

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT PAPER FACESHEET TO BE COMPLETED BY ORIGINATING OFFICE		1. TRANSACTION CODE ("X" appropriate box) <input checked="" type="checkbox"/> Original <input type="checkbox"/> Change <input type="checkbox"/> Add <input type="checkbox"/> Delete	PP DOCUMENT CODE 3
2. COUNTRY/ENTITY Interregional - GTS - KPA #18		3. DOCUMENT REVISION NUMBER	
4. PROJECT NUMBER 931-11-899-210	5. BUREAU a. Symbol TA/UD b. Code 6	6. ESTIMATED FY OF PROJECT COMPLETION FY 79	
7. PROJECT TITLE - SHORT (stay within brackets) Urban Functions in Rural Development		8. ESTIMATED FY OF AUTHORIZATION/OBLIGATION a. INITIAL 5 176 b. FINAL FY 79	

9. ESTIMATED TOTAL COST (\$000 or equivalent, \$1 =)						
a. FUNDING SOURCE	FIRST YEAR FY 76			ALL YEARS		
	b. FX	c. L/C	d. Total	e. FX	f. L/C	g. Total
AID APPROPRIATED TOTAL			250			950
(Grant)	()	()	250	()	()	950
(Loan)	()	()	()	()	()	()
Other						
1.						
U.S. - 2.						
HOST GOVERNMENT						
OTHER DONOR(S)						
TOTALS			250			950

10. ESTIMATED COSTS/AID APPROPRIATED FUNDS (\$000)											
a. Appropriation (Alpha Code)	h. Primary Purpose Code	c. Primary Tech. Code	FY 76		FY 77		FY 77		ALL YEARS		
			d. Grant	e. Loan	f. Grant	g. Loan	h. Grant	i. Loan	j. Grant	k. Loan	
SD			250					500		950	
TOTALS			250					500		950	
11. ESTIMATED EXPENDITURES			10			40		400			

12. PROJECT PURPOSE(S) (stay within brackets) Check if different from PID/PRP

a. To identify the appropriate modes of urban-rural analysis and the nature, magnitude, location, and timing of urban services and activities which support rural development. b. To apply this mode of analysis to specific rural-based urban centers... c. To increase the capability of local officials and citizens to plan, implement, and participate in the benefits of improved facilities and services.

13. WERE CHANGES MADE IN BLOCKS 12, 13, 14, or 15 OF THE PID FACESHEET? IF YES, ATTACH CHANGED PID FACESHEET.

Yes No

14. ORIGINATING OFFICE CLEARANCE Signature <i>William R. Miner</i> Title William R. Miner Director, TA/UD		15. Date Received in AID/W, or For AID/W Documents, Date of Distribution Date Signed mo. day yr. 04 09 76
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Part 1. Project Summary and Recommendation

(A.) Face Sheet (see above)

(B.) Recommendations.

FY 1976	Grant (GTS)	\$250,000
FY 1977	Grant (GTS)	<u>\$500,000</u>
Life of Project AID Funding for Pilot Activities		\$750,000

Additional funding for packaging the final product for dissemination and for conducting dissemination seminars would be contingent upon the results of full project evaluation. If follow-up analysis and evaluation suggest, as anticipated, that the substantive product of the pilot projects can and should be incorporated into a synthesized informational package and disseminated to potential users in developing countries, additional funding will be required in FY 1978 or FY 1979. Although difficult to specify at this time, these additional requirements could be as much as 200,000 dollars -- e.g., \$50,000 for synthesis and packaging and \$150,000 for five seminars, four overseas and one in Washington. This contingency should be noted in the approved version of the Project Paper.

(C.) Description of the Project

This project is based upon the concept that urban centers play a critical and largely unexploited role in rural development. Its goal is to strengthen urban analysis, activities, and functions which are complementary to rural development.

It is anticipated that this goal can be promoted through the development, testing, and dissemination of an adaptable planning process and approach that, in a local context, can define urban-rural linkages, and strengthen and improve them to support and contribute to rural development.

The conceptual framework and some key elements for such a planning process are being developed through a small research study producing a series of working papers on the location and use of urban functions in rural development. These concepts will be developed and tested further in three pilot projects, each one in a different geographic and developmental context.

The results of these pilot programs will be analyzed in terms of potential for application in or adaptation to rural development programs in other countries or situations. If these analyses prove positive, the planning methods and approaches developed and refined through field application will be synthesized into an informational package and disseminated widely to potential users in developing countries. Physical distribution of the package will be augmented by a series of seminars and workshops in Washington and in AID's major geographic regions. It is anticipated that this approach will stimulate additional efforts in developing countries to strengthen the role and contribution of urban centers in rural development. The project clearly will be complementary to AID's rural development programs. Considerable mission interest has been indicated already and the first pilot sub-project, proposed for the Bicol River Basin in the Philippines, is being supported and facilitated enthusiastically by the USAID Mission.

The project will be funded and managed by TA/UD, although Missions and Regional Bureaus will be encouraged to participate in and contribute to the pilot sub-projects to the maximum extent they are able. Host countries will be urged to take on the role of principal partner, i.e., in the mode of the Bicol River Basin pilot project. The more detailed discussions of the Philippines sub-project in Part 2 are illustrative of the approach to be pursued in carrying out the field elements of the project.

(D.) Summary Findings and Project Issues

The project conceptually is applicable to strengthening the contribution of urban centers to rural development. The replicability of the results is a technical matter to be addressed through analysis and evaluation within the project. Social and economic considerations are inherent in the analytical and planning process, the heart of the project. Experience with the Bicol sub-project indicates that the proposed budget is reasonable to produce the intended results. No specific issues have been raised.

Part 2. Project Background and Detailed Description

(A.) Background

Critical to the success of rural development are the spatial dimensions, not the least of which are the location and use of supporting urban functions and services. In addition to being the loci of opportunities for off-farm employment, urban centers provide marketing, storage, processing, supply, credit, health, educational, and other services to the rural areas they serve. Rural areas without easy access to such centers and services cannot prosper and those without access to fully functional and efficient centers are denied their full development potential.

The linkages between rural development and urban centers are clear, and the existing literature identifies and provides considerable insight into the kinds of general services and functions required at the level of the rural market town to support rural development. Less progress has been made in identifying similar facilities and services at other levels of the urban hierarchy -- i.e., in the regional and supraregional centers -- and little has been written of a comprehensive nature. More understanding is needed of the mix, magnitude, timing (i.e., order of priority), and location of facilities and services at all levels and for different types of agricultural patterns. In addition, practical information is needed on alternative ways of providing the required facilities and services.

TA/UD has initiated a series of efforts to address these problems. A monograph, Regional Development: A Review of the State-of-the-Art, which was produced in August, 1974, has been distributed widely and has received considerable acclaim. A staff working paper, "Planning Assistance for Local Communities in a Regional Context," in May 1975 reviewed some of the planning assistance to local communities in the Tennessee Valley region, the area in the

United States which has had the longest and most concentrated regional planning experience. A small research study, "Integrated Urban-Rural Development: Location and Use of Urban Functions in Rural Development Projects," is underway and will be completed in July, 1976. It contains a review of the literature, of policies of international assistance agencies, and of experience in relation to integrated urban-rural development programs; it will consider policy and program implications, and will suggest potential roles for international assistance in this area.

The results of these studies provide a conceptual framework and some key elements for use in field testing the notion that appropriate urban facilities and services can be identified, located, and developed to complement rural development.

The purpose of this interregional project is to identify and apply appropriate modes of analysis to specific rural-based urban centers, in order to delineate the nature, magnitude, location, and timing of urban services and activities which support rural development. Three pilot projects of this kind are envisioned -- i.e., one each in three geographic regions. The first pilot project is planned for the Bicol River Basin in the Philippines in FY 1976 and two other pilot project locations are to be selected in FY 1977.

Following is a general description of the overall project and a more detailed description of the Philippines sub-project.

The Philippines sub-project, that element of the overall project described most fully in this Project Paper, is conceptually identical to the project proposed by the Philippines Bicol River Basin Council (BRBC) and attached at Annex C. Congruence was assured by the collaborative style which has characterized the development of the project. The BRBC proposal is the result of a series of

discussions and exchanges of proposals and comments, culminating in the dispatch of a TA/UD design team to the Philippines in March 1976. Several days of workshops and discussions involving the design team, Philippines project principals, and USAID representatives produced sufficient mutual understanding and accord to enable the BRBC to develop the attached proposal which fits nicely into the general framework of the TA/UD overall "Urban Functions in Rural Development" project.

(B.) Detailed Description

The project is presented here in two separate but interlocking frameworks -- the overall interregional project and the Bicol River Basin sub-project. On the latter there has been considerable discussion and exchange of papers with the Philippines Government and the USAID Mission and a proposal has been received from the Philippines Government (Annex C). This is indicative of the general approach that will be taken in the two additional proposed pilot sub-projects for which specific country sites will be identified during FY 1977. Some missions already have expressed an interest in this project.

Interregional Project

1. Project Goal -- Urban Functions in Rural Development

a. Goal Statement

To strengthen urban analysis, activities, and functions which are complementary to rural development.

b. Measure of Achievement

Number of programs in AID-assisted countries, in addition to the pilot programs to be initiated as sub-elements of this project, in which urban functions in rural development are an explicit developmental dimension. It would be reasonable to expect that three years after completion of pilot projects at least twice as many projects of this kind should be underway (i.e., six or more). This can be verified by a circular inquiry

to field missions seeking identification of similar projects in-country and the date of inception. A follow-up of this nature also would contribute further to the Agency's knowledge of the state-of-the-art in integrated urban-rural development.

c. Assumptions

- (1) Appropriate mechanisms are found to integrate, disseminate and adapt methods and concepts developed through pilot projects.
- (2) The results of the pilot projects are of sufficient interest and relevance to developing countries to induce their adoption spontaneously outside of the original pilot areas and countries.

2. Project Purpose

a. Purpose Statement

To develop, package, and disseminate a planning process for strengthening the contribution (functions, activities, and services) of urban centers to rural development.

b. End of Project Status

- (1) The results of three pilot projects have been analyzed and integrated into an informational package for dissemination to field missions, developing countries, and international development agencies.
- (2) The informational package has been published by AID and distributed.
- (3) Informational seminars and workshops have been held.

c. Important Assumptions

There are urban-rural linkages and methods for identifying and enhancing them to foster rural development. These methods can be tested and analyzed through pilot projects.

3. Project Outputs

a. Statement of Outputs

- (1) Detailed final reports from each of three pilot field sub-projects.
- (2) Expert evaluative and analytical reports on the results of the field projects.
- (3) An informational package synthesizing the collective results of the project for dissemination to potential users in developing countries and elsewhere.
- (4) Dissemination seminars and workshops.

b. Magnitude of Outputs

- (1) Three final reports from the field projects are in hand and available for evaluation.
- (2) The evaluation reports to assess the general applicability of the three pilot projects are submitted by an expert analyst.
- (3) The information package is published in 500 copies for field dissemination.
- (4) A minimum of one dissemination workshop is held in each of AID's four major geographic regions and in AID/W.

c. Important Assumptions

- (1) Expert evaluation of the field reports proves positive on the question of potential utility for other countries.
- (2) The integration of the pilot project results into an informational package is technically feasible.

4. Project Inputs

a. Statement of Inputs

- (1) Small research study on location and use of urban functions in rural development. This study is being produced initially as a series of working papers so that the early results can be applied to the development of pilot sub-projects. The first three of these papers were used in the Philippines to help structure the conceptual framework for the proposed pilot project there. The final report, incorporating all of the working papers, is scheduled for completion in July 1976. Total cost for this activity, obligated by contract in December, 1975, is \$23,900.
- (2) Three sub-projects, including the Bicol and two similar projects in other geographic regions. The budget for the Bicol project is \$250,000 and a Pro Ag obligating this amount is expected to be signed in May or June 1976. The Pro Ag will be fully developed during a TA/UD visit to the Philippines in May 1976. The budgets for the other two projects, for which firm sites have not yet been sought, also are set at \$250,000 each. It is anticipated that sites will be approved during FY 1977 and that Pro Ags will be signed during the third quarter of FY 1977.

- (3) Contracts for experts to analyze and evaluate final reports and results of field projects. These costs, which will run between \$10,000 and \$20,000 for each of three field projects, will be built into the \$250,000 field project budgets.
- (4) Contract for development of informational package. This contract would cost about \$50,000. The need for this contract is contingent on a positive finding of the analyses in (3) above. It would be a FY1979 expense and is indicated in the fact sheet.
- (5) Contracts for conduct of seminars and workshops. The cost of 5 workshops, is estimated at \$150,000. Whether or not the workshops are held also is contingent upon the outcome of the evaluation of pilot projects. Should they be recommended, as anticipated, this expenditure would take place during FY 1979. It is entered in the face sheet.

b. Important Assumptions

- (1) Project is approved.
- (2) Pilot sites for field projects are located in several geographic regions.
- (3) Technology and skills for implementation are available and accessible.

Based on (1) our knowledge of the state-of-the art in the area of integrated urban-rural development, (2) the level of interest shown in this project in the field missions, (3) its complementarity to Agency programming priorities in rural development, and (4) its relevance to regional and area development programs in developing countries (as evidenced by the very positive response of the Philippines Government to the project), we have no reason to believe that the proposed flow of events from inputs to goal will not occur.

The Philippines sub-project goal, purpose, and input and output elements are outlined in the following section. See further the Philippines Government proposal, "Bicol River Basin Council Project Proposal for Urban Functions in Rural Development Study," at Annex C. Briefly, the proposed study will look into the rural and urban systems already existing in the Bicol River Basin, define linkages, and formulate a plan to strengthen linkages supportive of agricultural and rural development. The study will be orchestrated by the Bicol River Basin Council staff with technical assistance from Philippines institutions and from U.S. technical experts. It will cover the 312,000⁻ hectare basin area, consisting of 1.015 million people residing in 36 towns and 2 cities but also extend to the influence area of Legaspi-Tiwi agro-industrial sites area which is the gateway to another important agricultural region. Apart from Philippines Government staff personnel assigned to the project, the study will be funded by the TA/UD Urban Functions in Rural Development Project. The U.S. technical experts will be assigned to the project on a part-time basis, providing technical inputs at critical junctures -- e.g., initiation of the baseline studies, quarterly thereafter, and for preparation of the final analytical and planning reports. Their role also will be to help integrate sub-project results into the overall project.

Pilot Sub-Project: Bicol River Basin

1. Sub-Project Goal -- Urban Functions in Rural Development, Bicol River Basin, Philippines

a. Goal Statement

Reorient urban development in the Bicol River Basin in the context of its rural agricultural character such that its urban centers directly complement and support the planned integrated rural development of the basin area.

b. Measure of Achievement

"Urban functions" plan and program have been integrated into the overall Basin development plan, programming, and organization by national and local Philippines Government units.

c. Important Assumptions

- (1) In final analysis, reorientation of development in the Bicol region is technically and politically feasible.
- (2) Project has generated and retains credibility in Philippines context.

2. Sub-Project Purpose

a. Purpose Statement

To develop a planning process, potentially valid for other countries, and to produce a plan for strengthening the contribution of urban centers (functions, activities, and services) to rural development in the Bicol River Basin.

b. End of Project Status

- (1) Planning process and plan presented to the Bicol River Basin Council (BRBC) membership verified by positive transmittal to the BRBC membership recommending adoption.
- (2) The planning process and methodology evaluated separately for its applicability in or adaptation to other countries. This would be verified by a technical evaluation report concluding that the planning process is replicable or adaptable in other countries.

c. Important Assumptions

- (1) Planning methodologies and skills can be integrated into a process viable for Bicol and replicable or adaptable elsewhere.
- (2) Manpower and organizational conditions in the Bicol governmental structure are conducive to a new planning process.
- (3) U.S. technical support can fit in.

3. Sub-Project Outputs

a. Statement of Outputs

- (1) Analytical and planning methodology and skills.
- (2) Analysis and identification of patterns of urban development in the Basin area supportive of the agricultural hinterlands.
- (3) Pragmatic plans and programs for a hierarchy of rural-oriented facilities and hinterland centers that supports the Basin and rural development plans and programs.
- (4) Evaluation for reapplicability potential.

b. Magnitude of Outputs

- (1) Components of study completed: assessment of rural and urban systems; analysis of linkages and complementarities; and plan formulation.
- (2) Training of several types completed: methodology training for planning team; orientation of potential plan users; sensitivity training for policy level people.

c. Important Assumptions

- (1) Available analytical and planning methodology adaptable to Bicol situation.
- (2) Philippines and U.S. technical competence for these tasks exists and is accessible.

4. Project Inputs

a. Statement of Inputs

- (1) Local organizational structure for "urban functions" in BRBC, i.e., project management and study team.

Local

- (2) /contractors to perform assessment of urban and rural systems.

Local and U.S.

- (3) /consultants to assist in analysis of urban and rural linkages and formulation of plans.
U.S.
- (4) /consultants to evaluate applicability of planning process in other countries.

- (5) Monitoring/integrating function from TA/UD.

b. Budget - See Financial Analysis and Annex C.

c. Important Assumptions

- (1) Project approved at all levels in AID and Philippines Government.
- (2) BRBC is a viable and appropriate center for administration and coordination of the project.
- (3) Effective U.S./Philippines technical collaboration can be developed and technical competence can be procured as needed.

Part 3. Project Analyses.

The analyses below are for the Philippines sub-project, and are illustrative of those which will be completed for the two additional sub-projects.

(A.) Technical Analysis

As was noted earlier, this project will be carried out in the Bicol River Basin, an area of nearly 771,000 acres with a population of more than one million people residing in thirty-six towns and two cities. The first Philippines integrated area development program is located here because it is at once a lagging region visited frequently by floods and typhoon and relatively neglected in the disbursement of national development resources, which nonetheless has a high potential in its rich volcanic soils, extensive tableland, and ample labor supply for agricultural growth and development. Managed and coordinated by the Bicol River Basin Council (BRBC), this pioneering area development program seeks to employ a people-oriented, multidisciplinary, and interdepartmental approach, and is a focal point of AID assistance to the Philippines Government.

TA/UD's project, therefore, is welcomed as a complementary activity which fills a recognized gap and adds a desired dimension to the current and planned program of the BRBC by seeking to address the problem of the primitiveness of spatial development at the regional and subregional level. Because the rural areas are inaccessible, underdeveloped, and poor, their development will require the support of services and facilities usually provided by urban centers. What is needed is an approach which will encourage the provision, growth, and direction of urban services and facilities towards the hinterland, rather than the development of urban enclaves. In addition to the hierarchical location of the required facilities and services, there are questions about their mix and magnitude, and the timing of their development and being put in place. Whatever approach is used will have to be appropriate for the prevailing agricultural patterns and other conditions as well as for the desired results.

The technical feasibility, soundness, and suitability of this project have been determined jointly by special TA/UD teams in cooperation with Filipino and USAID officials. Among them have been Filipino and American specialists in urban and regional planning. In addition to on-site visits and consultations in the Bicol, there have been preparatory and follow-up meetings in Manila and in Washington.

At the heart of the project is an analytical process which looks first at what exists already, including also urban-rural linkages and complementarities. This analysis will provide the basis for plan formulation. Thus, a process and a plan will be developed.

The analytical studies themselves, which comprise the bulk of the TA/UD project, will not have an environmental impact. However, the plan that is formulated will have substantial environmental implications and its implementation will impact significantly on the Bicol River Basin area. Consequently, environmental considerations will be an essential part of the analytical process.

The budget for this eighteen-month project is straightforward. It consists of two parts: a direct grant to the Government of the Philippines to carry out the four major parts of the proposed study and a grant to provide the Filipino project team with the necessary technical and consultative support and TA/UD with the required technical monitoring, evaluative, and analytical services to keep the Philippines sub-project related to the overall interregional project.

There are sufficient and competent professional and technical local resources in the Bicol and in the Philippines to carry out the proposed study. External technical assistance will be an essential and desired ingredient in helping (a) to design the first two parts of the proposed study (i.e., the assessments of the rural system and of the urban systems), (b) interpret the results of the first two parts and to design the analytical framework and procedures for the third part

of the study, and (c) to advise on the plan formulation and on the finalization of the study. TA/UD will need consulting assistance to help delineate the lessons learned from the Philippines sub-project and integrate them into the larger overall research and development project.

The joint determination of the technical content, requirements, and soundness of the Philippines sub-project establishes a good pattern for the development of the two other proposed sub-projects in the "Urban Functions in Rural Development" project.

(B.) Financial Analysis and Plan

The overall project consists of three discrete sub-projects. The first site has been selected in the Philippines, and the other two sites are expected to be chosen in FY 1977 in other geographic regions. It is not now possible, therefore, to provide the detail and information required for the kind of financial analysis and plan for the project which is envisioned for this section of the PP.

The final negotiations with the Philippines Government will be held in May 1976 when a Pro Ag is expected to be completed. The Philippines sub-project is serving as a model for the two additional sub-projects -- e.g., as the basis for the estimated \$250,000 cost of each of three sub-projects. In addition, there is a contingency plan for the last phase of the overall project costing \$200,000. This amount includes the cost of developing an informational package of the results of the three sub-projects (\$50,000) and the cost of five workshops in Washington and in the four geographic regions (\$150,000) for the wider dissemination and use of the results of this project. The contingency, of course, is that there will be a positive finding from the final analyses and overall evaluation. Therefore, the total cost of the project is \$950,000.

Much of the detail of the expected Bicol sub-project budget is contained in Sections 9.0 and 10.0 of Annex C. While this is not a final budget and requires further negotiation, nevertheless, it contains most of the basic elements.

Among the items to be discussed further with host country and field mission officials are personnel requirements, travel, consultant time, equipment, sundries, and contingencies. More consideration will have to be given to providing for U.S. expertise and evaluation, including the amount, timing, and procedures. Some shifting between categories may prove desirable -- e.g., the training item appears to be underfunded while personnel requirements may be overstated.

The direct grant to the Philippines Government to carry out the four major parts of the proposed study is expected to be \$150,000. The second part of the budget is a grant to provide the Filipino project with the necessary external technical and consultative support and TA/UD with the required technical monitoring, evaluative, and analytical services to keep the Philippines sub-project related to the overall interregional project. This part of the budget is expected to amount to the remaining \$100,000, including also a small amount for contingencies. All three sub-project budgets are to contribute to the cost of the evaluation of the overall project at the end of the first year of the Philippines sub-project (see CPI flow chart above).

The budget in the BRBC staff project proposal indicates that \$250,000 is sufficient for the Philippines sub-project, and provides guidelines for use in developing budgets for the other two sub-projects. However, detailed negotiations remain to be completed for all three sub-projects. For the one in the Philippines, negotiations are planned for May 1976, and there is considerable evidence to indicate that they can be completed satisfactorily and without difficulty.

(C.) Social Analysis

Social analysis is an integral part of this project; it is contained in all four parts of the proposed study. The carrying out of the study itself will have little or no social impact. Many of the questions contained in a social soundness analysis will be dealt with in the assessment of the rural and urban systems, an analysis of urban-rural linkages, and in plan formulation. Much of the data will come from secondary sources -- that is, from studies which have been made recently by some of the people likely to be involved in this project. Additional data will be collected also by these people.

A major part of the purpose of the project is to develop a planning process. The involvement of local officials and others and, as it were, appropriate "on-the-job" training for them are included. The intention is that the planning process will have potential validity also for other area development schemes in the Philippines and in other countries.

The proposed project has been developed jointly with host country officials at the local and national levels and viewed by them as being complementary to their efforts in the Bicol River Basin. Therefore, no cultural political, or social objections are foreseen.

(D.) Economic Analysis

As the BRBC project proposal (Annex C) indicates, a reorientation of the traditional pattern of urban development which can enhance and support rural development is envisioned. The assumptions are that the traditional pattern is not doing so and that a more effective and efficient pattern of urban development can be achieved. If so, the new pattern is expected to have significant consequences, not the least of which will be economic. Locational decisions, both public and private, will be affected, not only as regards basic facilities and services, but also as regards commercial and industrial and other business investments.

The purpose of the study is to develop a planning process for determining where, when, how, and how much to intervene in the dynamics of urbanization in order to strengthen the contribution of urban centers to rural development in the Bicol. The analysis contained in the study will include also the economic aspects, including the costs and benefits of alternative plans of action and patterns of development, the effects on production, employment, income, and other factors.

If successful in developing a planning process and in formulating a plan for the location and use of urban activities and functions to support rural development, the project will have produced methodology and techniques which can have validity for other regions in the Philippines and for testing in other countries. The Philippines sub-project, being one of several in the overall project, will provide also results for cross-national comparison and analysis.

The early and substantive involvement of BRBC, Government of the Philippines, and USAID officials has helped to achieve an important and substantial correspondence between the needs and goals of the host country situation and government and those of the overall project and of TA/UD. Analysis is at the heart of the planning process to be developed, and it is to result in the formulation of an implementable plan.

Part 4. Implementation Arrangements

(A.) Implementation Plan

The implementation plan is being discussed before recipient administrative arrangements. At this stage of the project, the latter can be specified only in terms of the Bicol River Basin sub-project; as such, they are dealt with more appropriately after the overall plan for implementation has been presented.

Before presenting the Project Performance Network Chart, several major project implementation steps should be noted. First, the Bicol sub-project will become something of a model for the development of two planned additional pilot sub-projects, since considerable experience will have been gained prior to selection of the additional project sites. This experience will include insights into appropriate means for injecting the U.S. technical assistance and monitoring functions into the operation of sub-projects.

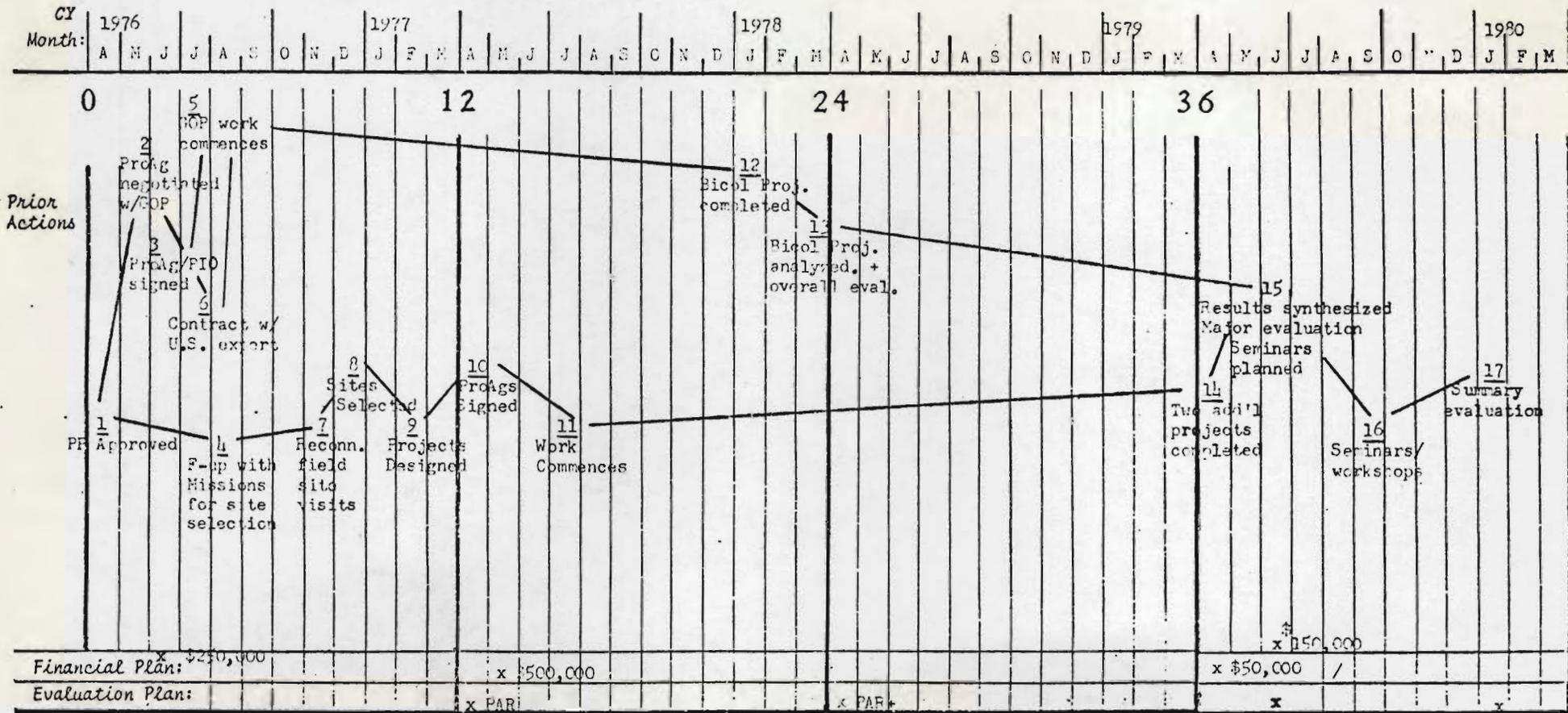
Second, the selection of additional project sites will involve a follow-up of current field mission expressions of interest in the "urban functions" project concept. Interest was indicated by response to an earlier circulation of TAB PID's to selected missions and by mission responses to the circular airgram questionnaire on an Agency policy and strategy regarding the urban poor. Regional Bureaus also will be consulted on possible candidate sites, and will help make the final selection.

Finally, the decision to move into the final phase of the project - i.e., development and dissemination of an information package on project results - will be based on a substantive evaluation of the entire project upon completion of the Philippines sub-project. At this point, the two additional projects will be sufficiently well along to permit a preliminary assessment of their potential utility to other situations and countries. If this evaluation proves positive on the question of whether results should be packaged and disseminated, documentation will be initiated to incorporate the additional \$200,000 funding required for this purpose.

There follows a Project Performance Network Chart setting out the relationships and flow of critical project indicators (CPI's). A bar chart prepared by the Philippines Government also is attached to indicate the implementation framework for the Philippines sub-project. Similar charts will be developed for the two additional sub-

Country:	Project No:	Project Title:	Date: April 12, 1976	/XX/ Original / / Revision #	Apprvd:
Interregional	1 931-11-899-210	Urban Functions in Rural Development			
<u>CPI DESCRIPTION</u>					
1. Apr 76	PP Approved in AID/W	11. Jul - CPI tracking chart augmented to include detail on two new sub-projects. Work on projects commences. Aug 77			
2. May 76	Pro Ag Negotiated with BRBC for PI pilot project -- including BRBC scope of work defined and PIO/T for US technical workers.	12. Jan 78 Bicol project completed.			
3. Jun 76	Pro Ag signed by GPI and USAID. See attached bar chart for implementation detail on Bicol pilot sub-project.	13. Mar- Bicol project analyzed and overall project evaluated. If positive, prepare documentation for information package and dissemination. Apr 78			
4. Jul - Aug 76	Follow-up with interested missions for identification of prospective locations for pilot sub-projects.	14. Mar- Two additional pilot projects completed and evaluated. Go/no go decision on information package and workshops. Apr 79			
5. Jul 76	PI preliminary work commences on Bicol pilot sub-project.	15. May- Project results synthesized in information package. Seminars planned. Jun 79			
6. Jul 76	Contract signed with U.S. technical expert who commences project work on Bicol Phase I & II studies.	16. Jul- Dissemination workshops/seminars held. Sep 79			
7. Oct - Nov 76	Reconnaissance field visits to prospective locations for additional pilot sub-projects.	17. Jan 80 Major evaluation of project involving top U.S. and LDC experts.			
8. Dec 76	Two additional sites selected.	Post Action			
9. Jan - Feb 77	Joint host country/AID design teams formulate framework and implementation plans and identify project inputs and sources of inputs.	Follow up with Missions on impact of project.			
10. Mar- May 77	Pro Ags approved and signed for the two additional pilot sub-projects.				

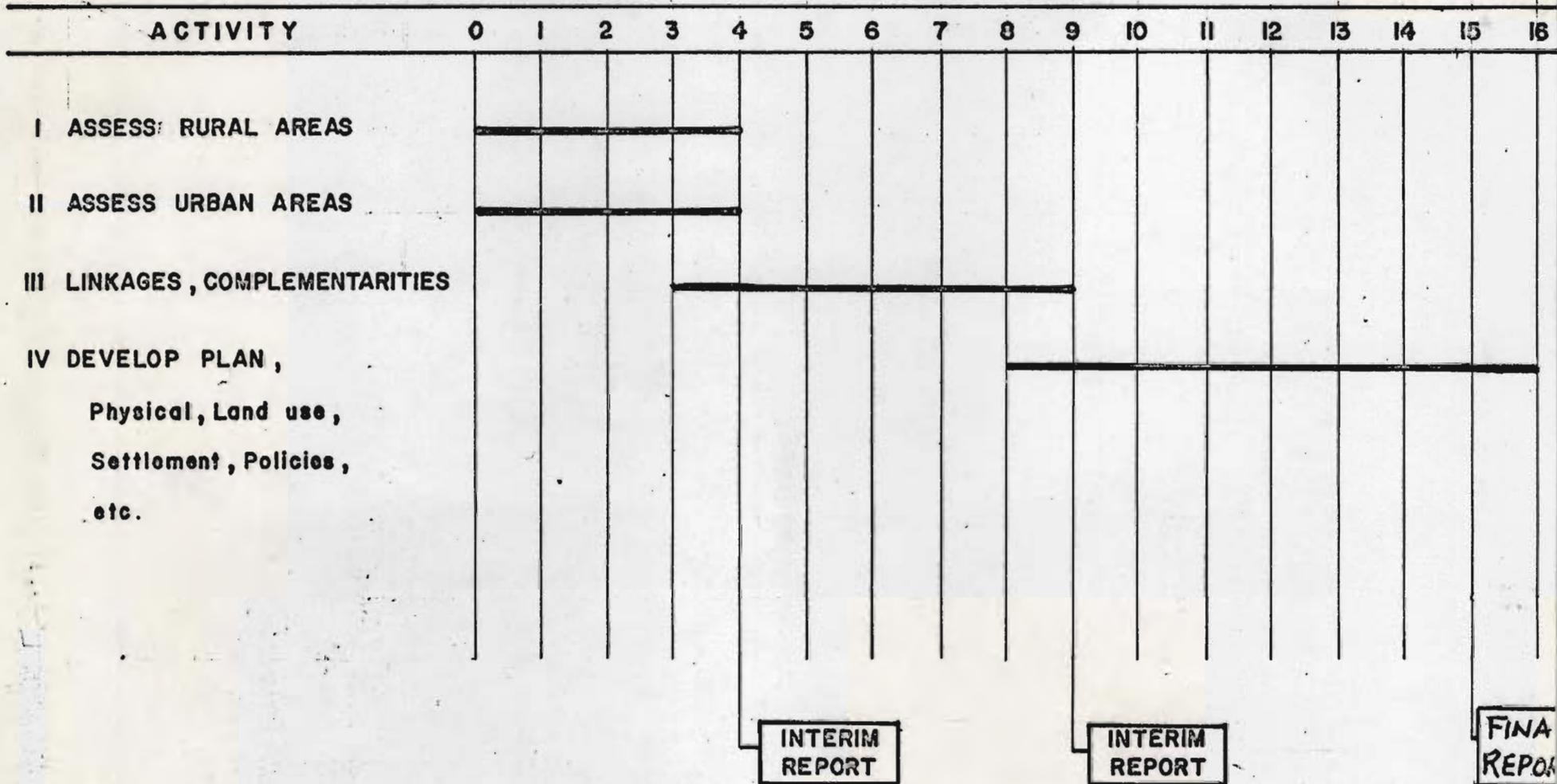
Country:	Project No:	Project Title:	Date:	/ x / Original	PPT appr
Inter-region:	1931-11-899-210	Urban Functions in Rural Development	11/12/76	/ / Revision #	



PROJECT PERFORMANCE NETWORK

COMPREHENSIVE URBAN FUNCTIONS IN RURAL DEVELOPMENT STUDY

BAR CHART IMPLEMENTATION ACTIVITY



projects once appropriate sites have been identified and plans developed. Further detail on implementation of the Bicol sub-project is contained in Annex C, Sections 7.0 "Scope of Work," 8.0 "Organization and Management," 9.0 "Budgetary Requirements," and 10.0 "Budgetary Summary."

(B.) Analysis of Recipient's and AID's Administrative Arrangements

The project will be managed and coordinated by TA/UD. Project management will be a major responsibility of a Regional Planner/Geographer who is under recruitment via the IPA. He is expected to be available in June on a part-time basis and in August on a full-time basis. He already has had direct field experience as an expert on other TA/UD projects and has done considerable professional work on urban-rural linkages as a Professor of Geography at the University of Iowa and as Director of the University's Center for Urban Growth in Developing Countries.

It is anticipated that the U.S. technical expert and monitor for the Bicol River Basin sub-project will be Dr. Dennis Rondinelli, currently Senior Fellow at the East-West Center in Hawaii. Dr. Rondinelli is co-author of the work in process, "A Study of Integrated Urban-Rural Development: Location and Use of Urban Functions in Rural Development Projects," which has helped to provide a conceptual framework for this project.

The "urban functions" project is closely related to other research and development and field demonstration projects with which TA/UD has had considerable experience and success to date. Moreover, it relates closely to rural development projects of an area or regional development nature with which the Agency is gaining valuable experience. AID administration is not regarded as an obstacle in this project.

As to the Philippines sub-project, the Bicol River Basin Council will be the principal local management and organizational entity. The BRBC is under the aegis of the Philippines National Economic Development Agency (NEDA) and is responsible for planning and coordination of the Bicol River Basin integrated rural

development program. The BRBC has been effective in carrying out its mandate and the USAID has collaborated with the BRBC on a wide range of projects, large and small.

The BRBC staff appears to have a good appreciation and understanding of the basic concepts underlying the "Urban Functions" project and has demonstrated this in their proposal (Annex C), an imaginative and practical application of these concepts to the Bicol River Basin. BRBC professional expertise will have to be augmented for this study through contractual arrangements with other Philippines institutions, such as the University of the Philippines, the Economic Development Foundation, Ateneo's Social Science Research Unit, and others. There is little doubt that the required analytical and planning skills are available in the Philippines. Some additional orientation and methodological training specifically geared to the Bicol urban functions study will be required and is programmed into this sub-project. As a pilot project, it will be a learning experience for all involved, including TA/UD and the U.S. technical experts.

The BRBC will hire a Study Director for the project. The project management will rest with one of the BRBC functional offices located in the Bicol Program Office, Naga. A full-time Assistant Director will be assigned from the Department of Local Government and Community Development, thus providing for linkage and collaboration with a key provincial development agency. Further, an inter-agency task force will be detailed full-time as project staff. See Annex C, Section 8.0, for further detail.

The administrative arrangements proposed by the BRBC appear to be adequate to carry out the project as proposed. These plans and responsibilities will be defined further in May 1976 when detailed scopes of work are to be developed.

(C.) Evaluation Arrangements for the Project

Three types of evaluation are planned for this project, and host country officials will be involved in all of them. First, each pilot sub-project will be evaluated upon completion. This will be a content-oriented evaluation to assess the applicability of results to other countries and situations. Outside experts will be employed for these analyses.

The second type of evaluation will be PAR-oriented. One such evaluation will be held after 12 months of project activity and will be conducted by key project officers. The second PAR type evaluation will be somewhat more expansive and timed to coincide with the termination evaluation of the Bicol sub-project. Its purpose, in addition to identifying trouble spots in the project, will be to provide an early assessment of potential for using the output of each sub-project for application elsewhere. Technical expertise used for evaluation of the Philippines project will be employed for this purpose. A positive outcome of this evaluation would signal a go-ahead for preparation of documentation for the last phase of the project, the packaging and dissemination of results.

A major evaluation is planned for the completion of the project. This would involve AID professionals, consultants, and some of the top U.S. and LDC professionals in the field of integrated urban-rural development. It would serve to further heighten awareness of the project results and point to means for their continued application.

Date: NOV 21 1975

MEMORANDUM FOR: Members of the Research and Development
Committee

FROM: TA/PPU, Carl R. Fritz 

SUBJECT: Approved Project Identification Document

Attached is a copy of a Project Identification Document (PID) which has been approved by the Assistant Administrator for Technical Assistance for project design and the drafting of a Project Paper (PP):

Project Title: Urban Functions in Rural Development

Project Number: 931-11-899-210

Initial FY: 76

Responsible Office: TA/UD, W. Miner

If you have any comments, questions or issues which you would like to see addressed in the PP, please send them directly to the responsible office listed above with a copy to TA/PPU. They should be received by that office within two weeks/~~one month~~, so that the comments can be addressed by the drafter.

The draft PP will be submitted to the Research and Development Committee for review and comment. However, we encourage your comments as early in the design process as feasible so that the project can be responsive to Agency concerns.

Attachment: a/s

cc: TA Technical Office

MEMORANDUM

DATE: November 12, 1975

TO : AA/TA, Mr. Curtis Farrar
FROM : TA/PPU, John M. Gunning
SUBJECT: PID Clearance

Project Title: Urban Functions in Rural Development

Begins FY 1976.

1. The PID complies with the following AA/TA instructions if the appropriate block is checked. Otherwise, comments are attached.

a. Main points of Program Guidance #3 covered.

b. AA/TA budget review comments have been incorporated or adequately appealed in the narrative.

c. Proposed funding is within limits described in TA Bureau FY 76/77 Program Submission to PPC and/or as amended by current OYB.

d. Dates of PP development, approval and project initiation are realistic and consistent with the Program Submission.

2. This PID has been in TA/PPU and staff work is incomplete because of TA/PPU work pressure, or Tech office work pressure. We recommend you return the PID for further review prior to your final decision.

3. We recommend the following action:

a. Approval

(1) subject to _____

b. Disapproval or delay for reasons specified in attached.

4. AA/TA Action

Approved

Subject to _____

Disapproved

John M. Gunning
Signature

11/13/75
Date

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT IDENTIFICATION DOCUMENT FACESHEET
 TO BE COMPLETED BY ORIGINATING OFFICE

1. TRANSACTION CODE (IF APPROPRIATE BOX)
 ORIGINAL CHANGE
 ADD DELETE

PID
 DOCUMENT CODE
 1

2. COUNTRY/REGIONAL ENTITY/GRANTEE
 Interregional - GTS - KPA #18

3. DOCUMENT REVISION NUMBER

4. PROJECT NUMBER
 931-11-899-210

5. BUREAU
 A. SYMBOL TA/UD B. CODE

6. PROPOSED NEXT DOCUMENT
 A. PRP PP B. DATE MO. | YR. |
 1 | 12 | 7 | 5 |

7A. PROJECT TITLE - SHORT (STAY WITHIN BRACKETS)
 [Urban Functions in Rural Development]

8. ESTIMATED FY OF AUTHORIZATION/OBLIGATION
 A. INITIAL FY [7 | 6] B. FINAL FY [7 | 8]

7B. PROJECT TITLE - LONG (STAY WITHIN BRACKETS)
 [Urban Functions in Rural Development]

9. ESTIMATED COST (LIFE OF PROJECT)
 (\$000 OR EQUIVALENT, \$1 = 750)

PROGRAM FINANCING	AMOUNT
A. AID APPROPRIATED	\$750
B. OTHER U.S.	
C. HOST GOVERNMENT	
D. OTHER DONOR(S)	
TOTAL	\$750

10. ESTIMATED COSTS/AID APPROPRIATED FUNDS (\$000)

A. APPROPRIATION (ALPHA CODE)	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE	FIRST YEAR		ALL YEARS	
			D. GRANT	E. LOAN	F. GRANT	G. LOAN
UD			250		750	
(FY 1977)			(500)			
TOTAL			750		750	

11. OTHER U.S. (\$000)

A. PROGRAM TYPE	B. FIRST YEAR	C. ALL YEARS
TOTAL		

12. PROJECT GOAL (STAY WITHIN BRACKETS)
 [To strengthen urban analyses, activities, and functions which are complementary to rural development.]

13. PROJECT PURPOSE(S) (STAY WITHIN BRACKETS)
 a. To identify the appropriate modes of urban-rural analysis and the nature, magnitude, location, and timing of urban services and activities which support rural development. b. To apply this mode of analysis to specific rural-based urban centers. This will include also the design and programming of projects that will strengthen the urban centers' contributions to the development of the rural areas they serve. c. To increase the capability of local officials and citizens to plan, implement and participate in the benefits of improved facilities and service.

14. PLANNING RESOURCE REQUIREMENTS (STAFF/FUNDS)
 Urban and Regional Planner (IPA recruit).
 Small research project in FY 1976: \$25,000

15. ORIGINATING OFFICE CLEARANCE
 SIGNATURE: *William R. Miner*
 William R. Miner, Director, TA/UD
 DATE SIGNED: MO. | DAY | YR. |
 0 | 7 | 2 | 5 | 7 | 5 |

16. DATE RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
 MO. | DAY | YR. |

I. The Problem and the Proposed Response. It is relatively recently that development thinking has begun to embrace the concept that cities play a crucial supportive role in rural development. However, because this role seldom is defined specifically or focused upon in development programs, cities of regional or sub-regional importance tend to fall far short of their potential for support of the rural hinterlands they serve, and rural development efforts have been constrained accordingly.

TA/UD has initiated efforts to help redress this problem. A monograph exploring urban-rural interdependencies and entitled Regional Development: A Review of the State-of-the-Art has been produced and given wide distribution. A mini-research project has been proposed to explore more specifically the role of urban functions and urban-based activities in rural development. Now the coincidence of national, regional and local programs in the Philippines presents an excellent opportunity to explore collaboratively the role and functions of two key cities, Naga and Iriga, in the integrated rural development program underway in the Philippines (see map appended).

TA/UD has initiated such a project idea in the Philippines, discussing it with national, local, and USAID officials. According to a recent letter from the USAID Mission there, the "proposal has been received with considerable enthusiasm by the GOP." What remains is to gain full AID/W approval of the project and to move ahead with specific negotiations with the GOP.

The Bicol Basin has been designated as the first Philippines integrated area development program. The Bicol area was identified by the Philippines Government as a transitional developmental (or lagging) region with a high potential for agricultural growth and development. Its agricultural potential stems from its rich volcanic soils, extensive table-lands, and ample labor supply. Its relative poverty is a result of its frequent revisitation by floods and typhoons and relative low priority in the past as a recipient of national developmental resources. The program planned for this area is people-oriented, multi-disciplinary and interdepartmental in approach, making it as pioneering in the international area as it is nationally. The effort is being managed and coordinated by the Bicol River Basin Council (BRBC) with headquarters in Naga City. USAID/Philippines is a major source of international support for the program.

At the same time the Philippines Department of Local Government and Community Development has initiated a program to strengthen and develop the local urban planning and development operations of a selected pilot set of Philippines cities. The two key cities in the Bicol Region, Naga and Iriga, are designated pilot cities in this program. However, this program will not examine the role of the cities in the larger region they serve; rather, it will concentrate on the internal planning and administration of the cities.

The BRBC and the city officials are interested also in complementary efforts that will strengthen the role these two centers will play in the integrated development of the Basin area. This interest, the complementarity of the DLGCD program and the centrality of these two cities in the Bicol River Basin, makes Naga and Iriga ideal locations for an innovative project to explore urban functions and activities in integrated rural development and to help design strategies and activities that will strengthen their rural support role overall.

Specifically, the TA/UD project proposed to accomplish this end would help to: (a) articulate the role of these two cities in the greater Bicol River Basin area; (b) identify urban-based services and activities (including those provided by the private sector) which are supportive of the River Basin development plan; (c) determine the gaps and weaknesses in existing services and activities in this category in Naga and Iriga; (d) help with design and implementation of projects or programs which overcome gaps and weaknesses and give due regard to the potential environmental impact; and (e) establish evaluative and feedback mechanisms.

II. Financial Requirements and Plans. Depending on the availability of local planning, research, administrative, and technical counterpart personnel and other resources, Agency assistance might be more strategic and significant than substantial. Technical assistance inputs could include the services of specialists, training, technical materials, matching research funds, and other things, and probably would be followed by capital assistance in support of projects growing out of the technical

assistance effort. It is estimated that such a technical assistance project would require a minimum of twenty-four months.

III. Development of the Project. The results of the project would have wider application and would be instructive for other Agency-supported integrated rural development programs. The pioneering nature of this activity also suggests that its results would receive the attention of development planners.

The mini-research project on urban functions in rural development, mentioned above, will be an input into the Philippines project. It is to be produced as a series of working papers so that its early results can be utilized to aid in design and implementation of the Philippines project, and it includes a site visit to Naga and Iriga as an element of the field research.

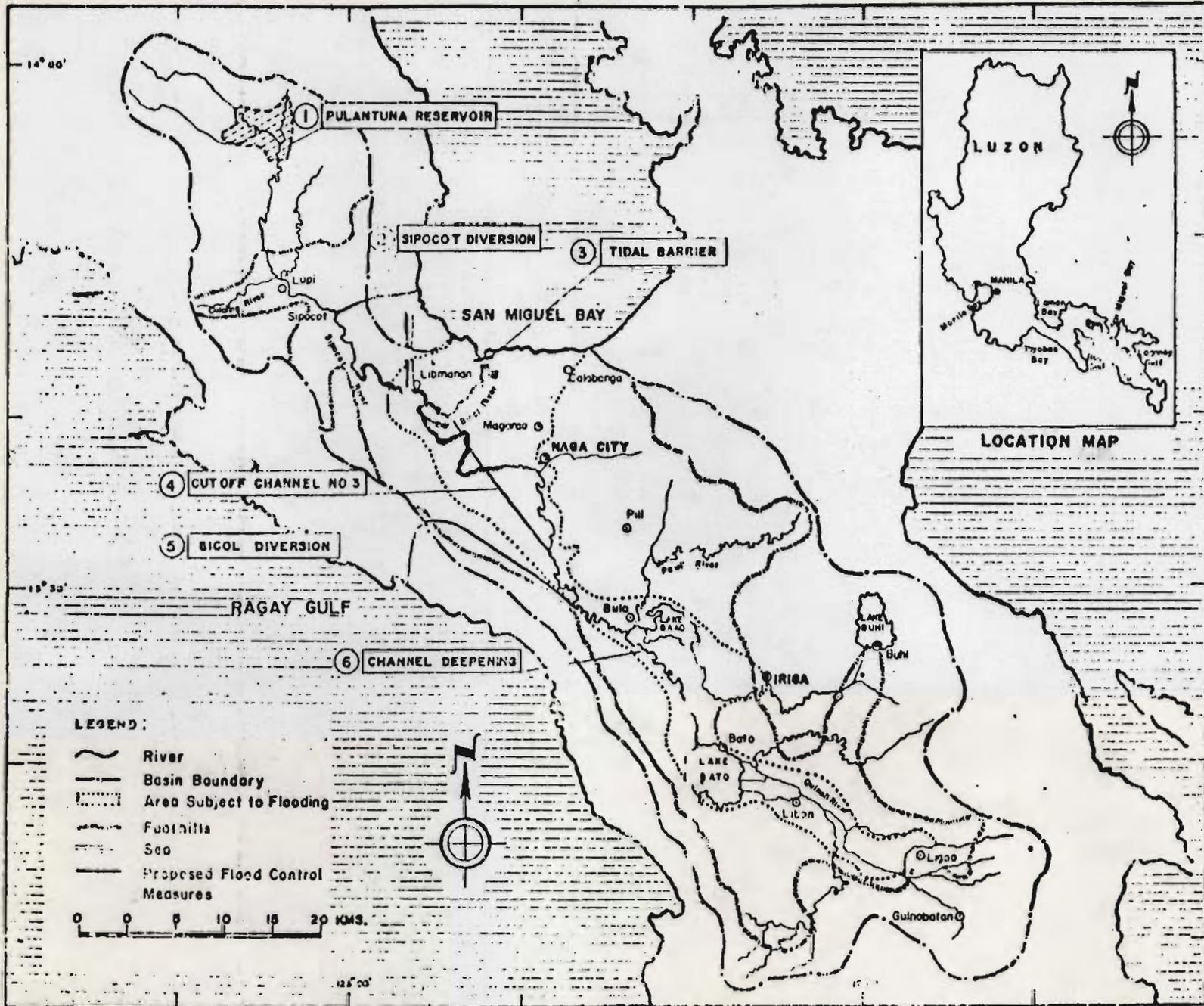
There are many implications to the differential selection and location of urban services and activities. Not the least of them is the dispersal of employment opportunities and development activities which can allow more of the population to participate in and share the benefits of development. In this sense this project is related closely to current and proposed projects on land use programming and on guidelines for designing high-impact projects and developing integrated programs for the urban poor.

Barring unforeseen difficulties, it is expected that the project documentation can be developed during FY 1976 for submission, approval, and implementation.

It is anticipated that in FY 1977, additional sites with differing developmental settings will be identified which will provide further opportunities to apply and develop more fully the concepts and approaches to be pioneered in Iriga and Naga. The project ultimately will have several more field applications, whether TA/UD- or Mission-funded, which will be integrated in the final analysis into a report of case studies and guidelines for applied approaches to analysis and programming of urban-rural integration.

IV. Issues. The implementation of this project in the Philippines is dependent upon the continued interest of the USAID and the Philippines Government.

The Bicol River Basin



PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

Life of Project:
From FY 76 to FY 79
Total U.S. Funding \$ 750,000.
Date Prepared April 7, 1976

ANNEX B

Project Title & Number: Urban Functions in Rural Development

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>GOAL: To strengthen urban analysis, activities, and functions which are complementary to rural development.</p>	<p>(Measure of Achievement) Number of programs in AID assisted countries in addition to pilot programs initiated in this project, in which urban functions in rural development are an explicit developmental dimension. Three years after completion of pilot projects at least twice as many projects of this kind should be underway. <u>e.g.</u>, if three pilot projects, at least six new similar programs should be underway.</p>	<p>Inquiry to all AID missions as follow-up to distribution of project results. Inquiry will seek identification of similar projects in-country and date of initiation. Survey will be basis for compiling inventory of "urban functions in rural development"- type projects.</p>	<p>Appropriate mechanisms are found to integrate, disseminate and adapt methods and concepts developed through pilot projects.</p>
<p>PURPOSE: To develop, package and disseminate a planning process for strengthening the contribution of urban centers (functions, activities and services) to rural development.</p>	<p>End of Project Status: Results of three or more pilot field projects have been analyzed and integrated into an informational package for dissemination to field missions, developing countries and international development agencies. Package published by AID and distributed. Informational seminars and workshops held.</p>	<p>Report of final distribution. Evaluation of dissemination seminars.</p>	<p>There are urban-rural linkages and methods for identifying and enhancing them to foster rural development. These methods can be tested and analyzed through pilot projects.</p>
<p>OUTPUTS: Detailed final reports from field pilot projects. Expert evaluation and analysis of results of field projects. Informational package integrating collective results of project for dissemination. Dissemination seminars and workshops.</p>	<p>(Magnitude) Three or more final reports from field projects in hand. Evaluation report on three or more projects to assess general applicability submitted by expert analyst. Published information package in 500 copies for field documentation. Minimum of one dissemination workshop held in each of AID's 4 major geographic regions plus AID/W</p>	<p>Delivery of final field and evaluation reports recorded and contractors payments authorized. Vouchers for 500 copies of information package approved for payment. Workshop and seminar evaluation reports and vouchers.</p>	<p>Expert evaluation and analysis of field reports positive on question of potential utility for other countries. Integration of material into informational package technically feasible</p>
<p>INPUTS: Small research study on location and use of urban functions in rural development. Three sub-projects, including Bicol and two similar projects in geographic regions. Contracts for experts to analyze and evaluate final reports of field projects. Contract for development of informational package. Contracts for conduct of seminars and workshops.</p>	<p>BUDGET: \$ 750,000.</p>	<p>TA/UD, mission and cooperating country implementation and project closeout documentation, i.e., contracts, vouchers, purchase orders, completion of contract reports, etc.,</p>	<p>Project approved. Pilot sites for field projects are located in several geographic regions. Technology and skills available and accessible.</p>

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

Life of Project:
From FY 76 to FY 78
Total U.S. Funding \$ 250,000.
Date Prepared April 7, 1976

Project Title & Number: Urban Functions in Rural Development: Bicol River Pilot Project, Philippines

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>GOAL: Reorient urban development in the Bicol River Basin in the context of its rural agricultural character such that its urban centers directly complement and support the planned integrated rural development of the basin area.</p>	<p>(Measures of Achievement) "Urban functions" plan and program have been integrated into overall Basin development plan, programming, and organization by national and local Philippines Government units.</p>	<p>The "urban functions" in rural development program for the Bicol is reflected in national development budget line items.</p>	<p>In final analysis, reorientation of development in the Bicol region is technically and politically feasible. Project has generated and retains credibility in Philippines context.</p>
<p>PURPOSE: To develop a planning process, potentially valid for other countries, and to produce a plan, for strengthening the contribution of urban centers (functions, activities, and services) to rural development in the Bicol River Basin.</p>	<p>End of Project Status: Planning process and plan presented to the Bicol River Basin Council (BRBC) membership. The planning process and methodology evaluated separately for its applicability in or adaptation to other countries.</p>	<p>An official positive transmittal of the planning reports and plan to the BRBC membership recommending adoption. Technical evaluation report concluding that the planning process developed is reliable or adaptable in other countries.</p>	<p>Planning methodologies and skills can be integrated into a process viable for Bicol and replicable or adaptable elsewhere. Manpower and organizational conditions in the Bicol governmental structure are conducive to a new planning process. U.S. technical support can fit in.</p>
<p>OUTPUTS: Analytical and planning methodology and skills. Analysis and identification of patterns of urban development in the basin area supportive of the agricultural hinterlands. Pragmatic plans and programs for a hierarchy of rural-oriented facilities and hinterland centers that supports the basin and rural development plans and programs. Evaluation for reapplicability potential.</p>	<p>(Magnitude) Components of study completed: assessment of rural and urban systems; analysis of linkages and complementarities; and plan formulation. Training of several types completed: methodology training for planning team; orientation of potential plan users; sensitivity training for policy level people.</p>	<p>Published plan reports and documents. Names and numbers of people trained by category of training.</p>	<p>Available analytical and planning methodology adaptable to Bicol situation. Philippines and U.S. technical competence for these tasks exist and are accessible.</p>
<p>INPUTS: Local organizational structure for "urban functions" in BRBC, e.g., project management and study team. Local contractors to perform assessment of urban and rural systems. Local and U.S. consultants to assist in analysis of urban and rural linkages and formulation of plans. U.S. consultants to evaluate applicability of planning process in other countries. Monitoring/integrating function from TA/UD</p>	<p>BUDGET: \$ 250,000.</p>	<p>TA/UD, mission and BRBC project implementation documentation, e.g., contracts, vouchers, completion of contract reports, etc.</p>	<p>Project approved at all levels in AID and Philippine government. BRBC is a viable and appropriate center for administration and coordination of the project. Effective U.S./Philippines technical collaboration can be developed and technical competence can be procured as needed.</p>

Bicol River Basin Council
Project Proposal
for

URBAN FUNCTIONS IN RURAL DEVELOPMENT STUDY

1.0 Rationale

There is a need to reorient urban development in the Bicol River Basin in the context of its rural and agricultural character. This agricultural underpinning shall govern basin development in the next 50 years. The rural orientation of the people will persist, requiring conscious government intervention to direct essential urban services and facilities to support, complement and enhance this locational realities of the farm population.

In the same manner that physical infrastructures such as flood control, irrigation and drainage, and farm to market roads are directed to optimize agricultural production, urban development can be designed and directed to provide the same supportive functions. The effectiveness of such measures contributes, in turn, to the growth of urban centers, completing thereby a symbiotic cycle that raises, socially and economically, the viability of rural and urban areas.

From the outset, ERBC planners have recognized that an urban development component is an essential part of the program. The Asian Institute of Technology Simulation Studies showed as early as 1974 that without appropriate efforts in the development of rural and urban centers within the basin, growth shall be difficult to sustain after 1982 since the absence of responsive centers will present a situation where agricultural output can not be totally absorbed by

existing towns and cities and in turn the same centers will be incapable of offering service necessary for increased and diversified agricultural production. Moreover, the entire rationale for the launching of a development program of government such as the ERBDP, logically points to the contingency of planning for a hierarchy of centers that shall promote, over time, a balance between urban and rural development.

Such interaction produces a "rurban" development, producing a balanced growth and distributing more evenly over the basin the amenities of development. This pattern, if achieved, provides to both rural and urban residents, easy access to the beneficial effects of their productivity and approximates an improvement in the quality of life, inducing increased participation in development.

Western planning literature, which dominates the profession, is predicated on a city centered approach to regional development. Considering the realities of Philippine conditions, especially the oriented development policies of government, these and the planning experiences contained in them present new insights in the urban development approach for the basin area. Firstly, the conditions faced by western urban and regional planners are entirely different if not the opposite of conditions found in the country in general and the basin in particular. The USAID aptly observed that while the planning problem essentially confronting western planners is over-urbanization spread over many regions, the problems facing Filipino development planners is the absence of urbanization in many areas on the one hand and the concentration of urbanization in one

primate city on the other. That is, the problem here is an extremely lopsided spatial structure on the national level and primitiveness of spatial development at the regional and sub-regional level.

This orientation assumes, and rightly so, that the hinterlands of western countries are already developed, the farmers are self-sufficient and mobile, and communications from rural to urban areas facile. In the Bicol River Basin, the reverse is true. The rural areas are inaccessible, underdeveloped and poor. Thus, urban development strategies which would focus on the improvement of towns and cities, to the exclusion of the hinterland, would perpetuate the imbalance and be a negative factor to basin development.

2.0 The development setting

The BRBDP as designed and implemented is addressed to harnessing land, water and human resources to achieve the optimum potential agricultural production within the basin. This development strategy is cognitive of the rural orientation of the basin where 81% of the 1.015 million people are living.

The initial thrust of the Basin Program is directed towards at least 60% mitigation of annual flood waters which inundates 42,000 hectares of prime riceland on the flood plain; the improvement of road density ratio from a poor 0.33 km/km² to approximate the standard of 1.0 km/km²; bring into full irrigation an additional 50,000 hectares to achieve 2.5 croppings of 100,000 hectares of riceland annually and provide potable water supply to the remaining 74% of residents who are not served by piped water systems. Cheap geothermal power will be available by 1977 and will reach all settlements

by 1980.

The emplacement of basic physical infrastructure, together with social development programs in manpower training, health, nutrition and formation of farmers' organizations as well as ^{integrated} farm extension is expected to raise farm productivity. In rice, for instance, the present 1.67 MT yield per hectare should approximate a potential 6.67 MT by 1990.

Thus stimulated, agricultural development should require forward linkages to agri-business, and possibly, agro-industries. The former performs a dual function: it supplies farm inputs as well as a market for farm produce. The latter should be able to diversify uses of agricultural production to achieve a relatively higher level of absorptive capacity for farm produce within the region, and provide non-farm employment.

The activities of agriculture, agribusiness and agro industries will require services and facilities normally provided by urban centers. It is by this linkage process that urban development will ensue.

3.0 Problems of Existing Urban Development Trends

Historically within the basin, as well as outside, the process of urban development has concentrate facilities and services within urban centers. Such centripetal effects of growth has produced dysfunctions to rural development.

3.1 Firstly, since the secondary and tertiary sectors of the basin economy are the prime value-adding mechanisms and since they gravitate within the urban centers, wealth is concentrated in the centers. This is the main factor for a skewed distribution of income and the resultant imbalance between the urban cen

tion of income and the resultant imbalance between the urban centers and their hinterlands.

3.2 Secondly, the siting of agri business and agro industries within urban areas, and the necessary services and facilities both for these activities and for the burgeoning urban population, increases the attraction of towns and cities---drawing a steady stream of migration from rural to urban areas.

3.3 Thirdly, the steady rural-urban migration by itself chokes the cities and strains the capability of the urban center to provide its residents with basic and essential services. This situation of high demand encourages the intensive location of such services within the city and further denies the rural residents of the limited services.

3.4 Fourthly, the concentration of urban services and facilities and their increasing sophistication set against the growing demand of urban residents themselves, removes these necessary services beyond the reach of the rural residents---physically and economically.

3.5 Lastly, the direction of growth of urban centers partakes of gradual "build-up" from the core, by reason of linkage economies to existing infrastructure and supportive facilities within these centers.

The entire urban development process, when viewed comprehensively basinwide, becomes evidently unsupportive of the basic strategy of rural and agricultural priorities, especially for the farmers participating in rural development. This trend of urban development within the Bicol River Basin is indicated by the location within

major towns and cities ^{of} secondary and higher educational facilities, clinics, hospitals and physicians, credit facilities, crime protection, transport, entertainment, major markets, repair services, etc.

4.6 A "rural concept" of Urban Growth

What would best suit the Bicol River Basin situation is a "rural oriented" direction of urban development so it can enhance and sustain rather than constrain and restrict rural development. This approach would view the provision, growth and direction of urban services and facilities towards the hinterlands, rather than the development of urban enclaves. This orientation would regard urban development as a positive response to rural development. In such a situation, the urban centers would reach out to the hinterlands, attempting, as it should, to facilitate access by rural residents to essential urban services and facilities.

This strategy would call for a conscious direction of urban development to "rurban satellites" located in the hinterlands and located at viable distances from the center, within the latter's capacity to sustain the level of services offered. A heirarchy of urban services would thus be structured, differing in levels as distances increases, and growing in capability over time as the rural areas develop and are able to support such extended services themselves. The directed growth into the rural areas would be guided by a policy of stimulating the emergence of "rurban" centers, either by the location of agribusiness, agro industries, government services center or the influence of service facilities catering to the requirements of agricultural activities.

The characteristics of such patterns of growth are reckoned in space and time. The determinants of spatial directions are defined based on the staging of agricultural development. Temporal growth of such "rurban" centers are determined, first, by the capability of the urban center initially supporting such satellites and secondly, by the growth of the rural area being served.

By such intervention into the traditional pattern of urban development, the amenities of urban services and facilities are made accessible to rural residents. Rural-to-urban migration is minimized and growth within the hinterland is stimulated. The primate city itself is spared from the burden of population pressure and attendant congestion, pollution, slums, urban blight, urban sprawl, etc.

5.0 Objectives of the Study

- | | |
|----------------|--|
| <u>Purpose</u> | 5.1 To rationalize a balanced growth between urban and rural areas by the dispersal of urban services and facilities. |
| <u>Outputs</u> | 5.2 To determine the pattern of urban development in the basin area supportive of the agricultural hinterlands. |
| | 5.3 To design a hierarchy of facilities and services centers in the hinterlands connected to progressively higher order urban centers. |

6.0 Study Description

The proposed study will look into the rural and urban systems already existing in the Bicol River Basin, define linkages and formulate a plan to rationalize rural-urban interaction to the end that urban centers become meaningfully supportive of agricultural development. It will cover the 312,000 hectares basin area, consisting of 1.015 million people residing in 36 towns and 2 cities, but also

extended to the influence area of Legaspi-Tivi agro-industrial sites area.

Social, economic, political and physical sciences related to urban and rural planning will be applied to synthesize the various systems of interlinked functions that will determine future patterns of human settlements in the basin. It will take approximately 16 months in duration and costing ₱1.5M. The expected output would be an analytical report of rural-urban development trends, problems and proposed solutions. A policy plan, supported by a land use map, overlaid by linkages of rural-urban centers within a hierarchy, will chart the guidelines for effective implementation of the plan formulated. Proposed development programs and projects to develop proposed rural centers shall be appended, their costs and benefits quantified. A timetable of development shall chart the course of plan implementation.

7.0 Scope of Work

The study will be comprehensive and basinwide in its scope; will divide in three time phases; and will cover four distinct activities.

I. Assessment of Rural Systems

This activity will lend itself to a determination of existing and required mechanism in the rural hinterlands divided into their component parts. It will involve an inventory of facilities, services plus resources of an economic, physical and institutional nature. It will also determine existing demographic as well as attitudinal patterns in the area.

The necessary rural development components will be determined on the basis of the expected requirements of BRDP agricultural and agriculture-related projects and the staging of agricultural development in BRDP priority areas.

A comparison of data generated from I and II should show the gaps between existing systems and what is necessary to optimize rural capabilities over time.

II. Assessment of Urban Systems

The focus of activities under this work category is self-evident. Each shall, simultaneously with the assessment of rural areas, generate needed data to determine existing facilities and services available in the urban areas of the basin and their capabilities to respond both to

internal urban demand and to the requirements of the rural hinterlands. Along this line, assessment will cover all the necessary areas of general and particular urban activities: demographic, economic, social, institutional, physical and land use.

III. Analysis of Urban-Rural Linkages and Complementarities

The data generated by the foregoing activities (I and II) shall enable the study group to analyze the various linkages and interactions between and among urban and rural areas throughout the basin. All relevant linkages shall be evaluated and identified under this activity, such as, but not limited to, patterns of production, exchange, consumption, and distribution of goods and services including trading networks, credit linkages, industry location characteristics and movements of seasonal labor; physical linkages in transport, water supply, flood control, irrigation systems; social linkages: kinship, health, dialect, religious and social interactions as well as migration, travel patterns. Institutional interlinkages shall likewise be studied to include cooperatives, credit unions, baranggays, irrigators associations and other private associations, political interactions and structures and their effects within the rural-urban systems. Also expected as an output here is a determination of the scale of interactions between and among centers with a resulting definition of the categories of central places.

IV. Plan Formulation: A Hierarchy of Central Places in the Basin Area

This part of the study shall be devoted to approximating as closely as possible the existing hierarchy of central places in the basin and determining the desired unit of rural-urban systems. This output will include an appropriate description of type, capability, function and prominent locational characteristics of each system to serve as guidelines for urban development plans. Moreover, the final study output itself shall contain a set of policies, programs and projects recommended for optimum attainment of urban development objectives.

8.0 Organization and Management

The study shall be a prototype project of the Bicol River Basin Council (BRBC). A full time Study Director (Ph.D. or M.S. level) will be hired by BRBC to supervise and administer the study. An assistant study director drawn from the Department of Local Government and Community Development shall be detailed full time to the project.

An Inter-Agency Task Force, drawn from line agencies relevant to the Project shall be detailed, full time, to form the Project Staff. The Project shall be supported by an administrative staff on direct hire for the duration of the Project.

A 10-man team of Ph.D.'s will form a consultants pool. They shall be drawn from UP at Los Baños, UP Institute of Planning and the UP Local Government Center. They shall work on the Project on a regular basis, at least twice monthly at a minimum of three days per visit. During the Linkage and Plan Formulation (Part II & IV) stages of the Study, the Project shall contract specific studies (UPLB, UPIP or UPLGC).

Data Gathering (Parts I and II) shall be contracted out to private firms engaged in social and economic research.

Realising that the study output shall be used eventually by BRBC, local governments units within the basin and line agencies

covered by the Development Plan, continuing participation by these agencies shall be designed in the form of meetings, dialogues, workshops and seminars. The Study Output (The Plan) shall be presented to all concerned in a 3-day seminar upon the conclusion of the Study. The Study shall be based in Naga City.

9.0 Budgetary Requirements

The Study will be financed wholly by a grant from the U.S. Agency for International Development (with the exception of ERRC and line agency personnel assigned to the Project). The dollar equivalent of local Project Costs (P1.5M) will be converted into Philippine currency and deposited with in the ERRC Special Fund Account. Releases shall be handled by NEDA to the ERRC Program Office which shall disburse the funds upon request by the Study Director.

10.0 Budget Summary (Time Frame - 16 months)

Personnel Requirement (incentives, salaries-wages)	₱280,000	\$ 40,000
Consultancy (10 consultants @ ₱1000/man months)	160,000	22,857
Data Gathering (Contract)	300,000	42,857
Supplies and Material	36,400	5,200
Travel	160,000	22,857
Workshops (5 sessions @ 3 day/session)	30,000	4,286
Printing (Maps & Reports)	100,000	14,286
Equipment (Trans/Office)	171,300	24,471
Repair & Maintenance	40,000	5,714

Sundries	<u>¥127,700</u>	\$ 18,243
Subtotal	¥1,405,400	200,771
Contingencies	<u>94,600</u>	13,514
Grand Total	¥1,500,000	\$ 214,285

COMPREHENSIVE URBAN FUNCTIONS IN RURAL DEVELOPMENT STUDY

BAR CHART IMPLEMENTATION ACTIVITY

