Community-Based Development in Conflict-Affected Areas of the Philippines

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Executive Summary

Over the past decade, community-based development (CBD) programs have become among the most common and widely-accepted methods for providing assistance to conflict-affected regions. These trends partly reflect an increased sensitivity to conflict dynamics and a commitment to extend the benefits of development to conflict-affected communities in order to help them rebuild infrastructure and improve livelihoods. In the Philippines, the government has adopted CBD as a core component of its strategy to address internal armed conflict, and nearly all of the major international development partners are implementing some form of CBD programming to support conflict-affected communities.

Community-based development[1] refers to a broad spectrum of development program approaches that channel the benefits of aid directly to the community level and often (though not all cases) prioritize participation and ownership by community members in program implementation. Asian experiences have shown that CBD projects can address a range of challenges in sensitive, conflict-affected environments, including economic deprivation, weak social cohesion, and weak local institutions. While providing basic services and infrastructure, many CBD projects have established processes that allow for increased community-level dialogue and input on project planning and implementation with the intention of generating important social benefits beyond the tangible outputs of the project.

However, despite more than a decade of major CBD programs in conflict-affected areas in the Philippines, the impact of many is unclear. While some recent evidence points to a mixture of modest, positive outcomes, it also shows some worrying trends. A recent study found that the introduction of a CBD project in areas controlled by the New People's Army (CPP/NPA) often led to an increase in violence. However, in areas where the Moro Islamic Liberation Front (MILF) is present, the same project had the opposite effect—a reduction in violence. Furthermore, recent evaluations of a few large-scale CBD programs in Indonesia and the Philippines indicate that these programs had mixed or neutral effects on critical issues such as state-society relations and improving local governance.

International development agencies have often made claims that CBD approaches are helping to address the causes of violent conflict in the Philippines but, as yet, there is little evidence to substantiate these claims. Unfortunately, the vast majority of CBD programs have not undertaken systematic monitoring of their social impact, so little is actually known about how CBD projects impact conflict-affected communities. Furthermore, there has been very little comparative analysis of the many approaches to CBD in conflict-affected areas, and the implications for local stakeholders. Every development agency has adopted its own approach to CBD programs, and the result has been a wide spectrum of models, regulations, and requirements.

This study was undertaken to provide some clarity and guidance on CBD in conflict-affected areas. By drawing evidence from a wide set of programs and community experiences, this research aims to inform future programs, and stimulate new thinking and dialogue on how CBD programs can most effectively address the problems of prolonged armed conflicts in the Philippines. The study also provides a theoretical and operational framework to understand local conflict and security conditions, and adapt programs on a community-by-community basis so that they can respond more effectively and reduce risk

[1] This broad definition includes community-driven development (CDD), among other models for community-level programs.

of exacerbating violent conflicts.

Conflict dynamics and implications for community-based development

In recent years, understanding of armed conflict dynamics in the Philippines has improved considerably. As a result, some key assumptions that have driven emphasis on community-level development assistance may need to be revisited. Recent research shows that localized conflict dynamics in the Philippines do not follow a common pattern. Conflict dynamics in one community may stand in stark contrast to neighboring communities, where a different configuration of political actors, family or clan networks, ethnic groups, security forces, and insurgents may result in very different local conflict conditions. By looking at particular dynamics—such as local elite political dynamics, local elite relations with the municipal level of government, presence of armed insurgent groups, ethnic diversity, relations with national government, and threat from criminal or other armed groups—this study has developed a typology of conflict dynamics in the Philippines to analyze the drivers of local stability and draw some implications for community-based development projects.

Development partners have generally assumed that working at the community level insulates their projects from larger, extra-communal conflict dynamics, most notably state-insurgent conflicts. Many development programs in conflict areas are based on macro- or national-level conflict analysis, without serious consideration of local-level dynamics, and differences between sub-regions, and the implications of these for projects. As results from this study show, projects that succeeded in one locality can have very different outcomes in another. In some cases, projects that were intended to support peace efforts or recovery have led to further polarization of the community.

Drawing on the recent World Development Report (WDR) 2011: Conflict, Security and Development, our study investigates how CBD programs are helping to address violence and fragility by (i) restoring confidence at the community level (e.g., improving social cohesion, and restoring confidence in government) and (ii) transforming institutions (e.g., strengthening local mechanisms for problem solving and collective action). These "transformative outcomes" are important elements of the Theories of Change used by most CBD projects. By distinguishing between "development outcomes" (e.g., reduced poverty, improved health and education) and "transformative outcomes", this study classifies the common theories of change used by development agencies to justify and design CBD programs. Based on the WDR 2011 framework, the key to ending protracted cycles of conflict and fragility in the Philippines is to ensure that CBD programs are having a significant, positive impact on transformative outcomes, in addition to the development outcomes that may improve short-term conditions in the conflict area.

Comparative Review of 15 CBD Projects

The research team conducted in-depth reviews of 15 community-based development projects (supported by nine international development agencies) in conflict-affected areas of the Philippines. The team conducted interviews in more than 100 locations throughout the country, primarily in Mindanao but also in Luzon and the Visayas.

By including a wide range of projects and providing some comparative analysis, our review offers an opportunity to draw lessons from the strengths, weaknesses, and commonalities of the various approaches and, importantly, to indicate where further analysis is needed to inform new projects.

***able 1:* List of Programs Covered by the Study**

International Funding Agencies	Programs/Projects
Agencia Española de Cooperación Internacional para el Desarollo (AECID)	• Poder y Prosperidad de la Comunidad Project (PODER) • Convenio
Australian Agency for International Development (AusAID)	• Philippines-Australia Community Assistance Program (PACAP) • Philippines-Australia Local Sustainability Project (PALS) • Basic Education Assistance for Mindanao (BEAM)
Catholic Relief Services (CRS)	• Expanded Small Farms and Marketing Project (ESFMP)
European Commission (EC)	• Support to Agrarian Reform in Central Mindanao (STARCM)
Japan International Cooperation Agency (JICA)	• The Study for Socio-Economic Reconstruction and Development of Conflict-affected Areas in Mindanao (SERD-CAAM)
The World Bank (WB)	• ARMM Social Fund Project (ASFP) • Mindanao Rural Development Program (MRDP) • Mindanao Trust Fund (MTF) • Kapit-bisig Laban sa Kahirapan – Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS)
United Nations Development Programme (UNDP)	• Act for Peace Programme (ACT for Peace)
United States Agency for International Development (USAID)	• Growth with Equity in Mindanao: Education Awareness Support Effort (GEM-EASE)
World Food Programme (WFP)	• Food for Assets Programme (FFA)

The findings from this review suggest that there are more differences than similarities in the 15 projects reviewed and that project designs are often influenced by institution-specific contexts and priorities. While direct comparisons are difficult, the review provides some insights into the rationale for differing approaches, and case examples from accounts of project implementation and challenges on the ground. It also provides a summary of design considerations for community-based projects in conflict-affected areas.

Barangay case studies of CBD projects and local context

The research team also conducted in-depth case studies of 19 barangays in seven provinces to analyze how CBD projects interacted with varying local conditions. The provinces were selected based on the type of armed conflict prevalent in the area, and the armed groups present or nearby. The selection of provinces also gave us the opportunity to compare communal and ethnic configurations at the local level.

Our research shows that when projects interact with the local community context, the outcome is determined by two key factors: (i) project design, and (ii) local conditions that respond to, and shape, the intended process and outcomes of the project. In turn, the local conditions are contingent on local political, communal, and security dynamics, and therefore, it is critical to understand local conditions and adapt a program's design accordingly.

Key Findings

1. *Conflict dynamics in the Philippines are complex, diverse, multi-layered, and localized.* It is critical to understand differences in conflict conditions within local areas, and between different regions. It is also important to understand the specific context down to the barangay level. Barangays in close proximity can have very different conditions (e.g., local elite relations, armed groups and/or ethnic configurations), and these differences can lead to success or failure of a CBD project. Similarly, there are important characteristics that are unique to particular regions, including the nature of armed insurgents in the area.

2. *The combination of local political dynamics and ethnic configuration can have a significant impact on participation and project outcomes.* Barangays with both mixed ethnic configurations and rivalries in local political dynamics tend to have the highest risk and the poorest outcomes for CBD projects. Conversely, barangays with a dominant local elite faction tend to ensure high participation levels when the ethnic configuration is either homogenous or there is a strong majority with a small minority. Accommodating local political dynamics seems to be the best case scenario in any ethnic/communal configuration, as it consistently allows for high participation and strong project outcomes.

3. *Formal conflict analysis is largely incomplete across projects, and does not capture local-level complexity or variation.* Many of the arguments for implementing community-based development projects in conflict-affected areas oversimplify the needs of conflict-affected communities and often overlook the particularities of how communities may be uniquely affected by conflict. Analysis tends to focus on the macro-level conflict factors, such as state-insurgent violence, while ignoring the community-level drivers of conflict. In most cases, projects do not attempt to conduct their own robust analysis of local conflict or map power dynamics at the municipality or barangay level.

4. *The presence of armed insurgent groups has a major influence on CBD projects, but mostly in NPA/CPP areas.* There is clear evidence that NPA/CPP groups are actively influencing or undermining projects through a wide variety of tactics and outcomes. There is much less evidence that MILF or MNLF insurgent groups are actively supporting or rejecting the CBD programs in their area, or trying to influence project design or beneficiaries. Furthermore, evidence from NPA areas indicates that high levels of participation may limit the influence of armed insurgent groups.

5. Over time, *CBD (especially the most participatory forms) can help restore community-level confidence and, in some cases, improve prospects for self-reliance, particularly in post-conflict settings.* Undertaking community-based procurement, financial management and quality control can not only provide useful skills to community members, but also help build social capital and cohesion. When done well, participatory forms of CBD have the potential to help reduce intra-community violent conflict by inculcating participatory practices and joint problem solving.

6. The *ability of CBD initiatives to restore confidence is predicated on a longer term commitment of support (3-5 years) to communities*. Short-term efforts (less than 3 years) are unlikely to yield results or to effectively build trust in local institutions.

7. Because CBD projects in the Philippines often represent the first time that development funds have flowed into a conflict-affected community, *CBD efforts have the potential to enhance the reputation of the perceived implementing agency,* including national government agencies and specialized development organizations with a mandate for the conflict-affected areas such as the Bangsamoro Development Agency.

8. *Social cohesion achieved through communities collaborating together via CBD's participatory processes is not always sustainable, especially where pre-existing horizontal conflict jeopardizes any gains in social capital*. In terms of developmental outcomes, *CBD projects face considerable challenges with respect to sustaining their efforts*. Even when community ownership is high, the inability to access technical support or to raise funds for operating costs or maintenance, render many sub-project interventions – both infrastructure and livelihood – inoperable after the project is concluded.

9. There is *little evidence to suggest that CBD approaches have much impact on improving formal governance at local levels* (barangay, municipality or province).

10. *CBD projects should not be judged on their ability to reduce violence, but there is a critical need to monitor violence levels in CBD beneficiary communities.* Although no development partners suggest the direct causality in reducing conflict, there are expectations that CBD can provide much needed services and resources to conflict-affected communities and can help restore confidence, both of which may contribute to long-term peace objectives.

11. A key objective of many CBD projects is poverty reduction with an underlying assumption that poverty alleviation efforts will help reduce armed conflict. *There is no solid evidence, however, to prove or disprove such causality between poverty and violent conflict*.

12. Most projects reviewed *do not include robust monitoring and evaluation processes,* particularly on transformative outcomes, making it extremely difficult to substantiate the various claims of transformative impact. This is a systemic problem throughout the project cycle, with poor or non-existent baseline data, and anecdotal data collection methods that make it difficult to draw solid conclusions on project impact.

Operational Implications

CBD will be most effective as a tool to restore confidence and to help begin to transform institutions if it is premised on an acknowledgement that conflict-affected areas in the Philippines are diverse and that CBD interventions must respond to these conditions. Project designs, therefore, must: (i) recognize the unique conflict dynamics of their project areas, (ii) design their projects to creatively adapt in order to constructively address and meet community needs, and (iii) ensure that the projects are accurately defining and measuring the most relevant features of their projects. A key point underlying this message is that there is limited value in aiming to remain conflict-neutral and that all projects that are working directly with communities affected by conflict need to acknowledge and respond to the effects of conflict if they aim to achieve any measure of success.

The paper concludes with four recommendations:

1. **Greater flexibility and adaptation of project designs** – Community-based projects being implemented in conflict-affected areas need to have mechanisms by which they can both proactively and reactively address local dynamics that can undermine the effectiveness of project implementation. Rigid program designs that require the same structure, procedures, and regulations in every barangay will inevitably lead to project failure or negative outcomes in some cases. Priority areas for greater flexibility include:

    - ***Counterpart contribution*** – Some of the most critical barangays are left out of CBD projects because of their inability to provide counterpart funding. There is a strong argument for waiving the counterpart contribution for the most remote, insurgent-influenced barangays.
    - ***Site and beneficiary selection*** – Targeting and site selection should be flexible enough to adapt to local conflict conditions. Template-driven, rigid targeting protocols should be avoided. Based on local conflict and political analysis, it is possible to determine the lines of division within a municipality or community, and avoid distribution of benefits in a way that exacerbates local tensions.
    - ***Implementation partners*** - A decision to use an external implementing partner must be carefully considered, taking into account the pros and cons in the context of ongoing conflict. Understand the political associations of the implementing partner, and find ways to counter-balance their biases through working through other partners. Rather than seeking a "neutral" partner, it is best to understand the politics of partner organizations, and provide balanced support through multiple partners.
    - ***Menu of projects*** – Depending on local context, in areas beset by local rivalries there may be value in invoking a closed menu that limits sub-project selection to activities that produce public assets (usually small-scale infrastructure) that benefits as wide a cross section of the community as possible.

2. **Community and sub-regional conflict analysis** – There is a need for projects working with communities in conflict-affected areas to have a working understanding of the conflict and security dynamics within their target areas – whether this is a formal conflict analysis or an informal mechanism to better understand conflict dynamics. This project demonstrates that analysis of community conflict dynamics can be done at scale in manageable timeframes. While barangay level analysis may be challenging for large scale projects, experience has shown that local conflict analysis is feasible for an extensive sample population.

3. **Evidence Base for Impact** – There is an urgent need for more robust monitoring and impact analysis of transformative outcomes, such as social cohesion, local institutions, state-society relations, and violence levels. While the majority of CBD programs claim to have some impact on transformative outcomes, and most include a Theory of Change that links their program interventions with peace and security outcomes, monitoring and evaluation efforts for CBD projects in the Philippines provide very little evidence to support these claims. This weak evidence base makes it extremely difficult to estimate the impact of the current CBD projects on peace and security.

4. **Challenges for Large-scale Projects** – While large-scale projects improve economies of scale and efficiencies, there are some particular challenges that increase risk in a conflict-affected area. Unable to provide direct oversight at the community level, large projects have relied on tightly defined procedures and extensive project manuals to mitigate against these risks. While there was some degree of adaptation of project design for projects focused on conflict-affected areas, the larger projects that included conflict and non-conflict areas did not include any special provisions for conflict-affected areas. Similarly, community-level analysis and monitoring may be more challenging for larger projects, particularly those implemented by central government agencies. However, without improved understanding of the local conditions, in all cases, it is unlikely that CBD projects will be able to avoid some of the many pitfalls of operating in conflict areas.

   These challenges can be addressed by including sub-project components or "conflict windows" for large-scale projects. These more specialized project components can be customized for conflict conditions, including specialized design and implementation arrangements, local-level conflict monitoring, community facilitator selection and training, and monitoring of transformative outcome indicators.

Report Overview

Following this Executive Summary, **Section 1** provides a brief background and context for study, followed by an overview of the objectives and research methods. In **Section 2**, the paper provides an analysis of conflict in the Philippines and offers a framework for analyzing the potential impact and limitations of community-based projects in conflict-affected areas in the Philippines. **Section 3** presents the 15 projects selected for study and provides some comparative reviews and analysis of the projects to identify common themes and challenges. **Section 4** presents findings from an analysis of barangay case studies from a selection of communities in order to understand the interactions between local dynamics and CBD project implementation. **Section 5** of the paper offers some key generalizable findings, and in **Section 6** the paper concludes with some recommendations regarding further areas for analysis. The **Annexes** include condensed summaries of the 15 case studies as well as a list of acronyms, maps, an overview of CBD design considerations in conflict-affected areas, and a bibliography.

I. Introduction

In the last decade, international development partners have significantly expanded programs that are intended to improve conditions and reduce violence in fragile and conflict-affected regions. This trend has emerged from more nuanced understandings of the complex dynamics in conflict-affected regions and recognition of the need for conflict-sensitive approaches. The notion that aid programs are not politically neutral and invariably affect conflict dynamics is now widely accepted and donors are able to employ a variety of tools and approaches to promote conflict-sensitive programming. This has been an essential step forward in efforts to support marginalized communities that are often outside of the development process, and where conflict exacerbates existing poverty and inequality. While the rest of the Philippines nation develops, the areas trapped in seemingly endless cycles of violent conflict, poor governance, and under-development are falling further behind, threatening the long-term prospects for the entire country.

Community-based development programs are the most widely used approach for addressing the problems in conflict-affected communities. Community-based development (CBD)[2] refers to a broad spectrum of approaches that channel the benefits of aid directly to the community level and often prioritize participation and ownership by the community. The CBD model is widely considered a conflict-sensitive approach, as it generally allows local communities to play a leading role in prioritizing aid investments through open, credible dialogue. While providing basic services and infrastructure, many CBD projects have established processes that allow for increased community-level dialogue and input on project planning and implementation with the intention of generating important social benefits beyond the tangible outputs of the project. These approaches are also potentially well-suited for areas impacted by violence of all types, including inter-communal violence (i.e., horizontal conflict) and state-insurgent conflict (i.e., vertical conflict). As a result, CBD has been used extensively in conflict-affected areas of Asia, including Afghanistan, Aceh (Indonesia), and the Philippines.

In the Philippines, nearly all international development partners have implemented or are implementing some form of CBD programming to support conflict-affected communities. However, these CBD programs vary considerably based on development agencies' experiences, values and conceptions of "what works". While some modalities focus on direct provision of services or small-scale infrastructure typically implemented by contractors with limited input from the community, other approaches work through processes that allow communities to shape and implement project activities, and receive direct financing for community infrastructure or other needs prioritized by communities.

The Government of the Philippines has been one of the leading adopters of community-based

[2] Community-based Development (CBD) approaches are defined broadly as the subset of projects that prioritize the participation of target beneficiaries at one or more points in the project cycle: needs assessment; planning; implementation; and monitoring and evaluation. Participation here suggests four key features: (i) devolution of authority and resources to primary stakeholders; (ii) involvement in decision making of a majority of community members (i.e., across gender and age boundaries); (iii) two-way flow of information between resource providers and recipients; and (iv) community contributions (in cash or in kind) to promote local ownership. Community participation can vary in strength along a continuum which ranges from information sharing at one extreme to full community empowerment on the other. At the community empowerment end, communities have full control of resources and lead monitoring and evaluation—this is referred to as Community Driven Development (CDD).

development in conflict-affected areas. The Government's flagship initiative for addressing conflict, referred to as PAMANA (Payapa at Masaganang Pamyanan),[3] includes a major component for expanding community-based development. The second pillar of the PAMANA strategy calls for:

> *"Facilitating delivery of basic services at the community level through community driven development and community livelihood interventions. This aspect shapes families and communities by concentrating on health, education and livelihood programs (e.g., community driven development (CDD) programs, such as KALAHI CIDSS, DAR-ARC)."*[4]

Given more than a decade of experience in implementing these projects in conflict-affected areas of the Philippines, little comparative analysis has taken place to understand the rationale and evidence underpinning the design and implementation of different types of CBD projects. For example, what are the expectations of international development partners in implementing CBD projects in conflict-affected areas? Is there an expectation that the projects will actively address causes of conflict and create conditions for peace? Are community-support programs implemented in spite of conflict, or are projects designed and developed explicitly with conflict dynamics in mind? Do the different approaches and designs deliver significantly different results to conflict-affected communities? What does it mean to roll out these types of CBD initiatives at scale? Is there evidence to suggest that these projects can have a meaningful impact on peace and development in communities that have been conflict-affected for many years?

Regional experience has shown that community-based development projects can achieve several things. First, they can address a range of challenges in sensitive conflict-affected environments, including poor infrastructure and economic deprivation.[5] Second, they can restore confidence in post-conflict environments[6] and improve state-society relations.[7] Third, while providing basic services and infrastructure, CBD projects have encouraged greater participation, inclusion of marginalized groups, and useful on-going mechanisms for resolving community problems through collective action.

However, in the Philippines, the impact of CBD approaches in conflict-affected areas is less clear, and recent evidence points to a mixture of modest, positive outcomes, along with some worrying trends. For example, a 2010 study by Arcand, Bah, and Labonne found that the introduction of a CBD project (Kapit-bisig Laban sa Kahirapan or KALAHI-CIDSS) in areas controlled by the New People's Army (CPP/NPA) led to an increase in violence. However, in areas where the Moro Islamic Liberation Front is present, the same project led to a reduction in violent incidents.[8]

Conflict-affected environments are opaque, dynamic environments that are often very difficult for outsiders to fully comprehend. Arcand, Bah, and Labonne's findings led to the jolting recognition that many of development practitioners' assumptions are based on little or no real evidence from

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[3] Office of the Presidential Advisor on the Peace Process. (2011). Payapa at Masaganang Pamayanan (PAMANA): Program for Resilient Communities in Conflict Affected Areas Program Document. http://pamana.net/pamana

[4] According to the PAMANA website (http://pamana.net/pamana), the government plans to scale up the number of barangays included in Pillar 2 from 370 (in 2011) to 1,921 (in 2012).

[5] Barron, Patrick, "CDD in Post-Conflict and Conflict-Affected Areas: Experiences from East Asia", Background Paper for the 2011 World Development Report, July 16, 2010.

[6] World Development Report 2011, p. 138.

[7] World Development Report 2011, p. 133.

[8] Jean-Louis Arcand, Adama Bah, and Julien Labonne, "Conflict, Ideology and Foreign Aid", Households in Conflict Network, HiCN Working Paper 86, December 2010.

conflict areas, and that the impact of programs are not well understood. For example, one of the key design considerations for community-based projects is engagement with local elites. In most cases, projects operating at the local level must work through local elites—either by working via official channels down to the village head, or by consulting village leaders on major decisions. Recognizing the risks from elite capture, some project designs explicitly create mechanisms to transfer the authority for project decisions to the wider community.

However, there may be circumstances where control by one local political faction provides enough stability to enable greater participation by (and benefits to) community members. In a conflict environment, there is a heightened risk that aid programs will exacerbate tensions by creating winners and losers. If a community has two or more rival factions, the introduction of new resources into the community through a development project can lead to increased competition, tensions, or even violence. New resources can also further entrench inequality. The presence (or close proximity) of armed groups, such as insurgents or militias, can complicate the environment greatly as well, and increase the risk of competition turning to violence.

International development agencies have often made claims that CBD approaches are helping to address the causes of conflict in the Philippines but, as yet, there is little evidence to substantiate these claims. While there have been in-depth evaluations of some individual CBD projects, the results regarding conflict dynamics have been mixed or inconclusive. Similarly, little attention has been devoted to the diversity of development contexts in which community-based projects are implemented, and their implications for project efficacy and impact.

CT for Peace sought to address not only physical and social reconstruction of areas cted by armed conflict but more importantly to support and sustain stability and peace, l promote human security to enable communities to transition to development."[1] "Most nificant about the ACT for Peace Programme is its substantial contribution to the nsformation of 278 conflict-affected communities... to peace and development areas as a ult of peace-oriented change at the personal, relational, structural, and cultural levels. ny of these communities are already at advanced stages of development (4 to 6) which icated stronger know-how in peacebuilding and culture of peace, and capacities in iating and managing peace and development initiatives."[1]

ke its predecessor, GEM 2 was designed to help sustain and expand peace and to elerate economic growth in Mindanao, while ensuring that the benefits of growth were ributed widely among Mindanaoans... Through its infrastructure development, ernance, education, business growth, and former combatant reintegration programs, M 2 helped accelerate economic growth and strengthen peace in Mindanao."[1]

he MTF-RDP project aims to) build confidence among the affected communities to ve for peace"[1]

Key Objectives

In consideration of these challenges, The Asia Foundation conducted a review of community-based development in conflict-affected areas of the Philippines from January 2011 to July 2012. Using evidence from the field, the aim of this study was to catalyze new reflection by international development partners and the Government of the Philippines. In particular, this research intends to strengthen future approaches and improve the prospects for conflict reduction and sustainable recovery, by shedding light on the commonly-held assumptions and expectations of CBD programs.

The main objectives of the study were to:

(i) Provide development partners and governments with a useful overview of CBD projects that have been and are being implemented in conflict-affected areas in the Philippines;
(ii) Identify lessons learned through a decade of project implementation;
(iii) Offer a theoretical and operational framework through which project designers and implementers can consider the potential value and opportunities in implementing CBD projects in conflict-affected areas, and;
(iv) Provide recommendations and further areas for analysis that can help guide current and future projects.

At the outset of the project, the research team assumed that they would undertake a close review of comparable projects operating within conflict-affected areas and that their output would be a

summary of best practices and lessons learned that could further the discourse on how best to implement CBD projects in conflict-affected areas.

However, in the course of document reviews and the field research, it became apparent that there were a number of important variables that make direct comparison a challenge. First, in the Philippines, the term "conflict-affected areas" covers a wide range of realities on the ground. Secondly, while all projects are loosely defined as community-based development, in fact, their project objectives, design, and implementation are very different and often reflect specific institutional and historical biases. And finally, upon closer review, it appeared that very few of the projects had actively refined or adapted their models to suit conflict-affected environments. All of these factors constrained our ability to provide comparisons of best-practice. However, the analysis offers an insight into the varied approaches taken to community-based development in conflict-affected areas and sheds light on areas where specific attention and proactive project design may be necessary to achieve meaningful impact.

Methodology and Process

The Asia Foundation brought together a diverse group of researchers to conduct this study. The field research and analysis were divided into the following three separate lines of inquiry, with different teams of researchers assigned to each:

- Review of 15 CBD projects: A team of nine Filipino consultants with CBD expertise conducted in-depth reviews of 15 community-based development projects in conflict-affected regions of the Philippines.
- Barangay case studies of CBD projects and the local context: A team of three Filipino consultants conducted in-depth case studies in 19 barangays to analyze the relationship between local context (including political and conflict dynamics) and implementation of CBD projects.
- Drawing lessons from international best practice: A team of international consultants and staff from The Asia Foundation with expertise in conflict and CBD approaches played a central role in analyzing the various datasets, and drafting of the final report.

Review of CBD Projects: The study reviewed 15 community-based projects supported by nine international development agencies in conflict-affected areas in the Philippines. Although project sites were primarily in Mindanao, the study also included examples in Luzon and the Visayas.

The study did not attempt to evaluate the impact of each approach or project. Nor did it undertake a rigorous project-level assessment which could be used to judge the relative effectiveness and efficiency of projects. However, by considering a wide range of projects and undertaking some comparative analysis, the review does provide lessons about the strengths, weaknesses, and commonalities of various approaches and, importantly, it indicates where further analysis is needed before designing new projects.

In choosing the projects for review, the research team asked development partners and the Government of the Philippines to identify projects that fell within the general category of "community-based development". The research team also generated a list of programs that appeared to be community-based development. While the study included on-going and recently completed projects, it excluded projects that ended more than five years ago. This decision was made to avoid difficulties in tracking down project documents, locating former staff, and

interviewing community members who may not remember much about the project. Once a final list of potential projects was developed, the research team asked respective development partners if they were willing to include their projects in the study, and if they were willing, to share documentation and make staff and project sites available to The Asia Foundation's researchers.

Once the projects were selected, the researchers reviewed relevant literature and program documents, and interviewed key informants, including heads of development agencies, project managers, local government officials, program staff, and community members. To validate this information and collect additional data, the researchers then conducted focus group discussions in selected communities.

Table 1 provides the names and geographical coverage of the CBD projects covered under this project. In some cases (e.g.,GEM-EASE, SERD-CAAM's Quick Impact Projects, etc.) the study looked at a single component of a larger project.

Table 1: **List of Programs Covered by the Study**

International Funding Agency	Program/Project
Agencia Espanola Cooperacion Internacional Para el Desarrollo (AECID)	• Poder y Prosperidad de la Comunidad Project (PODER) [9] • Convenio[10]
Australian Agency for International Development (AusAID)	• Philippines-Australia Community Assistance Program (PACAP) • Philippines-Australia Local Sustainability Project (PALS) • Basic Education Assistance for Mindanao (BEAM)
Catholic Relief Services (CRS)	• Expanded Small Farms and Marketing Project (ESFMP)
European Commission (EC)	• Support to Agrarian Reform in Central Mindanao (STARCM)
Japan International Cooperation Agency (JICA)	• The Study for Socio-Economic Reconstruction and Development of Conflict-affected Areas in Mindanao (SERD-CAAM)
The World Bank (WB)	• ARMM Social Fund Project (ASFP) • Mindanao Rural Development Program (MRDP) • Mindanao Trust Fund (MTF) • Kapit-bisig Laban sa Kahirapan (Comprehensive and Integrated Delivery of Social Services – KALAHI-CIDSS)

[9] Empowerment and Development of Communities.

[10] *Desarrollo Integral y Sostenible de Comunidades Rurales de Bicol y Caraga (Mindanao), con Especial Atencion a la Mujer a Traves de la Articulacion y El Fortalecimiento del Tejido Productivo y Social, Desde la Participacion Comunitaria, Filipinas* [Integral and sustainable development of rural communities in Bicol and Caraga (Mindanao), with special focus on women, through the articulation and strengthening of the productive and social structures, through community participation, Philippines]. Also known as "Convenio".

International Funding Agency	Program/Project
United Nations Development Programme (UNDP)	• Act for Peace Programme (ACT for Peace)
United States Agency for International Development (USAID)	• Growth with Equity in Mindanao: Education Awareness Support Effort (GEM-EASE)
World Food Programme (WFP)	• Food for Assets Programme (FFA)

For the 15 projects selected for this study, the field researchers visited over 100 locations to conduct interviews and focus group discussions. The researchers chose these communities from among those that hosted CBD projects and were also located in a conflict-affected area. These communities were selected based on recommendations from the respective development agencies. Security and accessibility of sites,[11] as well as regional diversity were also considered in community selection.

The CBD project case studies provided a rich account of project design criteria, successes, and challenges, but they did not offer insight into local community dynamics. Therefore to enrich the findings from the project case studies with regard to project outcomes, design considerations, and implementation challenges, the research team conducted barangay case studies.

Barangay Case Studies: A separate team of researchers conducted in-depth community-level (barangay) field work on the interactions between local political and conflict dynamics (i.e., local context) and CBD project implementation. Recent studies of CDB projects[12] in the region indicate that local conditions may have a crucial influence on the efficacy and impact of CBD projects at the community level. Most analyses of CBD projects have focused on the whole project as the unit of analysis, and have not given adequate attention to the diversity of experience in different communities within projects.

This line of research used a comparative, multiple case study method to better understand and compare communities with regard to how community-based development programs influenced—and were influenced by—local political and conflict dynamics. Research teams visited 19 barangays in Mindanao and Eastern Visayas, and conducted local political impact analysis to determine how the community-based projects interacted with local power relations. The case studies primarily focused on several factors identified in the community-level conflict typology (chapter 2), including elite rivalries within the community; relations between the barangay and municipal levels; ethnic configuration; and presence of armed insurgent groups.

[11] In some cases, safe conduct passes and letters of introduction were needed for the researchers.
[12] Barron, Diprose, and Woolcock, *Contesting Development: Participatory Projects and Local Conflict Dynamics in Indonesia*, Yale University Press, 2011. See also Barron, Humphreys, Paler, and Weinstein, "Community-Based Reintegration in Aceh: Assessing the Impacts of BRA-KDP", World Bank, 2009; Arcand, Bah, and Labonne, 2010.

Report Overview: Following the Executive Summary, **Section 1** provides a brief background and context for study, followed by an overview of the objectives and research methods. . In **Section 2**, the paper provides an analysis of conflict in the Philippines and offers a framework for analyzing the potential impact and limitations of community-based projects in conflict-affected areas in the Philippines. **Section 3** presents the 15 projects selected for study and provides some comparative reviews and analysis of the projects to identify common themes and challenges. **Section 4** presents findings from an analysis of barangay case studies from a selection of communities in order to understand the interactions between local dynamics and CBD project implementation. **Section 5** of the paper offers some key generalizable findings, and in **Section 6** the paper concludes with some recommendations regarding further areas for analysis. The **Annexes** include condensed summaries of the 15 case studies as well as a list of acronyms, maps, an overview of CBD design considerations in conflict-affected areas, and a bibliography.

In trying to find common threads between a widely varied set of CBD projects, this study offers a wide range of findings and often raises more questions than it answers. However, the evidence from this study points to a few simple and important conclusions. First, the Philippines has a diverse range of local conflict situations which have major implications for CBD project success. Second, it is critical for CBD projects to build in greater flexibility in design and implementation to allow projects to respond to individual community needs and avoid pitfalls. Third, there is a glaring lack of meaningful monitoring and evaluation of projects which results in poor understanding of how projects are contributing (or not) to development, governance, peace, and security. Finally, a key underlying conclusion is that there is limited value in trying to remain conflict-neutral, and that all projects that are working directly with communities affected by conflict need to acknowledge and respond to the effects of conflict in order to achieve any measure of success.

II. Conflict Analysis and Analytical Framework

A significant portion of the Philippines is affected by protracted subnational and ideological conflicts, particularly in Mindanao. For many years, these regions were largely neglected by official development assistance projects, as development partners and government argued that the risks were too high and economic rates of return were too low to justify major aid investment in conflict areas. For example, aid to Mindanao in the 1970s and 1980s was largely concentrated outside of the Moro areas, usually in population centers[13] relatively safe from armed conflict. Since the signing of the 1996 peace agreement between the Moro National Liberation Front (MNLF) and the government, there has been a dramatic expansion of development assistance to conflict-affected areas.

State-insurgent conflict dynamics

According to the Government's PAMANA program, around 8,100 barangays are classified as conflict-affected. Conflict-affected barangays (CAB) are categorized according to conflict-lines or presence and influence of non-state-armed groups. The breakdown of the barangays is as follows:

Table 2: **Summary of Conflict-Affected Barangays (CABs) by Non-State Armed Groups[14]**

Conflict Lines	Number of CABs	Description/Reference
RPMP/RPA-ABB	106	Areas under the 2000 Peace Agreement and recent discussions between the former rebel group and the government.
CPLA	46	CPLA-identified and OPAPP agreed areas.
CPP/NPA-NDF (CNN) Influenced	1,157	CNN-affected or influenced areas from security sector-2009 data (influence is defined as areas with the presence of individuals affiliated with CNN and where propaganda activities have been monitored by the security forces)
MILF	3,473	Municipalities (covering all barangays) identified by the Local Monitoring Teams of the GRP-MILF Joint Ceasefire Committee
MNLF	226	MNLF Peace and Development Communities and barangays affected by the MNLF-Misuari Group per Security Sector data
TOTAL	5,008	
CPP/NPA-NDF (CNN) Threatened	3,145	CNN-threatened areas from security sector 2010 data (threatened is defined as those areas where initial recruitment activities have been monitored by security forces).

RPMP = Rebolusyonaryong Proletaryong Manggagawa ng Pilipinas; RPA = Revolutionary Proletarian Army; ABB = Alex Boncayao Brigade; CPLA = Cordillera People's Liberation Army; CPP = Communist Party of the Philippines; NPA = New People's Army; NDF = National Democratic Front; MILF = Moro Islamic Liberation Front; MNLF = Moro Nationalist Liberation Front; CAB = Conflict-affected Barangay.

[13] Some of the large population centers in Mindanao, most notably Davao, were affected by communist insurgents (New People's Army) during that period (1970s and 1980s). However, these areas were well insulated from the more geographically confined Moro insurgent groups.

[14] Office of the Presidential Advisor on the Peace Process. (2011). Payapa at Masaganang Pamayanan (PAMANA): Program for Resilient Communities in Conflict Affected Areas Program Document. http://pamana.net/pamana

The table above helps to illustrate the complexity of development in conflict-affected areas. Each of these insurgent groups is at a different stage of negotiations, ceasefire, or active hostilities with the government. In some cases, armed units from these insurgent groups operate in overlapping geographic zones. For example, Lanao del Norte contains 4 of the 5 major categories of armed groups above (all except CPLA), and some local units of these groups are actively hostile with each other. Furthermore, as mentioned earlier, Arcand, Bah, and Labonne (2010) provide evidence that the distinctive ideology of each insurgent group has a major impact on local conditions and development programs.[15] With so many vertical conflicts concentrated in the Philippines, development agencies have dramatically increased their investments and capacity to better understand the dynamics of these conflicts, and develop programs that can work in conflict sensitive ways, while minimizing risk.

For the government and most international development partners, community-based development has been a central pillar of the strategy to engage in conflict-affected areas. Concerned about risks from insecurity and weak governance, development partners have sought to provide direct benefits to conflict-affected communities while minimizing their exposure to the conflict. Development partners have generally assumed that working at the community level insulates their projects from larger, extra-communal conflict dynamics, most notably state-insurgent conflicts. CBD projects are designed to address local dynamics that are widely perceived to be critical drivers of community-level conflict. Notably, these include elite capture, weak local institutions and lack of dispute resolution mechanisms. Barron argues that community-driven development (one of the most common forms of community-based development) "is viewed by its proponents as an appropriate vehicle for alleviating poverty and enhancing security in (conflict-affected) places."[16]

By 2008, nearly all of the major bilateral and multi-lateral development partners in the Philippines were supporting some form of community-based development project in conflict-affected areas. In recent years, however, understanding of conflict dynamics in these areas has improved considerably. As a result, some of the key assumptions that drove the emphasis on community-level development assistance may need to be revisited—most notably the preconception that conflict is primarily a product of violence between government forces and armed insurgent groups. State-insurgent violence may be the most frequent form of violence in some of the NPA/CPP areas, but the picture is much more complicated in other areas, such as the Autonomous Region in Muslim Mindanao (ARMM) and surrounding provinces.

Community-level conflict dynamics

Recent research findings in the Philippines have shown that localized violent conflict does not follow a common pattern. Conflict dynamics in one community may contrast starkly with conflict in neighboring communities where, due to a different configuration of political actors, family or clan networks, ethnic groups, security forces, and/or insurgents, local conflict conditions may be very different. According to AusAID, conflict-affected areas in the Philippines are a "particularly challenging operating environment for aid programs" because of rapid changes in local conditions and the sheer diversity of local contexts. "This relatively small area is extremely diverse in terms of the kinds and intensity of conflict, levels of development, and quality of governance."[17] Conflict in

[15] Arcand, Bah, and Labonne, 2010.
[16] Barron, Patrick, "CDD in Post-Conflict and Conflict-Affected Areas: Experiences from East Asia", background paper for the 2011 World Development Report, 2010.
[17] Strategic Framework for Engagement: Peace and Development in the Southern Philippines," January 2009.

these areas is a product of multiple, often over-lapping forms of violence, including state-insurgent violence, local political competition, clan or factional feuds, and criminal violence. Several armed insurgent groups also operate in the region, often in close proximity to each other.

One of the most virulent forms of localized conflict in the Philippines is clan feuding, or *rido*, which is commonly found across the Moro regions of the southern Philippines. According to Torres, *rido* is characterized by "sporadic outbursts of retaliatory violence between families and kinship groups as well as between communities." It is frequently found in areas where "government or central authority is weak and in areas where there is a perceived lack of justice and security."[18]

Over the past five years, many international development partners, Philippines government officials, and the media have begun to take a closer look at the characteristics of violence in the southern Philippines. One key lesson from this area of study is that localized violence, compared to state-insurgent violence, is much more prevalent and disruptive on a daily basis, and impacts the lives of far more people living in conflict-affected communities. Furthermore, there is some evidence that localized violence such as *rido* often serves as a trigger for conflict between extra-communal forces, including military and insurgent groups.

The risk of violence at the community level is particularly high during the pre-election season, as rival families and political factions compete for elected positions. Throughout the Philippines, there is a long history of election-related violence and intimidation.[19] Many of these conflicts are over provincial or municipal positions. However, political rivalries, and election violence often affect the community level, especially when there are rival families or networks in a single barangay. Election related violence is so disruptive in most conflict-affected parts of Mindanao that in order to maintain security, many residents would prefer to give up their right to choose among multiple candidates.[20]

Violence (or the threat of violence) plays a powerful role in daily life at the community level in many parts of the Philippines. Persistent insecurity forces community members to make decisions with their security in mind. This cloak of insecurity has important implications for community-based development projects, particularly with regard to the willingness of local community members to challenge existing power dynamics.

Typology and spectrum of community conflict dynamics

At the community level, there are several important factors that determine the extent and nature of conflict. The tables below describe common factors, presenting a spectrum for examining local conditions, and describing the implications for CBD programs. The spectrum extends from "most destabilizing conditions" on the left to the "most stable conditions" on the right. This is intended to provide an indicative overview of a complex set of dynamics. Chapter 4 includes case study

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[18] Torres, Willy et al., RIDO: Clan Feuding and Conflict Management in Mindanao, The Asia Foundation, Manila, 2007, p. 11.

[19] Carolyn Arguillas, Yvonne Chua, Luz Rimban, *Democracy at Gunpoint: Election-related Violence in the Philippines*, The Asia Foundation, Manila, 2011.

[20] In a 2008 survey by Social Weather Stations and The Asia Foundation, nearly half (48%) of ARMM residents claimed that they would rather have one unopposed candidate on the ballot, rather than have competition between multiple candidates that would likely lead to violence. Public Opinion on the Memorandum of Agreement on Ancestral Domain and the Peace Process in the Southern Philippines, The Asia Foundation and Social Weather Stations, October-December 2008.

illustrations of these local dynamics, how frequently they appear, where they are most prevalent, and what implications they have for CBD projects.

It is important to note that community-based projects are often designed to address these local conflict and security conditions. Projects such as MTF, ACT for Peace, and ASFP include procedures to promote participation and equity between all ethnic groups and/or political factions in the community. It is also important to distinguish between violent and non-violent conflict at the community level, to fully understand the impact of CBD projects. Many CBD projects seek to create space for non-violent conflict or competition between local actors by establishing forums and mechanisms to channel disputes and grievances, and thus preventing escalation into violence. For example, grievance redress mechanisms are often used to resolve disputes that are likely to arise between rival groups. However, it is important to better understand how widely these mechanisms are followed, and how effective they are in differing conflict environments.

1) Local elite political dynamics		
The degree of competition between local elite factions is a critical determinant of local political and conflict dynamics. In communities with two or more elite groups in competition, active rivalries between local factions tend to divide the community into two or more competing factions—thereby increasing the potential for conflict (i.e.,"destabilizing condition"). In many cases in the Philippines, this type of rivalry is typically a result of one of the following scenarios: (i) long-standing inter-clan conflicts (or *ridos*); (ii) political rivalries between competing families or networks; or (iii) tensions or hostilities among local armed groups. Many communities have one dominant local political network that controls local decisions, communicates with higher levels of authority, and mediates local disputes. In this type of community, there are no competing or rival factions, and all local elites generally have an interest in preserving the status quo power arrangements through cooperation or consolidation (i.e.,"most stabilizing condition"). While there may be rivalries or violence with neighboring communities or higher levels of government, the intra-community relations are generally consensus based. For example, a community dominated by a local Moro Islamic Liberation Front faction may allow for elite consensus at the community level, but tensions still arise with neighboring communities.		
Destabilizing ⟷ *Stabilizing*		
Rivalry	Dominance/Consolidation	Accommodation/Cooperation
Implications for Community-Based Development Projects		
Competition over project control and benefits can increase tensions or violence; Project benefits are concentrated in one rival faction.	A single dominant faction may increase risk of elite capture; There is much less likelihood of violence or tensions resulting from the project.	The project may encourage greater cooperation between factions if the process is seen as legitimate and worthwhile by all sides; Project benefits are split between major factions.

2) Local elite relations with municipal level of government		
The relations between the community leaders (or elites) and higher levels of government, particularly the mayor (municipal level) has important implications for local security and access to resources. When community leaders are allies of the mayor, they tend to have additional protection from armed actors loyal to the mayor and access to public resources and aid funds. In communities where the local elite belongs to a network that rivals the mayor, the community tends to be neglected or in some cases harassed by those loyal to the mayor. Powerful actors at the municipal and provincial levels are often involved in manipulating local political dynamics at the barangay level to support their local allies. These practices can be highly destabilizing if the higher level actors are trying to unseat a local political family/elite.[21]		
Destabilizing ⟷ *Stabilizing*		
Active rivalry between the mayor and community elites	Neutral	Alliance between the mayor and community elites
Implications for Community-Based Development Projects		
Increased threat from security forces or armed groups loyal to mayor; The community may be cut off from CBD projects; Community may ally with armed non-state group for protection.	A community neglected by the mayor may be more vulnerable to nearby armed groups; The community may have difficulty influencing the mayor, resulting in more modest levels of CBD and other development support.	Protection provided by the mayor improves security;[22] Greater access to CBD resources through the mayor's influence.

3) Presence/relations with armed insurgent groups
The presence (or close proximity) of armed groups is a key influencing factor in implementing CBD projects. In communities where an armed insurgent group maintains a presence or strong links with local actors in the community, the insurgent group's political interests and coercive power have significant influence over local dynamics and the relations with external actors (particularly the national government). The insurgent group may recruit from the community and provide protection for their supporters in the community. Likewise, the insurgents may pose a persistent threat to those in the community that do not support them and may intervene in local politics to strengthen the position of their supporters. Some communities may be influenced by multiple insurgent groups. These communities could be caught between rival groups—a

[21] "Cause and Effect Study on Abra's and Nueva Ecija's Electoral Violence" Ateneo School of Governance 2010. Also see http://beta.abs-cbnnews.com/nation/regions/03/03/10/maguindanao-abra-killings-show-culture-violence)

[22] Security might be provided by the military or police, or in some cases where the mayor (or his political network) have a militia or paramilitary group (CVO or CAFGU) under their control.

highly destabilizing situation. . Furthermore, different insurgent groups may have very different impacts on local dynamics,[23] depending on their political agenda and their links with the community.

Destabilizing ⟷ *Stabilizing*		
Multiple armed groups active in or near the community	Single Armed group	None
Implications for Community-Based Development Projects		
Project may become a source of competition between armed groups, leading to attacks on the project site and participants; Project may become a source for convergence between armed groups, if the project outcome is seen to genuinely benefit the community. Fear of attack may reduce the level of participation in the project.	The chances of extortion are likely to increase with the presence of a single armed group; Fear of attack may reduce the level of participation in the project; If an armed group is supportive (e.g., MILF or MNLF), the project may have high levels of participation and positive outcomes; If an armed group is not supportive (e.g., NPA/CPP), the community may withdraw, or the project may be a failure due to actions of armed group.	With no armed groups present, communities are more likely to have high levels of participation and positive outcomes.

4) Ethnic Diversity

The degree of ethnic diversity can have important implications for social cohesion at the local level. When there is a history of inter-communal tensions, communities with evenly divided ethnic populations can become rivals at the local level, especially in the absence of strong local institutions to mediate between the two rival groups. .

Ethnic diversity is not necessarily destabilizing[24]. In many regions, diverse ethnic populations co-exist well, with very low levels of conflict. This framework specifically refers to contexts where inter-communal relations are made worse by conflict-related conditions. In these cases, ethnic identity can serve to divide groups living close to each other.

[23] Jean-Louis Arcand, Adama Bah, and Julien Labonne, "Conflict, Ideology and Foreign Aid", Households in Conflict Network, HiCN Working Paper 86, December 2010.
[24] A recent World Bank quantitative analysis of KALAHI-CIDSS suggested that in fact locations with high ethnic diversity performed better in terms of per capita consumption than less diverse locations.

Destabilizing ⟷		*Stabilizing*
Evenly-divided ethnic groups	Presence of a small minority	Homogenous
Implications for Community-Based Development Projects		
Risk that sub-projects may be seen to benefit one group; Pre-existing tensions may be exacerbated by the project, possibly leading to violence.	Risk that sub-projects may be seen to benefit the dominant group (or in some cases, the minority group); In some cases, projects that targets the marginalized groups may exacerbate tensions with the majority group; The dominant group may actively exclude the minority.	Homogenous communities may be more stable in some circumstances. However, communities with no ethnic diversity may be divided along political, family or factional lines, creating other sources of instability.

5) Relations with national government

The relationship with (or perceptions of) the central government is an important determinant of local political and conflict dynamics. Communities that are resistant to government presence or authority may be less likely to receive protection and services from security forces and government agencies.

The impact of this factor must be considered along with the conditions in neighboring communities. If a community is a strong supporter of the national government, but surrounded by communities with strong resistance to the government (and possibly the presence of insurgents), then conditions may be highly destabilizing. Similarly, if a community that is highly resistance to the government is located in an insurgent stronghold, with neighboring communities sharing their resistance to the government, then conditions may be stable.

Destabilizing ⟷		*Stabilizing*
Resistance	Acceptance	Strong Supporter
Implications for Community-Based Development Projects		
Risk that a barangay may not be selected for CBD projects because of tensions with the state; Challenges impact implementation, especially if the government is directly involved at the barangay level.	Government may seek to reward the community by providing development assistance through the CBD project; If there are tensions with the state, the barangay may not be selected for CBD projects;	Government is likely to reward the community by providing development assistance through the CBD project; The community may face increased risk from insurgents (primarily applies to CPP/NPA influenced areas);

	More conducive implementation environment.	Significantly more conducive implementation environment.

6) Threat from criminal or other armed groups		
Many communities are threatened by armed criminal groups operating in close proximity. These groups may pose a direct threat to local community members or may try to coerce local elites.		
Destabilizing ⟷		*Stabilizing*
High	Low	None
Implications for Community-Based Development Projects		
High risk of extortion, theft, or violence from criminal or armed groups.	Low risk of extortion, theft, or violence from criminal or armed groups.	Communities with no criminal or other armed groups are likely to be more stable and conducive to a successful project.

It is important to note that many of these factors are closely related and mutually dependent. For example, local elite relations tend to correlate strongly with support for the national government and the lack of insurgent groups. However, this outline provides a useful way to analyze the complexity of how the dynamics may have direct or indirect impacts on CBD projects.

Framework: CBD Projects in Conflict-affected Communities

Conflict-affected regions of the Philippines generally have some of the lowest levels of development in the country[25] and current trends indicate that the gap between conflict and non-conflict areas is growing. Even with an expansion of development assistance to these regions, it is unlikely that we will see a closing of this gap in the future. Persistent conflict is a major contributor to poverty through the direct effects of the conflict that stymie growth and investment, and cause migration and lack of long-term planning within affected communities. However, the cause is more complex and subtle. Active conflict and the continued injustice and power dynamics that lead to conflict, also undermine the capacity of communities to grow and rebuild productively. Specifically, the World Bank's World Development Report (WDR) 2011[26] has identified how conflict erodes institutions and social cohesion, undermining the capacity of communities to restore stability and rebuild livelihoods—and in the context of the current analysis—to productively absorb development assistance. Based on this trajectory, what can to be done to resolve this emerging gap and to improve long-term outcomes in conflict-affected areas?

The WDR established a useful framework for understanding areas affected by violence (including fragile states, subnational conflict areas, and urban areas with heavy crime). This framework helps

[25] Analysis of the 2009 poverty data indicates that ARMM, Caraga and Region IX (Zamboanga) have been consistently the poorest regions of the country in both 2006 and 2009 with poverty rates of 39.8%, 38.1% and 36.6% of households respectively compared to the national poverty rate of 20.9%. http://www.nscb.gov.ph/poverty/2009/Presentation_RAVirola.pdf

[26] http://wdr2011.worldbank.org/

to improve understanding of how countries or regions have emerged from the cycle of fragility and violence in the past and draws on these lessons to provide guidance to those regions/countries currently caught in a conflict trap. The core of the framework has two major components that are relevant for this study:[27]

- *Restoring confidence* – What steps are needed to repair the deterioration of social cohesion and confidence in government? In fragile and conflict-affected situations the WDR argues that "the state cannot restore confidence alone" and there is often a need for external assistance to shore up confidence in the short term.[28] Strategies may involve supporting "inclusive-enough coalitions" to bring together the critical actors needed to end violence and allow for reforms of key institutions. These efforts need not be all-inclusive but necessarily must include a critical mass of actors to stabilize the situation and set a trajectory for greater confidence. The key is to buy political space and time for institutional changes to make lasting contributions to stability and peace.

- *Transforming institutions* – Which institutional changes to both formal and informal institutions are needed to end the cycle of weak and unaccountable governance and violence? The WDR emphasizes the need for quick wins, particularly in the all-important areas of citizen security, justice, and jobs. It also emphasizes the need for "best-fit" institutions rather than best practice. Ultimately, the process of institutional change must be driven by the local actors, but external assistance can support the process.

This framework can also be applied at the community level to develop a roadmap for helping communities to emerge from conflict. Below, we propose a framework for improved understanding of the relationship between CBD projects and local-level conflict dynamics. We also provide some guidance for program design, implementation and monitoring.

If development projects are going to help conflict-affected communities to become stable and well-governed areas, then they must help to restore confidence and transform institutions at the community level. One of the core assumptions is that by restoring confidence and/or transforming institutions, CBD projects will help communities eventually emerge from conflict. If projects have the opposite (or neutral) effect, then they may be extending or strengthening the status quo conflict-affected conditions at the community level. The critical issue for development agencies is to understand well what impact their projects are having at the local level.

1) **Restoring confidence at the community level**: Communities in conflict-affected areas are often plagued with intense local-level rivalries, poor social cohesion and very poor confidence in government and security forces. In theory, CBD projects that emphasize community engagement have the potential to draw together the critical actors at the local level, including rival groups, to shape the program for their community. Many CBD projects are designed to extend the presence of the state and deliver basic services that can increase confidence and trust between community members and government. Project designs often include provisions or procedures to reduce leakage, corruption, and elite capture that may

[27] The WDR also includes two other components that are less relevant for this framework. ***Reduce external stresses*** — one common challenge is the debilitating role of external stresses (e.g., movement of armed groups, arms/drug traffic, IDPs/refugees, pressure from foreign powers). Without reducing the pressure from external stresses, the country/region will not be able to emerge from conflict and fragility. ***Feasible results indicators*** — there is a critical need to develop more appropriate indicators to track incremental progress of governance, institutional change, security, and related factors.
[28] WDR, p. 12.

be exacerbating the sense of injustice and discrimination that tends to underpin violence. At the same time, projects that provide targeted benefits at the community level (rather than infrastructure that may benefit a larger region) run the risk of exacerbating local tensions by overly benefitting one side of a conflict, or strengthening a political structure that may be fuelling violence. It is important to determine how community-based projects affect "confidence"[29] at the community level and design programs to maximize positive, and minimize negative impact on confidence.

2) **Transforming institutions at the community level**: Many CBD projects are designed to work directly with community-level institutions, with the implicit goal of strengthening these local institutions to allow for more durable outcomes. Some CBD projects are setting up community forums, processes, and procedures, and other mechanisms that may help to establish new community-level institutions, or repair existing institutions. By breathing new life into community-level institutions through these projects, in theory, external assistance might be helping to transform institutions to be more effective and legitimate at the community level as well as help create positive experiences for community members who may not have previously experienced genuine participation and influence. Alternatively, some of these projects might be eroding or undermining existing local institutions by replicating their functions and competing for local credibility. In some cases, the community-level institutions strengthened by CBD may not, in fact, be fair, participatory and transparent, and can actually exacerbate the feelings of injustice and exclusion that have fuelled conflict. It is also important to understand the impact on informal institutions, such as traditional dispute resolution mechanisms, community decision-making processes, religious/traditional/clan networks, as well as formal institutions (laws, local governance, justice sector, security sector).

Development vs. Transformational Outcomes

CBD projects typically have an explicit focus on improving "development outcomes" which generally refer to improved livelihoods, better health and education rates, and local-level economic growth. In most cases, CBD projects go beyond the narrow focus on development outcomes by instituting a process that emphasizes participation and inclusion, thereby potentially building trust and institutions which may have a long-term impact on peace, conflict, and fragile conditions. For the purposes of this study, we will refer to this second category as "transformative outcomes". These outcomes transform the governance, social, security, and political dynamics that generate or sustain conflict and instability and prevent a region or community from reaching a level of sustained stability and functioning governance.

The first two elements of the WDR framework—*Restoring Confidence* and *Transforming Institutions*—provide a useful set of parameters to understand how development assistance can transform local conditions to reduce the level of conflict and fragility. To this end, it is important to understand exactly how CBD projects *intend to influence* transformative outcomes (ideally this is explained through the articulation of a project's Theory of Change), and *monitor the impact* of CBD projects on transformative outcomes (ideally through empirical research and rigorous outcome monitoring).

[29] Confidence is broadly defined as inter-elite cooperation, community-level social cohesion, and public confidence in the state.

In conflict-affected communities, there may be a nuanced relationship between development and transformative goals. In communities where there is a strong need to rebuild social cohesion and community trust, it may be more important to emphasize the process of deliberation on community needs, a fair process of negotiating priorities and an inclusive and transparent process of project implementation. The goal is to help the community benefit from having identified and implemented a project cooperatively. In these cases, the actual deliverable—whether a piece of community infrastructure or a livelihoods initiative—may be of lesser importance than the way in which the project is delivered. In other communities, where conflict may have had a direct impact on the quality of infrastructure and economic development opportunities, it may be more important for the project to prioritize activities that will address these development priorities in the short term to help the affected community rebuild the local economy. What this suggests is a need for a nuanced process of identifying the community situation and recognizing how the project should emphasize and measure its capacity to affect transformative and developmental outcomes.

The majority (11 out of 15) of programs claim to have some impact on transformative outcomes, as indicated in Table 10. In these cases, development partners and/or government agencies have made implicit arguments that their CBD projects will improve the long-term prospects for peace and security in conflict-affected areas. For example, USAID has frequently suggested that the larger GEM project is an important element of the US government strategy to reduce violence in Mindanao.[30] Similarly the World Bank, UNDP, and AusAID have partly justified their respective CBD projects as a response to the conflict, implying that CBD projects will help stabilize conflict-affected areas over the long term.

However, while there are assertions by government, international development partners, and implementing agencies about the link between their CBD projects and long-term peace and governance, there is little empirical evidence to support these claims largely because it is very difficult to systematically measure transformative outcomes. Some projects, such as the World Bank's KALAHI-CIDSS, have monitored key indicators of community-level confidence and institutional change[31] but the analysis did not disaggregate by conflict-affected and non-conflict-affected areas. Nor was there a focus on the particular types of conflict challenges at the community level. Empirical research by external researchers (i.e., not directly associated with the project) has explored the causal relationships between CBD projects and a few indicators of transformative outcomes, but the results have generally been inconclusive.[32] Chapter 3 contains a detailed review of the theories of change as well as the monitoring and evaluation approaches used to address transformative outcomes.

One of the most common assumptions from CBD projects is that sustained economic development over the long term will eventually have a transformative effect, and help to reduce violence or improve stability. The WDR 2011 specifically argues that stresses associated with poor economic performance, such as youth unemployment, low opportunity cost of rebellion, and severe corruption, are important factors in preventing the transformation that is necessary to emerge from conflict and fragility. The WDR specifically focuses on the need to prioritize institutions that will provide jobs (along with justice and security) in order to restore confidence. This theory

[30] The GEM-EASE project that was reviewed as part of this study is in fact only a small sub-component of the larger USAID-supported GEM (Growth with Equity in Mindanao) project.
[31] Examples of relevant indicators include measures of social capital such as community members' trust in each other and trust in local and national officials, level of violence, and participation in local decision making. Impact Evaluation of KALAHI-CIDSS, Final Survey, Asia-Pacific Policy Center, May 2011.
[32] See Arcand, Bah, and Labonne 2010; and Crost and Johnson 2009.

assumes that development outcomes and transformative outcomes will ultimately become mutually reinforcing over the long term, and effectively blur the distinction. For the purposes of this framework, we will include one theory under the transformative category that accounts for this line of reasoning (see Table 3, first item under Transformative Theories of Change).

Theories of Change for CBD Approaches

One useful method for defining the range of intended outcomes from CBD projects is to analyze the Theories of Change for common CBD approaches. Some of the most common Theories of Change for CBD projects in conflict-affected areas are listed in Table 3. These theories can generally be grouped into development and transformative outcomes, based on their intended impact.

Table 3: **Theories of Change for CBD Projects**[33]

Developmental Theories of Change	Transformative Theories of Change
1. By improved matching of project resources with local development needs (through community consultation), CBD projects will lead to improved livelihoods for the community. 2. By improved matching of project resources with local development needs (through community consultation), CBD projects will lead to improved public goods (e.g., services and/or infrastructure) for the community. 3. By strengthening community ownership, CBD projects are more likely to be sustainable and better maintained by the community. 4. By creating a common platform for government and donors' planning and resource allocation, CBD helps to maximize efficiency and improve coordination of aid projects at the community level, leading to improved development outcomes 5. By reducing the unit cost and increasing project efficiency, CBD projects will maximize value-for-money and development outcomes.	1. By increasing economic growth and reducing poverty and economic disparity, CBD projects will reduce conflict and improve prospects for sustainable peace and stability. 2. By increasing participation in civic life, CBD projects will help to restore confidence (i.e., mutual trust) between conflicting groups. 3. By increasing capacity for managing conflict and introducing concepts of peace and reconciliation, CBD projects help to reduce violence. 4. By establishing a legitimate and transparent process for distribution of project benefits, CBD approaches will help to increase trust and reduce the risk of conflict in the community. 5. By creating mechanisms for defusing project-related conflicts, CBD helps to reduce tensions that may arise between rival groups. 6. By stimulating increased demand for more responsive local government and institutions, CBD helps to improve the effectiveness and responsiveness of local institutions.

[33] This chart is based on Patrick Barron's analysis of World Bank community-driven development projects in East Asia that are implemented in conflict-affected areas. This recognizes that there are some variations in the strength of individual theories (some are more specific to CDD-type interventions, while others are more general).

Developmental Theories of Change	Transformative Theories of Change
	7. By reducing reliance on "outsiders", CBD projects help to restore confidence and encourage cooperation. 8. By increasing the interactions between state officials and community members, CBD helps to restore mutual trust and confidence between them, and incentivize government officials to be more responsive. 9. By providing incentives for cooperation, CBD projects help to restore and strengthen social capital.

Most CBD projects include a combination of development and transformative Theories of Change. For example, a World Bank community-driven development project will typically aim to improve local livelihoods and public goods as direct outputs of the project, while improving social cohesion and reducing the risk of violence are implicit secondary effects. By using a participatory, transparent process for identifying and prioritizing community needs, the CDD approach intends to simultaneously improve the quality and targeting of development outcomes, while creating incentives and space for transformative outcomes. [34]

Implications for community-based development projects

While there is increasing evidence that local conflict conditions have significant implications for CBD projects, there remains a considerable gap in how local conflict dynamics are reflected in tangible design features in their CBD program approaches. While development partners and government agencies have invested in new systems and methods to monitor the impact of CBD on development outcomes, there have been very few successful[35] efforts to monitor the impact on violence or other factors related to the conflict.

Recent studies, however, have brought to light some of the implications of conflict on CBD programs. For example, evidence from Arcand, Bah, and Labonne (2010) suggests that one factor in local conflict dynamics—i.e., the presence of a particular armed insurgent group—can lead to remarkably different outcomes for the same project.

[34] As noted earlier, CBD approaches involve an element of participation by intended beneficiaries. Participation here suggests four key features: (i) devolution of authority and resources to primary stakeholders; (ii) genuine involvement of a majority of community members (i.e., across gender and age boundaries) in decision making; (iii) two-way flow of information between resource providers and recipients; and (iv) real community contributions (in cash or in kind) to promote local ownership. Community participation can vary in strength, along a continuum which ranges from information sharing on one extreme to full community empowerment on the other. At the community empowerment end, communities have full control of resources and lead monitoring and evaluation—this is referred to as Community Driven Development (CDD).

[35] One example of a project that effectively tracked violence levels, social cohesion, state-society relations, and other key transformative indicators was the Kecamantan Development Project, Aceh Peace Reintegration Agency. In this case, however, the evidence of improvements in social cohesion and state-society relations was modest, and there was no clear impact on violence levels. Barron, Humphreys, Paler, and Weinstein 2009.

The importance of local context for CBD projects is generally recognized. However, for large scale CBD projects, this presents a challenge. It may not be feasible to conduct local-level analysis in every barangay if the target number of barangays is in the hundreds or thousands. In his background paper for the WDR, Barron acknowledges the challenges, but argues that on-going analytical work on local context is essential.

> "Both project implementation and context are important.... Projects can have local level effects in places where the context is not "conducive" (e.g., in divided communities). But they will only do so if project design is built on a clear understanding of local realities and constraints. (Projects have had mixed success here, largely a function of the level of investment in analytic work to understand local conditions and of levels of supervision and monitoring).... These will change over time, so the ability to adapt approaches is important. Again, this requires *ongoing* analytic work and a large investment in supervision. One-off conflict or social assessments will rarely provide information of the types necessary for projects that operate in dynamic environments. What a well-designed CDD operation looks like will vary between areas; and understanding of local conditions is essential for designing effective programs.... This is particularly important given that CDD operations such as the KALAHI[36], CEP[37] and KDP/PNPM[38] cover(ed) large territories with very different conditions in different areas, and that conditions change frequently in conflict-affected areas."[39]

One of the reasons why CBD has been so widely used in conflict-affected areas is the assumption that projects implemented at the community level allow for greater responsiveness to local concerns and conditions. This is particularly true for CBD programs that use participatory methods for project preparation and implementation. By allowing the local population to guide project decisions at the community level (as opposed to outsiders or local elites), it follows that the project would adapt to local concerns. In practice, however, many projects employ rigid, template-designed approaches that do not allow for adaptation at the community level.

The theoretical framework provided in Section II, which is based on the literature and on the analysis of CBD projects in the Philippines, offers a way for those designing CBD programs to reflect on (i) their genuine knowledge of the communities in which they are working; (ii) the ways in which the local situation will likely have an impact on CBD projects; and (iii) how their projects can be more responsive in determining what impact they can have and how best to measure this. Key summary points from this paper's framework include:

1) Conflict dynamics in the Philippines are complex and localized and do not fit easily into the traditional discourse around state-insurgent conflict dynamics that has dominated the discussion of conflict-affected communities and CBD programming for such communities.
2) By looking at the specific dynamics relating to local elite rivalry, relations with the mayor, the presence of armed insurgent groups, ethnic diversity, the relationship to the national

[36] Kapit-Bisig Laban sa Kahirapan- Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS) in the Philippines.
[37] Community Empowerment Program (CEP) in Timor-Leste.
[38] Kecamantan Development Project/ Program Nasional Pemberdayaan Masyarakat (KDP/PNPM), in Indonesia.
[39] Barron 2010, p. 29.

government, and the presence of criminal factions, one can begin to map out local dynamics that may have specific implications for community-based development projects.

3) Many of the arguments for implementing community-based development projects in conflict-affected areas oversimplify the needs of conflict-affected communities and often overlook the particularities of how communities may be uniquely affected by conflict.

4) The WDR offers a valuable tool to help think about how development interventions can support conflict-affected communities—namely through restoring confidence and building institutions. By using this framework, development programs in conflict-affected areas, and particularly CBD projects, can develop more nuanced ways of understanding why and how their projects may have a positive impact on conflict-affected communities (and also why they may be unsuccessful).

5) When projects are considering measuring their impacts, there is often an explicit measurement of development outcomes but a more limited measurement of transformative outcomes. However, based on the framework, CBD projects may in fact be most valuable in offering transformative outcomes. By not emphasizing or measuring this impact, CBD projects may be not be capturing and adequately understanding their most valuable contribution to conflict-affected communities.

III. Review of CBD in Conflict-affected Areas in the Philippines

As part of this review, a team of consultants reviewed 15 examples of community-based development projects currently being implemented with development partner support in conflict-affected areas. This section provides a brief description of the projects under review, offering some different ways of categorizing them (for comparative value), and examining some of the salient features of the projects. The section concludes with an operational analysis of key design features of community-based development projects and how these may be adapted to respond to conflict-affected areas.

This section builds on the framework in Section II, and also looks at some of the design and operational considerations of the projects under review.

For the purposes of this review, "community-based development (CBD) projects" were defined as projects that incorporated some element of community participation in the selection of project activities and that deliver benefits directly at the community level, as opposed to larger-scale development initiatives. Given this broad definition, it is useful to further divide the projects according to some key features to illustrate the diversity of projects under review.

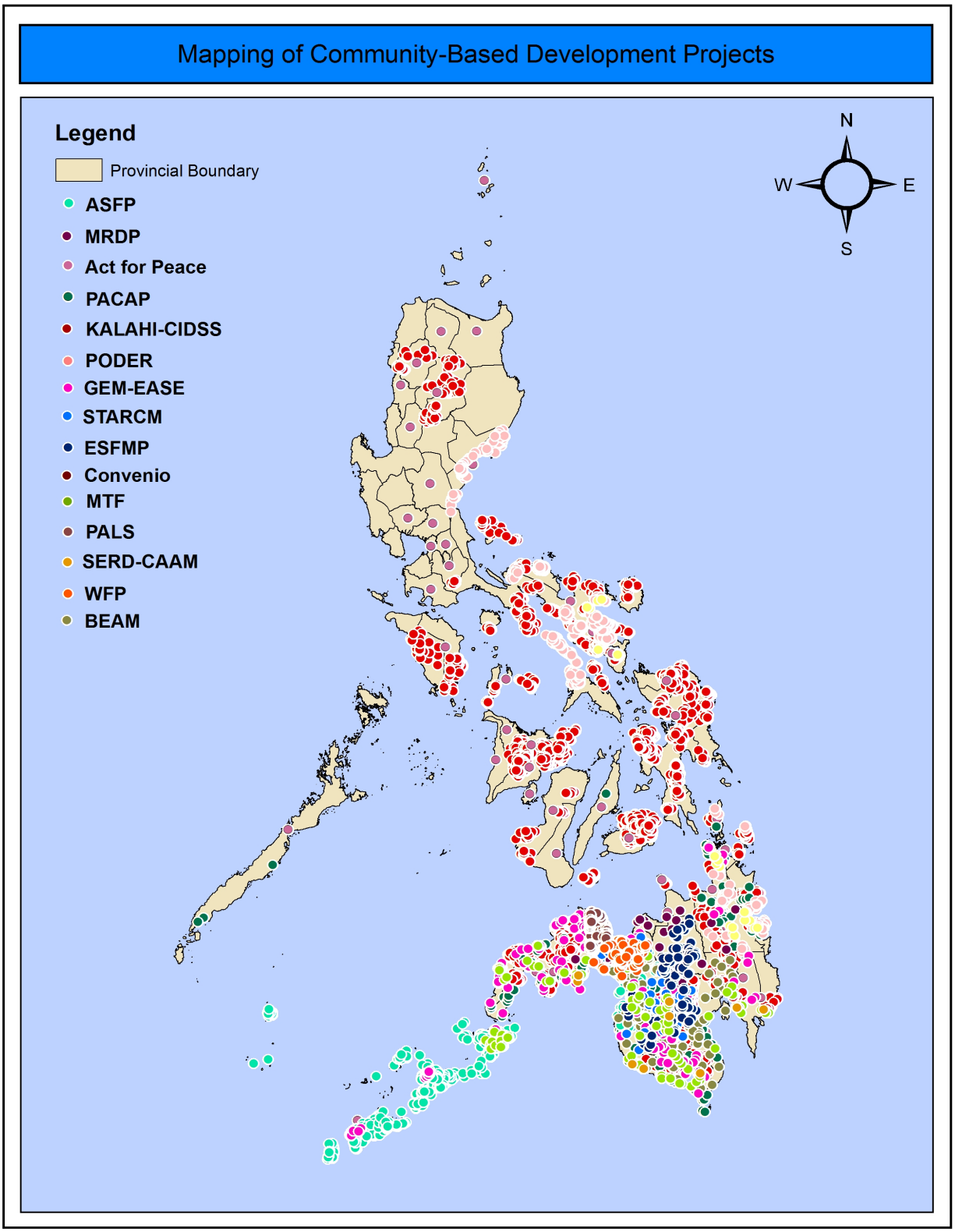
Geographic coverage and insurgent groups: The review focused on CBD projects implemented in conflict-affected areas of the Philippines in Luzon, Mindanao, and the Visayas where armed insurgent groups are active. These included the Moro National Liberation Front (MNLF); the Moro Islamic Liberation Front (MILF); the Communist Party of the Philippines-New People's Army-National Democratic Front (CPP-NPA-NDF); and the Cordillera People's Liberation Army (CPLA).

Table 4: **Geographic Coverage of the Program/Project**[40]

Donors	Programs/Projects	Luzon	Visayas	Mindanao
AECID	PODER	*Bicol only*		*CARAGA only*
	Convenio	*Bicol only*		*CARAGA only*
AusAID	PACAP			
	PALS			*Misamis Occidental only*
	BEAM			
WB	ASFP			*ARMM only*
	MRDP			
	MTF			
	KALAHI-CIDSS			*Non-ARMM areas only*
CRS	ESFMP			*Bukidnon, Maguindanao, and Cotabato Provinces only*
EC	STARCM			
JICA	SERD-CAAM			
UNDP	ACT for Peace	*Palawan only*		
USAID	GEM-EASE			
WFP	FFA			*Lanao Del Sur, Lanao del Norte, Cotabato, Sultan Kudarat, and Maguindanao only*

[40] When projects do not cover the entire region, that is noted (e.g., "*Bicol only*" means that the project is only present in Bicol, not all Luzon).

Map of CDB Project Geographic Coverage[41]



[41] The points on the map represent the complete coverage of the projects in this review. The field sites visited through this study are a sub-set of these locations (see Table 9: Project Descriptions and Sites Visited)

Table 5: **Project period**[42]

Programs	Period Covered	Programs	Period Covered
ASFP	2003-2013	PODER	2005-2012
MRDP	2007-2012	GEM-EASE	2008-2012
Act for Peace	2005-2010	STARCM	2001-2008
PACAP	2005-2010	ESFMP	2008-2012
KALAHI-CIDSS	2002-2009	Convenio	2008-2012
MTF	2007-2010	SERD-CAAM (QIP)	2007-2009
PALS	1999-2010	WFP -FFA	2010-present
BEAM	2002-2009		

Scale: The projects were widely varied in size and scale. Some projects are national in focus and others operate only in Mindanao. The smallest project reviewed is Convenio, which is a small regional project supporting agricultural development, while the largest, KALAHI-CIDSS, is the national poverty reduction program.

Table 6: **Scale of Projects**[43] **Reviewed**

	$500,000-$5million	$5million-$15million	$15million-$50million	More than $50million
NATIONAL				KALAHI- CIDSS
REGIONAL (Mindanao)	Convenio, GEM-EASE, ESFMP		MTF, ACT for Peace	BEAM, ASFP, MRDP
REGIONAL (Mindanao plus other regions)			STARCM	

Community-based Development: The review covers a range of approaches to community-based development (CBD). These are: (i) Community Consultation—the community is consulted and may have some influence over activity selection but otherwise only participates in a limited way; (ii) Community Engagement—the community participates in the project design and preparation, although funds are managed by third parties (either an NGO, donor or local government), (iii) Community Driven—the community controls all major decisions, defines and implements projects, as well as manages fund allocations and local procurement. The case studies for this review fall mainly into the latter two categories. In reality, many projects cannot be strictly classified within a single category since project components may employ differing methodologies. Nonetheless, Table 7 provides an approximate breakdown of project participation using the CBD typology described above.

[42] Many of these projects include multiple phases. The project period in this table indicates the period for the current phase or most recent phase of the project.
[43] This table does not include PACAP, PODER, and PALS, as the project team was not able to determine the precise scale of the CBD portion of these projects.

Table 7: **The Participation Spectrum – A Case Study Breakdown**

Not technically CBD	Community Consultation	Community Engagement	Community Driven
BEAM	PACAP[44] STARCM GEM-EASE	Convenio PALS ESFMP SERD-CAM Act for Peace Food For Assets	PODER ARMM Social Fund MRDP MTF[45] KALAHI-CIDSS

Sectoral Focus: The sectoral focus and approach of the projects vary considerably, from integrated rural development, to education, to community driven infrastructure. Only one of the projects has explicit objectives to reduce violence (Act for Peace), although a number or projects make references to contributing to peace.

Table 8: **Sectoral Focus**

Education	Agriculture and Rural Development	Community Development (infrastructure, livelihoods)	Peace and Development
BEAM, GEM-EASE	Convenio, ESFMP, STARCM, WFP-FFA	PODER, SERD-CAAM, ASFP, MTF, KALAHI-CIDSS, PACAP	ACT 4 PEACE

Peace dividend: In some cases, CBD projects have become part of a peacebuilding process and serve as an incentive or de facto "peace dividend". Several projects included in the case studies—namely MTF, ARMM Social Fund, SERD-CAAM, and Act for Peace—were initiated, at least in part, as a result of peace negotiations that sought to bring a measure of development to conflict zones.

Project Descriptions

Although the projects under review vary considerably in scope and design, they do generally operate on the shared assumptions that: (i) working with and strengthening communities is important to improve governance and social cohesion (transformative outcomes); and (ii) poverty alleviation and economic development is important in order to improve people's lives (development outcomes) (see section II). How this is translated into theories of change and project design varies considerably. Table 9 (below) below provides a brief summary of the 15 projects reviewed.

[44] As a small grants program, PACAP does not have a single methodology. However, many of their grant recipients (mainly NGOs) do employ CBD techniques.
[45] MTF was designed as a CDD project, but for certain sub-components (Community-driven Reconstruction) procurement is not conducted by the community.

Table 9: **Project Descriptions and Sites Visited**

International Funder	Programs & Projects	Project Description & Sites Visited as Part of this Review
Agencia Espanola Cooperacion Internacion-al Para el Desarrollo (AECID) SPAIN	Poder y Prosper-idad de la Comunidad Project (PODER)	**PODER** is a community development program funded by AECID (the Spanish cooperation agency) that is implemented through the Department of Social Welfare and Development in approximately 400 barangays in three regions (Caraga, Bicol, and Aurora). PODER is modeled after the KALAHI-CIDSS community-driven development program. Like KALAHI-CIDSS, PODER facilitators use participatory techniques to help target communities establish people's organizations (POs) that identify, implement, and manage all aspects of the small-scale infrastructure projects they have selected. PODER's theory of change is that of empowering communities and, over time, reducing poverty through the provision of small-scale infrastructure. On-going use of participatory processes through all phases of the sub-project cycle is intended to build social cohesion and trust, and eventually enhance local-level governance. Sites visited as part of this study: ▪ Brgy. Baybay, Malinao, Albay ▪ Brgy. Jonop, Malinao, Albay
AECID (continued)	Convenio	**Convenio,** with Fundacion Intered, is an integrated area development project that works with selected barangays in Caraga (18 barangays) and Bicol (12 barangays), with a total budget of $4.3 million. The project operates through a network of local NGOs which work with local people's organizations to implement activities in health, education, environmental/disaster issues, and livelihood support (primarily in agriculture). The project also supports institutional strengthening for local governments and people's organizations. Each community may receive an investment of up to 7.5 million pesos that is managed through cooperation between the local NGO and the respective people's organization. The Convenio project does not explicitly address peacebuilding but supports a comprehensive development strategy that addresses rural poverty through interventions in the social, political, and economic spheres. Having opted to work in conflict-affected areas of Mindanao, it is fair to assume that the project reflects AECID's larger theory of change that attributes conflict to "exclusion of ethnic and religious minorities, historical negligence by government, political indifference at the local level, and breach in the maintenance of law and order." Sites visited as part of this study: ▪ Brgy. Calpi, Pilar, Sorsogon ▪ Brgy. Pineda, Pilar, Sorsogon ▪ Brgy. San Isidro, Lianga, Surigao Sur

International Funder	Programs & Projects	Project Description & Sites Visited as Part of this Review
		▪ Brgy. Sta. Juana, Tagbina, Surigao Sur
Australian Agency for International Development (AusAID)	Philippines-Australia Community Assistance Program (PACAP)	**PACAP** is a longstanding small grants initiative started after the "People Power" revolution in 1986 and continuing to the present. Over its 25–year span it has provided more than 2,100 grants to civil society organizations (CSOs) and NGOs in 60 of the country's 89 provinces. During the period reviewed, PACAP's grant-generating process consisted of two demand-responsive facilities: 1) FOCAS (Focused Community Assistance Scheme) that makes medium-term grants (up to 3 years duration) primarily to NGOs which are intended to implement community-based initiatives in collaboration with local government agencies; and 2) RAS (Responsive Activity Scheme), a more targeted fund that provides short-term grants (up to one year) to NGOs and CSOs in five conflict-affected provinces in southern Philippines. (RAS operated during the latter half of PACAP). By supporting and strengthening civil society and promoting collaboration with local government, AusAID intended for PACAP to serve primarily as a community livelihood program that would lead to local-level economic growth and ultimately poverty reduction. It was never intended to serve as a conflict mitigation effort, though many individual sub-projects benefited internally-displaced people and other vulnerable groups in conflict areas and may have had some peripheral impact on conflict issues. Sites visited as part of this study included: ▪ Brgy. Mangadeg, Datu Paglas, Maguindanao ▪ Badak, Kusiong and Tapian, Datu Sinsuat, Maguindanao ▪ Brgy. Liliongan, Carmen, Cotabato ▪ Brgy. Cadiis, Carmen, Cotabato ▪ Tudela and Aloran, Misamis Occidental. ▪ Masiu, Lanao del Sur ▪ Lamitan, Basilan
AusAID (continued)	Philippines-Australia Local Sustainability Project (PALS)	The **Philippine-Australia Local Sustainability (PALS)** project was an Australian supported 11-year, integrated community development program that ended in 2011. It maintained a single-province focus covering all 14 municipalities (but only in the three major urbanized areas) and all 347 barangays in Misamis Occidental, one of Mindanao's poorest provinces. It employed a traditional CBD-type methodology that involved community-based selection of small-scale infrastructure and livelihood activities that were implemented in cooperation with local government units (LGUs). PALS's theory of change emphasized joint capacity building of community-based people's organizations and LGUs, along with

International Funder	Programs & Projects	Project Description & Sites Visited as Part of this Review
		collaborative participatory planning and small project support. These efforts were intended to lead to sustainable livelihoods for beneficiaries and eventually to province-wide poverty reduction. Sites visited as part of this study included: ▪ Jiminez, Misamis Occidental ▪ Sinonoc, Misamis Occidental ▪ Brgy. Sebac, Tudela, Misamis Occidental
	Basic Education Assistance for Mindanao (BEAM)	**BEAM** is an 8-year, $53.4 million project, implemented in partnership with the Department of Education. While not explicitly considered a community-based development project, BEAM does use participatory methods to ensure that project design and implementation responds to community requirements. BEAM provides education support to vulnerable schools in Mindanao (regions 11, 12, and ARMM), with an emphasis on developing curricula that reflect the needs and concerns of indigenous, multicultural, and Muslim communities. As an education project, BEAM's objective is to improve the quality of, and access to, basic education in Mindanao. By increasing the capacity of teachers to prepare and deliver education that is sensitive to, and reaches the diverse communities of Mindanao, BEAM expects to build a foundation for peace. Sites visited as part of this study included: ▪ Pantukan National High School, Compostela Valley ▪ Tibi-Tibi Elementary School, Talaingod, Davao del Norte ▪ Don Jose Libayao National High School, Talaingod, Davao del Norte ▪ Madrasah Schools ▪ Bong Bong Elementary School Pantukan, Compostela Valley ▪ Matiao Elementary School, Mati, Davao Oriental
Catholic Relief Services (CRS)	Expanded Small Farms and Marketing Project (ESFMP)	The **Catholic Relief Services**-funded **Expanded Small Farms and Marketing Project (ESFMP),** is a relatively small agro-enterprise development project ($4 million over 3 years) that works directly with poor, small-scale farmers to improve their productivity by providing strategic skills, services, and infrastructure. Under a grant from the US Department of Agriculture's Food for Progress, the project utilizes networks of NGOs to establish and work with clusters of 10-15 farmers each who collaborate in producing rice, cocoa, and coffee. The project's theory of change focuses on poverty alleviation through agro-enterprise programs. It assumes that poor farmers are trapped in poverty by limited access to markets and overreliance on "unscrupulous traders". Creation of clusters allows farmers to build economies of scale that strengthen their collective productivity, quality, and marketing capacity.

International Funder	Programs & Projects	Project Description & Sites Visited as Part of this Review
		Sites visited as part of this study included: ▪ Makilala, Cotabato ▪ Takurong, Sultan Kudarat ▪ Impasugong, Bukidnon, ▪ Brgy. Labu-o, President Roxas, Cotabato ▪ Tapayan, Sultan Kudarat ▪ Sultan Mastura, Maguindanao ▪ Malaybalay, Bukidnon ▪ Sumilao, Bukidnon ▪ Brgy. Dugong, Mlang, Cotabato ▪ Brgy. Rodero, Makilala, Cotabato
European Commission (EC) EC (continued)	Support to Agrarian Reform in Central Mindanao (STARCM)	The **European Commission**-funded (Eur 18.4 million) **Support to Agrarian Reform in Central Mindanao (EC-STARCM)** project supports integrated rural development through close alignment with the Department of Agrarian Reform. Working with Agrarian Reform Communities (targeting Agrarian Reform Beneficiary (ARB) households), the project supports infrastructure, agricultural production and enterprise development, institutional strengthening (people's organizations and local governments), and rural finance (primarily rural credit). The project works with local government structures and community groups to identify and implement priority sub-projects. As an integrated rural development project, STARCM focuses on agrarian reform as a critical means of addressing poverty. A geographic focus in Mindanao, which is recognized as both being conflict affected and suffering from rural poverty, is intended to contribute to the peace process. Sites visited as part of this study included: ▪ Lambayong, Sultan Kudarat ▪ Isulan, Sultan Kudarat ▪ Esperanza, Sultan Kudarat ▪ Midsayap, Cotabato ▪ Makilala, Cotabato ▪ Tulunan, Cotabato
Japan International Cooperation Agency (JICA)	Socio-Economic Recon-struction and Develop-ment of Conflict-	**JICA** has supported the 3-year pilot project, **Socio-Economic Reconstruction and Development of Conflict Affected Areas in Mindanao (SERD-CAAM). SERD-CAAM is** part of a larger JICA study with CAMM on modalities and needs for development assistance. QIP (Quick Impact Projects), a sub-component of JICA's study, provides community infrastructure in 11 sites in order to test project implementation mechanisms. The project is implemented in partnership with BDA and OPAPP, with support from the JICA Study

International Funder	Programs & Projects	Project Description & Sites Visited as Part of this Review
	Affected Areas in Mindanao (SERD-CAAM)	Team. It used a fairly rigid process of site selection, based on specific criteria, and projects were selected from proposals solicited from project sites. Procurement of goods and services is undertaken by the project team (JICA/BDA) and implementation is carried out by external contractors. Community engagement is limited to the identification of project priorities. The theory of change focuses on restoring confidence, and appears to be limited to "enable people and the communities in target areas to enjoy the dividends of peace" through the provision of visible infrastructure support in affected communities. Sites visited as part of this study included: ▪ Brgy. Patag, Malapatan, Sarangani ▪ Brgy. Matiao, Pantukan, Compostela Valley ▪ Brgy. Ompao, Tarragona, Davao Oriental
The World Bank (WB) & JICA The World Bank (continued)	ARMM Social Fund Project (ASFP)	The **ARMM Social Fund Project (ASFP)** is a $63.6 million World Bank (and JICA) supported project that works with the communities and government of the Autonomous Region in Muslim Mindanao (ARMM). The project supports community development assistance, regional infrastructure, and institutional strengthening and governance. Within the community development component, the project uses community-directed development methods and works through people's organizations. With support from municipal facilitators and local government units, the project delivers community-selected infrastructure, improves livelihoods and self sufficiency, and includes a quick response program (QRP). The project works with up to 8 barangays per municipality, providing up to 1.5 million pesos per barangay, 80% of which are used for infrastructure and 20% for livelihoods. Under institutional strengthening, the project supports the ARMM government and local governments in improving service delivery, transparency and accountability. The project's objective is to "reduce poverty and to support mechanisms for the promotion of a peaceful and safe environment in the conflict-affected areas in the ARMM Region and in particular to: (a) improve access to social and economic infrastructure and livelihood opportunities; (b) strengthen social cohesion and partnerships between and within targeted communities; and (c) improve local governance and institutional capacities for implementation in the ARMM Region, with a focus on improved participation, transparency and accountability in the allocation and management of public resources by the participating communities, local government units and ARMM Regional Government." The project emphasizes institutional strengthening of communities, LGUs, and the ARMM government to foster trust and enable sustainable development.

International Funder	Programs & Projects	Project Description & Sites Visited as Part of this Review
		Sites visited as part of this study included: ▪ Brgy. Barurao, Sultan sa Barongis, Maguindanao ▪ Brgy. Kamasi, Ampatuan, Maguindanao ▪ Brgy. Mananayo, Malabang, Lanao del Sur
The World Bank (continued)	Mindanao Rural Develop-ment Program (MRDP)	The **Mindanao Rural Development Program (MRDP)** has been supported by the **World Bank** since 1998. The project reviewed as part of this study was the second Adaptable Program Loan commencing in 2007 ($83.75 million). The MRDP covers 225 municipalities and cities in the 26 provinces of Mindanao. The project supports the development of rural infrastructure which is 72.8% of the total project; a community fund for agricultural development (CFAD) which is 19.3% of the total project; a natural resources management component (3.5% of the project); and an institutional strengthening component (3.5% of the project). The CFAD component, which supports agricultural communities in identifying and implementing livelihood projects and small infrastructure to improve food security and support agribusinesses, was reviewed the most closely for this study. MRDP aims to integrate LGUs through the Barangay Development Plan and counterpart funding requirements, although funds and project implementation are managed directly by people's organizations. The long-term objective of the MRDP is to reduce rural poverty in Mindanao by accelerating environmentally-sustainable rural development (including the improvement of productivity and livelihoods). Although the project does not have an explicit peacebuilding objective, the program is envisioned to support the broader goal of "advancing the peace initiative in Mindanao through the provision of greater economic opportunities and integration, particularly to indigenous communities and other disadvantaged groups." Sites visited as part of this study included: ▪ Brgy. Ganasi, Upi Maguindanao ▪ Brgy. Blensong, Upi Maguindanao ▪ Brgy. Concepcion, Sta Josefa, Agusan del Sur ▪ Brgy. Manungkaling, Mamasapano, Maguindanao ▪ Brgy. Poblacion Sta Josefa, Agusan Sur ▪ Brgy. Pasian, Monkayo, Compostela Valley ▪ Brgy. Macopa, Monkayo, Compostela Valley ▪ Brgy. Lebanon, Montevista, Compostela Valley ▪ Brgy. Sto Nino, Talaingod, Davao Norte
	Mindanao Trust Fund	The **Mindanao Trust Fund-Reconstruction and Development Program (MTF-RDP)** is a **World Bank**-administered multi-donor

International Funder	Programs & Projects	Project Description & Sites Visited as Part of this Review
	(MTF)	facility that has $16 million for disbursement in the conflict-affected regions of Mindanao. The project was established in 2006. Based on the community-driven development (CDD) approach, the MTF aims to address development issues in conflict-affected areas by targeting communities with a high percentage of internally-displaced people or rebel returnees. The MTF provides community block grants that are intended to help restore key basic community-level services as decided by the communities themselves. It is implemented primarily by the Bangsamoro Development Agency but also seeks collaboration and co-funding from participating LGUs. By supporting the development arm of the MILF, the project is specifically geared towards confidence-building objectives. The program is based on the theory of change that enhanced community-level, socio-economic development will lead to improved quality of life that, in turn, will reduce community-based conflict. It further assumes that socio-economic recovery efforts in conflict-affected areas can help set the stage for a final peace agreement in Mindanao. Sites visited as part of this study included: ▪ Purok Tonkie, Bagua Mother, Cotabato City ▪ Brgy. Narra, SK, Maguindanao ▪ Poblacion 7, Zone 6, Midsayap, Cotabato ▪ Brgy. Manarapan, Carmen, Cotabato ▪ General Santos City ▪ Polomolok, South Cotabato ▪ Palimbang, Sultan Kudarat ▪ Kiamba, Saranggani Province
The World Bank (continued)	Kapit-bisig Laban sa Kahirapan – Compre-hensive and Integrated Delivery of Social Services (KALAHI-CIDSS)	The **KALAHI-CIDSS** program is a $185 million national CDD poverty alleviation program that is supported through the **World Bank**, the Millennium Challenge Corporation, AusAID, the government of the Philippines ($31.4 million), and local governments/communities ($51 million). The KALAHI-CIDSS project operates as a classic community-driven development project. As such, it provides communities with an extensive, facilitated project preparation process that identifies and implements community infrastructure projects that are funded through block grants. The block grants are provided in three annual cycles to allow for institutional strengthening. KALAHI-CIDSS operates within conflict-affected areas but does not have specific peacebuilding objectives. KALAHI Makamasang Tugon (MT) was an extension of KALAHI-CIDSS. It provided additional grants to local governments/communities which performed well in the first cycles of KALAHI-CIDSS. In this phase, the local governments were given greater roles.

International Funder	Programs & Projects	Project Description & Sites Visited as Part of this Review
		The theory of change used by **KALAHI-CIDSS** incorporates the dual need to (i) empower communities with skills, institutions and experience to define, prioritize and implement their development priorities and (ii) address poverty through improvement of community-level infrastructure and livelihoods. The repeated cycles were intended to allow communities to learn and familiarize themselves with the concepts and processes of participatory governance. Sites visited as part of this study included: ▪ Brgy. Lale, Pinabacdao, Samar ▪ Brgy. Embarcadero, Juban, Sorsogon ▪ Brgy. Guruyan, Juban, Sorsogon ▪ Brgy. Calpi, Pilar, Sorsogon ▪ Brgy. Pineda, Pilar, Sorsogon ▪ Sedanga, Mt. Province ▪ Brgy. Soquib, Besao, Mt. Province ▪ Brgy. Besao East, Besao, Mt. Province ▪ Brgy. Padangaan, Besao, Mt. Province ▪ Brgy. Banguitan, Besao, Mt. Province ▪ Brgy. Pangao-an, Magpet, Cotabato ▪ Brgy. Kamada, Magpet, Cotabato ▪ Brgy. New Cebu, President Roxas, Cotabato ▪ Brgy. Labu-o, President Roxas, Cotabato ▪ Brgy. Lake Lahit, Lake Sebu, South Cotabato ▪ Brgy. Luhib, Lake Sebu, South Cotabato ▪ Brgy. Badtasan, Kiamba, Saranggani ▪ Brgy. Lamuyon, Kiamba, Saranggani ▪ Brgy. Malbang, Maasim, Saranggani ▪ Brgy. Poblacion, Maasim, Saranggani
United Nations Develop-ment Program (UNDP)	Act for Peace Programme (A4P)	The multi-donor funded, **UNDP-**managed **Act for Peace Programme (ACT for Peace)** emerged as a direct response to the 1996 peace agreement between the government and the Moro National Liberation Front (MNLF). Implemented by the Mindanao Development Authority (MinDA) and the ARMM Regional Government, the project provides support to former MNLF combatants and their communities in the Special Zone for Peace and Development (SZOPAD). The project has an explicit peacebuilding and conflict transformation objective and supports institutional capacity building, service delivery (health), community economic development, conflict transformation skill building, and systems and training to support a "culture of peace". The project works at the community level with peace and development communities that serve as the primary units for sub-project identification and implementation. As an explicit peacebuilding and conflict transformation project, the

International Funder	Programs & Projects	Project Description & Sites Visited as Part of this Review
UNDP (continued)		theory of change is based on the assumption that affected communities and institutions need to be supported in building their capacity to improve social cohesion and create an environment of trust, confidence and collaboration. In addition, the project assumes that basic services and livelihood initiatives are critical to help address conditions of poverty that may exacerbate the underlying causes of conflict. A primary feature of the ACT for PEACE approach is the assumption that conflict transformation requires a large base of local actors and "culture bearers" that can broaden the peace constituency and nurture the environment for peace. The project is premised on the need to simultaneously strengthen horizontal (community) relationships and vertical relationships (institutional). Sites visited as part of this study included: ▪ Brgy. Manila de Bugabus, Butuan City ▪ Brgy. Aplaya, Hagonoy, Davao del Sur ▪ Tupi, South Cotabato ▪ Datu Odin Sinsusuat, Maguindanao ▪ Peace and Development Advocates League, South Central Mindanao ▪ Kauswagan, Lanao del Norte ▪ Malambugan, Lanao del Norte ▪ Barangay Marfil, Rosario, Agusan del Sur ▪ Epil-Epil Sibugay Zamboanga ▪ Zamboanga del Sur ▪ Peace and Development Advocates League, Zamboanga del Sur ▪ Barangay Gasi , Kiamba ▪ Cooperative of Mapayog, Multipurpose Center ▪ Datu Saudi Ampatuan, Maguindanao ▪ Shariff Aguak, Maguindanao ▪ Isulan, Maguindanao ▪ Tupi, South Cotabato
U.S. Agency for International Develop-ment (USAID)	Growth with Equity in Mindanao: Education Awareness Support Effort (GEM-EASE)	**Education Awareness Support Effort (EASE)**, also referred to as the Education Matching Grant Program (EMGP), is part of the larger USAID-funded Growth With Equity in Mindanao (GEM) program that provides a range of support to communities in Mindanao. GEM-EASE is a matching grant program that provides in-kind matching support for community investments in education services. This means that for every computer/desk/book that the community (usually the Parent Teacher Association – PTA) purchases for a participating school, the GEM-EASE project will purchase the equivalent number and/or value of goods. In this way, the project aims to improve the quality of education facilities as well as empower PTAs to take a greater role in providing resources to their schools. The GEM program implicitly pursues a goal of peace and security, and it is seen to support conflict prevention and stabilization through

International Funder	Programs & Projects	Project Description & Sites Visited as Part of this Review
USAID (continued)		improved access to, and quality of, education. Sites visited as part of this study include: ▪ Sukailang Elementary School. Brgy. Sukailang, Surigao City, Surigao del Norte ▪ Nueva Fuerza Elementary School, Brgy. Nueva Fuerza, Tagum City, Davao del Norte Pasian National High School, Brgy. Pasian, Monkayo, Compostela Valley ▪ Salvacion Elementary School, Brgy. Salvacion, Mawab, Compostela Valley Province ▪ Zamboanga City High School, Brgy. Tetuan, Zamboanga City ▪ Tictapul Elementary School, Brgy. Tictapul, Zamboanga City ▪ Lanton Elementary School, Brgy. Apopong (Purok 5/Lanton), General Santos City ▪ Mindanao State University (MSU) - Center for Education Training and Development (CETD) Laboratory High School, Brgy. North, General Santos City ▪ Banisil Elementary School, Brgy. Tambler, General Santos City ▪ Datu Abdulbali Elementary School, Brgy. Tino-to, Maasin, Saranggani ▪ Malapatan National High School, Brgy. Poblacion, Malapatan, Saranggani ▪ Pangao-an Elementary School, Brgy. Pangao-an, Magpet, North Cotabato Province ▪ Patadon Elementary School, Brgy. Patadon, Kidapawan City
World Food Programme (WFP)	Food for Assets Programme (FFA)	In its first year, the European Union-funded **Food for Assets Programme** provided community-based support (in the form of 10,000 metric tons of food) to 194,000 households in the five conflict-affected Provinces of Central Mindanao where food insecurity has been a critical issue. The project's goal was the immediate reduction of vulnerable households' food insecurity, and used a design that strengthened local institutional capacity. The project was managed by the **World Food Programme** and implemented through LGUs, in collaboration with local NGOs. These NGOs worked with communities to identify community assets (largely related to agricultural improvement) that could be built utilizing simple tools and local labor. Project beneficiaries received food transfers in exchange for labor on community projects (Food For Assets: FFA) as well as for participation in training (Food for Training: FFT). Food security improvement was identified as an entry point for "peacebuilding, development and governance". Sites visited as part of this study include: ▪ Brgy. Makalangot, Arakan, Cotabato ▪ Brgy. Pamalian, Pikit, Cotabato

International Funder	Programs & Projects	Project Description & Sites Visited as Part of this Review
		▪ Brgy. Kapinpilan, Midsayap, Cotabato ▪ Sultan Sa Barongis, Maguindanao ▪ Pagatin, Maguindanao ▪ Brgy. Kapaya, Bagumbayan, Sultan Kudarat ▪ Brgy. Lagandang, Isulan, Sultan Kudarat

Comparative Analysis of Projects

The research team undertook a detailed review of each of the previously-described 15 projects. This included document reviews, key informant interviews with national-level project staff, and key informant interviews and focus groups with community members in a number of barangays (for a list of these communities, see Table 8 above). This approach enabled the team to cover a significant number of projects. However, although researchers addressed a number of general topics (e.g., project mechanics, client satisfaction, and lessons learned), their wide coverage with field visits made it difficult to conduct in-depth investigation of all topics. Researchers were able to capture and analyze a range of important themes that had been identified in the case studies.

This section looks at some of the key design features and general trends from the 15 projects studied, and it reflects on and highlights some of the key issues identified in Section II. Given the considerable variation in projects and sites visited in the case studies, this analysis should be considered as indicative rather than conclusive. Although in some cases the authors have been able to draw comparisons across a number of projects, in others the comparisons are more limited and analysis is drawn from broader knowledge provided by the literature review.

1. Conflict Analysis

Whether and how a project **assesses and determines the dynamics of the conflict** or potential conflict in a project area—both during project design and implementation—may have a significant impact on how and whether the project meets its objectives without exacerbating conflict.

During Project Design: As anticipated, the projects that have an explicit peace-building objective, (Act for Peace, MTF, and ASFP) were, in fact, the most proactive in engaging in some form of conflict assessment as part of project design. Generally, it appears that conflict assessment at the design stage led to the selection of counterparts and sites. In the MTF, for example, a comprehensive conflict assessment was part of the project design phase and resulted in a Peace and Development Framework that has guided project implementation and beneficiary targeting. Act for Peace, which utilizes Peace and Development Communities, reflects the greatest sensitivity to conflict dynamics in both project design and implementation. Projects such as MTF utilized a more standard project model but have made small, but important, changes such as eliminating inter-barangay competition for subproject selection, ostensibly to reduce possible tensions between barangays. However, on the whole, there were few cases that illustrated a clear shift or alteration in project design in response to the conflict analysis, and/or to more specific conflict dynamics.

During Project Implementation: The conflict framework presented in Section II provides a useful tool for determining which types of conflict and power dynamics may be at play in a particular community and how these might impact the implementation and results of the proposed project. A clear finding of this review indicates that very few of the projects undertook explicit conflict assessments during project implementation. The Act for Peace project included a Peace and Conflict

Assessment, while the ARMM Social Fund Project integrated conflict assessment training for its project staff and utilizes a Venn Diagram tool as part of barangay development planning (BDP). Projects, such as MTF and SERD-CAAM, which are implemented with Bangsamoro Development Agency (BDA) used Values Transformation Training (VTT) to sensitize project staff to conflict dynamics during implementation but this falls short of being an actual conflict assessment.

While most of the projects included some form of situation analysis/rapid appraisal as part of the preparation stage, few referred to these appraisals in assessing particular conflict dynamics other than by identifying the locations of recent outbursts of violence or providing project staff with information on security issues (i.e., BEAM and MRDP). The ESFMP project referred to a policy of "conflict sensitivity" in their work which permeates all aspects of project implementation, and most specifically in cluster meetings when potential local-level conflicts and their potential impact were discussed.

All of the projects reviewed did acknowledge the history of conflict in their project areas (even without explicit assessments or claims to affect conflict) and some projects appeared to take conflict into account during project implementation, often in a more informal way. For example, the Convenio project, which works with NGOs, is apparently conscientious in selecting a range of NGOs as implementing partners in order to avoid perceptions of bias.

Challenges: Some of the issues which appear to limit the extent of conflict assessment are:

- A perception that "conflict" is limited to vertical conflict and that the dynamics of community-level (horizontal) conflict in affected communities does not require ongoing monitoring
- The prioritization of security issues in conflict-affected areas rather than consideration of the dynamics that may influence and impact projects
- Whether projects perceive themselves as having peacebuilding objectives, and if they do not, not wanting to explicitly address conflict dynamics
- NGO implementing partners' lack conflict expertise
- Perceptions that conflict assessment is an "add on" requiring specific tools and external expertise
- Fixed project designs that do not allow for any adaptation to conflict dynamics

The lack of systematic conflict analysis was a surprising finding in this review and reflected less conflict-sensitivity in design and implementation than was anticipated. Thus the findings suggest a need for greater attention to conflict dynamics, both at the program design phase, as well as during implementation. Challenges include finding the right kinds of tools for assessing conflict dynamics and building a project that is suitably adaptable without being open to counterproductive manipulation. Both these challenges are addressed in Section VI of this paper (Operational Implications and Conclusions).

2. Estimating the Impact of CBD Programs

While this project did not attempt to conduct impact analysis of individual CBD programs, it is possible to estimate the impact of CBD programs based on evaluations conducted for programs in Mindanao and elsewhere. In this section, we provide an overview of the evidence from impact evaluations of CBD programs in the Philippines, with a focus on transformative outcomes. We also

draw on evidence from World Bank community-driven development projects in other conflict-affected regions of Southeast Asia, particularly Aceh, Indonesia.

This assessment of impact focuses on two elements: (i) What are the intended outcomes of the program intervention, as articulated by the donor or implementation agency? and (ii) What level of confidence do we have that these outcomes actually occurred, and that the change can be attributed to the project intervention?

2.1 Intended Outcomes and Theories of Change

The projects included in this review were designed to have a wide variety of outcomes in the beneficiary communities. All of the projects included some developmental outcomes, usually through improved livelihoods, access to key services, or improved infrastructure, and generally the ultimate outcome of reducing poverty. In most cases, projects also attempted to have some impact on transformative outcomes that could affect long-term peace and security. These outcomes included improved social cohesion and trust, stronger community-level institutions, more responsive local governance, and improved state-society relations. In eight of the 15 projects, the focus on transformative outcomes was explicitly linked to peace and security, while in the other cases, the primary rationale was to improve governance or maximize impact on the intended developmental outcomes (e.g., more participation in local governance to improve service delivery).

The link between output, outcome, and intended impact is usually articulated in a Theory of Change which draws out the assumptions and motivations of a development program. Analyzing the various Theories of Change offers insight into two critical questions: (i) what outcome does the development partner (and/or implementer) think will be achieved as a direct result of their intervention? and (ii) what are the presumed characteristics (or assumptions) of the local context that are necessary for the envisioned change to occur? Theories of Change also help to identify the expected link between output, outcome, and intended impact, allowing us to make some assessment of whether the presumed change is plausible and likely to be achieved.

There are some major challenges in assessing and comparing Theories of Change. First, since there is no standard format or approach for documenting Theories of Change, it is necessary to reduce project statements resembling Theories of Change to their key elements to allow comparison. Second, when a project does not directly articulate a Theory of Change, it is necessary to draw out implied theory based on a review of the project's objectives, interventions, and intended outcomes. Finally, even when a Theory of Change is well-articulated for a project, there may still be a gap between the theory and the activities actually implemented in the beneficiary communities. Project activities in the field may diverge from the intervention that was intended to happen in the project design, making it difficult to determine whether the independent variable (i.e., the intervention) was actually what was intended, and whether the dependent variable (i.e., the intended impact from the intervention) is actually a result of the intervention.

Despite these challenges, this review offers an analysis of the common Theories of Change for CBD projects in the Philippines, using the lens of the conflict framework in Section II and categorizing theories either in the "developmental outcomes" or "transformative outcomes" groups. The transformative outcome category refers to project goals that explicitly address transformative factors such as improved social cohesion, improved state-society relations, reduced violence, strengthened institutions for managing conflict, or improved performance of government. It is possible, and quite common, that a project Theory of Change implies that both developmental and transformative outcomes will be achieved through the project. In many cases, there are implied

assumptions that one will lead to the other. Many projects intend to improve developmental outcomes directly, but make claims that these outcomes will lead to transformative outcomes. For example, several projects claim that their interventions will reduce poverty, which will lead to peace and stability.

Table 10 (below) summarizes the claims of intended outcomes made by donors, based on the Theories of Change articulated in project documents (or that are implied, based on similar information). This is not an exhaustive list, but it helps to illustrate the spectrum of intended outcomes.

Table 10: **Intended Outcomes Based on Conflict Framework**

Project	Donor	Developmental Outcomes	Transformative Outcomes	TOC for Aiding Peace & Security
Poder y Prosperidad de la Comunidad Project (PODER)	**AECID**	Improved infrastructure Improved service delivery	Improved social cohesion Increased community participation in civic life and governance	None[46]
Convenio	**AECID**	Reduced poverty through: • Increased income generation • Ecosystem preservation • Improved services (health and education) • Reduced vulnerability to natural disasters	Improved social cohesion Increased community participation in civic life and governance	None
Philippines-Australia Community Assistance Program (PACAP)	**AusAID**	Reduced poverty through: • Improved livelihood skills • A variety of community-driven initiatives (supported by small grants)	Strengthened local institutions (through community associations) More responsive government at the community level Improved state-society relations (through multi-stakeholder partnerships)	Improved human security through reduced poverty

[46] AECID's country strategy includes a focus on addressing the NPA/CPP conflict through strengthening of local institutions; providing infrastructure and basic services; supporting the productive sector; collaborating in the proper management of natural resources; and supporting initiatives for the resolution of conflicts and peacebuilding. However, the PODER and Convenio project documents do not include an explicit Theory of Change for addressing peace and security.

Project	Donor	Developmental Outcomes	Transformative Outcomes	TOC for Aiding Peace & Security
Philippines-Australia Local Sustainability Project (PALS)	**AusAID**	Reduced poverty (in Misamis Occidental)	Strengthened local institutions through participatory planning and natural resource management;	None
Basic Education Assistance for Mindanao (BEAM)	**AusAID**	Improved access to, and quality of, education	None[47]	Improved quality and access to education will contribute to peace
Expanded Small Farms and Marketing Project (ESFMP)	**Catholic Relief Services (CRS)**	Increased agricultural production Improved small scale rural infrastructure Improved access to markets	Strengthened local institutions Improved social cohesion Increased community participation in civic life and governance	Strengthened social cohesion contributes to peace in the community
Support to Agrarian Reform in Central Mindanao (STARCM)	**European Commission (EC)**	Reduced rural poverty through: • Improved rural infrastructure • Increased agricultural production • Improved access to credit	Strengthened local institutions[48]	None[49]

[47] BEAM includes some outcomes that can be interpreted as transformative. These are primarily efforts to improve education through strengthening the ARMM Department of Education, and improving government responsiveness to local concerns. However, these efforts are primarily intended to improve educational (i.e., developmental) outcomes, and are not included in the transformative category for the purposes of this study.
[48] STAR-CM includes some outcomes that can be interpreted as transformative. These are primarily efforts to strengthen local institutions. However, these efforts are focused on strengthening local institutions to better plan and implement development projects, and are generally not focused on issues relevant to the conflict. Therefore for the purposes of this study, they are not included in the transformative category.
[49] The predecessor project to STARCM was originally conceived to support the peace efforts, leading to the geographic focus on central Mindanao. However, the STARCM project did not explicitly articulate an intention or Theory of Change for improving peace and security in Mindanao.

Project	Donor	Developmental Outcomes	Transformative Outcomes	TOC for Aiding Peace & Security
Socio-Economic Reconstruction and Development of Conflict-affected Areas in Mindanao (SERD-CAAM)	**JICA**	Improved impact of development programs (through research and development planning) Improved small-scale infrastructure	Increased community participation in civic life and governance Strengthened local institutions	Establish a culture of peace and security through sustainable peace initiatives through people's participation and empowerment Increased economic development in conflict areas
ARMM Social Fund Project (ASFP)	**World Bank**	Reduced poverty through: • Small scale infrastructure • Improved service delivery • Capacity development	Improved social cohesion More responsive local government Improve relations between community and government Increasing community participation in civic life and governance	Improved trust and confidence at the community level, and improved local governance leading to improved conditions for peace and security
Mindanao Rural Development Program (MRDP)	**World Bank**	Reduced poverty through: • Infrastructure development • Livelihood skills	Improved local governance (non-conflict related)	Sustained rural growth in conflict areas will reinforce peace efforts

Project	Donor	Developmental Outcomes	Transformative Outcomes	TOC for Aiding Peace & Security
Mindanao Trust Fund (MTF)	**World Bank**	Reconstruction and poverty reduction enabled through: • Community-level capacity development • Small-scale infrastructure • Improved service delivery	Improved social cohesion More responsive local government Improved relations between the community and government Increased community participation in civic life and governance	By working through the development agency of the MILF, the Government and the MILF can improve confidence between the two parties and help lay the groundwork at the community level for cooperation and sustainable peace Socio-economic development in local communities will lead to improving the quality of life and result in the reduction of conflict at the local level
Kapit-bisig Laban sa Kahirapan – Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS)	**World Bank**	Reduced poverty through: • Small scale infrastructure • Improved service delivery • Capacity development	Improved social cohesion More responsive local government Improved relations between the community and government Increased community participation in civic life and governance	None

Project	Donor	Developmental Outcomes	Transformative Outcomes	TOC for Aiding Peace & Security
Act for Peace Programme (A4P)	**UNDP**	Reduced poverty (through various means) Increased access to services	Reduced violence in communities Improved social cohesion Strengthened local institutions Improved relations between the community and government	Strengthened peacebuilding efforts by: • Support for MNLF communities • Promoting awareness of human rights and good governance • Broadening the peace constituency • Influencing the policy environment • Institutionalizing peace & conflict issues in key government agencies
Growth with Equity in Mindanao: Education Awareness Support Effort (GEM-EASE)	**USAID**	Improved education	None	Economic growth will contribute to peace efforts Increased opportunities for youth will prevent them from being recruited into armed groups
Food for Assets Program (FFA)	**WFP**	Improved food security	None	None

Based on this cursory review, the ***majority of programs (11 out of 15) claim to have some transformative outcomes*****,** though only one project (ACT for Peace) claimed to have a direct impact on violence levels in the community. The most common transformative outcomes were improved social cohesion, strengthened local institutions, more responsive local government, and increased community participation in civic life and governance. Most projects had some variation of these four themes, though with some differences in focus. In most cases, projects claim to achieve these outcomes through the process of community involvement in project design, preparation, and implementation at the local level.

Only ***four projects focus primarily on developmental outcomes*****.** Most commonly these outcomes were reduced poverty or improved education. These projects are sometimes justified as providing support to conflict-affected populations, and generally they claim to use conflict-sensitive approaches. Projects in this category include STAR-CM, BEAM, WFP, and GEM-EASE. STAR-CM and

BEAM include some elements that could be interpreted as transformative, though these outcomes generally serve to bolster developmental outcomes, so have not been included.

Most of the projects (9 of 15) include a Theory of Change that links their program interventions with peace and security outcomes. This articulation comes in various forms, though usually it is included in the rationale or justification for the project in the project design and/or evaluation documents, and/or on the project website and other promotional materials. Of the six projects that do not have an explicit Theory of Change concerning peace and security, three are mostly focused on non-conflict areas (KALAHI-CIDSS, PACAP, and PALS). In the other three cases (STAR-CM, PODER, and Convenio), the donors' rationale to fund the program seems to have been partially based on the presence of conflict, though the project documents did not include an explicit Theory of Change on how the program is addressing conflict.

Common Theories of Change

The following are commonly-used theories of change in CBD projects in the Philippines:

Community participation as transformative. One of the most common Theories of Change is that participation in project activities and decision-making has direct transformative outcomes, including enhanced social cohesion and strengthened local institutions. Projects that emphasize community participation generally claim that the direct outcome is developmental, but the process leads to transformative effects.

Increased capacity and trust will improve social cohesion and reduce conflict. Another common theory of change postulates that by increasing the capacity of community members to work together and develop intra-communal trust (i.e., social cohesion), they will be better able to manage conflict. For example, the Theory of Change for the ACT for Peace Programme argues that "there is a strong interaction between capacity for social cohesion on the one hand, and capacity for peacebuilding and human rights protection on the other... As the level of capacity for social cohesion increases so does the level of capacity for peacebuilding and human rights protection."[50]

Long-term economic development as transformative. The most common Theory of Change (though not always explicitly stated) is that improved economic development in the conflict-affected areas (or developmental outcomes generally) will eventually lead to greater peace and security. This is a core assumption of the World Bank, USAID/GEM, EC/STAR-CM, and the AusAID projects. The following excerpt from the GEM Phase 3 approval document spells out the general argument:

> *"If the resources are available, and if the correct approaches are followed, it is possible that Mindanao may finally be able to emerge from the vicious cycle that has ensnared much of it for decades. Violence and fears of violence have been hindering economic growth and the emergence of economic opportunity*" (p. 6).... "*It is clear that ... related factors underlie the conflict and violence that has afflicted Mindanao for so long. First, by virtually all measures (including poverty incidence, per capita income, infant/child mortality, life-span, literacy, etc) Mindanao has been and remains the poorest part of the Philippines. Within Mindanao, the areas inhabited by the Moslem minority are the most poor. The absence of economic opportunity in Mindanao, particularly the Moslem areas in the island, created fertile ground for recruitment of people prepared to take*

[50] ACT for Peace Programme, Terminal Evaluation Report, p. 7.

up arms against the Government in the hope that this might lead to a better life"[51] (p. 7)

Peace dividend theory. Several projects were initially conceived or motivated to support formal peace processes. These projects typically claimed that community-based development projects would deliver a peace dividend to conflict-affected communities, ostensibly leading to growing support for peacebuilding efforts, and greater pressure on armed groups to reduce violence. Six projects (STARCM, MTF, ASFP, BEAM, WFP, and ACT for PEACE) are conceptualized as supporting peace processes (primarily the 1996 peace agreement with the Moro National Liberation Front, or the on-going peace negotiations with the Moro Islamic Liberation Front).

2.2 Monitoring & Evaluation

With a few notable exceptions, monitoring and evaluation efforts for CBD projects in the Philippines provide very little evidence to support claims of achieving transformative outcomes. While the majority of projects conducted evaluations, most of them focused largely on developmental outputs and outcomes, and did not directly address transformative outcomes. It is unclear if this reflects challenges in the M&E techniques used or if it reflects a general bias of development partners to prioritize their efforts towards achieving developmental outcomes.

Furthermore, there seems to be variation in the level of rigor applied in monitoring and evaluating the CBD projects included in this study, making it difficult to interpret the results or draw evidence-based conclusion about the impact of CBD on conflict.

The project team was able to obtain evaluation reports from 10 of the 15 projects.[52] Methods used for program evaluation included:

- Qualitative inquires (key informant interviews, community case studies, and focus group discussions) at the mid-point or the end of the project;
- Surveys of beneficiaries or beneficiary communities;
- Quantitative methods of measuring organizational capacity;
- Government data on education, health, economic activity, income/expenditure, and/or infrastructure;
- Panel data gathered through household surveys conducted at various points in the project life cycle.

In most cases, the lack of baseline data, and/or control sites made it difficult to determine the extent of change in the beneficiary communities and the project's contribution to these changes.

Evaluating developmental outcomes: Several projects conducted ***rigorous in-depth evaluations***, but only focused ***on developmental outcomes*** (instead of transformative outcomes). For example, the BEAM project, funded by AusAID, conducted a rigorous impact evaluation of education quality and access which, among other methods, was based on an extensive survey of parents and teachers in beneficiary communities. The survey did not focus on any indicators of transformative outcomes, as defined by this review. Similarly, the STAR-CM project, funded by the European Commission, measured changes in household income and poverty incidence, based on a household survey and data from the National Statistics Coordination Board. The project also sought to improve the

[51] USAID, GEM-3 Development Activity Approval Document (2006)
[52] Projects evaluations included ASFP, BEAM, PACAP, PALS, KALAHI-CIDSS, MTF-RDP, ACT for Peace, Convenio, GEM/EASE, and STAR-CM..

capacity of community-level organizations and local government units, and used the Organizational Maturity Assessment,[53] to assess project planning and management capacity. However, the impact evaluation did not present any evidence on the impact on local institutions.

Evaluating Transformative Outcomes: As discussed previously, very few projects were/are monitoring transformative outcomes in a systematic or rigorous way. In most cases, the evidence cited is anecdotal, suggesting the possibility of transformative impacts at the community level (most commonly these are improved intra-communal relations and stronger local institutions).

One important example is UNDP and MinDA's ACT for Peace. The project stood out from the others by focusing monitoring and evaluation efforts primarily on transformative outcomes.[54] Mid-term and final evaluations were conducted for the most recent phase of the project, both using a mixed methods approach. The final evaluation found that the project made substantive contributions to peace and security in Mindanao by strengthening the peace process following the 1996 peace agreement with the Moro National Liberation Front; enhancing human security through promotion of human rights and good governance; and strengthening the Mindanao peace constituency.

The project used a combination of key informant interviews, focus group discussions, a perception survey of beneficiary communities at the end of the project, and quantitative measurements of capacity to assess correlations between different variables. However, it is difficult to assess the quality of evidence based on the reports. The lack of baseline data makes it difficult to objectively verify the extent of change in the target communities. Furthermore, the sampling for the perception survey makes it difficult to interpret the results. The sample frame is not clearly defined in the report, and seems to have been drawn largely from the project's direct beneficiaries.[55] Also the sample size is very small (331 respondents) and no margin of error is indicated.

The mid-term evaluation, conducted in 2007, acknowledged that the project was only monitoring outputs, and lacked any baseline data for the communities where the project was working.[56] M&E systems focused on indicators directly within the project's control, including new communities undergoing conflict transformation processes, beneficiaries that have received capacity building (i.e., "enhanced skills"), and "improved interactions" between various stakeholders as a result of project activities. The mid-term review proposed to enhance M&E systems to focus on "peace impact indicators", and enhance the capacity of the project management office by hiring an M&E specialist. The Terminal Evaluation Report similarly did not include an evaluation of achievement of program impact.[57] Furthermore, there was no attempt to measure violence at the community level in target communities in order to track the program's impact on violence levels over time.

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[53] Conducted through the Department of Agrarian Reforms ARC Level of Development Assistance (ARDA).
[54] Stated project outcomes include: (i) "Transformation of Peace and Development Councils and other conflict-affected and conflict-vulnerable areas is sustained, and community efforts to develop and advance their own initiatives for peace and human security are harnessed; (ii) Peacebuilding and conflict transformation (prevention, management and resolution) capacities of actors and institutions are strengthened and institutionalized; and (iii) Critical partnership towards sustaining an environment of trust, confidence and collaboration for peace and development are enhanced."
[55] See footnote 13, ACT For Peace Mid-Term Review, May 30, 2008, p. 25.
[56] ACT For Peace Mid-Term Review, May 30, 2008, p. 8.
[57] "(The report) will also not exhaustively look into the achievement of the Programme Goal and the planned Impact level results as detailed in the enhanced Programme logical framework." ACT for Peace Programme, Terminal Evaluation Report, p. 24.

Comprehensive Impact Evaluations: The World Bank-funded programs—KALAHI-CIDSS, the ARMM Social Fund, and the Mindanao Trust Fund (MTF-RDP)—all conducted impact evaluations, which included analysis of transformative outcomes. The impact evaluation for KALAHI-CIDSS is particularly helpful, as it is based on panel data from household surveys conducted at three points in the project.[58] According to the survey results, the project had a positive impact on several indicators of social capital and local governance. For example, the beneficiary communities reported a significant increase on indicators of trust for other community members, local officials, and national officials. The evaluation also showed that beneficiary communities were more likely to participate in local governance, another indicator of social capital and strength of local institutions. However, the results showed negative impacts in other areas of social capital, including a slight reduction in participation in other community groups (*bayanihan*), and a decrease in willingness to contribute their time to community projects. Data from the KALAHI-CIDSS project were shared with external researchers, allowing for some degree of robust analysis of key indicators, and investigation of causal relationships between the project and key transformative outcomes. While the results are mixed, they generally show a positive overall impact on social cohesion at the local level.

While the KALAHI-CIDSS data provide the most compelling evidence of CBD impact on transformative outcomes, there are some important limitations. In the evaluations to date, there has been no disaggregation of conflict and non-conflict area data, making it difficult to determine the precise impact in conflict-affected areas.

The MTF-RDP project evaluation included some evidence on transformative outcomes. The project evaluation included a survey of beneficiaries (n=634, 0.95 confidence level), local government officials (n=157), and officials of the implementation partner organization, the Bangsamoro Development Agency (n=30), to gauge perceptions and experiences with the project. The survey was complemented by qualitative case studies of eight purposively-selected beneficiary communities, and an organizational review of the Bangsamoro Development Agency.[59] Eighty-one percent of respondents felt that their communities could work together to solve problems, though it is difficult to determine the extent of change without a baseline.[60]

The ASFP evaluation was implemented in 2009, four years after the baseline and used a quantitative survey plus focus group discussions and key informant interviews in 12 barangay (six treatment and six control) in Lanao del Sur and Sulu provinces. To look at issues of "social cohesion and partnerships between and within communities in the ARMM region" the project used measures of membership in organizations; participation in collective action; trust as well as the impact on violence and conflict. The evaluation of violence and conflict was measured through the proxy of whether respondents "feel safe from crime and violence" with a significant positive impact of 11.9% evident in Sulu, but Lanao del Sur suggesting a 5.3 % decline in feelings of safety. As a summary of the evaluation notes, "*This indicates that in a region characterized by major conflict, there are limits as to what a CDD project can achieve. This outcome is consistent with most literature on the topic, that suggests that CDD*

[58] The surveys included 2000 households in 135 barangays, in 2003, 2006, and 2010, with moderate levels of attrition for the second and third surveys. The sample included project beneficiary communities and comparable non-beneficiary communities. Asia-Pacific Policy Center, Final Survey for the KALAHI-CIDSS Impact Evaluation, May 6, 2011.
[59] Social Impact, Inc., Project Performance Report: Phase 1, Mindanao Trust Fund - Reconstruction and Development Program, October 2009, p. 3.
[60] *Ibid*., p. 13.

projects can help reduce development-related conflicts, but are unlikely to enhance capacity to reduce other forms of conflict in the absence of specific interventions targeted at that purpose[61]*."*

The analysis of theories of change and monitoring and evaluation results gathered from the reviewed projects suggest that while there may be acknowledgment of conflict and the importance of transformative outcomes in the high-level project rhetoric, this appears to be poorly translated into measurement, which may either suggest a lack of commitment to transformative outcomes or a dearth of skills and resources to effectively measure outcomes.

2.3 Evidence Base that CBD Projects Lead to Transformative Outcomes

The level of evidence in the projects reviewed to support claims of transformative outcomes is relatively weak, making it difficult to estimate the impact of the current CBD projects on peace and security. While many of the claims made by CBD projects may indeed be true, these cannot be empirically proven based on current evaluation and monitoring methods. However, it is possible to describe the level of confidence for some of the major claims, based on the information available from evaluations and other sources.[62]

Economic growth from CBD projects reduces violence	**Weak-Moderate Evidence Base**
While this is the most common theory of change among CBD projects studied, there is very limited compelling evidence from the Philippines or elsewhere that economic improvements at the community level lead to reduced conflict or strengthen prospects for sustainable peace and security. While the Arcand, Bah, and Labonne findings suggest that the KALAHI-CIDSS projects in MILF areas lead to a reduction in violence, they do not isolate economic impact from the project as the cause. Indeed, their quantitative model does not unpack the multiple possible explanations for the reduction in violence—i.e., it is plausible that the introduction of the participatory process to these barangays could have made the difference, even in cases where there was no economic impact. In a recent paper, Bruce Jones and Molly Elgin-Cossart examined the evidence base available for the World Development Report claim that "Jobs are an important part of the post-conflict recovery story", and they found that the degree of confidence was moderate to low.[63] Anecdotal evidence from project monitoring reports, project case studies, and community case studies, indicate that some economic development projects may have exacerbated tensions by concentrating benefits in well-connected groups, and excluding rival groups. In particular, projects that provide private goods to beneficiaries have a higher chance of alienating non-beneficiary	

[61] ASFP ICR Annex 5

[62] One particularly useful source of evidence is the evaluation of the Community-based Reintegration Assistance for Conflict Victims (BRA-KDP) project in Aceh, Indonesia. The evaluation included a post-project, large-scale household and village head survey, covering 2,315 households, split equally between project sites and control sites. Barron et al., Community-Based Reintegration in Aceh: Assessing the Impacts of BRA-KDP, Indonesian Social Development Paper No. 12, December 2009.

[63] Jones and Elgin-Cossart argue that "there is little consensus around the role of labor. Part of the reason is that data on employment is limited; part of the reason is that the theoretical emphasis on the macro conditions for growth means economists dealing with development often fail to study employment. Employment data is notoriously poor because it is often used as a political tool, and so its measurements varies across countries, and is not comparable. Some research, notably Fearon's WDR background paper, points to the importance of governance, instead of high unemployment itself (the two tend to be correlated), but more work needs to be done." Jones, Bruce, and Molly Elgin-Cossart, "Development in the Shadow of Violence: A Knowledge Agenda for Policy," Report on the Future Direction of Investment in Evidence on Issues of Fragility, Security, and Conflict, Geneva, September 2011, p. 31-32.

groups.

Increased capacity and introduction of concepts/values that peacebuilding reduces violence	**Weak Evidence Base**
Several projects included interventions meant to influence cultural norms, or inculcate values that would reduce the frequency of violence in the community. As Kelman notes in his work on conflict resolution, a key ingredient for meaningful reconciliation is the "establishment of patterns and institutional mechanisms of cooperation, including various people-to-people activities that are genuinely useful to both parties and based on the principles of equality and reciprocity."[64] None of these projects, however, tracked violence levels over time in beneficiary communities (or control sites), making it very difficult to prove that these project activities had any impact on violent behavior. Other than case studies of individuals or communities, there are no data available from the Philippines on sustainable changes in culture or values. There are anecdotal cases of communities that have seen reduced conflict after the introduction of the project, though the paucity of cases implies that these communities are the exception.	

Increased incentives for cooperation strengthen social cohesion	**Moderate Evidence Base**
Evidence from KALAHI-CIDSS and MTF suggest that CBD projects with high levels of participation tend to increase social cohesion, and trust levels within the community. In the project beneficiary communities of KALAHI-CIDSS, the level of trust among community members was positive and significant.[65] For MTF, 35% of survey respondents claimed that the project helped to improve community interaction, and 13% claimed that the project helped to improve ethnic relations, both measures of social cohesion. These findings correspond with evidence from other regions, notably a World Bank analysis of Cambodia, Guatemala, Somalia and Rwanda that analyzes the impact of conflict on social capital and the strategies that have been implemented- including participatory community development programs- to rebuild social resilience against violence. [66]	

Participation in project design-making leads to greater participation in civic life and governance	**Moderate Evidence Base**
Results from KALAHI-CIDSS and BRA-KDP (Aceh) indicate mixed results on this theory. Independent research using the KALAHI-CIDSS data showed that project beneficiary communities had increased participation in non-project meetings by 20%, significantly more than control sites.[67] However, evidence from the BRA-KDP project shows no evidence that project beneficiary communities were more likely to be actively engaged in associational life.[68] In the Afghanistan National Solidarity Programme (World Bank-funded CDD project), there is evidence that introduction of the project at the village level leads to greater attendance in village meetings and more frequent village meetings.[69]	

[64] Kelman HC (2010) "Conflict Resolution and Reconciliation: A Social-Psychological Perspective on Ending Violent Conflict Between Identity Groups" Landscape of Violence: Vol. 1: No.1, Article 5.
[65] Asia-Pacific Policy Center, 2011, p. 38.
[66] Colletta, Nat J., and Michelle L. Cullen. 2000. Violent Conflict and the Transformation of Social Capital: Lessons from Cambodia, Rwanda, Guatemala, and Somalia. Washington, DC: World Bank.

[67] Labonne & Chase, 2008, p. 19-20. Barron 2010, p. 13.
[68] Barron et al., 2009, p. 54.
[69] Barron 2010, p. 25.

Increased interactions between state and community improves state-society relations and leads to more responsive government	Low-Moderate Evidence Base
Results from MTF, and KALAHI-CIDSS indicate that the projects had a net positive impact on trust levels between the community and officials. A clear majority (68%) of MTF survey respondents agreed that the project had improved relations between the local government unit and the community, and 40% agreed that the project had led to improved trust between the community and local government.[70] For KALAHI-CIDSS, there was also a clear improvement in trust of national government officials, though no significant change in trust of local government officials. [71]	

3. Project Duration

Evidence from several impact evaluations of CBD projects and broader international experience suggests that in order to achieve meaningful developmental or transformative goals, CBD interventions generally need to be long term in nature, lasting a minimum of three years and ideally at least five years. According to Barron, evaluations of the KDP project in Indonesia found that impact on key transformative outcomes, such as social cohesion, were highly unlikely after year 1, but much more likely in years 3 and 4.[72] The evaluation of the KALAHI-CIDSS project also provided evidence that project impact on social outcomes increased over time.[73]

Often within CBD projects the initial cycle or year is focused on building basic community institutions and generating trust in the process. For many sites this may be the first time that they have received any formal benefits from the government. This sentiment of the project providing the "first" positive experience with government was shared in a number of the project sites, including ASFP, MRDP, and KALAHI.

> *From KALAHI, Barangay Malbang in Maasim (Sarangani Province), where only one cycle of the project had been implemented there appeared to be some frustration amongst local government officials who felt "disempowered" by the KALAHI-CIDSS project. Other locations where 2 and 3 cycles had been implemented suggested that they had had similar issues but these were resolved over time, as local government officials became more supportive.*
>
> *In Barangay Soquib in Beaso (Mountain Province), the community expressed enthusiasm for receiving what was perceived as national government support through KALAHI. Community members expressed that participation in ASFP was the first time they had been involved in a participatory development process.*

Often the second and third cycles are when projects start reaping the rewards of community engagement and reflect community development priorities. Anecdotal evidence suggests that there may be greater benefits and participation in communities with more competitive and vibrant

[70] *Ibid*., p. 15.
[71] Asia-Pacific Policy Center, 2011, p. 38.
[72] KDP was implemented in Aceh in the post-conflict period. Evidence from the evaluation showed that impact on social cohesion was weak. Barron argues that the fact that the BRA-KDP project only ran for one year (whereas the national KDP program ran for several years) is an important explanation for the weak impact on social cohesion. Other competing explanations include the lingering tensions from ex-combatant reintegration, and the focus on provision of private goods which prevented cooperative work. Barron, 2010, p. 23.
[73] Asia-Pacific Policy Center, 2011.

political systems, whereas in communities dominated by a single faction there may be less incentive for active engagement in continued project cycles.[74]

Development partners and governments are often tempted to attain wider coverage or improve cost-benefit figures by decreasing the time frame in order to spread the benefits to a wider target population. While short-term interventions may achieve immediate development outcomes such as infrastructure built with from SERD-CAAM or food support assistance and infrastructure targeted at particular vulnerable groups (WFP-FFA), these projects are unlikely to have any sustainable impact on poverty reduction, much less on social cohesion or community-level institution building. As the World Development Report analysis has suggested, efforts to transform institutions may require decades of sustained efforts to rebuild basic functioning capacity and restore legitimacy of government. While the WDR primarily focused on national institutions in fragile states, this same challenge applies to subnational institutions and local government in long-running subnational conflict areas.

CBD initiatives that provide for the repetition of sub-project cycles over at least a 3-year period (such as KALAHI-CIDSS, Convenio, and MRDP, which have all run for 3+ years) are more likely to inculcate participatory techniques that can lead to improved social cohesion and a reduction in community-level conflict. Such longer-term interventions also have a better chance of meeting the poverty reduction outcomes that most CBD efforts seek.

> *In Barangay Manarapan in Carmen (Cotabato Province), an MTF supported project allowed the community members to construct solar dryers to facilitate the drying of corn. Previously this had been done on the public road and was a source of tension amongst community members. While the project was successful and the community was satisfied, they expressed concerns during the site visit that the solar dryers were "very useful but they barely address the issues of poverty in the community". Although MTF has run for three cycles, many locations were only able to implement 1-2 cycles.*

This finding is of particular relevance in conflict-affected areas where long-standing conflict tends to erode social and human capital and undermine economic productivity. It may be even more important to extend the duration of CBD programs in conflict-affected areas to improve the prospects of meeting both developmental and transformative goals and, to a degree, restoring confidence in long-struggling communities. While quick-wins may be relevant and essential in many cases, investment in longer-term efforts to rebuild institutions and establish new patterns of trust and equity are critical if there is to be any long-term impact on communities affected by conflict.

4. Implementing Partners

At both the national and the local level, community-based development projects need to define their implementation arrangements, notably to determine the extent to which they engage directly or indirectly with government structures at the national, regional, and local levels. Decisions on implementation structures often relate to the scale of the project, approaches to project design, and the relationship between the development partner and the government.

[74] Interview with field researcher

At the **macro level**, the decision is whether to implement a project directly through government and local government structures or through intermediaries—either an explicitly hired/created project management office (PMO) or local NGOs. All of the projects under review utilized some form of PMO to help facilitate the implementation of the project. These ranged from the development partner's own organization (WFP, CRS), to regional partners such as ARMM or BDA (MTF, ASFP, SERD-CAAM), to NGOs or consulting firms (Convenio, BEAM, GEM-EASE, PACAP), to specially-designated PMO units (KALAHI, MRDP, ACT for Peace, STARCM). The use of a PMO is generally decided in order to expedite project implementation, reduce opportunities for corruption, and to promote neutrality.

At the local level, the implementation arrangements focus on who manages and guides the project implementation process at the local level. (This does not necessarily correspond with funds flow, as many projects that may be led by local governments or NGOs may actually be channeling funds directly to the community). While there are a number of possible arrangements, usually local government units, NGOs, or people's organizations (with professional facilitation as part of a larger PMO) end up taking the lead in local implementation.

Table 11: **Implementation Partners**

LGU	**NGO**	**Facilitated PO (PMO)**	**Other** *(where the project is largely managed through higher levels)*
MRDP[75], WFP, STARCM	Convenio, PACAP, ESFMP, WFP[76]	KALAHI, ASFP, MTF, PALS, PODER, Act for Peace	GEM-EASE, SERD-CAAM, BEAM

LGU partners: In the case of the projects under review, the selection of an LGU as a local implementation partner has been primarily in the agricultural projects such as MRDP, WFP and STARCM*, although ESFMP engages local government in a more limited way*. The decision to work through local governments, which have the legal mandate under the Local Government Code to undertake agricultural extension, usually rests on their technical capacity, whether the project aligns with local government responsibilities and often the decision is taken in order to strengthen local government. The greatest challenge of working with local government partners, particularly in conflict-affected areas, is the potential for project resources to be diverted and that bias may occur in beneficiary and sub-project selection.

> *The STARCM project demonstrated both the opportunities and challenges of working with local government as the local implementing partner (in this case, Municipal LGUs are responsible for selecting, developing and cost-sharing sub-projects). In Bituan, community respondents suggested that the project allowed for synergy—known locally as "dagyaw"—between barangay, municipal and provincial LGUs to implement a road-widening sub-project that has helped to make their market more accessible to vendors and community members. Close participation in the decision-making and implementation process has also made it easier for the LGU to allocate counterpart funds, since they are fully aware of the community demand and enthusiasm for the services. In some areas of Lanao del Norte and Lanao del Sur, there were serious concerns about un-liquidated*

[75] MRDP is run by a Project Management Office and implemented through LGUs.
[76] WFP partnered with an NGO (CFSI) for implementation in Maguindanao, Lanao Del Sur, and Lanao Del Norte.

cash advances by LGUs and there appeared to be challenges relating to local power dynamics affecting the quality and accountability of project activities. In other sites, local chief executives took an overly-central role in determining project activities and priorities.

NGO partners[77]: Local NGO partners are often selected when the project is intended to provide a range of project-related services, including training, facilitation, and basic services. The aim is often to build on the networks and expertise of the NGOs and to build their capacity to play a transformative role in their communities. In the ESFMP project, for example, the NGOs offer a range of CRS-specific agricultural training courses and tools to their community partners. These include Farmers Field Schools, Minus One Element technology, and System of Rice Intensification. NGOs can potentially add great value when they are knowledgeable about local conditions and needs and are seen as trusted local partners. The challenge often lies in the capacity and expertise of the selected NGOs who may have skills in only some elements of a proposed project and also may or may not be perceived as neutral parties in a community. In the Convenio project, that supports health, education, livelihood improvement, governance, and addressing environmental issues, field visits and discussions with project managers suggested that the quality of various components of the project varied widely across sites, depending on the expertise of the local NGO.

Facilitated People's Organizations (POs): In cases of community-driven development projects such as KALAHI, Act for Peace, MTF, ASFP, and others, the main emphasis is on ensuring that communities are able to build the capacity to implement projects themselves. In these cases, the PMO structure will commit resources to dedicated community facilitators or NGOs so that they can support the people's organizations.[78] These POs may also be special groups such as clusters (ESFMP), or Peace and Development Communities (Act for Peace). There are a number of challenges in this model, including the extent to which the POs themselves may or may not adequately reflect the community and the extent to which the facilitation provided can be neutral and ensure fairness. For example, during the implementation of the ASFP, the leadership positions in the POs included barangay officials and their relatives.

The project implementation structure can be a valuable tool in responding to local and regional dynamics and ensuring that the CBD project is designed and implemented in a way that builds on and strengthens local institutions and/or builds new institutions to fill in gaps caused directly or indirectly as a result of conflict. The ability to be somewhat flexible in institutional arrangements may offer projects a means to be more responsive and adaptive. However, it is not clear whether development partners and governments are designing their implementation structures to suit the particularities of conflict-affected communities and show a commitment to long-term institution building (in order to restore communities' confidence); or whether development partners and government are mainly supporting program designs that serve other political or pragmatic ends, driven by factors exogenous to communities' needs.

5. Targeting and Beneficiary Selection

Development partners and government agencies planning CBD interventions face decisions regarding targeting and site and beneficiary selection at three key levels:

[77] NGOs can often be used as implementing partners in their own right, or they can be contracted by a PMO to support POs in designing and implementing projects.

[78] The term "people's organization' is a generic term referring to community groups that are usually elected or selected at a community forum to represent the interests of the community.

- Regional: In which provinces and/or municipalities will the project be implemented?
- Community: Within the selected districts (municipalities), which villages (barangays) will participate in the project and how will they be selected?
- Beneficiary: Within target communities, which sub-villages (*sitios)* and households will benefit from project activities?

In conflict-affected areas, these decisions are frequently under scrutiny, usually by parties related in some way to the conflict. There is often considerable sensitivity surrounding who takes these decisions and how they are taken. Injudicious decision-making or the perception of bias, especially at the community level, risks inciting or exacerbating both vertical and horizontal conflicts.

Site selection: CBD program planners can, to some degree, avoid problems related to targeting and selection by ensuring equal coverage of all project jurisdictions. The PALS project, for instance, covered all barangays within Misamis Occidental province with the same 1 million peso block grant and thus avoided creating the "winners" and "losers" that selection procedures frequently engender. (PALS did not, however, try to ensure that the benefits of the block grants were equally distributed within the barangay.)

The reality of limited project resources means that most CBD efforts must make conscious choices regarding targeting and selection. The challenge is to put in place clear, transparent and easily-understood criteria that maximize fairness in the selection procedures. This review identifies the four main (and often overlapping) criteria on which targeting and selection is based:

- **Poverty rates** – Since the majority of the projects retain important goals related to poverty reduction, it is not surprising that all but one of them (BEAM) base their targeting, at least in part, on poverty data. Poverty data is often combined with other factors in deciding which barangays will be eligible for support. The ARMM Social Fund, for example, uses a weighted set of criteria to select barangays, with poverty rates being the most important. But selection also takes into account population size and the degree to which barangays have been affected by conflict. MRDP similarly combines poverty levels with agricultural potential. Some projects base their interventions on a specific aspect of poverty such as the WFP's Food for Assets program which worked only in municipalities that had been formally designated as "food insecure". The use of poverty data can sometimes be problematic, however, especially when common data sources are not used or poverty data is unreliable or out of date.

- **Level and history of conflict** – Some projects specifically target municipalities or barangays that have been heavily and adversely affected by conflict or that have large numbers of Internally Displaced Persons (IDPs). While only 5 of the 15 projects[79] actively targeted conflict-affectedness in their site selection, all of the projects recognize that the projects are working in a conflict-affected region even if this is not articulated in site-selection. SERD-CAAM focuses on areas that had a high degree of infrastructure damage as a result of conflict. MTF uses the number of IDPs as a specific criterion (i.e., favoring barangays with large numbers of IDPs). The World food Program's FFA project indicated 'conflict-affected' as one of the three criteria for site selection (alongside poverty and capacity). Other projects, however, deliberately avoid working in conflict areas, usually on the grounds that security and logistical issues make it too difficult for the project to operate smoothly. The Convenio project, for instance, has, for security reasons, been reluctant to

[79] SERD-CAAM, ASFP, Act for Peace, MTF, and FFA.

work in areas that have a strong NLA/CCP presence, even though many of the barangays in those areas are among the poorest.

- **Sectoral focus** – CBD projects that have a sectoral focus may determine selection on factors related to their specific sector of interest. The STARCM project worked only in barangays which had pre-existing Agrarian Reform Communities. Where household-level beneficiaries are required to meet specific criteria (e.g., ESFMP required a certain number of farmers with landholdings of less than one hectare), selection may be restricted to barangays that have sufficient numbers of eligible participants. The GEM-EASE project, as a matching grants project, is open to schools that were conflict-affected and poor and where parent associations are interested in participating.

- **Self-selection/local government's capacity and willingness to participate** – Many projects take into consideration a local government's interest and ability to participate in CBD projects. There is frequently an element of self-selection in terms of LGUs being invited to participate on the grounds that they are prepared to meet specific criteria (i.e., willingness to provide counterpart funding). The UNDP's Act for Peace project works primarily in barangays whose governments are ostensibly prepared to pursue designated peacebuilding goals. While most LGUs are keen to participate, this "self-selection" option is often relevant in the context of an LGU's ability to provide obligatory counterpart funding (a criterion for some projects). The enforcement of this sort of criterion occasionally means that poorer districts/barangays may be left out of a project because they cannot meet the counterpart funding requirement. This was the case in the MRDP project which ended up accepting a number of relatively better off (second- and third-class) municipalities because many of the initially targeted poorer (fourth- and fifth-class) municipalities were unable to secure counterpart funding. In conflict-affected areas, poorer communities with less capacity may be inadvertently excluded if targeting is not sensitive to potential limitations of LGUs to secure counterpart funding.

***Beneficiary selection**:* At an operational level, the means by which beneficiaries are selected within the community is critical. In the majority of the cases reviewed for this study, this involved the formation of a barangay-level people's organization to oversee selection and implementation of sub-project activities. With some projects, it is possible to use pre-existing "organic" grassroots groups to serve as POs, but in all but four of the 15 case study projects, the project was predicated on the establishment of a new PO.[80] Formation of the PO is typically based on community-level public consultations—sometimes only a single meeting (as in SERD-CAAM) or, more frequently, a series of on-going community gatherings (as with most CDD projects). The procedure whereby PO members are elected or appointed is critical in so far as CBD projects are intended to function in a participatory and democratic manner. Some of the approaches used include:

- Requiring that up to 90% of the households attend the initial community meeting. A minimum attendance requirement was used in the KALAHI-CIDSS, MTF and PODER projects.

[80] As a small grants project working through local NGOs, PACAP had a variety of community-level methodologies. Act for Peace had a conceptually different mechanism that involved the formation of Peace and Development Communities—often larger than a single barangay—many of which pre-existed as a result of predecessor UNDP initiatives. GEM-EASE worked mostly with pre-existing PTAs and BEAM did not use POs.

- Requiring a minimum percentage of meeting participants to be women (as in ARMM Social Fund, which mandates a minimum 50% female attendance).
- Restricting the participation of local leaders. In MTF and KALAHI-CIDSS, elected barangay leaders (BLGU officials) were barred from the PO.

However, it remains unclear to what extent these targets are actually met and verified—especially in conflict-affected areas.

Despite efforts being undertaken with a view to minimizing the prospects of elite capture, it is impossible to entirely eliminate the influence of elected or traditional leaders. Indeed, it may not always be desirable to exclude these leaders. In indigenous communities, for instance (as observed in MRDP), traditional leaders were always consulted before key decisions were taken, even if they were not actually represented on the PO. Nonetheless, it was still relatively common for instances of well-placed barangay or municipality figures to exert influence in PO selection. Case study researchers generally found a high correlation between PO executives and barangay elites.

> *One example from a KALAHI-CIDSS site suggested that the more remote (and generally poorer) communities tended to more closely respect the rules and regulations of the project with regard to targeting and beneficiary selection. This may be due to the decreased influence of municipal-level power elites in remote areas. However, in areas under CPP/NPA influence, decreased influence of elites may have been due to the NPA's inclination to reinforce the populist aspects of the project.*

Political Considerations: One other selection factor that bears mentioning deals specifically with conflict-affected areas. Several projects included in the case studies—namely MTF, ARMM Social Fund, SERD-CAAM, and Act for Peace—were initiated, at least in part, as a result of peace negotiations that sought to bring a measure of development to conflict zones. In many of these projects, non-state entities involved in the conflict—the MNLF and the MILF (through its development arm, the BDA)—have been involved, directly or indirectly, in negotiating where and how projects will be implemented. By ceding authority to select project sites to the conflict parties, donors and government are effectively acknowledging—tacitly or otherwise—that specific targeting will likely favor those municipalities and barangays where the non-state entities are strongest. This has been the case, for instance, in mainly pro-MILF areas where the BDA selected the sites.[81]

6. Community-based Needs Identification and Activity Selection

A key premise of CBD programming is the engagement of communities in: (i) identifying their needs (as related to defined program objectives, usually poverty reduction and occasionally conflict mitigation); and (ii) selecting the activities (usually referred to as sub-projects) to be carried out in order to meet those needs. The main operating assumption is that communities generally know best what their needs are and that the process of identifying and selecting the sub-projects can have significant benefits in terms of community communication, collaboration and trust building. As highlighted in Section II, the balance between the process and the development outcomes may be quite dynamic and may require a nuanced balance (in some cases with greater emphasis on transformative or developmental outcomes).

[81] Projects working directly with the BDA have acknowledged this challenge and revised the targeting process in order to proactively reduce bias through use of more objective criteria, thereby reducing this politically-based selection of sites.

The degree to which CBD projects enable communities to have full control (albeit within defined budget parameters) over sub-project selection is an important design consideration. There are three basic types of sub-projects: small-scale social or economic infrastructure; livelihood activities; and skills training/capacity building. There are three broad categories relating to the degree of community choice into which sub-project selection options[82] can be placed:

Table 12: **Sub-project selection**

Sub-Project Selection Option	Description	Case Study Projects
Open Menu	No restrictions regarding the kind of activity the community chooses as their sub-project.	PALS, PACAP (activities can be livelihood, infrastructure or training)
Partially-open Menu	Some limitations are placed on the type of sub-projects that can be chosen.	KALAHI-CIDSS,[83] PODER, ASFP, MTF, WFP, and SERD-CAAM (most are limited to infrastructure although there are some exceptions for livelihood activities)
Restricted Menu	The community is involved in sub-project selection but choice is restricted to a defined sector or type of activity.	GEM-EASE (education), MRDP, ESFMP, STAR-CM (agriculture/ agro-business), and CONVENIO
No Menu	No community selection is involved.	BEAM

Within a conflict setting, there are a number of issues that may add complexity to deciding which selection option is most appropriate:

- Allowing sub-projects (like many livelihood, micro-credit or income generating activities) that enable the acquisition of private goods or assets and that lack full community coverage are liable to increase the degree of community-level conflict. For this reason, a number of the projects under review (KALAHI, ASFP, Poder, SERD-CAAM) restrict sub-projects to community infrastructure and disallow livelihood sub-projects (notwithstanding the fact that the choice of infrastructure, if it benefits only a certain faction within the community, can cause similar conflict);
- In especially fragile communities and/or in the first cycle of program investments, anecdotal evidence suggests it might be desirable to place some restrictions on the available menu of sub-projects in order to avoid intra-village competition and the potential for creating conflict. In such circumstances, a limited menu would favor the selection of activities that result in public assets that benefit the entire community.

[82] Note that nearly all CBD projects have a "Negative List" which disallows any type of sub-project that poses risk of environmental damage (e.g., the purchase of fertilizers or chainsaws) or which benefits government or religious institutions (e.g., village offices, churches/mosques).
[83] KALAHI is generally viewed as an open menu, with a small negative list.

7. Community Procurement

An important element in the argument for community-based development is the assumption of reduced project implementation costs and increased community empowerment through a process of community-managed procurement. The rationale is that: well-managed community procurement reduces opportunities for leakage (often a complaint in local government-managed projects where corruption can be rife); encourages more rapid implementation; and allows communities to build skills in project and financial management. For example, the Araral and Holmemo study from 2007, the researchers found general cost savings of 8-30% for infrastructure built under KALAHI-CIDSS compared to contractors.[84]

Within the projects reviewed, the practice of community fund management and procurement was evident in KALAHI-CIDSS, STARCM, MRDP, MTF, Act for Peace, and ASFP. This review, however, was unable to determine the extent to which the process of community procurement and fund management may or may not have been affected by local political and conflict dynamics.

However, within the context of the conflict framework presented in Section II, there may be further areas for consideration, such as:

- To what extent may the community procurement feature undermine the neutrality of the PO, when the decisions made by the PO may have explicit financial implication for members of the community, in local government and/or conflict parties?
- How might the opportunity to manage and partake in community procurement affect PO members' willingness to participate—either through wanting to influence decisions or to distance themselves from a process that potentially rewards the parties that win bids?
- How might the prospect of community procurement bias the types of sub-projects that are selected (for example, favoring larger construction projects)?
- To what extent is there a perceived better option? Are NGOs any less likely to be influenced than POs? Is community procurement an example of good-enough practice?
- If saving costs is a key requirement, is community procurement less efficient than centralized PMO procurement that may be able to utilize bulk procurement and take advantage of a wider market of goods?

8. Strengthening Local Institutions

Building and strengthening local institutions is an element in nearly all development projects, particularly CBD projects. Nearly all the projects reviewed identified some element of institution strengthening as an expected project outcome. The larger aim is usually to "transform institutions" by building or reforming organizations and processes that can effectively allow communities to participate actively in local governance. This is generally accomplished at the project level through a combination of: (i) creating and strengthening organizations (training, capacity building) and (ii) supporting processes (usually through CBD/CDD (sub) project design and implementation) that make use of the organizations that are being created and strengthened.

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[84] Araral, E., & Holmemo, C. (January 2007). *Measuring the Costs and Benefits of Community-Driven Development: The KALAHI-CIDSS Project.* World Bank, Social Development Paper No. 102, Philippines, January 2007.

The objectives of these initiatives usually include some combination of what is below:

Institution Strengthening Objectives: A Summary
• Building technical capacity amongst government and local government line agencies, notably within sectors such as education and agriculture. • Strengthening planning and community consultation/engagement skills, particularly for local governments. • Building skills and competence in project management and financial management that applies at nearly all levels, from national counterparts to people's organizations. • Strengthening existing forums for public engagement and governance, such as Barangay Assemblies. • Creating and empowering groups that can collaborate and cooperate to improve the productivity of agriculture, such as cooperatives. • Requesting local government and community counterpart contributions to demonstrate buy-in and engage in a process of resource mobilization. • Creating and empowering community groups that can engage in participatory governance, bridge divides in the community and work towards a shared goal, notably people's organizations and Peace and Development Communities.

Often, initiatives to support institutional strengthening are based on assumptions about the supposed function and importance of various institutions and processes. This may or may not be valid. In the context of conflict-affected areas, and non-conflict-affected areas, the process and expectations of institution strengthening may require modification to respond to the local context and current performance/expectations of institutions. Three examples from the projects offer some points for consideration.

***Barangay Development Plan Example*:** A number of the projects require that sub-projects be integrated into the Barangay Development Plan (BDP), which is then ostensibly integrated into municipal planning with the aim of strengthening the capacity of local government to respond to the development demands of communities. While this may appear to be a logical and rational approach to building institutional capacity, it does not reflect the reality in many locations where barangays have limited Internal Revenue Allotment (discretionary funds) and very rarely, if ever, are funds allocated according to the priorities set out in the BDP. As a result, placing a high priority on the BDP may, in fact, result in community frustration and raised expectations. In these cases, an overreliance on the BDP process may serve to foster on-going disappointment with local government.[85] Referring back to the conflict framework, supporting the BDP process may make sense in parts of the country where there is trust in local government and there is an aim to foster best practice, create greater support for the BDP, and "transform institutions". However, in locations where there may be a greater need to focus on the building blocks of "restoring confidence" and building up social cohesion, the BDP process may be a less appropriate choice.

[85] In fact, anecdotal evidence suggests that, in fact, the Barangay Development Plan is rarely linked with actual municipal spending and allocation of the IRA. In addition, in some locations, anecdotal evidence suggests that some barangay develop multiple BDPs in English to respond to the planning requirements of aid projects, but these are not used for actual municipal-level planning.

***Barangay Assembly Example*:** A positive example may be found in the requirement that the PO be formed at a Barangay Assembly at which more than 80% of residents are present. However, in reality, the Barangay Assembly may not be operating, and thus is not a suitable tool for public engagement and decision making, or the Assembly is not regarded as a neutral, unbiased forum. However, by requiring that the PO be created at a Barangay Assembly with 80% attendance, the project ensures that the community is informed about the project, which is a critical precondition for community participation. Whether this results in a fair and transparent process of PO selection is a secondary issue, but as a tool to share information and create space for engagement, this approach serves to revitalize a potentially-relevant institution. In several of the case studies, the project did revitalize the Barangay Assembly.

BDA Strengthening Example: In both MTF and SERD-CAAM, the projects under review were implemented in collaboration with the Bangsamoro Development Agency (BDA) and in both cases, the rationale for this partnership was based on a project objective to strengthen the capacity of the BDA to manage project implementation (more explicitly in SERD-CAAM), and to take the lead as a development partner in Mindanao (MTF). In the case of MTF, this role has been accompanied by tailored capacity building support to carry out the expected roles. In both cases, however, the selection of the BDA as the primary project partner politicized the project and, whether explicitly or implicitly, the project was then associated with the MILF and the benefits seen to be generated for MILF supporters. There is some evidence, though, that the BDA has been able to work effectively in non-MILF areas, such as Davao.

The table below illustrates a range of institutions targeted and how the projects under review strengthened them. This provides an overview of the wide range of institutions and interventions that are incorporated under the broad rubric of institutional strengthening.

Table 13: **Institutions Strengthened**

Institution level	Examples from case studies	How they are strengthened through CBD efforts
National/ Sectoral	Department of Agriculture, Department of Agrarian Reform, Department of Education, Department of Social Welfare and Development	Implementation experience, policy development opportunities, training, and credibility
Regional Partner	BDA, ARMM	Implementation experience, policy development opportunities, training, and credibility
Local Government	Primarily Barangay and Municipal LGU	Training, participatory planning, resource mobilization, negotiation, and credibility
Local Councils and Forums	Barangay Assembly, Barangay Council, Inter-barangay Forum	Training, participatory planning, resource mobilization, negotiation, and credibility
NGOs	Various, often sectoral	Training, implementation experience, community organizing, and sectoral expertise
Sectoral Institutions/	Farmer Clusters, BAWASA (water	Training, implementation experience,

Institution level	Examples from case studies	How they are strengthened through CBD efforts
Cooperatives	management groups), School Governing Councils, PTAs (Parent Groups)	community organizing, sectoral expertise (business development, education), negotiation, and resource mobilization
Community Organizations	People's organizations (usually created for the project and occasionally "shared" with other projects)	Facilitation skills, implementation experience, resource mobilization, negotiation, mediation

The extent to which the training and experience gained translates beyond the dynamics of the particular project implemented remains a question and is a major element in the discussion of sustainability. It is unclear to what extent, if at all, the process of institution building proactively looks at dynamics beyond the project cycle and examines the incentive structures of local elites and local government within and outside of the project cycle. A review of the projects suggests results across the spectrum of CBD projects ranging from building institutions, to having neutral impact, to potentially undermining institutions.

Table 14: **Outcomes of Institutional Strengthening**

POSITIVE	NEGATIVE/ NEUTRAL
Opportunities for the POs and the members of the POs to become more engaged in civic affairs and, in some cases, gain positions of leadership.	Challenges in sustaining the POs after the completion of the project cycle.
Local governments mobilize counterpart funding to extend projects after the initial funding cycle.	Local governments either unable/unwilling to mobilize counterpart funding or motivated to do so in order to capture project gains for their own benefit.
The project provides an opportunity for local government to engage productively with communities on strategic issues.	Local government fails to engage with the project and provides poor/weak technical support.

The findings of the review suggest that while there is an agreement about the need to prioritize institutional strengthening within the context of CBD projects, there is great variation in the institutions selected, the types of interventions designed to support them, the expected outcomes from strengthening institutions, and the relative success of institutional strengthening efforts. In addition, few of the projects appeared to link a strategy of institution strengthening to an analysis of the specific conditions of the local community and, specifically, the potential dynamics that may have resulted from conflict.

9. Adherence to Project Design

The extent to which projects adhere to or depart from the processes outlined in the project design is an important area for reflection as it can suggest where there are opportunities for adaptation

and/or manipulation. There are two issues that are particularly relevant. First, is the extent of evidence that projects are being manipulated by local actors (politicians, insurgents, elites, etc.) in a way that may negatively impact project outcomes. Second, is the extent to which projects are being proactively adapted to address local issues (responsiveness to local dynamics) and are potentially beneficial. Both situations will result in diversion from the expected implementation plan but with very different potential outcomes.

***Manipulation*:** The issue of project manipulation is largely anecdotal but appears to center around a few common themes which are:

- Biased participation in the PO. Anecdotal evidence suggests situations in which the PO membership includes members of local government or local leaders, although they are technically not permitted to participate.
- Biased selection of project beneficiaries. Anecdotal evidence suggests cases in which beneficiaries of livelihood projects have not rotated so others can benefit, but instead the same small group of people have benefited multiple times.
- Selection of the sub-projects that may generate immediate or future gains to selected parties either through contracts for construction, use of facilities, or beneficial arrangements from livelihood interventions. Anecdotal evidence suggests cases where buildings constructed with project funds are then used by local elites as residences or rental properties. Other examples suggest that contracts are awarded to companies affiliated with local leaders.

While these examples are not unique to conflict-affected areas, they may serve to significantly undermine the gains of CBD efforts in conflict-affected areas by undermining the basis for trust and confidence that can be among the most transformative elements of CBD projects.

Adaptation: Projects may also be adapted to respond to the particularities of local communities and conflict contexts. In most cases, these adaptations are permitted within project guidelines and reflect creativity or sensitivity.

- Selection of the implementing partners. In the Convenio project, for example, conversations with the project implementation team suggested that during the selection process of local NGOs, some potential local partners were re-evaluated and not included because of their perceived bias within the community. This process was undertaken at the discretion of the implementation staff and reflects an example of positive adaption.
- Refining the strategy for entry into a community. In South Central Mindanao, the *Act for Peace* project developed an alternative approach to PDC development—creating core groups drawn from leaders of women's, young people's and religious organizations, including religious leaders. This approach was in response to perceptions that local government partners were dysfunctional.
- Rebranding the project to appear more neutral in localities where there may be a perception that the project is aligned with the "government".

In conflict-affected areas, there are pressures impacting project implementation that influence or undermine the project's effectiveness. In some cases, these may be negative manipulation to serve one group or individual at the expense of others. In other cases, the project implementation team may be proactively responding to local dynamics in order to avoid pitfalls or to maximize project effectiveness. Both cases illustrate the complexity of project implementation in conflict-affected

areas and may suggest the value of strategic analysis during project implementation in order to support creative adaptation and prevent problems.

10. Livelihood and Economic Development Components

Livelihood components that increase community members' incomes often respond to the project goal of addressing causes of poverty and can be among the most desired types of sub-projects as they offer tangible benefits to community members. Examples include the provision of credit, and/or support for developing small infrastructure and/or support for obtaining goods (machinery, seeds) that can be used to support productive activities of members of the community. These should be distinguished from public collective investments (often seen in agricultural projects), which allow for investment into economically productive resources for collective community use. Within the projects reviewed, the emphasis on livelihood components and investments that benefit groups were most commonly associated with larger agricultural projects that also included some technical support and guidance (MRDP, ESFMP, STARCM, and Convenio).

There are a number of concerns that arise in the implementation of projects that bestow economic benefits on individuals or subgroups within the community. This is particularly so in conflict-affected areas where there may be violent consequences if unfair advantage is perceived.

- As already discussed above in the context of participation in people's organizations, without careful facilitation and oversight to ensure fairness, the opportunity to participate in livelihood projects may create incentives for elite capture. In the case of MRDP, there were examples among the sites visited (Barangay Awaw) of beneficiaries availing themselves of multiple rounds of support (draft animals, a vehicle, etc.) and not allowing other community members to benefit.
- Livelihood projects often require maintenance and on-going support beyond the life of the project to ensure that credit is revolved, that fees for productive assets are pooled, etc. In Convenio, for example, the program has built in a "revolving fund" that will extend beyond the life of the project and has allocated resources to ensure that communities have been trained in the skills required to support on-going successful implementation after the project's conclusion.
- In order to be effective, livelihood projects often require a significant amount of both financial capital and technical input. In projects such as ESFMP and STARCM, livelihood projects and investments are accompanied by significant technical expertise provided through facilitators and NGOs. In projects like MRDP, this facilitation often rests with local government agricultural extension services that may be of mixed quality and have mixed incentives to support project implementation. In the MTF project, the income generating component was phased out within two years of the project start up, mainly because grants were too small to maintain suitable business plans and the purchasing power of community members was too limited to allow economic viability.

In Barangay Manungkaling, a livelihood initiative supported by MRDP, allowed a PO to build a rice mill that could be used by local farmers who previously had to transport their rice to a neighboring village and incur transportation expenses. The rice mill was purchased (with counterpart funding from the LGU) and has been operating under a fee-for-use system. According to the PO, they were trained in how to manage the organization and have implemented a "first come first serve" policy to ensure that the community has access to the mill and conflict is avoided.

While PO members pay a slightly reduced rate, compared with non-PO members, this has not led to discontent within the community and the project appears to be running smoothly.

Although the example of Barangay Manungkaling is successful, one can imagine cases in which a similar initiative could result in tensions depending on: (i) who sits on the PO; (ii) how the user fees are managed; and (iii) how access to the resource/s is managed.

Considerations about how economic development activities (livelihood or public collective investments) should be sustainably managed after the project to ensure equity and transparency should include assessing conflict dynamics in the community. If not managed carefully, livelihood components may, in their effort to support development outcomes, inadvertently undermine transformative outcomes (exacerbating unfairness and injustice).

11. Conflict Sensitivity

It impossible to determine, from the limited case study analysis, whether there is any definitive evidence of the community-based projects under review exacerbating or mitigating conflict. However, there were some illustrative examples that may shed light on some of the challenges/lessons learned in the course of implementing community-based projects in conflict-affected areas.

- In some cases, the desire to share the benefits of a given project can create tensions. For example, in Barangay Simone, a conflict was triggered among boat operators who wanted to benefit from the need to transport construction materials to the site of a SERD-CAAM infrastructure project that was procured and managed by BDA, with JICA. The issue was resolved through creating a schedule that shared the transport business opportunities among a number of pump boat operators.
- In other cases, the establishment of public goods, notably water, that are intended to be shared by communities but end up being monopolized by one community can create and contribute to local tensions. In the STAR-CM project, this was experienced with a water project that was originally proposed by one community (Barangay Villamor) but was then revised by the project to extend the benefits to a neighboring barangay—Barangay Kangkong. As a result, people in one locality are not paying their bills, which in turn, affects the water supply in the other locality. Tensions between the two localities have grown and the project does not have the means to negotiate a solution to this issue. In Barangay Macopa, a water system built through support of the MRDP has exacerbated tensions between two *purok* (neighborhoods). Through poor design and oversight, the project, which was intended to serve two *purok*—is in fact only serving one and doing that poorly. The communities involved have sought support, unsuccessfully, from the local government, and the situation remains unresolved.
- One example, drawn from the Convenio project, suggests that people's organizations associated with projects in the community have the capacity to become active players in local politics. In the case of Sta. Juana, the proposed establishment of a new mining operation has polarized the community, some of whom expect to get jobs with the mining operation (selected *lumad*, or indigenous, families) and the PO associated with Convenio, which is strongly against the project. With the Barangay Chairman remaining neutral, it is plausible that the situation could become volatile and yet it appears that the intermediary NGO facilitating the Convenio project does not perceive the potential for conflict, and therefore has taken no action.

12. Commonly Used Tools for Conflict-Affected Areas

This review sought to identify and compile some of the tools and approaches that may have been designed, adapted, or utilized to support project implementation in conflict-affected areas. While the review was unable to determine the extent to which these represent good practice or what lessons have been learned through their implementation, there may be value in taking stock of the tools that are, and have been, used.

Table 15: **Tools for CBD in conflict-affected areas**

SAMPLE TOOLS	SUMMARY/PROJECT
Assessment Tools	
Staff Training on Conflict Assessment	Conflict assessment tools are integrated into project staff training as part of implementation preparation at ASFP.
Peace and Conflict Assessment (PCIA)	The PCIA is a key part of the ACT for PEACE implementation process.
Sociogram/Venn Diagram	Sociograms are used by ESFMP to help map out the socio-political dynamics at project sites. Venn Diagram analysis is used by ASFP to help integrate analysis of influencing factors as part of the BDP development process.
Trainings and Interventions	
Values Transformation Training (VTT)	Developed by BDA and used within the social preparation of the SERD-CAAM and MTF projects. VTT is a three-day training related to peacebuilding and conflict management and involves applying Islamic values in daily life and development work.
Trainings on: (i) Tri-people Initiative and Interfaith Dialogue, (ii) Peacebuilding and good governance, (iii) Women's training on gender and development/ peace education and values formation, and (iv) Mothers for Peace Circle Training and Culture of Peace Training	The WFP-FFA project has a series of peacebuilding trainings that it implements within the context of its projects.
Islamic Leadership and Governance (ILG) Module	The ACT for PEACE project designed and implemented a series of peace-building trainings and tools. (These have been well documented by the project itself.)
Conflict-Sensitive and Peace Promotive	The ACT for PEACE project designed and implemented a series of peace-building trainings and tools. (These

(CSPP)	have been well documented by the project itself.)
Conflict Resolution Skills Training	A partner in the implementation of ASFP, the Kadtuntaya Foundation, provided its training on conflict resolution skills to some POs.
Stress Debriefing and Psychosocial Interventions	Some interventions supported by the Japan Social Development Fund-Social Inclusion Program were implemented in conflict-affected communities where KALAHI-CIDSS is working.
Processes	
Simplified Proposals	A key feature of the WFP-FFA projects, a simplified proposal (two pages) allows communities with minimal literacy and capacity to engage in the project.
Monthly NGO (Implementer) Meetings	The Convenio project encouraged monthly meetings amongst its implementing partners to encourage lesson learning and strategies for addressing common challenges.

Effective Collaboration: One positive feature that was noted in a few examples was collaboration between community-based development projects without conflict expertise and partners that offered more explicit peace-building/conflict related services. This suggests that a modular approach, where conflict-explicit elements may be added on to a project, may be a viable mechanism for projects that do not have conflict-specific expertise. For example:

- During the implementation of KALAHI-CIDSS, there was productive collaboration with the Japan Social Development Fund-Social Inclusion Project (JSDF-SIP) supporting psycho-social activities in conflict-affected Pinabacdao. This involved implementation of community healing sessions prior to the implementation of KALAHI-CIDSS activities. In Sadanga, the JSDF-SIP project facilitated community women in creating peace between two barangays that were having a conflict over water usage.
- During the implementation of ASFP, the Bararuro Kadtabanga PO in Sultan sa Barongis, which had experienced tension within the PO, benefitted from Conflict Resolution Skills training from the Kadtuntaya Foundation.

IV. Understanding Local Dynamics: Case Studies from Conflict-Affected Barangays

In Chapter II, we argue that community-level dynamics have a profound, yet poorly understood, influence on CBD project outcomes. Chapter III provides a review of various CBD project designs and implementation experiences, with a focus on the project, based on in-depth case studies of 15 CBD projects operating in the conflict-affected areas of the Philippines.

In this chapter, we will review evidence from a selection of barangays in conflict-affected areas to illustrate how local conditions interact with CBD projects, and the implications for project outcomes. The findings from this chapter complement the project case study analysis in Chapter II by providing a community- level perspective.

One hypothesis of this study is that CBD project design alone does not dictate outcomes. Project outcomes are a product of two key factors: (i) project design and (ii) local conditions that respond to, and shape, the intended process and outcomes of the project. In turn, the local conditions are contingent on local political and communal dynamics. Therefore, it is critical to understand local conditions and adapt the program design accordingly.

Some of the most influential studies on community-based development have attempted to understand the impact of projects on local conflict dynamics, often using econometric or quasi-experimental methods to make claims about the relationships between the project intervention and violence at the local level. However, the results of these studies have been mixed, and the implications for project design are generally inconclusive. The usefulness of experimental approaches is also limited by the assumption of single-cause attribution (or "additivity") where a given factor is assumed to be the only cause leading to an outcome, and that it has the same incremental or net effect on the outcome across all cases.

However, in the case of CBD, outcomes may result from a combination of multiple and complex design, political, and communal factors. For example, a participatory design may facilitate improved social cohesion and ultimately reduce conflict at the community level. However, lack of pre-existing social cohesion in a community can create conditions that adversely affect both participation and potential positive outcomes. Unfortunately, the extremely weak social cohesion that is often found in severely conflict-affected communities can create an environment where a participatory project can exacerbate local tensions by benefitting one faction more than others. However, these factors do not necessarily have deterministic impact on CBD outcomes since local governments and non-state groups can, and do, proactively facilitate or thwart CBD processes and outcomes. Understanding these complex interactions and relationships requires an in-depth, comparative, and qualitative investigation of beneficiary communities, and their experience with CBD projects.

As part of this study, the research team conducted case studies in conflict-affected barangays to analyze how CBD projects interacted with varying local conditions. Using a comparative multiple case studies approach, the field researchers conducted interviews and focus group discussions with community members, political leaders, and local CBD project facilitators/implementers.[86] The field research sought to address the following questions:

[86] The objective is to draw out typologies of plausible "causal" conditions which tend to be associated with different types of project outcomes in the different types of communities. Our overall research hypothesis is that that there are different causal paths to achieving the same outcome. If supported by multiple case data,

- How do local political and conflict dynamics affect CBD project implementation and outcomes?
- How do local conditions vary within provinces, and between provinces?
- Which factors in the local context have the greatest influence on project outcomes?
- Which design elements of CBD projects tend to mitigate effectively against adverse local conditions?
- Which design elements tend to generate unanticipated problems in conflict environments?

Case studies were conducted in 19 barangays, in seven conflict-affected provinces of the Philippines. Table 16 (below) shows the barangays included in this field research. The field sites were selected purposively in order to maximize variation within provinces, and across provinces. Most of the selected barangays were recipients of one or two of the CBD projects in this study, though a few additional barangays with no history of CBD projects were selected for the purpose of comparison. The provinces were selected based on the type of conflict prevalent in the area, and the armed groups present in the area.

The three provinces on the island of Samar were chosen because of the widespread presence of CPP/NPA forces on the island, particularly in the remote hinterlands where most of our case study barangays can be found. The province of Lanao Del Norte has been heavily affected by the Moro National Liberation Front (MILF) forces who maintain a strong presence along the border with Lanao Del Sur. Lanao Del Norte is also known for clan conflicts, and intense political rivalries which can turn violent. The provinces of Zamboanga, Sulu, and Basilan are generally affected by multiple local armed groups, including criminal networks, the Moro National Liberation Front (Sulu and Basilan), and rival paramilitary groups and private armies associated with local clans and political families.

Table 16: Barangay case studies

Barangay	Municipality	Province	CBD Project
Geracdao[87]	Las Navas	Northern Samar	KALAHI-CIDSS (WB)
L. Empon	Las Navas	Northern Samar	KALAHI-CIDSS (WB)
Tugas	Maslog	Eastern Samar	KALAHI-CIDSS (WB)
San Roque	Maslog	Eastern Samar	KALAHI-CIDSS (WB)
Hiduroma	San Jose de Buan	Western Samar	KALAHI-CIDSS (WB)
Barangay 4	San Jose de Buan	Western Samar	KALAHI-CIDSS (WB)
Mandulog	Iligan	Lanao Del Norte	Act for Peace (UNDP) GEM (USAID)
Lanipao	Iligan	Lanao Del Norte	None
Rogongon	Iligan	Lanao Del Norte	GEM (USAID)
Panoroganan	Iligan	Lanao Del Norte	None
Tacub	Kauswagan	Lanao Del Norte	Food for Assets (WFP)
Libertad	Kauswagan	Lanao Del Norte	Food for Assets (WFP)
Inudaran	Kauswagan	Lanao Del Norte	Food for Assets (WFP)

our research can recommend what specific designs and approaches are likely to work for which type of conflict-affected communities, and under which conditions. Therefore, we used the comparative multiple case studies method.

[87] Formerly known as F. Robis.

Barangay	Municipality	Province	CBD Project
Delabayan	Kauswagan	Lanao Del Norte	Food for Assets (WFP) GEM (USAID)
Tubigan	Maluso	Basilan	ARMM Social Fund (WB)
Ulame	Lamitan	Basilan	ARMM Social Fund (WB)
San Raymundo	Jolo	Sulu	ARMM Social Fund (WB)
Alat	Jolo	Sulu	ARMM Social Fund (WB)
Taluksangay	Zamboanga City	Zamboanga City	GEM (USAID)

The selection of provinces also gave us the opportunity to compare communal and ethnic configurations at the local level. The barangays in the Samar provinces are generally homogenous, with close to 100% from the Waray ethnic group. Lanao Del Norte is an ethnically divided province, with Christian Visayan people mostly along the northern coast, and Maranao Muslim people and indigenous Lumad people living in the southern hinterlands. The barangays selected in Lanao Del Norte include a spectrum of ethnic configurations of these three groups. The barangays selected in Sulu, Basilan, and Zamboanga are predominantly Muslim (Tausug or Sama Bangingi), with a small minority group of non-Muslims.

Variation in Local Conflict Conditions

The case studies provided convincing evidence that there are high levels of variation in local conflict conditions, both within local areas, and between different regions of the country. The comparison table below illustrates both types of variation. The chart addresses three key questions:

- What is the level of variation between barangays within the municipality?
- How important is the factor in determining the success/failure of the project, and the level of community participation?
- Which armed groups are present?
- What is the ethnic configuration in the barangays?

Table 17: Comparison of Community Conflict Dynamics

Community Conflict Dynamics	Lanao Del Norte	Samar (Northern, Western, & Eastern)	Zamboanga City, Sulu, Basilan
Local elite political dynamics	• High variation within municipalities • Major factor in project success/failure	• Low variation within municipalities • Minor factor in project success	• Modest variation
Local elite relations with municipal government	• No variation • Minor (unimportant) factor	• No variation • Minor factor	• No variation • Minor factor
Presence/relations with armed insurgent groups	• High variation in presence (though the threat is consistent) • Minor factor in project success/failure • Groups present (MILF/MNLF) do not get involved in projects	• High variation • Major factor in project success/failure • Groups present (NPA/CPP) are heavily involved/influential in projects	• Low variation (no major presence) • Minor factor in project success/failure • No major groups present in barangays

Community Conflict Dynamics	Lanao Del Norte	Samar (Northern, Western, & Eastern)	Zamboanga City, Sulu, Basilan
Communal/ethnic diversity	• High variation between local barangays • Major factor in project participation • Highly diverse ethnic population	• No variation between local barangays • Not a factor in project failure (though potentially contribute to success) • Homogenous ethnic population	• Moderate variation between local barangays • Minor factor in project participation • Moderately diverse ethnic population
Presence/relations with national government	• No variation • Minor factor	• No variation • Minor factor	• No variation • Minor factor
Threat from criminal or other armed groups	• No variation • Minor factor	• No variation • Minor factor	• High variation • Moderately important factor in project success/failure

Even with a relatively small sample, the level of variation evident in these cases is remarkable. In each region, there is at least one community conflict dynamic that shows high variation between barangays in the same municipality (and sometimes between neighboring barangays), and a corresponding high level of importance in project success/failure. In the Samar provinces, the major area of variation is presence of armed insurgent groups. In Lanao Del Norte, the critical areas of variation are local elite political dynamics and ethnic diversity. In Zamboanga, Sulu, and Basilan, the threat from criminal or other armed groups is the major factor, though it is only moderately important for project outcomes.

One useful example is Kauswagan in Lanao Del Norte, where there is extreme variation in local conditions which seems to have greatly affected the implementation of the World Food Programme Food for Assets project. All four barangays have a similar ethnic mix—a large majority of one group (80-98%), with a small minority population (2-20%) that is usually segregated. The majority in two barangays is Maranao, and in the other two barangays, Visayan. In two barangays (Tacub and Libertad) there is no major presence of armed groups; generally violence levels are low, as is the threat from criminal or armed groups. Local elite rivalries are also mild, with only one known rivalry between the current and former barangay chair. In Delabayan and Inudaran, there is a strong presence of multiple armed groups; long-running tense rivalries between local elites and clans; and high threat from criminal actors.

The World Food Programme (WFP) Food for Assets project showed very high levels of participation and successful completion and sustainability of the project in the two barangays with low violence and no armed groups present. The other barangays showed the opposite effect, with low participation, and poor sustainability of the project (though the project was completed). In one of the barangays with intense local rivalries, there is strong evidence that the WFP project exacerbated local tensions between rival factions. As a result, the project adapted its approach and provided separate project sites for the competing factions, and balanced the level of assistance between the two.

Our comparison also provides evidence that these three regions have very different community conflict dynamics, with major implications for program design and risk. For example, in Lanao Del Norte, local elite rivalries are a major concern, and affect half of the barangays surveyed; whereas, this is not really a concern in Samar, and only a moderate concern in Zamboanga/Sulu/Basilan. In

the case of the presence of armed insurgent groups, the particular armed group present was a crucial determinant, as the NPA/CPP tends to exert direct influence on CBD projects and often prevents the barangay from participating. The MILF and MNLF tend to ignore (or not get involved in) the CBD projects.

This evidence illustrates that conflict conditions vary considerably in the Philippines, and that no single approach to address conflict is likely to be effective.

Comparison of Local Conflict Dynamics

Using the typology of community conflict dynamics from Chapter II, the research team categorized each of the barangays according to the following characteristics: (i) local elite political dynamics, (ii) local elite relations with the municipal government, (iii) the presence/relations with armed insurgent groups, (iv) ethnic diversity, (v) the presence/relations with the national government, and (vi) the threat from criminal or other armed groups. The analysis focused on drawing out commonalities of experience between barangays with similar local dynamics. In addition, the team focused on scenarios where a single project was implemented in barangays in close proximity, but with very different local conditions, to compare the impact on the project, development outcomes,[88] and transformative outcomes.[89]

1. Local elite political dynamics

Local elite political dynamics at the barangay level[90] were a major factor in determining the level of participation, development outcomes, and the risk of negative impact on social cohesion and local institutions.

In Lanao Del Norte, two barangays (Tacub and Libertad) were ruled by dominant elites, with no obvious rivals. On the other hand, six barangays have seen political rivalries, fuelled by clan competition, inter-ethnic tensions, and the presence of armed groups (MILF, MNLF, CAFGUs, and other paramilitary groups). Hence, in six of the eight barangays studied, there are tense rivalries between two or more local elite groups, usually from the same ethnic group. These barangays consistently have the lowest levels of participation in project design and implementation. For example, the WFP Food for Assets program was implemented in all the barangays in Kauswagan (including the four covered in this study). The two barangays with high levels of local elite rivalry had low participation rates, according to local residents. To sum up, local elite dominance appears to be correlated with high project participation and project completion while rivalries/polarization are correlated with project failure or lack of access to project benefits.

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[88] The project team evaluated development outcomes based on three factors: (a) completion of the project (i.e., delivery of facility or expected output), (b) utilization (i.e., did the community use or benefit from the project, did certain groups benefit or did the entire village benefit), and (c) sustainability (i.e., was the benefit still in use a year or more after successful completion).

[89] The project team evaluated transformative outcomes by determining the impact of the project on social cohesion and inter-group relations, and the impact on community-level institutions (i.e., changing norms of participation in civic life, and other measures of social capital).

[90] For this category, "local elite political dynamics" refers to relations between elite factions or families who live in the barangay, and compete for barangay elected office. The relationship between barangay-level elites and higher-level elites (municipal, provincial, national), is explored in later sections.

Table 18: Local political dynamics matrix

Elite dynamics	Lanao Del Norte	Samar (Northern, Western, & Eastern)	Zamboanga Sibugay, Sulu, Basilan
Dominance	Tacub, Liberted	All 6 barangays (Geracdao, L. Empon, Tugas, San Roque, Hiduroma, Barangay 4)	Tubigan (Basilan), Taluksangay (Zamboanga)
Accommodation or Cooperation			Ulame (Basilan), San Raymundo (Sulu), Alat (Sulu)
Rivalry	Lanipao, Rogongon, Mandulog, Panoroganan, Induran, Delabayan		

In Samar, local political dynamics seem to have created an environment conducive to participation, and improved social cohesion. All six barangays are categorized under "political dominance", with a single family or cluster of families dominating barangay politics for a decade or more. As in the Lanao Del Norte cases, political dominance was found to be associated with high participation in all of the KALAHI-CIDSS project sites, regardless of the level of NPA presence.[91] Project completion is an issue in remote barangays, however, where the requirement for barangay counterpart funding is often a major stumbling block for communities. There is some evidence that the KALAHI counterpart requirement puts some barangay leaders (in remote NPA-influenced communities) in the difficult position of deciding how to spend their revenue allotment between the project, or payments to the local NPA unit. In Basilan, the findings indicate that political dominance was linked to high participation, based on one barangay where the ARMM Social Fund was implemented.[92]

The cases from Sulu and the other Basilan case provide an example of elite accommodation,[93] with similar levels of participation and positive project outcomes under an ARMM Social Fund project. In these cases, however, there is very little variation in project outcomes and participation, making it difficult to determine whether the project design (which is highly participatory) was more important than local political dynamics in determining the level of participation. We have examined the communal/ethnic configuration of these cases to shed further light on this issue in the next section.

Political rivalries at the municipal and provincial levels play an important role in local politics at the barangay level, often serving as alternative sources of patronage from competing families or factions at the barangay level. For example, in Lanao Del Norte, there is long-standing political rivalry between the Dimaporo family (who control the governor's office) and many of the mayors in

[91] It should be noted that KALAHI-CIDSS was implemented in all of these cases. As a result, these findings may primarily apply to this project design. Further research is needed to see how other projects, with different designs, perform in situations of elite dominance.
[92] In this case, however, it is difficult to determine whether the project design (which is highly participatory) was more important than local political dynamics in determining the level of participation.
[93] During election periods, rivalries often emerge between competing local families, which can generate tensions and increase the risk of conflict. However, according to case study research, these rivalries generally fade after a short period of time.

Lanao Norte and Iligan (including the mayors of Iligan and Kauswagan), and some Maranao leaders wanting to challenge the leadership. In many cases, rival factions at the barangay level are aligned with either the mayor or the governor. Similar patterns are found in Northern and Western Samar. There is widespread evidence that municipal and provincial political leaders are competing for the support of barangay populations and leaders, yet there is surprisingly little evidence that this competition is affecting CBD projects (see next sub-section) except in barangays where the population includes multiple ethnic groups.

Based on case study findings, local elite political dynamics appear to influence CBD projects in the following ways:

- The evidence seems to indicate that elite dominance at the municipal level facilitates successful project completion and high and broad-based participation levels. The Samar, Basilan, Lanao Del Norte, and Zamboanga cases illustrate that when a single elite faction dominates, decisions on sharing of counterparts are easily made, the counterpart contribution is easily generated, and technical support from the municipal government is easily mobilized. All these lead to project completion. The Maslog projects in Samar illustrate that a single elite faction dominated both the executive and legislative branches of Maslog. This also facilitated the decision not to burden the barangay governments with the required cash counterparts and put the burden instead on the municipal government.

- Elite accommodation at the municipal level also facilitates successful project completion. Our interviews showed that that people's organizations appeared to have played a more active role in project completion than were noted in barangays where either political dominance or rivalry prevailed.

- Elite rivalries are associated with a lower level of project participation, completion, and sustainability. As the Lanao Del Norte cases demonstrate, CBD projects were generally not completed or the project benefit could not be sustained when completed. Interviews also indicated that there were some concerns about equitable access to project resources from different ethnic groups. In the next section, we review the levels of participation, completion, and access to project benefits by considering the ethnic diversity in the barangays.

Communal/Ethnic Diversity

Overall, the results above have provided adequate empirical support for our main hypothesis that local political dynamics affect project design effectiveness, specifically in terms of project participation and completion. As hypothesized, our case data show that political dominance is associated with high levels of project participation and completion while political rivalry is associated with low levels of participation and completion. However, we were puzzled to find that political accommodation has been consistently associated with high levels of project participation and completion. This was contrary to our hypothesis that the results would be mixed since political accommodation, by definition, represents a temporary political alliance which is typically unstable. It is possible this resulted from the proximity of Sulu and Basilan barangays to the town center or the ethnic configuration of the barangays. In this section, we have added ethnic configuration of the barangays as part of our conjunctural analysis to assess how the local politics and ethnic make-up work in conjunction to influence both participation and completion.

As designed, our study relied on both key informant interviews and official documents from CBD projects. While these sources consistently supported our finding of high levels of social participation, the data are mostly limited to participation mandated in project selection. We have encountered a dearth of good data from both sources on the quality of participation in terms of post-project access to benefits and sustainability. Given the dearth of data, we have also used ethnic configuration as a proxy indicator of participation in terms of access to project benefits by various ethnic groups. Our field research found that it is not enough to assume that participation mandated by project design is a reflection of genuine participation, especially in multi-ethnic barangays where participation, both in design and access to benefits, can differ by ethnic group.

When the analysis includes both local political dynamics and communal/ethnic configuration, however, the findings show a high degree of consistency between project completion and homogeneity of the barangay population. Our analysis shows that local political dynamics interact with communal/ethnic configuration of barangays in ways that impact project completion, participation, and sustainability, as shown in Table 19 below.

Table 19: Politics-ethnicity matrix

Elite dynamics	Evenly divided groups	Majority-minority	Homogenous
Dominance		**Basilan (1 barangay)** • High participation • Development outcomes strong: completed/ utilized/sustained **Lanao Norte (2 barangays)** •Development outcomes strong in all cases: completed/utilized/ Sustained	**Samar (all 6 barangays)** **Zamboanga (1 barangay)** [94] • High participation in all cases • Development outcomes: generally completed/ utilized in 3 barangays; non-completed in 1 barangay; implementation in progress in 2 barangays **Lanao Norte (1 barangays)** •High participation •Development outcomes strong: completed/

[94] In barangay Taluksangay, USAID's GEM project provided a footbridge. The community reported low levels of participation in the design and implementation of the GEM project, though this is not surprising as the GEM project typically does not put emphasis on community participation. For this reason, we exclude this case from our analysis. Note that GEM-EASE (an education matching contribution program) was included in the study and covered in other sections of this report. GEM-EASE was not active in this particular barangay.

Elite dynamics	Evenly divided groups	Majority-minority	Homogenous
			utilized/sustained
Accommodation or Cooperation	**Basilan (1 barangay)** • High participation • Development outcomes strong: completed/utilized/sustained	**Sulu (2 barangays)** •High participation in all cases •Development outcomes strong in all cases: completed/utilized/sustained	
Rivalry	**Lanao Norte (1 barangay)** No CBD projects[95]	**Lanao Norte (5 barangays)** • Low participation in most cases (2 of 3) • Development outcomes poor: completion but not utilized/sustained in all cases • Evidence that projects exacerbated local tensions in 2 cases (out of 3) • Two barangays have no CBD projects[96]	

In Samar, for example, all six barangays have a combination of political dominance and the homogeneous ethnic population (Waray). Samar's mostly homogenous ethnicity seems to be an important explanation for the high level of participation and minimal local elite rivalries. The two dominant politicians have carved up Samar which secured their longstanding political dominance in their respective political territories. Project completion is consistently high except in remote barangays where the KALAHI-CIDSS counterpart contribution requirement seems to have been the main obstacle.

In Lanao Del Norte, of the eight barangays studied, three cases were at the intersection of political dominance and either predominantly Visayan settlers or a predominantly Muslim population. As in Samar, CBD projects were all completed and involved a high level of participation in project selection. Five other cases were at the intersection of political rivalries (between two or three political factions) and mixed communal or ethnic groups (a Maranao Moro majority and a Visayan settler minority; a majority of Visayan settlers and a Maranao Moro minority; and a mix of IPs and Maranao). While the majority of projects were completed, most of the completed projects were not sustained. The minority groups had no or little access to project benefits. It appears that the Lanao findings extend our understanding of the local politics-communal dynamics in Samar. That is, highly rivalrous or factional politics, coupled with a heterogeneous communal configuration, creates high risks in terms of equitable access to project benefits and project sustainability. Furthermore, in two of three of these cases, the introduction of the project seemed to exacerbate local tensions.

[95] This barangay (Panoroganan) was the site of a small NGO peacebuilding project, but was not included in this study, and does not seem to fit the definition of CBD.

[96] In one of these barangays (Rogongon), there was a GEM project site (a post-harvest facility), but it was not part of the GEM-EASE component, and therefore is not included here. The other barangay (Lanipao) was the site of a small NGO peacebuilding project, but was not included in this study, and does not seem to fit the definition of CBD. There are also projects initiated after Typhoon Sendong (December 2011) but these fell outside the range of the study.

Our five cases in Zamboanga, Sulu, and Basilan involved two cases of political dominance and three cases of political accommodation.[97] These local political dynamics intersect with homogenous or majority Muslim populations, except in one barangay where the population is evenly divided between Christian settlers and Muslim populations. The cases in Basilan and Sulu all showed very high levels of participation and successful project outcomes. According to local respondents, there are two plausible explanations for these high levels of participation and positive outcomes. First, the combination of accommodating local political dynamics and a very small minority population seemed to create an environment that was conducive for high levels of community participation, and access to the project benefits through their people's organizations. In four of the barangays we investigated, the minority population was relatively small (less than 10%)—too small to cause significant ethnic tension. The second plausible explanation is that all of these barangays in Sulu and Basilan had ARMM Social Fund projects, led by local people's organizations. As a result, in all cases, the project design seems to have consistently contributed to widespread participation.

Based on case study findings, the combination of the ethnic/communal configuration and local elite political dynamics appear to influence CBD projects in the following ways:

- Barangays with both mixed ethnic configurations and rivalries in local political dynamics tend to have the highest risk and the poorest outcomes for CBD projects. Participation is low and mostly controlled by the dominant ethnic group. Local rivalries compete over project resources, leading to increased tensions. CBD projects implemented in these conditions usually fail, and often make conditions worse, regardless of the design of the project[98].
- Elite dominance tends to ensure high participation levels when the ethnic configuration is either homogenous or with a strong majority and a small minority. Also, this combination tends to be directly related to generally-successful project outcomes.
- Accommodation, coupled with a strong majority/small minority population in Basilan and an evenly divided ethnic population in Sulu, was also found to be associated with high participation and project completion. The Basilan case suggests that the predominance of a Muslim population might have added some degree of stability to what is usually an unstable political alliance. However, this interpretation is contradicted by the Sulu case. As stated above, the ARMM Social Fund implementation through a people's organization could be an alternative explanation. Some inconsistency in the results of our comparative cross-sectional analysis is to be expected. In contrast, a comparative longitudinal analysis is likely to produce more consistent analysis.

Local elite relations with the municipal level

In the Philippines, the mayor of a municipality tends to have a great deal of influence over the distribution of government and international development programs to barangays. For example, key informant interview results with local government officials at the city/municipal and barangay levels indicated that the mayors (and not the Barangay Chairpersons) had a significant role in the

[97] Due to prevailing security conditions, our field research in Zamboanga, Sulu, and Basilan was conducted in barangays close to the town centers. This may account for lack of intense rivalries and factional political conflicts which are likely to prevail in remote barangays, which is similar to our Lanao Del Norte cases.
[98] In Lanao Del Norte, the researchers suggested that the poor performance of projects may also reflect a lack of prior analysis to determine whether the "psycho-social condition of people involved is ready for a collective undertaking."

selection of project sites and project beneficiaries for the WFP and GEM projects. For KALAHI-CIDSS, the selection process is conducted in an open, transparent, participatory process, which is arguably more difficult for mayors to influence in an overt way. However, some interviewers argued that there are numerous ways for the mayor to influence the selection process. In competitive local political environments, mayors have been known to use their privileges of elected office to solidify their political position by rewarding political allies, and withholding benefits and services from the constituencies that favor their rivals.

For this study, we attempted to test this hypothesis by examining whether there was evidence that mayors used their influence over the distribution of CBD project benefits to reward their constituencies (i.e., through site selection for projects). We tested the hypothesis using two distinct methods: (i) asking citizens and barangay chairs in barangays with CBD projects, and without CBD projects, if they believed that the mayor was influencing the selection of project sites for political gain, and (ii) by comparing the list of barangays selected for a project to the list of barangays favored the mayor at the time of site selection (or site competition).[99]

In most cases, to our surprise, there was no evidence of the mayors using their influence to ensure that selected barangays matched their support base. In Samar, there is at least one example (Hiduroma, San Jose de Buan) where the barangay elites were close to the mayor's rivals (usually the governor) and yet they still won the selection for KALAHI-CIDSS. Similarly, there are two barangays that were very close to the mayor, yet did not participate in one round of KALAHI-CIDSS.[100] In Lanao Del Norte, the research team reviewed the GEM and WFP project sites, and found no evidence of project sites concentrating in the political strongholds of the mayor. In Iligan, one of the project sites was in a constituency that is a political stronghold of one of the mayor's rivals.[101] A few barangays closely aligned with the mayor did not receive GEM project benefits. WFP covered all barangays in Kauswagan, including those which were not strong allies of the mayor, and regions that were not affected by the 2008 attacks by elements of the MILF that led to the project.[102] In Zamboanga City, the evidence was mixed.

A review of the selection of GEM sites indicates that the barangays which support the mayor have benefitted from the project much more than other barangays. However, there are other competing explanations that may justify the selection of the barangays.[103] For example, most of these

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[99] Analysis included the GEM project in Zamboanga and Lanao Del Norte using data provided by USAID on project sites for the GEM project; the KALAHI-CIDSS project in Northern, Eastern, and Western Samar, through primary data collection by our research team in the form of interviews with project facilitators and local government leaders; and the Food for Assets Programme (WFP) in Lanao Del Norte using primary data collection through interviews with project officials.

[100] Barangay San Roque and Tugas, Maslog did not participate in Cycle 1 but eventually joined and was awarded with grants in Cycle 2 and 3.

[101] The current mayor in Iligan started his term in 2004. The selection of the current GEM project took place between 2008 and 2011. There are beneficiary barangays that are associated with the political opposition of the current mayor. There are also barangay chairpersons closely allied with the mayor that were not recipients of the GEM project. Barangay Rogongon, for example, had been closely associated with the former mayor, but still is a recipient of the project.

[102] In an interview at the Municipal Agriculture Office in Kauswagan, one official explained that it was the LGU who invited the WFP to Kauswagan and it was also the LGU's decision that all barangays in the municipality would be covered by the WFP, along with local counterpart funding provided by the municipal government.

[103] While the mayor provides his approval for the list of proposed barangays, and often can exert influence by providing counterpart funding from the municipal government, the GEM project had a strict set of criteria for selection of project sites that limits the discretion of the mayor and encourages needs-based selection.

communities are outside of the main urban areas, and account for some of the poorest areas in the municipality.

In a few cases, municipal governments (presumably under instructions from the mayor) provided counterpart funding for all of the barangays in their municipality (Maslog, Eastern Samar), or decided to cover every barangay in project site selection.

Another surprising finding was that in every barangay visited, local respondents (including the barangay chair) indicated that the barangay chair was an ally of the mayor.[104] One possible explanation for this finding is that barangay chairs may have little incentive to be openly confrontational with the mayor, who has a great deal of influence over the barangay's revenue, services, and protection. So, even in cases where a barangay chair is a known ally of the mayor's rival (such as the governor in Northern Samar and Lanao Del Norte), this does not necessarily mean that the barangay chair will not seek the support and assistance of the mayor.

Another possible explanation for the lack of mayoral manipulation of project site selection is that the process of selection for most internationally-funded projects are relatively transparent, and follow guidelines to reduce the risk of political manipulation. Furthermore, it may be difficult for the mayor or his allies to obtain personal benefit from internationally-funded projects due to procurement rules or implementation arrangements (e.g., PMO/contractor implemented facilities). If this is the case, then these design elements seem to help avoid scenarios where partisan mayors can concentrate project benefits in their favored communities.

Presence of Armed Insurgent Groups

The presence of armed insurgent groups has a major influence on CBD projects. However, it depends on the nature of the insurgent group. Our findings support the findings of Arcand, Bah, and Labonne, who found that KALAHI-CIDSS project sites were negatively affected (i.e., the project led to increased violence) by the presence of NPA/CPP forces, though the presence of MILF units had the opposite effect.

The following table summarizes the presence and impact of armed insurgent groups, based on interviews with local leaders and villagers:

Table 20: Presence of Armed Insurgent Groups

Barangay	Municipality	Province	Location (distance from town center)	Insurgent Group (level of influence)	Impact on Project
Geracdao	Las Navas	N. Samar	1.2 km	None	No influence
L. Empon	Las Navas	N. Samar	13 km, very remote	NPA/CPP (strong)	NPA influence on local barangay politics; NPA can

[104] Interviewees were asked if the barangay chair was a rival or an ally of the mayor. In 19 out of 19 cases, the predominant answer from interviewees was that the barangay chair was an ally of the mayor. This may be interpreted as having positive working relations, and not having an open rivalry.

Barangay	Municipality	Province	Location (distance from town center)	Insurgent Group (level of influence)	Impact on Project
					dictate project design and beneficiaries[105]
Tugas	Maslog	E. Samar	5-6 km	NPA/CPP (strong)	NPA influence on local barangay politics; NPA can dictate project design and beneficiaries
San Roque	Maslog	E. Samar	12 km, very remote	NPA/CPP (strong)	NPA influence on local barangay politics; NPA can dictate project design and beneficiaries
Hiduroma	San Jose de Buan	W. Samar	12 km, along main road	NPA/CPP (weak)	Limited influence
Barangay 4	San Jose de Buan	W. Samar	Town center	None	No influence
Mandulog	Iligan	Lanao Norte	12 km	MILF brigade across border[106] (strong); MNLF (moderate)	No overt impact
Lanipao	Iligan	Lanao Norte	15 km	MNLF (strong), MILF (moderate)	No overt impact
Rogongon	Iligan	Lanao Norte	30 km, very remote	MILF (strong)	No overt impact
Panoroganan	Iligan	Lanao Norte	40 km, very remote	MILF (strong)	No overt impact
Tacub	Kauswagan	Lanao Norte	5 km	None	No Influence
Libertad	Kauswagan	Lanao Norte	5 km	None	No Influence
Inudaran	Kauswagan	Lanao Norte	8 km, very remote[107]	MILF (strong); MNLF (moderate)	No overt impact
Delabayan	Kauswagan	Lanao Norte	12-15 km., very remote[108]	MILF (strong)	No overt impact
Tubigan	Maluso	Basilan	6 km	MILF (weak)[109]	No influence
Ulame	Lamitan	Basilan		None	No influence
San Raymundo	Jolo	Sulu	Town center	None	No influence

[105] According to respondents, though, in the case of KALAHI-CIDSS, the NPA generally left the project alone without openly interfering in the project.
[106] The unit is based in Lanao del Sur, just over the southern border of the barangay. However, the MILF unit maintains strong influence and is considered a perpetual threat by local government leaders. CAFGU forces are also stationed in the barangay, largely as a deterrent to the MILF brigade.
[107] Road recently paved so the community is less remote than in previous years.
[108] Road recently paved so the community is less remote than in previous years.
[109] Tubigan was the site of the MILF "lost command" attack on February 27, 2010. The MILF poses a threat to the community, but is not a major influence.

Barangay	Munici-pality	Province	Location (distance from town center)	Insurgent Group (level of influence)	Impact on Project
Alat	Jolo	Sulu	2 km	None	No influence
Taluksangay	Zamboanga City	Zamboanga City	19 km, coastal	None	No influence

There is clear evidence (from the Samar cases) that NPA/CPP groups are actively manipulating or undermining projects, though through a wide variety of tactics and outcomes. Based on the table above, every barangay with a strong NPA presence reported some degree of NPA influence on the project implementation. In some cases, NPA cadres were directly involved in the Barangay Sub-Project Management Committee (BSPMC) for KALAHI-CIDSS implementation.

NPA influence on projects takes several forms. In some cases, the NPA cadre tolerate the project, but push for certain approaches or outcomes. NPA influence also very frequently leads to barangays not participating in KALAHI-CIDSS. In Samar, at least two barangays did not submit proposals for participation due to pressure from local NPA cadres. In addition, many local interviewees argued that the NPA demands for a share of local revenue from the barangays (i.e., internal revenue allotment or IRA) leaves the barangay with inadequate funds for meeting the counterpart contribution required by the KALAHI-CIDSS project.

In Lanao, armed insurgent groups have a strong presence in the area, with six of the eight barangays reporting armed group presence in their area. However, unlike Samar, the armed groups generally do not play a direct role in local politics, and have no discernible influence on development programs. There is no evidence that armed groups have supported or rejected any of the aid programs to the area, have tried to influence the design or beneficiaries, or discouraged participation. However, some local political leaders are associated (or were previously associated) with the MILF or MNLF. In two barangays, the incumbent barangay chair is a former MILF or MNLF commander, and in one barangay, a former MNLF commander was defeated in the election for the barangay chair. The Dimaporos are also in a long-standing, sometimes tense feud with the MILF and MNLF, which seems to have an influence on some of the local political alignments. However, despite this involvement in local politics, the MILF and MNLF do not seem to get involved in CBD projects.

Evidence from Samar indicates that high levels of participation may limit the influence of armed insurgent groups. In most KALAHI communities, high community participation was noted, but it appeared it was induced by the project design which requires an 80% participation rate. Nonetheless, high participation limited the intervention of the NPA in the CDD process, or made it unnecessary.[110] It helped ensure smooth project implementation in conflict-affected communities, including Tugas and San Roque in Maslog.

[110] According to two former KALAHI community facilitators, in communities with strong NPA influence, the group can always ask their organized members in the community to participate in all project activities and influence what happens to the project. They can also ask their own cadre to volunteer for the sub-project committees, and this cadre cannot really be distinguished by the project's facilitators. Also in remote communities there is often a scarcity of volunteers who are not intimidated by the KALAHI-CIDSS processes and documents.

Other factors

Based on evidence from these cases, the presence or relations with national government is not a major factor in CBD projects. In most barangays, including the remote areas with insurgent influence, CBD projects were generally welcomed by the local population. If projects did not deliver the intended benefits, several respondents claimed that this may have led to frustration with government, though this was not a consistent or significant finding.

In the areas visited, the threat from criminal of other armed groups was not a major factor. However, in other regions of Sulu and Basilan, particularly the more remote areas, this is a major threat to CBD projects.

Restoring Confidence & Transforming Institutions

The case studies allowed our researchers to explore the impact of CBD projects on social cohesion, restoring confidence, and local institutional transformation in some degree of depth. Without a longitudinal perspective, the researchers were forced to rely on the recollections of respondents and their accounts of changes in the community over time.[111] As a result, the results presented here should be considered preliminary and not generalizable without further longitudinal study.

Limited impact in barangays with short-term or one-off projects. In most barangays with short-term or one-off projects, there was no evidence of any significant positive changes in social cohesion, social capital, or local institutions. In some cases, such as the WFP project and the ACT for Peace project, the project intervention duration was three to six months, and seems to have had no significant impact on local community dynamics. The longer-term projects, such as the KALHI-CIDSS and ARMM Social Fund would likely have great impact. However, this study was unable to provide conclusive evidence to test this hypothesis.

Elite rivalry at the barangay level can be transformed into cooperation through the project. While elite factions exist at the community level, their competition can be easily contained or transformed into cooperation by providing avenues for participation of all factions in project implementation and project management structures, as in the BSPMC for KALAHI-CIDSS. Constituting the BSPMC led to cooperation of the factions and completion of projects in Geracdao (Northern Samar) and other communities. In Geracdao, the BSPMC included direct participation of all of the major families in the barangay, and served as a platform for cooperation between these families who had a history of competition and limited cooperation.

Exacerbated community tensions in two cases. In two barangays in Lanao Norte (Mandulog and Delabayan) CBD projects polarized already divided communities. These cases provide evidence that strong local elite rivalries, combined with ethnic/communal divisions, can create conditions where CBD projects can be counter-productive, leading to unsuccessful implementation (i.e., poor developmental outcomes), and negative impact on social cohesion.

In Delabayan, the WFP project stoked tensions between local rivals, which undermined participation in the project, and led to rapid deterioration of the project benefits (a bio-intensive

[111] This method introduces some recollection bias, which may have influenced the results. Future research on these issues should include close tracking of barangays over multiple years, focusing on several different indicators of community cohesion and confidence, including perception surveys, behavioral change, and interviews.

gardening site). The project assessed the situation and revised its strategy to accommodate separate project sites for the competing factions, and balance the level of assistance between the two.

In Mandulog, the ACT for Peace project may have increased tensions between local rival factions, as the benefits of one component were provided to only one family (after intervention by the barangay chair), instead of the benefits originally promised to several families.[112] According to local residents, the project became a source of competition between rival local factions, further polarizing an already tense environment. In another community with strong local rivalries (Rogongon), a facility provided by the USAID/GEM project was completed but rapidly deteriorated into disuse, though it is not clear if local rivalries played a major role in this case.

Project Design Considerations

The barangay case studies provide some useful insights into key CBD project design elements. The cases illustrated high levels of variation between barangays in close proximity. In each region, the researchers were able to study a single project in multiple different local contexts, and identify the weaknesses in project design. In the Samar provinces, the research includes KALAHI-CIDSS sites in areas with strong NPA presence, and areas with weak NPA presence. In Lanao Del Norte, we analyzed four barangays that were included in the WFP Food for Assets program—two with high levels of political rivalries, and two with accommodating local political dynamics. In Sulu and Basilan, the study looked at four barangays with the ARMM Social Fund, with significantly different communal/ethnic configurations. If we assume that the project design and implementation are fixed, and other local conflict dynamics are similar, then it is possible to assess the effectiveness of the project design in different local conditions.

Standard counterpart funding may penalize remote and conflict-affected barangays

One of the most common reasons for project failure or non-participation by communities is the inability of barangays to provide the required counterpart funding. In Samar, many of the barangays in remote areas had trouble meeting the counterpart funding requirement. In Maslog, where the municipal government provided all cash counterparts, all of the KALAHI-CIDSS projects were completed. The executive and legislative branches decided not to burden both the accessible and remote barangays with any cash counterpart as the municipal government assumed the full counterpart. In contrast, the Las Navas municipal government required the standard cash counterpart from both accessible and remote barangays. Key informants reported an NPA presence and activities in the remote barangays of both Maslog and Las Navas. In terms of project performance and completion, both Maslog and Las Navas have achieved high completion rates in accessible barangays. Maslog, however, has had a better project completion rate than Las Navas in remote barangays where the NPA is active.

Requiring the standard KALAHI-CIDSS cash counterpart in remote barangays where the NPA is present appears to lead to an unintended resource allocation dilemma for barangays which must choose between the KALAHI-CIDSS project and the local NPA unit. Such conflicting resource demands appear to increase the risk of remote barangays not participating in KALAHI-CIDSS to the same degree that accessible barangays can. In addition, to the extent that remote barangays

[112] Other components of the project were not captured, though.

actually participated, they ran a higher risk of not completing the project than was the case with accessible barangays.

Since KALAHI-CIDSS CBDs are substantially more expensive to design and implement in remote barangays than in accessible barangays, the standard cash counterpart implies a higher financial burden on remote barangays and communities that could least afford them even if the NPA is not active in other remote barangays.

Based on these findings, there is a strong argument for waiving (or relaxing) the counterpart contribution requirements for some of the most remote, conflict-affected barangays. Rigid regulations requiring all barangays to provide counterpart funding is clearly counter-productive in these areas, which are arguably the most important places for delivery of development assistance and strengthening of local institutions and social cohesion.

Access to project benefits and sustainability

Our case interviews and analysis of official KALAHI-CIDSS documents showed consistently high level and broad-based participation in Samar KALAHI-CIDSS, especially in project selection. Our finding is consistent with the KALAHI-CIDSS 2010 Annual Report. According to KALAHI-CIDSS Sustainability and Evaluation and Functionality audits, based on 611 sample completed sub-projects, 96% have received "excellent" to "fair" ratings. The report considered to be "one proof that the community stakeholders have taken on the responsibility of subproject operation and maintenance." Also, a related study by Eduardo Araral and C. Holmemo showed expected monetized benefits would exceed the costs.[113] The World Bank also conducted an impact evaluation of KALAHI-CIDSS communities against comparable communities in 2003, 2006, and 2010.

While these reports are extremely useful in so many respects, we have noted several limitations in terms of applicability to potential expansion of KALAHI-CIDSS in conflict-affected areas. First, the assessment of access, functionality, and sustainability should be more sensitive to local political dynamics, especially in municipalities and barangays populated by multi-ethnic groups. Second, the projection of monetized benefits cannot simply assume an equitable distribution of project benefits. Third, the average "net" positive impact of CBD will not apply to ethnic groups which are excluded from the CBD projects. These are all critical issues if KALAHI-CIDSS is to expand its operations in conflict-affected areas. Distributional issues can exacerbate already existing tensions in these areas.

Despite our diligent search, we are unable to find good secondary data on access to projects and long-term maintenance and sustainability. Our researchers and key informants could not provide much data on these issues. The KALAHI-CIDSS reports did not have much specific information on access and the sustainability of completed projects. Since KALAHI-CIDSS focuses on providing public goods mainly through small-scale infrastructure projects, free-riding and collective action problems naturally arise after the CBD infrastructure projects are completed.

However, the current KALAHI-CIDSS design in Samar does not appear to have any post-project mechanism to manage distributional and sustainability issues. We understand that local governments and the communities have the responsibility for post-project operation and maintenance. While this may be a reasonable assumption in the handover of completed projects to

[113] Araral, E., & Holmemo, C. (January 2007). *Measuring the Costs and Benefits of Community-Driven Development: The KALAHI-CIDSS Project.* World Bank, Social Development Paper No. 102, Philippines, January 2007.

local government units and communities in general, more evidence is needed if this assumption is warranted. More importantly, our findings suggest the same assumption that local governments and communities do not have the capacity to manage post-project operation and maintenance in municipalities and barangays beset by political rivalries or polarization and populated by multi-ethnic groups. KALAHI-CIDSS should consider post-project monitoring and support to ensure the positive outcomes of CBD projects across different ethnic groups.

Public/private goods

Delivery of public goods is the most common approach used by CBD projects in conflict-affected areas, based on the assumption that they are less easily captured by powerful groups, and more likely to benefit the whole community. Our evidence from the case studies largely corroborates this assumption. In only one case (ACT for Peace in Maslog, Lanao Norte), did a project provide private benefits, in the form of a bakery, goat-raising, and *bigasan* (granary) to local families to improve income generation. In this case, the benefits were indeed captured by one family with connections to the barangay chair. While not conclusive evidence (since it is only one case), this case indicates that the risk of benefits capture in private goods provision is serious.

High rate of participation does not necessarily mean broad-based participation

Our interviews generally indicated high levels of community participation CBD projects especially for KALAHI-CIDSS since KALAHI requires an 80% participation rate by the community as a precondition for project selection and approval. Based on our analysis, the reported high participation rate, especially in project selection, needs to be assessed more critically in terms of participation by whom (important given varying local political-communal dynamics); for what type of CBD project (public goods versus private goods); and at what phase of the CBD project cycle.

Samar is characterized by longstanding political dominance, homogeneous "Waray" ethnicity, and waning NPA activities. It is therefore not surprising that we found participation to be fairly broad-based and comprehensive. In contrast to Samar's political, ethnic, and non-state actor dynamics, our Mindanao case studies investigated CBDs in the context of varying political dynamics. This ranged from political dominance, accommodation, and rivalries in mostly multi-ethnic communities beset by multiple and armed non-state actors. In these more complex settings, we found that political dominance and accommodation was associated with high levels of participation. On the other hand, political rivalries are associated with lower levels of participation. For example, in Lanao Norte, there seem to be two possible explanations for project output failure (i.e., the project was not completed, not utilized, and not sustained). First, projects that had low levels of participation by the community (such as GEM, as distinguished from GEM-EASE) had generally poor results. Second, barangays with highly polarized local political dynamics and strong presence of armed groups tended to have low levels of participation and poor project outcomes. Even in cases where the same project design was used in multiple barangays in one municipality (WFP in Kauswagan), barangays with local elite rivalries and armed groups had poor outcomes.

However, a high rate of participation of up to 80%, which is the mandated level for KALAHI-CIDSS, does not necessarily ensure project requirements are generated and projects are completed. The non-completion of many projects in Las Navas was partly due to the inability of the barangay governments to contribute the cash counterpart they have committed. Community participation, even if always reported high, was never enough to push barangay officials to allocate funds for projects identified by their people—maybe precisely because participation in these cases was design-induced and not something voluntary that evolved over time.

Finally, a "high" level of participation does not necessarily mean that that participation is broad-based enough to include adequate and effective representation from different ethnic groups, as was noted in our cases in Lanao Del Norte. In municipalities and barangays populated by multi-ethnic groups, measures during the design and implementation of CBD projects should be taken to ensure that participation actually cuts across the ethnic division. This will be a critical step if CBD projects are to become a more effective tool for community development and peacebuilding.

V. Summary of Key Findings

This consolidated set of findings provides a broad overview of critical themes that emerged over the course of this study. These findings are drawn from the three major lines of inquiry for this study, including the review of 15 CBD projects, barangay case studies, and international best practice and literature on conflict and CBD approaches. These findings reflect a diverse and complex evidence base that often includes conflicting messages and divergent experiences. Where possible, the project team has sought to triangulate messages from different sources and different contexts, and present conflicting messages. In general, the research team suggests that additional in-depth research should be conducted to produce conclusive evidence on the impact and potential of CBD approaches to development.

Understanding local dynamics

1. ***Conflict dynamics in the Philippines are complex, diverse, multi-layered, and localized.*** Findings indicate that it is critical to understand differences in conflict conditions within local areas, and between different regions. It is also critical to understand the specific context down to the barangay level. Barangays in close proximity can have very different conditions, and these differences can lead to success or failure of a CBD project. Similarly, there are important characteristics that are unique to particular regions, including the nature of armed insurgent groups in the area. Depending on the region, vertical (state-society) conflicts may take very different forms, which has major implications for CBD project. By looking at the specific dynamics relating to local elite rivalry, relations with the mayor, the presence of armed insurgent groups, ethnic diversity, the relationship to the national government, and the presence of criminal factions, one can begin to map out local dynamics that may have specific implications for community-based development projects.
2. ***Formal conflict analysis is largely incomplete across projects, and does not capture this complexity or variation at the community level.*** Many of the arguments for implementing community-based development projects in conflict-affected areas oversimplify the needs of conflict-affected communities and often overlook the particularities of how communities may be uniquely affected by conflict. Although there are isolated instances (especially in projects implemented through local NGO partners) where some non-standardized informal analysis that seems to capture the local context does take place, it is unclear how scalable or transferrable these experiences are to larger projects. Analysis tends to focus on the macro-level conflict factors, such as state-insurgent violence, while ignoring the community-level drivers of conflict. In most cases, projects do not attempt to conduct their own robust analysis of local conflict or map power dynamics at the municipality or barangay level. This lack of conflict analysis has serious implications in terms of project design, implementation, and monitoring and evaluation.

3. ***The combination of local political dynamics and ethnic configuration is a major determinant of participation and project outcomes.*** Barangays with mixed ethnic configurations and rivalries in local political dynamics tend to have the highest risk and the poorest outcomes for CBD projects. Barangays with a dominant local elite faction tend to ensure high participation levels when the ethnic configuration is either homogenous or with a strong majority and a small minority. Accommodating local political dynamics seems to be the best case scenario, in any ethnic/communal configuration, as it consistently allows for high participation and strong project outcomes.
4. ***The presence of armed insurgent groups has a major influence on CBD projects, but only in NPA/CPP areas.*** There is clear evidence (from the Samar cases) that NPA/CPP groups are actively influencing or undermining projects, though through a wide variety of tactics and outcomes. There is no evidence that the MILF or MNLF insurgent groups have supported or rejected any of the aid programs to the area, tried to influence the design or beneficiaries, or discouraged participation. Furthermore, evidence from Samar indicates that high levels of participation may limit the influence of armed insurgent groups.

Restoring confidence

5. Over time, ***CBD (especially the most participatory forms) can help restore community-level confidence*** and, in some cases, improve prospects for self-reliance, particularly in post-conflict settings. Undertaking community-based procurement, financial management, and quality control not only can provide useful skills to community members, but can help build social capital and cohesion. When done well, participatory forms of CBD have the potential to help reduce community-level horizontal violent conflict by inculcating open, participatory practices (e.g., joint planning, needs identification). In conflict-affected areas, however, it may be necessary to abandon the competitive aspects of some CDD programs (e.g., MTF, KALAHI-CIDSS, and ASFP) to avoid exacerbating actual or potential violent conflict.
6. The ***ability of CBD initiatives to restore confidence is predicated on a longer-term commitment of support (3-5 years) to communities***. Short-term efforts (less than three years) are unlikely to yield results or to effectively build trust in local institutions. In immediate post-conflict situations, however, it may be useful to consider a means of shortening CBD cycles in order to achieve "quick wins" that provide immediate benefits. However, the application of quick win-type initiatives should be limited and a modicum of participatory mechanisms should be retained.
7. Because CBD projects in the Philippines often represent the first time[114] that development funds have flowed into a conflict-affected community, ***CBD efforts have the potential to enhance the reputations of the perceived implementing agency,*** including national government agencies and specialized development agencies with a mandate for the conflict area, such as the Bangsamoro Development Agency. At the same time, this raises the risk of political manipulation and the possibility of generating violence between "competing" institutions or stakeholders.
8. ***Social cohesion achieved through communities collaborating together via CBD's participatory processes is not always sustainable, especially where pre-existing horizontal conflict jeopardizes any gains in social capital***. In the absence of on-going community facilitation, it is frequently difficult for people's organizations to maintain the level of solidarity

[114] It should be noted that there are also a number of examples of where communities have the benefit of multiple CBD programs operating simultaneously. The review did not examine these cases in detail.

that enables continued operations. In terms of developmental outcomes, ***CBD projects face considerable challenges with respect to sustaining their efforts***. Even when community ownership is high, the inability to access technical support or to raise funds for operating costs or maintenance plans render many sub-project interventions (both infrastructure and livelihood) inoperable after the project has concluded. The majority of communities rely on local government support to help ensure sustainability (e.g., technical assistance for water systems, staff for health clinics or schools) but where LGUs are weak or have a low commitment to the project, this support often does not materialize. Local conflict often further complicates the ability of LGUs to provide on-going support.

Transforming institutions and improving governance

9. There is ***little evidence to suggest that CBD approaches have much impact on improving governance at local levels*** (barangay, municipality or province). Achieving and maintaining committed local government engagement is a challenge across all CBD projects. In some exceptional cases, where there is enlightened local leadership that wishes to be seen as "aligned" with the material benefits of the CBD projects, the local government may become more engaged. In general, however, the effect of CBD on local government engagement appears to be negligible. While the application of participatory techniques (such as budgeting, providing village block grants, or providing relevant technical assistance) are often portrayed as key elements of institution strengthening activities, there is little evidence (and also minimal consistent measurement) of the extent to which these practices are effectively, if at all, institutionalized.

CBD Impact on Violent Conflict

CBD projects should not be judged on their ability to reduce violence, but there is a critical need to monitor violence levels and credible proxies in CBD beneficiary communities. Although no development partners suggest this direct causality, at best there are expectations that CBD can provide much needed services and resources to conflict-affected communities and can help restore confidence, which may both contribute to long-term peace objectives. There is a generally equal risk that if done badly, CBD can exacerbate violent conflict by increasing competition over scarce resources. Supporting projects that provide privately held assets (e.g., livelihood initiatives) can create jealousies that fuel existing conflict. CBD implemented in areas of persistent horizontal violent conflict may want to integrate mediation or alternative dispute resolution techniques and training as part of the social preparation processes. Recognizing the challenges in measuring violent conflict incidents down to the community level, it is important to identify credible proxy measures to monitor conflict trends.

The correlation between poverty reduction and conflict mitigation

10. A key objective of many CBD projects is poverty reduction with an underlying assumption that poverty alleviation efforts will help reduce conflict. ***There is no solid evidence, however, to prove or disprove such causality between poverty and conflict***. While poverty and inequality can be a source of conflict, the absence of any comprehensive conflict mapping, and the fact that poverty rates remaining persistently high in Mindanao, make it impossible to assess this correlation. A preponderance of global evidence suggests, however, that reducing poverty does little to resolve vertical conflict. There is a strong consensus among all stakeholders in the Philippines that the sustainable resolution of conflict must necessarily rely on the establishment of the rule of law and improved security, as well as enhanced socio-economic circumstances and poverty reduction.

A lack of robust M&E practices

11. Most projects reviewed ***do not include robust monitoring and evaluation processes,*** particularly on transformative outcomes, making it extremely difficult to substantiate the various claims of transformative impact. This is a systemic problem throughout the project cycle, with poor or nonexistent baseline data, and anecdotal data collection methods that make it difficult to draw solid conclusions on project impact. The challenges of tracking transformative outcomes are considerable, however, as factors like social cohesion, mutual confidence, and trust in government tend to be very difficult to measure in a systematic way. This area is the most urgent area for additional capacity and investment by the international community.

VI. Operational Implications and Conclusions

Community-based development approaches in the Philippines have significant potential to affect the transformative factors that will help conflict-affected areas emerge from violence and poor governance. This study has investigated the current practices of CBD projects in conflict-affected areas of the Philippines, and the experiences of recipient communities, to draw lessons from the past 10 years of intensive CBD investments. The findings from this study suggest that there are many practical ways for development agencies to improve CBD approaches. As we explore the intricacies of local conflict dynamics in the Philippines, and the interactions with CBD projects, there is a growing body of evidence to suggest that CBD projects are profoundly affected by these local dynamics, and must be adapted at the local level to respond to them effectively.

The key message from this review is that CBD will be most effective as a tool to restore confidence and to help begin to transform institutions if it is premised on an acknowledgement that conflict-affected areas in the Philippines are diverse and that CBD interventions will be most effective (and also least likely to cause damage) if they (i) recognize the unique conflict dynamics of their project areas, (ii) design their projects to creatively adapt in order to constructively address and meet community needs, and (iii) ensure that the projects are accurately defining and measuring the most relevant features of their projects. A key point underlying this message is that there is limited value in aiming to remain conflict-neutral and that all projects that are working directly with communities affected by conflict need to acknowledge and respond to the effects of conflict if they aim to achieve any measure of success.

Some specific operational recommendations derived from this study include:

1. **Greater flexibility and adaptation of project designs –** Evidence from barangay case studies indicates that projects that succeeded in one local context had very different outcomes in other local conditions. In some cases, projects that were intended to support peace efforts or recovery led to further polarization of the community. Greater adaption of program design, based on some analysis or monitoring of local conflict conditions could have prevented these negative outcomes. Rigid program designs that require the same structure, procedures, and regulations in every barangay will inevitably lead to project failure or negative outcomes in some cases.

   Community-based projects being implemented in conflict-affected areas need to be able to have some mechanisms by which they can both proactively and reactively address some of the dynamics that can undermine the effectiveness of the project implementation. Priority areas for greater flexibility include:

   - ***Counterpart contribution* –** Some of the most critical barangays are left out of CBD projects because of their inability to provide counterpart funding. In these cases, the inability to provide counterpart funding is rarely a case of lack of "buy-in", or a weak sense of ownership. They may simply not have access to financial resources. Based on evidence from barangay case studies, there is a strong argument for waiving the counterpart contribution for the most remote, insurgent-influenced barangays.
   - ***Site and beneficiary selection* –** Targeting and site selection should be flexible enough to adapt to local conflict conditions. Template-driven, rigid targeting protocols should be avoided. Based on local conflict and political analysis, it is possible to determine the lines of division within a municipality or community, and avoid distribution of benefits in a way

that exacerbates local tensions. The community facilitator is likely to be in the best position to determine how distribution should be adjusted.

- ***Implementation partners*** **–** A decision to use an external implementing partner must be carefully considered, taking into account the pros and cons in the context of on-going conflict. Understand the political associations of the implementing partner, and find ways to counter-balance their biases through working through other partners. Government and non-government organizations will almost always have affiliations or interests that will affect their perceived neutrality by some segments of the population. Rather than seeking a "neutral" partner, it is best to understand the politics of partner organizations, and provide balanced support through multiple partners.
- ***Menu of projects*** – Depending on local context, it may be important to reduce potential tensions in areas beset by local rivalries by invoking a closed menu that limits sub-project selection to activities that produce public assets (usually small-scale infrastructure) that benefits as wide a cross section of the community as possible.

Several of the community-based development programs in the Philippines have design features that increased the level of flexibility and adaptability to local conditions and interests. In practice, however, the level of program design adaptability is mixed, and in many cases CBD projects in conflict-affected areas are still using rigid designs driven by factors exogenous to the community. Some CBD projects included in this review had no formal mechanisms for adapting the project intervention to local context. Furthermore, to the degree that project interventions were adaptive, it was often due to the independent actions of the staff on the ground.

2. **Community and sub-regional conflict analysis –** There is a critical need for all projects working with communities in conflict-affected areas to have a working understanding of the conflict dynamics within their target areas—whether this is a formal conflict analysis or an informal mechanism to better understand conflict dynamics. Community-level conflict and political analysis and monitoring should be a critical input into community programs working in conflict-affected areas.

   While many projects under this review included some investments in conflict analysis of the Philippines in general, or sub-regions such as the ARMM, or Mindanao, none of the projects involved systematic conflict analysis of individual barangays or municipalities. Furthermore, on-going monitoring of conditions at the barangay level was not an explicit priority or activity for any of the projects. Arguably, this kind of analysis and monitoring would have likely happened on an informal basis by local government officials, NGOs, and facilitators, but it is difficult to assess how frequently and how seriously this analysis and monitoring was conducted, or whether it influenced the project activities.

   Analysis of community conflict dynamics can be done at scale. The challenge is to determine the most appropriate format and mechanism for monitoring and analysis of local conditions. For example, with large-scale projects, formal conflict analysis in every beneficiary community may not be feasible. However, well-trained community facilitators may be able to closely monitor local conflict dynamics, document key trends, and make adjustments in project implementation within specified parameters. Furthermore, in-depth conflict analysis can be framed to allow for scale within a manageable timeframe, if the process is focused and well-structured. This project conducted in-depth analysis of community conflict conditions in 19 barangays in seven provinces, in roughly three months (including design of the methodology) with a small team of

three local researchers. Each local researcher was originally from the area under study, and had extensive local contextual knowledge and contacts. As a result, the rich analysis produced through these local case studies was accomplished within a manageable timeframe, with modest resources. While this type of barangay-level analysis may be challenging for large-scale projects, our experience has shown that local conflict analysis is feasible for an extensive sample population.

3. **Evidence base for impact –** There is an urgent need for more robust monitoring and impact analysis of transformative outcomes, such as social cohesion, local institutions, state-society relations, and violence levels. While the majority of CBD programs claim to have some impact on transformative outcomes, and most include a Theory of Change that links their program interventions with peace and security outcomes, monitoring and evaluation efforts for CBD projects in the Philippines provide very little evidence to support these claims. This weak evidence base makes it extremely difficult to estimate the impact of the current CBD projects on peace and security. While many of the claims made by CBD projects may indeed be true, these cannot be empirically proven based on current evaluation and monitoring methods.

   When projects are looking at measuring their impacts, there is often an explicit measurement of development outcomes but a more passing measurement of transformative outcomes. CBD projects may in fact be most valuable in offering transformative outcomes. By not emphasizing or measuring this impact, CBD projects may be not be capturing and adequately understanding their most valuable contribution to conflict-affected communities.

   It is essential that community-based development projects in conflict-affected areas define, up front, a clear Theory of Change that both recognizes the departure point (conflict analysis) and offers a clear path to a process of restoring confidence, transforming institutions, and addressing poverty. In order to be effective and to hope to have a positive impact in conflict-affected communities, it is critical that projects are clear in defining their Theory of Change and clearly (and likely creatively) measuring their progress towards it.

4. **Challenges for large-scale projects –** While large-scale projects improve economies of scale and efficiencies, there are some particular challenges that increase risk in a conflict-affected area. For example, many of the larger projects require a high degree of consistency, and impose strict limits on the discretion of local facilitators and implementing agencies to reduce the risk of corruption or misuse of funds. Unable to provide direct oversight at the community level, large projects have relied on tightly defined procedures and extensive project manuals to mitigate against these risks. While there was some degree of adaptation of project design for projects focused on conflict-affected areas—notably Act for Peace, MTF, and ASFP—the larger projects that included conflict and non-conflict areas did not include any special provisions for conflict-affected areas. Smaller projects, particularly those implemented by NGOs, were much smaller scale and able to devote considerable oversight at the community level. Similarly, community level analysis and monitoring may be more challenging for larger projects, particularly those implemented by central government agencies. However, without improved understanding of the local conditions, in most cases, it is unlikely that CBD projects will be able to avoid the pitfalls of operating in conflict areas.

   These challenges can be addressed by including sub-project components or "conflict windows" for large-scale projects. These more specialized project components can be customized for conflict conditions, including specialized design and implementation arrangements, local-level

conflict monitoring, community facilitator selection and training, and monitoring of transformative outcome indicators.

Conclusion

While the findings of this study are not conclusive, they point the way for more in-depth research and project monitoring and evaluation that will help improve CBD approaches to become more transformative. From the outset, this review sought out a wide range of community-based development projects operating in conflict-affected areas in the Philippines to better understand what these projects anticipated achieving in these complex environments and how they sought to achieve these goals. While recognizing the limitations inherent in selecting such a diverse range of projects and also the limitations of the descriptive research approach, the research team anticipated that there would be a considerable body of expertise and good practice that could help guide future generations of projects. Instead, the findings have suggested that in fact very few of the projects had explicit project/development goals relating to the particular needs of conflict-affected communities—whether because the projects were not explicitly targeting peace/conflict mitigation objectives or because the projects did not consider conflict-affected communities to have specific/different needs.

This study provides a theoretical framework, based on the World Development Report 2011, that combines local contextual challenges in the Philippines with international best practice. The framework focuses on the potential for CBD projects to help transform the conflict-affected areas of the Philippines, by restoring confidence and transforming local institutions, while providing development outcomes along the way. The framework acknowledges that conflict-affected communities in the Philippines are, in fact, unique and that development projects in conflict-affected areas may need to review and amend their anticipated goals so as to best serve the needs of their target communities.

The Philippines has a wealth of experience in providing CBD programs to conflict-affected communities. The commitment by the government and major donors to this type of development is likely to expand in the coming years, based on the Government's PAMANA strategy. With the serious possibility of a peace agreement with the Moro Islamic Liberation Front in the short term, there may be a need (and an opening) to rapidly scale up assistance to conflict-affect communities. If these programs avoid the mistakes of the past, and respond to local conditions effectively, they will make an important contribution to ending violent conflict, and transforming the conflict-affected areas to be stable and prosperous over the long term.