

CITIZEN ENGAGEMENT WITH LOCAL GOVERNMENT

Manila, February 2016

Introduction

On 17 October 2012 ADB approved a grant of \$200,000 for a project that aimed to provide more services and infrastructure in five participating municipalities in the Caraga region of Northeast Mindanao. This long-term goal was to be realized by getting citizens to engage more effectively with their local government. The project placed special emphasis on governance risks in areas such as the formulation and execution of budgets and public procurement; during implementation other risk areas were also addressed as will be seen. The Partnership for Transparency Fund (PTF) was engaged by ADB to assist with project implementation. PTF is a voluntary organization that aims to mobilize citizens in promoting good governance¹.

At the time of project approval unprecedented opportunities had been opened up in the Philippines for civil society engagement; an example of this is the Bottom-Up Budgeting initiative (or BUB). At the same time vast amounts of information on the public sector had been placed in the public domain through the Open Data program of the Philippine government. These initiatives and programs had enlarged the space for engagement with the government of both civil society and the private sector. However, in recent years, certain issues had emerged, particularly at the local government level. Some of these issues reflect constraints on the part of CSOs to take advantage of the new opportunities, while others reflect the lack of awareness on the part of LGUs of the potential offered by engaging with civil society. This provided the project's main rationale: can civil society, the private sector and government engage more effectively with each other? To answer this question, a diverse range of CSOs and LGUs were selected for pilot-testing.

Main Activities

The Project design provided for the implementation of Project activities in a limited number of municipalities (local government units or LGUs) and to select local civil society organizations to conduct these activities. It was decided early on to implement the Project in five LGUs in the Caraga region of Northeastern Mindanao. Cagayan de Oro, Surigao, Nasipit, Tubod and Agusan

¹ The project had a Steering Committee chaired by Mr. David Balangue (Chair, Coalition Against Corruption of the Makati Business Club) with the following four other members: Undersecretary Austere A. Panadero of the Department of Interior and Local Government (DILG), Undersecretary Mario L. Relampagos of the Department of Budget and Management (DBM), Ms. Claudia Buentjen, Principal Country Specialist of ADB, and Mr. Geert van der Linden, PTF's Country Coordinator for the Philippines.

del Norte were selected so as to include a range of LGUs (from the metropolitan Cagayan de Oro to the rural Tubod), as well as a range of CSO partners, such as business groups and a university, in addition to traditional CSOs. Five sub-grant agreements were signed in June 2014 in amounts ranging from \$20,000 to \$30,000; this was later augmented by supplementary grants as shown in the table below.

Table 1. List of Sub-Projects and Grants Provided

Location	Initial Grant	Revised Grant
Cagayan de Oro City	\$29,356	\$39,356
Tubod City	\$30,000	\$30,000
Nasipit	\$29,665	\$19,665
Surigao City	\$29,648	\$35,648
Tubay and Santiago	\$29,931	\$38,431

While all five sub-projects were focused on engagement with local government, their subject matters varied. The following table shows what governance risks were addressed in each sub-project and what engagement model was developed to address these risks.

Table 2. Governance Risks and Model of Citizen Engagement

Sub-project Area	Governance Risk	Model of Citizen Engagement
Cagayan de Oro City	Paralysis in the political system	Introduction of new form of citizen engagement (People's Development Agenda, People's Council)
Tubod	Lack of LGU control over national projects	Creation of a new citizen's group (POWERS); development of M & E system
Nasipit	Graduating CCT beneficiaries without livelihood	Organizing and training CCT beneficiaries and creating linkage with BUB
Surigao City	Budget not sufficiently reflective of citizens' priorities	Creation of a local CSO network for budget monitoring by piloting the DBM handbook in the Visayan language
Tubay and Santiago	Non-compliance with VAWC ² laws	Creation of a community-based support system

² VAWC: Violence Against Women and Children

As most of the CSOs had no experience of partnering with ADB, much technical advice was needed. This was first provided through a proposal development workshop in Butuan City in December 2013 and later through a launch workshop in June 2014. At the latter workshop the participants were also exposed to the Government's Open Data initiative and to data visualization through presentations by DBM staff. These workshops proved very useful for a better understanding of the project's intentions and to deal with implementation aspects.

A third workshop was conducted in Butuan City in July 2015 and focused on disseminating experience among the five grantee CSOs. This was billed as a peer learning event where each CSO shared its experience with sub-project implementation. They also provided advice to each other on how to enhance the results and sustainability of their respective sub-projects. Upon completion of the project a National Workshop was held at ADB Headquarters in Manila in November 2015 that included the mayors of all 5 LGUs, in addition to other government officials and donor representatives. A video report on the National Workshop can be found at <https://youtu.be/ENwp86rSuVI>.

Outputs and Outcomes

The Project document specified two important outputs as follows: 'participating CSOs, private sector organizations, LGUs, and partner agencies have increased awareness of their roles and opportunities in contributing to risk mitigation in budget and/or public procurement processes', and: 'citizen engagement processes are developed and pilot-tested in selected LGUs'.

In the following a few highlights of the subprojects are noted and an assessment is made whether they have produced the two outputs cited above.

1. *Providing Social Accountability Interventions to Foster Constructive Engagement of Stakeholders in Local Government Affairs in Cagayan de Oro*- The initial proposal described the frustration felt by citizens about the continued inability of the city government to function normally. This led two key stakeholders, Xavier University and the Archbishop's Diocese to embark on an ambitious and high-risk initiative to mobilize the multi-sectoral civil society of Cagayan de Oro to formulate a People's Development Agenda and set up a People's Council to engage directly in the local budget formulation and implementation process. The initial small strategy group, representing some CSOs, the business sector, various religious denominations, the youth sector and the academic community, was soon joined by a range of other local CSOs, 43 by the latest count. This constituted the essence of the sub-project that was supported under the Project.

While there has been no independent evaluation of the sub-project, it seems likely that the initiatives taken have been institutionalized and will continue to function beyond the life of the sub-project. Three major factors can be cited. *First*, in contrast with the model adopted by Naga City, where a People's Council was created by the city government, the Cagayan de Oro model is the creation of a civil society movement united by a common development agenda and who

see themselves as independent and beyond the influence of local political forces. *Second*, as the lead university representing the academic community, Xavier University committed to (a) provide Secretariat support to the People’s Council in the initial years and (b) co-sponsor with the People’s Council the holding of an Election



Social Development Day in Cagayan de Oro

Forum that Xavier University has organized every election cycle. The People’s Council will monitor all election promises of political parties and candidates during the Forum. And lastly, the People’s Council was given a seat in the Finance Committee in-charge of formulating the Executive Department budget proposals to the Legislative Department as well as a role during the budget deliberations of the City Council. It of course remains to be seen whether these arrangements will over time help overcome the dysfunctionality observed in local governance, and improve delivery of services and infrastructure, the ultimate aim of the Project.

2. *Tubod City; Developing and Strengthening Capacities of Local Government Unit and Citizen’s Groups towards Institutionalization of a Monitoring and Evaluation System for Government Programs and Projects*– As the smallest of the selected LGUs, Tubod felt that it didn’t have enough control over national government projects implemented within its boundaries. The sub-project aimed to organize a local CSO and develop a monitoring process to track national government projects. Because of the limited local experience, Tubod partnered



POWERS volunteers inspecting an irrigation project

with PhilDHARRA Mindanao, a highly experienced NGO network and with the Surigao Chamber of Commerce and Industry to help with sub-project implementation. As documented in its completion report the sub-project was successful in creating a local CSO that was named POWERS (People Organized for the Welfare of Rural Sectors). Much effort went into training of the POWERS volunteers and the development of a monitoring framework. The main problem encountered by the sub-project was that

national government projects were much delayed and this constrained POWERS in putting into practice its newly developed capability.

3. *Nasipit; Assessment of the Implementation of Conditional Cash Transfer (CCT) in the Municipality of Nasipit and Involvement of Stakeholders in BUB Livelihood Project for Food Security and Self-Sufficiency* – The problem that had been identified was that many of those graduating the CCT program face difficulties in finding sustainable livelihood. The sub-project aimed ‘to establish a mechanism towards mainstreaming the CCT beneficiaries into the socio-economic development of the municipality’ initially by linking the CCT program with an expanded Bottoms-Up Budgeting program where the CCT beneficiaries would also have opportunity to participate in the identification and budgeting of projects. CCT beneficiaries participated in a Community Scorecard activity that monitored the health and education conditionalities of the CCT Program, as well as the livelihood programs. Results of the Scorecard were discussed with the government who is expect to address the identified gaps in the facilities and services needed by CCT beneficiaries.

From the start the sub-project faced implementation difficulties, mainly because of the limited capacity of Culit Multi-Purpose Cooperative (CMPC). The absence of a strong focus on local governance may be another reason for the sub-project’s limited success. At this stage there must be serious doubt whether any of the two outputs, increased awareness and development of citizen engagement processes, have been achieved.

4. *Implementation of the DBM Handbook on Civil Organizations Participation in the Budgeting Process thru a Tripartite Approach in Participatory Governance in Surigao City* - In 20.., DBM had decided to prepare a Handbook on CSO participation in the local budget process (and received EU support for this). One objective of the sub-project in Surigao was to translate the Handbook into the Visayan language in an attractive format and to pilot it at both the city-level and in two barangays. The overall aim was to increase citizen engagement in the local budget formulation and implementation process. Secondary objectives were to build capacity among local CSOs and officials and to reduce governance risks in the budgeting process through the participation of CSOs in the process.



The grantee CSO was the Surigao Economic Development Foundation (SEDFI) which successfully established a local CSO network and produced the translated Handbook. Its biggest challenge was how to deal with the serious delays in DBM in finalizing the Handbook (in English). This adversely affected the sub-project, as the limited duration of the sub-project made it impossible to synchronize with and monitor an entire local budget cycle.

Project implementation was very well handled and excellent relationships were established with the city and barangay administrations.

5. *Regional -Tubay and Santiago Municipalities; Strengthening Capacities of Duty Bearers and Empowering Rural Women and Children Against Gender-Based Violence Project*³ – This sub-project addresses a serious governance failure: the non-compliance with laws concerning violence against women and children (or VAWC). The sub-project’s objective was to reduce such violence by training government staff and citizens in four barangays, designing a community support system and preparing a proposal for scaling up this work by replicating the sub-project elsewhere. Extensive training activities were undertaken and a community-based support system established. The sub-project completion report claims that this has resulted in a reduction of gender-based violence but this would need to be monitored over a number of years.



Presentation of the PAG sub-project at the National Workshop at ADB

There is little doubt that the sub-project has significantly increased awareness of gender-based violence in the four barangays. A system of citizen engagement with the local government to address this issue on an ongoing basis has also been introduced. As a result of citizen engagement at the barangay and municipal levels the 5% annual mandatory allocation for gender and development issues is now planned to be used for the intended purpose, such as the construction of a Crisis Center.

Outcomes

The Project’s Design and Monitoring Framework defines as the Project’s target outcome: ‘Citizens engage more effectively with government agencies in governance risks mitigation related to the formulation and execution of budgets and/or public procurement decisions in

³ Often referred to as the PAG Project for PhilDHRRA-ADB PTF-Gender Project

selected LGUs'. As described in the previous section, only the sub-projects in Cagayan de Oro and Surigao City focused on local budgets and none of the sub-projects was concerned with public procurement. This was the result of decisions taken early in the Project to prioritize other governance concerns in the Caraga region such as gender-based violence and monitoring national government projects.

The original Project document describes risk mitigation measures as follows:

“Budget formulation risk refers to distortions in allocation of funds due to lack of attention to past performance and insufficient analysis of needs. One of the mitigation measures is to engage CSOs in the whole budget process. Budget execution risk refers to weak capacity in government agencies to execute the budget and implement programs. One of the mitigation measures is to support actions to increase transparency and accountability of the budget and strengthen constructive partnerships between government agencies, private sector and CSOs. Public procurement risks include insufficient procurement monitoring and collection of data to evaluate procurement performance. The mitigation measure would be to involve CSOs in procurement monitoring as prescribed by law.”

In accordance with this, the Tubod sub-project can be classified as a measure to mitigate budget execution risk, while the PAG sub-project addresses a budget formulation risk by seeking to ensure the proper use of the 5% mandatory allocation for the protection and promotion of women issues.

As a general assessment (and as a lesson learned) it can be stated that, while some preliminary outcomes are reported (e.g. the drop in gender-based violence), the time available would only suffice to raise awareness and create local engagement processes. To see the results of these engagement processes in full operation would take at least another two years. In the case of Cagayan de Oro, to take one example, the People's Council is in place and very active, but it has not yet had the opportunity to engage the local government in a full budget cycle. No doubt, at some point the attention of the Council will also turn to public procurement and it will seek to engage the local government in this area, but more time is needed for this to materialize.

Five areas may be mentioned where the Project has produced significant outcomes:

The first is that of the *capacity of the sub-grantees*. Through the intensive learning activities in the various workshops, the CSOs concerned have become more familiar with social accountability tools as applied to their different concerns.

A second outcome is the development of *successful and replicable models and methodologies* for community mobilization and constructive engagement in Cagayan de Oro, Surigao, and

Tubod. Such mobilization can be organized in any LGUs using the models developed and directed at any governance issue such as the budget, service delivery and project implementation by the public sector.

A third and related outcome is that the *toolkits and templates* developed for organizing proposals development and learning workshops, as well as the *operating guidelines* would enable follow up projects for scaling up and replicating to be implemented more efficiently.

A fourth outcome area has been *community level mobilization*. Often the grantees would work through, or even constitute local citizen groupings, as in Tubod. As a result hundreds of citizens have become engaged with their local government. In Nasipit, despite the problems encountered, the sub-project was successful in mobilizing the CCT beneficiaries who became members of the cooperative movement and self-help association, as well as private land owners who are now starting to also engage with CCT beneficiaries by allowing the beneficiaries the use of their idle lands. In Cagayan de Oro, hundreds if not thousands of citizens were mobilized to help develop the People's Agenda and support the People's Council, while in a small municipality like Tubod many citizens joined the newly formed POWERS and volunteered their time to monitor national government projects.

A fifth and final outcome area has been the Project's effect on *government authorities* at the LGU level who have been drawn into the activities under the subprojects. A striking example of this is the participation of the five mayors in the National Workshop at the end of the Project. Changing local practices of governance that have been in place for decades or longer is not simple. Barangay captains and elected city officials are not used to the direct form of accountability that is the essence of social accountability. It is PTF's experience worldwide that social accountability can only produce results if there is a constructive engagement between civil society and government. This was one of the criteria used in selecting the subprojects and overall the experience in the subprojects was positive. It is hoped that the subprojects will have a longer-term impact by having created the necessary conditions for constructive engagement and demonstrated what can be achieved through it.

Sustainability, Replicability and Lessons Learned

Sustainability and Replicability

At the level of subprojects there is some confidence that what was initiated with respect to citizen engagement will be sustained. In Cagayan de Oro, Surigao City and Tubod, citizens have become involved and engagement processes defined that are not likely to disappear after the completion of the Project. In fact, in all three LGUs plans have been made for the post-Project period, plans that do not overly rely on external funding. In the case of Cagayan de Oro and Surigao City some additional financial and technical support may be needed (see Recommendations). In the case of the PAG sub-project, the completion report itself refers to the

need for further strengthening of the community support system that has been put in place, and future funding for this is not assured. In the case of Nasipit, there must be doubts whether what has been initiated under the sub-project will be sustained and CMC, the grantee CSO, is not a strong institution.

As to replicability, it would seem that four of the sub-projects offer potential for introduction elsewhere. The sub-projects at Surigao City and Tubod are eminently replicable elsewhere in the country provided resources are allocated for the purpose. In the case of Surigao, it is DBM's intention to introduce the Handbook in other LGUs around the country and the attractive Visayan version prepared under the sub-project would be very useful throughout the Visaya-speaking regions of the country. The sub-project also offered the DBM representative in the Steering Committee (who was the Imprest Administrator of the Project Task Force that formulated the Handbook) access to and perhaps the idea to translate the Handbook in other Philippine languages such as Tagalog, Ilocano and Bicolano. Cagayan de Oro faced a somewhat unique situation of political paralysis, although the systems and processes that have been put in place under the sub-project could also have their use elsewhere. In a sense, what has been accomplished in Cagayan de Oro is a variation on the local governance reforms initiated in Naga City by the late Jesse Robredo. The training program on gender-based violence and the community systems introduced in four barangays under the PAG sub-project could be introduced elsewhere, but not without strong support.

Lessons Learned

We highlight six important lessons:

First, it is clear that in any project of this kind, technical *and* financial support should go hand-in-hand, both in the project design and implementation phases. The capacity of local CSOs varies a great deal as does their familiarity with social accountability tools. Mentoring support to CSO grantees and using methods such as the Project Development workshop during the subproject design stage resulted in proposals with stronger social accountability approaches.

A *second* lesson is that working at the community level always takes more time than planned. Under the Project the setting up of local *processes* was supported through a *project* approach. Typically one finds in the best of cases that during the life of the Project those processes are set up but no time remains for them to be tested and improved. This calls for ADB to develop a new approach to its support for activities such as those under the Project. Such an approach should entail more open-ended funding for longer time periods. The amounts involved are not large (by ADB standards) and providing more flexible support could spell the difference between success and failure (see also the Recommendations below).

A *third* lesson is that there is huge potential in terms of getting people, especially at the municipal and barangay level, actively involved in governance and social accountability work. Some conditions and approaches that contributed to this:

1. *Increasing people's awareness* of their rights and responsibilities as citizens, and governance processes that are open to their inputs. This is a key results area in social accountability and one which facilitates enthusiastic support and participation;
2. *Using collaborative learning activities* on participatory governance, with both community members and barangay/local officials as participants; apart from enhancing capacities, this provides a “shared space” for discussing and ironing out existing problems in citizen-government relationships;
3. *Enabling individuals* through training in social accountability to extend coverage and impact of their work; these social accountability tools provide a way to assess government performance that takes into account the perspectives of key stakeholders – service users and providers – and thus facilitates dissemination and consideration of findings; and,

A *fourth* lesson is that collaboration with grantees in the design and conduct of inception meetings ensured that all stakeholders (grantees' members/staff, volunteers, and local partners) were oriented on their respective subprojects and their roles as social accountability actors. These one-day, field-based meetings also provided venues for contact building with local government officials and frontline service providers who were identified as critical partners or actors under the grantees' planned interventions.

A *fifth* lesson is that working with groups other than traditional CSOs can pay rich dividends. Xavier University handled its challenging sub-project in an expert manner and deftly navigated the various obstacles created by the complex local politics. Xavier's wealth of experience was also the source of helpful advice to other implementing CSOs during the peer learning workshop. Similarly, SEDFI as a local business group handled its sub-project in a very professional manner.

A *sixth* and final lesson is that working with a cooperative that is mainly concerned with livelihood issues, but that has no prior experience with social accountability, entails serious risks as demonstrated by the sub-project in Nasipit. While this risk was foreseen, and led to partnering of Culit Multi-Purpose Cooperative with a more experienced CSO based in Cagayan de Oro, this proved insufficient.

Recommendations

The experience with the Project and the lessons learned from it lead us to the following recommendations.

For the Philippine government:

1. The national government has taken admirable steps to put more information in the public domain and encourage the involvement of civil society in local governance and procurement. These reforms have assumed a capability on the part of CSOs that has proven not to exist. A once mooted Empowerment Fund has not materialized and most CSOs operate in continuous ‘survival mode’ from one project to the next. The government needs to consider ways and means to help build more capacity in civil society.

For Philippine civil society:

2. CSOs are generally run by enthusiastic, highly motivated people. However professional standards vary a great deal. Much more emphasis needs to be placed on developing basic skills in areas such as project design and implementation.
3. The notion of civil society needs to be broadened to encompass academia and the business sector. The Project has demonstrated that both have much to offer in terms of specific expertise and project-handling skills.

For ADB:

4. Experience under the Project and other evidence suggest that governance and slow implementation issues in LGUs in Mindanao present a major challenge. The Project results show that these risks can be successfully mitigated using community mobilization and social accountability approaches and tools. This requires an integrated approach of TA and financial resources and a longer time frame to have lasting results. It is recommended that gains from the Project are sustained and expanded through a follow-on project. Such a project would use the methodologies, trained CSOs and program management approaches developed under the now completed Project and apply them to selected communities in Mindanao. This could both build directly on successful sub-projects that were supported under the present Project, as well as address issues that are priority for ADB operations in Mindanao, e.g. participatory budgeting; mitigating governance and corruption risks at LGU level; closing gaps between promised an actual service delivery; improving project implementation in real time using beneficiary feedback collection and sharing it with project authorities; and improving grievance resolution.

5. Some of the sub-projects financed under the Project that hold promise for follow-up support are the sub-project in Cagayan de Oro where follow-on work would be important to solidify the gains to date and help operationalize the People's Council by supporting its role in budget and procurement monitoring. Similarly, the drive by DBM to introduce its Handbook on Civil Society Organization's Participation in the Budgeting Process would benefit from further support, both in Surigao City and in other LGUs in Visayan-speaking regions.
6. ADB is committed to deepening its engagement with civil society but the Project has demonstrated the limitations of a project-based approach that allows for limited flexibility and very limited time. The available time is usually not sufficient to support local processes that are time-consuming to develop, put in place and test. ADB needs to find other modalities of project-financing if its support in this area is to be more effective.
7. The Project was required to follow ADB's Guidelines on the Use of Consultant. These Guidelines were not written with civil society in mind. Local CSOs would not be able to handle the requirements under these Guidelines and even sophisticated national or international CSOs, including PTF, have found it difficult to cope with them. ADB needs to consider a different set of guidelines for its work with civil society.