

Philippines: Community Forestry Project – Quirino

Ex post evaluation report

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| Project description | Cooperative project Community Forestry Project – Quirino, Philippines |
| Project number (9-digit) | TC: Project No: 2001.2186.3 (previously 1994.2233.8) FC: BMZ ID 1994 65 733 |
| Total project duration | 9 years (from 7/1994 to 6/2003) |
| Total cost (German contribution, counterpart contribution, total) | FC cost: EUR 2.56 million TC cost: EUR 4.70 million <u>Counterpart contribution¹</u> : EUR 2.21 million Total cost: EUR 9.47 million |
| Project/programme objective | <u>Project objective and overall objective</u> of the FC: To contribute to integrated forest management at the level of the village communities <u>Overall objective</u> of the final TC phase: To secure the sustainable development of Quirino and similar provinces <u>Project objective for the final phase of the TC</u> : Government offices and grass-roots organisations use the institutionally established and implementation oriented approaches and procedures to ensure sustainable village-based management of the natural resources. |
| Recipient / political implementing agency | Republic of the Philippines |
| Implementing organisations (project executing agencies) | Department of Environment and Natural Resources (DENR) Provincial Government of Quirino (PGQ) |
| Target groups | Small-scale farming families living in the classified forest areas and associated woodlands, their municipal communities of interest and organisations, and hunters and gatherers from ethnic minorities |
| Evaluating institution | KfW Financial Cooperation Evaluation Unit and CEval, Saarbrücken, acting on behalf of GTZ Evaluation Division |
| Evaluation period | 07/2006 |
| Overall evaluation | 4 |
| Individual evaluation | Relevance: 2 Effectiveness: 3 Impact: 3 Efficiency: 4 Sustainability: 4 |

¹ The costs incurred by the partners are given for the period 1992-2003 (excluding their staff costs).

2 Project description

2.1 Title, project objective, indicators, contribution to overarching objectives / targeted impact

The Community Forestry Project – Quirino (CFPQ) was carried out in three phases as a TC-FC cooperative project over a period of nine years (from 07/1994 to 06/2003).

- The overall objective of the TC in the final phase was “to secure the sustainable development of Quirino and similar provinces”. The project and overall objective of the FC component throughout the duration of the project was “to contribute to integrated forest management at the community level”.

The original formulation of the project objective of the TC component was modified twice in the course of the project period.

The TC project objective formulated in the final phase (*“Government offices and grass-roots organisations use the institutionally established and implementation-oriented approaches and procedures to ensure a sustainable village-based management of the natural resources.”*) takes no account of the individual benefits although the component mainly emphasised this aspect of individual farm development. The wording of the objective also fails to reflect the idea of integration of the approaches as is expressed in the concept of agroforestry.

From today’s perspective the experts therefore consider the following wording for the cooperative project objective more appropriate: *Village dwellers, grass-roots organisations and government offices use institutionally established and implementation oriented approaches to ensure sustainable management of natural resources.*

The team of experts consider the following (proxy) indicators of the achievement of this project objective appropriate:

- a) The village dwellers and their grass-roots organisations derive a sustainably secured (monetary and non-monetary) benefit from community-based forest management and agricultural production.
- b) The government offices use the infrastructure provided (buildings, equipment, planning instruments and tools) to support the sustainable use of the natural resources.
- c) The concept of CBFM (community-based forest management) is implemented by well-functioning grass-roots organisations.
- d) The foundation that has been established acts as the service provider for CBFM in the province of Quirino and elsewhere.

The main measures carried out as part of the project were:

- (1) Analysing the existing legal and administrative rules for the sectors of social forest management, land use planning and municipal organisation structures and developing recommendations for meaningful framework conditions.
- (2) Analysing the existing land use plans at provincial, district and municipal levels and providing support in formulating municipal development plans.
- (3) Developing and implementing sustainable forest management measures (including forest inventory, rehabilitation measures) in cooperation with the local people.
- (4) Providing support (including initial and advanced training) for the local people in the use of sustainable management methods.
- (5) Selecting and introducing alternative income opportunities and providing marketing support.

- (6) Planning and implementing infrastructure measures in the programme area (roads, community buildings, afforestation, simple water supply and irrigation systems).
- (7) Planning and implementing community activities.
- (8) Developing financial systems adapted to village organisations.
- (9) Supporting the development of the project executing agency's infrastructure (building a training centre, equipment, planning instruments such as GIS systems and training in their use).

The above-mentioned objectives were intended to ensure that the project made an impact on the economic, socio-economic or socio-cultural and ecological levels. Economic impacts were to be noticeable as annual increases in the income of the target group, positive effects on the standard of living and employment in rural areas and economic development of the province.

Socio-cultural and socio-economic impacts were to take effect as a result of the improvement in the social status and the strengthening of the legal position of the target group as well as the improved social and economic situation of women.

Ecological impacts were to occur as a result of the protection and sustainable management of natural resources. Soil loss and erosion damage were to be kept to a minimum and deforestation reduced in the project area.

2.2 Problem situation (sector), framework conditions in the country (political / economic / social / ecological)

When the Community Forestry Project – Quirino (CFPQ) was designed in 1994, the central problem was identified as the lack of a forest utilisation concept, land use planning and an appropriate legal and administrative framework for the implementation of a targeted forestry and agricultural policy.

Today only around 7.2 million hectares of the 15.9 million hectares of woodland in the Philippines² are still covered with forest. Although the moratorium on tree-felling that has applied since May 1993 put an end to the largely unchecked, commercial felling of trees in the natural forest, the deterioration of the Philippine forest resources by illegal felling and slashing and burning continues. Between 1990 and 2000 the net annual loss of forest land³ in the Philippines was 262,000 hectares or 2.8%; between 2000 and 2005 it was around 157,000 hectares or 2.1%. This puts the Philippines among the ten countries with the highest loss of forest land.

The forestry policy in the Philippines is currently based on Presidential Decree 705 dating from 1975, known as the Revised Forestry Code. A draft Forestry Act as well as a Land Use Act have been held up in parliamentary procedures for years. The Master Plan for Forestry Development (MPFD) drawn up in 1990 was never implemented. The MPFD was revised in 2003 and now forms the basis for the elaboration of regional strategic sectoral framework plans. In 2004 the government issued Executive Order 318/2004 on Promoting Sustainable Forest Management in the Philippines, which also contains guidelines on harmonising and implementing sectoral reforms. In the current national development plan (Mid-term Philippine Development Plan MTPDP 2004-2010) the environmental / forestry sector is only mentioned with regard to the preparation of land for the agricultural industry and energy plantations and the associated job creation plans. After 1996 CBFM was established as a national programme by DENR and was again confirmed as a sector strategy in Executive Order 318/2004. However, the confidence of the people in the CBFM programme has been

² In the Philippines all areas with an inclination of more than 18% (53% of the country) are legally defined as forest.

³ Changes in the extent of forest areas, including afforestation.

considerably undermined by the strongly fluctuating political requirements. Repeated felling prohibitions and complicated bureaucratic procedures to obtain utilisation permits has largely undermined the concept of controlled use of the forests by the village communities.

2.3 Project concept and advisory approach (target groups, partners, levels, regions, modes of delivery)

The project target groups at the local level were the small-scale farming families living in the classified forest areas and associated woodlands, their local communities of interest and organisations, and hunters and gatherers from ethnic minorities Agta, Bugkalot, Dumagat, Ibalaoi, Ifugao, Kankana-ey and Yogad. In the concluding phase of the project 15 village communities, i.e. roughly 1/3 of the province area, were involved in the activities. The project executing agencies were DENR and the provincial government of Quirino. At DENR the project was allocated to the Foreign Assisted and Special Projects Office (FASPO), which managed the implementation on behalf of DENR with its own staff down to the provincial level and also provided the national project manager.

The specific networking of packages of measures in the areas of land use planning, community forest management and agricultural use was typical of the project implementation. A highly participatory approach was chosen, which meant that the local population participated considerably in sustainable forest management. Promotional measures such as capacity building at the executing agency (e.g. government offices and DENR representative offices at provincial and municipal level) and staff enhancement (training courses, initial training for LGU staff and grass-roots organisations) were also carried out and advisory services offered at the local, regional and national levels. At the end of the project a foundation was set up to compile and retain the know-how acquired during the project within an institutional framework and to develop it further. Similarly, cooperation and coordination with projects of other donors such as USAID and JICA were an aspect of the project.

3 Results of the evaluation

3.1 Evaluation on the basis of the five international criteria

The evaluation according to the five DAC criteria is as follows:

Relevance: The project was in keeping with the development policy concerns (to promote the sustainable use of natural resources, self-help and community development) and was appropriate to make a contribution to overarching developmental objectives. The project concept was in line with the framework conditions at the time of project planning and took account of the interests of the local population. The focus was on the local level, while the partners' advice with regard to improving the framework conditions was taken up too late. The combined use of the two instruments of advice (TC) and investment (FC) was an appropriate means of solving developmental policy problems and earned the project high standing with the partner and credibility at the level of the target groups. However, for a long time the project was planned and implemented largely as a parallel structure without being sufficiently integrated into the local authorities. Overall, however, the concept was in line with the expectations under the given framework conditions, with the result that the relevance was given sub-rating 2.

Effectiveness: Professional and institutional capacities with regard to sustainable land use were built up, the legal position of the target groups with regard to forest use was strengthened and greater awareness of forest conservation was instilled. At the time of the evaluation, direct positive effects can be observed primarily at the level of the target groups, even if this lags behind expectations. Owing to unfavourable political framework conditions,

i.e. because investments (roads) were in part not implemented or made available, substantial impacts in the area of forest management, in particular the promotion of income and employment, could not develop. The late integration of the local authorities restricted continuous support by the target groups and its premature ending reduced the impact on the institutional level. Hardly any direct impacts at the political level were observed. The overall effectiveness of the project is therefore given sub-rating 3.

Impact: The project measures had an impact on the economic, socio-cultural and ecological levels. Owing to the negative framework conditions (felling prohibition), the impacts at the economic level are very minor. At the socio-cultural level, the integration of the target group into society, better representation of their own wishes and a reduction in local conflicts were observed. Ecological impacts arose from the greater environmental awareness on the part of the target group, with a positive effect on the rate of forest loss in the target area. The general impact of the project was fairly limited. Although the CBFM project approaches and concepts were used in new projects, no structural changes, new guidelines or new legislation came about. Overall, the effectiveness of the project was considerably reduced by the inconsistent policy of the government with regard to sustainable forest management (felling prohibition). Economic (increased income) and resultant impacts at the socio-cultural level (better access to education, an improvement in the standard of living, better health) could therefore not develop. Ultimately, the significance of the project contributions to poverty reduction, for example, therefore tended to be minor at national and local levels. The overarching developmental impact of the project was given sub-rating 3.

Efficiency: The implementation period was very long and the advisory input was only partly successful. At the local level, in terms of the project objective the cost/performance ratio in investments in fixed assets is limited to unfavourable and, if the felling prohibition is not lifted, even negative. At the level of the overall objective, the ratio of resource input and impact in the province of Quirino is unfavourable as, although evidence can be provided of the achievement of the partial objective of forest conservation, this impact did not occur because of the sustainable use of the resources but because of the enforcement of the felling prohibition. The investments did not contribute to the achievement of the overall objective in other provinces. Hardly any contribution of advice to concrete impacts in other provinces can be observed as this exists merely as a concept among the counterparties but is not documented in the form of secure utilisation rights for community-based forest management. The limited impacts outside Quirino are given less weighting in the evaluation as the objective was not extended until the final project phase. The overall efficiency of the project is therefore given sub-rating 4.

Sustainability: The sustainable contributions made by the project are the improvement of the forest area in the communities involved in the project and the strengthening of local self-organisation. However, it was not possible to institutionalise the CBFM approach and the sustainable maintenance of a considerable part of the infrastructure investment. There is thus no sustainability at the macro level. In particular, as, because surveys are carried out locally, it must be assumed that the felling prohibition will be continued, and the continuation of the impacts achieved is therefore questionable. All four sustainability dimensions were taken into account in the project but they achieve their full impact only in the social and ecological dimensions. From today's perspective, the sustainability of the project must therefore be given sub-rating 4.

3.2 Overall evaluation

The overall impression of the project is not uniform. The fairly negative sub-ratings are the result of the difficult project environment and, in particular, the underlying sectoral conditions, which impeded or delayed project realisation (negative effect on the efficiency and, in part, the effectiveness) but ultimately also call sustainability into question. The lack of sustainability arises from a combination of several factors – key investments to promote the

concept of community-based forest management were transferred to a foundation which cannot receive secure, regular budget allocations from government offices and is therefore unable to ensure that the measures continue. This situation had not improved by the time of the evaluation. The sectoral policy of the Philippine government and its implementation is erratic (tree-felling prohibition, cancellation of forest management contracts). For the village target group the material benefit arising from community forest management was below potential and was not legally possible, or possible only with an unacceptably high input. The unsatisfactory maintenance of the roads also jeopardises the positive impacts among the local population achieved to date.

The average rating indicates that the project was just successful. According to the applicable evaluation matrix, however, the developmental impacts of a project are to be rated as generally unsatisfactory if sustainability is evaluated as insufficient. This is the case here. Overall, the project must therefore be rated as unsatisfactory (rating 4).

3.3 Evaluation with regard to the Millennium Development Goals / poverty / gender

With regard to the project's contribution to the achievement of the Millennium Development Goals, to poverty reduction and to gender equality, the evaluation identified the following issues.

Because the project area was in the classified forest area and its woodlands, where a large percentage of the people are poor, the project promoted participation by poor people in economic and political processes and made an indirect contribution to poverty reduction. The evaluation was unable to quantify a contribution made by the project to MDG 1 poverty reduction as, on the one hand, no data (baseline and current situation) which could have been used to give sufficient evidence of the impacts were available for the project communities and, on the other, the general changes in the income situation of the target groups cannot be unambiguously traced back to the project. However, the economic impacts of the project engendered implicit impacts with regard to target 1 (halving the proportion of people with an income of less than one dollar a day between 1990 and 2015). A contribution to target 2 (halving the proportion of people suffering from extreme hunger) can be derived from the agricultural component.

With regard to MDG 7, target 9 (integration of principles of sustainable development into country policies and programmes and a reversal of loss of natural resources), evidence is available that the project made a direct contribution to indicator 25 (proportion of forest coverage). Forest areas in the province of Quirino have stabilised as a result of the influence of the project. The introduction of CBFM increased awareness of the value of forest land and it is to be expected that the people will continue to protect the forests. With regard to target 10 (halving the proportion of people without access to safe drinking water) the project also contributed to improving the drinking water supply in some villages.

With regard to gender equality, it can be said that this project had potential to promote equal rights but although this factor was taken into account during planning, it was given no explicit emphasis during implementation. Training modules on gender issues were developed and women were explicitly included in the project activities, and DENR recommendations on gender-responsive participatory tools for community-based forest management were also applied in the project. Apart from that, however, no special consideration was given to equal rights for women at the level of the results.

3.4 Conclusions and recommendations

Community-based forest management, consisting of the transfer of management responsibility to the target group and the management of the resource by that group, needs an appropriate socio-political commitment by the government and adequate forestry laws. This is to be taken into account in future cooperation with the Philippines in the forestry sector.

The erratic Philippine policy with regard to CBFM and the endeavours of DENR to centralise permit procedures and decision-making powers were identified as constituting considerable obstacles to successful implementation of the CBFM approach. Exceptional authorisations for DC projects offered only temporary assistance and are geographically limited. The national CBFM programme can be further developed substantially only if the generally applicable framework conditions are positive and are implemented broadly for the benefit of the local population.

On the basis of the evaluation results and the conclusions, the following recommendations for the design of future projects can be made:

- In order to ensure the sustainability of community-based forest management, the framework conditions need to be analysed before the project starts. Only if appropriate framework conditions are in place from the very beginning can the project be expected to be successful within an appropriate length of time.
- Well-established economic framework conditions and a relationship of trust between the target group and the administration are essential for a good result. The administration should therefore avoid making sudden changes to its programmes or interventions and desist from any kind of activity that may have a negative impact on the framework conditions.
- When formulating the objective and the measures, attention should be paid to ensuring that account is taken of the existing room for manoeuvre, the availability of resources and the necessary time frame. Particularly with regard to capacity building and institutional development, sufficient time needs to be allowed and corresponding deadlines built into the planning.
- To ensure the institutional sustainability of the project approach, the project organisation should be structured in such a way as to ensure the integration of both project planning and project information implementation in the available administrative structures (LGU, DENR).
- If a specialised institution (foundation) is set up to deal with project follow-up, care needs to be taken to ensure that its tasks are clearly defined and that it is given an appropriate measure of political and financial support.
- Advisory services alone are often ineffective. To increase the motivation of the target group and to achieve rapid concrete results, the provision of investment funds needs to be planned in plenty of time.
- In order to achieve sustainable land use and forest management, an appropriate incentives system needs to be in place, i.e. the products of the integrated production system need to provide sufficient incentive for the target group. If the incentive system is changed, consideration needs to be given to the full range of consequences and this needs to be borne in mind when a decision is taken. For example, a tree-felling prohibition does not necessarily protect the forest but may lead to an increase in illegal felling activity and corruption.

- Small loans and savings organisations need appropriate management. The implementation of such measures should therefore only be carried out by appropriately qualified specialists.
- For cooperative projects, overall planning should be worked out or approved on a community basis, including a binding system of objectives for FC and TC. Similarly, no partner should make strategic recommendations to the BMZ (as in the case of CFPQ, the premature ending of the project) without previous bilateral consultation.
- If it is not possible to avoid ending a project prematurely, provision should be made for an appropriate follow-up in order to prepare results and to consolidate impacts.