

**The Republic of the Philippines
Japan International Cooperation Agency**

The Republic of the Philippines

**Project of
Enhancement of Local Governance and
Community Empowerment
in Micro-watersheds
in Misamis Oriental**

Inception Report (Draft)

January 2008

**Province of Misamis Oriental
Balay Mindanaw Foundation, Inc.**

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1. Background of the Project

Most of the people in mountainous areas in the Province of Misamis Oriental, located in the northern part of the Mindanao Island, earn livelihoods through activities that heavily exploit natural resources, such as small-scale agriculture. More than fifty percent of households in the mountainous areas in the Province are below the poverty line. Due to lack of alternative measures to generate income, an increasing population accelerates excessive dependence on natural resources to sustain livelihoods. It also raises risks of degradation of natural resources, which should be utilized sustainably.

For sustainable use of natural resources such as land and forests, it is necessary to formulate land utilization plans based on the concept of watershed management in order to utilize natural resources properly. Obligations for providing some public services were transferred from the Central Government to Local Government Units (LGUs) due to enactment of the Local Government Code in 1991. The Code stipulates that LGUs are responsible for management of watershed under 10,000ha but LGUs do not have enough human resources and capacity for formulating proper plans for watershed management and implementing conservation activities through active involvement of residents.

Under such conditions, the Provincial Government of Misamis Oriental requested technical cooperation from the Japanese Government to promote formulation and implementation of micro-watershed management plans in collaboration with Balay Mindanaw Foundation Inc. (hereinafter Balay Mindanaw). Balay Mindanaw is the NGO working in the Province of Misamis Oriental and has sufficient know-how and experiences on sustainable integrated area development and participatory planning methodology for barangay development.

Boundaries of many micro-watersheds are almost the same as the boundaries of barangays. The project, therefore, focuses on barangay, which is the smallest unit of local government, to implement pilot activities for micro-watershed management. In selected pilot barangays, the project implements the following activities for the purpose of improving micro-watershed management.

- 1) Formulating barangay development plans which integrate resource management plans and nature conservation plans
- 2) Conducting resource conservation activities by communities and People's Organizations (POs) based on the barangay development plans
- 3) Introducing and implementing sustainable agriculture and alternative livelihood activities
- 4) Developing capacity of LGU staff who are supporting barangays and People's Organizations

2. Present Conditions and Issues on Natural Resources Management in Target Areas

1) Present conditions of counterpart organizations

(1) The Government of Misamis Oriental Province

Due to decentralization in the Philippines, responsibilities and authority on management, conservation, recovery, and preservation of small- and micro-watershed has been transferred from the Central Government to the Local Government Units, mainly at the City and Municipal Government levels. At the Provincial Government of Misamis Oriental, the Environment and Natural Resource Office (ENRO) and the Provincial Planning and Development Office (PPDO) are responsible for supervising watershed management activities by the City and Municipal Government.

The ENRO is in charge of watershed management activities of the entire Province. The ENRO formulates and implements watershed development and management strategies and plans. In addition, the ENRO provides services such as small-scale watershed preservation and conservation activities at the field level, and technical assistance and extension services for local people. However, the ENRO has not been allocated a sufficient budget for its services. Thus, the ENRO limits them to pilot areas as it is unable to provide services for a wider area.

The PPDO conducts research for watershed management, gathers data and information, coordinates stakeholders (e.g., LGUs, NGOs and POs), and accelerates people's participation on formulation processes of barangay development plans. Like the ENRO, the PPDO does not have reliable transportation means and is unable to gather data and information smoothly. The ENRO does not have a sufficient budget and can implement only limited activities in fields.

(2) Balay Mindanaw Foundation Inc.

Balay Mindanaw implements its activities mainly at the barangay level in Gingoog City, one of the target areas of this project. Particularly for participatory approaches on formulating a barangay development plan, Balay Mindanaw has already established its original methods based on Participatory Rural Appraisal (PRA). The manual of the methods was prepared and has been utilized during the formulation of a plan. Balay Mindanaw is also implementing small scale business activities for improving people's livelihoods, such as poultry and banana production and sales.

Balay Mindanaw has dealt with environmental issues but has had very limited experiences of watershed management activities. Recently, Balay Mindanaw has recognized the importance of watersheds and has begun to tackle watershed management issues.

2) Present conditions of project target watersheds

(1) Target watersheds of the project

There are two target watersheds of the project. One is the Alubijid watershed in Alubijid Municipality located 50km West from Cagayan De Oro City. Three barangays in this watershed, Tugasnon, Sungay, and Tula, will be the pilot barangays of the project. The other is the Gahub watershed in Gingoog City, which is 120km from Cagayan De Oro City, and five barangays in the watershed, Bakidbakid, Murallon, Tinulogan, Kipuntos, and Kalagonoy, will also be the pilot barangays.

IC Net Limited conducted a survey on these two watersheds to understand the conditions more precisely before the preparation of the project proposal. The Figure 1 shows an image of watersheds recognized through the survey. The target watersheds are divided into three areas: (1) residential flat areas near seashore; (2) gently sloppy areas used for crop production (main target areas of the project); and (3) sloppy areas maintained as forests. Main target areas of this project will be (2) and (3), and pilot activities on micro-watershed management will be implemented in those areas during the project period.

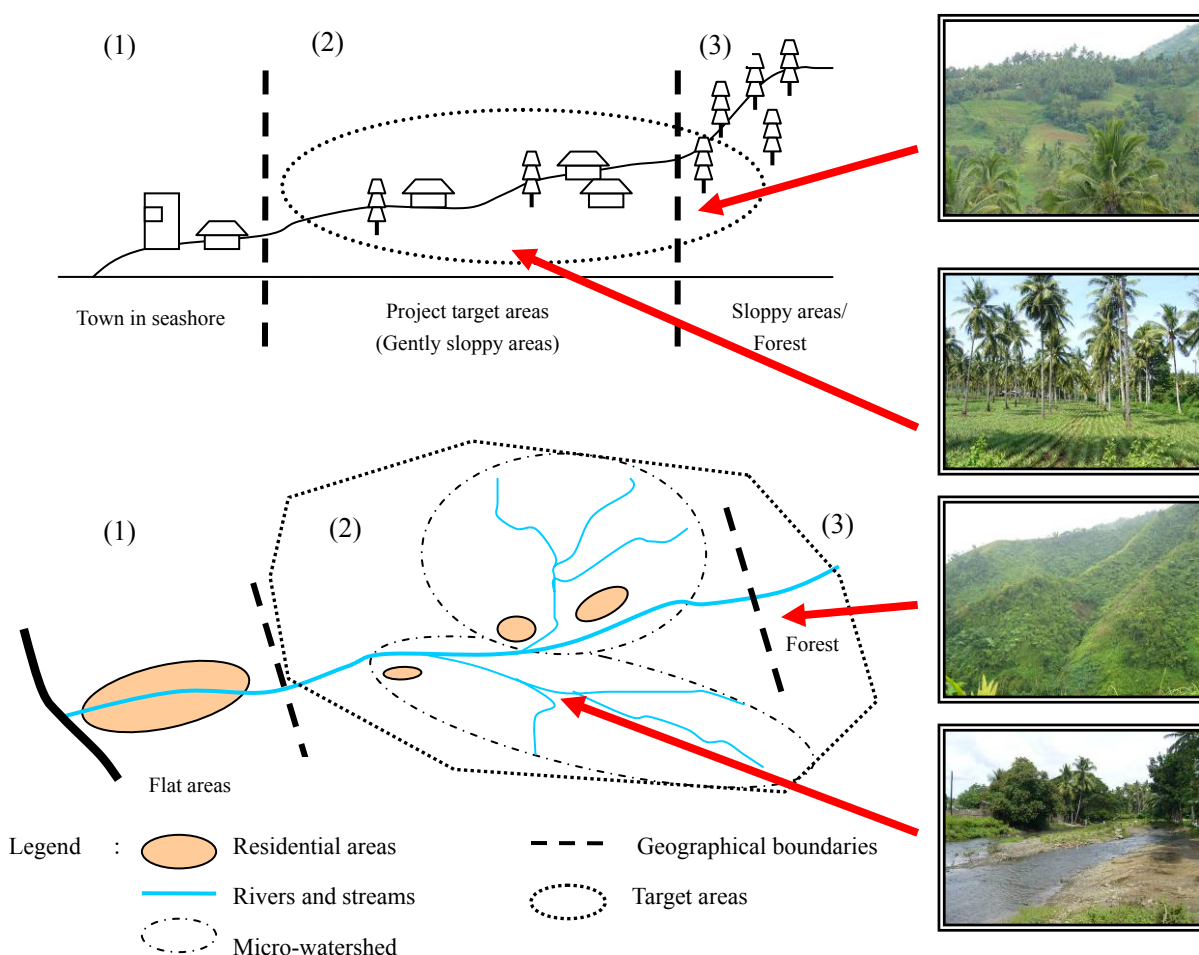


Figure 1: Image of project target areas

(2) Present conditions and issues of project target watersheds

(a) Less attention on necessity of micro-watershed management by stakeholders

The government officials and NGO staff members have recognized the importance of environmental issues. They pay more attention to micro-watershed management, especially in terms of natural resource conservation. However, they have yet to share more specific information on watershed management, such as zoning plans and guidelines for appropriate land utilization, with residents in their target areas.

(b) Low income of people in mountainous areas

People who live in mountainous areas have a very low income and fifty percent of their households are below the poverty line. Thus, some residents might resort to illegal logging in order to increase their income. At present, the number of cases of illegal logging is still limited and it has not become a serious problem. However, if there is no assistance for improving livelihoods of residents in the areas, illegal logging and agricultural activities without permission in conservation areas may increase. Such behavior will cause more serious soil erosion and degrade the environment.

(c) Stagnation of micro-watershed management and natural resource conservation activities at the barangay level

Activities of micro-watershed management and natural resource conservation at the barangay level should be incorporated into barangay development plans and implemented based on the plans. However, only a small number of barangays have formulated their own development plans. Moreover, barangays which take actions for micro-watershed management and natural resource conservation according to their plans are very limited.

(d) Insufficient technical assistance on micro-watershed management

Rural development approaches, particularly for formulation of barangay development plans, executed Balay Mindanaw seems to be very effective because sufficient time is spent with people to identify, share, and analyze problems. On the other hand, in terms of extension to wider areas efficiently, it is very difficult to utilize present intensive approaches due to the necessity of much human resources and budget. Unfortunately, both government and NGO budgets for micro-watershed management are very limited.

It is very important to support more barangays and effectively extend the impact of micro-watershed management activities so that impacts shift from the micro-watershed level to the entire watershed level. Thus more systematic and simpler approaches which do not put a heavy burden on a limited number of individuals and organizational functions should be considered.

In addition, various technical skills such as zoning, civil engineering, agriculture, re-forestation, soil conservation, and livelihood improvement are required to manage micro-watersheds properly. Currently, it is very difficult for concerned government organizations and NGOs to secure those skills with their own human resources. Therefore, government organizations and NGOs need to look for resource persons who can provide

a wider range of technical skills for watershed management. It is possible to work with research centers and universities in Cagayan de Oro City to establish networks with resource persons.

3) Strengths and issues of counterpart organizations and watershed management at the barangay level

The Table 1 shows strengths and issues on counterpart organizations and watershed management at the barangay level. Although many issues need to be addressed, there are some remarkable strengths to implement the project activities. Utilizing those strengths to addressing the issues is one of the keys for successful implementation of the project.

Table 1: Strengths and issues of counterpart organizations and watershed management at barangay level

	Counterpart Organization	Watershed Management at Barangay Level
Strengths	<ul style="list-style-type: none"> ● Recognition of the importance of watershed management ● Collaboration activities between the Provincial Government and NGOs ● Experiences of project implementation and accumulation of its know-how (Balay Mindanaw) ● Possibility of collaboration with International Research Center and Universities 	<ul style="list-style-type: none"> ● Existence of approaches on barangay development plan formulation ● Manageable small size of micro-watersheds within capacity of barangays' people
Issues	<p>Provincial Government</p> <ul style="list-style-type: none"> ● Shortage of budget ● Fewer opportunities for staff training (less capacity of the staff) ● Lack of transportation ● Insufficient data collection and activities at field on watershed management ● Insufficient technical skills on micro-watershed management 	<ul style="list-style-type: none"> ● Little attention on watershed management ● Lack of watershed management plans ● Low income of people in the target areas ● No clear methodologies on expansion of pilot activities to other areas
	<p>Balay Mindanaw</p> <ul style="list-style-type: none"> ● Insufficient technical skills on micro-watershed management ● Insufficient monitoring and follow-up activities 	

3. Project Framework

This project aims to improve micro-watershed management in the Province of Misamis Oriental, while achieving the Project Purpose and Outputs. The project framework is shown below.

1) Project Overall Goal, Purpose, and Outputs

Overall Goal

Management of micro-watersheds is improved in Misamis Oriental by collaboration of Local Government Units and communities.

Project Purpose

Management of micro-watersheds is improved in the pilot barangays by collaboration of Local Government Units and communities.

Project Outputs

1. Participatory barangay development plans incorporating suitable micro-watershed management practices are formulated.
2. Barangay beneficiaries obtain knowledge and skills on suitable micro-watershed management practices and are able to implement them.
3. Technical knowledge of micro-watershed management and participatory planning skills of provincial and municipal LGUs and NGO staff are enhanced and project experiences are shared in other areas.

2) Project Target

Direct beneficiaries: The Provincial Government of Misamis Oriental; pilot city and municipality; staff of related barangays; staff of twenty-four municipalities in the Province; and Balay Mindanaw staff engaging in project activities

Indirect beneficiaries: About 7,800 people (1,600 households) in eight (8) pilot barangays

* In the future, educational activities of micro-watershed management will be expanded to people in downstream areas and the importance of small-scale watershed management, which is found through activities at pilot barangays, will be taught to them.

4. Basic Principles of the Project

Based on the analysis on the strengths and issues regarding counterpart organizations and target watersheds, in consideration of the project framework, the project will be designed and implemented under the following basic principles.

- 1) Aiming at effective and efficient rural development by reviewing and analyzing collaborative approaches between LGUs and NGOs
- 2) Reinforcing micro-watershed management capacity through improving implementation capacity of barangay development activities
- 3) Considering the balance of production and conservation, and the short- and long-run benefits during the selection of small-scale businesses
- 4) Materializing effective technology transfer on micro-watershed management skills by utilizing local resource persons
- 5) Establishing a package model including an approach and training contents in order to extend activities to other areas

- 1) Aiming at effective and efficient rural development by reviewing and analyzing collaborative approaches between LGUs and NGOs

The counterpart organizations, i.e., the Provincial Government of Misamis Oriental and Balay Mindanaw, have had collaborative activities for rural development. Their collaborative activities have made positive impacts that are visible to local people. Through project implementation, this collaborative relationship will be reinforced and could be a model for effective collaboration between LGUs and NGOs. Here is a possible arrangement: (1) the Provincial government establishes guidelines for micro-watershed management; (2) Municipal Governments implement educational activities to involve downstream people and conduct monitoring to confirm the progress of small-scale businesses at barangays; and (3) NGOs promote business activities with people and barangay officials.

The project aims at establishment of effective and efficient rural development approaches by analyzing collaborative activities between the Provincial Government of Misamis Oriental and Balay Mindanaw. Through the analysis, the project will clarify appropriate roles, responsibilities, and categorization of activities between the two parties, and find out available schemes for accelerating collaborative activities.

- 2) Reinforcing micro-watershed management capacity through improving implementation capacity of barangay development activities

In order to improve capacity of micro-watershed management, it is important that barangay officials and residents of barangays analyze their present conditions and work to improve their abilities to plan, implement, monitor and follow up on barangay development activities. The project aims at improving capacity on micro-watershed management through reinforcing implementation capacity of development activities at the

barangay level. When the project follows this strategy, the following points must be taken into consideration.

(1) Attaching much importance to existing processes

Balay Mindanaw has already established the solid participatory process on formulation of barangay development plans. Thus, the project respects the present process and just reviews and revises some components of the process if necessary, instead of introducing an entirely new approach. By utilizing a modified process fully during the formulation of other barangays' plans, ownership of counterpart organizations would be fostered and could contribute to maintaining higher sustainability of the project.

(2) Collaboration and coordination of various development activities through formulation of barangay development plans

Other stakeholders have been conducting various activities in the target barangays. However, many of them work directly with People's Organizations such as cooperatives, women's groups, and youth groups. Thus, barangay local governments have less involvement in the activities and are usually unsuccessful in coordinating those activities. To ameliorate this situation, the project will help formulate integrated barangay development plans including all activities undertaken by various stakeholders and will make barangay local governments involve extensively in implementation of the activities in their barangays. The integrated barangay development plans could be utilized as a platform for rural development at the barangay level. Practical use of the plan will lead to effective implementation of rural development activities by increasing efficiency of various activities and creating synergy among them.

(3) Strengthening a monitoring and follow-up system

At present, LGUs (Province, Municipality, and barangay) are usually unable to conduct effective monitoring and follow-up activities due to their limited resources. Balay Mindanaw does not have a systematic monitoring and follow-up methodology even though it has very solid approaches for development plans. Thus, the project strengthens the implementation capacity of development activities at the field level through establishing a practical and applicable monitoring and follow-up system according to capacity of LGUs, Balay Mindanaw, and beneficiaries themselves.

3) Considering the balance of production and conservation, and the short- and long-run benefits during the selection of small-scale businesses

In the project, action plans for micro-watershed management would be established based on barangay development plans and highly prioritized small-scale businesses will be selected and implemented as pilot activities. The purpose of implementing those businesses is to improve the implementation capacity on micro-watershed management. Thus, the contents of those might be natural resource conservation activities,

alternative livelihood activities, and sustainable agriculture. During the prioritization and selection of small-scale businesses, the project will focus on not only alternative livelihood activities, which mainly bring economic benefits to the target people, but also on those including more conservation components by paying much more attention to the balance between production and conservation.

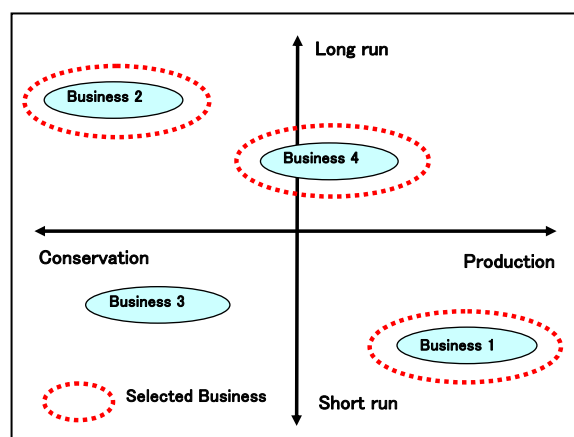


Figure 2: Image of small business selection

It is important for the project to have well-balanced combinations of businesses taking into consideration on those components (production or conservation), necessary time to confirm impacts (short or long run benefits), and of course people's needs and their capacity. The project will support target people to make them clearly understand the purposes of micro-watershed management, the short-term benefits, and long-term visions. The project will prepare a categorization sheet, which includes necessary time of having impacts and characteristics of businesses and activities (e.g., Figure 2) in order to make target participants understand the balance of their selection visually.

4) Materializing effective technology transfer on micro-watershed management skills by utilizing local resource persons

A wide range of technical skills are necessary for proper micro-watershed management, such as zoning, civil engineering for soil protection, soil conservation by planting trees and grass, and sustainable agriculture. If concerned government organizations and NGOs try to provide those skills on their own, they need a much larger budget to secure human resources. Thus, it is important for the project to establish a cost-effective technical supporting system for micro-watershed management by utilizing resource persons from outside when particular skills are necessary. In order to operate the system effectively, the project should at first find local useful resource persons, and then set preferable conditions (e.g. regular contacts, information sharing on project activities, meetings on technical aspects) to have technical support and advice through establishment of a network with those resource persons.

5) Establishing a package model including an approach and training contents in order to extend activities to other areas

During the project period, the project will give relatively intensive support to the pilot barangays. However, for extension of micro-watershed activities to other areas, it is very difficult to follow the same approach of the project due to insufficient budget and human resources. The project, therefore, will try to develop the package

model composed of simple core approaches with selectable training components by reviewing lessons learned from project activities and critical points for efficient implementation. On the other hand, the package model which assumes existence of very active and well-experienced NGOs like Balay Mindanaw is not applicable to areas where such NGOs are nonexistent. Thus, a package model without NGOs is also necessary for effective extension to other areas.

A collaborative approach model between LGUs and NGOs will be established through project activities in the Gahub watershed in Gingoog City. At another project site, the Alubijid watershed in Alubijid Municipality, no NGO is working on micro-watershed management. Therefore, in this watershed, a LGU-centered approach model will be established.

When the project establishes those models, the project should take into consideration the available resources for LGUs and NGOs, such as budget, human resources, time constraints, and transportation, and make the models more sustainable and independent without having support and input from outside. Meanwhile, the project should figure out the necessary cost for implementation of model approaches and their expected impacts so that the government or donors can recognize the cost-effectiveness of the models. This may generate an additional budget for more activities in wider areas and better possibilities for extension activities after the completion of the project. The Figure 3 shows the model establishment process.

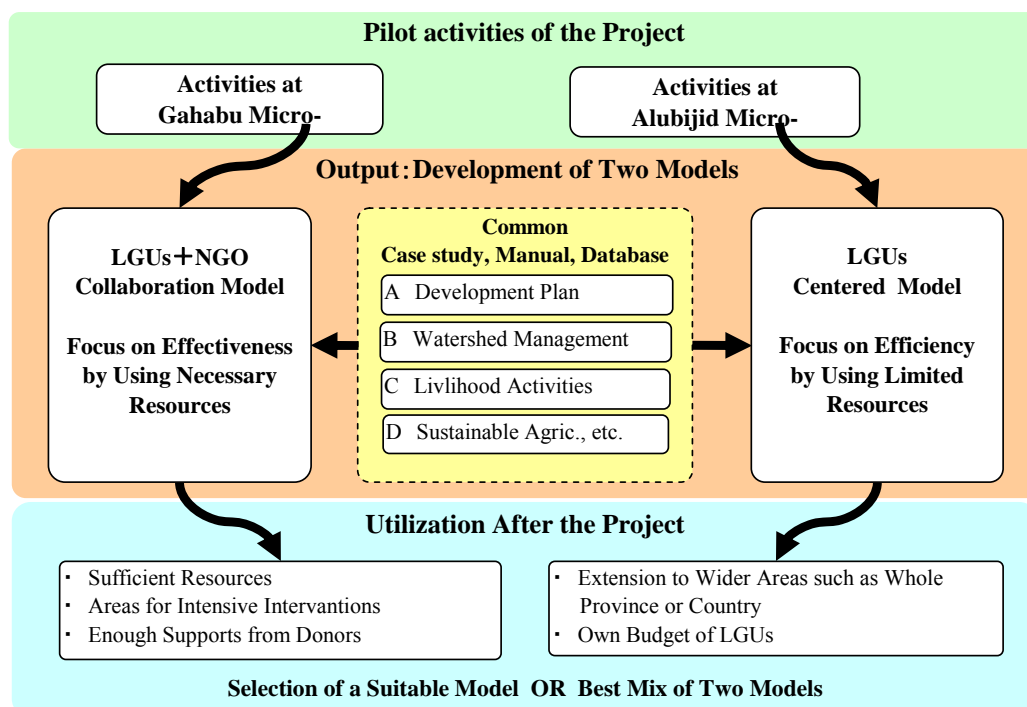


Figure 3: Image of modeling

5. Project Implementation

1) Overall flow of implementation

Below is the overall flow of project implementation.

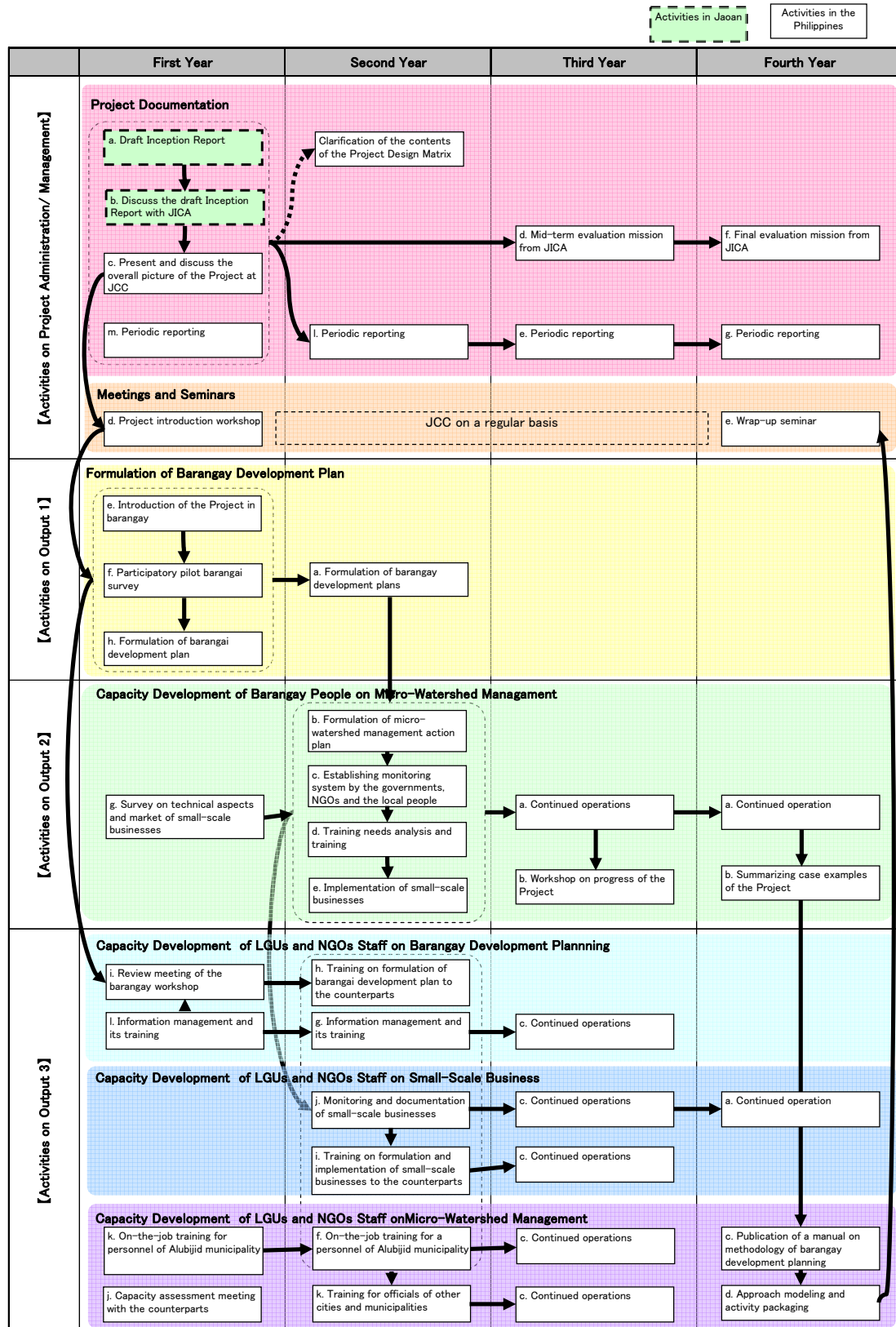


Figure 4: Overall flow of implementation

2) Activities in Detail

The Project will be carried out in the following four Japanese fiscal years.

First year: January 2008 - March 2008

Second year: May 2008 - March 2009

Third year: May 2009 - March 2010

Fourth year: May 2010 - November 2010

The following section presents the project activities in detail.

<First Year: January 2008 - March 2008>

a. Draft Inception Report

Based on the information from available sources and materials, the JICA experts for the Project prepare a draft Inception Report in Japan.

b. Discuss the draft Inception Report with JICA

The experts present the draft Inception Report to JICA and discuss on the contents of the report. Modification is made if necessary.

c. Present and discuss the overall picture of the Project at JCC

The experts present the draft Inception Report at the first Joint Coordinating Committee to share the basic principles and approaches, and the overall picture of the project among the stakeholders. After the presentation and discussion, the Inception Report is finalized and submitted to JICA.

d. Project introduction workshop

In order to gain understanding of the counterparts about the Project, the Project conducts a project introduction workshop at Cagayan de Oro for officials from the provincial government, the pilot city and municipality and officers from the Balay Mindanaw Foundation. An implementation flow (Figure 5) is presented to share a concept of micro-watershed management and participatory barangays' development.


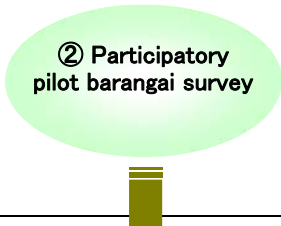



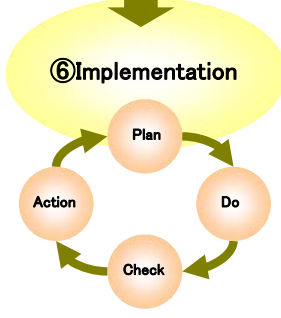
	Process	Contents	Activity number
Established process which needs some modifications	 <p>① Introduction session at barangai</p>	<p>< Objective > Consensus building on sustainable micro-watershed management and development activities</p> <p>< Contents > 1. Process of micro-watershed management and development 2. Natural resources management, politics and legal system, PRA 3. Exercise of PRA</p>	First Year (4) Second Year (2)
	 <p>② Participatory pilot barangai survey</p>	<p>< Objectives > 1. Understanding of the current status by the local people 2. Technical assistance on natural resources management</p> <p>< Contents > Resources mapping through PRA</p>	First Year (5) Second Year (2)
	 <p>③ Barangai development plan workshop</p>	<p>< Objective > Formulation of barangai development plan including micro-watershed management</p> <p>< Contents > Formulated by the local people through a workshop</p>	First Year (8) Second Year (2)
Process which is not yet established	 <p>④ Micro-watershed management action plan workshop</p>	<p>< Objective > Proposal of small-scale business</p> <p>< Contents > 1. Micro-watershed management action plan 2. Selection of high priority project 3. Detailed proposal of the project</p>	Second Year (3)
	 <p>⑤ Training needs analysis and training</p>	<p>< Objective > Acquisition of knowledge and techniques necessary for implementation of the projects by the local people</p> <p>< Contents > 1. Training on common techniques for project implementation 2. Training on specific techniques for each project</p>	Second Year (5)
	 <p>⑥ Implementation</p>	<p>< Objective > Implementation, monitoring and evaluation of the small-scale businesses</p> <p>< Contents > 1. Scheduled investment and project implementation 2. Exercise of PDCA cycle (left figure) and flexible improvement</p>	Second Year (6) Third Year (1) Fourth Year (1)

Figure 5: Micro-watershed management and participatory development process at a barangay level

The Balay Mindanaw Foundation has already conducted a series of workshops (Table 2) at barangays to formulate a barangay development plan, whose process is indicated in (1) - (3) in Figure 5. The Foundation has manuals for the workshop in the Bisayan language, and the workshop itself is well organized. The workshop, however, has to allocate nine (9) days for one barangay, which requires a high cost and much manpower. Since it is expected to disseminate the results of the Project to other areas after the Project, it is essential to prepare a simpler and more cost-effective workshop framework which is easily organized elsewhere.

The Project, therefore, proposes the following workflow in the first year. (1) An existing workshop program is conducted with a micro-watershed management concept in one barangay as a pilot exercise in the first year. (2) Based on the results of the exercise the counterparts and the experts review the details of the workshop. At a review meeting, the following points are discussed to formulate an improved workshop framework in the second year: process of the workshop from the introduction session to the formulation of the barangay development plan; activities to be conducted in other barangays; activities to be improved; timeframe of the workshop; and necessary budget. At the early stage of the second year, an improved workshop program is formulated. The new version of the program is then utilized for other barangay workshops.

Table 2: Workshop for formulating a barangay development plan by the Balay Mindanaw Foundation

	Introduction	PRA	Formulation of Development Plan
Duration	Three days	Three days	Three days
Purpose	Introduction of development concept and of participatory approach	Data collection through participatory approach at a barangay level	Formulating a barangay development plan based on data through PRA activities
Contents	<ul style="list-style-type: none"> • What is sustainable regional development? • History of the barangay • Human rights • Political and legal system • Basic information on local government laws • Participatory mechanism for political process • What is barangay? • What is PRA? • Tools for PRA • Practice of PRA 	Data collection in the field Expected tools <ul style="list-style-type: none"> • Resources mapping • Transect mapping • Institutional diagramming • Historical profiling • Seasonal calendar • Ranking 	<ul style="list-style-type: none"> • Review of PRA activities, the barangay development plan and the barangay • Formulation of vision and mission • Establishment of goal, objectives and strategy (problem and objective trees are formulated) • Selection of program and projects • Formulation of 5-year and annual plans

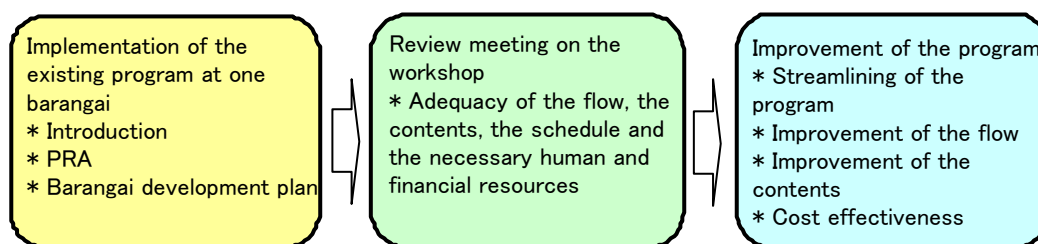


Figure 6: Reviewing process of the existing workshop

Regarding the micro-watershed management component of a barangay development plan, a workshop is conducted to formulate a detailed micro-watershed management plan by the local people. They are expected to make proposals for small-scale businesses while assisting the Project. If the proposed businesses require new techniques and/or new knowledge, a needs analysis for training is conducted and then necessary technical workshop(s) is organized with collaboration of local resource persons. The local people utilize these techniques and knowledge to implement their proposed businesses.

Activities related to OUTPUT 1

e. Introduction of the Project in barangay

In order to gain understanding of the local people in a pilot barangay about the Project, the Project holds an introduction meeting with board members, representatives of the barangay and representatives of Indigenous People of the area. At the meeting, the Project explains the basic concept of the Project to have the participants understand the necessity for formulation of a barangay development plan and their participation in the Project. If a development plan has already been formulated in the barangay, the Project is to propose improvement to the plan by incorporating a micro-watershed management component.

f. Participatory pilot barangay survey

In a pilot barangay, a survey on natural conditions, land use and socio-economic conditions is conducted with participation of the local people. PRA methods are actively utilized and the local people are expected to take the lead to make a map of resources in the barangay with boundaries of the micro-watershed and land use conditions. The Balay Mindanaw Foundation assists the local people in formulating a barangay development plan with a “community resources map” (please see the right photograph as an example). The Project considers that the map is useful and practical, and a similar practice is carried out in other pilot barangays.



Community resources map of a barangay

It is recognized important to help the local people feel and understand the situation of the micro-watershed in their barangay through PRA activities and direct observation. Critical areas for micro-watershed management such as areas with soil erosion and steep slope with agricultural activities are identified, and the Project discusses with the local people whether it is necessary to monitor the situation of these areas. If it is decided to monitor them, the Project assists the local people in discussing how they can conduct and continue monitoring.

The Project assists the counterparts in collecting information related to micro- and small watershed management. Basic information is collected to establish a simple management toll for the governments for these watersheds such as Geographical Information System (GIS) maps. Global Positioning System (GPS) equipment is recognized useful for the Project implementation and the counterparts are trained to utilize GPS equipment to collect information.

g. Survey and analysis on technical aspects and market of small-scale businesses

In order to increase income of the local people through newly developed small-scale businesses, it is necessary to have customers of products and access to these customers. The Project, therefore, conducts survey and analysis on technical aspects and market of small-scale businesses. Targets of the survey of the first year are mainly business enterprises, universities and institutions in and around Cagayan de Oro and Gingoog cities. It is important to have information on necessary techniques and resource persons in the region to establish small-scale businesses in the second year.

h. Formulation of barangay development plan

A barangay development plan of the pilot barangay is formulated in a participatory manner based on the information acquired by PRA activities in above-mentioned “***f. Participatory pilot barangay survey***”. In barangays of which barangay development plans have already been formulated, the plans are revised in order to incorporate a micro-watershed management component. The formats of the existing barangay development plan (5-year and annual) are also scrutinized and revised if necessary.

i. Review meeting of the barangay workshop

Three activities – introduction session, PRA activities and formulation of a barangay development plan – at the pilot barangay are reviewed. The details such as their contents, duration, quantity and quality of allocated personnel and logistics are evaluated at the meeting with the counterparts and the experts. All activities are assessed. Activities which are judged as good practices are conducted in other barangays, and ones which are judged as less appropriate are improved for surveys in the second year. It should be noted that cost effectiveness is also discussed for dissemination of the Project in the future.

Based on the discussion, a framework of the workshop in the second year, revision of the workshop materials

and their work schedule are formulated. In the first quarter of the second year, the workshop materials are revised. These materials and revised program are then used for conducting barangay development plan workshops in other seven barangays.

Activities related to OUTPUT 3

j. Capacity assessment meeting with the counterparts

It is very useful to assess the capacity of the counterparts at the beginning of the Project. This is because the assessment provides essential information in order to plan and implement an effective Capacity Development (CD) program within the Project duration. The Project, therefore, holds a capacity assessment meeting.

The “Formative Assessment” method is applied in assessing capacity of the counterparts. The exercise is conducted by both counterparts and the experts. The process is as follows: (1) establishing evaluation criteria of the capacity which are necessary for sustainable growth of the Project; (2) evaluating the current stage by the criteria; and (3) facilitating consensus-building on what and how the counterparts can do for CD. In such a way, the counterparts carry out a consecutive self-evaluation program, and then they can climb up a CD ladder by themselves.

- (1) Establishment of evaluation criteria: This exercise is conducted by group work in the three fields, namely “Village Development / Local Governance”, “Natural Resources Management / Information Management” and “Livelihood / Small-scale Business”. In each field, the counterparts and the experts divide the project task into small ones which one person can accomplish, and then identify capacities to achieve the divided tasks.
- (2) Evaluation of the current stage: This is conducted by one counterpart and the expert one by one. Based on the identified capacities, the current stage of the counterpart is assessed by 5-point scale. The counterpart and the expert first evaluate his/her capacities separately, and then discuss each others’ evaluation results together to understand differences of the results, strong points and points to be improved of the counterpart.
- (3) Consensus building: This is also conducted by one counterpart and the expert one by one. The counterpart and the expert mainly discuss and agree on how to overcome his / her points to be improved. After individual consultation, if there are common points to be improved as a group, it is necessary to have a group discussion to agree on how to overcome the points at an institutional level.

These exercises are carried out at regular basis such as the end of each fiscal year. The evaluation criteria and CD plan(s) are reviewed and, if necessary, modified.

k. On-the-job training for personnel of Alubijid municipality

Discussion with Alubijid municipality and Balay Mindanaw Foundation is held, and a community development officer from the municipality is identified as an OJT trainee. The trainee is dispatched to Balay Mindanaw Foundation to learn the participatory barangay development planning incorporating micro-watershed management in the foundation’s activity areas. The duration is about one month in the first year and about two months in the second. The main activities for the trainee are expected to be (1) how to organize an introduction session in a barangay, (2) how to conduct PRA activities and to utilize collected data, and (3) how to formulate a barangay development plan.

l. Information management and its training

There are two main objectives of collecting and managing information: (1) to understand the current situation; and (2) to understand time-oriented changes. The counterparts and the expert discuss an information management plan to achieve these objectives in the Project.

Within the Project, there are three groups who manage necessary information for watershed management: (1) governments (provinces, cities and municipalities) who manage a watershed as a whole and need to manage information from a broad perspective; (2) NGOs who support watershed management and whose objectives are to provide barangays and local people with technical assistance; and (3) barangays and local people who live in a micro-watershed and manage resources on a daily basis. The Figure 7 and the Table 3 show relationships amongst these three groups and watershed types, and information collection / management system and information flow of these groups.

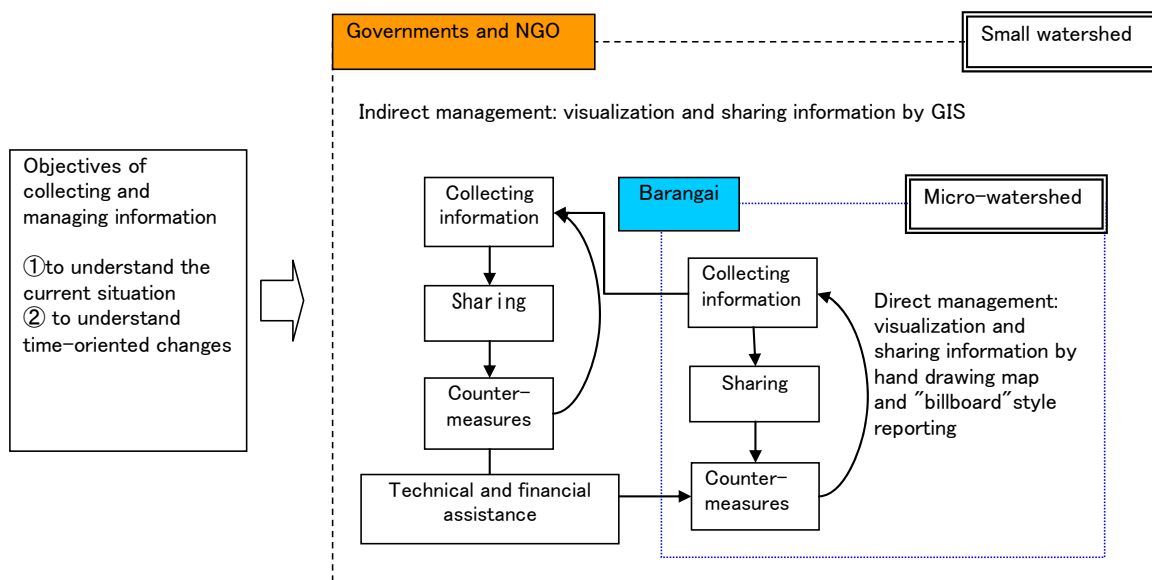


Figure 7: Information flow and information sharing

Table 3: Relationship amongst information management, target watershed and stakeholders

	Small watershed management (area 1,000-10,000ha)	Micro-watershed management (area less than 1,000ha)
Main stakeholders	Governments and NGOs	Barangays and local people
Sub stakeholders	Barangays and local people	Governments and NGOs
Objective	Management of small watershed as a whole	Micro-watershed management
Resources management	Indirect management (Legal systems are important tools for governmental organizations)	Direct management including direct utilization of resources
Information management tool (tentative)	GIS and reports Stylized information collection format	Hand-drawn map and “billboard” style reporting
Information collecting method (tentative)	Stylized information collection system → Governments: Officer(s) in charge collect information regularly (several times a year) NGOs: Officer(s) in charge and representatives of barangay collect information regularly (a few times a month)	The local people agree to provide information regularly at no cost → The local people collect information regularly.
Activities (tentative)	<ul style="list-style-type: none"> ➤ Formulation of a small watershed management plan and its implementation ➤ Monitoring ➤ Information collection by officer(s) ➤ Information collection from barangays ➤ Patrol by the governments ➤ Technical assistance to barangays by NGOs 	<ul style="list-style-type: none"> ➤ Formulation of barangay development plan and micro-watershed management plan, and their implementations ➤ Monitoring ➤ Reporting by the local people and discussion of the countermeasures ➤ Provision of information to the governmental organizations and NGOs

Considering cost effectiveness, human resources and sustainability, it is recommended not to establish a new institution or system to manage and collect information. It is highly recommended to utilize existing institutions and information system, and a survey is conducted to review these. For example, it is useful to use results of water quality analysis if a “water supply and sewerage” department conducts such a monitoring on a regular basis.

The Figure 8 shows the information management and its flow. The right one is of governments and NGOs and the left is of barangay. At a governmental and NGO’s level, it is expected to show cause-and-effect relationship amongst socio-economic activities (land use), physical aspect (slope angle) and problems. The governments take appropriate actions for watershed management as a whole and NGOs utilize these information to give

effective technical assistance. At the barangay level, they do not have full-time staff, do not have IT equipment, and they manage the resources daily and directly. Careful consideration should be given to these points, and information management and micro-watershed management are organized.

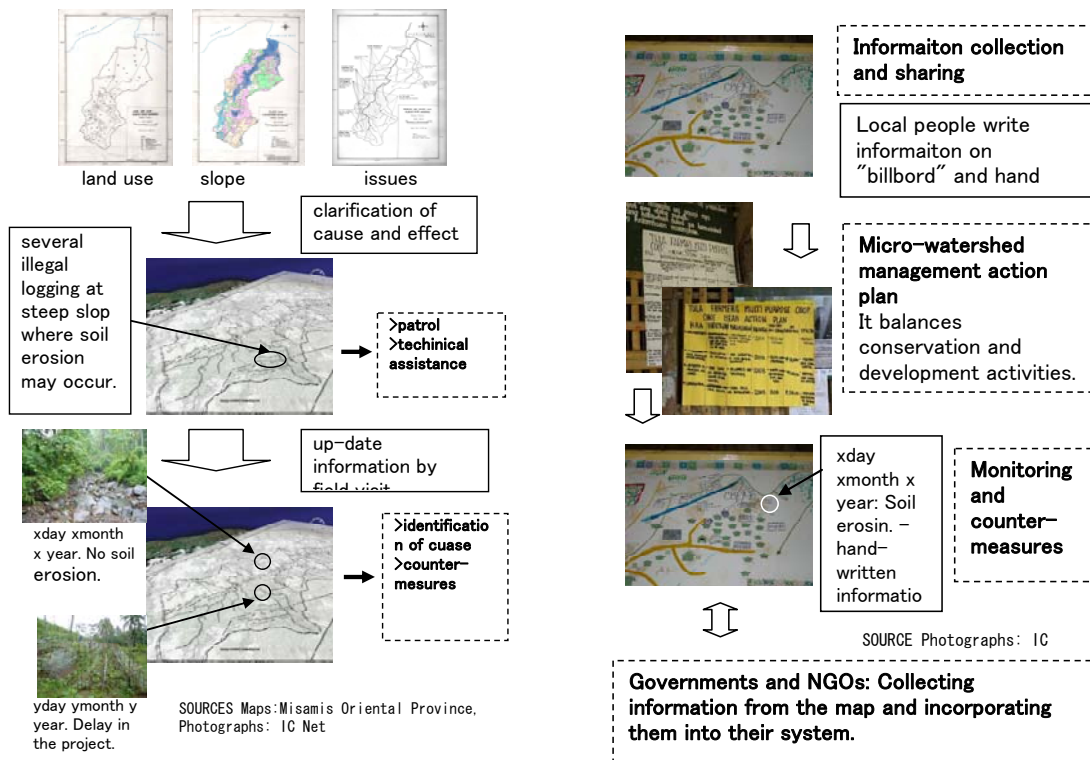


Figure 8: Information management by different stakeholders (left: government and NGO, right: barangay)

Information management training is provided to personnel of the governments and the foundation. A training workshop is conducted each fiscal year except in the fourth one. Regarding GIS training, only selected personnel are trained intensively and they are expected to perform GIS software at a certain level by the end of the Project.

m. Periodic reporting

The experts prepare a periodic report. After explaining it to JICA and the Filipino counterparts and receiving their endorsement, they submit the report.

<Second year: April 2008 - March 2009>

a. Clarification of the contents of the Project Design Matrix

Based on the information and the results of the activities in the first year, the contents of the Project Design Matrix (PDM) are clarified. The PDM is discussed and agreed at the JCC at the beginning of the second year.

Activities related to OUTPUT 1

b. Formulation of barangay development plans

The activities “e”, “f” and “h” in the first year are conducted in the target barangays. It is expected to accomplish formulating development plans in all the target barangays by November 2008.

Activities related to OUTPUT 2

The following activities are carried out in barangays where their development plans are formulated.

c. Formulation of micro-watershed management action plan

Based on the development plan, the local people formulate a micro-watershed management action plan in a participatory manner. The action plan includes environmental management activities, alternative livelihood improvement activities and sustainable agriculture. Regarding high priority projects in the action plan, the local people write proposals in close collaboration with the counterparts and the experts. These proposals should contain (1) objectives, (2) activities and their implementation methods, (3) implementation schedule, and (4) budget.

When they formulate an action plan, it is necessary to adequately consider and discuss topographical feature, land zoning and their appropriate utilization shown in the Figure 9. The results of the discussion should be reflected on the resources map and/or transect map. The exercise gives a visual image of the land use of the barangay, which helps them understand the entire picture of the watershed management.

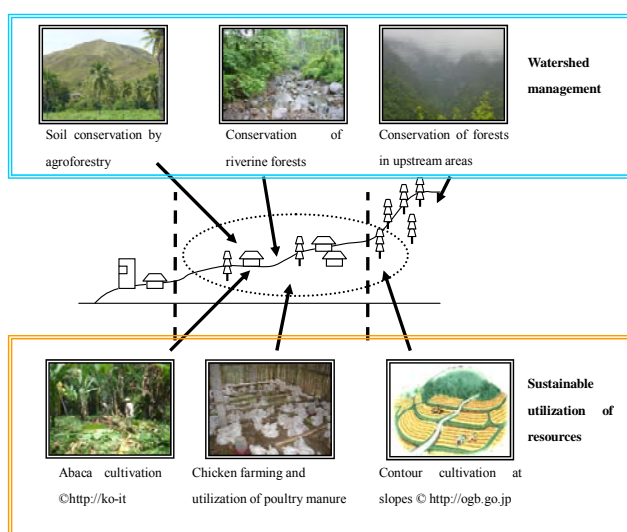


Figure 9: Topographical feature and appropriate land use

d. Establishing monitoring system by the governments, NGOs and the local people

The success of small-scale businesses depends heavily on whether the stakeholders can monitor and follow up on their businesses appropriately and timely. It is necessary to clarify the roles of each stakeholder - the governments including barangay, NGOs and the local people - and then the Project establishes a business monitoring system. Monitoring systems are different from those of the governments, NGOs, and the local people. This is because the former monitors the business as an indirect beneficiary and the latter does as a direct beneficiary. It is therefore useful to formulate different monitoring systems for the former group (the governments and NGOs) and the local people in line with their capacities.

The following two cases show examples of monitoring small-scale businesses – the one is by the government and the other is a simplified one by the local people.

(1) Monitoring by the counterparts (tentative)

Objectives of the monitoring by the counterparts are review the status of businesses assisted, identification of good practices and points to be improved, improvement of the businesses and provision of technical assistance to the local people. The process of the exercise is as follows:

- Training of monitoring and evaluation: In order to achieve the above-mentioned objectives, it is at first critical for the counterparts to recognize the importance of monitoring and evaluation and learn its methodology. The Project holds a two-day training workshop for the counterparts. On the first day, they learn the concept of monitoring and evaluation and exercise survey tools. On the second day, they are requested to establish evaluation standards to evaluate the status of the businesses of all eight pilot barangays such as appropriateness of action plans and proposals and budget allocation. Based on the standards, they formulate monitoring plans for the proposals which are due to be submitted by the local people.
- Preparation of survey sheet: Based on the monitoring plan, the counterparts prepare a survey sheet for each business in close consultation with the expert. Although each survey sheet is prepared based on the above-mentioned standards, the survey sheet has specific criteria for each business. In order to set up the criteria, the counterparts are required to show a desired picture of the business based on the action plan and / or the proposal. By doing so, they can analyze and understand necessary evaluation aspects of the business. The criteria focus on changes in behavior of the local people and impact of the business to society¹.
- Implementation of monitoring: Although monitoring is regularly carried out according to its plan, the counterparts need to visit the barangay more frequently for some duration after they

¹ The following idea of Donald Kirkpatrick helps establishment of a monitoring system. Four evaluation stages of technical transfer project are proposed: (1) reaction (how the trainee feels about training); (2) learning (status of improvement of knowledge and / or techniques); (3) behavior (how the behavior changes); and (4) impact (how society changes by the trainee). Donald Kirkpatrick, "Evaluating Training Programs: The Four Levels", 1998.

start the business. The monitoring is conducted based on its survey sheet. When they find out a problem arising from the business, they are required to look at it in detail and record it. They report results of the monitoring to the local people, and give technical advice on the spot if necessary.

- Analysis and recommendations: The counterparts should meet regularly – monthly – to share monitoring results of their barangays and businesses. When they find a common or big problem, they need to take an appropriate action as the Project. The monitoring system needs to be improved if necessary.

(2) Monitoring by the local people (tentative)

Main objective of the monitoring is to review and improve their businesses. It is not realistic to establish a complex and time consuming monitoring system. The local people are requested to propose a simple and qualitative monitoring system when they formulate a business proposal.

- Explanation to the local people: When the Project leads formulation of a micro-watershed management action plan, the Project explains to the local people the importance of monitoring and evaluation and how to conduct monitoring.
- Evaluation criteria in proposal: The local people are requested to include a clear goal and milestones and set up evaluation criteria when they formulate a proposal.
- Implementation of monitoring: Based on their evaluation criteria, the local people regularly conduct the monitoring.
- Technical assistance by the Project: When the counterparts and / or the experts visit the site, the local people explain to them the following three points: favorable points, points to be improved and next actions. The counterparts and / or the experts give appropriate technical assistance if necessary.

e. Training needs analysis and training

The Project identifies training needs of the proposed businesses such as planning, “environmentally conscious agriculture (agro-forestry)”, processing technology and marketing. Training is then conducted by the counterparts in close collaboration with the expert. If the counterparts do not have necessary techniques and / or knowledge, local resources such as research institutions and universities in the province or neighboring provinces are actively utilized.

f. Implementation of small-scale businesses

The Project assists the local people in implementing business projects which they give high priority. It is vital that the local people and the communities share cost with the Project in order to make the businesses sustainable. The cost-sharing includes provision of resources which the local people and the communities actually have.

The “Basic Principle 3” points out that it is necessary to balance production and conservation activities and to combine activities which produce short-term and mid- & long-term benefits. This can be realized by showing characteristic business models to the local people. It is expected that they understand the relationship between their businesses and the objectives of micro-watershed management, and recognize the mid- and long-term impacts of their businesses. The Table 4 shows five categories of businesses. “Other” businesses in the table are excluded from the Project because of their minor impacts on the Project.

Table 4: Examples of small-scale businesses

	Conservation oriented business	Production oriented business
Short-term benefits	Mixed agriculture, banana and abaca cultivation on steep land, fish cultivation, small-scale irrigation, introduction of covering plants to reduce soil erosion, production of biogas	Pineapple and papaya cultivation under concessions, retailing, dressmaking, broom making, chicken farming, husbandry, vegetable cultivation, cultivation of flowers and ornamental plants, seed and seedling nursery, micro-credit
Mid- and long-term benefits	Vegetation recovery by tree and grass planting, practice of contour cultivation, introduction of commons, agro-forestry (bamboo, fruit orchard), construction of sabo-structure	Construction of drying yard, construction of storage shed, improvement of roads
Other	Improvement of social infrastructure (e.g., meeting place, hospital and school), electrification work, water supply and sewerage system	

Activities related to OUTPUT 3

n. On-the-job training for personnel of Alubijid municipality (continued operation of “k” in the first year)

The trainee from Alubijid municipality is dispatched to Balay Mindanaw Foundation to learn the participatory barangay development planning in the foundation’s activity areas. The duration in the second year is about two months.

o. Information management and its training (continued operation of “l” in the first year)

The information management training is continued. The trainees learn more about GIS and its application.

p. Training on formulation of barangay development plan to the counterparts

Training is conducted for the counterparts (about 20 persons) to learn how to formulate a barangay development plan in a participatory way.

q. Training on formulation and implementation of small-scale businesses to the counterparts

Training is conducted to the counterparts who are in charge of providing technical assistance to barangays regarding formulation and implementation of small-scale businesses. This activity is closely related to the activity “f. Implementation of small-scale businesses” above. This training session is held six times in the Project period, and three sessions are organized in the second year.

r. Monitoring and documentation of small-scale businesses

The counterparts and the local people conduct monitoring and record the results. This activity is closely related to the activity “d. Establishing monitoring system by the governments, NGOs and the local people” above. The expert helps the counterparts in technical assistance, monitoring, follow-up and evaluation in the methods indicated in the activity “d”. It is recommended not to intensively use narrative records but to use visual records such as photographs or video by digital camera / video camera as much as possible. This is because visual records easily make the stakeholder understand an entire picture of the status.

s. Training for officials of other cities and municipalities

The target of this training is officials of other cities and municipalities, and objective of this training is to give them guidance to understand the concept and the methodology of the Project. The training consists of lecturing and a study tour to the pilot barangay(s). At the pilot barangay(s), the beneficiaries (the local people and the counterparts) give presentation to the participants on their activities, points to be improved and next actions. It is important to organize a program in which the beneficiaries especially the local people feel relaxed and give presentations with confidence.

t. Periodic reporting

The experts prepare a periodic report. After explaining it to JICA and the Filipino counterparts and receiving their endorsement, they submit the report.

<Third year: April 2009 - March 2010>

Activities related to OUTPUT 2**a. Continued operations**

The activities “b - d” in the second year – monitoring small-scale businesses and related training – are continued.

b. Workshop on progress of the Project

A workshop is organized in order to present and review the status of small-scale businesses of the pilot barangays. Representatives from each barangay give presentation with support by the counterparts and the

experts. It is important for the participants to take part in the workshop actively and discuss cases of success and failure. All participants are encouraged to review and analyze these cases and discuss how to overcome problems.

Activities related to OUTPUT 3

c. Continued operations

The activities on training “g, h and j” in the second year are continued when necessary.

Other activities

d. Mid-term evaluation mission from JICA

The Project works together with the mid-term evaluation mission from JICA to review the status of the Project in the first quarter of the third year.

e. Periodic reporting

The experts prepare a periodic report. After explaining it to JICA and the Filipino counterparts and receiving their endorsement, they submit the report.

<Fourth year: April 2010 - December 2010>

Activities related to OUTPUT 2

a. Continued operation

The activities in “a” in the third year are continued.

b. Summarizing case examples of the Project

A case study of the barangay small-scale businesses is published. The study summarizes good practices and lessons learned from the businesses conducted under the Project. The publication contains photographs and illustrations as much as possible, which easily gives readers an entire picture of the Project.

Activities related to OUTPUT 3

c. Publication of a manual on methodology of barangay development planning

Based on the results from “OUTPUT 1” of the Project, a manual on methodology of barangay development planning is published. The manual contains methodology of formulating participatory planning of development plan with a micro-watershed management component, and of formulating micro-watershed

management action plan and business proposals based on the development plan.

d. Approach modeling and activity packaging

The case study and manual are not sufficient to disseminate the results of the Project to other areas, which is indicated by the “Basic Principle 5”. It is therefore necessary to formulate an approach model which can easily be applied in other areas.

The Project has the very active counterpart NGO, Balay Mindanaw Foundation, which strongly supports micro-watershed management. However, it should be recognized that such strong counterpart is not necessarily found elsewhere in the province and the Philippines. Thus two approaches are proposed: one is for a local government and a NGO working together and the other is for only a local government working to assist micro-watershed management. The former is the case in Gingoog city and the latter is the one in Alubijid municipality in the Project.

This exercise intends to provide models from which people can make a “tailor-made” model for their cases. The Project prepares two approach models, and various training options for each issue. People then can easily extract contents and combine them to fit into their cases with flexibility. The cost and expected impacts of each approach are also indicated in a way that people can easily understand.

e. Wrap-up seminar

A seminar is organized to present the results of the activity “c” above to government officials in the province (about 100 participants). The presentations are done in the same way as “*Workshop on progress of the Project*” in the third year: the main stakeholder - the local people - presents their activities and the results. At the seminar, the above-mentioned two approach models are presented to the officials. The Project shares information with the participants on anticipated cost, direct economical benefits, indirect benefits derived from micro-watershed conservation, and changes occurred in the pilot barangays.

Other activities

f. Final evaluation mission from JICA

The Project works together with the final evaluation mission from JICA to review the status of the Project in the first quarter of the fourth year.

g. Periodic reporting

The experts prepare a periodic report. After explaining it to JICA and Filipino counterparts and receiving their endorsement, they submit the report.

6. Task Assignments

The Table 5 indicates the main task assignments of the experts.

Table 5: Main task assignments

Name	Position	Responsibilities
Mr. Yasuo OHNO	Chief Advisor/ Community Development/ Local Governance	<ul style="list-style-type: none"> ● Overall planning and management of the project ● Information sharing and coordination with the Philippine side ● Formulating a strategy for extending the project impacts and guaranteeing sustainability after the completion of the project
Mr. Shunji USUI	Deputy Chief Advisor/ Natural Resources Management/ Information Management	<ul style="list-style-type: none"> ● Support to the Chief Advisor ● Planning and implementation of activities on micro-watershed management and natural resources management at the barangay level ● Provision of advice and guidance on participatory barangay development plans ● Examining, planning, and implementing information management ● Planning and implementation of training ● Preparation of training manuals
Mr. Chiko YAMAOKA	Livelihood/ Small Enterprises	<ul style="list-style-type: none"> ● Planning and implementation of activities on micro-watershed management and natural resources management at the barangay level ● Survey and analysis on potential of small-scale business and market conditions ● Planning and implementation of small-scale businesses and conservation activities ● Planning and implementation of training ● Planning and implementation of monitoring for small-scale businesses and conservation activities ● Preparation of training manuals and case studies
	Coordinator	<ul style="list-style-type: none"> ● Procurement and financial management of the project ● Management of training ● Support to training material development

7. Work Schedule

The following page shows the work schedule of the project.

