but this nevertheless resulted in a successful resource mobilization campaign to provide for the immediate needs of the victims for food, medicines, shelter and other supplies.

Among those agencies that responded to this distress call were the Mother Rosa Memorial Foundation (MRMF), Andres Soriano Jr., Foundation (ASJRF), and the Philippine Business for Social Progress (PBSP). All three agencies delivered relief goods to the different evacuation centers. All three agencies operated in the Angeles City area. MRMF provided relief goods to the residents of Bgy. Amsik in Angeles City while ASJRF and PBSP distributed goods in the CABCOM area (Clark Air Base).

Mt. Pinatubo's destruction did not stop with its eruption. For the succeeding years, the lahar deposits on the volcano's slopes continued to bring destruction to the low lying communities in Pampanga. With the increasing number of affected families every year thereafter, both relief goods and shelter eventually became scarce.

To the victims, the psychological trauma was the hardest battle to win. The immediate problem in their minds was to seek shelter in a safe place, far from the lahar flows. Finding a safe place, they thought would give them the necessary peace of mind that would lead them to start rebuilding their lives. Resettlement therefore topped the list of their concerns.

To the development agencies like Government and the private volunteer organizations, the more immediate challenges were to respond to the problems of physical and economic displacement that confronted the victims. They realized that continued support in the form of relief and temporary shelter would only reinforce a culture of dependency. Resettling these families and providing livelihood opportunities was therefore the most sustainable form of intervention.

The extent of destruction immediately after the eruption and what would still be expected in the future, communicated to government the urgency of resettling families to decongest the existing evacuation centers to make room for the next batch(es) of victims. Government assumed in their development that since towns were displaced, the appropriate resettlement concept therefore would be to create alternative town sites. Government's approach was technocratic, that is, it did not allow for any form of participation from the intended beneficiaries.

The government's resettlement concept, took a long time to implement. Livelihood centers were first to be established before the houses. This caused delay that led NGOs to embark on this

¹ Written by Ma. Lourdes Espinosa and Basilisa Padua for the project, "Enhancing Project Beneficiary Participation", by Mondragon Foundation, Inc. and USAID, August 1995.

expensive exercise too. For the NGO's going into resettlement would not only provide an alternative approach and model but it would as well add to the supply of houses that the government would provide. Despite the large numbers of houses that the government intended to build, this was still not enough to meet the current as well as the future requirements.

It was in this context that the three organizations decided to join forces, to share their respective competencies in designing, implementing and managing a resettlement area for Mt. Pinatubo victims.

II. THE RESETTLEMENT CONCEPT

How it all began: The choice between relief and resettlement.

As its response to the call for help in the disaster caused by the Mt. Pinatubo eruption, MRMF "adopted" the evacuees from Bgy. Amsik which was one of the affected barangays in Angeles City. MRMF provided relief goods to these families who were temporarily evacuated in a private landholding of a certain Mrs. Narciso. A month after providing relief goods to the evacuees from Bgy. Amsik, Mother Milagros Dayrit, R.A., reportedly confronted the said community with a know their preferred type of assistance: Relief or Rehabilitation (Resettlement).

The unanimous response of the community to this was to take the latter option of resettlement. Considering the context of the Barangay Amsik settlers, their response was very much expected. One, these families were evacuated to a private sugar plantation which was still threatened to be washed out by lahar flows. Two, Bgy. Amsik was a squatters community and it was every squatter family's dream to live in a piece of property they could call their own.

Profile of the community before the eruption.²

Barangay Amsik was one of the 33 barangays of Angeles City. It was situated along the banks of Abacan River. The barangay's total population was 3,628 households (1990 census) which were divided into 6 puroks or districts. It was a typical squatters colony in the sense that there were many transients and migrants from other provinces in the Luzon and the Visayas regions.

Forty-four percent (44%) of the population belonged to the productive ages of 29 up to 42 years old. Before the Mt. Pinatubo eruption, about 33% were engaged in small businesses like vending and making handicrafts; 44% were engaged in service type occupations - they were drivers, construction workers, garbage collectors, and beauty parlor operators/workers. From the residents' own account, many were dependent on the Americans for their source of livelihood.³ Average monthly income ranged from P1,000 to P2,000 only.

² PBSP Relief and Rehabilitation Update, September 1993, pp.4 & ff

³ Based on a focused group discussion held on May 31, 1995. Respondents were the elected leaders of the homeowners association (HOA).

The sources of income of Amsik residents may be attributed to the barangay's low literacy rate. Only 35% were able to finish the grade school level, while 1% finished a college degree.

The Development Agents

Resettlement was a task that required huge amount of resources, not only in terms of financial resources, but also in terms of human resources that possessed technical, as well as management capabilities. To an agency like MRMF, it was not feasible to embark on a complex program like resettlement. For not only did it lacked the necessary funds, but it also lacked the technical experience required in implementing such a program. Given this, MRMF sought partners that could build upon its strength in community organizing and at the same time expand its financial resource base. It was but convenient to search among those which belonged to the same network.

MRMF had been long a partner of PBSP in community development. Particularly, MRMF had sought the help of PBSP to provide services on technical management training programs and in sourcing funds.

PBSP on the other hand, also had direct disaster response projects going on in Pampanga. PBSP, however, was not quite satisfied with its local NGO partner. It was also considering resettlement, but doing this activity with its existing partner was quite risky since this local NGO was very weak in community organizing. In short, it was also looking for a local partner in resettlement.

For PBSP, MRMF was a good choice for a local partner. Besides, PBSP had a soft spot for MRMF, since its president then, Ernie Garilao came from MRMF.

The third agent was Andres Soriano, Jr. Foundation (ASJRF). Mother Milagros knew Carlos Soriano. And it was she who encouraged ASJRF's involvement in the project. ASJRF was also a corporate member of PBSP.

Considering the existing relationships among the three development agents, working together on a single mission did not seem difficult. Each one carried its own expertise: MRMF, in community organizing; PBSP, in resource mobilization and project management; ASJRF, in resource mobilization and in construction management.

All of them have not had any prior experience in resettlement nor in disaster rehabilitation. Together, they agreed to work independently, with only the vision of a progressive resettlement community serving as their guide.

The Resettlement Area Program (RAP) Design

According to Mar Ocampo, the ASJRF project engineer assigned to this program, the settlement plan was basically an adaptation of the government's resettlement design. Like the government's resettlement design, RAP was a holistic resettlement concept. It was not merely a housing project that provided shelter and basic utilities. It included infrastructure support for a school and health center to complete all requirements that would be necessary for a community to

function well. But more importantly, it incorporated a program for livelihood generation which was considered as the single most critical component that would render the whole resettlement process a success.

What differentiated RAP from the government resettlement program was the scale, being smaller, and the approach, being participative. RAP was intended to be an alternative model to the government model because it particularly incorporated beneficiary participation in all stages of the program, from planning to implementation, and even further into estate management. Ensuring beneficiary participation was a tradition of the MRMF in its community organizing approach. From MRMF's experience, adequate participation from beneficiary groups will ensure the success of any program/undertaking. Such an approach was also consistent with what was required by one of the Consortium's funding agency, the USAID (United States Agency for International Development).

As planned the basic features of the RAP would include the following:

Site/Location:	far from lahar and must be accessible to public transportation
Size of homelots:	averaging 90 square meters per family
House design:	core houses, rough finish, no partitions floor area: 25 square meters 1 toilet inside the house
Budget for houses:	P40,000.00 per unit
Site Development Features:	macadam roads common shallow artesian wells (potable water) open drainage system health center elementary school 4 livelihood centers, for employment generation electricity

Total No. of Beneficiaries: 449 families, from barangay Amsik

The performance indicators that were identified by the Consortium were the following:

- » eventual phase out of the Consortium after 5 years and the entire estate management functions will be taken over by the HOA;
- » repayment of housing loans;
- » establishment of a perpetual social fund (PSF).

In carrying out the whole resettlement program, a memorandum of agreement was forged among the members of the Consortium which specified the roles and responsibilities of each. In allocating the various tasks and responsibilities, the Consortium members stuck by the principle of "To each its own expertise". Therefore, MRMF was tasked to deliver the community organizing component. ASJRF was tasked to help mobilize resources from the business community and to provide all the necessary technical support to the program. PBSP was given the responsibility of

being the overall orchestrator of the whole program. PBSP was also the lead agency in fund raising as well as in livelihood generation. The three agents were not expected to get involved directly in activities beyond their particular line of expertise.

What was clear to all consortium members was the fact that no one among them had prior experience in resettlement. Therefore, this program was considered a learning experience. The lessons that would be learned from this would be applied in their succeeding resettlement programs. It was also clear to them that the risks involved in the implementation of the resettlement program were high. Hence, they have asked donors (at least USAID) to allow them 75% flexibility in program implementation.

III. IMPLEMENTATION HIGHLIGHTS

The Community Organizing (CO) Component

In August, 1991, the CO process started with a baseline survey which was conducted by the MRMF. This baseline survey was undertaken to determine the demographic profile of the community. It was also done to determine the income generating skills and interests, or livelihood preferences of these displaced families.

The organizing strategy used by the MRMF was to cluster families into "damayans⁴." These damayan groups were formed to facilitate exchange of information between the Consortium and the beneficiaries through meetings and training seminars. The damayan was a group of 20 families who had their own set of officers, usually composed of the chairman and the vice-chairman. These damayan officers (later renamed block leaders) composed the council. The council elect the adhoc officers for the entire community. They called their organization then as the Samahang Lakas Bigkis Bisig (SLBB).

For almost three years, while awaiting their eventual relocation, the prospective beneficiaries in Amsik attended MRMF-sponsored training and workshops on various topics such as, leadership, team building, self awareness, drafting a constitution, vision and goal setting.

The organizational design and processes of the SLBB, as well as the name of the organization, had to be changed later. Influencing factors included changes in community organizing approach, and government requirements. Towards the second semester of 1994, the MRMF organizers left the site, leaving PBSP to manage the new COs. A more "program-driven" approach in organizing took the place of the more socially-oriented community organizing approach. "It is up to the CO to adopt his or her style to achieve program objective," elaborated Tony, one of the new CO's.

⁴ The damayan system was a strategy used by MRMF in organizing the farmers of San Simon Pampanga. From this experience, MRMF saw effectiveness of this system which operated on peer pressure to reinforce positive behavior particularly in the payment of loans. In this case, the large number of beneficiaries made damayan necessary as a coping mechanism to facilitate the efficient flow of information between the Consortium and the people.

When the organization sought government recognition, certain organizational elements had to be modified in accordance to HIGC's prescription. Hence, the SLBB was renamed Homeowners' Association (HOA) of Buensuceso Resettlement Project.

1. Membership

From the very beginning, the Consortium have set the criteria for those who would qualify for membership in the HOA. HOA members of good standing had a good chance of being awarded their homelots in the Buensuceso resettlement program.

The criteria set for HOA membership were as follows:

- » those who lost their homes and means of livelihood
- » those who are willing to participate in the bayanihan
- » those who are willing to pay amortization
- » those who are willing to transfer to Buensuceso
- » those who are willing to attend all monthly meetings of the General Assembly and all required training

This set of criteria weeded out what the Consortium perceived as the uncooperative members of the Amsik community. Of the targeted 449 beneficiaries, the Consortium ended up with only 200 qualified beneficiaries. The others were disqualified for various reasons: one, they were not willing to pay; two, they were not willing to relocate because the resettlement area was far from Angeles City where they worked; three, they could not afford to sacrifice their earnings in order to provide bayanihan services.

With this problem, the Consortium looked at other areas where they could fill up the balance needed to complete the list of beneficiaries for this site were therefore taken from other places (Dolores, Bacolor and Porac). These comprised the Phase 2 beneficiaries. Since this group of beneficiaries was selected only later, they therefore did not undergo the same preparation nor did they have to go through the sacrifices that the Phase 1 beneficiaries experienced.

Differences between the two major groups have been observed by all project actors. For one, Phase 1 beneficiaries were more capable of initiating projects, advocating their issues and linking with local authorities. They were so empowered that both formal and informal leaders from Phase 1 could rally Phase 2 beneficiaries behind their causes, like the issue on when to start the payment of amortization. Phase 2 beneficiaries, on the other hand, could be easily misled by all sorts of information, especially those coming from the grapevine.

Judging from the interviews, the current state of the community is quite precarious. The Consortium derived more support from Phase 1 beneficiaries (40% of general membership). But a minority group (10%) from Phase 1 also presented themselves as strong opposition to the policies of the HOA and the Consortium. Phase 2 beneficiaries could be considered as the silent majority (50%).

The HOA officers described that the silent ones tended to observe the general membership's direction first before supporting organizational endeavors, while the cooperative ones would normally volunteer their share and follow policies. Over time, however, they observed the number of cooperative members had declined.

2. Leadership

As prescribed by the HIGC, the HOA's leadership structure was composed of the board of directors, executive committee and various task committees type. The current chairman estimated that out of the 49 designated officers, only around 20 could be considered active. Further, only a few of the committees were already operational. Current concerns of the HOA officers revolved around the area of estate management, which consisted of the following:

- » Enforcement of site rules and regulations
- » Ensuring that the rights of the members are protected
- » Linking or networking with other entities, aside from the Consortium, that could be of help to the organization

The project beneficiaries have been through two leaders. The first was Max Maninang. But, in September 1994, he was succeeded by Rey Garcia. From the point of view of the PMS members, Rey was a more able representative since he was relatively more articulate than Max. "He could negotiate with the Consortium better," said Mimie⁵. Max, on the other hand, tended to keep to himself certain things he heard both from the beneficiaries and those he learned from Consortium meetings where he represented the HOA. At times, when he updated the GA on these meetings, he would begin with "Jerome said..." or "The Consortium said..." thereby creating an impression that the Consortium was imposing on the HOA. Consequently, dialogues between the Consortium and the GA had to be organized periodically just to settle things between the two parties.

But the people perceived the change differently. It seemed to them that the degree of participation diminished with the change in leadership. While the character of participation still assumed that association officers represented the concerns of the general membership, it was observed by members that Max Maninang allowed more open discussions between the Consortium and the beneficiaries than Rey Garcia did.

With Max, the beneficiaries felt that general assembly meetings were used to their advantage. Members were informed of the agenda, three days prior to the scheduled meeting, and they were allowed to suggest changes in the agenda. Further, the leaders, as well as the community organizers, ensured that the parties involved (Consortium executives or staff) were present whenever necessary. Under Rey's administration, however, this voice mechanism was suppressed. For instance, when members voice out their opposition to policies, Rey would take this as a form of noncooperation. More often, the members report that they were either threatened with eviction or challenged to look for another place to live in.

Location

Location was one of the major problems encountered by the Consortium. Originally, the Consortium tied up with Government for the horizontal site development, since they already had funds for the construction of houses. The Consortium successfully negotiated with Government to

⁵ Mimi Buza is the current PMS Coordinator

allocate a portion of the EPZA- resettlement site for the Amsik families. The Consortium was allowed to manage its own resettlement activity within EPZA.

Mar Ocampo said that, given this deal, the Consortium started their CHB production on site. However, the impact of the CHB production as a livelihood project, somehow made the Government's original beneficiaries jealous of the opportunities being given to the Amsik beneficiaries. This prompted Government through TLRC to take action in order to contain the problem. As a consequence, he said, TLRC proposed the management of the whole site be reverted back to TLRC, since it was anyway the lead agency for the implementation of government resettlement programs. Specifically, TLRC, therefore asked the Consortium to entrust the funds to TLRC. TLRC would continue what has been started by the Consortium.

However, the Consortium, was not at liberty to make such a decision, since these funds were entrusted to them by the funding agencies (DESWOS and ASMAE). In this apparent deadlock, the Consortium had no other choice but to back out from this partnership with government. This caused a year long delay in the start of construction activities since it took a year before the Consortium to identify a new site and to mobilize the funds needed to purchase the selected land area..

Site Development

In January 16, 1993, site development formally commenced with a groundbreaking ceremony in Buensuceso, Arayat, Pampanga. However, it was only on June 11, 1993 that physical development started with the construction of 2 transit shelters for bayanihan participants, 1 warehouse and 4 shallow wells.

According to Mar Ocampo, site development started without a building permit. This added to the delays in construction because the mayor ordered construction to stop. It was only in October 1993 that the Consortium, with much difficulty, secured a permit from the mayor's office. When probed, Mimi said that the Consortium did not find it necessary to secure a permit because they thought resettlement projects, by their emergency nature, were exempted from this requirement. She added that they knew that the government resettlement sites, as well as, the resettlement projects of other NGO's were constructed without the backing of a building permit. She considered the action of the mayor as a case of pure harassment.

The height of beneficiary participation was seen during the site development stage, through the bayanihan.⁷ The implementation of bayanihan, however, differed between Phase 1 and Phase 2 beneficiaries. Phase 1 beneficiaries provided 45 days while Phase 2 beneficiaries were only required 20 days. Phase 1 beneficiaries were involved in the site clearing and actual construction of houses, while Phase 2 beneficiaries were only involved in the latter (since the horizontal

⁶ The facilities of the Export Processing Zone Authority in Angeles City has been converted into a government resettlement area.

⁷ Bayanihan is an old Filipino custom of cooperation. This was usually practiced in the rural areas. It was usually done when a family was to transfer to another community and the male neighbors would carry the nipa hut of this family and transfer it by foot to its new location. In modern times, bayanihan was practiced in the actual construction of houses. The men in the community would provide manual labor for free while the owner of the house that was being constructed would provide the meals.

development was already finished). In addition, Phase 2 beneficiaries were given the option of hiring the Phase 1 residents to do the bayanihan on their behalf. The fee charged by Phase 1 beneficiaries was between P50 to P100 a day.

In performing bayanihan, most of the beneficiaries had to shoulder the cost of transportation from Angeles City to Buensuceso and vice versa. The transit shelters that were constructed to provide temporary shelter for the beneficiaries working on site were not sufficient. The beneficiaries therefore organized to hire vehicles to bring them to and from the site. Each one had to shell out P15 a day.

The daily cost of transportation, however, became a problem later on. To solve this problem, the HOA required the beneficiaries who were hired as skilled workers (and who were exempted from the bayanihan) to contribute P200 a month. This amount was taken as their "bayanihan" contribution and was used to subsidize the transportation costs of the bayanihan participants.

On December 4, 1993, the first fruits of the people's labor were finally harvested. The first 104 core houses were awarded to Bgy. Amsik beneficiaries. Another 54 houses were awarded in June 1994. As of October 1994, the families that were actually relocated numbered 127. The rest opted to stay behind because their sources of livelihood were based there. Others simply did not have the money to haul their belongings to their new homes.

Upon transferring, the following were the facilities available in the area: communal shallow wells, 1 livelihood center, macadam roads, open canals. Electricity was not available in the area.

One year later (December 1994), the remaining 295 houses were awarded. A temporary electricity line was eventually installed in May, 1995. From 10 to 30 families reportedly shared in one electric meter. The allocation of electric consumption was based on the type of electrical appliances (including light bulbs) each household possessed.

Interviews with the beneficiaries revealed their delight as well as their disappointment about their new community. Those interviewed expressed their gratitude to the Consortium for providing them a new and safe home that they could someday own. Without the help of the Consortium, they realized they could not have achieved this by themselves. But somehow, they could not conceal many of their complaints.

The first set of complaints pertained to the house construction design and materials. One such complaint was with the materials used in the construction of houses. Eliseo, a carpenter, complained that coco lumber was used as rafters for the ceiling when he claimed that it was agreed upon that coco lumber would not be used at all. Two, he also noticed that the jambs used were smaller in dimension than what was specified in the blue prints. He said he called the attention of the project engineer on this but was told by the engineer that he was just doing his job. Three, the beneficiaries complained of the short roof which allowed water to get into the house when it was raining.

The second set of complaints were directed toward the inadequate basic services installed in the area. One, the residents complained of the number of shallow wells, besides complaining non-portability of the water from these wells. In the first place they said the Consortium promised

running water and not communal shallow wells. Two, the residents also complained about electricity. Particularly for the Phase I beneficiaries, they lived in the community for more than one year without electricity. The seriousness of their problem however, led them to organize to pressure the local electric company to provide them at least with a temporary line. The women were the ones who took the initiative and were successful. The temporary line however, provided them only with temporary relief. At the time of the interview, the temporary electric line was already creating new problems to the homeowners association. Residents complained about the way electricity was being charged them. Sharing a meter made the charging of electric consumption difficult. The current way of allocating the amount of electricity consumed as reflected in the meter reading was the source of the problem. Problems were encountered when households with the same number and types of appliances were charged differently. Moreover, they complained that the allocation system could not determine any effort of the user to conserve energy. Overall, most beneficiaries felt that they paid for more than what they actually consumed.

Aside from these, other infrastructure components that were planned were still not constructed. For example, there was only one livelihood center out of four, had been completely constructed. Another one of geodesic design was still not completed because the electric supply in the site could not support the power requirement of the welding equipment. Similarly, the health center and the market stalls were not yet in place. The residents also requested for the canals to be covered since accidents were likely to happen especially at night. The Consortium had not taken action on this, ever since the people complained over a year ago.

Livelihood Development

The Consortium viewed livelihood development as a very critical component that could determine the success of the resettlement program. Particularly, among the residents of Angeles City, the Pinatubo calamity did not only bring destruction to their homes, but also caused them to lose their major source of income with the closure of Clark Air Base. The mass unemployment that resulted in the calamity prompted development agencies including government to adopt mass employment strategies. In government resettlement areas, in fact, priority in vertical construction was given to factories or livelihood centers over the houses of the beneficiaries. Yet, government still failed in providing livelihood opportunities, prompting their beneficiaries to leave their new homes.

The Consortium was fully aware of the problems of government resettlement areas. For the Consortium therefore, careful planning of livelihood activities was very important. Thus the Consortium embarked on a skills survey that provided the information that its intended beneficiaries were basically engaged in service-related occupations rather than production based activities. It surprised the Consortium when 90% of the people expressed their preference to put up a small variety store (sari-sari store).

Realistically, however, the mass employment strategy was perceived to be most efficient in distributing income opportunities given the limited financial resources that was managed by the Consortium. But it was not to be denied that other beneficiaries would prefer to establish their own individual enterprises. By design, therefore, the Consortium embarked on a mix strategy of factory type operations and a credit window to support microenterprises.

1. Mass employment activities

Site development and the construction of houses provided the biggest opportunity for mass employment. Among the beneficiaries, the skills inventory showed a concentration of construction workers (carpenters and masons), whether skilled, semi-skilled or unskilled laborers. The Consortium therefore exploited this opportunity by giving top priority to beneficiaries in filling up the manpower requirements for the construction work in the resettlement program. The Consortium also decided to hire some residents from Bgy. Buensuceso in the construction phase. This was an initial attempt to integrate the RAP beneficiaries with the local community.

Another opportunity that was identified was in the production of construction materials, specifically, concrete hollow blocks (CHB) and sash products (doors, windows, door and window jambs). The Consortium prepared the feasibility studies and supported the HOA in financing these projects. The HOA assumed a loan from the Consortium to finance the CHB project, while 2 beneficiaries engaged in a partnership agreement with the ASJRF in running the sash operations. For both projects, the beneficiaries were responsible for managing operations.

Particularly for the CHB, the HOA officers, perceived that the project was primarily intended to provide employment opportunities. Thus, the manual production process was preferred over the mechanical one. The only advantage of the manual production system was that about 10 persons could be employed instead of 3, if the mechanical process was used. The HOA officers, however, admitted that the manual system produced lower quality bricks when compared to the output of the mechanical process.

By design, the resettlement site was the exclusive market for the products of both the CHB and sash operations, external markets were therefore not developed. The problem of sustaining these projects cropped up when the construction activities within the site were completed.

The beneficiaries believed that they could develop other markets for their CHB products. In order to be competitive however, they would need to invest in machinery and in a delivery truck. However, they were not willing to take new loans for these investments since they already encountered difficulties in paying off their original loan. They therefore approached the Consortium to help them in sourcing grants for these capital expenditures.

The Consortium had a different reading of the situation. The Consortium believed that there was no other market for CHB and sash products. Hence they ordered that the CHB and sash operations be put temporarily on hold until the Phase 3 construction activities begin.⁸

The HOA officers viewed the Consortium's analysis as quite myopic. To their minds, the truck was a useful asset that could be shared by the CHB and sash production in delivering goods to their customers. They also identified the cooperative store as another user. The cooperative store could use the truck in procuring its goods for sale. Furthermore, the HOA could also make the truck available for rent to beneficiaries when they haul their belongings to their new homes.

The other mass employment activities were not construction related. Specifically, these were subcontracting arrangements with exporters. As a general rule for these activities, project

⁸ It is estimated that at the time of the interview, CHB operations have been put on hold for around 6 months.

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beneficiaries were selected from those who expressed willingness to learn particular skills, like basket weaving and sewing.

In April 1994, the Consortium found a partner in AWEKA which was an export subcontractor for rattan made baskets. According to Mimie, this project did not survive past its training phase. First, the project suffered a high turnover of workers. Many beneficiary-participants did not persevere with the P30 a day training wage rate. Hence, participants left the project to engage in other livelihood activities that yielded higher returns (construction or sewing) and they would only go back to rattan making when their contracts in these activities have lapsed. Second, the participants could not meet the required quotas. As a consequence, AWEKA incurred penalty costs for missed delivery deadlines.

A similar problem was encountered by the garments project. Some of the women participants also preferred to work in garments factories in Angeles City because the wages were higher. Other problems encountered in the sewing project were the following. One, the initial choice of product to sew was not compatible with the available sewing machines. Two, management of operations were immediately transferred to the beneficiaries. An ordinary high speed sewer was made to oversee operations, while a tricycle driver was hired to do the marketing of products. Particularly in the marketing aspect, Mimie said the Consortium identified possible buyers but expected the tricycle driver to negotiate with these buyers. She complained that what usually happened was that the tricycle driver would commit to a deadline without consulting the production people. More often, production was not able to meet the deadlines.

At the time of the interview, however, a small garments project was ongoing. Of the 10 sewing machines that were available, only 5 were being utilized. Aling Auring said that she really took the initiative to save the garments project. She said that the Consortium had informed them that if the garments operations could not be sustained, the machines will be transferred to another area where these could be utilized more productively.

Aling Auring recognized that she could not stop people from dropping out of the project because of the low wages. She said that sewers would stay for a while, but once they got used to the machines, they sought employment elsewhere for better pay. She, however, persevered because she had a strong sense of ownership on the machines. She said, she could never allow what had been awarded to the community to be taken away. On her own, she tried her best to convince people to join and to sustain their interest in the project.

2. Enterprise Development

The Consortium established a credit window to support the individual interests of entrepreneurs among the beneficiaries of the resettlement program. One example was the tinsmith project. ASJRF provided a loan to a tinsmith so she could once again establish her tinsmith enterprise. Aside from the loan, the tinsmith was also allowed to a larger lot area so she could use the extra space for production. The project was considered successful, in the sense that it was still ongoing and it had actually employed people from the area. Another example was the cooperative store which was being managed by the HOA. The funds for this project came from PBSP but it was coursed through MRMF.

PBSP also provided funds amounting to P850,000.00 to the Economic Resource Center (ERC), a local NGO which was based in Angeles City. This fund would be used to provide fund

support for the livelihood projects of RAP beneficiaries. As per design, the RAP beneficiaries could borrow from ₱10,000.00 up to ₱100,000.00 per family for any viable livelihood project. Currently however, no one from the beneficiaries had availed of this facility. From interviews, the beneficiaries mentioned a few concerns:

- » they requested that the money be given out as grants and not as loans;
- » application forms were not yet available and beneficiaries were given roundabout instructions on where to get the application forms;
- » beneficiaries, despite of the training seminars given, were not confident about engaging in business activities since they did not have any prior experiences in managing enterprises.

The Perpetual Social Fund (PSF)

The establishment of the perpetual social fund was one of the desired outputs of the RAP. As presented to the beneficiaries, the PSF would be established through the payment of loan amortization by the beneficiaries of the RAP. The funds reflows would be used to assist other victims of Mt. Pinatubo or other disasters. The PSF would be managed by the Consortium.

ASJRF provided the technical support for designing the amortization scheme with some inputs from the beneficiaries so a deferred payment scheme was deemed to be more appropriate than an equal amortization payment structure. In their design, the ASJRF took into account the financial capability of the intended beneficiaries. ASJRF finalized and presented the amortization scheme to the beneficiaries in the first quarter of 1994. The details of which could be illustrated in the following example. For a 90 square meter property, the equivalent loan amount to be amortized was ₱45,000 over a period 15 years, at an interest rate of 12% per annum⁹. The monthly amortization would come out to be ₱165.00¹⁰ for the first year. For every year thereafter, ₱50 would be added. (Refer to Exhibit 1)

In May 1995, the hottest issue in the community was on the payment of amortization. The Consortium had passed down a directive for the people to start paying their amortization dues in June 1995. The issue had divided the HOA among its ranks. It also created a rift between the Consortium and the HOA officers on one side versus the general membership.

On this matter, the Consortium's stance was that it had given the community enough time to get settled. Particularly for Phase 1 beneficiaries, they had been living in the area for almost 2 years and the Consortium had not collected a single cent from them. In addition, the Consortium had done its best in bringing down the cost to the beneficiaries by charging only the cost of constructing the core houses and half of the site development cost.

HOA members are also divided on this issue. Those with steady incomes, particularly those with established businesses or with relatives working abroad have already started paying. As

⁹ The breakdown for the interest rate is as follows: 6% will go to the PSF, while the other 6% will go the HOA

¹⁰ The monthly amortization for an equal amortization payment structure was ₱ 546.50. When compared to the PAG-IBIG amortization rate, the equivalent rate is only ₱480.00.

Aling Fe articulated, she would not allow herself to miss this chance of a lifetime to own a house and lot.

Most, including the opposition, are merely asking for an extension of the grace period until they have established their sources of livelihood or until such time that the Consortium had successfully delivered the promised livelihood opportunities. In the absence of a regular source of income, Rey explained the people would naturally set aside the little amount that they could save for emergency purposes.

The opposition also raised the issue on the contract. As Mang Eliseo related, the contract that they were holding at the moment was one of "lease with option to buy." He said the Consortium promised that this would be changed to an installment contract once the Consortium had acquired a license to sell. According to him, the Consortium also promised that it would not start collecting unless the lease contract had been replaced. He pointed out that they were at the losing end in a situation when they have been religiously paying the lease but at the end of the 15th year, the Consortium has not acquired a license to sell.

There are some who would rather wait and see. They are actually waiting for the Consortium to resolve the problem first. They think that it would be unfair to them if they paid and then the others are allowed an extension of the grace period.

The HOA officers were the ones mobilized to collect the payments from the members, both from Phase 1 and Phase 2. Their initial experience in collecting, however, had been difficult. On one hand, they understood the point of the Consortium, and as beneficiaries, they felt obliged to do their part. On the other, they also realized that their members have a good reason for not paying. In fact, they themselves were unemployed. They saw themselves caught in a dilemma.

As HOA officers, they were expected to issue the eviction notice. But they feared that if the Consortium would seriously flex its muscles against beneficiaries with eviction, they would expect violence to break out. And in such situation, they would rather not have anything to do with the eviction.

IV. ORGANIZATIONAL ISSUES

The loose organizational principle that bonded the three members of the Consortium together proved to be problematic in the implementation of the resettlement program. The organizational problems encountered led the Consortium to hold a strategic planning workshop in April, 1994.

Appendix A summarizes the results of the strategic planning workshop that include the rationale for organizing the Consortium as well as its strengths and weaknesses (force field analysis).

A quick glance at the Consortium's analysis of their own strengths and weaknesses would show that the weaknesses far outweighed the strengths on factors that were critical to the success of the resettlement program. Weaknesses in the organizational structure, process, strategies, knowledge, skills and vision all caused some irreversible damages to the new community.

In terms of structure, for instance, Mimie related that there were several occasions when the PMS was bypassed by the Executive Committee on matters pertaining to program implementation. There were times when decisions were directly given to beneficiaries without the knowledge of the PMS. On other instances, the community organizers said that some Consortium members would go directly to the beneficiaries to announce their plans without allowing the community organizers to process the information first. It therefore happened that the beneficiaries would receive mixed signals that created expectations from different members of the Consortium which other members of the Consortium would regard as "unfounded or unrealistic."

In terms of strategies, the actual treatment of beneficiary participation was merely used as a token. One reason for this, Mimie related, was the time pressure on the Consortium to use the funds. Mimie said that the Consortium could really not afford to spend more time to ensure maximum participation because they were pressured to spend the money as soon as the site was made available. Another reason, perhaps was that, not all members of the Consortium really appreciated the value of beneficiary participation. A member of the PMS, in fact, commented that participation was not really part of the design, it was merely imposed by the USAID.

The more serious problem, the Consortium identified was the lack of vision. In reality however, it was not the lack of vision per se that was the source of the organizational problems, but the lack of specific strategies that could have provided the synergy for complementary strengths of the members of the Consortium in attaining the vision of a self-reliant community in Buensuceso.

The fact that the organization was set up in an ad hoc manner reflected this weakness. Each member of the Consortium developed its own strategies in their respective areas of competency. However, no effort was exerted to determine if the organizing strategy, for example, would be consistently followed through in the succeeding stages of the project's life cycle. It was thus observed that the organizing component's gain in encouraging beneficiary participation was suppressed in the succeeding stages.

Another weakness of the organization was perhaps in its ability to set realistic goals. From the interviews, Mimie mentioned that the project's life was only for 5 years (even if all the members of the consortium were just in the "learning" phase). At the end of the 5-year period, they expected the HOA to manage all the systems and technologies that would be passed on to them by the Consortium. Mimie admitted that this might not be realistic given the rate they were moving. But she said they were constrained by the budget which was only good for 5 years. Even then, the 5-year budget was still not enough to support the manpower requirement for the implementation of the resettlement program. At the time of the interview, the PMS was still understaffed. The PMS had not hired livelihood officers, when livelihood activities had already started. It was not surprising therefore to see all the PMS staff, including the CO's, to be overloaded. The CO's, for instance, were given livelihood related assignments in addition to their organizing function.

Given all the fire fighting that needed to be done, a strategic planning workshop was thus conducted. One resolution of this strategic planning was the establishment of a clearer identity for the Consortium as a separate institution from the respective identities of its members. In terms of structure, the Executive Committee's role was clipped to mere policy formulation. The members were also supposed to make collective decisions, unlike before, members decided on matters pertaining to their area of expertise. In effect, the original principle of "To each its own expertise" was abandoned. Similarly, this principle was also abandoned at the project management staff

level. All those engaged in program implementation were therefore made to report to the project management staff coordinator and not to their respective "employers."

Apart from the problems in internal organizational systems that affected project implementation, the Consortium was also confronted by its own sustainability. The Consortium, was largely dependent on the support of external funding agencies. Hence, it was in a way pressured to show performance. In order to show sustainability of the resettled community, the Consortium passed on its responsibilities to the HOA much too quickly. These could be seen in the way livelihood projects were implemented, as well as in the handling of sensitive issues like the amortization payment and electrification.

Externally, the Consortium also attempted to link up the project with PAG-IBIG Fund¹¹ so that it could immediately recover its investments and start its replication projects. However, the people rejected this proposal because they knew that this facility was designed for those with a regular and steady source of income, which most of them did not have.

V. ASSESSMENT BY THE BENEFICIARIES

On Service Delivery

When asked about their assessment of the resettlement process that they went through, the beneficiaries in general expressed their disappointment, particularly, on the incomplete basic services and inadequate livelihood opportunities in the area. The beneficiaries found the Consortium very unreasonable for expecting them to start paying their dues when 70% were not still not employed and none of the livelihood projects that were sponsored by the Consortium had not taken off.

In June 1995, the beneficiaries were already required to start paying their amortization dues. The beneficiaries are reluctant to do so. According to the HOA officers, the main reason was that majority were still unemployed (even among the leaders). They identified the general sluggishness of the Angeles City economy due to the closure of Clark Airbase as one factor that contributed to the scarcity of employment opportunities. Another factor they identified was that the location of the site was far from the urban areas. On the one hand, it would be draining to their meager savings to go the city to look for jobs. On the other hand, nobody would bother to go to them to inform them if there are requirements for construction workers. The situation was different when they were still in Amsik. As typical urbanites they took every opportunity that came their way. It was easy in the urban areas, everything seemed so accessible. People knew where to locate them and therefore, they could get contracts without having to leave their homes. The markets were just close by so it was so convenient to engage in vending operations. It was therefore easier for them to survive in the urban areas.

The general membership, however, pushed the issue on livelihood further and point to the Consortium as one other culprit. They claimed that the Consortium promised livelihood opportunities. But these opportunities were never realized. The HOA officers and the Consortium, however sang a different tune. They claimed that their responsibility was merely to provide

¹¹ PAG-IBIG Fund is a mutual fund primarily set up for housing participated in by the individual member (I), banks (B), industry (I) and government (G).

livelihood opportunities to augment the income of families (Karagdagang kita ng pamilya). With this, they washed their hands of the responsibility to generate livelihood opportunities that would provide a level of income to the beneficiaries that would allow them to pay for their amortization schedules.

On Beneficiary Participation

The beneficiaries also were not satisfied with the level of participation that was accommodated by the Consortium. They believed that many of their suggestions or complaints were not heard. Also they felt they did not have any power to negotiate with the Consortium because they merely saw themselves as passive recipients of the program inputs. Besides, they related that the HOA officers made them feel like they did not have the right to question the Consortium on such matters like actual costs of land and site development, as well as, the non delivery of promised/programmed livelihood opportunities.

The beneficiaries on the other hand admitted their own shortcomings. Many articulated that they could not assert their views because they were too afraid to lose their dream home. Hence, they were likely to merely conform to the policies being presented to the general assembly.

The beneficiaries were also not happy about the filtering of information and decision making functions that were done by the current set of officers. The general assemblies were not being used anymore to engage the participation of all members. More often, the Consortium relied on the opinion of the HOA officers, as representatives of the members, in drawing up their policies.

To most of those interviewed, they feel they have given their best to participate in the resettlement project. To some extent, leaders had to forego employment because they were constantly needed in the area. Others sacrificed their livelihood so that they could engage in bayanihan. After the construction, one related that he had to sell his tricycle in an effort to establish his sari-sari store operations again, but failed because the demand for products in the new site was not high enough to be financially viable.

VI. LESSONS LEARNED

The RAP case illustrates the difficulties of doing development work in an abnormal setting. The Mt. Pinatubo situation presented several urgent needs for the Consortium to respond to. First, the need to transfer the Bgy. Amsik families to a safer place since their evacuation center is still threatened to be washed out by lahar. Second, the lahar flows continue to devastate low-lying communities. The number of homeless families is observed to increase at a faster rate than the development of the resettlement sites. Third, the Mt. Pinatubo eruption affected the economic activity in the Angeles City area. This was further aggravated by the closure of Clark Air Base which gravely affected those who were in the service-oriented industries.

Given this environment, the Consortium did not have the luxury of time to do a good plan. This was manifested in the way it maintained the 3 separate personalities of the Consortium in the resettlement program. The three members drafted their own plan for the specific component that was assigned to them. The resultant process was very unsystematic. This created difficulties later

on with the changing symbols and inconsistencies in the way each consortium member related with the intended beneficiaries. Most of the beneficiaries were in fact observed to cling to the idea of being "adopted" by the MRMF. The other Consortium members who have not made any emotional investment were not easily trusted.

The Consortium also had to make a judgment call in adapting the government's blueprint resettlement program, instead of developing a new one. The scale and features were simply modified to meet its available resources. Adapting a blueprint certainly speeded up the planning process, but this took away a great opportunity for the people to participate. Construction was one area where many of the intended beneficiaries were familiar with. Planning the development of the site as well as the design of houses could have been a very rich ground for beneficiary participation to germinate.

From all the data gathered from interviews, it becomes apparent that beneficiary participation, which was the single distinguishing factor for the RAP, was not properly programmed into the resettlement process. In the same manner that the roles of the members of the consortium were not clear, so was the role of the beneficiaries and the HOA. More often it was observed that the beneficiaries merely absorbed the tasks which the Consortium could no longer accomplish. Responsibilities were therefore passed on without the necessarily preparing the people to successfully accomplish these tasks. In a way, this process helped the beneficiaries in realizing their raw potential. An example would be the electricity problem. For more than a year, the Consortium failed in providing the community with an electric connection. Out of sheer desperation, the women banded together to pressure the local electric companies to provide them with a temporary line. And all the efforts they exerted paid off. However, in most instances, particularly in those that required specific technical skills like managing livelihood operations or marketing, the people failed providing the necessary support for the Consortium.

It is important therefore that the development agent must have a good sense of what the people's abilities are and what they could willingly offer to the project. It is not enough to rely on what they merely express. The development agent must have a way of validating the information that is being volunteered by the beneficiaries. It is not always the case that what the beneficiaries think is the best for them is actually true.

Particularly in this case, the beneficiaries suffered from psychological trauma and it was possible that they could not see beyond their urgent concerns. Hence in the selection of site, for example, the Consortium cannot merely rely on safety as a criteria for choosing a site, because the people were merely concerned about safety. The economic potential of the area should have been considered too. It is expected that the Consortium, given its wider expertise could provide a little guidance on such matters. Doing so could have helped relieve the pressure on the Consortium to create livelihood opportunities for the entire community.

The discussion brings us to the conclusion of what brings about effective participation. Participation from the beneficiaries becomes effective when the activities coincide with their capabilities. If the people are lacking in capability, it is necessary that the development agent positions itself one step ahead so that it could provide the necessary guidance. This implies therefore, that the level of participation could actually be evolving. As the level of competence of the beneficiaries increase, more responsibilities could be delegated to them. This too implies that the natural course of events would require the eventual phase out of the development agent.

Participation also becomes effective if the people and the development agent could agree on its value. If it is true that participation does increase the sense of ownership of the people on the project, then both the custodian of resources (NGO) and the beneficiaries should be able to agree on a measure to convert participation into equity. This is one way of leveling off expectations between the participants and the development agency. This is way of clarifying the roles of the development agents and the beneficiaries in the entire program.

Appendix A

Internal Organizational Analysis¹²

A.1 Force Field Analysis

<i>Strengths</i>	<i>Weaknesses</i>
<ul style="list-style-type: none"> • Structure <ul style="list-style-type: none"> - Institutional capability - Linkaging/Networking > Other NGOs - Flexibility • Process <ul style="list-style-type: none"> - Access to resources (all types) - Teamwork • Behavior <ul style="list-style-type: none"> - Commitment, "lakas ng loob," persistence • Strategies <ul style="list-style-type: none"> - Holistic approach • Knowledge and skills <ul style="list-style-type: none"> - Highly specialized skills • Vision and objectives 	<ul style="list-style-type: none"> - Definition of levels of authority and responsibilities > Government - Coordination - Information, education, communication - Time availability/management - Diverse administrative systems - Weak IB/people's involvement - Integration of components - Lack of skills of some consortium members in IB and resettlement - Lack of common vision and objectives

¹² Highlights of April 1994 SPW results conducted by the Consortium.

A.2 Roles and Functions

- **Executive Committee**
 - Policy-making
 - Resource mobilization
 - Oversees operations
 - Donor relations
 - Linkage-building

- **Program Management Staff**
 - Policy implementation/enforcement
 - Day-to-day field operations
 - Network-building
 - Donor relations
 - Resource mobilization

BENEFICIARY PARTICIPATION IN A PRIMARY HEALTH CARE PROJECT¹

A Case Study on the Medical Ambassadors Philippines (MAP) Program in Butac, Aguinardo, Ifugao

PROJECT PROFILE

Rationale

The highest rates of disease and death in the Philippines are reported from communities of indigenous people (IPs). However, since majority of the IPs live in remote and rugged areas, barely reached by land transportation and communication, they have little access to either government or private health care. In barangay Butac for instance, the nearest Rural Health Unit (RHU) at Galonogon, Aguinardo, Ifugao is 8 hours away by foot while the nearest provincial hospital in Potia, Ifugao is a 10-hour hike. The government only has a midwife within an hours' hike in the adjacent barangay of Mongayang, Aguinardo.

The Leading diseases and causes of death in Butac include pneumonia, diarrhea diseases, malaria and pulmonary tuberculosis. Most of these illnesses affect women and children and can be addressed through primary health care (PHC) which includes health and nutrition education, simple curative and preventive measures, and immunization. Since June 1993, MAP has run a community-based PHC program in Butac scheduled for completion in June 1996.

Purpose

MAP aims to improve the health status of the Butac residents by initiating primary health care that will eventually become community-supported and directly integrated into the public health system.

High priority was given to training and health education that raised consciousness on health issues and promoted health-oriented behavior that supported disease management and the delivery of health services.

The specific objectives of this project and the ff.:

1. To reduce maternal and infant morbidity and mortality and increase child survival;
2. To reduce mortality and morbidity of the target population due to the 10 most communicable diseases;
3. To promote responsible parenthood.

¹ Written by Benjamin Navarro and Mary Ann Mendoza for the project, "Enhancing Project Beneficiary Participation" by Mondragon Foundation, Inc., and USAID, August, 1995.

Health Services

Curative Services

The Butac clinic is staffed with two MAP nurses and visited regularly by a circuit doctor and by the project coordinator. The staff examine, diagnose and treat all patients that avail of the clinic's services with the assistance of the Barangay Health Workers (BHWs). Those requiring advanced medical assistance are immediately referred to secondary health facilities.

Promotive Care

- **Nutrition:** identified malnourished children receive treatment. Respective mothers are required to attend nutrition classes.
- **Health Education:** trainings are conducted on simple curative and preventive practices, personal hygiene and environmental sanitation; use of oral rehydration solution for management of diarrhea and acute respiratory infections; nutrition and breast feeding; and family planning for mothers.

Preventive Care

- **Maternal and Child Care:** Pregnant mothers are given check-ups and tetanus-toxoid vaccines. They are informed on proper nutrition, immunization, and family planning. The growth of children from 0 to 5 years old are also be monitored.
- **Five-Impact Program:** This program covers immunizations and the control of malaria, pulmonary tuberculosis, diarrhea diseases, and acute respiratory infections. Children from 0 to 1 year old will be immunized with BCG, DPT, OPV and Measles vaccines under the Expanded Program of Immunizations (EPI). Moreover, MAP staff and BHWs will promote practices that prevent common diseases through early detection and home management. Environmental sanitation campaigns will be implemented by BHWs covering the following: construction and use of sanitary toilets, proper garbage disposal, and ways to upgrade drinking water portability.
- **Goiter Control:** Those identified as having non-toxic diffused goiter are given iodine capsule treatment.
- **Primary Eye Care:** This is offered to those residents suffering from cataracts, night blindness, and visual impairment. An assigned circuit nurse visits all Luzon sites on a regular basis.

Participation of Various Groups

Barangay Health Workers (BHWs)

Normally selected through the BHC, the Barangay Health Workers (BHWs) are considered to be the life of the primary health care system. They are initially trained by the project

Department of Health

The Butac station submits monthly reports to the RHU/or the Integrated Provincial Health Office (IPHO) of the Department of Health. DOH in turn provides medicines, vaccines, training materials and other medical supplies.

Other Organizations

The Central Cordillera Agricultural Programmed (CECAP) is an integrated rural development project financed by the European Union (EU) and implemented through the Department of Agriculture (DA) that aims to help the Cordillera peoples to achieve self-sufficiency and sustained long-term, environment-friendly socio-economic development. In 1994, CECAP conducted a socio-economic survey in Butac and also initiated about 50 microprojects including the following areas : health, nutrition, sanitation, potable water, crop production, irrigation, animal production, market facilities and market access.

Other groups include the Parents-Teacher Association (PTA) of the elementary school, a Women's Organization, the Evangelical Church, the Catholic Church and the Spritistas.

Project Beneficiary

The 585 inhabitants of Butac are generally Ayangan Ifugaos who trace their roots to Mayoyao, Ifugao or to Natonin, Mt. Province. Butac is a relatively new community with the earliest settler having arrived in 1957. Previously, the area was no man's land, being the site of tribal wars. In fact the word "Butac" is an old Ifugao term for ambush.

Barangay covers 1,212 hectares of rugged, mountainous terrain. It is located southeast of Natonin, Mt. Province, east of Awayan, northeast of Mongayang and west of Alfonso Lista. The land is fertile and chief crops are rice, corn and peanut. Vegetables such as baguio beans, string beans, mongo beans and fruits such as bananas, mangos, papaya and pomelo are also grown. Livestock such as chickens and pigs and some carabaos are raised. Some logging is also observed. Most adults are farmers who report an average monthly income of less than P 1,000.

There is no electricity, kerosene is used for lighting. Water is obtained from springs and wells. Firewood is utilized for cooking. Residents hike for about 1 hour to reach Mongayang where minibuses or jeepneys pass through towards Isabela only twice and sometimes thrice a day in the morning. Mails take more than a month to reach the area via the Mayoyao route.

Only elementary education is available and is provided by 3 teachers from the Department of Education and Sports (DECS) on a multi-grade basis. Prior to the arrival of MAP, resident relied on home remedies and on the government health team which arrived every few years.

Project Proponent

The Medical Ambassadors Philippines has been providing health care since 1972 and has since handled more than 50 communities (including outreach and church activities). Co-financing by USAID began 1985 and will end by mid-1986. MAP won the coveted HAMIS award twice;

nurses on primary health care before being assigned curative, Promotive and preventive task. Specifically, the workers undergo training on PHC topics including health needs assessment, nutrition, sanitation, health education, maternal and child care, prevention on communicable and endemic diseases, and the diagnosis and treatment of common illnesses.

BHWs are then required to render regular clinic duties and assigned to serve the health needs of a "purok" or a catchment area composed of about 20 households (DOH standard) and covering at least 1 "sitio" or village. BHWs were instructed to treat anyone during their duty schedule and only refer patients to the clinic after taking down their case histories making an initial diagnosis.

BHWs also assist project nurses during immunization drives. BHWs also monitor the health and medical problems of his/her assigned purok and records these on a health data board that is updated quarterly.

As of June 1995 there were 7 active BHWs serving 124 households in Butac. They handle the following 5 puroks: Bunag, To-ayong (includes Pakkel and Pangngao), Proper Butac (includes Chogong and Makalajhay), Amuya (includes Maliwanoy and Gotor), and Banagyo (includes Gihob, Patyayan, Commalog and Haman-idd).

Barangay Health Committee (BHC)

At the start of the project, a Barangay Health Committee (BHC) was organized. The BHC is responsible for the planning and implementation of health activities. For example, the BHC prepares the policies governing the operations of the Barangay Health Station and monitors the performance of the Barangay Health Workers.

The Butac BHC is composed of a chairman, vice-chairman, secretary/treasurer, PRO, 2 auditors and a business manager. Two members of the BHC, namely the secretary-treasurer and the PRO, are also duly elected barangay council members.

The Community

The main counterpart of the Butac community was the construction of the Barangay Health Station (BHS). The BHS serves as the community clinic, the botika-sa-barangay, and the residence of the project nurses and visiting circuit doctors and other MAP officers. Initially, MAP ran the clinic in a temporary location; but within 1 year, after a Memorandum of Agreement was signed with the barangay, a permanent BHS was constructed in Proper Butac beside the house of then Barangay Captain Marcos Latugan. The community provided the materials and labor for the construction of the clinic while MAP provided basic medical equipment and supplies from grant funds.

Prior to the start of the official grant period, a botika-sa-barangay was initially set up at To-ayong, with seed capital raised by the respective residents. When this capital plus earning, MAP tapped funds from the Central Cordillera Agricultural Programmed (CECAP).

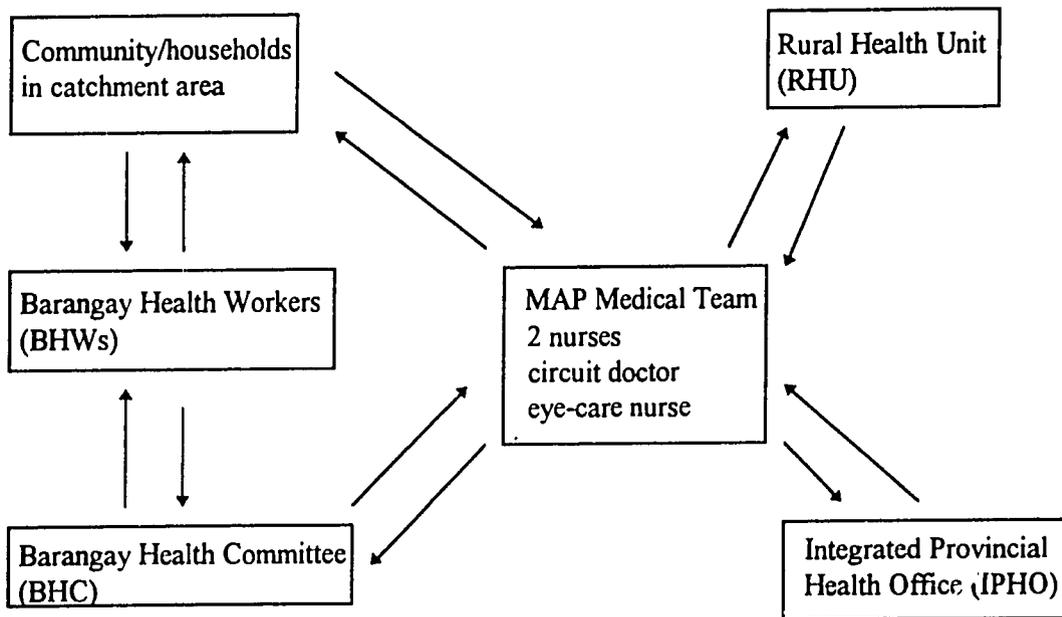
first a silver in 1991 and another silver in 1994. MAP was recently upgraded and given a gold rating by HAMIS.

The current project title is "Community-Based Primary Health Care among Ethnic Communities". Aside from Butac other project sites are located at Nagtipunan, Quirino; Kasibu, Nueva Vizcaya and Cervantes, Ilocos Sur. Total project cost for all 4 sites is P 4,713,966.01 with USAID providing P 2,042,275.00 to the MAP counterpart of P 2,671,691.01.

MAP is in its third and final year of implementing this primary health care project and is studying future sources. Presently, MAP has reached most of its set targets.

MAP is headed by a Board of Directors, then by the President. The Executive Vice President acts as Project Director. Directly reporting to him is the Regional Director for Luzon. He is in charge of 1 circuit doctor and at least 2 nurses per project site. The nurses train BHWs who in turn assist them in the provision of curative, promotive and preventive care for their respective communities. Providing operational support to the field officers and staff are the Training Department and the Financial Management Office.

Health Program Operational Framework



Project Milestones

QTR	PERIOD	EVENT
0	1993 March to May	<ol style="list-style-type: none"> 1. Butac Barangay Council requests MAP for assistance in setting-up primary health care system; sends 2 representatives for training at Damag site and who complete the 9 month course within 3 months time. 2. Residents pool financial resources (P 50 to 100 each) and set up Botika-sa-Barangay at To-ayong. 3. Baseline survey conducted among the Butac households by the 2 Damag project nurses headed by Virgie de Ocampo. 4. USAID approves the 1993-96 grant that includes Butac as new project site.
1	June to September (start of Year 1)	<ol style="list-style-type: none"> 1. Construction of Butac Barangay Health Station commences. Community gives counterpart of land, construction materials and labor. Barangay council under Kapitan Marcos latugan allocates funds for construction. 2. Fourteen (14) volunteers undergo BHW training (refresher course for the 2 Damag trainees) for quarters 1 and 2. 3. BHC is organized. 4. Curative, promotive and preventive care begins. 5. Nurses Irma Martinez then Janet Castro are assigned in lieu of former Damag nurses.
2	October to December	<ol style="list-style-type: none"> 1. Construction of Butac BHS is completed and is inaugurated. Dr. Jojo Risma assigned as circuit doctor of site. 2. Seven (7) barangay/sitio leaders undergo training.
3	1994 January-March	<ol style="list-style-type: none"> 1. Thirteen out of the fourteen BHWs complete training and thirty-eight (38) out of expected 105 mothers receive health education courses.
4	April-June	<ol style="list-style-type: none"> 1. All seven (7) BHC undergo and complete leadership training. 2. An infant from Bunag, dies after receiving immunization from BHW; although subsequent investigation reveals that child was already ill prior to vaccination. MAP nurses and concerned BHW are now unwelcom and fear reprisal.
1	July-September (start of Year 2)	<p>Twenty-one (21) child-to-child health workers are trained in basic aspects of health care. All 21 complete training in qtr 3.</p>
2	October-December	<p>MAP nurses and new MHW re-establish rapport with Bunag folk and are allowed to administer immunization once more.</p>
3	1995 January-March	<p>Thirty-two additional mothers undergo health education classes.</p>
4	April- June	<p>Fourteen year old Melody Hekyawan falls from starapple tree and suffers from multiple fracture of left leg; MAP nurses recommends her immediate transfer to hospital in Isabela. While awaiting jeepney at Monggayang, Spiritista healer Inchurno Chupalan intervenes, child is returned home. Leg heals imperfectly.</p>

Project Impact
June 1993 - March 1995

TARGET OUTPUT	OUTPUT TO DATE	% OUTPUT
Community Participation		
1 Barangay Health Committee (BHCs) organized and operational	1	100%
5 Purok groups (of 20 households each) organized	5	
1 barangay health station (BHS) to house clinic and village pharmacy set up	1	
20 barangay health workers trained and functioning	13	65%
Health Services: Curative Care		
Total # Patients	803	100%
Ten Top Diseases		
acute upper respiratory tract infection	65	
pneumonia*	126	
bronchitis	13	
wound infection	34	
influenza	19	
goiter	66	
intestinal parasitism	41	
malaria	74	
diarrhea	20	
arthritis	18	

* the top disease in Butac

TARGET OUTPUT	OUTPUT TO DATE	% OUTPUT
Health Services: Promotive Care		
105 mothers completed health education course	70	67%
11 BHC officers attended health classes	7	64%
Health Services: Preventive Care		
<i>Pregnant mothers</i>		
84 given pre-natal care	34	40%
108 given tetanus toxoid	34	31%
84 informed on EPI, FP and nutrition	76	90%
<i>Married Couples of Reproductive Age (MACRA)</i>		
37 using birth control methods	31	84%
<i>Children</i>		
growth monitored		
1. 0-1 year old (92)	53	58%
2. 2-5 years old (159)	72	45%
78 children from 0-1 year old completely immunized against BCG, DPT, OPV and Measles	57	73%
<i>Mothers</i>		
105 attended IEC	96	91%
94 attended health classes and practice use of ORS	65	69%
<i>Households</i>		
137 use potable water	86	63%
98 use sanitary toilets	88	90%
98 practice proper garbage disposal	32	33%

53

ANALYSIS

Factors that Affect Beneficiary Participation

1. Philosophy/Paradigm/Principles

MAP's Concept of Man

“Man is composed of body, soul and spirit, and we feel that unless man’s spirit is healthy neither his body nor his emotions can be completely healthy. Health involves the whole being, thus the integration of our efforts to reach the spirit as well as the efforts to reach the spirit as well as his body and emotions, focusing on man and his problems as a whole, rather than just a part of the whole”. - from MAP’s brochure

Clearly then, MAP staff and officers perceive the promotion of primary health care among indigenous cultural communities not only to have a development side but has a spiritual dimension as well. As a Christian group, work among the IPs is seen primarily as a vocation, or a calling to serve God through his people. This is evident in MAPs inclusion of relevant biblical passages in their training program, the conduct of prayer meetings and bible studies in target areas and their affirmation that “To God be the Glory!”

MAP's Goals & Beneficiary Participation

MAP aims to “provide essential health care to poor people of the Philippines, especially the cultural minorities in the remote mountain areas..which is based on practical, scientifically sound and socially acceptable methods and technology, *with the full participation of the communities and at a cost they can afford to maintain at every stage; to encourage the spirit of self-reliance and self-determination in these communities*, and to share with them the Good News of Jesus Christ,” [italics supplied by researchers for emphasis]

As per Dr. de Ocampo, MAP regional director, beneficiary participation is of “the utmost importance” for MAP. He believes that without community participation, the project will fail. He explained that in the 70s MAPs approach to development was on a dole-out basis, made people overly dependent, and had the tendency of “building parasites”. For instance, during the period, it came to the point where beneficiaries would only attend meetings if merienda was served. During the current period however, Dr. de Ocampo often stresses in his talks in the local communities that inspite of the best efforts of MAP, without active participation from the residents, “walang mangyayari sa atin”.

2. Previous experience with project type vis-a-vis strategic competence

MAP has been offering medical services to ICCs in the hinterlands since its conception in 1972. Including outreach and church-based projects, at least 50 sites have been assisted in Luzon and Mindanao. The promotion of primary health care however began in earnest in 1985, when USAID provided its first 3-year grant.

However, despite MAPs perception that project sustainability is tied up with the strengthening of the local community structures, not one professional social workers can be found among the ranks. Moreover, unlike in the first grant period of 1985-1988, no formal trainings on community organizing has been given to the present operations staff. The lack of available training funds is cited as the reason.

3. Level of institutional/organizational development or maturity

MAP has been in operation for 23 years and has since evolved into a private voluntary organization compose of medical officers, nurses and technical staff; three (3) levels of management senior, middle and supervisory; and a Board of Trustees. (refer to organizational chart in Annex).

MAP Personnel Strength				
AREA	MONTH			
	June	August	Drop	%
Luzon	19	11	8	42
Mindanao	15	10	5	33
National	11	10	1	1
TOTAL	45	31	14	31

As of June 1995, MAP as a whole had a personal strength of 45 officers and staff. Due to the completion of its 1992-1995 projects, subsequent financial constraints, and some manpower transfer, MAP has downsized to 31 or a reduction of more than one-third of its human resources as of August 1995. This significant reduction may affect its post-project operations. As per procedure MAP staff visit former sites to follow-up on BHW performance at least once every quarter after turnover of the project to the community; how ever, personnel constraints may limit this practice thus affecting long-term continuity.

4. Capacity of NGO to integrate and POs' indigenous praxis of participation

Within certain bounds, MAP staff and officers are encouraged to integrate into the local culture. MAP nurses join in the traditional dance, music and food of the beneficiaries. Even if the food happens to be a boiled hoof with its toenails still attached to it, the MAP staff is expected to eat in order to be accepted within the community. In Dr. de Ocampo's words; "Kung pa-sosyal-sosyal ka, pa Rayban-Rayban, mahihirapan kang makuha ang mga tao." He emphasizes the need to "imbibe the way of life of the people" in order to get their participation.

Integration does not come easy. Nurses take sometime to adjust to their new environment and normally have to struggle with the language barrier. For instance, once of the project nurses, who hails from Iloilo, was initially regarded as unapproachable due to her inability to communicate well when she first arrived in Butac in 1993. She had to learn basic Ilocano and some of the Ifugao dialect for some months before she could relate better with Butac patients and BHWs alike and gain their confidence.

An attempt at integrating indigenous knowledge/resources into the health model is evident in the training manuals prepared by the R&D Department of MAP. Herbal treatments of cough

and colds while a simple sugar-salt-water solution is advised for diarrhea in the absence of the more complete Oral Rehydrating Solution (see Annex).

Integration however has its limits. MAP frowns on such indigenous practices as sacrificing pigs to appease nature spirits or faith healings through "spiritistas". Such practices are viewed with suspicion and are considered pagan if not demonic. MAP staff either ignore such phenomenon or try to inject "a biblical perspective" among its believers. They describe spiritistas as generally unreceptive to modern medicine and health practices.

As per the leader of the Spiritistas, Inchurno Chupalan, there is nothing demonic about the healings she performs. She just lays her hands on the sick person and prays to God to do the healing. Chupalan is best known for the bone-setting and panghihilot relying on the power of prayer alone. She claims that spiritistas may consult with doctors or nurses if their faith in God is not strong enough.

5. Leadership orientation and style

Responsibility and authority is clearly delegated in MAP. Since the circuit doctor and/or the regional director can only visit the community once or twice a month, the project nurses have a wide latitude in making decisions and solving health problems.

Leadership for health issues in Butac seems to rest heavily on the barangay council where some members are also part of the barangay health committee. In fact, as observed in a general assembly, health ranks high in their agenda.

Unlike the former barangay captain, the present head is not active in the health activities of MAP. As per informants, the new captain is reluctant to participate since he identifies the project with the past captain. Moreover he believes the medicine should be given free of charge and that the nurses and BHWs should work on a 24-hours basis, 7 days a week. He is also pushing for the assignment of a RHU midwife in Butac.

6. Project choice, model and appropriateness

MAP's primary health care project in Butac is basically the same model employed in other sites; all share the same basic project components. However, actual implementation may differ in minor areas for instance the training topic on anti-smoking is revised since betel-nut chewing is the more prevalent habit in the area.

7. Learning process mechanisms

Although MAP generally employs the blueprint approach, it is open to revising its model as the need arises. This can be seen in its action on the livelihood program and the Botika-sa - Barangay.

Livelihood Program

In past grants, MAP incorporated a livelihood component into its project design as a form of incentive for the BHWs. The health workers were loaned seed capita in order to raise pigs with the agreement that the loan be paid upon sale of the product in order to establish a revolving fund. Unfortunately, the incidence of loan non-payment was observed to be high due to a variety of factors such as the lack of technical know-how and the relative inexperience of the BHWs. With this lesson in mind, MAP did not implement any piggery business for the BHWs in Butac; rather, under written policy guidelines from the BHC, the BHWs were given the clearance to charge a small consultation fee as well as the right to collect a percentage from the mark-up applied to the medicines sold (see Annex for details). The nurses observe however that the BHWs are generally hesitant to charge for their services for they largely perceive their work to be voluntary in nature.

Botika-sa-Barangay

Initially medicine was centralize at the Barangay Health Station; however, when some residents through the BHWs reported that the BHS was too far from their sitios - for instance Bunag is almost an hour's hike away from the clinic - it was decided to spread the stock of over-the-country medicine and special antibiotics among the BHWs for more effective distribution. The BHWs record sales of medicines and an audit is conducted regularly by the BHC to monitor both the inventory as well as the proceeds from sales.

8. Strategic thinking

Project Endorsement to RHU

Ideally, prior to MAPs departure from the area, the project would have been turned over to DOH specifically thru the RHU with the budget provided by the LGU.

Driving forces for sustainability include: the commitment of the community; the active participation of the residents; the presence of strong support from the barangay health committee and the barangay council; also the MAP is undergoing an internal evaluation study to gauge the effectivity, sustainability and replicability of its health project.

Post-USAID Plans

Since funds from USAID are expected to cease by 1996, MAP is studying the feasibility of initiating other projects under other funding sources. On the conceptual stage is the establishment of a Primary Health Care Institute which envisions the training of Christian health workers from both rural an urban areas. MAP intends to use the training modules already in use in its field sites. MAPs R&D has already published 2 comprehensive manuals in English. Ilocano and Cebuano covering the essentials required of BHWs and necessary health info for mothers.

Currently MAP, together with other members of the Federation of Hamis Awardees, is active in health policy and is strongly advocating for the immediate implementation of beneficial laws such as R.A. 7883 and the National Health Insurance Act (NHI) during its consultation meetings with the Department Health (see #10).

9. Capacity for rigor and innovation

Map has consistently chosen remote indigenous cultural communities in difficult to access areas for its project sites. With considerable persistence. MAP organized the BHS, BHWs and BHC. The nurses have had to make considerable adjustments to life in the hinterlands given their previous exposure to hospitals.

10. External variables legal framework and market conditions

Legal Framework

BHWs sometimes perform duties that under existing laws should only have been done by medical personnel. For instance the practice of BHWs of providing restricted drugs (such as special antibiotics for pneumonia and amoebiasis) and the administering of immunizations to their fellow residents are normally and legally under the exclusive jurisdiction of doctors and nurses. However, MAP defends its BHW's actions by presenting the situation as a moral dilemma rather than as a legal one. In Dr. de Ocampo's words: "You have a choice of either just letting them die or trying to do something before they die."

However limited the laws may be, two new laws are perceived to hold the promise of improving the welfare of primary health care providers and ultimately, the communities they serve.

New Benefits for BHWs?

RA 7883, also known as the *Barangay Health Worker's Benefits and Incentives Act of 1995* was signed into law by President Ramos on February 20, 1995 and is considered to be a significant development by MAP and other primary health care providers.

The law institutionalizes the provision of benefits and incentives to accredited BHWs nationwide. These include a hazard allowance, subsistence allowance, access to training, education and career enrichment programs, civil service eligibility, free legal services, and priority to loans. If this law is implemented, BHWs are expected to be more motivated to serve their respective communities thereby improving project sustainability.

Unfortunately, the source of the P. 1.4 billion required for the full implementation of RA 7883 for the more than 40,000 accredited BHWs is neither identified in the law nor is it provided for in the budgets of DOH and the LGUs.

Potential Source of Funds?

The *National Health Insurance Act (NHI)* is another law that is being pushed for immediate implementation by MAP and other Hamis awardees. Unlike Medicare where only doctors can charge, NHI allows those in other allied medical professions such as nurses to charge consultation fees and medicine to the government. NHI is perceived to be a potential source of funds for primary health care organizations and could greatly reduce the cost of health for the target communities.

Market Conditions

Recently a government doctor was assigned for the first time at the Municipal Health Office (MHO) at Galonogon, Aginaldo. However, since it will take several hours to get there from Butac, the demand for health care still remains strong.

As long as medical services remain difficult to access, there will always be a need for MAP or other primary health care organizations.

11. Other Factors

Technology Transfer

BHWs' given sufficient medical supplies, can adequately handle most common diseases ranging from diarrheal diseases to pneumonia. However, their skill for malaria diagnosis and treatment, one of the top three causes of morbidity, needs further training. The project nurses report that no BHW is competent enough to detect the type of malarial parasite on a regular basis. Accurate identification of the malaria type is vital for the correct dosage of anti-malaria drugs to be prescribed. At present, BHWs can only diagnose based on symptoms.

Even if the BHWs could learn to use the microscope effectively, said equipment is scheduled for return to MAP at project end in 1996.

THE INPOST PROJECT FOR SMALL FARMERS IN BARANGAY CODCOD¹

After the sugar workers, the small rice farmers make up the second largest poverty group in Negros Occidental. The sector comprises 38 percent of the province's rural poor. This sector was the beneficiary of the Integrated Crop Production and Post-Harvest Support Program for Small Farmers (INPOST), a project implemented in three barangays in the province in June 1989 to March 1993. The project was designed and carried out by the Negros Economic Development Foundation, Inc. (NEDF), with assistance from the USAID in the form of \$238,000 (P4,998,000) grant. One of the project sites, and where the outcome was most positive, was Bgy. Codcod in the hinterlands of San Carlos City.

PROJECT RATIONALE AND LOGIC

NEDF identified five main causes of poverty of the province's rice farmers: lack of entrepreneurial ability, lack of access to formal financing, limited technology for improving agriculture productivity, lack of post-harvest facilities and exploitative marketing system. Consequently, NEDF believed that the key to increasing the income and improving the quality of life of the farmers was improving their rice production, getting them to diversify their crop, and providing them with better financing system, post-harvest facilities and marketing assistance. These means of uplifting the rice farmers were what the foundation set to accomplish through INPOST.

THE NEDF

The NEDF is a private, non-profit, non-stock service organization founded in 1970 by some prominent and civic-minded Negrenses and friends: Carlos Ledesma (Chairman), Antonio Cumagun, Msgr. Antonio Fortich, Eriberto Garcia (Treasurer), Carlos L. Locsin, Placido L. Mapa, Jr., Antonio J. Montinola, Sixto Orosa III, Sixto K. Roxas III and Arturo R. Tanco. the foundation was established to promote the socio-economic development of Negros Occidental.

In accordance with its mission, NEDF focuses its effects and resources on serving impoverished people of the province. Its development strategy can be described in terms of three basic components: community building, technical assistance and financial assistance.

Prior to INPOST, NEDF had been implementing three major programs serving three different poverty groups of Negros Occidental. These programs were: the Sugar Workers Development Assistance Programs were: the Sugar Workers Development Assistance Program (SWDAP), for the province's biggest poverty sector; the Food Production and Livelihood Assistance Program (FPLAP), for the small farmers and marginal fishermen; and the Micro-enterprise Development Assistance Program (MDAP), for the urban poor. Apart from these programs, the foundation also had two "special projects": the Upland Livelihood and Regreening Project, and the Candoni Integrated Post-Harvest Services for Small Farmers. Moreover, it was already starting its low-cost housing project. In all, the foundation was managing eight projects in 92 communities, affecting close to 8,000 beneficiary-families.

¹ Written by Agapito Lugay for the project, "Enhancing Project Beneficiary Participation" by Mondragon Foundation, Inc. and the USAID, August 1995.

Funding for the foundation's activities had come from grants and loans from the Philippine Business for Social Progress (PBSP), USAID, CIDA, CARE and the Negros Rehabilitation and Development Fund (NRDF). NEDF was registered with USAID in July 1985 and had received funding from the agency for its Food Production program or EPLAP before INPOST.

INPOST OBJECTIVES

INPOST was an expansion of the foundation's Candoni project. The latter, in turn, was an offshoot of EPLAP which was mainly a crop production financing program for rice and corn farmers. NEDF realized that production support was not adequate to help the small farmers. The farmers needed post-harvest services and marketing assistance as well. Hence, the idea of integrated crop production and post-harvest support. The Candoni project was the first attempt in the province by any organization to implement post-harvest facilities at the farmer's level. After gaining initial experience in Candoni, the foundation felt the project should be replicated in other communities.

NEDF stated the purpose of INPOST as: "to improve agriculture productivity and income for small farmers in three barangays of Negros Occidental through a program of integrated crop production and post-harvest support services." Moreover, it set the specific outputs of INPOST, to be achieved within its three-year project period starting June 1989, as follows:

1. Three farmer's associations provided with crop production inputs, post-harvest facilities and marketing services;
2. Training provided for key personnel of the three associations in cooperative and project management;
3. Cost of the threshers, including 9% interest, paid by the association to the NEDF;
4. Amortization of other post-harvest component loans paid by the association to NEDF;
5. Three farmers' associations, with 300 members each, transformed into cooperatives with the capability to continue providing production assistance to their members and other farmers in their communities and maintain post-harvest facilities; and
6. Income of the farmers increased by 30%

Apart from Bgy. Codcod, the project was implemented in Bgy. Alcaygan of E.B. Magalona town in the central part of Negros Occidental and Bgy. Delicioso of Ilog Municipality in the south. The project sites were selected based on: 1) the existence of local farmers' associations, 2) the desire of these associations to participate in the project, and 3) their willingness to expand their membership to meet project requirements. In Bgy. Codcod, the existing farmers' association was the Bgy. Codcod Multi-Purpose Cooperative, Inc. (BCMPCI).

BGY. CODCOD

Bgy. Codcod is the most far-flung barangay of San Carlos City, itself the northernmost part of Negros Occidental. Thirty kilometers and two hours jeepney-ride from the urban proper, it is located in the western part of the city, lying at the foot of Mt. Kanlaon.

This barangay is also one of the most depressed communities in Negros Occidental. The provincial road to the area is in very bad condition. The area itself, totaling 12,600 hectares, is predominantly upland; 75 percent of it belongs to the Kanlaon National Park. The barangay consist of 13 sitios that are kilometers of unpaved roads and hills apart from each other. The sitio nearest to the barangay proper is three kilometers away; the farthest is twelve.

The community has 2,000 households with 11,000 total population. Springs and wells supply its water needs. Electricity reached the barangay proper in 1994. A public market, a health center, six public elementary schools and three chapels make up the other social facilities the area has. The public market, which is located in the barangay proper, comes to life once a week, when traders from outside bring various goods to the community and buy the residents' agricultural produce. Beyond market day, 25 sari-sari stores, five rice and corn mills (other than the project) and two welding shops also serve the community.

Most of the local households are dependent on farming as their sole source of income. They grow rice, corn and vegetable on 2,900 hectares of spring-irrigated, mostly terraced land. A household cultivates an average 1.5 hectares of land. There are families, however, that possess more than five hectares. Most of the farmers are either tenants or leaseholders of land belonging to the Kanlaon Park. Some 850 hectares of the area's cultivated land are, in fact, covered by the government's Comprehensive Agrarian Reform Program; and 350 hectares of this had been titled (with EP or CLOA) as of April 1995.

Spring irrigation enables the farmers to enjoy whole-year round cropping. For most of them, however, the income from farming is enough only for the subsistence of their families. They blame the traders as well as the absence of farm-to-market roads and inadequacy of post-harvest facilities for their meager income. Prior to NEDF's entry in the area, the traders and other usurious moneylenders were the farmer's only sources of financing for their production requirements. The farmers sell their produce to these same traders whom they complain of "exploitative business practices" such as underpricing and the use of manipulated weighing scales. Apart from what goes to the traders and moneylenders, the farmers' big expenses in hauling and other post-harvest services reduce further their income.

THE BGY. CODCOD MPCI

Bgy. Codcod's cooperative is the only existing organization in the area other than the barangay bodies. Its origin can be traced to an association formed by the Department of Agriculture in 1985, the Integrated Organization for Agro-Industrial Development (IO-AID). the latter had 40 members coming from both Bgy. Codcod and the adjacent Bgy. Quezon. The IO-AID was intended for the DA's black pepper production project in the area. Participating farmers were among the area's bigger landowners as each one had to commit one hectare of land to the project.

In 1988, then Bureau of Agriculture Cooperative Development (BACOD) came in to transform the IO-AID into a cooperative. In the process, the association was split into two cooperatives, one for Bgy. Quezon and another for Bgy. Codcod. The former did not exist long, but the latter became a beneficiary of other projects of the government and local non-government organizations (NGOs).

Registered with BACOD in November 1988, the Bgy. Codcod MPCI was just established when the NEDF came to the area. Owing mainly to its beginnings, its membership composition was not representative of the local populace. The cooperative had only 23 members. All of them

were from Sitio Catuang which was five kilometers from the barangay proper, except two who were from the latter. Most of them, furthermore, were kins, belonging to three clans only.

Also, the cooperative's founding members were either landowners or leaseholders, each with an average two to three hectares. All of them, apart from two, were likewise either elementary or high school level. The two were the founding chairperson and one of the members from the barangay proper. The former was a medical technician who had worked in a city hospital before assuming farming as a full-time occupation. The latter was an agronomy graduate who worked for a time for J.F. Ledesma Foundation, an NGO based in San Carlos City. While the latter had no relative in the cooperative, both were regarded as leaders of the association.

The cooperative already had elected officers when NEDF started to deal with it. However, it had no working management staff, no accounting system and no business operation yet.

THE FARMER'S EARLY PROJECT EXPERIENCES

Prior to INPOST, the founding member of Bgy. Codcod's cooperative had earlier experiences as beneficiaries of project assistance. These experiences, however, were not so successful.

First among these experiences was the DA's black pepper production project itself. The project was a contract growing arrangement involving the local farmers as growers, the Landbank as financier, a private enterprises as the market and the DA as broker. Three years after the project was launched, its fate was very clear. El Nino destroyed most of the crop of the farmers even as bumper harvests in other parts of the country made the price of black pepper plummet. The private enterprise refused to buy at the pre-agreed price whatever harvests the farmers had. Thus, the farmers could not repay their production loan from the government bank.

While involved in the DA project, the farmers, then belonging to the IO-AID, also tapped the assistance of J.F. Ledesma Foundation for their rice production needs. The NGO extended production loan to 28 of IO-AID's members. Unfortunately, the El Nino phenomenon spared none of the farmer's crops. Thus, only eight of the farmers were able to repay their loan from the foundation.

Later, the DA engaged the newly registered Bgy. Codcod MPC I to serve as conduit for its livestock dispersal and organic fertilizer dissemination projects. Both, however, only resulted in issues that tarnished the credibility of the fledgling cooperative's founding chairperson. In the livestock dispersal, the chairperson took by himself the task of distributing P20,000 worth of piglets. All piglets, eventually, were reported to have died and no payment was made to the DA. In the second project, the chairperson collected contributions from the farmers for the transport of 2,000 bags of free organic fertilizer from the DA. at P25 per bag, the contributions were estimated to amount to P50,000. No money, however, was remitted to the cooperative while the transportation expense was charged to it.

BGY. CODCOD MPC I AND THE NEDF

Despite the cooperative's not-encouraging project experiences, the J.F. Ledesma Foundation endorsed the organization to the NEDF. The cooperative, at the same time, had a personal link to the NEDF that preceded the endorsement of San Carlos City's NGO. Its founding chairperson was a brother-in-law of the executive director then of NEDF. Long before the

existence of IO-AID the former was already approaching the foundation for possible projects in the area.

INPOST had a three-year project period. The project, however, officially started in July 1989 and ended in March 1993, thus taking nine months longer. Its implementation in Bgy. Codcod can be divided into the following phases: design and preparation (July-November 1989), construction of the facilities (December 1989-May 1990) and operation (June 1990-March 1993).

INPOST DESIGN AND PREPARATION

The farmers had no participation in INPOST before its project period other than being consulted as to their interest in the project and their willingness to meet project requirements. Members of the Bgy. Codcod MPC I were just very enthusiastic about the project as it was something they were already envisioning during the IO-AID existence.

There was very little time for the preparation for the implementation of the project at the site level. Everything was squeezed in five months. Upon the approval of NEDF's proposal to the USAID in June 1989, the foundation required the sub-grantees to submit to it their own project proposals. The proposals of Bgy. Codcod's cooperative was prepared and submitted by its founding chairperson within a month. Neither NEDF proposal to the USAID nor the cooperative's proposal to the foundation included a business study that would show how the project could repay its cost.

Next to the project proposals, the NEDF asked the farmer's associations to prepare their detailed plans of action for the implementation of the project at the site level. The Bgy. Codcod MPC I took time to prepare this project requirement. The project office in the area had to prepare a draft and this was presented to start the operation of the post-harvest facilities soonest. The cooperative, however, had difficulty finding a titled land in a strategic location. In the end, I settled with a lot in Sitio Catuang donated by its founding vice-chairperson who had the biggest landholding in the area. The site was favorable to most of the cooperative's members who lived in the sitio. It was, however, five kilometers of hills, creeks and bushes away from the barangay proper and accessible only by bulcarts, horses and feet.

CONSTRUCTION OF THE FACILITIES

This phase of the project's implementation had its own problems. The farmers were highly-spirited at the start. In a bayanihan fashion, they started clearing a bulcart trail from the site to improve its accessibility. They were hoping that they would be able to get the city government to continue the project. After a number of visits to the city hall by one to three of their officers, however, they realized the futility of their efforts and stopped what they were doing. They were able to clear though almost a kilometer of trail.

The construction of the warehouse, ricemill and solar dryer was a bigger problem. In the project design, the labor cost, like the land, was a beneficiary counterpart. None of the farmers, however, was skilled for the work. The cooperative had to hire three local carpenters to do the job. Even then, the difficulty of transporting the construction materials to the site prolonged the construction of the facilities. Consequently, it was completed a number of months delayed from the time table.

FULL PROJECT OPERATION

Inauguration

The post-harvest facilities were inaugurated in June 1990, a year after the start of the project period. Other services of the cooperative, however, had started by this time. The cooperative purchased and started operating the rice threshers in May. In the same month, it began buying palay. The following month, it was already retailing rice.

Management Question

Though the cooperative initiated and took the management of the post-harvest services, there was really no clear arrangement between the cooperative and the foundation as to how the project would be managed. The NEDF's proposal to the USAID stated that "the farmers' associations shall be responsible for the management, with NEDF's assistance, of the crop production program (while the two) will jointly draft specific guidelines and policies for each component of the post-harvest and marketing ventures."

In the cooperative's proposal to the NEDF, however, it wanted the foundation to "assume the responsibilities of the project management during the initial three-year period or until such time that the community can already assume (these) responsibilities." In the detailed plan of action drafted by the project officer in the area and agreed by the cooperative's officers, the management of the project was left to the cooperative's officers, the management of the project was left to the cooperative. Under the foundation's project management set-up, however, a project officer was assigned in Bgy. Codcod to supervise the implementation of the project and provide technical assistance to the cooperative. The project management of the entire INPOST project.

Management Mess

Within the first three months of the full operation of the project, it became apparent that the farmers were ill-prepared for the responsibilities the foundation let them assume. The cooperative could not even set-up a sound management system.

Until July 1990, the chairperson acted as the manager and the treasurer at the same time, receiving, keeping and disbursing money. In July, he appointed the agronomy graduate from the barangay proper as both manager and warehouseman. In two months time, the latter had to resign from both positions; he could not possibly assume either of the positions because his house and farm were far away from the project site. Meanwhile, the bookkeeper proved to be unskilled and could not help the cooperative set-up its accounting and internal control system. All these resulted in undocumented sales, unauthorized withdrawals, unreceipted collections, missing cash, and absence of stocking system.

The cooperative was never able to put in order its management system within the project period. Its founding chairperson and the agronomist from the barangay proper found a better division of functions between them. The former assumed the position of manager and the latter, chairperson. This arrangement, however, did not improve the cooperative's state of affairs.

As the cooperative's manager, the medical technician gave priority to whatever external activities or seminars the cooperative got called or invited to, neglecting his primary responsibility

of seeing the business operations and the organizational development of the cooperative. His propensity for unauthorized or undocumented transactions also continued. Consequently, he lacked good relations with his own staff and he had little control on them.

Moreover, because of the cooperative's inability to offer attractive compensation and of the lack of qualified persons in the community, it had a fast turn-over of staff, particularly bookkeeper and cashier. There were periods during which the cooperative did not have a bookkeeper or cashier. The consequences of all these were continued irregularities as well as more sources of irregularities in the cooperative.

Business Problems

The cooperative's lack of capability to manage the project was also reflected in its rice trading practices that affected its financial position negatively. The cooperative did not have a systematic and practical marketing strategy. It sold all its rice outside the area, reaching as far as Bacolod City and frequently making deliveries of just ten cavans or small volumes that obviously could not recoup the transport expense. Moreover, it kept on making deliveries to customers with big old accounts. Consequently, its accounts receivable were big and constantly growing, thus depleting itself of fund for continuous operation.

The cooperative's management and leadership, however, were more conscious of, and more concerned with, a business problem in the supply side involving the membership. The palay buying price of the cooperative was a source of disappointment among its members. It was generally a little lower than the buying price of private traders because the cooperative inputted in its pricing the cost of hauling rice from the warehouse to the barangay proper. The private traders, meanwhile, could buy at a little higher price because they did their buying in the market and, cooperative officers add, they used tampered weighing scales. These differences in the buying practices of the cooperative and the private traders were resulting in pole-vaulting among the cooperative's market, farmer-members in Sitio Catuang and nearby areas. They would bring palay to the traders on market day.

Problems with Membership

The cooperative was also beset with problems concerning its membership. From the start of the project, the cooperative had a commitment to expand its membership to 300, this being one of the project requirements. During the construction of the post-harvest facilities, new recruits increased the cooperative's membership to 40. In the second year of the project, the new members totaled 65.

Pressure on the cooperative to reach the 300 membership requirement intensified as it entered the third year of the project period. During this period, the cooperative decided to accept the application for membership of 118 CAFGUs who were transients in the area and only wanted to use the cooperative as conduit for loans from the Department of Local Government (DLG). These recruitment drives worsened the cooperative's problems of loan delinquency, poor attendance in meetings and disloyalty in the form of non-patronization of cooperative services. Some members, though, resorted to pole-vaulting not out of disloyalty to the cooperative but to express their disenchantment with its management and leadership, particularly the manager.

PROJECT RESULTS

At the end of the project period, the INPOST project in Bgy. Codcod produced its target outputs. Though with delay, the post-harvest facilities were constructed and purchased. Too, though not necessarily timely, adequate or appropriate, training's were provided to the cooperative. The threshers were also fully repaid by the cooperative as targeted by the project.

Most of the desired results of the project, however, were far from achieved. The farmers who benefited from the post-harvest services were very limited, and it was difficult to measure if these services helped improve the standards of living of the farmers owing to the lack of baseline data. On the contrary, the farmers were delinquent in paying their production loans, as in previous financing extended to them by other agencies. Likewise, the cooperative, rather than accumulating income from its business operations and building up savings from the farmers, incurred losses and accumulated accounts receivable. As a result, the cooperative could hardly pay its amortization of the post-harvest facilities and its recovery remains to be seen.

THE ECOSYSTEM CEBU PROJECT

As Implemented by the Ramon Aboitiz Foundation, Inc.
and Aboitiz and Company¹

Note: Due to time constraints and upon realizing the need to focus substantively, the researchers at the onset of their fieldwork decided to concentrate only one barangay project site (BPS), which is barangay Balidbid, Sta. Fe in Bantayan Island, the only BPS with mangrove reforestation activity. The fieldwork was done concomitantly while exhausting the whatever available documents and resource persons they could turn to at the central office level. Data gathering techniques used in this study were semi-structured key informant interviews, focused group discussion, direct observations/ocular inspections, and secondary data/document analysis. Hence the underlying question that guided them was on how the ECP program was implemented from the central office down to the community level.

The RAFI-ACO Profile

ACO The Aboitiz and Company, Inc. (ACO) started out in 1920 as a buy-and-sell business and later evolved into a "complex management and investment company." ACO has since branched out to various business enterprises such as shipping, banking, real state, construction, industrial gas manufacturing and supply, industrial products distribution, electrical and power generation and distribution, coco-chemicals and food. Today, the Aboitiz Group of Companies owns more than 23 of the major corporations in the country.

ACO was a USAID grantee for the implementation of the Enterprise in Collective System for Environment Management (ECOSYSTEM) Cebu Project (ECP). ACO entrusted the management and full implementation of the project to its implementing arm, the Ramon Aboitiz Foundation Inc. (RAFI).

RAFI. RAFI, on the other hand, was organized as a non-stock, non-profit organization in 1966. Organized by Ramon Aboitiz, it was later named after him by his associates. Its mission is *to establish self-reliant communities whose social, economic, cultural and political values, through the processes of participation, networking and empowerment, are sensitive and responsive to the upliftment and well-being of their members.*

RAFI has had more than 20 years in the development work, more than 8 years of which was with the USAID. Accredited by the USAID as a Private Voluntary Organization (PVO), RAFI has had grants of more than \$1.5 million from the USAID for its community development projects. It has catered to at least 75,000 households or more than 450,000 individuals with more than 300 projects since its establishment. Other than the USAID, RAFI has established relationship with institutions under the United Nations, some funding institutions in Japan, the Netherlands and Germany.

¹ Written by Renerio Acosta and Mary Ann Caseles for the project, "Enhancing Project Beneficiary Participation" by Mondragon Foundation, Inc. and the USAID, August, 1995.

Program Profile of the ECP

Background. The ECP was first conceived sometime in 1989. It was on 10 July 1990 that the USAID and ACO-RAFI formally signed the Grant Agreement (GA) for the three-year project with a grant fund totaling Php.66,043,403 or \$3,001,973 (exchange rate of Php.22 to \$1). ACO-RAFI provided a counterpart contribution in cash or in kind, with a total value of Php.65,827,790.

Purpose and Objectives. The project seeks to address the twin issues on environmental degradation and poverty in Cebu province. The basic purpose of the project is to *initiate conservation and rehabilitation measures to prevent environmental degradation and to improve the socio-economic conditions in the province.* Covering 52 barangays (distributed in 48 municipalities and 4 cities in Cebu) the project intends to benefit 20,800 households and more than 124,800 individuals. It aims at improving both environmental and socio-economic conditions through an **integrated approach** to develop the ability of the beneficiaries to reach their goals of self-reliance and to help maintain the ecological balance of their environment.

Activities and Components. Major components or strategies of the project include: *community organizing (CO) and capability building, environmental rehabilitation through reforestation and agroforestry, networking and linkaging, policy studies and dialogues/advocacy, credit assistance and income generating projects (IGPs), and delivery of basic social services such as the construction of potable water systems (PWS) and primary health care (PHC).* These predetermined components were consistently applied to each of the 52 barangay project sites (BPS).

The following are the general targets or planned outputs and accomplishments after the first 3 years of ECP implementation.

Project Components	Planned Output	Important Activities and Accomplishments
Community Organizing and Capability Building	<ul style="list-style-type: none"> Established community-based organizations (CBOs) in 52 BPS Conducted community-based training in developing organizational skills, productivity, PHC, and resource mgt. 	<ul style="list-style-type: none"> Identified leaders/core group formation Registered CEOs under SEC and BRW Operationalized and formed working committees Organizational development thru trainings and seminars
Networking and Linkaging	<ul style="list-style-type: none"> Conduct multi-level/sectoral dialogues and consultations on environment and sustainable development 	<ul style="list-style-type: none"> Linked up RAFI and CBOs with GOs/NGAs and other NGOs for policy and resource mobilization
Policy Studies and Advocacy	<ul style="list-style-type: none"> Published quarterly publications 	<ul style="list-style-type: none"> Publications: Ecosystems and Dagyaw Policy studies and researchers
Primary Health Care Assistance and Potable Water	<ul style="list-style-type: none"> Improved health conditions of PBs by constructing 52 health centers and providing supplemental primary 	<ul style="list-style-type: none"> Centralized planning for PHCs Construction of PHCs Operationalization of health programs

System	<ul style="list-style-type: none"> health care services to BPS Developed and rehabilitated 52 PWS 	<ul style="list-style-type: none"> (medical provisions) Toilet bowl construction
Reforestation and Agroforestry	<ul style="list-style-type: none"> Planted 10 million fruit bearing and timber trees in 10 thousand hectares spread in 52 BPS 	<ul style="list-style-type: none"> Establishment of central nursery Distribution of seedlings/seeds Planting and maintenance of more than 2 million trees.
Credit Assistance and Income Generating Projects	<ul style="list-style-type: none"> Provided credit assistance to 3,640 beneficiaries for IGP thru a loan program 	<ul style="list-style-type: none"> Conduct of preparatory inputs like trainings of financial mgt, and SEC registration Release of 4.5 million pesos for credit from 18 million loan fund to 34 communities

References: Original Grant Agreement
1993 Accomplishment Report

Timeline/Project Phases. Grant Activity Completion Date (GACD) of the original Grant Agreement which was approved on June 1990 was due on July 1993. But few months prior to the GACD, RAFI-ACO requested for an extension. Hence, a USAID multidisciplinary redesigning team was sent on March 1993 to conduct an assessment. The team recommended for a two year extension subject to conditions and modifications of the original GA. For instance, the 5th year budget will only be released upon recommendation of the USAID evaluation team. Thus, the entire ECP implementation lasted for a total of 5 years (July 1990 to July 1995). (See flowchart on ECP Timeline)

This 5 year period is comprised of three major stages. To wit, these are the *Preliminary Phase*, *Operationalization Phase*, and *Consolidation/Expansion Phase*. Activities in the *preliminary phase* include the conceptualization of project design, submission and approval of the ECP proposal to USAID, installation of project office and personnel's, and conduct of groundworking activities like consultations and initial linkages with DENR and local government units (LGUs). This initial phase commenced sometime in 1989 and ended on October 1990.

The *operationalization or implementation phase* is the core of the ECP experience. Activities that transpired during this phase is said to have eventually determined the final outcome of the project. Hence, for descriptive purposes, we shall hereafter refer to the period covered by the original GA as ECP I (July 1990 to July 1995) and the period under the extended/modified GA as ECP 2 (September 1993 to July 1995).

After two and a half year of *ECP I* implementation, major issues began to crop up. As pointed out by the USAID redesigning team, the project lagged behind its target outputs especially in areas of credit assistance, tree planting, and primary health care (see table above). Several factors can be attributed to these problems. One is the fundamental problem that the ECP was being implemented using a "blueprint" developed by USAID and RAFI planners. In other words, the project was too output or target oriented to the expense of social preparation, CO and capability building activities. Also, other factors like typhoons "Ruping" and "Uring" in 1990 and 1991, May 1992 national elections, and severe 8 months drought from November 1991-June 1992 apparently slowed down implementation. In response to the redesigning team's recommendations, RAFI conducted the Strategic Planning Exercise (STRAPEX) at the central office level on 14-16

April 1993. Visioning Planning Seminars (VPS) at the BPS level were held on May 1993. Indeed, USAID's nod on RAFI's request for an extension was necessary. Hence, followed the implementation of the subsequent period referred to as ECP 2.

The modifications in the original GA contain the following important provisions: (a) extension of GACD from 11 September 1993 to July 1995; revision of objectives and outputs; (b) access of dollar savings of Php.10,560,380.00 to the exchange-rate fluctuation rate; and (c) realignment of budget for USAID and counterpart contribution of RAFI-ACO.

Meanwhile, under the *Extended/Modified GA* (ECP 2), the ECP shall "act as a *resource management institution* that would enable communities to identify, design, implement, evaluate, and sustain self-reliant efforts in responding to their needs". It aims to "initiate environment protection and conservation activities through **community-based resource management (CBRM)** practices in barangay project sites; introduce appropriate development programs that would respond to the identified need of the communities and to improve their standard of living".

The table below shows the intended outputs and accomplishments under the ECP 2 period.

Program Components	Planned Outputs	Actual Activities and Accomplishments
Community Organizing and Capability Building	[1]. CBOs formulate and implement 2 and 5 year development goals; establish 5 working committees; increase in membership by 80% (1994) and 35% (191\95); Skills upgrading in project and organization mgt.; integrate viable M&E systems; develop sustainability plans [2]. Conducted 620 comm'ty-based tmgs. in 46 BPS	[1]. 46s CBOs formulated CBDPs; its leader and members skills upgraded; membership increase to 62.66% (3,193 to 5,194); CBOs integrated M&E system in CBDP and formulated sustainability plans; [2]. 973 tmgs. in 46 BPS (value formation, RRA, financial mgt. proj study prep., coop dev't, env't mgt. org'l. ingt and planning etc.)
Networking and Linkaging	[2]. Capacity bldg. of 46 CBOs in network and linkaging thru functioning committees	[1]. Linkages were established between CBOs and GO and other NGOs for financial & technical assistance
Policy Studies and Advocacy	[2]. Preparation and publication of 5 policy studies, 20 quarterly journals, 24 comm'ty newsletters, and 1 process docu book	[2]. Prepared 4 policy studies 3 of w/c were published, 15 quarterly journals, 10 comm'ty newsletters
Primary Health Care Assistance and Potable Water System	[2] 43 PHCs with functioning health delivery systems (immunization, feeding, prenatal, family planning, oral rehydration); construction of 123 PWS and 1,054 low-cost toilets in 46 BPS	[2] 51 PHGs constructed in 51 BPS; 1995 Pws in 42 BPS; 1,390 toilets in 30 BPS
Reforestation and Agroforestry	[2]. Implemented CBRM activities in 46 BPS; forest protection in 30	[2]. CBERM: forest prot. 202 ha in 7 BPS; contour farming 61.56 ha in 51

	ha. 25 ha contour farming, 35 ha. shrub conservation, 25 artificial reef installation, 1 ha mangrove refo, tree planting coverage 1,515 ha	BPS; shrub conservation 46 ha in 16 BPS; 176 artificial coral reefs in 3 BPS; 1 ha mangrove refo in 1 BPS; 2.9M trees in 1,908.6 ha in 52 BPS
Credit Assistance and Income Generating Projects	[2]. 37 IGPs in 46 BPS from Php.7.25M to 2,500 HH	[2]/ 58 IGPs implemented in 43 BPS using Php. 7.1M loan fund in 1,576 HH

[1]. Primary Outputs

[2]. Secondary Outputs

References: Modification of Grant Agreement
Five-Year Development Plan

While reducing the number of BPS from 52 to 46, the project under ECP 2 will assist CBOs in “increasing (its) organizational membership by 8096, formulating and implementing Community-Based Development Plans (CBDP), integrating monitoring and evaluation (M&E) systems in their CBDP, developing their own sustainability plans, and acquiring the necessary skills in project and organizational management”.

The ECP 2, as observed by USAID evaluation team during their June 1993 visit, was indeed a “turnaround of the project from one that was implemented out of blueprint to one that is rapidly becoming a model of community empowerment.” In line with ECP 2’s participative and CBRM approach, RAFI instituted CBDP workshops and Rapid Rural Appraisal (RRA) exercises at the BPS level. Sustainability plans and M&E systems were integrated in the CBDPs. The results of the above set of activities under ECP 2 became the basis in formulating the Five-Year Development Plan (1995-2000).

The date, ECP implementation is on its 5th and last year. Preparation are now underway for a more consolidated, focused and streamlined version of the project. Negotiations to implement the proposed ECP Five-Year Development Plan is on-going. Thus, this pending transition from the ECP to the Five-Year Program is referred to in this case report as the *Phase Over the Expansion and Consolidation Phase*.

Case Analysis: “Putting the Last First”

“Putting the Last First”, this is how the entire ECP experience can be aptly described. The evolving process undergone by the program was rather tedious and very costly. Tedious in terms of scope/coverage (i.e.. 48 municipalities and 4 cities of Cebu province) and the implementation process it had undergo. Costly given its crisp USAID grant of \$3 million for a 3 year projec.. Everyone in the project, would honestly and undeniably claim, did not have an easy time fulfilling their respective tasks. But the labor pains, so to speak, paid up very well in the end.

This part of the study will try to identify and discuss some critical considerations in the actual implementation of ECP. As pointed out earlier the basic and fundamental problem encountered in the project was the inappropriateness of the “blueprint” tradition of development strategy. The project design was drafted by decision-makers and planners from the top.

RAFI-ACO took the role as the “initiator” of environmental advocacy and socio-economic rehabilitation in the target BPS. As initiators they concerned itself mainly in “selling” the project instead of “winning over” the hearts and minds of the community. The quality of the consultations, identification of leaders, and core group formation for lack of time in most cases are questionable. Hence, the lack of ownership on the part of the CBOs. Besides the pressure was on the ECP staff. They were ruled by the thought that predetermined numerical targets were expected to be achieved following a predetermined timeframe.

Apparently more problems arose when the targets did not seem to fit well to the assumptions on the project. In other words, there was a disparity and mismatch between the targets and the objective realities or conditions in the selected BPS. Simply put, the project design, i.e, its objectives and activities, was imposed and insufficiently validated on the community level. The predetermined goals and activities under ECP 1 were not based on actual realities on the field level. In spite of the mismatch between goals and real conditions, the project were quite resistant to change or innovations.

Midway of ECP implementation, the community organizing component took the brunt in the delivery of the required outputs. Initially, CO was treated by USAID auditors more as an output than a tool that could facilitate the delivery of outputs. A debate between the “blueprint” and “CO process” advocates within RAFI inevitably cropped up when the latter felt the inadequacy of a top-down framework and which had to be abandoned to make way to a more participatory and community-based development approach. USAID’s decision, based on the recommendation of its multi-disciplinary redesigning for ECP, to adapt a shift from the “blueprint” to a community-based strategy proved to be most crucial to the success of the ECP.

The questions mainly was on strategy. Who shall we consider first or foremost, the project beneficiaries at the BPSs or the proponent NGO in its entirety? Under the modified grant agreement, the community now had to stand at the fore of the ECP implementation. Succeeding activities that followed geared towards the infusion of participatory techniques such as the Strategic Planning Exercise, Rapid Rural Appraisal, Community Barangay Development Planning, Vision Planning Seminars, and others, at the BPS level. Then, RAFI took the backseat role as “facilitators” standing alongside with its project beneficiaries in addressing and/or resolving the felt and expressed needs of the concerned communities. This particular period in the ECP marks the moment when errors in the design had to be duly recognized and rectified. The abovementioned activities were implemented towards the end of ECP 1 and at the start of the ECP 2.

The matrix below shows the factors/activities the PROMOTE and HINDER beneficiary participation. Evidences of which are derived from two levels: from CBOs (viewed either as recipient-managers) and RAFI (viewed either an initiator-facilitators).

Context/Period	Factors that Promote Participation	Factors that Inhibit Participation
Community Based Organizations (Recipient-Manager Role)	<ul style="list-style-type: none"> • Policy Making: submission of resolution to municipal and brgy. officials for resource mobilization (medicine, PWS, PHC, etc) and environmental policy advocacy • Counterparting: comm'ty 	<ul style="list-style-type: none"> • Prevailing cultures of individualism • Wait and see attitude of community members • Priority for livelihood and survival strategies as against attending

	<ul style="list-style-type: none"> contributions in cash or in kind (labor/time) • Planning and Program Designing: participation in VPS, CBDP, RRA • Training and Seminars: planning, designing, implementing trng, modules • Benefits Accrued: IGPs, basic services, tree planting • Maintenance of Services Delivered: refo, infra facilities, health programs • Designation of Local CO: prepares M&E and implements/facilities field-level activities 	<ul style="list-style-type: none"> seminars. • Lack of appreciation on long term value of seminars • Conflicting schedules b/w RAFI activities and household chores
RAFI-Nongovernment Organization (Initiator-Facilitator Role)	<ul style="list-style-type: none"> • Resource Linkaging/Mobilization: at prov'l . and local (mun'l-brgy levels) • Refocusing directions of ECP • Holding of participative activities like VPS, STRAPEX, CBDP workshop • Persistence of Advocates of Participatory • Dev't w/n RAFI 	<ul style="list-style-type: none"> • Under ECP 1: heavy emphasis on delivery of numerical output; centralized planning (e.g. PHC, nursery); entry/integration and consultation process at the start of project; lack of field validation of predetermined targets/assumptions; random ID of leaders and core group formation.

Participatory mechanisms have been successfully institutionalized at the RAFI and BPS level, particularly under ECP 2 period. Examples of these are the deployment of organic/local community organizers (COs), preparation of M&E reports by CBO members, preparation of VPS and CBDPs, community initiatives to link up LGUs (barangay and municipal), NGOs, and GOs/NGAs for purposes of policy advocacy and resource accessing, maintenance of Volunteer Health Workers (VHWs), and others. Participation by CBO and non-CBO members as well became concrete realities. The level of empowerment or self-confidence of the CBOs to manage project by themselves has become relatively higher after the infusion of participative activities. The linkaging and capability building interventions of ECP was pivotal to the marked increase in confidence of the CBOs.

Of course, there are exceptions to the rule. Albeit RAFI-ACO have fully embraced the notion of CBRM, they were faced with CBOs that were unreceptive to change. Some CBOs could not organize themselves for lack of unity and for political differences among the leaders, community members, and even with RAFI. The following types of CBOs can be characterized based on ECP experience.

(a) TYPE 1 are CBOs that cannot sustain themselves organizationally. The CBO cannot take off the ground due to irreparable and deep-seated divisions in the community. RAFI assistance here is futile thus RAFI may abandon it.

(b) TYPE 2 are CBOs that still need closer guidance from RAFI. Therefore RAFI would needlessly require its staff to immerse intensively in the community.

(c)TYPE 3 are CBOs that require minimal interventions or assistance and less monitoring activities are needed. A once a week visit by ECP staff may be sufficient.

(d)TYPE 4 are CBOs that can stand on their own and have full grasp of the various components of the program. Perhaps linking and advocacy initiatives are strong. A very minimal supervision may be done through quarterly or occasional visits.

This varying CBO context confronting RAFI reflects the magnitude and complexity of the project. The diversity of local conditions that RAFI had to attend to would demand a lot of flexibility on the part of RAFI therefore creating a diversity of approaches responsive to actual realities or conditions. Generally, the evolving process of "putting the last first" in ECP can be portrayed as a gradual veering away from the "big brother" (ECP 1) to the "partnership" (ECP 2) model of project beneficiary participation.

Still the characteristics of the current ECP set-up straddles between the "big brother" and "partnership" models. CBO types 2 and 3 represent the "big brother" category. Meanwhile, CBO type 4 fall under the partnership mode. The point really is not much on what are the realities/conditions at the BPS level, but on HOW RAFI has responded well to these conditions. Consequently, the shift or modifications in terms of goals/objectives under these ECP 1 and 2 (i.e., "initiator" to "facilitator") and strategies (i.e., "output delivery" versus "process oriented") was indeed necessary. All this became real due to the following attitudes taken on by the RAFI, these are flexibility, openness to innovations, and error embracing.

A new transition besets the ECP anew. The USAID-RAFI/ACO Extended Grant Agreement is nearing its completion. Meanwhile preparations to sustain the project with renewed vigor to pursue a community-based development strategy is currently underway. The proponent NGO's sincerity to sustain the ECP springs forth from the significant lessons obtained in the previous years. The ECP did change and likewise has effected change on its institution in terms of infusing and mainstreaming the community-based or participatory development strategy. The conception of the 5-Year Development Plan provides the RAFI-ACO the opportunity to further deepen its practice of the abovestated strategy.

THE MT. MATUTUM REFORESTATION AND SOIL CONSERVATION PROJECT¹

Introduction

The Mt. Matutum Reforestation and Soil Conservation Project is one of six case studies on participation of beneficiaries under projects funded by the United States Agency for International Development. The objective of this report is to determine the extent and quality of participation of the beneficiaries in Mt. Matutum project and examine the forces that facilitated or restrained beneficiary participation.

Methodology

A. Respondents

The extent and quality of participation of the beneficiaries in the Reforestation Project was determined from the viewpoint of three types of respondents:

1. The project staff who were directly involved in the three-year project. They were interviewed as a group prior to the actual fieldwork and individually afterwards.
2. Beneficiary leaders and members as a group and individually.
3. Non-beneficiaries who were highly observant of the project.

B. Data Collection Method

Unstructured depth interviews of 25 key informants among beneficiaries and non-beneficiaries were mostly conducted on-site while the project staff, within Dole's Mahintana Foundation premises. Quarterly progress reports and the final report supplemented the data obtained through interviews.

While most of the interviews were conducted with groups, individual interviews were done as well. Including the project staff, a total of 30 informants provided data on project participation.

In summary, these were the various ways employed in obtaining data:

1. group interviews (from two to eight individuals)
2. one - on - one interviews
3. after-fieldwork individual interviews with staff
4. ocular survey of the forest

¹ Written by Dennis Uba and Elisea Adem for the project, "Enhancing Project Beneficiary Participation", by Mondragon Foundation, Inc. and USAID, August, 1995.

5. feed backing of key findings to staff

C. Data Collection Period and Selection of Project Sites

The data collection period was from May 31 to June 6, 1995. During this period five project sites (sitios or puroks) out of ten were covered. Four of these were main associations while one was a satellite. These were identified by the Project Staff, but as the two researchers went along with the schedule, they replaced a site with one whose leaders and members were with them during a field trip. Associating with them for a day helped the researchers gain better rapport on the actual day of interview. Four of these areas have access roads, facilitating quick transport of researchers from site to site. The fifth area could be reached only by walking. The association leaders provided the researchers with a horse each both in going to the project site and in coming back.

In four of these five project sites, the researchers stayed overnight to conduct the interviews at night and do the ocular survey of the physical condition of the forest in the morning.

D. Analytical Framework

Analysis of beneficiary participation is done with the use of key indicators of participation appropriate for an upland project.

The key indicators of participation are:

1. Beneficiaries' Involvement in Design Preparation
2. Beneficiaries' Involvement in the Implementation of the Reforestation Project
3. Beneficiaries' Involvement in the Benefits from the Program

Forces affecting the quality of participation in the project will be examined. These forces or factors may come from four sources, namely:

1. The Proponent, Dolefil:
2. The Beneficiaries
3. The Project Itself
4. Extraneous Factors

PROJECT PROFILE

Dole Philippines, Inc. or Dolefil, based in the town of Polomolok, South Cotabato, implemented the Reforestation Project there as well as in the neighboring municipality of Tupi. The major beneficiary of the Mt. Matutum watershed resource, Dolefil financed half of the required P10M project cost while USAID provided the other half.

A. Rationale of the Reforestation Project.

Mt. Matutum was declared a Forest Reserve in August 1964, a time when it was rapidly deteriorating due to the long-standing problem of "kaingin farming and illegal logging". A Reforestation Project was established nine years later (in Dec. 1973) by DENR and BFD of Region XI, but only 2,100 hectares had been reforested in the ensuing years for lack of funds.

Further degradation of the Mt. Matutum Forest Reserve, which is watershed for 3 major rivers that provide water to Tupi and Polomolok, would be crucial to the survival of the communities living within and around it and thus gave rise to the three-year reforestation and soil conservation project.

B. Objectives of the Reforestation Project

The intended rehabilitation of the Mt. Matutum Forest Reserve was designed to involve its forest dwellers and achieve the following goals:

1. to organize 325 forest dweller households around DENR's Integrated Social Forestry (ISF) principles (ISF principles focus on community planned agriculture and forestry production systems which conserve soil and water resource);
2. to reforest 1,000 hectares of the denuded portions of Mt. Matutum;
3. to train the beneficiaries in sound hillside farming technology;
4. to award individual stewardship titles to the 1,000 hectares of BFD land;
5. to establish 4 major nurseries.

C. Project Results

1. Organization of ten forest dwellers associations. Four major associations were organized during the years 1988 and 1989. In 1990, a total of ten communities (six of which were satellite associations) were formally organized. It means a complete set of officers was installed, by-laws were formulated, and bank accounts established. Membership in these associations reached 433 forest dweller households, which exceeded the targeted 375. A little more than half of them (52%) were B'laans.

2. Transformation of associations to cooperatives. The associations were, at the outset, intended to become cooperatives. Thus, preparations for registration with the CDA were made. In the first quarter of 1991, all main coops had undergone orientation on coop principles and pre-membership education program, which was conducted by the local Dept. of Agriculture. Then they federated into the Mt. Matutum Marginal Farmers' Federation so that they can have legal identity and, therefore, have access to credit for their livelihood projects.

At the end of the project, nine out of the ten association registered with the Securities and Exchange Commission; the Federation and two associations registered with the Cooperatives Development Authority.

3. **Livelihood Projects.** Livelihood projects were set up as soon as communities were organized. Eleven such projects were established as of the first quarter of 1992. Examples were tilapia culture, goat and duck raising, baby corn production and vegetable gardening. Problems arising from these activities were: unsustainability of the livelihood put up (such as the tilapia which did not gain weight and which therefore was not a profitable enterprise), wrong timing of planting vegetables, unpredictability of market prices since producers had no control over the pricing of their produce.

4. **Linkaging with government agencies and NGOs.** From year 1 to year 4, the associations and the federated coops were trained in linkaging with various government and non-government groups for them to establish a strong support system for their projects and to boost the beneficiaries' morale. Associations were linked with GAs according to their needs. For example, labor for reforestation activities were paid for by Dolefil through the Landbank for beneficiaries to familiarize with the banking system and have access to credit for their livelihood projects. At the projects end, beneficiaries continued to network with 5 GAs and 8 NGOs, a relationship which the project staff assessed as follows: "they have become stronger as they achieved credibility with these support agencies".

5. **Establishment of 4 main nurseries and 11 satellites.** The 11 satellites were a development as the project learned that faster planting couldn't be made possible through the services from major nurseries. The four major nurseries were fed by four water systems, which also provided potable water to nursery personnel & the proximate communities.

Management of the nurseries was done by Dolefil nursery personnel trained by DENR & coordinators of the reforestation project, until such time recipients were responsible and knowledgeable in managing them.

6. **Reforesting 1,008 hectares out of 10,800 hectares of denuded areas.**

Farmers were paid for planting trees using the ladder-like and living tree approach. This means only living trees were paid and the payment per tree increased as it grows and for keeping them alive until maturity. One farmer estimated that each tree was paid P12 during the whole period it was looked after. This strategy encouraged farmers to take good care of trees, looking forward to the increase in payment they would receive.

The four major reforested areas had a hectarage of 1312 and 1008.77 hectares of these were planted. Two areas both covered 91% of their potential hectarage and the remaining two, 68% each. The total number of trees planted were 449,609. SALT farms covered a total of 61.85 hectares only. Communal farms were but half of those individually cultivated because in collective activities, the farmer created unmanageable conflicts.

The Agro-forestry approach to rehabilitation of the denuded forest had coffee as its main species. Cashew and rattan were also planted. Between 1988 and 1989, coffee prices decreased by P38. Coffee growers were greatly discouraged lending them to chop their coffee and renew to traditional crops. The cashew trees were even more frustrating because they were eaten

by rats.

Between 1990 and the first week of 1992 there were three major fires that destroyed the reforested areas:

- 1990 - 28 has. or 5% of total area were destroyed
- a nursery attendant suffered from 2nd degree burn while fighting the fire
- 1991 - 5 has. or 0.5 % of total planted area
- 1992 - 106.56 has. of the "R" project was burned
- 480 has. outside of "R" project
- 330 individuals of "R" projects households were directly and adversely affected.

In sum 902.21 hectares of the 1,008.77 were protected from forest fire. Survival rates are estimated at 80%, but key informants reported a very low 40% in one association, which found re-planting extremely difficult since the site is quite steep.

7. Awarding of 127 Certificates of Stewardship Contracts (CSCs) and Forest Occupancy Permits (FOPs) The "R" Project aimed at issuing CSCs to all 433 members reforested to provide security of tenure on the land they were working on. In 1989, however, DENR Secretary Fulgencio Factoran ordered to cease issuing CSCs for watershed areas. In place of CSCs, the project staff worked out for the issuance of forest occupancy permits (FOPs) for those without CSCs. An FOP signifies DENR's authorization of occupancy of a forest area for as long as the individual observes sound environment practices for the time being that government has no project in the area.

One hundred twenty seven (127) CSCs were issued in 1988 to 1989. Meanwhile 250 FOPs were issued during the first quarter of 1991 and 56 were approved for distribution but not yet issued even up to data collection period).

D. Project Impact

As far as the Project Staff are concerned, the "R" project was successful as it was able to achieve its goals. In fact, targets were far exceeded by the actual results in terms of areas reforested, the number of beneficiaries, the number of nurseries built and the creation of livelihood sources. The physically rehabilitated Forest Reserve bears the stamp of Dolefil's political will in carrying out the project, a feat no government agency may be able to accomplish. The goodwill of Dolefil in taking up that project is very much felt and appreciated by the beneficiary communities (which are enjoying good roads, water systems, added school buildings). In fact, they see a dependable "big brother" in Dolefil.

Project impact is perceived differently by the beneficiaries from the project staff. For the beneficiaries, the most tangible impact of the reforestation centers around the improved quality of their immediate environment: diminished soil erosion, increased volume of water in springs and stream, cooling of the climate within the forest reserve. Moreover, the beneficiaries are relishing the thought of the economic return of planting trees, which are almost ready for harvest. Non-

members of the Reforestation Project have expressed enthusiasm in joining a similar project which Dole is soon to begin.

As for DOLEFIL, the project impact is visible, not only in the grown trees in the 10 project sites, but especially in the association's having generated funds for meeting their livelihood project needs. Among the four main associations, for example, the total association fund amounted to P563,552 and the farmers' share, to P2,797,057. Funds generated from their own participation in the reforestation project is something new for these farmers.

As far as livelihood projects were concerned, most of them were labeled "failures". Problems such as mismanagement of funds, inadequate marketing skills, vulnerability to market prices over which producers had no control, lack of timing in planting certain vegetables, inappropriate technology, inability to work effectively in commercial livelihood projects overtook the beneficiaries. Because beneficiaries experienced these in communal economic undertakings, many resorted to working individually even if capitalization was sometimes insufficient.

In brief, economic benefits were short-lived as well as erratic, and social benefits negligible.

The forest is not for itself. It is for every human being. In order for those who live closest to the forest to protect it, it is far more important and sustainable to invest on them than the physical environmental. The financial and legal incentives used by Dolefil are expected to bring short-lived benefits to water and soil conservation.

Discussion of Beneficiary Participation in the Reforestation Project

A. Introduction

This section consist of three parts. The extent and quality of participation will be determined from the various stages in the project cycle, which are as follows:

B. Key indicators of Participation in the Reforestation Project

1. Beneficiaries' Involvement in Design Preparation
 - a. Development of people's organization
 - b. Choice of site
 - c. Choice of species
 - d. Development planning
 - e. Scheduling of activities
 - f. Division of responsibilities

2. Beneficiaries Involvement in the Implementation
 - a. Seedling production
 - b. Site preparation
 - c. Planting
 - d. Fund management
 - e. Maintenance
 - f. Monitoring and evaluation

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3. Beneficiaries Involvement in the Benefits from the Program
 - a. Short-term benefits
 - b. Long-term benefits
 - b.1 improved productivity
 - b.2 diminished local degradation
 - b.3 more local resilience
 - b.4 lessened vulnerability from outside forces
 - b.5 improved self-dependence of communities
 - b.6 flexible operational procedures of the external support institutions and the attitudes of professionals

(See next page for assessment of project using these factors.)

The second part will examine the reasons for the quality of participation of the reforestation beneficiaries. These factors or forces are examined according to their sources, i.e. factors contributed by (1) the proponent, DOLEFIL; (2) the beneficiaries; (3) the project itself; and (4) extraneous factors.

C. Forces Affecting the Quality of Participation in the Project

1. Contributed by the proponent, DOLEFIL:
 - a. belief in participation philosophy
 - b. experience in reforestation project
 - c. experience in working with communities
 - d. leadership style
 - e. capacity for rigor and innovation
 - f. capacity for strategic thinking
 - g. capacity to integrate cultural practices of participants
 - h. level of organizational maturity
 - i. capacity to incorporate changes based on experience
2. Contributed by the beneficiaries
 - a. belief in participation philosophy
 - b. experience in any project
 - c. experience in reforestation project
 - d. cultural leadership style orientation
 - e. capacity for rigor and innovation
 - f. capacity for strategic thinking
 - g. capacity to integrate own cultural practices into project
 - h. level of organizational maturity
 - i. capacity to incorporate changes based on experience
3. The Project Itself
 - a. strategy/model
 - b. appropriateness

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Indicators of Beneficiary Participation in the Mt. Matutum Reforestation Program

<i>A. Involvement in Design Preparation</i>	<i>Features*</i>
1. Development of PO	N,C
2. Choice of site	C
3. Choice of species	N
4. Development planning	N,C
5. Scheduling of activities	N,C
6. Division of responsibilities	N,C
<i>B. Involvement in Implementation</i>	
1. Seedling production	C,N
2. Site preparation	C
3. Planting	C
4. Fund management	N,C
5. Maintenance	C
6. M&E	N,C
<i>C. Involvement in Program Benefits</i>	
1. Short term benefits	+
2. Long term benefits	
a. Productivity	+
b. Resource degradation	+
c. Local resilience & vulnerability	?
d. Self-dependence of communities	?
e. Replication to non-project sites	?
f. Operational procedures of NGO	?

*** LEGEND:**

- N - PRIMARILY NGO-LED
- C - " COMMUNITY-LED
- N,C - NGO-LED W/ SOME COMMUNITY PARTICIPATION
- C,N - COMMUNITY-LED W/ SOME NGO "
- ? - LIMITED CHANGE
- + - RECEIVED BENEFIT

c. flexibility

4. Outside Factors

a. weather condition

b. market forces

c. grantor of funds - relationship with NGO; flexibility

Part three of this section deals with recommendations on how existing quality of participation may be improved.

D. Related Observations

1. Collective decision-making in the different stages of the project was minimal. This was exercised in the formulation of farm plans, partly in seedling production, maintenance, and monitoring. The associations were not part of the planning or design preparation. Local knowledge and skills were not put at the core of the reforestation project. The choice of species of trees to be planted was put in the hands of the DENR, as early as in the designing stage of the project. In effect, many species did not fit the forest reserve. Samples are: cashew trees, coffee. Even the types of livelihood sources that were implemented were mainly failures.

2. The participation in maintenance and monitoring was by far the greatest area of involvement in the project. But this was, of course, motivated by monetary rewards. The commitment exhibited in protecting the trees was directly proportional to the economic rewards that commitment brought about.

3. Project specific-long term benefits such as those enumerated in the list of key indicators of participation are difficult to establish at this point given the long term nature of the project. This is made even more difficult by the fact that the reforestation project was immediately followed by related activities which DOLEFIL continues to establish. Still, the management of communal funds, such as that of the Federation, is the weakest area even up to this time (3 years after project completion). Each association puts up with this same problem. Second, benefits in b2-b6 are not yet stable. While diminished degradation of the forest may be visible now, when harvest time of the trees come, farmers may likely revert to old practices. Local resilience to problems related to upland management is not guaranteed since up until now, they are still under the beneficence of the DOLEFIL.

Self-dependence of communities is not likely to improve since the problems arising from communal action were not properly processed. Even at data collection period sense of community works only because of the motivation to apply for loans.

Factors Affecting the Quality of Participation

1. Contributed by Proponent. While the project impact on the physical environment can easily be seen, its long term effect are not as clear. Since the project was implemented by both DOLE and the staff of the Provincial Environment and Natural Resource Office of the DENR in South Cotabato, their differences manifested in the way the project was eventually directed. Community organizing activities were handled by the DENR staff some of whose actions were

even questioned by the DOLE staff themselves. These resulted in loosely organized cooperatives who were supposed to manage the project later on.

While the leadership of DOLE firmly believed in the value of self-help and community management of projects, the action of some of its on-the-ground staff reveal otherwise. Crucial decisions concerning the project were made by project staff thus limiting the opportunities of the community organizations to learn from their own actions. Conflicts among members were seldom resolved nor did project staff pay much attention to this. Hence, some deep-seated resentments continue to be voiced out in many dialogues.

These shortcomings happened at the time the project was implemented from 1988-1992. Subsequent activities of DOLE in the same areas reveal progressive changes in approaches and strategies. One specific strategy has been to place increasing responsibility and accountability on the federation and individual cooperatives especially on their loans.

2. Contributed by Beneficiaries. The beneficiaries are half migrants and half indigenous. Fifty-two percent are B'laans. Except for one community (Lemblisong), no project site ever experienced participating in any kind of project. Therefore, the reforestation project was a novel experience for most of them. Moreover, in their culture, especially among the B'laans, the leadership orientation is one that is autocratic.

Incorporating changes learned from the project is slowly applied in post-reforestation project activities such as in the area of livelihood, e.g. experimenting what vegetables are good for certain terrains and seasons and how best to market their produce. Some of the efforts are on an individual basis. It may take some time before collective action becomes acceptable, given the extent of frustrations they have experienced in communal livelihood activities.

3. The Project Itself. The project was responsive to the nature of problems faced by Mt. Matutum and its effects on the communities dependent on the watershed. But watershed management is not only about the ecosystem. Managers and users of the ecosystem need to be so motivated and educated to become knowing protectors and responsible users of the resource. The project had overlooked investing more on participatory planning, implementing, monitoring and sustaining of the project.

4. Extraneous Factors. Major aspects of the monitoring process of the project were pre-spelled out by the funding agency. This involved vast amounts of energy expended in responding to these requirements, e.g. the reporting schemes, which were to be rigidly followed. In a way, this relationship of the donor with the NGO influenced the kind of relationship that the latter exercised with the beneficiaries.

Weather conditions are most unpredictable and have contributed to the wastage of good produce or capitalization. Experience alone can help beneficiaries in addressing problems caused by the climatic pattern with appropriateness.

As a federated cooperative, the reforestation beneficiaries ought to benefit from experiences having to do with market prices. Their collective action ought to give them a better edge in overcoming this restraining force than if they continued to produce and market individually.

Conclusion

DOLEFIL had acted as a big brother to its beneficiaries in the reforestation project. Its partnership with the DENR for the latter's technical assistance, especially in the areas of (1) outreach and community organizing functions and (2) choice of trees to propagate affected the way the reforestation project was implemented. The beneficiaries who never had any experience with a project before such as the "R" project, and who are mostly coming from a culture that encourages autocratic leadership had no power to bring balance to the approach used by the project.

Moreover, the community organizers were all external change agents. No community organizer had been raised from the local populace. Because of all this, it is but natural to complete a project that was read as "benevolence" by its beneficiaries. Since the project was also DOLE's initial formal involvement with the communities in Mt. Matutum, made even more difficult by the fact that this is also the first time that they are implementing a project of this type, it is but expected that some of their approaches as well as decisions had negative results. Succeeding projects also implemented by DOLE in the area show increasing participation of the communities involved.

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AGDAO SAVINGS MOVEMENT AND SOCIAL CREDIT FOR LIVELIHOOD PROJECT OF THE KATILINABANGONG PAGLAMBO FOUNDATION¹

I. Introduction

This case study on the Agdao Savings Movement and Social Credit for Livelihood Project of the Katilimbangong Paglambo Foundation (KAPAFI) is a special research project of the Mondragon Foundation, Inc. and funded by the Office of Governance and Participation of the US Agency for International Development (OGP-USAID). It is part of six case studies on beneficiary participation on social development projects under the USAID.

The purpose of this report is to analyze the level of involvement and quality of participation of beneficiaries in the social credit project of KAPAFI in Agdao, Davao City.

II. Methodology

To achieve the objective of the research project, key informants from the NGO-Grantee (Kauswagan sa Timogang Mindanaw Foundation, Inc.), NGO-Sub-grantee and project proponent (KAPAFI) and end beneficiaries were interviewed in groups of two to eight. Though essentially unstructured, the interviews were dialectical to purposely validate information gathered from cross-interviews. Interviews were conducted in respondents' residences, places of work and in community meeting halls. Timing of interviews were varied: some started at seven in the morning while some ended ten at night.

Written project records from the initial conceptualization stage to the monitoring of project performance to the post-project evaluation were used as additional sources of information. All minutes of meetings including Board Resolutions were carefully filtered to augment data gathered from interviews and from other documents.

III. Analytical Perspective

To analyze the level and quality of beneficiary participation, two key areas were looked into: one, who makes the strategic and operational decisions in the project conceptualization and implementation stages; two, who has the financial, technical and institutional resources to make the said decisions. These areas were viewed within the perspective of the Rationalist Choice School and Collective Choice, the work of Uphoof and Cohen (1980), the stakeholder's approach and the learning process approach.

IV. Project Profile

The Agdao Savings Movement and Social Credit for Livelihood Project of KAPAFI is under the Social Credit Program A of the Area Accelerated Development Program II of the USAID. Total project cost was ₱ 552,720 of which ₱245,460 represent counterpart funds. Project duration was for 18 months. Selected project sites were Purok Belisario, Ipil, and Sto. Nino all in Agdao, Davao City.

¹ Written by Romel del Mundo for the project, "Enhancing Project Beneficiary Participation" by Mondragon Foundation, Inc. and USAID, August 1995.

1. Rationale of the Project

KAPAFI, the NGO sub-grantee and project proponent, identified the problem of the prospective beneficiaries in its selected project sites as insufficiency of capital. This problem was further aggravated by the beneficiaries' continued patronage of usurers who charge 20 percent interest per month. Thus, proponent hoped that a supervised social credit project may help minimize usurer patronage, improve the quality of life of beneficiaries and put them on the road towards self-reliance.

2. Specific Objectives

At termination, the project should have:

- a. extended financial assistance to one hundred and two direct beneficiaries at P 2,000 each with an interest rate of 30 percent per annum.
- b. strengthened the three centers in Belisario, Ipil and Sto. Nino with 44 members or 7 savings groups; 35 members or 6 savings groups; and 23 members or 4 savings groups respectively.
- c. institutionalized the LIVEMARK COOPERATIVE as a Peoples Organization self reliant in planning, implementing, monitoring and evaluating their own projects particularly the marketing of their own products.
- d. provided at least one hundred and two (102) beneficiaries with trainings on simplified bookkeeping, value formation, project management, leadership and credit education.
- e. increased the income of at least eighty one (81) or eighty percent (80%) of the direct beneficiaries by at least twenty five percent (25%) per month.
- f. minimized transactions between the beneficiaries and usurers (five-six money lenders) by at least fifty percent (50%).

3. Project Results against Objectives

- a. The actual number of beneficiary availments, 164 exceeded the target 102.
- b. The actual number of member availments in Belisario was 42 or two short of target, 42 likewise in Ipil, exceeding target by seven and 43 in Sto. Nino, exceeding target by twenty. Moreover, there were 37 availments from seven areas outside the original project sites. These areas were South San Juan, Putinglupa, NHA Agdao, San Roque, Ruiz Village and Gotamco, all in Agdao, Davao City.
- c. Livemark Cooperative was registered with the Cooperative Development Authority as Livemark Development Cooperative (LDC) on 26 November 1991.
- d. Almost all beneficiaries underwent informal value formation, bookkeeping, cooperative code, leadership and management seminars as they were made requisites for the granting of loans.

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- e. None measured.
- f. None measured.
- g. Others
 - (i) LDC started its production and marketing activities August 1991.
 - (ii) Consumer cooperative store operations started December 1991.
- h. 18 months after the project's implementation on July 1991, the project was terminated by the NGO-Grantee because of poor repayment experience and difficulties encountered by the NGO-Sub-grantee in collecting past due loans.

V. ANALYSES OF BENEFICIARY PARTICIPATION: WILLINGNESS VS. ABILITY

1. Project Design Stage

a. What Happened

It seemed that KAPAFI's intent was to make the project participatory in nature beginning from the design stage. This is evidenced by numerous community consultations, and consultative surveys. However, dialectic cross-interviews revealed that the surveys and consultations were not part of a conscious attempt to conduct participative action research nor participative rural appraisal. What actually happened was that the supposed dialogues were turned into virtual "lectures" where KAPAFI defined the problem, packaged the solution and the target beneficiaries adopted the signaled objectives as their own.

b. Why it happened

KAPAFI was willing to make the project conceptualization stage participatory but the result was otherwise because of several reasons:

One, the design was non-evolutionary nor unique for the project. While this project is under the AADP II Program of USAID, the researchers discovered that Mr. Lipumano, KAPAFI's executive director, dovetailed the design of the project with another project that he, in his personal capacity, was involved in. KAPAFI as an institution was never involved in this project.

This other project involved setting up a community bank (COMBANK) from savings mobilized from the community similar to the Grameen Bank system. Said project was under the PCUP-SCAPS-CBCP. Mr. Lipumano, as area coordinator of this project, formed beneficiaries into groups and groups into centers. Before he approached KAUSWAGAN, the USAID NGO-Grantee, he had already formed ten centers but only managed to get funding for seven. Reportedly, the originators of the project encountered regional organizational problems and funding problems in Davao City (the other two regional centers were in Cebu and Manila). When promises for funding were not fulfilled and his request for a bookkeeper was turned down, Mr. Lipumano disassociated himself from the project. But being the former area coordinator for Davao, Mr. Lipumano felt the need to seek funding for the remaining three centers since they had already invested a lot in terms of effort and time in attending seminars, meetings etc. Funds for the three

centers were sourced from the grant extended by KAUSWAGAN under AADP II. This also explains the expansion of the project sites from three to seven.

Two, the nature of the project, specifically the financial assistance segment, need not transfer the management of the project design with the beneficiaries. In fact under the resulting Customer/Client Model of Beneficiary Participation, collective action and collective choice mechanisms, political entrepreneurship and prior collective action experience are all primarily required from the NGO-Sub-Grantee but not from beneficiaries.

Three, had the nature of the project allowed beneficiaries to make the strategic decisions and manage the project design, the beneficiaries could not. Initial conditions prevented beneficiary participation to be more than being operational, that is, giving information inputs. Consider the following:

- a. the community had not the financial nor the technical resources to manage the project design.
- b. it had negligible social capital, loosely defined as the network of civic engagements.
- c. there was no known collective action experience. There were no existing mechanisms nor institutions for collective action, like a community organization, working for a common cause, like primary health care that bonded the members of the community that were predominantly migrant-squatters that moved without bringing their social space with them.
- d. there was no person nor institution in the community that can take on the role of a political entrepreneur.
- e. there was no single community to speak of as beneficiaries came from three communities (as proposed) situated in a non-contiguous area.

Four, beneficiaries left the management of the design to KAPAFI because it was perceived by the beneficiaries to be not only genuinely interested in their welfare but also had the financial, technical and managerial resources to help them.

2. Project Implementation Stage

a. NGO-Sub-Grantee Participation

The management and strategic decision-making in this stage were under KAPAFI, the NGO-Sub-Grantee while beneficiaries practiced operational participation as designed. However, what was not by design was the over-reaching participation of the KAPAFI in the operations of LDC, the cooperative it wanted to be institutionalized and be "self-reliant in planning, implementing, monitoring and evaluating their own projects particularly the marketing of their own products". Consider the following:

- (i) lending guidelines were prepared by KAPAFI.
- (ii) production and marketing activities of LDC were determined by KAPAFI.
- (iii) many interim LDC Board of Directors were appointed by KAPAFI.

- (iv) LDC mission, vision, strategy etc. were formulated with great assistance from KAPAFI.
- (v) some LDC officers were appointed by KAPAFI.
- (vi) some members of LDC Board of Directors and management staff were also employees of KAPAFI.
- (vii) LDC planning and other activities were supervised and directed by KAPAFI.
- (viii) LDC funds had KAPAFI counterpart signatories.
- (ix) LDC and KAPAFI shared the same office space.

Because of the paternalistic attitude of KAPAFI, it ended up doing almost everything. In essence, the relationship between KAPAFI and LDC is best described as being vertical instead of horizontal. Also, the relationship between KAPAFI and its beneficiaries in the financial assistance component of the project continued under a patron-client relationship where the client continued to hold on to the patron for financial and other "deliveries".

Because of the mixed inter-organizational set-up between KAPAFI AND LDC and the latter's confused intraorganization set-up, the beneficiary cooperative members can no longer distinguish the dichotomy between the NGO-Grantee and their cooperative. Thus, the relations between the NGO-Grantee, beneficiaries, and beneficiary coop. members became one and was internalized by all parties.

b. Beneficiary Participation

i. Social Credit Project

Regarding the social credit component of the project, beneficiaries participated in the manner designed on all but one item: pay their loans. While the project registered one hundred percent payment experience during the first two cycles, only ten were able to pay their loans during the third cycle. A number of factors were propounded by NGO-Grantee, NGO-Sub-Grantee, center chiefs, LDC officers and end beneficiaries to explain what happened. Some are as follows:

- (i) KAPAFI's absence of a regular collector.
- (ii) KAPAFI was not as strict in collection as the usurers (5/6 money lenders).
- (iii) KAPAFI moved its office from Agdao to Maa (farther from beneficiaries).
- (iv) KAPAFI deputized center chiefs to collect but did not authorize them to issue official receipts.
- (v) KAPAFI was perceived to be enriching itself at the expense of LDC members.
- (vi) KAPAFI's executive director, Mr. Lipumano got into politics.
- (vii) some center chiefs were not diligent in collection.
- (viii) some center chiefs did not turn over collections to KAPAFI.
- (ix) size of the loans were small compared to the needs of beneficiaries.
- (x) LDC members learned that ₱ 40,000 of LDC funds classified as deposits in transit were absconded by its Treasurer.
- (xi) some LDC members were informed by the LDC Chairman of the supposed anomalies perpetrated by KAPAFI.
- (xii) some LDC members were ejected from their squatter homes (NHA Agdao).
- (xiii) size of the loans were too small relative to the needs of the beneficiaries.

- (xiii) loan amount was used for consumption rather than for operating capital because of external shocks to beneficiaries. Some of those mentioned were:
- (a) husband was laid-off from work.
 - (b) husband got sick.
 - (c) a child died.
 - (d) a child got sick.
 - (e) beneficiary got sick.
 - (f) beneficiary temporarily left the community.
 - (g) beneficiary got married.
 - (h) school expenses of children.
 - (i) father-in-law died.
 - (j) experienced drought in their farm in North Cotabato.
 - (k) had collection problems in their retailing businesses.
 - (l) pigs died in the backyard hog-raising business.

While the crippling effect of external shocks to any person cannot be taken lightly, it seemed very unlikely that for the thirteen persons whose accounts were studied in Ipil, all reported external shocks as their reason for defaulting on their loans. As to the size of loans, ₱ 2,000++ for microenterprises such as fish, meat, vegetable vending, sari-sari store capital etc. were deemed appropriate.

Regarding collection problems, there may be some credence to the allegation that the transfer of KAPAFI to a much farther office may have diminished their perceived presence in their area resulting to diminished collection and may have increased beneficiaries' transaction costs of paying their loans. In fact, researchers experienced that while it normally takes 15 to 25 minutes for one to reach KAPAFI's office from Ipil by foot, its new office in Maa can be reached after a jeepney ride and one tricycle ride. However, it has to be pointed out that its collection problems started and persisted even when it had not transferred offices. Some center chiefs may have been negligent in their collection responsibilities and some may have not turned over their collection for a day but the occurrences of the former were few and the latter was not widespread and the practice was not often repeated. In fact, even during the first two cycles, beneficiaries would more often than not opt to go and pay directly to KAPAFI than to their center chiefs.

KAPAFI not having had a regular collector for the first two cycles was never a hindrance for 100 percent payment experience. Moreover, its executive director's entering into politics can not be used as an excuse for a beneficiary's non-payment since he was not expected to either function as a collector nor its project officer.

LDC's Treasurer having run off with ₱ 40,000 of the cooperative's money truly affected the morale of general membership. Those beneficiaries who used a part of their loan proceeds from KAPAFI to invest in the consumer credit operations of the cooperative may have entertained thoughts that their investments will no longer yield positive benefits. But to default from their obligations to KAPAFI because of what happened in their cooperative business is to not see the distinction between the two institutions.

Non-payment of loans during the third cycle can be explained more fully by using economic institutional analyses. Beneficiaries perceived that non-payment would yield greater benefits than costs. It seemed that the discount rate of beneficiaries was too high: most were willing to offset their outstanding balances with KAPAFI from their capital share in LDC. This likewise reflects beneficiaries' attitude towards their cooperative as an on-going enterprise. They seem not to have only given up on their cooperative, it is even doubtful if the general membership considered the cooperative as their own. The perception was that LDC and KAPAFI were one. Also, the institutions that were supposed to encourage payment broke down: efficient collection mechanisms and group pressure.

ii. Livemark Development Cooperative

The management, staff and Board of Directors of LDC and management staff, seemed to exercise the managerial and operational control over its operations. But as mentioned above, KAPAFI was so involved in LDC's operations and personnel that one cannot accurately say the extent of autonomy of LDC.

However, regarding beneficiary participation in LDC's consumer credit operations. Beneficiaries participated as designed: they purchased goods on credit equal to their capital share. If this was not worse, not a few were able to purchase amounts greater than their capital share. The result was a disaster. Four months after it the consumer credit operations started, the store already run out of stocks and there were no more funds to replenish initial inventories because of poor payment experience.

The response of beneficiaries was the same as above: offset their outstanding balances with their capital share. For those whose accounts were equal or greater than their share, which was the majority, not paying made sense given their discount rate and their attitude towards their cooperative.

3. Monitoring and Evaluation

a. Beneficiary Participation

i. Social Credit Project

Beneficiaries were willing to participate in the monitoring stage. In fact, under the project's financial assistance component, groups adhered to the Grameen Bank system of collective responsibility. This adherence however was during the first two cycles of the project. The quality of Grameen's duplication, however, was superficial. For example, under the Grameen system, group members were supposed to screen loan applications and ensure very high payment of members, but in this case, the scheme was without force since members of the group would always endorse their groupmate's application. Furthermore, a group can only endorse but not reject nor approve an application. In case of delinquent accounts, there was virtual nonexistence of group pressure since nonpayment of one did not bar the other group members from loan approval. Essentially therefore, accountability rests on the individual borrower. External costs on nonpayment were greatly reduced.

Under the Grameen system, savings mobilization by groups are pre-requisites to loan availments. But in this case, the failure of KAPAFI to efficiently monitor group savings adversely affected the quality of beneficiary participation. Being unable to mobilize resources on their own, the savings groups may not have had enough cohesion as an organized, responsible and self-respecting group (group consciousness).

ii. Livemark Development Cooperative

The consumer credit operations of the LDC had very poor control and monitoring mechanisms. It was five months after operations started or a month after the treasurer had absconded the cooperative's money when LDC discovered that the treasurer had no cash flow records and cash voucher. In fact, the auditor of the NGO-Grantee and the project officer of the NGO-Sub-Grantee had suspicions of the scam weeks ahead of LDC.

b. NGO-Sub-Grantee Participation

By design, the management and strategic decision-making under this stage were under KAPAFI. The job of monitoring became increasingly difficult since collection had to be done also by KAPAFI, and it was not in the project design. This translates to additional manpower and operating capital requirements. KAPAFI lacked both.

It lacked the institutional experience to efficiently function as a change-agent: it had not acquired strategic competence having had no previous experience with the project type. a) It also lacked the resources to efficiently function as a change-agent: at the time of the project, KAPAFI was having cashflow problems attributable to its weak project portfolio. Researchers determined that while the project was running, KAPAFI's project portfolio was composed of two very short term projects: DSUD/CMP and PACAP, both were under the auditing right period.

The PACAP project started MAY 1992 and had a project life of only one year. The project cost was ₱ 300,000, 20 percent of which was for administrative expenses. When Mr. Lipumano needed to field collectors, one was a former community organizer (CO) from this project.

The CMP (DSUD) project, funded by the PBSP, started in 1991 and had a project life of only 18 months. Six communities were covered by this project which had two COs. Funding for the COs amount to ₱ 180,000, ₱10,000/mo./CO for 18 months. Average number of households per community covered was 200. Neighborhood associations were already existing at the sites before intervention.

The COMBANK project was not in KAPAFI's project portfolio being a personal project of Mr. Lipumano. Nonetheless, Mr. Lipumano's disassociation from the project proved disastrous for himself and for KAPAFI's effectiveness as change-agent. Mr. Lipumano's cashflow drastically decreased by ₱ 4,000., the amount of subsidy he used to receive from the project. This implied that he and his family had to live on the subsidy given by KAUSWAGAN (₱1,500 - based on project proposal). For KAPAFI, the effect was diminished man-hours from Mr. Lipumano as he became preoccupied with finding other sources of income.

KAPAFI's cashflow problems explains its inability to pay decent wages to its staff, starting from its executive director down to the project officer and bookkeeper. Eventually, the COs from its other project together with most of the staff looked for and found other employers before the sub-grant was terminated.

4. Post-Project Evaluation

a. NGO-Grantee Participation

Formal post-project evaluation came in the form of a research group report and a terminal report by KAUSWAGAN, the NGO-Grantee.

b. Beneficiary Participation

Based on LDC board resolutions, minutes of special and regular LDC Board of Directors' meetings, when the social credit project was terminated and there were no more reflows, and when the consumer cooperative operations stopped for lack of funds to buy inventories because of uncollected credit accounts, it seemed that the beneficiaries, the Board of Directors at least, wanted to take on the managerial and strategic decision-making component of the project.

It held that its production and merchandising business failed because of mismanagement as a result of and inspite of KAPAFI's active intervention. As LDC organizer, KAPAFI was believed to be partly responsible. There were even occurrences where Mr. Lipumano was invited by the board to explain the extent and the reason for KAPAFI's intervention in the affairs of LDC during its early stages of operation and to explain LDC's failure. There were also board decisions for LDC to be autonomous from KAPAFI regarding the former's handling of its finances and projects.

Countervailing power was exercised by the beneficiaries at this stage. The failure of the social credit for livelihood project of KAPAFI and the failure of the LDC in its consumer operations made the LDC Board of Directors realize that they needed to assert their autonomy from KAPAFI. They learned that when the paternalistic patron ceased to "deliver", then the client begins to take over its destiny.

But willingness to take on the managerial and strategic decisions in all of its operations required resources: technical and financial. LDC had none of both. Hence, while it declared autonomy over KAPAFI, it also declared that KAPAFI as LDC organizer was still liable and responsible to assist the cooperative. Assistance was explicit -- for KAPAFI to prepare a proposal to KAUSWAGAN for a P 100,000 loan/grant. Other attempts at generating funds were as follows:

(i) KAPAFI sent a letter to KAUSWAGAN requesting for the release of P 11,000 ++ unexpended balance of the project while giving a timeframe wherein it would assist LDC in its operations until the latter's independent operation beginning July 1993.

(ii) Mr. Lipumano also had another savings mobilization project in Maa, Davao City apart from this AADP II project. He even enlisted LDC's participation. LDC participated but confusion prevailed upon the operations as evidenced from LDC Board of Directors meeting in September of 1993.

(iii) LDC Board of Directors also thought of other means to generate funds like having another capital build up and of directly asking KAUSWAGAN for a P 10,000 loan.

Last recorded meeting of the board was 04 October 1993 -- it had the willingness but not the ability.

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