Philippines Annual Program Performance Report 2011

July 2012

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This report summarises the aid program’s progress in the Philippines in 2011—a transition year between the end of the previous country strategy (2007–2011) and a new strategy.

Although the new strategy objectives were not formally agreed with the Philippines Government until March 2012 when the *Australia-Philippines Development Cooperation Strategy Statement of Commitment 2012–2017* was signed, results in 2011 are assessed against these new objectives.[[1]](#footnote-1) With the move towards the new country strategy, much of the progress in 2011 was to consolidate existing activities, design new programs and prepare sectoral delivery strategies to support the new directions. Two large activities were mobilised in 2011 – the Public Financial Management Program and Coalitions for Change. Foundational research and analytical activities were undertaken to inform the design of major new programs in education and disaster risk reduction.

Context

The Philippines faces longstanding social and economic challenges. It is a lower middle-income country but has entrenched regional disparities and social inequities. An estimated 42 million Filipinos live on less than $2 a day. Conflict affected areas of Mindanao in the south record the highest levels of poverty. Annual population growth remains high at over 2 per cent. In 2011, poverty reduction efforts were thwarted by Typhoon Washi (Sendong). The rise in hunger incidence was pronounced in the Visayas and Mindanao—two regions hardest hit by the typhoon. The Philippines is not as poor as other countries in the region, but weak governance in particular holds it back from realising its economic potential.

The country benefits from a stable economic and fiscal outlook and a popular government, led by President Aquino, which is committed to improving governance and reducing poverty. The national budget for 2012, Aquino’s second, reflects the priority he places on transparency, empowering the poor and generating employment––all components of the government’s efforts to create an enabling environment for inclusive growth and social progress.

Tightening expenditure controls slowed public spending in 2011. This, along with weak external demand from the sluggish global economy, pulled down economic growth to 3.7 per cent in 2011, just half the previous year’s record growth of 7.6 per cent. The prospect of raising government spending is better in 2012.

The international community is noting the positive changes. The Philippines climbed five places in Transparency International’s Corruption Perceptions Index for 2011, though it still ranks 129 out of 182 countries. The country’s competitiveness ranking improved from 85 to 75 in the 2011 Global Competitiveness Index. This is the largest year-on-year improvement among the 142 countries, and a record for the Philippines since it entered the World Economic Forum in 1994.

However, human capacity in the Philippines is not improving fast enough. The country will struggle to achieve its Millennium Development Goals targets for education and maternal health. Current data[[2]](#footnote-2) for progress on universal primary education shows that four out of five indicators have a low probability of being achieved. For example, current indicators show that less than 68 per cent of school age children will complete primary school and less than 40 per cent will complete secondary school. These indicators are worse for marginalised indigenous and Muslim children. The implications for economic development and social cohesion are considerable.

Maternal mortality is relatively high for a lower middle-income country and the rate of decrease in maternal deaths is very slow – 162 maternal deaths per 100 000 live births remains far above the target of 52 by 2015.

In 2011 the Philippines ranked world number one for number of disasters experienced. The country is globally rated the third most disaster prone and sixth most vulnerable to climate change impacts. Disasters regularly drive vulnerable people into poverty and in bad years can reduce Gross Domestic Product by as much as 2 or 3 per cent. Typhoon Washi (Sendong) affected up to 1.2 million people in December 2011 and the death toll of 1427 was alarmingly high. Over 52 000 homes were damaged as well as thousands of livelihoods and much infrastructure, including roads, schools and hospitals. Approximately 357 000 people were left homeless.

AusAID’s new Philippines country strategy helps translate into action the Aquino Administration’s anti-poverty and good governance policies and commitments. A major focus is to help build the foundations of good governance within our partner institutions and improve their capacity so they can deliver better services in a sustainable way to all Filipinos, particularly the most vulnerable.

Program objectives and strategy

Negotiations with the Philippines Government on the focus and objectives of the new country strategy began during 2011. Formal agreement to the strategy took place in March 2012 with the signing of the Statement of Commitment. It confirms two strategic objectives for the country strategy:

* strengthen basic services for the poor
* reduce vulnerabilities arising from climate change and conflict.

The strategy reaffirms Australia’s commitment to achieving real results through a more focused and consolidated program, with the four sectoral sub objectives––education, local government service delivery, disaster risk management, peace and security––underpinned by an objective relating to better governance.

**1. Improved education**

* *Increased access, participation and completion rates for elementary and secondary education.*
* *Improved learning outcomes in English, mathematics and science.*
* *Strengthened management and information systems for evidence-based decision making in policy, planning, operations and budget execution.*
* *Strengthened school based management.*
* *Strengthened management of the government’s social protection frameworks as a means to improve education outcomes.*

**2. Improved local government capacity to deliver basic services**

* *Greater transparency and accountability to enable local governments to be more responsive to the needs of citizens, especially the poor.*
* *Greater people’s participation (from private sector, civil society, general public) in local governance decision-making and implementation processes.*
* *Greater local government effectiveness in provision of services for the poor, including road infrastructure.*

**4. Improved conditions for peace and security**

* *Working to build more capable and legitimate institutions in conflict-affected areas.*
* *Expanding economic opportunities for conflict-affected populations.*
* *Strengthening foundations for a negotiated peace.*
* *Reducing vulnerabilities for conflict-affected populations.*

**5. Supporting the foundations for accountable, transparent, effective and inclusive governance**

**Public financial management – human resource development and institutional strengthening –**

**Civil society – incentive based approaches – gender equitable and inclusive development approaches**

* *More transparent, efficient and effective public financial management.*
* *Improved civil society capacity to engage government in constructive partnerships for reform.*
* *Improved government capacity to pursue organisational and institutional change, and to partner with civil society, to improve the accountability and transparency of government operations.*
* *Solicited, public-private partnerships to fund priority infrastructure projects through open, competitive bidding established as the usual practice.*

**3. Strengthened climate change adaptation and disaster risk management**

* *Local government units and other stakeholders, especially in urban areas, are collaboratively planning and implementing appropriate local climate change and disaster risk management action strategies.*
* *Philippine government agencies are providing strategic leadership to enable local government units to implement effective climate change and disaster risk management policies and programs.*

**Reducing vulnerability arising from   
climate change and conflict**

**Strengthening basic services   
for the poor**

Since Australian aid forms less than 0.06 per cent of Philippine Gross National Income, Australia has sharpened its efforts to a small number of sectors where it has a strong track record and can make a difference. A consolidated program also means that we need to work through a coordinated approach with government, civil society, the private sector and other donors.

The focus of Australia’s aid program in the Philippines recognises that growth has not been broad-based or inclusive and the link between growth and poverty reduction has been weak. Restructuring the Philippines economy for higher growth is the role of the Philippines Government, but Australia can support the government provide services to the poor and vulnerable while the economy goes through its required transformation.

Australia will promote opportunities for all by improving education outcomes, and access and completion rates for elementary and secondary education. The education bureaucracy will be supported to deliver better policy, planning and delivery of programs to all Filipino boys and girls, including the most vulnerable such as indigenous children and children with disability.

A strong focus on local government service delivery is required as this sector is responsible for providing many basic services to the poor. Australian assistance seeks to improve transparency and accountability of local governments so they can efficiently provide quality services, particularly road infrastructure which is essential to facilitate better access for people to other services such as health and education.

The country is highly vulnerable to disasters, and the Philippines-Australia Development Partnership is working to ensure that the poorest and most vulnerable become more resilient to the impacts of disasters and climate change.

Poverty is highest in conflict-affected areas. Australia is helping to create a more secure environment for social and economic development in these areas by supporting enhanced education services and, on a more modest scale, training security forces to better manage conflict and increase economic linkages with more developed regions of the country.

Poor governance is a binding constraint on inclusive growth and delivering better services to the poor. Australian aid helps improve governance by building capacity within Philippines Government institutions and facilitating partnerships between government and civil society to create stronger demand and a greater ability to provide accountability for change.

Official Development Assistance (ODA) is a small fraction of the Philippines economy but it can make a difference if targeted at key constraints to poverty reduction. Australia is the largest bilateral grant donor to the Philippines with 30.6 per cent of total grant aid. Australian aid plays an important role in helping the government tackle its ambitious reform agenda to generate inclusive growth. It does this by funding priority programs and expert advice on policy and reform, and increasing aid effectiveness through partnerships that maximise policy influence and program impact.

In line with international aid effectiveness principles, Australia aims to deliver our aid using government systems wherever possible and after their fiduciary capabilities have been assessed. We work in partnership with the Philippines Government to strengthen these systems, and monitor development activities with the government and civil society to ensure results are achieved.

Australia is increasingly partnering with other donors and 43 per cent of the program (by value) is delivered through multilateral partners such as the World Bank and United Nations Children’s Fund. The program is expensing 3.8 per cent of funds through non-government organisation partners (similar to the AusAID average of 4 per cent), such as Oxfam and the Philippines Red Cross. In our disaster risk reduction work, AusAID has particularly strong partnerships with other Australian Government agencies such as Geoscience Australia and CSIRO. A total of 49 per cent of the program is delivered through commercial contractors, over 20 per cent more than the agency average of 28.3 per cent. The large proportion of the program being delivered this way has been, historically, to ensure a high level of accountability in an environment where governance and government systems are acknowledged as weak.

Expenditure

Table 1: Estimated expenditure in 2011–12

| **Objective** | **A$ million** | **% of bilateral program** |
| --- | --- | --- |
| Objective 1: Improved education | $37 million | 35.2 |
| Objective 2: Improved local government capacity for basic service delivery | $29 million | 27.5 |
| Objective 3: Strengthened climate change adaptation and disaster risk management | $6.2 million | 5.9 |
| Objective 4: Improved conditions for peace and security | $14 million | 13.3 |
| Objective 5: Supporting the foundations for accountable, transparent, effective and inclusive governance | $19 million | 18.1 |

Source: www.ausaid.gov.au/country/philippines/default.cfm

A breakdown of expenditure by initiative is contained at Annex 1.

In 2011–12 ODA delivered through other Australian Government agencies is estimated at $2.8 million[[3]](#footnote-3) (an expenditure breakdown for 2010–11 is available at [www.ausaid.gov.au/country/philippines/default.cfm](file:///C:/Users/taylop/AppData/Roaming/Microsoft/Word/www.ausaid.gov.au/country/philippines/default.cfm)). The largest contributing agency is the Australian Centre for International Agricultural Research.

The centre’s Philippines program has increased its focus on the southern Philippines, working with farmers and fishers in selected provinces in the Visayas and Mindanao to increase productivity, profitability and sustainability.

Key achievements in 2011 include:

* providing project advice and materials through trained local extension officers to help farmers in Bohol, Visayas, improve their practices
* linking smallholder farmers into clusters so that they can access higher value markets
* successfully releasing hatchery-reared sea cucumbers into community managed fisheries across the Philippines.

In late 2011 the Australian Centre for International Agricultural Research finalised research priorities in the Philippines that target rural poverty and align with the Australian Philippines Development Cooperation Strategy 2012–2017. The centre’s new strategy will include addressing the adverse effects of climate change on smallholder livelihoods. AusAID will work with the centre in 2012 to ensure our climate change related activities are complementary.

Further information about the Australian Centre for International Agricultural Research’s country program in the Philippines is available at <http://aciar.gov.au/country/Philippines>

Progress against objectives

Table 2: Ratings of the program’s progress towards the objectives

| **Objective** | **Current rating** | **Relative to  previous rating** |
| --- | --- | --- |
| Objective 1: Improved education |  | Not applicable |
| Objective 2: Improved local government capacity to deliver basic services |  | Not applicable |
| Objective 3: Strengthened climate change adaptation and disaster risk management |  | Not applicable |
| Objective 4: Improved conditions for peace and security |  | Not applicable |
| Objective 5: Supporting the foundations for accountable, transparent, effective and inclusive governance |  | Not applicable |

Note:

 The objective will be fully achieved within the timeframe of the strategy.

 The objective will be partly achieved within the timeframe of the strategy.

 The objective is unlikely to be achieved within the timeframe of the strategy.

The traffic light rating is an assessment of whether the objective will be achieved by the end of the Philippines program period in 2016–17. The traffic light ratings have considered evidence and information gathered from Quality at Entry and Quality at Implementation analysis from country and delivery strategy work, and an assessment that the objective is appropriate and achievable. Because our six-year strategy has only just begun, and we have built into it any time needed for remedial action, the program has selected a green rating for all objectives at the outset.

Objective 1: Improved education

The education program is being consolidated into two major interrelated investment streams that can enable systems change where the most impact can be made:

* Basic Education Assistance for Mindanao’s Autonomous Region in Muslim Mindanao, which started in 2011
* the Basic Education Sector Transformation and the Social Protection/Early Childhood Care and Development Initiatives, which are being prepared and are anticipated to start in 2012–13.

With the scale of these investments, Australia will maintain its position as a lead grant donor in the sector over the next six years. Accordingly, the program is on track to meet this objective within the timeframe of the strategy.

Education remains AusAID’s flagship program in the Philippines under the 2012–2017 Statement of Commitment. Australia supports the Philippine Government’s decision to bring the basic education system into line with international standards and to improve education outcomes so that school graduates can participate productively in the workforce, vocational training or university studies. Expanding the current 10-year system to a kindergarten to Year 12 (K to 12) system[[4]](#footnote-4) is the largest education reform ever undertaken in the Philippines.

Efforts in 2011 focused on policy dialogue, research and building new partnerships. The development of an education delivery strategy underpins the design of new programming for national basic education reform, including targeting the most disadvantaged and marginalised populations in the Philippines.

In 2011 Australia consolidated its reputation with the Philippines Department of Education as a highly regarded, effective and influential partner in basic education reform, and an important source of evidence-based advice on technical aspects of implementing the new K to 12 policy. Support was not only to government, but also to civil society and other education stakeholders to plan and implement the policy. An example is a curriculum study[[5]](#footnote-5) led by the University of Melbourne. This shaped the design of the K to 12 curriculums to meet international standards, and has stimulated government’s demand for more research in teacher competency, curriculum delivery, student learning assessment and rationalisation of teacher education institutions.

The K to 12 expansion will place more pressure on an already under-resourced sector. Additional school years will require more classrooms and teachers. The Department of Education acknowledges it does not have the capacity to meet even the existing shortfall in classrooms. In 2011 Australia continued to assist the department to extend its national classroom building program by supporting community led planning and building of classrooms and toilets in disadvantaged areas. This program, delivered through a World Bank trust fund partnership, brings the total number of new classrooms built using school based management principles to 573 since 2008. The design of a new classroom construction initiative was also finalised during the year, which will enable new classrooms to be built using government systems and civil society engagement in the most remote areas.

Civil society and community involvement not only helps tackle the backlog but also supports a more effective and sustainable construction program by promoting a sense of local ownership of education facilities. Australia also began design work with the United Nations Children’s Fund and the Department of Social Welfare and Development to provide kindergarten and day care facilities, as well as teacher training and learning materials.

Our previous successful work on education management and information systems at the sub-national level continues to be adopted at the national level. In 2011 support focused on the national implementation of systems supporting information, learning resources and human resource management. The work forms the building blocks of a unified information system to improve operational management, policy, planning, and resource use. The roll out of the Enhanced Basic Education Information System developed with Australian support gives thousands of Department of Education senior executives, managers and school heads rapid online access to comprehensive and timely information on students, teachers and schools. AusAID also assisted the department in organisational development and restructuring to help it respond to rapidly growing student numbers and the K to 12 expansion.

In 2011 Australia continued support to the Department of Social Welfare and Development to strengthen its systems to deliver the Conditional Cash Transfer program.[[6]](#footnote-6) Robust systems ensure the poorest families can be targeted for this initiative and that school attendance and use of basic health services can be improved, which are requirements of the program.

The education program has a strong focus on the most disadvantaged and marginalised populations, including in the conflict affected areas of Mindanao. The Basic Education Assistance for Mindanao’s Autonomous Region in Muslim Mindanao (ARMM)[[7]](#footnote-7) features several innovations to improve learning outcomes in these areas. The complexity of this program and the sensitive relationships between the national and ARMM governments resulted in some program delays. However, a progressive and flexible ‘design and implement’ approach sustained momentum. Some activities were mobilised in advance to respond to immediate needs in ARMM while the detailed design of the longer-term support was being developed and approved. Our investment in relationship building, use of local experts and an understanding of the political economy in ARMM ensured that by August 2011 both governments approved the full design.

Plans to implement the BRAC[[8]](#footnote-8) alternative education model (based on its highly successful community education model) progressed in 2011 and will be an important feature of the basic education assistance initiative from 2012. The Department of Education is interested in extending the BRAC approach beyond Mindanao if good results are achieved.

Two other important partnerships in ARMM commenced in 2011 and are showing results. A partnership with the United Nations Children’s Fund is allowing Tahderriyah (Islamic) preschools to be expanded into conflict affected communities where there is limited access to public pre-schools. A partnership on school health with Germany’s aid agency GIZ[[9]](#footnote-9) was rolled out in provinces where ARMM local government executives committed to provide counterpart resources.

In pilot schools, this simple health program that promotes hand washing and teeth brushing demonstrated improved retention and participation rates by reducing student absences due to health problems such as diarrhoea and dental pain.[[10]](#footnote-10)

### Major program achievements

* Further implementation of school based management[[11]](#footnote-11) which, after only three years, is now being practiced in 80 per cent of all schools in the Philippines (approximately 45 000).
* More than 220 schools piloted a standard kindergarten curriculum enriched with Islamic values, which reached 6000 children aged 5 years old in public schools outside ARMM.
* In conflict affected ARMM, 300 Tahderriyahs were established and 9500 children were provided with age appropriate and culturally relevant teaching and learning materials.
* Daily health programs were integrated in 30 schools, including improved hand washing facilities.
* The Philippines Response to Indigenous and Muslim Education was launched to increase demand and provide culturally appropriate quality education. With community participation, plans formulated by target regions identified activities to address indigenous and Muslim learners’ concerns, and grants were released to five regions and 11 Department of Education divisions.
* The Social Protection Technical Assistance Facility was established to reduce the Department of Social Welfare and Development’s transaction costs through greater donor coordination and more timely technical inputs. As a result, the department successfully scaled up the Conditional Cash Transfer program to 2.3 million families.

Objective 2: Improved local government capacity to deliver basic services

Australia’s largest program in the Philippines is the Provincial Road Management Facility, which involves a $100 million investment over five years. The facility is behind schedule, however action is now being taken to get it back on track. Additional initiatives are being designed to complement the facility’s contribution to delivering road infrastructure, with a second major initiative due to start in late 2012. Accordingly, the program is considered to be on track to meet this objective by 2017 – the timeframe of the strategy.

The Provincial Road Management Facility is performance-based. In return for good governance reforms, provinces can access Australian aid to upgrade and maintain their core gravel road networks. Aspects of the facility are working well and partner provinces are increasing their local revenues to expand basic services, and increasing budget allocations for road maintenance. Roads upgraded by the program are helping to create local jobs for men and women, cutting transportation costs and increasing the access of poor Filipinos to basic services, such as schools and health clinics. Provinces’ budgets are more transparent and allow for easier expenditure tracking.[[12]](#footnote-12)

The facility is implemented in close partnership with the Philippine Department of Interior and Local Government. Three additional provinces have been selected for funding from the facility using Philippine Government performance and good governance indicators and it is now also well positioned to inform national level reforms. The incentives approach to governance reform underpinning the facility featured in the 2011–2016 Philippine Development Plan––the Philippine Government’s blueprint for accelerating development, reducing poverty and tackling corruption.

However, the facility’s implementation is behind schedule. For example, no road maintenance contracts were awarded in any partner province during 2011. A second wave of rehabilitation road projects was also delayed and as a result, expenditure against this priority outcome for 2011 was lower than planned. AusAID actively managed the firm delivering the Provincial Road Management Facility throughout 2011, culminating in a mutual agreement to change firms. AusAID and the Department of Interior and Local Government are working with 10 partner provinces to transition to new implementing arrangements while ensuring program delivery continues. New implementation arrangements will be put in place during 2012 and will ensure works are back on track and more sustainable outcomes are delivered, and reflect lessons learnt.

Other relevant investments in 2011 focused on strengthening the Philippines funding mechanism for local governments, the Performance Challenge Fund. The government plans to expand coverage of this fund and a concept was developed for a new Australian program to support performance-based budgetary allocations to reward local governments that pursue good governance reforms. Efforts during 2012 will build on the early work done in partnership with the World Bank in 2011 to help the Philippines scale up its investments under this priority development outcome, as envisaged in the 2012–2017 Statement of Commitment.

### Major program achievements[[13]](#footnote-13)

* Fifteen road rehabilitation projects were completed in 2011 benefiting at least 51 000 people and lowering transportation costs on select routes by 30 to 40 per cent in the provinces.
* To date, the Provincial Road Management Fund has helped partner provinces rehabilitate more than 70 kilometres of roads. The Philippines Program aims by 2017 to have maintained or rehabilitated a total of 1000 kilometres of roads.
* Partner provinces are increasing their local revenues to expand basic services with an average increase of 15 per cent each year for two years.
* Three new partner provinces were agreed with the Philippine Department of Interior and Local Government for Provincial Road Management Fund expansion, bringing the total to 10 provinces.
* All current partner provinces have established internal audit offices and carried out, for the first time, audits of provincial road maintenance activities. Local government capacities are being built in planning, budgeting and expenditure management.
* New national guidelines for rehabilitation and maintenance for provincial gravel roads were developed for pilot testing.

Objective 3: Strengthened climate change adaptation and disaster risk management

Two major lines of investment will be mobilised in 2012 to achieve strengthened climate change adaption and disaster risk management. They will substantially increase the program’s scale of investment, sharpen its focus and better position the program to influence positive change over the next six years. Accordingly, the program is on track to meet this objective within the timeframe of the strategy.

During 2011 climate change adaptation and disaster risk management featured as a priority outcome area in discussions with the government on the new country strategy. Throughout the year AusAID invested heavily in analysis to guide the program’s longer-term shift from response and recovery to risk reduction and preparedness, particularly focusing on urban areas where disaster risk is increasingly concentrated. Good progress was made shaping a delivery strategy for Australia’s climate change adaptation and disaster risk management work in the Philippines over the next five to six years. The major program, Building Resilience and Awareness of Metro Manila Communities to Natural Disasters and Climate Change Impacts (BRACE), was finalised and approved, and early preparations are underway for its implementation.

A review of Project READY[[14]](#footnote-14) was conducted to inform future programming options. An organisational assessment of the Office of Civil Defense – National Disaster Risk Reduction and Management Council was conducted[[15]](#footnote-15) to guide future investments to support organisational development agenda over the medium term.

The pace of program implementation was mixed throughout 2011 as the capacity of some Philippine partners was stretched from a succession of disasters (see below).

The most significant progress involved the Risk Analysis Project (Component 1 of the BRACE Program) with Geoscience Australia and Collective Strengthening of Community Awareness of Natural Disaster (CSCAND)[[16]](#footnote-16) agencies. State-of-the-art optical remote sensing Light Detection and Ranging Technology (LiDAR)[[17]](#footnote-17) data was captured for the greater metro Manila area[[18]](#footnote-18) and the initial dataset formally handed over to the Philippines Government. This is the first time LiDAR data has been captured for a major city in the East Asian region. In collaboration with Geoscience Australia, the CSCAND agencies are now using the data to generate exposure and vulnerability and risk models for earthquakes, floods and severe winds. The Philippine Government was so impressed with the potential of LiDAR it put aside 1.6 billion pesos to map other vulnerable areas in the country. Staff of CSCAND agencies noted an enhancement of their technical capabilities through their involvement in this modelling process. These models can transform the Philippines’ approach to assessing disaster risk and to reducing the vulnerability to future natural disasters of millions living in metro Manila.

AusAID increased its policy engagement with Philippine Government partners, such as the Metro Manila Development Authority, metro Manila cities, and the Housing and Urban Development Coordination Council. This positions the aid program, and in particular the BRACE program, to inform the government’s Resettlement Framework Policy and National Slum Upgrading Strategy, which are backed with 50 billion pesos of Philippine Government funds. Implemented well, these initiatives could directly reduce disaster risk for poor slum dwellers in metro Manila and indirectly benefit the rest of the city’s inhabitants. Increasing this engagement through 2012 is a priority.

AusAID also supported the Philippines to complete its National Framework Strategy and Action Plan on Climate Change, which promotes an integrated approach to disaster risk reduction and climate change adaptation.

During 2011, more natural disasters struck the Philippines than any other country in the world, including 33 typhoons. The Philippines ranked second, behind Japan, for casualties resulting from natural disasters – the death toll from tropical storm Washi alone reached 1500. The government and other partners, such as the Philippine Red Cross, were distracted from their ongoing work by the urgent need to respond to this barrage of disasters. AusAID’s pre-positioned stocks of essential non-food items with the Red Cross allowed rapid responses to communities affected by typhoons Nesat (Pedring), Nalgea (Quiel) and tropical storm Washi (Sendong). Australia’s disaster relief contribution during 2011 was $8.905 million. Given the huge economic and social impacts of catastrophic events in urban areas, AusAID developed with RedR Australia and the Philippines National Disaster Risk Reduction and Management Council a support package to establish and accredit urban search and rescue teams in major regional centres of the country.

### Major program achievements

* Strengthened partnerships between Australia (AusAID and Geoscience Australia), the National Disaster Risk Reduction and Management Council, and CSCAND agencies.
* Substantial progress made to build more accurate risk profiles of metro Manila to model the impacts of disasters in terms of human casualties, damage to houses and critical infrastructure, and crop losses.
* Completed multi-hazard maps for 14 provinces and generation of lessons to inform the next stage of hazard and risk mapping.
* Conducted nationwide capacity building on disaster risk and vulnerability assessment for all 81 provinces which benefited 346 provincial planners with learning that feeds into their provincial development and physical plans.
* Australia was the first and largest bilateral donor to provide a rapid response to disasters in 2011, including for typhoons Nesat, Nalgea and Washi. This cemented Australia’s position as a responsive neighbour in times of disasters and its key role on disaster risk management in the country.

Objective 4: Improved conditions for peace and security

Australia’s assistance is being streamlined to support four key outcomes for improving conditions for peace and security. A large number of disparate activities will be consolidated to focus on those outcomes throughout 2012–13. Key relationships and pilot activities are underway which position the program with confidence to meet this objective within the timeframe of the strategy.

During 2011 the program adjusted its approach to peace and conflict issues. The draft delivery strategy for conflict affected areas of Mindanao will enable the program to consolidate around the following sub-objectives:

* building more capable and legitimate institutions in conflict-affected areas
* expanding economic opportunities for conflict affected populations
* strengthening foundations for a negotiated peace
* reducing vulnerabilities for conflict affected populations.

A review of the Supporting Peace in Mindanao initiative – a flexible grant mechanism – was completed in 2011, the Basic Education Assistance for Mindanao in the Autonomous Region in Muslim Mindanao program began, and two new staff were hired to manage the move to a more coherent program.

In late 2011 the appointment of a reform-oriented interim administration in the Autonomous Region in Muslim Mindanao[[19]](#footnote-19) presented opportunities for AusAID to work on education and economic development policy, and to contribute to the Philippines broader reform agenda on open government.[[20]](#footnote-20)

A new in-country scholarship program was designed under the Philippines–Australia Human Resource and Organisational Development Facility, which focuses on future leaders from conflict-affected areas of Mindanao and has targeted 100 scholars for mid-2012 intake. The program has the potential to address the lack of quality tertiary options in parts of Mindanao, the economic disparities which limit choices for aspiring students in those areas, and the need to ensure that future leaders from Muslim Mindanao are supported.

The Supporting Peace in Mindanao initiative has operated since 2006 and has allowed AusAID to provide small grants to key local actors, often in response to important changes in the environment. The initiative also allows AusAID to support important work on sensitive issues in a low-profile, flexible manner, and has provided a mechanism for experimentation and incubation of innovative new ideas to address peace and security challenges. The initiative also provides a useful contribution to Australia’s broader diplomatic goals in Mindanao through, for example, capacity building and advisory support for peace, security and counter-terrorism activities. However, without a design or performance framework, the initiative has evolved into an ad-hoc program which, ultimately, has proved unable to demonstrate its contribution to the country strategy’s higher peace and conflict objective.

A review in 2011 confirmed this and recommended focusing support on the four sub-objectives listed above while gradually expanding the size of the initiative and reducing the number of individual activities.

Monitoring and evaluating peace-building efforts remains a challenge. Australian support through the Mindanao Working Group resulted in only marginal developments, including a draft set of indicators, but this is still a long way short of a unified performance framework for the government and donor community.

The progressive design and implement approach for the new education program for the Autonomous Region in Muslim Mindanao was boosted by AusAID’s leadership in using education as an entry point to peace and development. By working closely with the several changes in the region’s political leadership, the detailed design was prepared for longer-term education support to the region (see also objective 1). Effective networking with the Bangsamoro Development Agency[[21]](#footnote-21) strengthened the reach of Australian support to education in extremely difficult conflict affected areas.

With design processes ongoing, the program was still able to respond to immediate needs. Important partnerships progressed with GIZ on school health, and with the United Nations Children’s Fund to provide Islamic preschools (see results under objective 1: improved education). With Australian support, 564 children from conflict-affected barangays (18 Moro Islamic Liberation Front base commands) were registered with the United Nations Children’s Fund’s integration system for children associated with armed groups.[[22]](#footnote-22)

Assistance was also provided to the Department of Education in the Autonomous Region in Muslim Mindanao to:

* expand the reach of the department’s distance learning program by installing two radio repeater stations
* build its capacity for learning assessment
* install the human resources information system in all schools divisions
* improve selected school facilities during the Brigada Eskwela week.

### Major program achievements[[23]](#footnote-23)

* Establishing 300 Tahderriyahs in the conflict affected Autonomous Region in Muslim Mindanao, and providing 9500 children with age appropriate and culturally relevant teaching and learning materials.
* Helping a cluster of municipalities in the province of Maguindanao to develop an integrated development plan focused on linking their agricultural production areas with more developed markets, as well as identifying social development needs.
* Initiating studies to provide critical long-term data on two key challenges for development in the conflict-affected areas of Mindanao, one on understanding the economic drivers of conflict, and one on the state of local democracy in the Autonomous Region in Muslim Mindanao.
* Finalising the Mindanao 2020 report, which was funded by AusAID, completed in 2011 and will be launched in early 2012. This is a multi-sectoral report of the Mindanao Development Authority, and provides a development blueprint for Mindanao.
* Helping 25 schools and three Madaris to introduce peace education modules through Catholic Relief Services. This initiative included training over 700 teachers in conflict areas of Mindanao.
* Assisting local non-government organisations that work to reduce violent conflict at the local level in Mindanao. A total of 258 local clan disputes were resolved through the Lupon Tagapamayapa program in 2010 and 2011. In Sulu, the Tumikang Sama Sama network resolved nine violent clan conflicts and is mediating nine others, two of which are near to settlement. The resolution of these conflicts, which killed over 100 people and displaced thousands, has enabled people to return to their farms, bring their goods safely to markets, and children to return to school.
* Supporting PeaceTech International to bring more than 1500 children together in Mindanao and Manila to work through peace education learning modules. Results suggest the children gained an improved understanding of the origins of conflict, the means to resolve both local and regional conflict, and a proactive attitude to peace-building.

The program is on track to meet this objective within the timeframe of the strategy. Although two of the major contributing initiatives only began towards the end of 2011 – and so have little progress to report – Australia’s support to improve the quality of governance is now on a solid footing to meet its objectives by 2016–17.

The Philippines–Australia Public Financial Management Program and the Coalitions for Change program were agreed and commenced in late 2011. The Philippines–Australia Human Resource and Organisational Development Facility completed organisational assessments of several partner agencies to improve public sector performance. Australian support was also committed for the Aquino Administration’s public-private partnership agenda to strengthen government’s planning and management of large infrastructure projects and to target the country’s infrastructure deficit.

These initiatives position Australia to respond effectively to the growing governance agenda in the Philippines, as well as to provide support to our other sectoral interests. President Aquino launched a comprehensive Good Governance and Anti-Corruption Cluster Plan for 2012–2016. This tackles a range of governance issues from transparency and accountability in the bureaucracy to government engagement with civil society. The good governance thrust was reinforced with the Philippines becoming a founding member of the multi-country Open Government Partnership[[24]](#footnote-24) in September 2011.

The Philippines–Australia Public Financial Management Program works closely with central finance agencies and large-spending departments to improve the quality and accountability of public spending. Agreement was reached with the government to assist four major reform areas:

* introducing a new government integrated financial management information system
* developing a treasury single account so there is an economical system for centralised cash management
* harmonising the government chart of accounts with the national budget
* establishing a program management office to strengthen the government’s capability to manage reform.

Australia is now the lead donor supporting public expenditure management reforms in the Philippines.

The Coalitions for Change program, which commenced in November 2011, is a new partnership in the Philippines between AusAID and The Asia Foundation. It will test innovative approaches to promote positive policy change through coalitions of civil society, government and private sector representatives joining forces in support of selected development outcomes. Local governance, disaster risk reduction, fragility and conflict, public financial management and basic education are focal areas. The program draws on global experience that highlights the important role that coalitions play in achieving social change, such as the AusAID-supported Developmental Leadership Program.

In 2011, the Philippines–Australia Human Resource and Organisational Development Facility began implementing human resource and organisational development activities. Capacity assessments of strategic partners (such as the Department of Social Welfare and Development, Department of Infrastructure and Local Government, Department of Education, Office of Civil Defense and Office of the Presidential Adviser on the Peace Process) helped determine the needs of each agency. Australia is now well placed to respond to urgent and emerging priorities of these agencies to achieve organisational performance gains. The facility emphasises the integration of learning and development interventions, including scholarships, with workplace priorities and wider development objectives.

### Major program achievements

* Australian assistance was instrumental in developing the Philippines Public Financial Management Reform Roadmap. Launched in February 2011, it is the most comprehensive package of public financial management reforms in over two decades.
* Technical assistance to the Department of Public Works and Highways is enabling a new government accounting system to be implemented. Automating the manual and paper-based financial management processes has been achieved in around 80 per cent of the department’s offices. More accurate, reliable and timely financial information flows and reporting are being generated and in turn, enhancing decision-making.
* Internal controls and internal audit are being strengthened in the Department of Social Welfare and Development. Assistance is enhancing the department’s capability to implement major spending programs such as the Conditional Cash Transfer program.
* Australia Awards are an important initiative and in 2011, over half of the 120 Filipino scholars were women. An open category, which was last used in 2004, was re-introduced. Significant pre and post study support is also provided so scholars are well prepared for their studies and helped to apply their knowledge when they return home.
* Drawing on Australian support, positive steps were taken by the government to progress its public private partnership reforms. Transparent governance arrangements for selecting viable projects were adopted and three partnerships were taken to market through open competitive bidding, with one award made.

Program quality

The Philippines program holds itself to high standards in performance assessment that are acknowledged by AusAID as good practice. To assess 2011 performance in the absence of a country strategy performance assessment framework,[[25]](#footnote-25) sector-based performance rubrics[[26]](#footnote-26) were employed to determine the success levels of initiatives at output, outcome and objective level.

The program maintained a good record of compliance with corporately mandated performance and quality processes. All eligible initiatives undertook quality at implementation reporting for 2011.[[27]](#footnote-27) The results for each initiative are at annex 2. A thorough process of moderation and contestability of claims was applied. The rigorous moderation process tended to lead to downgrades in ratings, usually due to lack of evidence to support claims being made. A total of 76 per cent of monitored activities completed Quality at Implementation reports. Those that did not include corporate initiatives, and those still in the design phase (for example BRACE) or that were initiated in the final few months of 2011 (such as the Philippines–Australia Public Financial Management and Coalitions for Change programs).

Table 3 shows the average ratings for quality criteria during implementation in 2011. All initiatives rate highly against the category *relevance – is this the right thing to do?* Most initiatives show satisfactory ratings (at least a 4) against *effectiveness* – *are we making the progress we expected at this point in time*? (81 per cent), and *sustainability – will benefits last?* (75 per cent), and for having robust monitoring and evaluation systems in place to measure implementation progress against objectives (75 per cent).

Ensuring adequate ratings is a challenge for the categories of efficiency – is the initiative making appropriate use of Australia’s and other partners’ time and resources to achieve objectives? (56 per cent satisfactory) and gender equality (63 per cent satisfactory). Efficiency has been compromised by a combination of partnership, management, logistical and security challenges that have delayed implementation and slowed progress across five activities.

In part, the low ratings for gender equality reflect the program’s tougher self-assessment of progress in 2011. This year, with the help of a gender expert, sector teams identified issues and potential gender objectives that could appear in sector delivery strategies. This highlighted our awareness of the challenges to meet such objectives, beyond our achievements to date in improving processes. As well, there were greater expectations from the Philippines for 2011 gender reporting. The program uses the government’s gender and development checklist tool to assess the gender responsiveness of initiatives at design and implementation. The government now requires results to be reported against gender objectives for each initiative as well as the existing requirements for reporting on input and output-related achievements (for example, the collection of sex disaggregated data, input of sufficient technical resources for gender, and evidence of gender analysis and planning documentation). The program must monitor these low ratings for gender equality through the Quality at Implementation process, and follow-up actions needed to rectify them through the monitoring and reporting of implementing partners.

Table 3: Average quality at implementation rating 2011

| **Name** | **Relevance** | **Effectiveness** | **Efficiency** | **Monitoring & evaluation** | **Sustainability** | **Gender equality** |
| --- | --- | --- | --- | --- | --- | --- |
| Average rating  (out of 6) | 5.2 | 4.3 | 3.7 | 4.1 | 4.1 | 3.9 |

Five activities showed satisfactory ratings across all categories. Two activities[[28]](#footnote-28) recorded unsatisfactory quality ratings (3 or less) against four of the six categories. A third of the unsatisfactory ratings in 2010 progressed to satisfactory in 2011.

2011 Quality at Implementation assessments noted risks[[29]](#footnote-29) to implementation and delivery progress, the achievement of outcomes and routine monitoring. These relate to challenges including absorptive capacity of partners and their staff capability, and the security situation in the Autonomous Region in Muslim Mindanao.

With a growing and complex program, staff identified the need to improve their knowledge and capacity to monitor program quality.[[30]](#footnote-30) During the design of delivery strategies in 2011, attention was given to articulating a coherent program logic outlining the change process and how individual initiatives will contribute to higher-level strategy objectives. To foster a deeper engagement with evaluative inquiry[[31]](#footnote-31) for program improvement and accountability, staff will participate in an evaluation capacity building project in 2012.

With the scale up of the Philippines program, attention has been given to pipeline development to absorb the increase in funds while consolidating the portfolio of initiatives to align with the focus areas of the new strategy. Several initiatives began or went to tender in 2011 that moved us in this direction: the Public Financial Management Program; Basic Education Assistance for Mindanao’s Autonomous Region in Muslim Mindanao; and Coalitions for Change. Ongoing design processes were for additional work in education systems strengthening, early childhood education and local governance.

During the year there was a slight decrease in the number of smaller-value initiatives in the program compared to 2010. Although below the agency average, 36 per cent of our initiatives are small – less than $3 million each. These represent 4 per cent of the total value of the program, suggesting staff may spend a disproportionate amount of time managing small activities. Some of these activities may be administrative, but there are still efficiencies to be made in consolidating the program into fewer larger initiatives. As the delivery strategies are finalised, and with some initiatives scheduled to end in June 2012, the number of initiatives should further rationalise.

Disability

Appropriate disability mainstreaming is a commitment of the program, along with a specific focus on disability inclusive education, research and capacity building. A disability component is being designed under the large education strengthening program to begin in 2013. This will build on the findings of our disability situation analysis conducted in 2010.

During 2011 a concept was developed for a potential inclusive education pilot under the Indigenous Peoples’ and Muslim Education (PRIME) program. Disability issues were incorporated into the Basic Education Assistance for Mindanao’s Autonomous Region in Muslim Mindanao through United Nations Children’s Fund support for Islamic pre-schools and the design of BRAC’s Alternative Delivery Model for education in the Autonomous Region in Muslim Mindanao. A focus is raising awareness and training teachers to recognise disability and deliver appropriate education to children with disability, ideally with the input of parents, disability organisations and other groups.[[32]](#footnote-32)

Small-scale research activities were developed during 2011 and are ready for implementation in 2012. They include identifying barriers to the education inclusion of children with disability and incorporating disability in the Philippines Social Protection (Conditional Cash Transfer) Program. In late 2011 this program provided small scale support to a parents’ organisation and a number of disability organisations to trial inclusive education with the Department of Education.[[33]](#footnote-33) The Coalitions for Change program also began to explore opportunities for engagement between civil society and government on disability issues.

Gender

AusAID’s 2011 gender and development report to the Philippines National Economic and Development Authority showed that 88 per cent of our program (by funding) at the design stage rated gender responsive (the highest rating), while the remaining 12 per cent rated gender sensitive. At the implementation stage, the share of gender responsive projects dropped to 18 per cent, although 82 per cent remained at least gender-sensitive. This suggests that either design intentions are not being followed through during implementation, or they are unrealistic, or monitoring is not adequate to capture progress.

Work continued during the year to strengthen processes to identify gender issues. For instance, a gender strategy was developed for the Provincial Road Management Facility and gender mainstreaming workshops were organised by several projects. The Philippines–Australia Human Resource and Organisational Development Facility employed an expert to enhance its organisational assessment tool and mainstream gender and development indicators across the capacity areas. However, there is still much work remaining to move beyond processes and to be able to monitor and report on gender outcomes.[[34]](#footnote-34)

With the help of a local gender adviser during the year, staff identified gender issues for draft delivery strategies for education, disaster risk reduction, local service delivery and peace-building. The challenge now is to ensure that this analysis is used to articulate realistic, measureable gender outcomes (or gendered outcomes) in each delivery strategy which are captured by the monitoring and evaluation reporting frameworks for initiatives under the country strategy’s performance assessment framework.

AusAID is the convenor of the donors’ gender and development network. A successful workshop was held during the year to assess donor’s plans to align with the Philippines Commission on Women’s priorities, ensure harmonisation and look for collaborative opportunities. Following this, AusAID will also consider possibilities for governance support to the Philippines Commission on Women during 2012 to help fulfil its mandate to help government agencies operationalise their gender commitments under Philippines Government policy.

### Major program achievements:

* Support to the Mindanao Commission on Women since 2009 has enabled about 7500 mothers to participate in this movement for peace. During a review in 2011, women stated that their participation had enhanced their self-esteem and confidence to act as capable women in their families and communities.
* For the first time, 250 women were consulted, capacitated and empowered to participate in the design, implementation and maintenance of roads under the Provincial Road Management Facility.
* Through the Philippines-Australia Human Rights Program, 24 volunteers were trained and now provide free legal counselling at crisis centres in Metro Manila for women survivors of violence.
* Through Oxfam’s Post Ketsana Programme, women’s participation and leadership abilities are being enhanced through community disaster risk reduction activities.[[35]](#footnote-35)

Aid effectiveness

Overall, the Philippines Program has made good progress in implementing the Paris Declaration on Aid Effectiveness. Significant efforts were spent aligning activities with the Philippine Government’s reform agenda priorities and working in harmonisation with other donors to maximise results. The program has worked within national and provincial government systems to improve human and institutional capacity.

In November 2011, the program was one of the first country programs to produce updated website pages in line with commitments under AusAID’s transparency charter[[36]](#footnote-36) to publish detailed information on policies, plans, processes and the results of Australian aid activities.

Multilateral performance assessment

Over 40 per cent of the program (by value) is delivered through multilateral partners. AusAID’s major partnership is with the World Bank. The ‘umbrella trust fund’, started in June 2009, is proving increasingly effective in combining AusAID and World Bank forces in critical areas of reform. During 2011, more programmatic engagement progressed in social protection, urban resilience and disaster risk reduction. But there is still room to improve the fund’s effectiveness and efficiency. The access by World Bank sectoral leaders to AusAID global or regional funding still needs better coordination with country program priorities. The shift in responsibility for many global and regional funds to the program areas of AusAID should help to achieve greater coherence in our engagement with the bank. This will be a key focus for AusAID through 2012.

AusAID’s main partnership with the World Bank outside the umbrella trust fund mechanism is in the education sector. AusAID’s Support for Philippine Basic Education Reform Program complements the World Bank’s National Program Support to Basic Education. While good results have been delivered under the five years of the program’s operation, transaction costs on all parties, including the World Bank, Department of Education and AusAID, remain high and progress is slow due to lack of management and systems capacity in the department to comply with stringent partnership implementation requirements.

AusAID’s fledgling partnership with the Asian Development Bank gained momentum through 2011. The first co-financing arrangement for many years was launched in support of the Philippine Government’s public private partnership reforms. The Asian Development Bank devoted substantial expertise to administer this program, which contributed to the good progress achieved through 2011. Towards the end of 2011, AusAID and the Asian Development Bank negotiated a substantial package of additional support. The high profile of the public private partnership reform agenda has paid considerable dividends for the AusAID-Asian Development Bank collaboration and we will look to build on this platform during 2012.

Management consequences

The lessons learned from last year’s Annual Program Performance Report covering the strategy period 2007–2011 are incorporated in the new country strategy (2012–2017), which has a more selective sectoral focus, addressing constraints to effective governance and an emphasis on inclusive growth.

The new strategic direction is embodied in the 2012–2017 Statement of Commitment signed and made public in March 2012. There are two strategic objectives:

* strengthened basic services for the poor
* reduced vulnerabilities arising from climate change and conflict.

Four sectoral sub objectives––education, local government service delivery, climate change and disaster risk management, peace and security––are underpinned by initiatives in organisational development, public financial management and civil society engagement that support accountable, effective and inclusive governance.

Delivery strategies

A priority for 2012 will be to complete delivery strategies for each of the four sectors to guide tighter strategic direction and programming choices. The strategies will be important to cement program consolidation and manage pressures to broaden and diversify the program, potentially dissipating impact and desired results. We will seek approval at the delivery strategy level for our major lines of investment (education and local government service delivery). This will provide the program with sufficient flexibility to achieve results, while involving senior management in timely discussions about major investments and levels of risk, in line with the new proportional approach to investment development.

Results

We will finalise a comprehensive performance assessment framework for the new country strategy, as well as each delivery strategy. The country strategy framework will be jointly developed with the Philippines Government. Our ability to achieve results is increasingly dependent on strong and direct AusAID engagement in policy discussions across our strategic priority areas (including education, governance and public financial management reform, and disaster risk reduction), on success in influencing our partners, and on time spent in the field to monitor program implementation. Special attention will be paid to incorporating realistic and measurable indicators for gender to help improve program performance against gender equality results, and integrating governance indicators across the performance assessment frameworks. We will improve the number and quality of progress and completion reporting.[[37]](#footnote-37) The monitoring framework and evaluation plan for the country strategy and each delivery strategy will outline evaluation questions and a timeframe for conducting reviews to measure progress against these.

Efficiency and value for money

Program efficiency received the lowest Quality at Implementation ratings in 2011. This reinforces the need for further consolidation within the country program**.** This is especially so where new initiatives are complex and require intensive staff engagement. We will therefore continue to drive consolidation to enable resources to be best deployed to achieve results. The program will continue to manage closely our implementing partners, including commercial contractors, for our major programs, such as the Provincial Road Management Facility and the Classroom Construction Initiative, to deliver value for money.

Partnerships

A high proportion of the program is delivered through multilateral partners––over 40 per cent by value. We will continue to advocate for better coordination of multilateral funding with country program priorities. The shift in responsibility for many global and regional funds to the program areas of AusAID should help to achieve greater coherence in our engagement with the World Bank. We will also look for further opportunities to engage with the Asian Development Bank.

Partnerships are a feature of the new country strategy. The new BRACE, Basic Education Assistance for Mindanao’s Autonomous Region in Muslim Mindanao, Coalitions for Change, public private partnerships and Classroom Construction initiatives use implementing partners to extend program reach and effectiveness. Building and managing new and existing partnerships, including with the Asian Development Bank, the World Bank, United Nations organisations and non-government organisations, will require ongoing high levels of engagement.

Risks

Working through partners––government, multilateral, or local non-government organisations––presents risks and needs careful attention, particularly in Mindanao where the operating environment is very challenging. We will strengthen the fraud and risk management plan. It will include proactive strategies for minimising risk and fraud and will be closely monitored by the leadership management team. The physical security environment will also be carefully monitored. The leadership team will strengthen its use of the program management ‘dashboard’ developed in 2011 to monitor key risks.

Annex 1: 2011–12 expenditure by initiative

PHILIPPINES ADMINISTERED BUDGET 2011-12 ESTIMATES (Revised as at 2012)

SERVICE DELIVERY 2011-12 Revised Budget

Objective 1: IMPROVED EDUCATION
ING 912 Basic Education Sector Reform (SPHERE) 11,600,000
INH946 Muslim IP 5,250,000
INJ223 BEST Program (inc pre-service training schols) 350,000
INK346 Classroom Construction 20,000,000
INF829 Public Sector Linkages Program (education) 600,000
ING912/IN!428 CCTs  220,000 pipeline Unicef -ECD 5,000,000

Objective 2: IMPROVED LOCAL GOVERNMENT CAPACTIY
INJ251 UNFPA - Joint Program 8,500,000
INI171 SPRMP PRMF Facility 15,500,000


REDUCING VULNERABILITIES
Objective 3: CLIMATE CHANGE/DISASTER RISK REDUCTION
ING581 Disaster Preparedness and Response Facility 3,250,000
INJ138 BRACE Program 3,000,000

Objective 4: IMPROVED CONDITIONS FOR PEACE & SECURITY
INH947 BEAM ARMM /BRAC 7,500,000
ING238 Supporting Peace in Mindanao 2,000,000

Objective 5: GOVERNANCE
INJ280 Support for Econ Governence (SEGI) 400,000
INI782 Public Financial Management 3,600,000
INJ766 Public Private Partnership Activities 7,000,000
INI294 HRODF 5,500,000
INJ273 Philippines ADS 6,500,000
INJ563

INJ607 Philippines Australia Community Assistance
Program Bridging Phase
Coalitions for Change 80,000

100,000
INJ839 AusAID-TAF Partnerships 3,600,000

OTHER
RESEARCH/XCUTTING
INI632 WB Trust Fund 870,000
INJ168 General Research Fund 1,300,000
INJ132 Human Rights Activities 500,000

ADMIN COSTS
ING944 Manila Post - Operating Costs 700,000
INI189 PH: Post Advisory Support 925,000

TOTAL 113,845,000


Annex 2: Quality at Implementation ratings 2011 by initiative

Philippines Program Monitored Initiatives

| **Initiative number** | **Initiative name** | **Initiative Phase** | **Relevance** | **Effectiveness** | **Efficiency** | **Monitoring and evaluation** | **Sustainability** | **Gender equality** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| INF829 | Philippines – Public Sector Linkages Program | Implementation | 5 | 3 | 4 | 2 | 2 | 1 |
| ING238 | Supporting Peace in Mindanao | Implementation | 5 | 5 | 4 | 3 | 3 | 3 |
| ING581 | Philippines: Disaster and Climate Risks Management | Implementation | 6 | 5 | 4 | 4 | 6 | 4 |
| ING912 | Basic Education Sector Reform (SPHERE) | Implementation | 5 | 4 | 3 | 4 | 4 | 3 |
| INH801 | Support to WHO Country Program | Implementation | 5 | 5 | 3 | 5 | 5 | 5 |
| INH946 | Muslim and Indigenous Peoples Education Program | Implementation | 6 | 5 | 4 | 3 | 5 | 4 |
| INH947 | Basic Education Assistance for ARMM | Implementation | 6 | 4 | 5 | 5 | 4 | 5 |
| INI171 | Provincial Road Management Facility (PRMF) | Implementation | 4 | 3 | 2 | 4 | 3 | 3 |
| INI294 | Human Resource Organisational Development Facility | Implementation | 5 | 4 | 3 | 5 | 4 | 5 |
| INI428 | Philippines Social Protection Initiative | Implementation | 6 | 5 | 5 | 5 | 5 | 5 |
| INI632 | Australia World Bank Philippines Development Trust Fund | Implementation | 5 | 5 | 3 | 3 | 5 | 3 |
| INJ251 | UN Maternal and Neonatal Mortality Reduction | Implementation | 5 | 4 | 4 | 4 | 4 | 3 |
| INJ273 | Australian Development Scholarships – Philippines | Implementation | 5 | 4 | 3 | 5 | 4 | 5 |
| INJ280 | Economic Governance Support | Implementation | 5 | 5 | 5 | 5 | 5 | 5 |
| INJ766 | Strengthening Public Private Partnership Program | Implementation | 6 | 5 | 5 | 5 | 4 | 4 |
| INJ839 | AusAID The Asia Foundation Partnership Philippines | Implementation | 5 | 3 | 3 | 4 | 3 | 4 |
| INH646 | Education Performance Incentives Program (EPIP) | Completion | 4 | 4 | 3 | 3 | 4 | 4 |

Definitions of rating scale:

| Satisfactory (4, 5 and 6) | Less than satisfactory (1, 2 and 3) |
| --- | --- |
| = 6 = Very high quality; needs ongoing management and monitoring only | = 3 = Less than adequate quality; needs work to improve in core areas |
| = 5 = Good quality; needs minor work to improve in some areas | = 2 = Poor quality; needs major work to improve |
| = 4 = Adequate quality; needs some work to improve | = 1 = Very poor quality; needs major overhaul |

1. The five objectives of the new strategy are a refinement and consolidation of the 10 objectives in the previous strategy. Some of the previous strategy’s objectives have been dropped as we seek to focus our program. [↑](#footnote-ref-1)
2. The Philippines fourth progress report on the Millennium Development Goals (September 2010). [↑](#footnote-ref-2)
3. Regional and global programs account for another $15.4 million. [↑](#footnote-ref-3)
4. K to 12 means “kindergarten and the 12 years of elementary and secondary education.” Kindergarten targets the 5 year old child who undertakes the standardised curriculum for preschoolers. Elementary education refers to six years of primary school (grades 1 to 6) while secondary education means four years of junior high school (grades 7 to 10 or high school Years 1 to 4). In addition to this, two years are now allotted for senior high school (grades 11 to 12 or high school Years 5 to 6). [↑](#footnote-ref-4)
5. The study was to inform the discussion concerning curriculum in the K to 12 education reforms by referencing relevant comparable countries. The study’s focus was on the curriculum content, structure, sequence and assessment in the core studies of English, mathematics and science in the context of learning theories which underpin the curricula. [↑](#footnote-ref-5)
6. Conditional Cash Transfer is a flagship social protection program that provides cash grants to poor families on condition that these families send their children to school and regular health services. The program benefited 2.3 million households in 2011. Funding for the cash grants themselves is from the World Bank, Asian Development Bank and the Philippines Government. [↑](#footnote-ref-6)
7. This program began in its design processes, and implementation of some component activities, in 2010 following the completion of the very successful BEAM program (2002–2009). [↑](#footnote-ref-7)
8. Bangladesh Rural Advancement Committee. [↑](#footnote-ref-8)
9. This is a delegated cooperation partnership whereby AusAID support is channelled through GIZ which takes responsibility for administering the contribution on AusAID’s behalf. [↑](#footnote-ref-9)
10. *Annual report 2010*, Fit for school, Inc./GIZ. [↑](#footnote-ref-10)
11. School based management empowers key stakeholders in school communities to improve their schools to achieve higher student learning outcomes. [↑](#footnote-ref-11)
12. Provincial Road Management Fund reporting and provincial government reporting, monthly meeting reports, project briefs and annual plan. [↑](#footnote-ref-12)
13. All achievements listed are sourced from Provincial Road Management Fund Project reporting. [↑](#footnote-ref-13)
14. This project, which was completed December 2011, involved multi-hazard mapping and assessments for 27 provinces, and provided capacity building for selected cities and municipalities on community-based early warning and disaster risk management. [↑](#footnote-ref-14)
15. AusAID’s Human Resource and Organisational Development Facility conducted the assessment. [↑](#footnote-ref-15)
16. Collective Strengthening of Community Awareness on Natural Disasters composed of Mines and Geosciences Bureau, National Mapping and Resource Information Authority, Office of Civil Defense, Philippine Atmospheric Geophysical and Astronomical Services Administration, and Philippine Institute of Volcanology and Seismology. [↑](#footnote-ref-16)
17. Light Detection and Ranging technology generates a detailed high-resolution three-dimensional model of a city. [↑](#footnote-ref-17)
18. The effort was focused initially on Metro Manila because this is where disaster risk – in both human and economic terms – is most heavily concentrated. [↑](#footnote-ref-18)
19. In December 2011 the Aquino Administration postponed scheduled elections for the Autonomous Region in Muslim Mindanao to synchronise the election date with the national elections in May 2013. An interim administration was appointed for the intervening period up to handover to an elected administration in June 2013. [↑](#footnote-ref-19)
20. Launched in September 2011, the Open Government Partnership is a global initiative to secure concrete commitments from governments to promote transparency, empower citizens, fight corruption, and harness new technologies to strengthen governance. The draft Philippines Country Action Plan is available at www.gov.ph/opengov/ [↑](#footnote-ref-20)
21. The Bangsamoro Development Agency is the development arm of the Moro Islamic Liberation Front. The front is in formal peace negotiations with the Philippines Government and working with the agency helps build capacity for future administration in conflict-affected areas of Mindanao. [↑](#footnote-ref-21)
22. The Moro Islamic Liberation Front has been engaged in direct fighting with the Philippines for many decades. Currently the government and the front are in formal negotiations to agree on a peaceful settlement to the dispute. The front has committed to ensuring no children are involved, and agreed to work with the United Nations Children’s Fund to identify and register children involved in armed conflict. The intention is to develop a plan of action to address the education needs of those children once the registration process is complete. The front’s military is spread across 18 areas in Mindanao, hence registration processes in all 18 base commands. [↑](#footnote-ref-22)
23. Education achievements for ARMM are listed under objective 1 [↑](#footnote-ref-23)
24. The partnership brings together governments, civil society and industry from eight founding countries – Brazil, Indonesia, Mexico, Norway, Philippines, South Africa, United Kingdom and United States – to promote transparency, increase civic participation, fight corruption, and harness new technologies to strengthen governance. [↑](#footnote-ref-24)
25. To be completed during 2012 now that a statement of commitment has been signed. [↑](#footnote-ref-25)
26. The rubric system articulates success – full and partial – and failure so that final progress ratings can be more objective. [↑](#footnote-ref-26)
27. Thirteen of the program’s initiatives were assessed for Quality at Implementation and 19 were considered not applicable for end-of-2011 Quality at Implementation reporting for the reasons mentioned. [↑](#footnote-ref-27)
28. The Public Sector Linkages Program (an AusAID-wide mechanism which was reviewed in 2011) and the Provincial Road Management Facility (see objective 2). [↑](#footnote-ref-28)
29. Quality at Implementation reports noted no reputational risks through serious risks to environmental, child protection, corruption or political issues requiring management. [↑](#footnote-ref-29)
30. Dedicated program resources for performance monitoring and evaluation include a Manila-based performance and quality officer and Canberra-based performance and quality manager (shared with Burma program). [↑](#footnote-ref-30)
31. Evaluative inquiry refers to a methodology which aims to enhance learning in organisations. Evaluative inquiry approaches evaluation as a learning experience using dialogue, reflection and challenge to distil learning opportunities, create a learning environment and to develop inquiry skills. [↑](#footnote-ref-31)
32. In late 2011 a Public Sector Linkages activity was approved for implementation in 2012 to encourage a shift in policy and practice by exposing education stakeholders to genuinely inclusive practices. [↑](#footnote-ref-32)
33. Such as using parents as additional resources in the classroom; establishing early detection and intervention systems; teaching parents and children about the United Nations Convention on the Rights of Persons with Disabilities. [↑](#footnote-ref-33)
34. Reporting on gender outcomes was a new requirement in the 2011 reporting to the National Economic Development Authority. All donors in the Philippines, including AusAID, struggled to meet this requirement, but we hope to improve in coming years as our performance monitoring systems begin to capture outcomes information. [↑](#footnote-ref-34)
35. Success stories of women taking on transformative and innovative leadership roles following the typhoon – particularly in the areas of water and sanitation – are presented in the Oxfam publication *Transformations: women’s stories of resilience and challenges in the time of Ondoy*, Oxfam Philippines, 2011. [↑](#footnote-ref-35)
36. Available at www.ausaid.gov.au/about/transparency.cfm [↑](#footnote-ref-36)
37. Recent AusAID guidance requires at least one independent progress review during the life of an initiative at a time most useful to the program for gathering such information, whether this is mid-term or at the end of initiative. [↑](#footnote-ref-37)