



**PROVISION FOR POST PROJECT EVALUATIONS FOR THE UNITED NATIONS
DEMOCRACY FUND
Contract NO.PD:C0110/10**

EVALUATION REPORT



**UDF-PHI-10-390 – Institutionalizing Marginalized Communities’ Participation in the
Philippine Budget Process**

11 August 2014

Acknowledgements

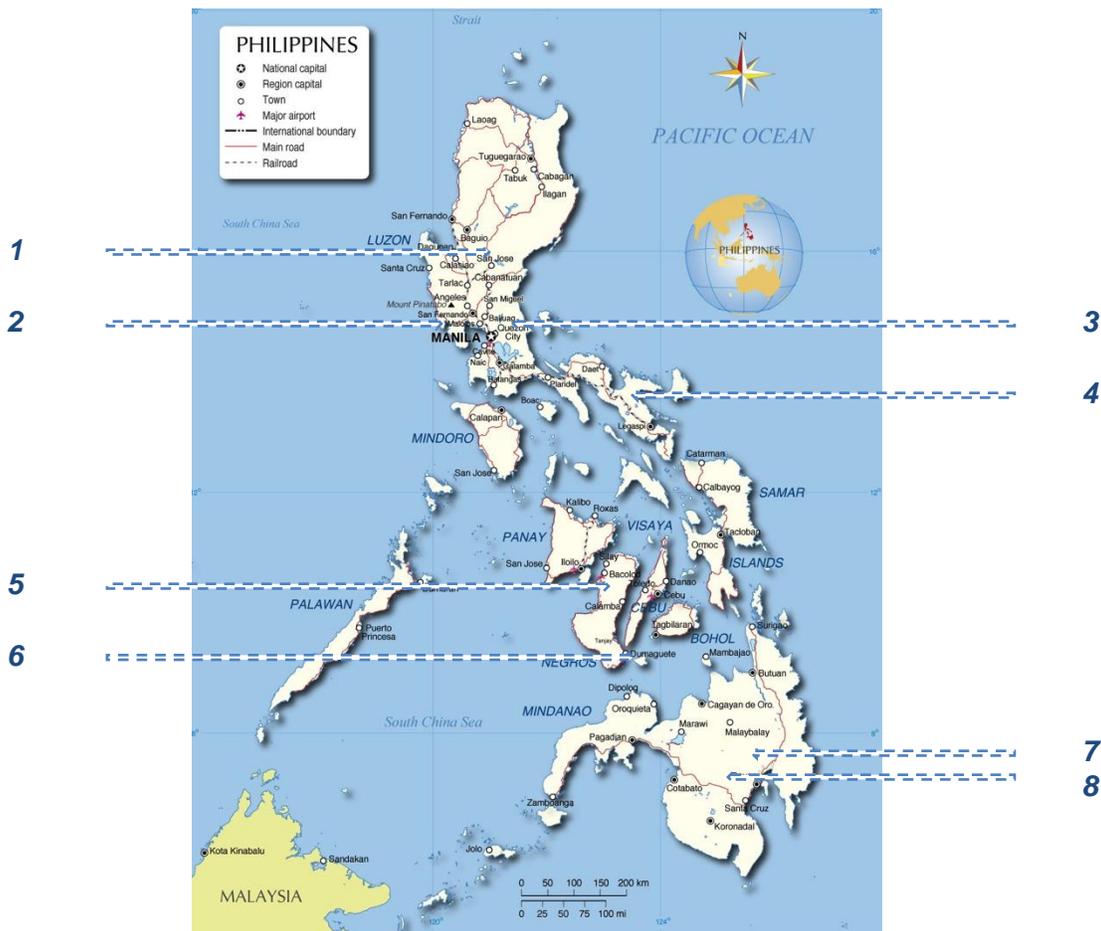
The evaluators would like to thank Prof. Leonor Briones, SWP Lead Convenor and the staff of SWP, particularly Project Coordinator Janet Carandang, who have given generously of their time to share insights and information about the project, and were particularly effective in organizing meetings with a broad range of stakeholders. They are also grateful to Shubert Ciencia, area coordinator in Guimba, and to Sara Salvador, area coordinator in Tondo and Quezon City, for organizing meetings with project beneficiaries and – like their counterparts in the locations not visited by the evaluators – discussing their views of the project in an open and constructive manner. The contribution of the ABI member organization representatives and governments officials who met with the evaluators is also gratefully acknowledged. All errors and omissions remain the responsibility of the authors.

Disclaimer

The views expressed in this report are those of the evaluators. They do not represent those of UNDEF or of any of the institutions referred to in the report.

Authors

This report was written by Pierre Robert and national expert Dr Nestor Castro. Aurélie Ferreira coordinated the evaluation. Landis MacKellar and Aurélie Ferreira provided editorial and methodological advice and quality assurance. Eric Tourrés was Project Director at Transtec.



Site numbers: see table in report introduction, page 4.

Table of Contents

I.	EXECUTIVE SUMMARY	1
II.	INTRODUCTION AND DEVELOPMENT CONTEXT	4
III.	PROJECT STRATEGY	9
	i. Project strategy and approach	9
	ii. Logical framework	10
IV.	EVALUATION FINDINGS	11
	(i) Relevance	11
	(ii) Effectiveness	14
	(iii) Efficiency	17
	(iv) Impact	19
	(v) Sustainability	20
V.	CONCLUSIONS	22
VI.	RECOMMENDATIONS	23
VII.	ANNEXES	25
	ANNEX 1: EVALUATION QUESTIONS	25
	ANNEX 2: DOCUMENTS REVIEWED	26
	ANNEX 3: LIST OF PEOPLE INTERVIEWED	27
	ANNEX 4: LIST OF ACRONYMS	29

I. EXECUTIVE SUMMARY

(i) Project data

This report is the evaluation of the project “Institutionalizing Marginal Communities’ Participation in the Philippine Budget Process”, implemented from January 2012 to December 2013 inclusive by the Philippine non-governmental organization Social Watch Philippines (SWP). The project budget was US\$225,000. The project sought to build the capacity of disadvantaged groups to engage in debate with the authorities on local and national budgeting issues, formulate gender-sensitive budget proposals, and initiate government-citizen partnerships to monitor the use of public funds and budget reforms. The evaluation took place in April 2014 with fieldwork in the Philippines from 22 to 26 April inclusive.

(ii) Evaluation findings

The project was very **relevant** because it identified and addressed a key issue in the Philippines’ fight against poverty – the need for pro-poor spending of budgets at local level, with in-depth involvement of civil society to identify projects and monitor the use of funds. Its relevance was enhanced by excellent project design, which benefited from the experience and expertise of SWP’s managers and staff and that of its partner organizations. The relevance of the project was enhanced by the quality of its design.

The training sessions were well designed to convey to non-specialists the key features of the local budget-setting process, and to help CSOs influence that process, including for example LGUs’ annual investment plans (AIPs). The project’s methodology and approach helped enhance its relevance, in part by ensuring that dialogue and a sense of partnership were developed between local CSOs and authorities. This approach did not fully succeed in each location, because some local leaders refused to engage in the process. Nevertheless, most local authorities did engage with CSOs. SWP’s approach helped ensure that the project remained non-partisan and gained the buy-in of virtually all the local authorities targeted. SWP’s expertise on public finance management clearly helped enhance the project’s acceptability at local level, as did the sound selection of local CSO partners.

The project was broadly **effective**, in the sense that planned activities and anticipated outcomes were achieved in almost all the locations. However, effectiveness was weaker in relation to the national level outcomes, because legislation that would lead to a more civil society involvement in budget processes remains in limbo in the Philippines Congress. The main identifiable weakness of the project in terms of effectiveness was its somewhat over-ambitious expectation of rapid change in the legislative environment. While SWP had a longstanding record in advocating for legislation on CSO involvement in budget processes, and while the project provided some additional impetus for the “bottom-up approach” in this field, the project may have under-estimated political decision-makers’ resistance to legislating on this approach.

The project was very **efficient**, in the sense that it constituted excellent value for money in terms of results achieved, and that the quality of its management team ensured a high standard of delivery. The efficiency of the project was particularly remarkable in view of the geographical dispersion of project locations and of the logistical challenges related to operations in rural

areas, some of which were relatively remote. Project management was excellent. The small SWP team managing the project under the direction of Prof. Leones was responsive and highly motivated, according to a range of interviewees. Activities were implemented in a timely manner and difficulties were addressed effectively and strategically. Narrative and financial reports were appropriately detailed and gave a correct picture of the project. In addition to the personal dedication of the staff, the quality of project management came down to effective accountability mechanisms within SWP. However, the project might have arguably benefited from additional management capacity at central level, which would have helped SWP disseminate good practices from one area to the others in a more effective manner. It would also have benefited from funds to ensure that area convenors could meet each other and SWP during the project to discuss challenges and share relevant experiences.

The project has achieved significant elements of **impact**, in the sense that stakeholders at *local level* have acquired new understandings and established new procedures, while the *national* policy agenda appears to have been moved forward to some extent. A qualitative change has occurred in the knowledge of local budget processes by dozens of local CSOs, which previously did not engage in the process, largely out of ignorance of what was at stake. Some LGUs have also acquired a greater understanding of the work of CSOs and an increased willingness to engage in dialogue with them. More indirectly, the project also had an impact on CSOs' understanding of freedom of information. In hindsight, it could be argued that the project might have achieved a greater impact if its advocacy dimension had been more developed, with staff and financial resources devoted to its implementation.

The project achieved a significant degree of **sustainability**, mainly by establishing dialogue processes between CSOs and LGUs that are outlasting the project period, and by laying further groundwork for the dialogue methodology to be disseminated to other locations, and ultimately to be enshrined in legislation. The significant number of CSO and LGU representatives trained organizations – several hundred in total – is likely to ensure that newly imparted skills will remain within the organizations concerned. One major element of sustainability is the establishment of the People's Public Finance Institute (PPFI), supported by SWP with funding from UN agencies.

The project's sustainability was enhanced by the fact that it had an appropriate "exit strategy", which included the establishment of the PPFI and the development of the Alternative Budget Initiative (ABI) coalition. To further reinforce the sustainability of the project's achievements, SWP and area coordinators are aware of the need to formalize the involvement of CSOs in local budget processes. The task force process should be enshrined into national law – or should at least be mandated under municipal ordinances in each location.

As mentioned above, the project was innovative in that it addressed the promotion and protection of economic and social rights through the prism of participatory budgeting. It benefited from the flexibility of UNDEF's approach to financing: UNDEF assesses proposals on their merits, and, within its broad mandate, it does not prescribe specific approaches or methodologies. It was able to support this project as a result of this flexibility, which largely sets it apart from other institutional donors and constitutes a clear **value added**.

It is important for UNDEF to maintain its flexible and broad mandate, and to continue assessing projects on their own merits, so that innovative ones such as the SWP projects are supported in future.

(iii) Conclusions

- The project's high relevance was based on its excellent design and its strategic approach.
- The project was very effective. The project relied on solid pre-existing partnerships at local and national level, which it helped further develop.
- The project's outreach and advocacy dimension was its weakest element.
- The project management was excellent.
- Project management resources were too tight, limiting the project's ability to create a nationwide management group.
- The project achieved significant elements of impact.
- The project achieved good sustainability, through an appropriate exit strategy.
- The project was innovative, representing a type of approach that should be further supported, in the Philippines and other countries.

(iv) Recommendations

- SWP should follow up the project with activities aimed at disseminating similar practices elsewhere in the Philippines.
- SWP should reinforce its advocacy and outreach work on local and national governance through a formal strategy.
- SWP should ensure that future projects have the resources necessary to create a more decentralized management structure.
- SWP should continue advocating for legislation to enshrine dialogue on budgets between LGUs and CSOs.
- SWP should consider associating anti-corruption organization to its work.
- UNDEF should consider encouraging NGOs in other countries to implement projects with a similar approach.

II. INTRODUCTION AND DEVELOPMENT CONTEXT

(i) The project and evaluation objectives

This report is the evaluation of the project “Institutionalizing Marginal Communities’ Participation in the Philippine Budget Process”, implemented from January 2012 to December 2013 inclusive by the Philippine non-governmental organization Social Watch Philippines (SWP). The project budget was US\$225,000, of which US\$ 22,500 was retained by UNDEF for evaluation and monitoring purposes. According to the project document, its objective was “to achieve enhanced capacities of marginalized groups to engage in local budgeting, gender-responsive budgeting and government-citizen partnerships in budgeting and pushing for budget reforms”. The project was implemented in eight locations across the Philippines, each focusing on one or more disadvantaged groups. The table below summarizes the project locations and target groups, from North to South of the Philippines. The numbered arrows on the map on the cover page of this report indicate the rough locations of the project sites.

Site No	Location (province, municipality)	Key target groups
1	Nueva Ecija (Guimba Municipality)	Lowland farmers
2	Metro Manila (Tondo)	Urban poor
3	Quezon City	Slum dwellers
4	Camarines Sur (Baa0 Municipality)	Coconut farmers, farm workers
5	Negros Occidental (Hinigaran Municipality)	Small fishing communities
6	Negros Oriental (Dauin Municipality)	Coastal communities in protected areas
7	North Cotabato (Magpet Municipality)	Indigenous people
8	North Cotabato (Tulun0 Municipality)	Moro people, displaced communities

The project sought to build the capacity of disadvantaged groups to engage in debate with the authorities on local and national budgeting issues, formulate gender-sensitive budget proposals, and initiate government-citizen partnerships to monitor the use of public funds and budget reforms.

The evaluation of this project is part of the larger set of evaluations of UNDEF-funded projects. The purpose of these evaluations is to “contribute to a better understanding of what constitutes a successful project, which will in turn help UNDEF to develop future project strategies. Evaluations are also to assist stakeholders to determine whether projects have been implemented in accordance with the project document and whether anticipated project outputs have been achieved”.¹

(ii) Evaluation methodology

The evaluation took place in April 2014 with fieldwork in the Philippines from 22 to 26 April inclusive. An international expert and a national expert conducted the evaluation. UNDEF evaluations are more qualitative than quantitative in nature and follow a standard set of evaluation questions that focus on the project’s relevance, effectiveness, efficiency, impact, sustainability and any value added from UNDEF-funding (Annex 1). This is to allow meta-analysis in cluster evaluations at a later stage. This report follows that structure.

¹ See: Operational Manual for UNDEF-Funded Project Evaluations, page 6.

The evaluators reviewed the available documentation on the project and on issues of human rights, budgetary processes, gender and governance in the Philippines. In addition to the standard project documentation (initial project document, mid-term and final narrative reports, milestones report) the evaluators reviewed documentation produced specifically for the project, such as baseline studies and training materials.

UNDEF provided the evaluators with a note stating that the project was completed on time with appropriate levels of reporting. The note identified lack of support for the project by some Local Government Units (LGUs) as the major challenge faced by the project; it requested the evaluators to consider specifically issues of sustainability and impact.

The evaluators conducted interviews in Manila and visited 3 of the 8 project sites: Quezon City; Tondo (Metro Manila) and Guimba (Nueva Ecija). The main reasons for the selection of these three sites was that they were among the largest in terms of population concerned and number of participants, and that they covered a broad range of marginalized groups: slum dwellers, farmers, women, members of the Moro Muslim minority, etc. The following interviews were held:

- **In Manila:**

- SWP managers, staff and relevant board members;
- Other project personnel, including those of SWP's partners UNMC;
- Other stakeholders such as ABI members;
- Experts involved in training and mentoring activities;
- Congress members or congressional aides involved in the budget process;
- Representatives of government agencies impacted by the participatory budget process at local and national levels (Department of Interior and Local Government, Department of Budget and Management, etc.);

From Manila, the evaluators also interviewed by phone the coordinators of the 5 sites that they did not visit.

- **In Guimba, Quezon City and Tondo:**

- Participants in training sessions;
- Representatives of relevant marginalized groups;
- LGU officials;
- Members of joint citizens-government task forces on democratic budgeting;
- Stakeholders in "Money Watch".

In their interviews with community representatives, the evaluators sought information about the situation of the marginalized groups targeted by the project. They also met or spoke to local officials and a member of the Senate of the Philippines.

During the preparatory work (UDF-PHI-10-390 Launch Note Version 1, 8 April 2014) the evaluators identified several issues, which they followed up on during interviews. These included:

- **Project design.** The project required that a large amount of complex information should be conveyed in the context of training sessions, on public finance, budget management and monitoring processes. The project document recognized the challenge of doing so towards an audience of participants who are not always fully functionally literate. It was

appropriate to review how this aspect of the project was designed (training strategy and materials, implementation of training sessions).

- **Overlap among training sessions.** The project document envisioned a significant number of training and training-of-trainers sessions, sometimes with overlapping participants. It was necessary to assess the extent to which a critical mass of people were trained in each location, and how they were able to influence a broader circle of citizens and government officials.
- **Consistency across sites.** The project operated in 8 different locations across the Philippines, addressing widely different publics (farmers, fishing villages, slum dwellers, religious minorities) with presumably different needs and priorities. The evaluators assessed the extent to which the project team (including coordinators in each site) was able to ensure both consistency of project implementation and flexibility in taking account of local circumstances and needs.
- **Partnership with LGUs.** It was essential to the success of the project that an effective partnership be developed between marginalized groups and the relevant LGUs, since these had decision-making powers on budget matters. The partnership was also key to sustainability. The evaluators assessed the quality and possible future of the partnerships, noting also that the LGUs themselves needed to develop their budget design capacity. The evaluators also considered the level of buy-in for the project on the part of elected Local Development Council members.
- **National dimension.** Though the project was mostly implemented at local level, it also involved some activities at national level, such as interaction with members of Congress. The strategy and outcomes of this aspect was considered, taking into account the media and advocacy dimension of the project.
- **Gender sensitivity of budgets.** The project highlighted the issue of gender sensitive budgeting. The evaluators considered the strategies used by the project to enhance gender sensitivity, including if possible through a case study.
- **Sustainability.** It was essential, in keeping with UNDEF's additional note, to prioritize this aspect of the project, considering in particular the extent to which consultation processes put in place during the project period were likely to continue operating. The project's exit strategy and SWP's future work were taken into account, as was the work of SWP's partners.
- **Partnerships.** The evaluators sought to better understand the respective roles played in the project by the UN Millennium Campaign and by other partners and stakeholders, including the participatory budgeting civil society grouping Alternative Budget Initiative.

(iii) Development context

Legal framework

At the national level, the government budget process in the Philippines is largely based on the one that was put in place by the authoritarian regime of Ferdinand Marcos. The Philippine President and the Executive Branch of the government have historically dominated the process, with few checks and balances. There was little third-party involvement in the budget process, though in recent years the Philippine Congress and courts have been playing an increasingly visible monitoring role.

The picture changed also in recent years with regard to citizen's participation in the budget development process at local government level. According to the Philippine Constitution, "The State shall encourage non-governmental, community-based, or sectoral organizations that promote the welfare of the nation (Article II, Section 23)." Moreover, Article XIII, Section 16 of the Constitution provides that "The right of the people and their organizations to effective and reasonable participation at all levels of social, political, and economic decision-making shall not be abridged. The State shall, by law, facilitate the establishment of adequate consultation mechanisms."

The Local Government Code of 1991 further expounded the importance of people's participation in the local development process. The Code explicitly required the representation of non-governmental organizations (NGOs) in the Local Development Councils (LDCs) established at various levels, namely: provincial, municipal, and *barangay* (village). NGO representatives should constitute at least one-fourth of the membership of LDCs. The private sector or NGOs are also represented in local special bodies, such as Local Health Boards.

Public information about local budgets

When it comes to financial matters, however, the public is generally unaware of the prevailing systems and mechanisms and is never involved in the process. For example, most *barangay* constituents do not know how much their village's budget is, how funds are prioritized, and where the money is spent. Only the Barangay Captain (i.e. the village chief) knows these details. Interviewees met during the evaluation reported that in the case of urban *barangays*, private contractors that have vested interests in implementing certain infrastructure projects are actually the ones crafting the *barangay* budget. Other members of the Barangay Development Council are only asked to rubber-stamp these budget proposals.

The lack of transparency in the budget process has led to accusations of corruption against political officials. Long-standing public concerns about official corruption have increased in recent years, partly as a result of reports about the misuse of public funds. These included spending on non-existent projects and the embezzlement of government funds by scrupulous officials. Beyond cases of large-scale corruption, there have also been widespread reports of malpractice in relation to the use of funds at local level, often because safeguards enshrined in public procurement procedures were not fully respected.

As a result of these long-standing trends, many people today take a fatalistic attitude about corruption, effectively accepting it as a fact of life. *Barangay* citizens often shy away from intervening into the budget debates because the process seems to be too tedious and complicated. This feeling is especially common among members of marginalized groups, such as women, indigenous people, farmers, fishers, slum dwellers, people in conflict areas, and

Muslim Filipinos. Moreover, asserting one's rights within a particular village can often be dangerous given the fact that community members know one another in a *barangay*; the lives of their family members can be at risk if they were perceived to oppose the whims of the local political elite.

There is therefore a clear connection among three elements:

- The policies and practices surrounding the budget process at national and local levels;
- The level of public information and knowledge about the budget process; and
- The level of civil society involvement in the process.

Ultimately, these three factors are likely to influence the incidence of official corruption, understood in a broad sense as the misuse or maladministration of public funds. This influence can be described as follows:

- Budget processes that lack adequate checks and balances are likely to favor the misuse of funds;
- Lack of public information about the processes feed the public fatalism noted above; and
- Enhanced levels of civil society involvement in the process helps ensure that funds are directed to more legitimate uses.

Taken together, these three factors can therefore help mitigate corruption, even if they are not explicitly or openly targeting it. This is the backdrop to the SWP project, which is not an anti-corruption project *per se*, but seeks to make a contribution to effective governance through involvement of socially disadvantaged groups in budget processes.

Social Watch Philippines

SWP is a network of NGOs and individuals, originally born from the worldwide NGO effort to influence social policies in the 1990s. One of its strategies is to use budget initiatives to contribute to development. SWP monitors the Government of the Philippines' implementation of its governance related commitments in general, and those related to social progress and the Millennium Development Goals (MDGs) in particular. One the programs initiated in the Philippines by SWP is the Alternative Budget Initiative, started in 2006. ABI brings together over 100 mostly community-based NGOs active in a range of MDG-related sectors, working with local authorities to help them acquire or develop capacities to develop budgets that better take social needs into account.

It is to be noted that SWP's approach in this project is akin, but not identical, to participatory budgeting (PB), as it is practiced in an increasing number of municipalities around the world, following a model mostly developed in the Brazilian city of Porto Alegre since the 1990s. PB involves the identification of budget priorities by communities; the design of implementation plans with government experts; a vote or other form of democratic endorsement of the plans; and implementation by the government authority at the relevant level. While the SWP project included elements of prioritization and joint planning of activities with LGUs, it did not specifically include a community-level vote.

III. PROJECT STRATEGY

i. Project strategy and approach

In essence, the project stemmed from two related findings set out by SWP in the project proposal:

- Budget setting in the Philippines was centralized and subject to little monitoring of spending plans and execution. Budgeting modalities were largely inherited from the Philippines' dictatorial period under Ferdinand Marcos, which placed the executive at the center of the process, leaving the door open to abuse, corruption, and misuse of public funds. There was also little scope for citizens to contribute to setting budgets and monitoring their execution. Recent civil society efforts, however, have led to increased opportunities for civil society groups to propose alternative budget proposals at national and local levels. For examples, constitutional provisions now nominally allow citizens to provide consultative advice on budget planning – but these provisions are weakly implemented.
- SWP also noted that LGU budgets were characterized by severe under-spending for social development. According to SWP's analysis, this was due in part to the lack of civil society involvement in setting and monitoring local budgets, and exacerbated the situation of marginalized groups. For example, many LGUs failed to devote 5% of their budget to projects supporting gender equality, even though this threshold is a statutory demand under national legislation. Also, social development projects that are planned in local budget frequently go unimplemented because funds are diverted to other objectives.

The project was implemented in the context of SWP's broader work on civil society involvement in budget processes. SWP is part of an international "social watch" movement dating back to the social summits of the 1990s. Prior to this project, SWP had started convening the Alternative Budget Initiative (ABI), a consortium of civil society groups engaging in budget processes at the national level in education, health, agriculture and the environment. It had also lobbied in the Philippines Congress for legislation institutionalizing civil society participation in budgeting.

The project sought to complement SWP's existing work at national level with local level activities, including by making use of NGO networks developed through ABI. By training and mentoring local-level NGOs and LGUs, SWP sought to foster government-community partnerships aimed at planning and implementing social development projects, while ensuring that civil society was better equipped to monitor LGU spending.

For the above strategy to function, SWP needed to rely on solid partners at local level: local NGOs that had a strong record of community organizing and that were able and willing to interact with LGUs. Local NGOs were identified through the ABI consortium, and also through the Philippines Rural Reconstruction Movement (PRRM), a long-standing SWP partner at national level, whose local community organizers helped implement the project in its various locations. It was also necessary to ensure a degree of buy-in for the project on the part of LGUs. The eight project locations were therefore selected on the basis of criteria including the presence of a reliable network of local NGOs and community organizers, and the willingness of LGU officials to engage with local NGOs. Local NGO activists were encouraged to establish local

community networks maintaining a dialogue with LGUs and monitoring the execution of local budgets.

ii. Logical framework

The framework on the next page aims to capture the project logic (link between overall objectives, project results and activities). It is based on the project proposal and therefore does not fully reflect the actual project's activities – a table comparing intended and actual activities is provided in the next chapter.

Project Activities & Interventions	Intended outcomes	Project specific objectives	Development objective
<ul style="list-style-type: none"> • Training needs assessments focused on skills development for community representatives' engagement in budget processes. • Training of trainers on knowledge and skills training on budget literacy and participatory budgeting for marginalized sectors. • Training course for LGU officials, staff and local lawmakers, on implementing participatory and transparent budgets. 	<p>Developing capacity for engagement in budget debates.</p>	<p>Increase in the knowledge and skills of marginalized sectors on direct engagement in the budget process at local and national levels.</p>	<p>To increase the participation of marginalized sectors (women, indigenous people, farmers, fishers, urban poor, displaced groups, Muslims) in the local and national budget processes.</p>
<ul style="list-style-type: none"> • Workshops on mechanisms for people's participation in budgeting. • Development of NGO action plans on democratic budgeting. • Formation of joint citizens-government task forces on democratic budgeting. 	<p>Enhancing civil society and LGU partnerships on budget matters.</p>	<p>Creation of a democratic legislative environment for the participation of marginalized sectors in the determination of program and financing priorities.</p>	
<ul style="list-style-type: none"> • Advocacy for the project towards Department of Interior and Local Development, Civil Service Commission and Department of Budget and Management. • Capacity building courses on budgeting for women's economic and political empowerment. • Meetings with LGU officials on gender-sensitive budgeting. • Preparation of publications: project brochure, citizens and LGU guides on participatory budgeting. 	<p>Amplifying citizens' voices from the grassroots.</p>	<p>Establishment of effective government-citizens collaboration for budget reforms and increased spending for social development.</p>	
<ul style="list-style-type: none"> • Submission of alternative budget proposals to LGUs and advocacy for their inclusion in Local Development and Investment Plans. • Mentoring of NGO activists and citizen-government task forces on the use of SWP's MDG Budget Monitoring Toolkit. • Production of Citizens' Budget Monitoring Reports in each of the target areas. 	<p>Monitoring the coherence between budget execution and annual plans.</p>	<p>Enhancing transparency and accountability in the budget process.</p>	

IV. EVALUATION FINDINGS

This evaluation is based on questions formulated to meet the criteria of the Development Assistance Committee of the Organization for Economic Cooperation and Development. The questions and sub-questions are found in Annex 1 of this document.

(i) Relevance

The project was very relevant because it identified and addressed a key issue in the Philippines' fight against poverty – the need for pro-poor spending of budgets at local level, with in-depth involvement of civil society to identify projects and monitor the use of funds. Its relevance was enhanced by excellent project design, which benefited from the experience and expertise of SWP's managers and staff and that of its partner organizations. The relevance of the project was further enhanced by the fact that it was well timed and chimed to some extent with the reforms that the administration of President Aquino has committed to implementing. Moreover, the project took advantage of legislative and constitutional provisions mandating consultations at local level on the design of budgets at municipal and *barangay* (local) level.

Response to needs

The relevance of the project was enhanced by the practical, pragmatic approach taken by SWP. Its experience and that of PRRM – as well as the findings of the baseline survey implemented early in the project – showed that local civil society organizations (CSOs), while often advocating for the use of local budgets to implement pro-poor activities, were frequently ignorant of the precise processes of budget design and implementation. Their lack of familiarity with procedures diminished the credibility of their advocacy and ultimately the effectiveness of their demands. Similarly, local officials in charge of designing budgets sometimes lacked an understanding of CSOs' concerns; channels of dialogue between CSOs and LGUs were also weak.

In this context, it was appropriate to address the training and mentoring needs of CSOs in relation to budget processes, and to support them in establishing or reinforcing platforms for dialogue with LGUs.

The needs identified by SWP were mainly at local level. However the project document also addressed the need to interact with the national government. It planned to do so at two levels:

- Through dialogue with the Department of the Interior and Local Government (DILG), which monitors and support local authorities; and
- Through advocacy for a more transparent budget process in the Philippines' Congress.

In view of the above, it is difficult to find weaknesses in the identification of the needs addressed by the project. If anything, it might be argued that the project may have underestimated the need to address corruption at local level, for example in relation to public procurement practices. However, it can reasonably be argued that the project has laid some of the groundwork for this issue to be addressed in future, as part of the monitoring of budget execution. The ABI CSO platforms established in some of the project areas are among the channels that plan to engage in this monitoring in future.

Project design

The relevance of the project was enhanced by the quality of its design. The eight local areas of intervention were selected on the basis of pragmatic criteria, including:

- Presence of under-represented, marginal communities;
- Presence of an appropriate range of CSOs able to convey the views of the target communities;
- Scope for effective community organizing (often implemented through PRRM's local staff);
- Existence of a degree of political will on the part of elected officials to engage with CSOs on budget matters.

In each selected area, the project revolved around training and mentoring of local CSOs on budget processes and engagement with LGUs. The timing of the project contributed to its relevance, in that it chimed with the reforms that the current administration of President Benigno Aquino has been implementing, with a view officially to support “bottom-up” budgeting. The baseline survey conducted at the start of the project showed that many people were ignorant of the process of budgeting.

The training sessions (see box) were well-designed to convey to non-specialists the key features of the local budget-setting process, and to help CSOs influence that process, including for example LGUs’ annual investment plans (AIPs). SWP noted that AIPs often make funding available to CSOs to implement social projects, but that those funds are sometimes left unused because CSOs do not know about them or about ways to apply for the funding. By bringing CSOs and LGUs together in learning about budgeting, the training helped bridge such misunderstandings.

In turn, the partnerships between LGUs and CSOs that were planned to result from the training were implemented, often thanks to effective working relationships between LGUs and local PRRM coordinators. PRRM, whose

Engaging with CSOs on budget

The project had a significant training component on budget processes, aimed at CSOs. The training was held in a participative way, in Tagalog. It was recognized at the outset that budget processes were a difficult area of CSO engagement. The law allows for CSO involvement in development planning, but says very little on budgeting. SWP recognized that the process is complex, and may be perceived by CSOs as intimidating. Another challenge was that budget processes often contribute to the “pork barrel politics” of local leaders, through use of public funds for political ends. The budget is also perceived by LGUs as being the basis of their powers and their privilege. In effect, according to SWP, authorities and CSOs both recognized the complexity of budget processes, but they drew opposite conclusions: government suggests that CSOs are unable to intervene effectively, while CSOs express the need for capacity building to better influence the process. The training conducted as part of the project helped bridge that gap.

Some CSO leaders were uneasy towards budget engagement, perceived as alien to CSOs’ objectives. As SWP explained what democratic budgeting was, CSOs became more open to engaging with the government. SWP explained clearly that it was independent from government, and also encouraged CSOs to see their engagement in budget processes as part of their work against poverty.

While some CSOs sought confrontation with LGUs, the training highlighted engagement, without compromising the criticism. It was important to encourage “LGU champions” who would advocate on behalf of government/civil society partnership. SWP’s project coordinators at grassroots level played a pivotal role. SWP recognized that training is “not a magic bullet”, and that CSOs and LGUs had to move forward with good governance, over several election cycles, irrespective of any changes in local political leadership.

presence in rural areas dates back decades, had the legitimacy and credibility required to bring government and CSO representatives into dialogue. The dialogue was designed, inter alia, to help plan and monitor local budgets, an ambitious aim that was broadly – but not fully – met (see effectiveness section below).



SWP trainer, Baao session on participatory budgeting, June 2012. © SWP

The dialogue also aimed at ensuring that LGUs and CSOs discussed the use of funds during humanitarian emergencies, such as the one caused by Typhoon Haiyan, which in November 2013 destroyed swathes of Leyte and the Eastern Visayas, in central Philippines, killing thousands and destroying the livelihoods of millions. This was relevant because SWP knew from past experience that emergency aid risks being “hijacked” by local authorities for non-emergency or outright vote-buying purposes, and that patronage politics could influence the disbursement of these funds. At national level, SWP had been among the first organizations that exposed the use of discretionary funds by the Office of the President, but it had not been able to address the risk of funds misuse at local level, due to lack of detailed evidence of spending. The dialogue, by involving CSOs in the spending process, was expected to be an opportunity for initial evidence-gathering in this regard.

Whereas the project design was very sound in relation to the activities at local level, it was somewhat weaker with regards to activities at the national level. SWP had planned to leverage the project’s outcomes at local level to entrench a participatory approach to budgeting at the national level. This was only partly achieved, as noted in the effectiveness section below. The main reason for this was that the project’s advocacy and outreach dimension was somewhat insufficient. Provision was made for some public events to lend visibility to the project activities, for media work at local and national level and for lobbying of elected officials. However, no staff was dedicated to these tasks and little management time was available to conduct large-scale advocacy and outreach. The project would have benefited from the inclusion of a formal advocacy strategy backed by an action plan and adequate staffing.

Addressing local politics

The project’s methodology and approach helped enhance its relevance, in part by ensuring that dialogue and a sense of partnership were developed between local CSOs and authorities. This approach did not fully succeed in each location, because some local leaders refused to engage in

the process. Nevertheless, most local authorities did engage with CSOs, thanks in particular to the following factors:

- The training on budget processes was designed to benefit both sides. Whereas its primary objective was to meet the capacity development needs of CSOs, the training also helped local authorities to improve their understanding of local budget processes and policies.
- The project addressed stakeholders that largely knew each other through work in other contexts, thus enhancing the likelihood of effective dialogue instead of confrontation. In particular, PPRM coordinators, who often had a record of cooperation with local authorities, played an important role convening meetings and facilitating dialogue at various local levels.
- The project was also careful to avoid framing itself as an “anti-corruption” activity, focusing instead on the involvement of CSOs in budget processes. This approach contributed to making the project relatively non-confrontational, even though a degree of spending monitoring was designed into the activities.
- SWP ensured that the project was being run in a consistent manner across all eight locations, thus preventing to a large extent suspicions of ulterior political motives. SWP’s selection of project locations also took the political context into account, focusing to the extent possible on local authorities that were in principle willing to engage in dialogue with CSOs.

Overall, therefore, the project was highly relevant in terms of needs identified and addressed, and in terms of project design. SWP’s approach helped ensure that the project remained non-partisan and gained the buy-in of virtually all the local authorities targeted. SWP’s expertise on public finance management clearly helped enhance the project’s acceptability at local level, as did the sound selection of local CSO partners.

(ii) Effectiveness

The project was broadly effective, in the sense that planned activities and anticipated outcomes were achieved in almost all the locations. However, effectiveness was weaker in relation to the national level outcomes, because legislation that would lead to a more civil society involvement in budget processes remains in limbo in the Philippines Congress. The project’s effectiveness can be analyzed as follows in view of the logical framework set out in the previous section:

- *Developing the capacity of representatives of marginalized sectors to engage in the budget process.* This was done in each project location through training sessions, the quality of which was widely recognized by interviewees. SWP designed the sessions, which were led by its lead convenor, a university professor who had served in government at very senior level, and by other SWP experts. SWP worked with PPRM and with its existing local partners on the selection of training participants. Local convenors ensured that training was followed up with dialogue with LGUs, thus helping ensure that skills acquired by the CSO participants were used.

Training participants interviewed by the evaluators confirmed that they acquired significant new skills as a result of the training. For example, they indicated that they had not previously known precisely how local budgets were designed and what processes needed to be followed for CSOs to obtain project funding. The new knowledge, several said, helped them develop a greater understanding of the constraints under which local government was operating – and also of the scope for abuse of public funds. They noted,

for example, that private contractors frequently “helped” understaffed and under-skilled LGUs to prepare their budgets. By providing such “support” the contractors acquired information about available funds and future procurement plans, which placed them in a privileged position to win subsequent contracts.²

The training also helped CSOs gain information that was relevant to their subsequent debates with LGUs on the use of public funds. For example, CSOs became aware of regulations requiring LGUs to devote funds to gender equality – a requirement which the baseline survey showed CSOs generally did not know about. This knowledge helped them argue in favor of relevant projects. For example CSOs reported that in Hinigaran Municipality, Negros Occidental, the budget for gender equality projects went from nil to 6m pesos, after CSOs requested that the mandated amounts be actually earmarked for that purpose.

- *Creating effective government-citizens collaboration mechanisms on budgets, including increasing spending on social development.* This was achieved, often as a result of lobbying by the project convenors at local level – generally individuals with a record of working effectively with LGUs. In Dauin, this aspect of the project could not be implemented adequately because, according to the local convenor, the mayor assumed that the CSOs were supporters of the previous local administration. Although the training was conducted as planned, the mayor refused to engage with the task force that had been established to hold a dialogue with the local authorities.

However, the CSO task force was able to engage in a dialogue with the relevant LGUs in the seven other project locations. This led to some reallocation of funds (for example towards gender equality projects, as mentioned above) and generally to enhanced consideration of the need for social projects. CSOs and convenors noted that the process did not only help CSO capacity building – it also

Changing the legislative context

SWP and members of the Philippines Congress have long worked together to enhance civil society participation in the budget process. At national budget level, this process is now regularly implemented in four pilot sectors.

The “bottom-up approach” constitutes the next milestone. Legislation to grant CSOs a formal role in budget debates at local level has passed the committee level in Congress, but is not likely to be adopted in the current legislature. One reason for this is that some political leaders are concerned about unelected CSO representatives playing a role in the process. However, congress-people close to SWP also believe that some politicians see a threat in CSOs’ involvement, as this could expose embezzlement and other misuse of funds.

There is also a link with freedom of information. Some politicians fear that CSOs’ involvement would embolden the media to expose more misuse of funds. Nevertheless, the Philippines may within a few years be one of the first countries in the world to formally give a role to CSOs in budget processes. This would owe a lot to SWP’s work.

² Some CSOs echoed reports that private companies occasionally prepare LGU budgets that build-in their own contracts. There are also unproven reports of kickbacks whereby a company awarded a contract pays a 10% “commission” back to the awarding officials. Such schemes, though widely believed to occur, can only be proven through investigations using judicial powers, which CSOs obviously do not have.

improved local official's understanding of CSOs' work and approaches, thus opening the way in principle for more open future dialogue.

The dialogue, however, was not equally open in all locations. SWP noted that rural LGUs, with smaller budgets, were generally more open to discussing budget allocations than urban ones, which had larger amounts at their disposal. There were also limits to the monitoring functions of the task force. In addition to their inability to control in detail such things as the award of procurement contracts, CSOs could do little more than play a deterrent role against further abuse. In one case in a rural area, for example, a local official was using a water pump purchased with LGU funds – the CSOs could not prevent that, but their knowledge of the situation reportedly helped prevent further similar abuse.

- *Creating a more conducive legislative environment to encourage participation of marginalized sectors.* This is perhaps the outcome on which the project was possibly over-ambitious, in the sense that achieving legislative change is likely to take some years yet. During the project period *stricto sensu*, the legislative environment concerning budget processes at local level has not changed significantly. However, the acceptance of the importance of civil society consultation on budget is broadening among political decision-makers (see box on previous page). The Constitution of the Philippines provides in principle for civil society to be involved in budgetary processes. However, draft legislation that would help enforce this provision remains tabled before the Philippines Congress, and may not be adopted by the current legislature. According to a congressman interviewed by the evaluators, SWP has contributed over several years to creating conditions for the legislation to be adopted. However, the coalition of political parties that would be necessary for its adoption has been elusive. The effectiveness of the project in this regard would have been enhanced if an advocacy strategy and action plan had been developed, and if appropriate, dedicated human resources for outreach and advocacy, had been provided for in the project budget.
- *Enhanced transparency and accountability in budget processes.* The project achievements in this regard are related to the mentoring given by SWP to CSO task forces in each area. SWP developed a budget monitoring tool based on the MDGs, to help ensure LGU compliance with the Philippines Government's MDG commitments. The tool comes in addition to the work of Social Watch Philippines, a CSO coalition of which SWP is also a member, and which includes SWP's local partners.

The citizens' budget monitoring activities could not be implemented in Dauin, due to the Mayor's refusal to allow independent budget tracking. The monitoring reports prepared by CSOs were subsequently discussed with LGUs, in the expectation of improving budget processes in subsequent years. Local convenors interviewed by the evaluators have indicated that the budget process is improving as a result, though it is unclear whether improvements will last beyond the next elections.

Overall, the following factors contributed to the project's effectiveness:

- The project's timing was appropriate. It chimed with the reforms that the administration of President Aquino is carrying out – despite the slow progress on legislation mentioned above. For example, the Department of Interior and Local Government (DILG) has recruited and trained 150 facilitators to help support LGU governance reform. SWP's approach is consistent with the policies implemented by the DILG.

- SWP helped remove the cloak of secrecy surrounding the budget process. The project helped CSOs become more familiar with the process, allowing them (often for the first time) to see their municipalities' annual investment plan. The project also helped CSOs address long-standing governance concerns. For example, Tulunan municipal officials accused citizens of not paying land taxes, and CSOs were able to convey to them the fact that the land is not registered in local farmers' name.
- The project's media work enhanced its local visibility. For example in Magpet and Hinigaran, local CSOs associated with the project organized public events highlighting their budget monitoring activities, including on gender equality (Magpet) and vulnerable groups (Hinigaran). Some of the material was subsequently translated into local languages, including Visayan. In some areas where the mayor was sympathetic to the project, CSOs also obtained slots on local government radio to describe the project and its local outcomes.

The main identifiable weakness of the project in terms of effectiveness was its somewhat over-ambitious expectation of rapid change in the legislative environment. While SWP had a longstanding record in advocating for legislation on CSO involvement in budget processes, and while the project provided some additional impetus for the "bottom-up approach" in this field, the project may have under-estimated political decision-makers' resistance to legislating on this approach. It is clear in hindsight that the adoption of new legislation may only be achieved in the long term. However, the project contributed significant milestones to this process, in the sense that local-level activities demonstrate that the approach is viable and may gain the support of local communities.

Another relative weakness was that the activities in the various locations were implemented in relative isolation from each other. Whereas the area convenors (coordinators) in Tondo, not far from Manila, could easily communicate with and occasionally meet SWP staff, some of their counterparts in other locations (Negros, Camarines, Cotabato, etc), effectively operated in isolation, although they of course also interacted with SWP when the organization's staff and trainers visited. This resulted in some convenors being unaware of some of the activities implemented in other locations, even though these could have been duplicated in their area. The main reason for this relatively isolated modus operandi was that the project budget did not provide for cross-fertilization amongst convenors during the project (although a lesson-learning exercise was held towards the end of the project period). A relatively minor increase in the project management budget could have remedied this problem and enhanced the expertise of the area convenors (see next section).

(iii) Efficiency

The project was very efficient, in the sense that it constituted excellent value for money in terms of results achieved, and that the quality of its management team ensured a high standard of delivery. The efficiency of the project was particularly remarkable in view of the geographical dispersion of project locations and of the logistical challenges related to operations in rural areas, some of which were relatively remote.

Human and financial resources

The project had a total operating budget (excluding evaluation costs) of US\$202,500; spending covered the following broad areas, in accordance with original plans:

- Staffing (not including training facilitators) and administration represented about 25% of the costs, which was a relatively modest proportion. This covered modest payments (US\$200/month) to each area coordinator, and the salaries of SWP's management team: project coordinator and deputy, as well as administrative staff. These costs were modest, perhaps too modest: the project might have arguably benefited from additional management capacity at central level, which would have helped SWP disseminate good practices from one area to the others in a more effective manner. It would also have benefited from funds to ensure that area convenors could meet each other and SWP during the project to discuss challenges and share relevant experiences.
- Fees for consultants implementing training sessions (about 20% of the budget) and for the organization of the various training sessions and meetings (45%) constituted the bulk of the expenditure. The overall budget for these activities was reasonable. It is also to be noted that some of the partner's contribution to organizational tasks – such as the time of PRRM staff involved in networking among CSOs at local area – was generally not charged to the project budget.
- Other costs, including domestic travel within the Philippines, printing and administrative expenses, were kept at a very reasonable level (less than 20%). Indeed, it might be argued that the advocacy and outreach activities, for which no staff was hired and which were limited to publications and some public events, were insufficiently developed (see section on relevance above). In addition to an advocacy strategy, the project could have benefited from more staff time dedicated to outreach and advocacy. However, the small project team was fully stretched by the implementation of the activities and could not have been expected to conduct further outreach and advocacy based on the financial resources available.



Workshop participants, Baao, June 2012. © SWP

Project management

Project management was excellent. The small SWP team managing the project under the direction of Prof. Leones was responsive and highly motivated, according to a range of interviewees. Activities were implemented in a timely manner and difficulties (such as resistance to the project in Dauin) were addressed effectively and strategically. Narrative and financial reports were appropriately detailed and gave a correct picture of the project. In addition to the personal dedication of the staff, the quality of project management came down to effective accountability mechanisms within SWP: the team reported to Prof. Leones, but their activities were also monitored by SWP's board. The fact that SWP is housed within university facilities in Manila probably also helped ensure effective management, through access to capable staff and day-to-day contacts between the project team and the senior SWP leadership.

One significant result of the quality of project management was the consistency of project implementation across the country. This was ensured through an inception discussion involving the local coordinators, and frequent subsequent contacts between them and the SWP team in Manila, and with trainers when these visited the project locations.

Although the project was formally a partnership with the UNMC, it was in fact implemented and managed wholly by SWP. A number of UNMC documents (such as its Budget Monitoring Toolkit) were disseminated by the project through the training sessions. UNMC was also kept informed of activities and invited at public events. However, it did not play a substantive role in the design and implementation of activities. Although it is clear that the project was consistent with UNMC's role and objectives, it can be argued that the reference to UNMC as a project partner was unnecessary. UNDEF should consider clarifying in its guidelines to future applicants, that partnerships should be limited to organizations that are involved in the design and implementation of activities – as oppose to being stakeholders in a broader sense.

(iv) Impact

To this extent this can be determined at this point, the project has achieved significant elements of impact, in the sense that stakeholders at *local level* have acquired new understandings and established new procedures, while the *national* policy agenda appears to have been moved forward to some extent. Like any project impact assessment, this is of course subject to possible future setbacks. Moreover, attributing any change to a particular project is always methodologically fraught. However in this case, it must be noted that few other projects, if any, have supported CSO participation in local budget process – and those that have done so, such as ABI, have also had SWP as a driving force.

The elements of impact that can be identified and reasonably attributed to the project are the following:

- A qualitative change has occurred in the knowledge of local budget processes by dozens of local CSOs, which previously did not engage in the process, largely out of ignorance of what was at stake. The CSOs have been provided with tools and knowledge allowing them to address local budgeting issues in a strategic manner, highlighting key community concerns and advancing a governance agenda on issues of concern to them. The fact that CSOs have integrated budget processes in their plans is underlined by the fact that many have joined the ABI network.
- Some LGUs have also acquired a greater understanding of the work of CSOs and an increased willingness to engage in dialogue with them. Although this did not occur in

each location, there are some example of such enhanced dialogue in Tondo (with farmer's groups), Hinigaran (fisherfolk) and also in Tulunan, whose mayor is not reported to be consulting the Moro community more frequently, in a context where local government was previously not particularly pro-active.

- The ABI coalition has grown significantly to over 100 civil society member organizations, a growth which according to SWP can be ascribed in part to the capacity building provided by the project.
- Campaigning against special purpose funds (usually referred to as "pork barrel", highlighting the extent to which they are used to further the interests of political leaders) has gained momentum at local as well as national level. A campaign by SWP to limit the use of discretionary funds by the President's Office has contributed to the transfer away from the presidential budget of 13bn pesos in 2013, a result that SWP attributed in part to the gathering understanding of budget misuse at local level.
- More CSOs are now aware of and advocating for gender-sensitive budgeting. In addition to Hinigaran, where 6m pesos were dedicated to gender equality projects, more CSOs have become aware of the scope for gender sensitivity to be fostered by local budget. The UNMC budget monitoring toolkit has been useful in that respect because it explicitly addresses gender equality concerns, and helps CSOs ask gender-relevant questions from LGUs.
- More indirectly, the project also had an impact on CSOs' understanding of freedom of information, according to SWP. They understood as a result of the training sessions and interactions with LGUs that much of the budget preparation process is cloaked in official secrecy, which can be broken only by sustained advocacy for more open governance. The same is true as regards the monitoring of budget implementation, in which public accountability is reduced by the unavailability of relevant information.

In hindsight, it could be argued that the project might have achieved a greater impact (still) if its advocacy dimension had been more developed, with staff and financial resources devoted to its implementation. This might have allowed for more interaction with Members of Congress and with the national and local media, including in areas not covered by the project. The project's online presence could also have been enhanced, lending it more visibility.

(v) Sustainability

The project achieved a significant degree of sustainability, mainly by establishing dialogue processes between CSOs and LGUs that are outlasting the project period, and by laying further groundwork for the dialogue methodology to be disseminated to other locations, and ultimately to be enshrined in legislation. The main elements of sustainability identified by the evaluators were the following:

- The significant number of CSO and LGU representatives trained organizations trained – several hundred in total – is likely to ensure that newly imparted skills will remain within the organizations concerned. SWP states that local area coordinators have seen evidence that CSO leaders trained as part of the project were disseminating the acquired knowledge within their organizations. According to SWP, some partner organizations have committed to include budget engagement in their training programs for their own beneficiaries. This suggest that the critical mass of people and organizations with the skills necessary to budget engagement is likely to continue growing beyond the end of the project.

- There are also indications that a number of District Congress members are beginning to request evidence of civil society consultation prior to approving LGU budgets. This is likely to constitute a continued incentive for LGUs to maintain a dialogue on budget with CSOs.
- One major element of sustainability is the establishment of the People’s Public Finance Institute (PPFI), supported by SWP with funding from UN agencies. The PPFI’s mission is to broaden the capacity building implemented under the project, so more CSOs and LGUs can benefit, and to provide follow-up training to project participants. Several dozen people have been trained since the PPFI’s establishment in 2013, including LGU officials from Dauin.

The project’s sustainability was enhanced by the fact that it had an appropriate “exit strategy”, which included the establishment of the PPFI and the development of the ABI coalition. The strategy also included a degree of emphasis on gender equality, by ensuring that women’s organizations were targeted for training and encouraged to set up women’s groups within the task forces debating budgets with LGUs (as was done, for example, in Tondo and Quezon City). The availability of training documents in Tagalog, and their continuing development in Visayan, should also contribute to extending the “shelf life” of the tools produced by the project.

To further reinforce the sustainability of the project’s achievements, SWP and area coordinators are aware of the need to formalize the involvement of CSOs in local budget processes. The task force process should be enshrined into national law – or should at least be mandated under municipal ordinances in each location. This would remove the risk of loss of political will to engage in dialogue, particularly when administrations are changed after local elections. Area coordinators insist also that elected Local Development Council members should be trained to understand their rights and prerogatives, particularly in relation to the budget process.

(vi) UNDEF added value

As mentioned above, the project was innovative in that it addressed the promotion and protection of economic and social rights through the prism of participatory budgeting. It benefited from the flexibility of UNDEF’s approach to financing: UNDEF assesses proposals on their merits, and, within its broad mandate, it does not prescribe specific approaches or methodologies. It was able to support this project as a result of this flexibility, which largely sets it apart from other institutional donors.

It is important for UNDEF to maintain its flexible and broad mandate, and to continue assessing projects on their own merits, so that innovative ones such as the SWP projects are supported in future.

V. CONCLUSIONS

(i) The project's high relevance was based on its excellent design and its strategic approach. The project demonstrated a good balance between skills development for CSOs, political engagement with authorities, and advocacy. The problem analysis was excellent, as was the methodology to address key governance concerns.

(ii) The project was very effective. Activities were based on an excellent set of training modules, delivered by credible consultants and backed by appropriate follow-up. The project relied on solid **pre-existing partnerships** at local and national level, which it helped further develop.

(iii) The project's outreach and advocacy dimension was its weakest element. Advocacy was carried out at local level, and complemented at national level by engagement with elected officials and policy-makers. However the project lacked an explicit advocacy strategy at national level backed by appropriate human resources and including an on-going online dimension. It therefore did not help SWP enhance its existing level of visibility.

(iv) The project management was excellent. The project was implemented by a dedicated a very effective team, which was appropriately supervised and held accountable. Political risks and logistical challenges were appropriately addressed, which ensured the project was both effective and efficient.

(v) Project management resources were too tight, limiting the project's ability to create a nationwide management group. As a result of limited project management resources, area coordinators were in effect working alone and did not have the benefit of learning from approach taken by their counterparts in other areas. As a result, project management remained centralized in SWP.

(vi) The project achieved significant elements of impact. These included attitude changes on the part of CSOs and many LGU officials, as well as the establishment of consultation mechanisms, which could form a model for dissemination to other local areas across the country. The project also helped steer CSOs' attention towards engagement in local budget design process and implementation monitoring.

(vii) The project achieved good sustainability, through an appropriate exit strategy. The project's sustainability was enhanced by its ability to draw on existing partnerships and networks such as ABI, and by its deliberate prioritization of gender equality, via the encouragement of the establishment of clusters of women's organization to engage in budget debates and monitoring.

(viii) The project was innovative, representing a type of approach that should be further supported, in the Philippines and other countries. The project demonstrated that it is possible and desirable to address complex local governance issues, including to some extent official corruption, through local-level capacity building and day-to-day engagement between CSOs and authorities. This approach should be disseminated elsewhere in the Philippines. UNDEF is in a position to support similar projects in other countries as well.

VI. RECOMMENDATIONS

(i) SWP should follow up the project with activities aimed at disseminating similar practices elsewhere in the Philippines. The project helped elaborate methodologies for training and LGU engagement, which should be duplicated across the countries in other local communities. The existing ABI network and partnership between SWP and PRRM should be used to duplicate the project's model.

(ii) SWP should reinforce its advocacy and outreach work on local and national governance through a formal strategy. SWP should engage in a strategy development process to identify key messages, audiences and entry points for an advocacy strategy. It should seek to obtain the human and financial resources necessary to implement such a strategy, including an element of online presence, which could encourage counterparts in other countries to adopt similar methodologies.

(iii) SWP should ensure that future projects have the resources necessary to create a more decentralized management structure. While management of the project was excellent, it was also centralized at SWP level and area coordinators operated in a relative isolation from each other. It would be beneficial for future projects to have enough resources to involve area coordinators in more sustained reciprocal exchanges, thus helping create a decentralized management approach.

(iv) SWP should continue advocating for legislation to enshrine dialogue on budgets between LGUs and CSOs. As an interim measure until national legislation is adopted, SWP should consider encouraging local authorities to adopt ordinances or working rules mandating this dialogue.

(v) SWP should consider associating anti-corruption organization to its work. While the scope of the project went beyond the fight against corruption, and appropriately avoided direct confrontation with authorities, it did effectively constitute an appropriate measure

towards enhancing government accountability, therefore potentially mitigating the incidence of abuse of local funds. By discussing its methodology with anti-corruption experts, SWP may have scope to enhance its training in this respect and to develop the capacity of CSOs to address this.

(vi) UNDEF should consider encouraging NGOs in other countries to implement projects with a similar approach. The project's strategy would be relevant in a broad range of other countries, and many of SWP's methodologies are transferable, though they would have to be adapted to different political and legal contexts. UNDEF is in a position to support similar projects elsewhere, and should generally encourage NGOs to address local governance concerns in ways similar to that of SWP.

VII. ANNEXES

ANNEX 1: EVALUATION QUESTIONS

DAC criterion	Evaluation Question	Related sub-questions
Relevance	To what extent was the project, as designed and implemented, suited to context and needs at the beneficiary, local, and national levels?	<ul style="list-style-type: none"> ▪ Were the objectives of the project in line with the needs and priorities for democratic development, given the context? ▪ Should another project strategy have been preferred rather than the one implemented to better reflect those needs, priorities, and context? Why? How appropriate are/were the strategies developed to deal with identified risks? Was the project overly risk-averse?
Effectiveness	To what extent was the project, as implemented, able to achieve objectives and goals?	<ul style="list-style-type: none"> ▪ To what extent have the project's objectives been reached? ▪ To what extent was the project implemented as envisaged by the project document? If not, why not? ▪ Were the project activities adequate to make progress towards the project objectives? ▪ What has the project achieved? Where it failed to meet the outputs identified in the project document, why was this?
Efficiency	To what extent was there a reasonable relationship between resources expended and project impacts?	<ul style="list-style-type: none"> ▪ Was there a reasonable relationship between project inputs and project outputs? ▪ Did institutional arrangements promote cost-effectiveness and accountability? ▪ Was the budget designed, and then implemented, in a way that enabled the project to meet its objectives?
Impact	To what extent has the project put in place processes and procedures supporting the role of civil society in contributing to democratization, or to direct promotion of democracy?	<ul style="list-style-type: none"> ▪ To what extent has/have the realization of the project objective(s) and project outcomes had an impact on the specific problem the project aimed to address? ▪ Have the targeted beneficiaries experienced tangible impacts? Which were positive; which were negative? ▪ To what extent has the project caused changes and effects, positive and negative, foreseen and unforeseen, on democratization? ▪ Is the project likely to have a catalytic effect? How? Why? Examples?
Sustainability	To what extent has the project, as designed and implemented, created what is likely to be a continuing impetus towards democratic development?	<ul style="list-style-type: none"> ▪ To what extent has the project established processes and systems that are likely to support continued impact? ▪ Are the involved parties willing and able to continue the project activities on their own (where applicable)?
UNDEF value-added	To what extent was UNDEF able to take advantage of its unique position and comparative advantage to achieve results that could not have been achieved had support come from other donors?	<ul style="list-style-type: none"> ▪ What was UNDEF able to accomplish, through the project, that could not as well have been achieved by alternative projects, other donors, or other stakeholders (Government, NGOs, etc.). ▪ Did project design and implementing modalities exploit UNDEF's comparative advantage in the form of an explicit mandate to focus on democratization issues?

ANNEX 2: DOCUMENTS REVIEWED

Project documents UDF-PHI-10-390:

- Project Document
- Mid-Term Report
- Milestone Verification Mission Report
- Final Narrative Report
- Activity Report on Budget Tracking Workshop

External Sources

- Participatory Budgeting in Brazil (Case Study, World Bank, 2012)
- Social Accountability Stocktaking Exercise, Report Card covering Nine Cities in Metro Manila, Asian Development Bank
- Kalahi-CIDSS: Community-Driven Development in the Philippines, Asian Development Bank
- Investigative Journalism and Corruption in the Philippines, Asian Development Bank
- Amnesty International Reports, 2011, 2012, 2013
- European Union National Indicative Program for the Philippines, 2007-2013

ANNEX 3: LIST OF PEOPLE INTERVIEWED

NB: asterisks denotes interviews conducted by telephone with project stakeholders in areas not visited by the evaluators

21 April 2014	
Arrival of international consultant	
22 April 2014	
Manila	
Janet Carandang	Project Coordinator, SWP
Roja Salvador	Deputy Project Coordinator, SWP
Resurreccion Benozza	Administration and Finance Officer, SWP
Rene Raya	Co-Convenor, SWP, budget monitoring consultant
Marivic Raquiza	Co-Convenor, SWP, gender budgeting consultant
Luz Anigan	Education, information and communication consultant
Sara Salvador	Area coordinator, Tondo and Quezon City
Guimba	
Shubert Ciencia	Area coordinator, Guimba
Moises Cipriano	Center for Agrarian Reform, Empowerment and Transformation
Joselito Tambalo	KALIKASAN-NE (CSO)
Oliver Tracy Domingo	Office of the Mayor, Guimba
Elizabeth Gadiano	Barangay Health Workers Federation
Franklin Rosario	Rural Initiative for Community Empowerment Cooperative
Romeo Natividad	KAAKBAY (CSO)
23 April 2014	
Manila	
Erwin Contreras*	Baao Municipal Planning and Development Officer
Isagani Serrano	Co-Convenor, SWP and President, PPRM
Dante Bismonte*	Area coordinator, Baao
Prof. Leonor Briones	Lead Convenor, SWP, public finance consultant
Francisco Fernandez	Undersecretary, DILG
Lorenzo Tanada	Congressman, former House Deputy Speaker
Edwin Balajadia*	Area coordinator, Hinigaran
24 April 2014	
Tondo	
Representatives of CSOs in Tondo: "Slum Walk" tour guide; Barangay 105 Justice Committee member; President of Neighborhood Association; Barangay Committee Judge and health worker; 2 former Barangay Council Members	
Manila	
Prof. Carlos Magtolis*	Area coordinator, Dauin
Rosabel Sanchez*	Former Municipal Planning and Development Officer, Dauin

Narry Romero*	United Fishermen's Association, Dauin
25 April 2014	
Manila	
Engr. Arly Landingin*	Budget Officer, Tulunan
Quezon City	
Ernesto H. Ofracio	AKTIB, CENA, KINOA (CSOs)
Marites M. Palma	LGU staff; President, Pinyahan Women's Organization
Analiza A. Almero	CENA, KINOA
Orlita P. Navilgan	CENA, KINOA
Daisy B. Onario	Women's Power Association
Elizabeth Carioga	WPA, PWO (CSOs)
Manila	
Romulo Miral	Congressional Planning and Budget Research Dept.
Abner Manlapaz	Persons with Disabilities Cluster, ABI
Jun Bernardino	Persons with Disabilities Cluster, ABI
Ollie Lucas	Social Protection Cluster, ABI
Alice Quitilig	SWP Secretariat, ABI coordination
26 April 2014	
Manila	
Marilou Berangel*	Area coordinator, Tulunan
Lope Barbadillo*	Area coordinator, Magpet
Debriefing with SWP Lead- and Co-Convenors and Staff	
Departure of international consultant	

ANNEX 4: LIST OF ACRONYMS

ABI	Alternative Budget Initiative
DILG	Department of the Interior and Local Government
LDC	Local Development Council
LGU	Local Government Unit
MDG	Millennium Development Goal
NGO	Non-Governmental Organization
PB	Participatory Budgeting
PPFI	People's Public Finance Institute
PPRM	Philippines Rural Reconstruction Movement
SWP	Social Watch Philippines
UNMC	United Nations Millennium Campaign