

SUMMARY OF PROCEEDINGS¹
WBG Consultation in ILOILO
Country Assistance Strategy for the Philippines

1. A one-day Consultation on the new World Bank Country Assistance Strategy was held at the Central Philippine University (CPU) in Iloilo City on September 26, 2008. This is part of a series of regional, multi-sectoral consultations that were also conducted in Davao City (September 24), Naga City (September 29) and in Metro Manila (October 3).
2. The Consultation had the following objectives:
 - a. To increase the WBG's understanding of Government's and various stakeholders' views on the critical development challenges that the Philippines faces;
 - b. To share and discuss policy options and potential programs that could address these challenges and how the World Bank could contribute to solving these challenges; and
 - c. To increase Government's and stakeholders' understanding of the WBG's work in the Philippines.
3. The Workshop was attended by 56 participants from the following provinces: Antique, Bohol, Cebu, Samar, Eastern Samar, Siquijor, Negros Occidental, Southern Leyte and Iloilo. The breakdown of participants is as follows: 16 from the government, 18 from civil society organizations, 18 from the academe, 2 from churches and 1 from the private sector. Please see *Annex 1* for the list of participants.
4. The Consultation began at 10:45 AM and ended at 5:35 PM. Please see *Annex 2* for the Program of Activities.
5. Participants' inputs were surfaced mainly through the two simultaneous sets of Knowledge Café discussions and, to a lesser extent, through the open forums. The major points raised by the participants are summarized below.
6. The three main questions discussed during the Knowledge Café sessions were:

Question 1: In your view, what are the main causes of the worsening poverty in the Visayas and how should these be addressed?

Question 2: In your view, what are the main causes of the inadequate performance of public institutions in the Visayas in delivering public services to citizens and how should these be addressed?

¹ Prepared by Raul P. Gonzalez, Consultant, and reviewed by Joey Alegre and Oman Jiao of the AF. November 2008.

Question 3: Given what you know about the World Bank and the country situation, what priority programs should be included in the new Country Assistance Strategy? Please explain. Are there any issues that the World Bank should not be involved in? Why?

7. In response to question 1 of the Knowledge Café, the participants identified the following five main causes of the worsening poverty in their region and their suggested solutions. Please see *Annex 3* for details.

Table 1. Top Five Causes of the Worsening Poverty Situation in the Visayas as Perceived by Participants

MAIN CAUSES	PROPOSED SOLUTIONS
a) Graft and corruption, especially at the national level.	<ul style="list-style-type: none"> • Implement transparency and accountability in national and local government.
b) Poor delivery of basic social services.	<ul style="list-style-type: none"> • Increase budget allocation for basic social services. • Develop sustainable social services delivery mechanisms (e.g., community-based delivery mechanisms).
c) Lack of livelihood and employment opportunities.	<ul style="list-style-type: none"> • Implement microfinance projects with social insurance and capacity building for micro enterprises.
d) Environmental degradation and depleted natural resources: declining soil fertility and marine resources, as well as high capital requirements for aquaculture.	<ul style="list-style-type: none"> • Stop deforestation and implement reforestation. • Adopt environment-friendly farming practices. • Enforce fishery regulations. • Provide support for aquaculture development that will include and benefit marginalized sectors (fisherfolks). • Redistribute wealth through agrarian and other asset reforms. • Upscale implementation of existing projects/programs. • Strictly enforce existing environmental laws. • Avoid environment-sensitive or degrading investments. • Preserve potable water supply resources. • Utilize selected inmates for forest rehabilitation and protection.
e) Poor quality of education, particularly in the rural areas.	<ul style="list-style-type: none"> • Hire good quality teachers. • Provide good education facilities. • Lessen political intervention, particularly

	<p>in hiring teachers.</p> <ul style="list-style-type: none"> • Re-orient educational objectives, e.g., towards more culture-based curriculum development. • Increase budget allocation. • Improve information system delivery for easy use and understanding.
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8. In response to question 2 of the Knowledge Café, the participants identified the following five main causes of the inadequate performance of public institutions in delivering services to citizens in their region and suggested the following solutions. Please see *Annex 4* for details.

Table 2. Top Five Causes of the Inadequate Performance of Public Institutions in the Visayas as Perceived by Participants

MAIN CAUSES	PROPOSED SOLUTIONS
a) There are governance issues closely related to public administration.	<ul style="list-style-type: none"> • Electoral reforms must be made at critical phases (e.g., nomination, endorsement, monitoring) and lead to a mature electorate. • Government officials and employees must have adequate education and training in public administration. • Provide continuing capacity building on project management monitoring and evaluation for local officials. • Provide for motivational programs and awards for best practices and outstanding leaders. • DILG must improve its performance to capacitate LGUs. • Government employment and appointment must be merit-based. • There should be transparency in governmental transactions. • Political will should be pushed forward.
b) Lack of or weak citizen participation in all aspects of local governance.	<ul style="list-style-type: none"> • Strengthen local development councils and local special bodies. • Professionalize elective leaders. • Upgrade qualification standards for elective officials. • Focus support on lower-level government units and communities. • Provide continuous capacity building for NGOs and POs.

<p>c) Corruption is both widespread and endemic.</p>	<ul style="list-style-type: none"> • Standards for accountability should be clearly established. • Corrupt officials should be immediately and effectively removed. • Civil society should monitor government officials, employees and projects. • There should be electoral reforms to prevent election of potentially-corrupt and corrupt officials. • The lifestyle checks on government officials should be institutionalized. • There should be education on how to identify corrupt practices. • Transparency of government transactions should be promoted.
<p>d) A huge and circuitous bureaucracy hampers adequate delivery of public services.</p>	<ul style="list-style-type: none"> • The bureaucracy – both in offices and processes - must be streamlined. • The governmental system should be more decentralized in order to give rise to a more local government system. • Time in processing government transactions must be shortened and minimum requirements lessened.
<p>e) Strong political partisanship, resulting in (among others) lack of institutionalization of donor-funded projects.</p>	<ul style="list-style-type: none"> • Institute mechanisms and measures for transparency and accountability. • Integrate projects in local plans with the corresponding budget allocation. • Advocate policy and electoral reforms in the selection of elected leaders. • Integrate value-based governance in the school curriculum.

9. The participants suggested some priority programs in their region that the World Bank should address in its new CAS. Following are the top five priority programs proposed by the participants. Please see *Annex 5* for details.

Table 3. Top Five Suggested Priority Programs that the WBG Should Address

PRIORITY PROGRAM(S)	JUSTIFICATION
<p>a) Basic social services (population, health, education, nutrition, water and sanitation).</p>	<ul style="list-style-type: none"> • This is one of the ways to break the cycle of poverty. • Literacy in the region is deteriorating. • The quality of education, especially in public schools, is likewise deteriorating. • Growing population, development aggression.

	<ul style="list-style-type: none"> • Increasing incidence of diseases. • Harmful practices in agriculture, fishing and economics.
b) Food sufficiency and security programs that will improve farm gate prices of the produce of farmers and promote collaboration between the government and private sector.	<ul style="list-style-type: none"> • Introducing farmer entrepreneurship programs would improve the economy of the rural areas and discourage migration to urban centers. • This will ensure food sufficiency and security in the region and country.
c) Good governance in environmental resource management.	<ul style="list-style-type: none"> • Region is under massive environmental attack (prevailing harmful practices, use of dirty energy technology, intrusion of big mining and energy (power) projects in environmentally critical areas). • Watershed areas have a critical role.
d) Capacity building in local governance.	<ul style="list-style-type: none"> • KDC needs to be publicly known to more people. • Knowledge development and tools should be popularized.
e) Electoral reforms.	<ul style="list-style-type: none"> • There is a need to raise the qualifications of elected officials. The educational background, competence, integrity, moral values and track record of candidates should be looked into.

10. The participants also recommended some issues that the World Bank should avoid in its new CAS. Please see *Annex 6* for details.

Table 4. Issues that the World Bank Should Avoid as Perceived by Participants

ISSUES THAT THE WB SHOULD AVOID	REASON(S)
a) Policy of government on the importation of goods.	<ul style="list-style-type: none"> • Rice importation program of government (DA) is a failure. • Technologies developed in the Philippines have been copied by foreigners and Filipinos have ended up as consumers of goods produced by these technologies.
b) Partisan politics.	<ul style="list-style-type: none"> • WB should not be involved in partisan politics so that it is not perceived to be influencing government policies.
c) Human rights violations.	<ul style="list-style-type: none"> • WB should not support or fund enterprises or industries that encourage human trafficking, sex slavery and those that employs minors.
d) Low regard for agricultural education.	<ul style="list-style-type: none"> • Low enrollment of students in courses

	<p>in Agriculture.</p> <ul style="list-style-type: none"> • Lack of incentives to students and businesses engaged in agriculture.
e) Mining projects that are not supported by communities (do not fund investments).	<ul style="list-style-type: none"> • Detrimental effects of mining to the community.
f) Use of foreign consultants.	<ul style="list-style-type: none"> • Minimize foreign consultants and maximize the local experts.
g) Avoid giving cash grants and subsidies.	<ul style="list-style-type: none"> • Sustained social security measures must be put in place instead.
h) Electoral politics in 2010.	<ul style="list-style-type: none"> • Involvement in the 2010 elections would erode the credibility of the WB. (One participant commented, however, that the WB could contribute to electoral reforms, such as: [a] policy reforms (e.g., putting in place a nomination process; [b] examining the comparative advantages of a two-party vs. multi-party system) and [c] leveling the playing field, e.g. supporting qualified candidates who do not have the resources to run.)
i) Indigenous peoples.	<ul style="list-style-type: none"> • A participant sought clarification on why the majority had identified work with IPs as a program that the WB should avoid. Another participant responded that it is all right for the World Bank to help IPs as long as the cultural heritage of the latter is preserved.

11. The Open Forums held during the consultation also surfaced a number of important comments from the participants. The most significant comments are summarized below. Please see *Annexes 7 and 8* for details.

- The crisis of the century is environmental; deforestation is linked to climate change. We should stop deforestation, e.g. Mt. Kanlaon.
- It is good to hear that fiscal stability has improved in the Philippines. But how much of that comes from exported labor?
- I hope that the projects that will be supported by the WBG will address the real needs of the communities. Maybe the WB can work with NGOs and the private sector and make LGUs and the government as partners only.
- I believe the WBG can help the labor sector by forging a partnership in educating, assisting businesses or livelihood to help them augment their income or revenue.

- There are a lot of agencies whose programs and projects are developed at central offices and, when ground implementation starts, the necessary support is not all downloaded. We hope financial institutions can influence in correcting the current methodology in managing resources, that is, too much is spent on administrative costs and little resources are left for actual ground implementation.
- I suggest that WB look at the connection between climate change and fish production in the Philippines.
- In terms of global issues, I hope WB could also look into sustainable consumption and production, green and sustainable cities, vulnerability assessment and climate proofing.
- Is population a cause of poverty? Comparing the Philippines with Hongkong (in terms of population) gives rise to the question on whether we are using our manpower properly.
- Clarification on work with Indigenous Peoples (IPs): we do not mind the WBG helping the IPs for as long as their cultural heritage is preserved.

List of Annexes

- 1 - List of Participants
- 2 - Program of Activities
- 3 - Participants' Responses to KC Question 1: Causes of Worsening Poverty and Recommended Solutions
- 4 - Participants' Responses to KC Question 2: Causes of the Inadequate Performance of Public Institutions and Recommended Solutions
- 5 - Participants' Listing of Priority Programs that should be Included in new WB CAS
- 6 - Participants' Listing of Issues that the WBG should avoid in the new WB CAS
- 7 - Participants' Comments during Open Forum 1 (Discussion of Current CAS for the Philippines)
- 8 - Participants' Comments during Open Forum 2 (Discussion of Knowledge Café/FGD Results)

**Annex 1
List of Participants**

	Name	Affiliation	Telephone Numbers	Email
1	Dr. Sofia Chua	Center for Health Development for Western Visayas	321-0235	sofiachua2002@yahoo.com
2	Ms. Joyce Wendam	Department of Agriculture – Region VI	033-3360982	joycewendam@yahoo.com
3	Mr. Jose Roni Peñalosa	Metro-Iloilo Economic Development Council	033-3350432	joseronipen@gmail.com
4	Hon. Elvira Alarcon	Municipality of Batad	033-5493015	
5	Hon. Matt Palabrica	Municipality of Bingawan	033-5355020	mattpalabrica@yahoo.com
6	Ms. Ro-Ann Bacal	NEDA Region VI (Western Visayas)	0917-5480521	roannbacal@yahoo.com
7	Hon. Clarito Marquez	Province of Aklan	0917-8982761	
8	Hon. Victoriano Tanco	Province of Capiz	0918-9273515	
9	Mr. Raul Anlocotan	NEDA	3376840	raul_anlocotan@yahoo.com
10	Ms. Evelyn R Vista	DILG Region VI	3379214	evevista@gmail.com
11	Mr. Alfonso B. Catolin	NCIP Region 6 / 7	033 – 3294482	abcatolin@yahoo.com
12	Ms. Arlene T. Dalawis	DENR – 6	3378900	cmmrd6@yahoo.com
13	Mr. Reynald Sandugal	Municipal Administrator	0927-6013666 / 5496015	blakjuwel@yahoo.com
14	Mr. Lino A. Diapo	RGO-Aklan	0927-6493959	
15	Mr. Fernando C. Corvera	RGO-Antique Province	0917-3051007	
16	Ms. Mary Jean Irisari	City Environment & National Resources Office	033-3362879	
17	Mr. Jose Mabulay, Jr.	An Tandaya Foundation	0928-7545880	donmabulkay@gmail.com
18	Ms. Teresita Barcoma	Balayan Community & Development & Volunteer Formation Office-USLS Bacolod City	(034) 4353857 – telefax	terai_b@yahoo.com / tgb@usls.edu

19	Ms. Aepril Maita Palo	Bohol Alliance of Non Government Organizations (BANGON)	(035) 5019516	network@globelines.com.ph
20	Fr. Margarito Alingasa	Cebu Uniting for Sustainable Water		m_alingasa@yahoo.com
21	Mr. Casiano Catapang	Cebu Uniting for Sustainable Water Foundation, Inc.	(032) 4187204	cgcusp@hotmail.com
22	Dr. Agustin A. Pulido	Central Philippine University		
23	Dr. Alfonso Uy	Central Philippine University	(032) 2551623	ponz39@zpedee.net
24	Engr. Alfredo Mombay	Central Philippine University	09193785004/320-258 / 3296069	fredhmombay@yahoo.com
25	Dr. Andresito Millamena	Central Philippine University	(32) 3202581	oseni_millamena@yahoo.com
26	Mr. Edwin Araña	Creative Community Foundation	(033) 3362196	ccfctr@yahoo.com
27	Rev. Job Santiago	Convention of Philippine Baptists Churches	3290618	gensee@mozcom.com
28	Mr. Jayson Lee	Federation of Free Workers	(033) 3350819	
29	Mr. Melvin Purzuelo	Freedom from Debt Coalition		
30	Mr. Ted Aldwin Ong	Freedom from Debt Coalition		
31	Mr. Emmanuel Areño	Iloilo Caucus of Development NGOs	(033) 5086527	icode@skyinet.net
32	Mr. Reynic Alo	Multi-Sectoral Alliance for Development-Negros	(034) 4461065	muad_neg@yahoo.com
33	Mr. Edwin Balajadia	Negros Caucus / PRRM	0915-4702893	edbalajadia@yahoo.com
34	Ms. Roseo Depra	Negros Economic Development Foundation, Inc.	0917-3016886	roseojd@yahoo.com
35	Ms. Delia Locsin	Paghiliusa sa Paghidaet Negros	0906-4381844	dudg@mactan.ph
36	Ms. Ofelia Cardeno	Peace and Equity Foundation-Visayas	0916-3886785	Pef_visayas@pef.ph
37	Mr. Teodoro Peña	Quidan Kaisahan Negros Occidental, Inc.	(034) 4340122	teodypena@yahoo.com

38	Ms. Evelyn Nacario-Castro	Ramon Aboitiz Foundation	(032) 4187234	evelyn.nacario@rafi.org.ph
39	Mr. Narciso Dionson	Reb Foundation	0982-927131	narsdionson@yahoo.com
40	Ms. Pauline Lawsin-Nayra	Runggiyan Social Development Foundation, Inc.	0920-2209939	paulawsin@yahoo.com
41	Ms. Myrish Cadapan-Antonio	Siliman University	0917-3140450	mantonio@law.gwu.edu
42	Mr. Felino Javines	University of San Carlos	032-253-100	Fre_jw@yahoo.com
43	Ms. Annie Villarruz	Gerry Roxas Foundation	0917-3120301	aqvillaruz@yahoo.com
44	Ms. Fely P. David	Central Philippine University	0917-6223844	felypdavid@gmail.com
45	Mr. Reynaldo N. Dusaran	Central Philippine University	0919-5938897	rndusaran@cpu.edu.ph
46	Ms. Myrna M. Ilanio	CPU Corporation Member	(033) 3293773	
47	Ms. Evangelica D. Padernilla	CPU Corporation Member	(033) 32919762	
48	Ms. Jocelyn L. Funtecha	CPU Weston Hall	(033) 3291971 local 1021	
49	Ms. Mercy Y. Bedona	CPU HRD Office	(033) 3296053	mercy_bedona@yahoo.com
50	Mr. Victorino Bologino	CPU Grounds		
51	Engr. Aries Roda D. Romallosa	CPU College of Agriculture	(033) 3291971 loc 1071	a_llamor@yahoo.com
52	Prof. Ananias Sabijon, Jr.	CPU Elementary School		
53	Mr. Agustin L. Rote	Student, CPU Graduate School	0920-35957641	agustinlrote69@yahoo.com
54	Dr. Nathaniel M. Fabula	VPAA, Central Philippine University	(033) 3297676	nmf_admn@cpu.edu.ph
55	Dr. Alma Frondosa	CPU College of Medicine	0917-4417779	tita_doc2003@yahoo.com
56	Mr. Jose Huatea, Jr.	Iloilo Business Club	033-3206646	josejr.huatea@yahoo.com

Annex 2 Program of Activities

Time	Activity	Person(s) Responsible
<i>Morning</i>		
10:45	Singing of the National Anthem	Ms. Joyce Somosierra
10:50	Opening Prayer	Rev. Joniel Howard Gico
11:00	Welcome Remarks	Dr. Agustin Pulido, CPU ManCom Chair
11:03	Welcome Remarks	Mr. Bert Hofmann, WB Country Director
11:05	Introduction of Participants (by table)	
11:15	Presentation: MTPDP 2004-2010	Ms. Ro-Ann Bacal, NEDA Director for Region VI
11:25	Presentation: The World Bank Group and the Current CAS for the Philippines	Ms. Leonora Gonzales & Ms. Lada Strelkova, WBG
11:45	Presentation: The IFC	Ms. Kim Herrera
11:50	Open Forum	
<i>Afternoon</i>		
12:55	Lunch Break	
1:50	Knowledge Café	Mr. Oman Jiao & Co-Facilitators
3:20	Presentation: Stakeholder Feedback	Ms. Leonora Gonzales, WBG
	<i>Facilitators' Reports:</i>	
3:35	Question 1: Set 1	Dr. Reynaldo Dusaran
3:45	Question 1: Set 2	Ms. Pauline Nayra
3:50	Question 2: Set 2	Ms. Agnes Villarruz
3:58	Question 2: Set 1	Atty. Myrish Antonio
4:08	Question 3: Set 1	Ms. Roseo Depra
4:15	Question 3: Set 2	Mr. Emmanuel Areño
4:33	Presentation: Emerging CAS Themes	Ms. Lada Strelkova, WBG
4:39	Open Forum	
5:25	Closing Remarks	Mr. Bert Hofmann
5:35	End of Consultation	

Annex 3
Participants' Responses to Question 1:
Causes of Worsening Poverty and Recommended Solutions

Knowledge Café Set 1

FACILITATOR: MS. PAULINA NAYRA, Executive Director – Runggiyan Social Development Foundation, Inc. (Tacloban, Leyte)

Table 5. Output of Knowledge Café Set 1

CAUSES	SOLUTIONS
1. Graft and corruption, especially at the national level.	<ul style="list-style-type: none"> • Implement transparency and accountability in national and local government.
2. Lack of livelihood and employment opportunities.	<ul style="list-style-type: none"> • Implement microfinance projects with social insurance and capacity building for micro enterprises.
3. Depleted natural resources: declining soil fertility and marine resources, as well as high capital requirements for aquaculture.	<ul style="list-style-type: none"> • Stop deforestation and implement reforestation. • Adopt environment-friendly farming practices. • Enforce fishery regulations. • Provide support for aquaculture development that will include and benefit marginalized sectors (fisherfolks). • Redistribute wealth through agrarian and other asset reforms.
4. Rapid and unprogrammed population growth.	<ul style="list-style-type: none"> • Enactment of reproductive health bill.
5. Poor governance and lack of participatory governance.	<ul style="list-style-type: none"> • Promote participatory governance and community-based development. • Utilize community-driven development approaches.
6. Weak public institutions due to the lack of qualified public servants, incompetent service providers and self-centered political interests.	<ul style="list-style-type: none"> • Create service reforms. • Continue capacity building. • Implement early retirement policy for government employees.
7. Decrease in disposable income due to low minimum wage and inflation. (Note: A participant mentioned that 60% of employers in the region do not comply with labor and wage standards.)	<ul style="list-style-type: none"> • Increase minimum wage. • Implement the approved increase in minimum wage for the workers.
8. Poor delivery of basic social services, especially, health and education:	<ul style="list-style-type: none"> • Undertake education reforms at the basic, vocational, tertiary levels.

education is not responsive to national and local development needs, while poor nutrition is prevalent among the people.	<ul style="list-style-type: none"> • Conduct family life and wellness education and integrate positive Christian values. • Reform the Filipino psyche using mass media.
9. Poor infrastructure facilities because of the incompetence of service providers and graft and corruption.	<ul style="list-style-type: none"> • Build better farm-to-market roads. • Implement flood control systems, especially in Panay.
10. Anti-development trade and industry policies, e.g. import liberalization and lack of incentives for local producers.	<ul style="list-style-type: none"> • Carry out trade reforms on policies and infrastructure. • Implement nationalist industrialization.

Knowledge Café Set 2

FACILITATOR: DR. REYNALDO DUSARAN, Dean, College of Agriculture – Central Philippine University (Iloilo City)

Table 6. Output of Knowledge Café Set 2

CAUSES	SOLUTIONS
1. Poor delivery of basic social services.	<ul style="list-style-type: none"> • Increase budget allocation for basic social services. • Develop sustainable social services delivery mechanisms (e.g., community-based delivery mechanisms).
2. Poor quality of education, particularly in the rural areas.	<ul style="list-style-type: none"> • Hire good quality teachers. • Provide good education facilities. • Lessen political intervention, particularly in hiring teachers. • Re-orient educational objectives, e.g., towards more culture-based curriculum development. • Increase budget allocation. • Improve information system delivery for easy use and understanding.
3. Environmental degradation.	<ul style="list-style-type: none"> • Upscale implementation of existing projects/programs. • Strictly enforce existing environmental laws. • Avoid environment-sensitive or degrading investments. • Preserve potable water supply resources. • Utilize selected inmates for forest rehabilitation and protection.
4. Graft and corruption.	<ul style="list-style-type: none"> • Implement the Moral Recovery Program thoroughly.

	<ul style="list-style-type: none"> • Conduct values re-orientation. • Provide appropriate role-modeling for the youth. • Pay the right amount of taxes.
5. Over-population.	<ul style="list-style-type: none"> • Implement the family planning program thoroughly. • Involve men in family planning education. • Decentralize investments to rural areas to avoid concentration of population in urban cities, e.g., government support to increase agricultural production and make farming profitable. • Advocate for a realistic stand of the church on population issues.
6. Culture of political patronage.	<ul style="list-style-type: none"> • Conduct education for political leadership. • Conduct pro-people political education. • Improve the people's condition (socio, economic, political). • Appoint qualified persons who can deliver. • Provide mechanisms to establish a level of political playing field.
7. Low agricultural productivity.	<ul style="list-style-type: none"> • Provide micro financing in agriculture at low or minimal interest rates. • Provide incentives to farmers. • Conduct farmers' training. • Provide market support services to farmers. • Provide social and physical infrastructure support to farmers. • Convert farmers into entrepreneurs.
8. Military operations against rebels.	<ul style="list-style-type: none"> • Ensure that military operations are well-planned. • Encourage dialogue and agreement among military, LGUs and POs.
9. Unemployment and underemployment.	<ul style="list-style-type: none"> • Provide skills training to match job requirements. • Create job-generating projects. • Enhance support to SMEs.
10. High cost of electricity / power.	<ul style="list-style-type: none"> • Develop more renewable energy sources. • Establish community-owned and-managed power supply systems.

Annex 4
Participants' Responses to Question 2:
Causes of Inadequate Performance of Public Institutions and
Recommended Solutions

Knowledge Café Set 1

**FACILITATOR: ATTY. MYRISH ANTONIO, College of Law, Siliman University
(Dumaguete City, Negros Oriental)**

Table 7. Output of Knowledge Café Set 1

CAUSES	SOLUTIONS
1. There are governance issues closely related to public administration.	<ul style="list-style-type: none"> • Electoral reforms must be made at critical phases (e.g., nomination, endorsement, monitoring) and lead to a mature electorate. • Government officials and employees must have adequate education and training in public administration. • Government employment and appointment must be merit-based. • There should be transparency in governmental transactions. • Political will should be pushed forward.
2. Corruption is both widespread and endemic.	<ul style="list-style-type: none"> • Standards for accountability should be clearly established. • Corrupt officials should be immediately and effectively removed. • Civil society should monitor government officials, employees and projects. • There should be electoral reforms to prevent election of potentially-corrupt and corrupt officials. • The lifestyle checks on government officials should be institutionalized. • There should be education on how to identify corrupt practices. • Transparency of government transactions should be promoted.
3. A huge and circuitous bureaucracy hampers adequate delivery of public services.	<ul style="list-style-type: none"> • The bureaucracy – both in offices and processes - must be streamlined. • The governmental system should be more decentralized in order to give rise to a more local government system. • Time in processing government

	transactions must be shortened and minimum requirements lessened.
4. Government officials and employees do not have a strong set of work values.	<ul style="list-style-type: none"> • A Moral Recovery Program should be implemented. • There should be evaluation of public servants using performance standards. • There is a need for the training and re-orientation of government employees and officials. • Public servants should be exposed to best practices to help re-shape their sense of (work) values.
5. Government employees have inadequate job preparation.	<ul style="list-style-type: none"> • Government must undertake proper hiring mechanisms, which should include a qualification-based system. • Government employees must receive proper job orientation and instructions as well as regular performance evaluation. • There should be continuing training related to the work assignment of government employees. • The government compensation system must provide for motivation and incentives.
6. There are limited financial resources.	<ul style="list-style-type: none"> • Government agencies should prioritize their programs. • Government employees should capacitate themselves to network with other public and private institutions. • Government employees must receive proper motivation to perform adequately despite meager resources. • Public institutions must strengthen counterpart contributions.

Knowledge Café Set 2

FACILITATOR: MS. AGNES VILLARRUZ, Executive Director – Gerry Roxas Foundation, Inc. (Roxas City, Capiz)

Table 8. Output of Knowledge Café Set 2

CAUSES	SOLUTIONS
1. Lack of or weak citizen participation in all aspects of local governance.	<ul style="list-style-type: none"> • Strengthen local development councils and local special bodies. • Professionalize elective leaders. • Upgrade qualification standards for elective officials.

	<ul style="list-style-type: none"> • Focus support on lower-level government units and communities. • Provide continuous capacity building for NGOs and POs.
2. Incompetence in management and leadership.	<ul style="list-style-type: none"> • Provide continuing capacity building on project management monitoring and evaluation for local officials. • Provide for motivational programs and awards for best practices and outstanding leaders. • DILG must improve its performance to capacitate LGUs.
3. Strong political partisanship, resulting in (among others) lack of institutionalization of donor-funded projects.	<ul style="list-style-type: none"> • Institute mechanisms and measures for transparency and accountability. • Integrate projects in local plans with the corresponding budget allocation. • Advocate policy and electoral reforms in the selection of elected leaders. • Integrate value-based governance in the school curriculum.
4. Unfunded LGU mandates.	<ul style="list-style-type: none"> • Streamline national or local programs. • Re-define the devolution mechanism.
5. Inadequate revenue-generating capacities of local governments.	<ul style="list-style-type: none"> • Enact reforms in BIR on taxation. • Build an enabling environment for local entrepreneurship. • Undertake regular review and updating of the Revenue Code. • Simplify processing of business and other transactions with government.
6. Tendency to fund short-term projects that address problems in a palliative way.	<ul style="list-style-type: none"> • Provide capacity building on program development and management.
7. High cost of political campaigns.	
8. A preference to support the infrastructure projects of politicians.	<ul style="list-style-type: none"> • Enact national and local prioritization guidelines for project identification and implementation. • Install a management information system (MIS) or database for informed local decision-making.
9. Too many layers of local representatives.	<ul style="list-style-type: none"> • Raise the age limit for Sangguniang Kabataan representatives to at least 25 years old.

Annex 5
Listing of Priority Programs
that should be included in the new CAS

Knowledge Café Set 1

FACILITATOR: MR. EMMANUEL AREÑO, Executive Director – Iloilo CODE NGOs, Inc. (Iloilo City)

Table 9: Output of Knowledge Café Set 1

SUGGESTED PROGRAM(S)	JUSTIFICATION
1. Population, health and development.	<ul style="list-style-type: none"> • Growing population, development aggression. • Increasing incidence of diseases. • Harmful practices in agriculture, fishing and economics.
2. Good governance in environmental resource management.	<ul style="list-style-type: none"> • Region is under massive environmental attack (prevailing harmful practices, use of dirty energy technology, intrusion of big mining and energy (power) projects in environmentally critical areas). • Watershed areas have a critical role.
3. Capacity building in local governance.	<ul style="list-style-type: none"> • KDC needs to be publicly known to more people. • Knowledge development and tools should be popularized.
4. Improved social services.	<ul style="list-style-type: none"> • Basic education projects are not felt in rural communities.
5. Transparency & accountability.	<ul style="list-style-type: none"> • Truth is being distorted. • There is no access to vital information.
6. Social security.	<ul style="list-style-type: none"> • Phil Health for the poorest of the poor.
7. Partnership development.	<ul style="list-style-type: none"> • Trade unions should be included in dialogues. • This will augment the income and security of workers.
8. Disaster risk reduction (DRR).	<ul style="list-style-type: none"> • There is need for a shared DRR framework. Currently, different organizations have their own brand of disaster response.
9. Climate change adaptation.	<ul style="list-style-type: none"> • There is need to adapt lifestyle, practices and economic activities.
10. KALAHI CIDSS.	<ul style="list-style-type: none"> • Program implementation is decentralized and based on CDD. This is one of the best programs of the WB.
11. Local economic development.	<ul style="list-style-type: none"> • This is one solution to poverty

	alleviation.
12. Diversified farming.	
13. Sustainable development.	
14. CARP completion.	

Knowledge Café Set 2

FACILITATOR: MS. ROSEO DEPRA, Executive Director – Negros Economic Development Foundation, Inc. (Bacolod City, Negros Occidental)

Table 10: Output of Knowledge Café Set 2

SUGGESTED PROGRAM(S)	JUSTIFICATION
1. Food sufficiency and security programs that will improve farm gate prices of the produce of farmers and promote collaboration between the government and private sector.	<ul style="list-style-type: none"> • Introducing farmer entrepreneurship programs would improve the economy of the rural areas and discourage migration to urban centers. • This will ensure food sufficiency and security in the region and country.
2. Electoral reforms.	<ul style="list-style-type: none"> • There is a need to raise the qualifications of elected officials. The educational background, competence, integrity, moral values and track record of candidates should be looked into.
3. Basic social services (health, education, nutrition, water and sanitation).	<ul style="list-style-type: none"> • This is one of the ways to break the cycle of poverty. • Literacy in the region is deteriorating. • The quality of education, especially in public schools, is likewise deteriorating. • There is no “trickle-down” effect in terms of basic services.
4. Population management.	<ul style="list-style-type: none"> • It is a fact that our population is rapidly increasing and this is one area that should be given much attention.
5. Disaster management.	<ul style="list-style-type: none"> • Communities are ill-equipped in responding during disasters. There is a need to capacitate not only the LGUs but also the communities and other stakeholders.
6. Waste management.	<ul style="list-style-type: none"> • Waste water has been a long-neglected area. (Note: Some participants said that, apart from waste water, industrial waste should be considered as well.)
7. Upscale urban development / re-development efforts of communities.	
8. Support citizenship and leadership development programs for the students	

and out-of-school youths as the next generation of leaders.	
9. Climate change adaptation: climate proofing.	

Annex 6
Participants' Responses to Question 3:
Listing of ISSUES that the WBG should not be involved with

Knowledge Café Set 1

FACILITATOR: MR. EMMANUEL AREÑO, Executive Director – Iloilo CODE NGOs, Inc. (Iloilo City)

Table 11: Output of Knowledge Café Set 1

ISSUES THAT THE WB SHOULD AVOID	REASON(S)
1. Policy of government on the importation of goods.	<ul style="list-style-type: none"> • Rice importation program of government (DA) is a failure. • Technologies developed in the Philippines have been copied by foreigners and Filipinos have ended up as consumers of goods produced by these technologies.
2. Low regard for agricultural education.	<ul style="list-style-type: none"> • Low enrollment of students in courses in Agriculture. • Lack of incentives to students and businesses engaged in agriculture.
3. Mining projects that are not supported by communities.	<ul style="list-style-type: none"> • Detrimental effects of mining to the community.
4. Use of foreign consultants.	<ul style="list-style-type: none"> • Minimize foreign consultants and maximize the local experts.
5. Avoid giving cash grants and subsidies.	<ul style="list-style-type: none"> • Sustained social security measures must be put in place instead.
6. Electoral politics in 2010.	<ul style="list-style-type: none"> • The majority felt that involvement in the 2010 elections would erode the credibility of the WB. (One participant commented, however, that the WB could contribute to electoral reforms, such as: [a] policy reforms (e.g., putting in place a nomination process; [b] examining the comparative advantages of a two-party vs. multi-party system) and [c] leveling the playing field, e.g. supporting qualified candidates who do not have the resources to run.)
7. Conversion of agricultural lands.	

Knowledge Café Set 2

FACILITATOR: MS. ROSEO DEPRA, Executive Director – Negros Economic Development Foundation, Inc. (Bacolod City, Negros Occidental)

Table 12: Output of Knowledge Café Set 2

ISSUES THAT THE WB SHOULD AVOID	REASON
1. Partisan politics.	<ul style="list-style-type: none">• WB should not be involved in partisan politics so that it is not perceived to be influencing government policies.
2. Human rights violations.	<ul style="list-style-type: none">• WB should not support or fund enterprises or industries that encourage human trafficking, sex slavery and those that employ minors.
3. Mining (do not fund investments).	<ul style="list-style-type: none">• This is because of the bad effects of mining on the environment.
4. Indigenous peoples.	<ul style="list-style-type: none">• A participant sought clarification on why the majority had identified work with IPs as a program that the WB should avoid. Another participant responded that it is all right for the World Bank to help IPs as long as the cultural heritage of the latter is preserved.

Annex 7
Participants' Comments during Open Forum 1²
(Discussion of current CAS for the Philippines)

1. World Bank Support for Environment:

- A CSO representative from Bacolod City said the crisis of the century is environmental; deforestation is linked to climate change. We should stop deforestation, e.g. Mt. Kanlaon.
- A representative from the academe said he has not heard if there is any sustainable development program being undertaken.
- A CSO representative from Samar said marine environment in the Visayas is different from Luzon and Mindanao. WB report also showed fisherfolks to be among the poorest in the country. He asked if there will be time to discuss these issues.
- Bert Hofman, *WBG* – said the WB has not been as actively engaged in environmental issues in the Philippines as it is in other countries. It does have a national program support for the DENR work on watershed improvement and some forestation. Environment, he said, is not in the core of the current WB agenda, but it is one of the strategic choices that the WB could make. WB could identify support to protect the Philippine environment and actually contribute to the reduction of global warming, e.g. packaging/structuring a program with the government that could be “sold” to the international market of carbon reduction. The other big priority that has come up in the light of global food crisis is agricultural productivity, which may be linked to environmental soundness. If you are doing a project with the WB, you have to abide by all of the WB’s environmental safety measures.

2. Philippine Fiscal Stability:

- A CSO representative from North Western Panay said it is good to hear that fiscal stability has improved in the Philippines. But how much of that comes from exported labor?
- A NEDA representative said improved fiscal stability is due to improved tariff and VAT collection. The government is looking at more strategic ways to reach out and get more families out of the poverty threshold.
- Bert Hofman, *WBG* – noted that fiscal stability seems to be improving, but the poverty rate is also growing. Two thoughts to address poverty: a) think of direct poverty alleviation measures, including programs like KALAHI CIDSS; b) sectoral composition of growth – focus on areas in which more people can be employed, e.g. agriculture.

² The names of participants who gave their inputs and insights during the Open Forum, except WBG representatives, are kept confidential because WBG did not have the permission to make their identities public.

3. Participatory Planning Processes:

- A CSO representative from Negros Occidental asked if the World Bank have advised the government to continue the process of participatory planning before they do the MTPDP.
- A NEDA representative explained that planning is done at various levels, i.e., regional and national, involving multi-stakeholders (including NGOs) in putting together the MTPDP.

4. The Corruption Ranking of the Philippines:

- A government official from Capiz noted that the Philippines has risen in the ranking of corruption. Is the WBG still willing to support the country?
- Bert Hofman, *WBG* – he explained that the WBG has a fiduciary responsibility to its shareholders that the Bank’s money will not be abused. WBG procurement processes are quite strict. He said checks and balances have been put in place, and noted that NGO engagements like Road Watch have been very helpful. He said WBG is taking care of its money but they also want to be able to put some systems with government to make sure that objectives are met, e.g. Procurement Law.

5. WB Partnership with NGOs and Private Sector:

- A representative from a government agency said she hopes that the projects that will be supported by the WBG will address the real needs of the communities. She said maybe the WB can work with NGOs and the private sector and make LGUs and the government as partners only. It is important to see the true meaning of poverty alleviation so that corruption will be eradicated or minimized.

6. WB Input to Government Policy:

- A CSO representative from Cebu asked how the WB help the government look at the kinds of investments or priorities we should be taking in light of all the current problems the country is facing. What is the Bank’s position on mining in terms of policy and investment?
- Bert Hofman, *WBG* - on prioritization: the WBG wants to know what the priorities are and if the WBG has a comparative knowledge vis-à-vis other lead agencies, e.g. ILO may have more knowledge on labor issues, JBIC may have more knowledge on flood control, etc.
- Bert Hofman, *WBG* - on mining: he said it is a potentially good income generator for the Philippines but that the WBG recognizes the issues and controversies surrounding it and need to give it more thought.

7. Effects of Financial Crisis on WB Support to the Philippines:

- A CSO representative from Negros asked about the possible effects of the current financial crisis in the US to WBG’s assistance not just in the Philippines but in other countries.
- Bert Hofman, *WBG* –on crisis in the US: he said they see a major financial slowdown in the world and this will have effects on financial flows.

8. World Bank and the Population Issue:

- A representative from the academe said one of the causes of poverty is over-population. She asked if the WBG has a program on population control in the Philippines. She also asked if the CAS assists programs aimed at prevention / control of flooding, post-flooding rehabilitation, and the like.
- Bert Hofman, *WBG* – programs to address population issues include: a) women education – information sharing, b) rural electrification, c) social safety nets.

9. World Bank and Labor:

- A representative from a labor union said he believes the WBG can help the labor sector by forging a partnership in educating, assisting businesses or livelihood to help them augment their income or revenue
- Bert Hofman, *WBG* – said the WBG has to look into labor partnerships some more.

10. Need for Consistency in Project Planning and Implementation:

- A representative from NEDA said that one of the things observed at NEDA is that there are a lot of agencies whose programs and projects are developed at central offices and, when ground implementation starts, the necessary support are not all downloaded. She said she hopes financial institutions can influence in correcting the current methodology in managing resources, that is, too much spent on administrative costs and little resources left for actual ground implementation.

Annex 8
Participants' Comments during Open Forum 2³
(Discussion of Knowledge Café/FGD Results)

1. Climate Change and Environment:

- A CSO representative from Samar suggested that WB look at the connection between climate change and fish production in the Philippines.
- A CSO representative from Cebu hoped that in terms of global issues, WB could also look into sustainable consumption and production, green and sustainable cities, vulnerability assessment and climate proofing.

2. Population and Poverty:

- A representative from the academe asked if population is indeed a cause of poverty. Comparing the Philippines with Hong Kong (in terms of population) gives rise to the question on whether the Philippines is using its manpower properly.
- Bert Hofman, *WBG* – said that the WBG needs to do more research on population issues. One of the programs that WB supports is conditional cash transfers (CCT) to poor families. Another program to address poverty is the KALAHI-CIDSS, which is a very good program.

3. Working with IPs as an Issue to be Avoided by the World Bank:

- A CSO representative from North Western Panay wanted to know why work with IPs was identified as a program that the WB should avoid.
- A CSO representative from Cebu made a clarification on work with IPs: he said they do not mind WBG helping the IPs for as long as the IP's cultural heritage is preserved.
- A representative from the academe said let us understand the IP culture and learn from them.
- A government agency representative said IPs are different because of their culture. WBG should recognize the rights of the IPs and not change their culture.
- Bert Hofman, *WBG* - the WBG is against changing the culture of IPs. WB supports work with IPs because the alleviation of poverty is a major WB program and IPs have very high poverty incidence. WB works in alleviating poverty in this sector while preserving their culture.

4. World Bank Support for Electoral Reforms:

- Nor Gonzales, *WBG* – asked for some clarification on what the participants want the WBG to do with regard to electoral reforms. Some participants say that the WBG should support electoral reforms while others say that WBG should not get into partisan politics.

³ The names of participants who gave their inputs and insights during the Open Forum, except WBG representatives, are kept confidential because WBG did not have the permission to make their identities public.

- A CSO representative from Cebu said WBG contributions in election reforms could include: policy reforms (e.g., putting in place a nomination process, examining the comparative advantages of a two-party vs. multi-party system), leveling the playing field, e.g. supporting qualified candidates who do not have the resources to run.
- Bert Hofman, *WBG* – said that WBG needs to be invited in order to be able to play; electoral commission invited the WBG to help, and WBG is very happy because of the opportunity to engage.

5. Corruption and Good Governance:

- A representative from the academe said corruption is rooted in our identity. The basic question, however, is whether the Filipinos know themselves? He said we should trace our history and make our own identity.
- A local government representative from Iloilo suggested that the program focus should be on transparency and accountability in governance.
- A representative from a government agency shared that their project, “The Diversified Farm Income and Market Development Project” promotes transparency and accountability.
- Yasuhiko Matsuda, *WBG* – said that one of the things that the WBG is trying to do is improve transparency of the budget, i.e., making sure that public resources are well-allocated and accounted for. This is one way to operationalize good governance.