

# Evaluation of the Payapa at Masaganang Pamayanan (PAMANA) Program

## Executive Summary

For nearly a decade, the *Payapa at Masaganang Pamayanan* (PAMANA) program has been the Philippine government's flagship development framework for conflict-affected areas, allocating approximately P53.243 Billion over nine years and across more than 15 implementing agencies. This evaluation of PAMANA was commissioned to Innovations for Poverty Action (IPA) by the National Economic and Development Authority (NEDA) of the Philippines, with the support of the United Nations Development Programme (UNDP).

PAMANA was launched in 2011 as part of the 2010–2016 Philippine Development Plan's (PDP) mandate to bring armed conflict to a peaceful completion in terms of two tracks: negotiated political settlements and programs for addressing the root causes of armed conflict. PAMANA's approach of harmonizing development efforts targeted at conflict zones under a single framework is distinct from previous programs that were largely donor-driven, relied on existing agency budgets, focused on one specific conflict, or were primarily implemented by the military.

The program was meant to address all major armed conflicts across the country. That said, in practice we found that PAMANA's theory of change, as well as the nature of programs, was organized around three main categories of conflict, which we also use to structure our report:

1. Areas with existing local "completion" agreements (Cordillera, Negros/Panay)
2. Areas in preparation for a political transition (Bangsamoro),
3. Areas with ongoing insurgency led by the Communist Party of the Philippines (CPP) and its armed wing, the New People's Army (NPA).

The breadth of the evaluation is ambitious both in terms of its coverage of conflict lines and project types, as well as the types of evidence we draw from. We employed a combination of quantitative and qualitative methods to gain a comprehensive understanding of the program's processes and outputs:

### **High-level interviews and program review**

Interviewed high-level program implementers and key stakeholders. Reviewed internal agency reports.

### **Quantitative evaluation of administrative data**

Conducted time-series analysis of PAMANA's village-level effects on armed group presence, violence, and economic development.

### **Representative citizen surveys**

Surveyed 1,700 respondents in an area with an existing local peace agreement in Negros-Panay and 2000 respondents in a highly contentious area of the Bangsamoro

## **Qualitative case studies**

Six case studies conducted relating to the NPA conflict (Bicol, Samar, and Caraga), the RPA conflict (Negros/Panay) and Bangsamoro (Moro National Liberation Front [MNLF], Maguindanao)

We found that PAMANA achieved many successes relating to both its goals of addressing the root causes of conflict and supporting peace negotiations with partner organizations. That said, significant challenges remain and the effectiveness of the framework varied significantly by conflict line.

**PAMANA set the foundations for coordinated, conflict-sensitive development efforts.** Prior to PAMANA, there was a lack of coordination in government efforts to address development challenges in conflict zones. Notable gains were made in terms of mainstreaming the Conflict-Sensitive and Peace-Promoting (CSPP) framework at the national-level. One of PAMANA's great strengths was that its programs and theory of change (ToC) were flexible to the varying dynamics of the three main categories of conflict, as well as to changing dynamics over time.

**PAMANA projects successfully addressed root economic causes of conflict.** Communities that experienced PAMANA projects saw important gains in local economic conditions. Registration of new local businesses increased 20% as a result of PAMANA projects. In our surveys, beneficiaries of PAMANA projects reported high levels of satisfaction with the economic outputs of various projects. Our case studies consistently revealed improved economic conditions stemming from new roads, agricultural infrastructure, water projects, and livelihood assistance, among other project types.

**PAMANA empowered partners for peace.** Partnering with the ARMM Regional Government (ARG) to handle PAMANA funds and implement PAMANA projects significantly improved regional governance capacity. This enhanced the prospects for a stable transition after the 2019 implementation of the Bangsamoro Organic Law (BOL). In addition, by following through on commitments to the *Rebolusyonaryong Partido Manggagawa ng Pilipinas/Revolutionary Proletarian Army/Alex Boncayao Brigade-Tabara-Paduan Group (RPMP/RPA/ABB-TPG)*, despite lengthy delays, PAMANA laid the groundwork for a key local peace agreement to hold. Our surveys and case studies suggest that citizen perceptions of regional and local government legitimacy was relatively high.

**Improved economic conditions did not consistently lead to reduced local conflict.** In many cases, the economic gains borne by PAMANA projects did not significantly reduce local armed group presence or the incidence of violence. While PAMANA projects in barangays already cleared of NPA presence reduced the likelihood of re-affectation, projects in NPA-affected barangays resulted in an increased likelihood that the NPA would retain a presence. PAMANA was associated with a decrease in extremist violence but also with increased local crime. Our case studies revealed that, in some cases, PAMANA projects exacerbated tensions between armed groups. Nearly 80% of survey respondents in Maguindanao reported that armed groups undermined project implementation.

**Implementation was hampered by political transitions, delays, and lapsed funds.** In part because of the difficulty of setting up a new apparatus to coordinate projects across agencies, PAMANA funds were often delayed and sometimes lapsed. This undercut trust in the government by citizens and partner organizations. Politics was a key factor in delaying implementation. One of the most significant challenges for PAMANA was the transition in national, regional, and local political leadership after 2016. Political

issues particularly hampered implementation of commitments made to the MNLF peace table and caused delays to the signing of the peace agreement with the RPA/ABB-TPG. In addition, PAMANA’s success was determined largely by the buy-in (or capture) of local elected politicians.

To improve the success rate of future development efforts in conflict zones, our assessment indicated several areas where programming could be improved and monitoring and evaluation could be strengthened. First, PAMANA’s theory of change (ToC) could be explicitly disaggregated by conflict line and more explicitly connected to conflict-reduction outcomes. Relatedly, project targeting and implementation strategies could be more localized and significant attention should be paid to further enhancing community participation at all stages (planning, implementation, monitoring) — especially relating to road projects — which allows local stakeholders to take ownership over the program. Finally, because of the importance of avoiding lapsed and delayed funding, further efforts could be made to streamline bureaucratic processes such as reporting requirements.

Below we summarize some of our core findings by the evaluation criteria.

<b>Relevance</b>
<p>We considered two main threads of questions relating to program relevance in the evaluation matrix. First, at a broad level, we looked at whether the application of PAMANA’s theory of change was relevant to the specific issues of the various conflict lines. Second, we looked at the ground-level relevance of PAMANA programming to the recipient communities.</p> <ul style="list-style-type: none"><li>● We found that PAMANA’s overall operational intent was relevant to the challenges relating to conflict. In practice, PAMANA’s theory of change (ToC) was highly flexible to the varying dynamics of the three main categories of conflict identified in this report as well as to changing dynamics over time. In addition, the implementation of PAMANA by the civilian government addressed the perceived absence of government in conflict-affected areas and conflict-vulnerable areas (CAAs/CVAs).</li><li>● In terms of horizontal coordination between government agencies, we found significant progress at the national level, especially given the difficulties associated with a massive and complex project of this nature. There were agencies that were committed to implement PAMANA regardless of changes in organizational structure/management, while there were agencies whose bureaucracies were not oriented towards doing projects in the high-risk zones PAMANA was developed for. At the provincial and municipal levels, bureaucratic impediments associated with inter-agency coordination were a significant hindrance to PAMANA. Implementation was often delayed due to reporting requirements and misaligned bureaucratic incentives associated with taking on PAMANA projects.</li><li>● Local-level relevance of PAMANA programs was mixed. On the one hand, our focus group discussions (FGDs) and surveys showed that communities were often highly involved in the planning of PAMANA. Particularly for community-driven development (CDD) programs, many civilians and barangay leaders felt strong ownership over PAMANA projects and found them to</li></ul>

be highly applicable to local needs. However, there were also several cases where communities felt left out of the planning process, causing tensions with both government officials and the leadership of its negotiating partner groups.

- Program relevance varied significantly across conflict lines and over time. In particular, the shift from predominantly “hard” infrastructure projects with some community-driven development (CDD) modalities to a more balanced approach that incorporated “soft” capacity building and policy-directed projects improved local relevance in CNN areas over time. In areas with existing completion agreements, both community-level (Community Peace Dividends) and individual-level (e.g., forest guard employment) projects were found to be highly relevant to the needs of civilians, despite implementation delays. In Bangsamoro, the wide range of services provided by the regional government, including those programmed as part of the ARMM Regional Government’s (ARG) post-Mamasapano Humanitarian and Development Action Plan (HDAP) were quite relevant, though the lack of Moro National Liberation Front (MNLF) ownership over PAMANA in its support communities caused detrimental tensions with both the group leadership and its citizen supporters.

## Efficiency

The main efficiency criteria outlined in the evaluation matrix involved the mainstreaming of the conflict-sensitive and peace-promoting (CSPP) framework from the national to local level, the extent of funding lapses and delays, project targeting, and program evolution over time. This category also includes the unintended consequences that resulted from the targeting and implementation process.

- Mainstreaming the CSPP framework has seen great progress at the national level. Agency officials at the national level adopted the CSPP ethos and were able to defend PAMANA on their own during budget hearings, especially from 2014 onwards. This also enabled the activation of some Regional and Provincial Peace and Order Councils (RPOC/PPOC) and the development of relevant plans, with PAMANA funding as an incentive. At the lower levels, however, the process was less successful. While many of the implementing agencies appreciated the incorporation of CSPP in the local planning process, efforts to incorporate local government units (LGUs) were unsustainable after PAMANA programming systems, particularly those in partnership with DILG, were revised after 2016. Many of the barangay and municipal-level workshops were one-off incidents and local-level project planning quickly returned to “business-as-usual.”
- One major hindrance to PAMANA’s efficiency was the degree to which funding was delayed or lapsed. Major lapsed funding included allocations in Negros-Panay that were held pending until the signing of the implementation agreement with the *Rebolusyonaryong Partido Manggagawang Pilipinas*/Revolutionary Proletarian Army/Alex Boncayao Brigade–Tabara-Paduan Group (RPMP/RPA/ABB-TPG), which was finally executed in 2019. This also included projects originally funded under the 2011 Disbursement Acceleration Program (DAP) that were discontinued or had to be covered under other funding sources after the 2015 Supreme Court

ruling that found several elements of the policy unconstitutional. A reconfiguration of PAMANA after May 2016 also led to a substantial delay in delivery, with some projects programmed for FY 2017 being implemented until late 2019.

- PAMANA reached most CAAs/CVAs over the course of the program. However, a significant number of projects have yet to be completed. Project targeting incorporated local leadership, especially in more recent years, although in some cases, left out important stakeholders. There were some reports of local elites' influence over targeting being a hindrance to PAMANA's ability to reach the most in-need barangays and beneficiaries. However, we found an important tradeoff was allowing key stakeholders at the regional and provincial level to take ownership of the projects. In the ARMM, this strategy greatly aided the passage of the Comprehensive Agreement on the Bangsamoro (CAB), leading to the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) transition, for example. In CNN areas, a major hindrance to implementation that was reported was insurgents undermining implementation by requiring "revolutionary taxes."
- PAMANA saw significant changes over the course of the program. Many of these changes were positive, including prioritizing "soft" projects, increasing fiscal autonomy of the ARMM Regional Government, and the enhanced localization of decision-making, but there was also a lack of institutional continuity and this caused significant disruptions.
- There were several unintended consequences of PAMANA. First, across the board, delayed or lapsed projects often undercut government legitimacy. In areas with existing completion agreements, framing certain programming as "peace dividends" left partner organizations disappointed with the degree to which they controlled procurement and contracting. In addition, by benefiting some stakeholder groups but not others, PAMANA projects sometimes caused tensions between these groups, including in the "completion agreement" areas in Cordillera and Negros-Panay, where faction splintering and continued tensions with the CPP/NPA/NDFP remain to be an issue.

## Effectiveness

### Overview of Criteria

- The main outcomes of interest in this section correspond to the two main categories of goals laid out in PAMANA's theory of change: to what degree were efforts complementary to Track 1 peace negotiations and to what extent did they address the root causes/triggers of conflict, both

in terms of economic development and community capacity. As a downstream measure of effectiveness we look at reduction in conflict through multiple lenses, including admin data.

### Broad Takeaways

- Our analysis of administrative data suggests that PAMANA had some positive impacts in terms of economic development. Using data on business registrations from the Department of Trade and Industry (DTI), initial models show that PAMANA spurred up to a 20% increase in local economic activity. We are currently awaiting Listahanan data to extend our analysis to a wider range of socioeconomic outcomes. Our case studies point to greater accessibility and economic activity in hard to reach communities, as well as improvements in local level community capacity, though the targeting process sometimes resulted in unequal impacts on social cohesion.
- In terms of Track 1 complementarity, there were significant positive impacts on several fronts. Several partner organizations (such as the RPA and the ARMM regional government) saw significant improvements to their bureaucratic and institutional capacity. PAMANA projects also won the support of key regional and local level stakeholders by bolstering the legitimacy of negotiated peace settlements. Track 1 complementarity was not as tangible in MNLF communities due to the group's lack of ownership over PAMANA projects.
- In terms of addressing the root causes of conflict, we found major difficulties in translating improvements in economic conditions to the ultimate goal of conflict reduction, especially in CNN areas. Even when accessibility to markets was increased (through roads, for example), this did not seem to have any tangible impacts on issues like revolutionary taxation or a reduction in violent incidents. That said, it may be unrealistic to expect immediate peace dividends from economic gains, which is better viewed as a long-term process.
- Delayed and lapsed funding significantly undercut program effectiveness. "Overpromising and underdelivering" had counterproductive effects on government legitimacy.

## **Sustainability**

### Overview of Criteria

We looked at three main categories of sustainability questions as outlined in the evaluation matrix. First, we looked at on-the-ground sustainability of PAMANA programs, including the degree to which programs had a lasting effect on the effectiveness criteria. Second, we looked at the sustainability of

PAMANA bureaucratic processes. Finally, we looked at the existing monitoring and evaluation (M&E) framework (including the CS-MEAL toolkit) and considered ways to improve future M&E for PAMANA.

### Broad Takeaways

- In terms of ground-level sustainability, we found mixed results. For roads in particular (which made up a large portion of PAMANA investments), incomplete or shoddily built road sections make it so that significant repairs and upkeep are necessary to make the effects last. In our RPA survey, we found that a decent portion of respondents still reported knowledge of (and well as receiving continuous benefits from) PAMANA projects and peace dividends distributed several years in the past. Finally, the failure of the CSPP to instill lasting changes on the processes and direction of LGU leadership is a threat to ground-level sustainability.
- The sustainability of the PAMANA processes is promising in some respects. From the national level down to the provincial level, many personnel in implementing agencies appear to have internalized the need to take conflict-related considerations seriously during their targeting and implementation processes. At the same time, we found that PAMANA processes are subject to great change during periods of political turnover, suggesting a need to put in place additional measures aimed at institutional continuity.
- An M&E framework that can guide PAMANA implementation, help implementers understand issues/gaps/successes/failures, and promote learning and continuous development is crucial for PAMANA to continue forward. While PAMANA's theoretical underpinnings are both valid and relevant, if the program itself cannot justify its existence, then it is highly possible that it ceases to continue. In this regard, we recommend indicators for the PDP that can be used to improve PAMANA implementation as well as to gauge whether it is helping reduce conflict in the community. These indicators fall under three categories: 1) Strengthening CSPP at the Local Level, 2) Ensuring Balanced Development, and 3) Understanding Citizens' Perceptions.
- Aside from high-level changes to PAMANA's indicators, we also think that a more structured M&E system is necessary. The ability of OPAPP and the program to collect data inhibits implementers from understanding what is working and what is not. It could be helpful for OPAPP to leverage its implementing partners' current capabilities in gathering data.

