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Philippines

Assessment of Australia WB Partnership

A Decade of Partnership, 2009 – 2018

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Abbreviations

4Ps	Pantawid Pamilyang Pilipino Program
AA	administration agreement
AAA	analytical and advisory activities
ARMM	Autonomous Region in Muslim Mindanao
ASA	advisory services and analytics
BB	Bank budget
BE	Bank-executed (trust fund grant)
CCT	conditional cash transfers
CDD	community-driven development
DepEd	Department of Education
DFAT	Department of Foreign Affairs and Trade (Australia)
DPWH	Department of Public Works and Highways
DROM	disaster response operations modality
DSWD	Department of Social Welfare and Development
eFOI	electronic Freedom of Information
ESW	economic and social work
GFR	grant funding request
GIS	geographic information system
GoP	Government of the Philippines
GRM	Grant Reporting and Monitoring (system)
IPs	indigenous peoples
IRAP	International Road Assessment Program
ISF	informal settler family
KALAHI-CIDSS	Kapit-Bisig Laban sa Kahirapan - Comprehensive and Integrated Delivery of Social Services
M&E	monitoring and evaluation
MDG	Millennium Development Goal
MFM	Macroeconomics and Fiscal Management
MRDP	Mindanao Rural Development Project
MTR	Midterm Review
NCDDP	National Community-Driven Development Project
NGO	non-government organization
PAAA	programmatic analytical and advisory activity

PASA	programmatic advisory services and analytics
PETS- QSDS	public expenditure tracking survey - quality of service delivery survey
PfGG	Program for Good Governance
PH-PTF	Australia - World Bank Philippines Development Trust Fund
PPP	public-private partnership
PRDP	Philippines Rural Development Project
QSDS	quality of service delivery survey
RE	recipient-executed
RF	results framework
SC	Steering Committee
TA	technical assistance
TF	trust fund
ToR	terms of reference
TTL	task team leader (World Bank)
UTF	umbrella trust fund
WB	World Bank

All dollar amounts are U.S. dollars unless otherwise indicated.

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Executive Summary

The Australia - World Bank Philippines Development Trust Fund ¹ was established in 2009 and is scheduled to close on June 30, 2019. It was financed by the Government of Australia through the Department of Foreign Affairs and Trade (DFAT) [formerly through AusAID] and administered by the World Bank (WB). The total funds available for the PH-PTF throughout its ten-year implementation period was USD 44.8 million (about AUD 47.1 million).

During its decade-long implementation, the PH-PTF responded to the priorities of the Government of the Philippines (GoP) as articulated in the medium-term development plans of three administrations: President Gloria Macapagal-Arroyo (2001-2010), President Benigno Aquino Jr. (2010-2016), and President Rodrigo Duterte (2016-2022). During this period, the Philippine economy experienced continuous economic growth and poverty reduction, underpinned by solid macroeconomic management, favorable external conditions, and increased and well-targeted social sector spending.

In preparation for the completion of the trust fund's activities, the PH-PTF Steering Committee requested an evaluation be carried out by an independent consultant to assess the fund's achievements, effectiveness, efficiency and relevance. Recommendations and lessons learned are expected to provide important input to the design of a new trust fund proposed to be financed by the Government of Australia and administered by the World Bank starting in 2019. This report, the final output of this evaluation, was drafted by an independent consultant with inputs from World Bank and DFAT. The evaluation was undertaken when most of the activities financed by the PH-PTF had been completed and over 88 percent (USD 38 million) of the contributed funds disbursed.

The PH-PTF has played an important role in the longstanding and meaningful collaboration between Australia and the Bank in the Philippines. It was established with the objective of providing high quality and harmonized development assistance to the GoP, enhancing the quality and effectiveness of policy dialogue between Australia, the Bank, and the GoP. It focused on selected development objectives **shared by the two development partners and closely aligned with the GoP's development strategy**.

The PH-PTF succeeded in **remaining relevant** through three Philippine Development Plans, three AusAID/DFAT country strategies, and three World Bank country partnership strategies. The flexible programmatic design and governance structure of the PH-PTF ensured that the fund could respond to the GoP's evolving demands for knowledge and technical assistance. Moreover, by focusing on areas of common priority - stable macroeconomy and good governance, enhancing peace and security, improving service delivery, reducing vulnerabilities - strong ownership and impact was also achieved from all parties.

¹ The trust was also called the umbrella trust fund or UTF at times during its implementation. In the World Bank, it is officially referred to as the Philippines programmatic trust fund (PH-PTF) and this acronym will be used consistently throughout the rest of this report.

The PH-PTF facilitated a **meaningful and effective collaboration** between DFAT and the Bank and strengthened the role of both in advising the GoP on policy reforms. The outputs delivered through both recipient-executed and Bank-executed grants were timely, of high quality, often innovative, and clearly contributed to the achievement of the PH-PTF's intended outcomes.

Some of the grants under the PH-PTF substantially **improved the quality of life** of beneficiaries, as confirmed by rigorous impact evaluations of the World Bank investment operations that they co-financed. For example:

- The *Pantawid Pamilyang Pilipino Program (4Ps)*, the national program for conditional cash transfers, has been recognized as best international practice. The PH-PTF provided technical assistance during the program's first and second phases, helping the Department of Social Welfare and Development upgrade the national household targeting system called *Listahanan*. The system provided a rigorous foundation for several of the GoP's other poverty-targeted programs. *Pantawid Pamilya* resulted in substantial improvement in school attendance and maternal health for poor children and made a major contribution to women empowerment in the country.
- Grant co-financing for *Kapit-bisig Laban sa Kahirapan - Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS)* Project enabled the construction of 478 classrooms and 148 day care centers, and benefitted more than 100,000 households. KALAHI-CIDSS pioneered new classroom designs that were subsequently adopted by the Department of Education. The use of community-driven development approaches resulted in the construction of classrooms at less than two-thirds of the average cost of classrooms built by private contractors.
- Grant-funding supported the design and preparation of the National Community-Driven Development Project (ongoing), which was a major expansion of KALAHI-CIDSS. Technical assistance helped prepare a disaster response operations modality (known as DROM), which was essential to deploy community-driven measures for disaster response immediately after Typhoon Haiyan hit the Philippines in 2013.
- The grant for the Mindanao Rural Development Project Phase II complemented a World Bank loan. The project aimed to improve the livelihood of poor rural households, indigenous peoples, and the agriculture sector in Mindanao. The loan reached over 1.9 million beneficiaries, 49 percent of whom were women and 32 percent indigenous peoples. The PH-PTF grant provided vital technical assistance and helped in the subsequent expansion of the project to a national Philippine Rural Development Project (ongoing) led by the Department of Agriculture.

Although with some delays, a results framework was developed for the PH-PTF around four strategic priority areas and **substantial results were measures and evaluated**. Many of the outcomes from grants implemented in the early years of the PH-PTF were sustained over time and laid solid foundations for future policy reforms.

Although **cross-cutting themes and global priorities** such as gender equality, disability, indigenous peoples, climate change and disaster risk management, innovation and private

sector engagement were not formally specified in the PH-PTF's Administration Agreement, a number of PH-PTF grants made substantial contribution to outcomes related to these themes.

The PH-PTF promoted substantial **leveraging of World Bank financing and expertise**, because PH-PTF financed activities benefitted from the same level of due diligence as Bank-financed investments and advisory services and analytics (ASA). Because of the PH-PTF, the Bank's ASA program in the Philippines was about 50 percent larger and significantly more flexible and responsive to changing priorities than it would have been in the absence of the PH-PTF.

The governance arrangements of the PH-PTF was **efficient and effective**. Grants were allocated by the Steering Committee primarily through competitive rounds where World Bank task team leaders were invited to submit proposals in accordance with certain parameters. This process was found effective and transparent. It was complemented by the occasional use of more direct interventions when the Steering Committee deemed it appropriate to respond to emerging priorities or changing circumstances. Overall the approach balanced the advantages of competitive transparent bidding and the occasional need for a quick response to an emerging priority.

The programmatic structure of PH-PTF allowed it to be **flexible and responsive to evolving needs of the GoP**. The Bank and DFAT agreed upfront on the broad parameters for establishing the trust fund but the specific activities to be supported by PH-PTF were decided by the Steering Committee during the course of implementation. Multiple evaluations² have shown the programmatic and flexible trust fund model to be the most effective and it is noteworthy that the programmatic trust fund model established in the Philippines was later used by DFAT and the World Bank in other Southeast Asian countries, confirming that both parties have found it to be an effective platform for collaboration.

The cost recovery approach used by the PH-PTF **failed to fully recover the costs** incurred by the Bank, primarily because they were based on a projected 3.5-year program life, whereas the PH-PTF was extended to 10 years without amending the Administration Agreement to increase the fee. A new cost recovery policy applicable to new trust funds has since been adopted by the World Bank, and this should ensure better cost recovery in future trust funds.

Detailed conclusions and recommendations of the evaluation are summarized in the table below. These will provide important input in designing the next generation programmatic trust fund between Australia and the World Bank in the Philippines.

² The PH-PTF Midterm Review (MTR) conducted in 2012 analyzed these various modalities of collaboration between World Bank and Australia and concluded that the programmatic trust fund was the most appropriate tool for achieving the desired outcomes. This current evaluation concurs with the MTR conclusion.

Table ES-1. Conclusions and recommendations from the evaluation

Issues and Challenges	Recommendations
The PH-PTF was effective in enabling DFAT and the World Bank achieve intended outcomes.	DFAT and the World Bank should consider a follow-up fund to replicate and build on the successes of the PH-PTF.
The governance structure worked well but it needs to be improved to guide implementation and operations in the future.	DFAT and the World Bank should agree on a more detailed governance framework. Regular meetings—at least annual—of the Steering Committee to review the strategy and overall progress should be complemented by at least semi-annual meetings of the Operations Committee. Meetings among technical counterparts in World Bank and DFAT should be encouraged. This arrangement should be clearly stated in the Operations Guidelines.
The results framework for the PH-PTF was not an effective monitoring tool.	<p>World Bank and DFAT should establish a results framework at the outset, with initially agreed strategic focus areas. Continued flexibility should be ensured by authorizing the Steering Committee to add other focus areas. The results framework should be a living document, with details of approved grants and their intended outputs and outcomes added every year. The results framework can then be used to track progress annually.</p> <p>To facilitate the use of the results framework, the World Bank should ensure that grant funding requests include expected quantified outputs and outcomes.</p>
The administration agreement for the PH-PTF did not specify any cross-cutting areas that required special attention.	DFAT and the World Bank should agree upfront on any cross-cutting issues that are to be addressed by grants supported by the trust fund. Once the cross-cutting areas are agreed upon, World Bank should ensure that these are reflected in the Operations Manual and grant funding requests give attention to such areas.
Competitive approaches to grant allocation were valued, but the decision-making process was not always clear to all stakeholders.	The default approach to fund allocation should be to use competitive rounds of bidding within certain parameters, specifically the results framework strategic focus areas.
One of the major strengths of the PH-PTF was its flexibility and timeliness in responding to changing circumstances.	The Steering Committee should be given the discretion to respond rapidly to events. The decisions made in such circumstances should be transparent and should be explained to key stakeholders.
There was no systematic annual reporting of PH-PTF progress.	Annual financial and operational progress reports should be prepared. To ensure that this recommendation and the results framework recommendations are addressed, resources for monitoring and evaluation should be earmarked.

Issues and Challenges	Recommendations
As noted in the Midterm Review, the annual allocations process used by DFAT added uncertainty to program planning and at times caused difficulties when task team leaders had to cancel planned activities.	DFAT should consider changing the allocation process so that agreed grants have guaranteed multi-year resources.
Recipient-executed grants were slow to disburse, although several grants delivered excellent outcomes.	World Bank and DFAT should continue to allow for both recipient-executed and Bank-executed activities.
Bank-executed grants were sometimes closely linked to loans such as the CCT, MRDP, and CDD; at other times, to more free-standing technical assistance. In both instances, there were some very significant outcomes.	World Bank and DFAT should continue to be flexible in funding Bank-executed grants. Their relevance to agreed priorities is more important than linkage to ongoing lending activities.
The Programmatic AAAs provided a more coordinated structure for planning, managing and reporting about advisory services and analytics activities, but failed to report adequately on the details of specific trust funded activities.	World Bank should review the use of PAAA reporting arrangements for trust funded activities, because they do not provide sufficient details on the outputs and results supported by the trust funds. Where multiple funding sources are used for PAAAs, reports should clearly identify the contributions of each funding source to PAAA activities and outputs to ensure traceability of donor resources. To the extent possible, PAAA rating systems should be compatible with those used in other trust funds and operational reports. If activities financed through trust funds move in or out of a PAAA, reports should keep donors fully informed on the use of the funds they contributed.

1. Introduction

The Australia - World Bank Philippines Development Trust Fund (PH-PTF)³ is a single donor programmatic trust fund financed by the Australian Government through the Department of Foreign Affairs and Trade (DFAT) and administered by the World Bank. The PH-PTF was established in 2009 and is scheduled to close in June 2019.

The PH-PTF Steering Committee requested that an evaluation be carried to:

- Identify success criteria, challenges and lessons learned.
- Evaluate the PH-PTF's achievements.
- Assess the extent to which recommendations of the 2012 Midterm Review were implemented.

About the Report

This report is based on the findings and recommendations of extensive work undertaken by an independent consultant (Potten 2018b) with inputs from World Bank and DFAT. A comprehensive set of background documents, including operating guidelines, trust fund proposals, and grant progress and completion reports was reviewed and a wide range of stakeholders, including project managers in government, DFAT, and World Bank staff, were engaged. A detailed review of project documents related to a sample of grants approved under the PH-PTF was also undertaken. This included 12 grants, each with approved grant amounts over \$1 million, and three other Bank executed grants supporting subtasks of programmatic analytical and advisory activities (PAAAs).

Although the 15 grants represent only 23 percent of the total number of approved grants, they constitute 86 percent of the total value of approved grants. The World Bank task team leaders who were interviewed for this report were responsible for 40 of the 65 approved grants (62 percent), and hence were able to provide information about the broader portfolio.

The PH-PTF is the subject of two studies that provide an important foundation for this report. The first is the 2012 Midterm Review (Allen and Lipsey 2012), which examined the rationale of the PH-PTF, World Bank trust fund processes, PH-PTF achievements, and issues that required the Steering Committee's attention. The second is the Results Framework, which was developed to address a recommendation of the review about the lack of a program level results framework (see Results Framework in Section 2).

Section 2 of the report provides an overview and context of the PH-PTF. Section 3 presents the findings of the independent evaluation of the PH-PTF, its effectiveness, efficiency, and relevance. The report also looks at various cross-cutting areas, including sustainability, monitoring and evaluation, gender, disability, indigenous peoples, climate change and

³ The trust was also called the umbrella trust fund or UTF at times during its implementation. In the World Bank, it is officially referred to as the Philippines programmatic trust fund (PH-PTF) and this acronym will be used consistently throughout the rest of this report.

disasters, innovation, and private sector engagement. Section 4 presents lessons learned and recommendations.

2. Australia-World Bank Partnership in the Philippines

A. Country Context

Continuous high economic growth, along with well-targeted social sector spending, contributed to significant poverty reduction gains in the Philippines in the last decade. Since the PH-PTF was established in 2009, economic growth averaged 5.8 percent per year, as the economy benefited from past structural reforms and sustained government efforts to improve macroeconomic and fiscal fundamentals and favorable external conditions (World Bank 2018a). The national poverty rate fell to 21.6 percent in 2015, declining by an average of 1.2 percentage points per year over 2012–2015 compared with 0.6 percentage points per year over 2006–2015.⁴ From a long-term perspective, the main drivers that reduced poverty between 2006 and 2015 were an increase in wage income and movement of employment out of agriculture; government transfers; and remittances from domestic and foreign sources (World Bank 2018a). The government more than doubled social services spending between 2011 and 2015, enabling significant allocations for health care and poverty reduction through the Pantawid Pamilyang Pilipino Program (4Ps), the national program for targeted conditional cash transfers.

In the same period, debt-to-GDP ratio declined from 45.4 percent in 2014 to 42.1 percent in 2016, helped by careful debt restructuring and securing investment grade credit rating—a significant and important milestone since 2009 when the PH-PTF was established. Remittances have remained important macroeconomic and household income stabilizers: remittance growth accelerated to a record 4.9 percent year-on-year in 2016 from 3.8 percent in 2015. Public financial management was strengthened in key dimensions, including planning, policy-based budgeting, and budget execution (World Bank 2017c), while fiscal discipline, including fiscal risk management, improved.

Recent strong progress on poverty reduction and shared prosperity represents another important breakthrough in the Philippines. Poverty incidence declined and shared prosperity increased. While household per capita incomes in the Philippines increased for all income deciles between 2012 and 2015, the incomes of the bottom 40 percent of the population grew at nearly twice the overall rate of real household income per capita in that period (Philippine Statistical Authority 2016). These advances contributed to a dip in inequality. Measured by household income per capita, the Gini coefficient declined from 46.1 in 2012 to 44.4 in 2015 (Philippine Statistical Authority 2016).

From 2011-2015, the government more than doubled its social services spending, enabling significant allocations for poverty reduction through the 4Ps. The program expanded its coverage and now reaches roughly 4.4 million poor households. Robust evaluations of the 4Ps substantiate gains in increased health and education outcomes for poor children, as well

⁴ Measured by the annual per capita official poverty line of ₱18,935 (or approximately \$2.66 a day in 2011 purchasing power parity). The Philippine Development Plan 2011– 2016 targeted a poverty incidence of 22.5 percent by 2016.

as poverty reduction impact (World Bank 2013; Honorati et al. 2015). This was accompanied by an expansion of the health benefit package and improved targeting through an update of the national poverty targeting system, Listahanan, which is among the most effective targeting systems globally.

The Philippines has made progress toward achieving the Millennium Development Goals (MDGs) on gender equality,⁵ infant and child mortality, and access to safe water. However, performance in basic education and maternal health lagged. The Philippines did not meet MDG 1 targets on ending hunger by 2015, and the rate of stunting showed no progress over the last decade, remaining at one-in-three children under age five.⁶ Across rural and urban areas, many Filipinos still hover just above the poverty line and are vulnerable to climatic, disaster, financial and price shocks. Recurrent flooding, for example, has the greatest impact on informal settler families living in higher-risk flood prone areas.

Despite recent progress, poverty reduction in the Philippines still lags behind other East Asian economies, including Indonesia and Vietnam, and the country remains one of the most unequal in Asia. Based on the initial review of the World Bank Group and external sources, the main factors that seem to have been holding back the Philippines compared with many other East Asian countries can be summarized as follows: (i) the slower pace and less pro-poor pattern of growth compared to many other East Asian countries; (ii) high inequality of income and wealth; (iii) adverse impact of natural disasters and conflicts; (iv) rapid urbanization, population growth, and infrastructure gaps; and (v) governance problems.

B. Australia WB Philippines Development Trust Fund

The PH-PTF was established in 2009 to operate for three-and-a-half years through the end of 2012. It was thereafter extended to 10 years, providing the foundation for a continuing strategic partnership between Australia and the World Bank in the Philippines. The PH-PTF allowed DFAT and the Bank to complement their respective programs and served as an effective means of working together and engaging with government on various policy issues.

The PH-PTF aimed to contribute to the achievement of DFAT and the World Bank's shared objectives, and to align these objectives with the GoP development strategy. The activities supported by PH-PTF were selected according to the priorities articulated in the Philippines-Australia Development Cooperation Program and in the World Bank Country Partnership Strategy, both of which are anchored on the Philippine Development Plan and prepared in close consultation with GoP counterparts and other stakeholders.

Since the PH-PTF was established in June 2009, the World Bank's and Australia's country strategies have responded to the GoP's priorities as articulated in the medium-term development plans of the administrations of President Gloria Macapagal-Arroyo (2001-10),

⁵ World Bank research (Morton et al. 2014) suggests that in 2012-2015, wage growth for women was faster than for men, though women earned less than men in the same level of education

⁶ While stunting prevalence was not specified in the MDG, it is highlighted here as an important human development indicator for monitoring in the Philippines.

President Benigno Aquino Jr. (2010-16), and President Rodrigo Duterte (2016-22). Figure 2-1 shows how PH-PTF priorities have evolved over time. Over the course of its implementation, the PH-PTF also adjusted the focus of its support and its approach in reviewing and approving funding proposals. Analytical support and technical advice delivered with PH-PTF support and complemented by the World Bank's administrative budgets and technical inputs from DFAT helped promote stable macroeconomy and good governance, enhance peace and security, improve service delivery, and reduce vulnerabilities

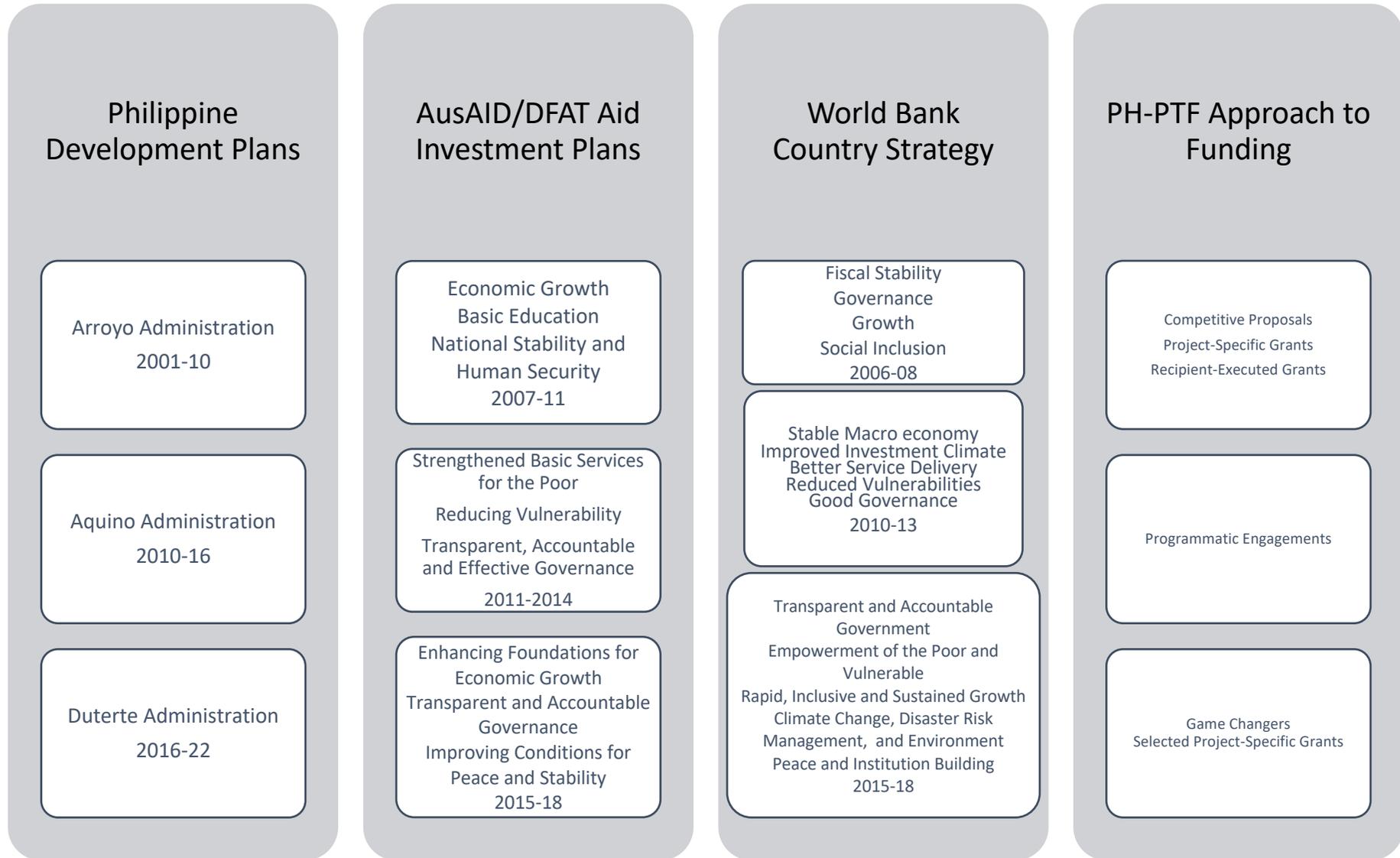
Analytical and capacity building support to the social sectors through the Bank's investment operations, DFAT's bilateral programs and PH-PTF grants, helped strengthen the quality, targeting, and impact of the government's anti-poverty programs. Aside from extending technical assistance to the Department of Social Welfare and Development in establishing and maintaining *Listahanan*, PH-PTF complemented funding support from other sources to strengthen key statistical surveys and instruments and support the setup of the organizational and staffing pattern of the newly-established Philippine Statistical Authority (PSA). Continued and close partnership with statistical authorities has supported the generation and timely release of improved poverty estimates and the generation of solid data across various sectors that are used to inform policies. These improvements are expected to have wide relevance, including for strengthening capacity to measure progress toward the Sustainable Development Goals (SDGs).⁷

PH-PTF support also focused on addressing significant and ongoing challenges to fiscal management and revenue mobilization, competitiveness, social development and local service delivery. PH-PTF leveraged Bank lending operations and bilateral DFAT assistance in education, community-driven development, local service delivery, infrastructure, and road management through co-financing and technical assistance. PH-PTF also aimed to strengthen the implementation capacity of key government agencies delivering important public services, such as infrastructure, agriculture, and social welfare.

The World Bank recently agreed with government to pursue a Comprehensive Program for Regional Development in Mindanao that focuses on the development needs of the region. The Philippines Mindanao Jobs Report provided the analytical basis for the program, which integrates a spatial and geographical focus for reaching the poorest beneficiaries in Mindanao while also linking hinterlands to main markets and ports along key corridors. It ensures the continuity of current initiatives on peace building while expanding the engagement to conflict-affected and non-conflict affected areas of Mindanao. Aside from providing financial and technical resources for the Mindanao Jobs Report and the development of the Comprehensive Program for Regional Development, PH-PTF currently

⁷ National Review at the 2016 High-Level Political Forum on the Sustainable Development Goals (SDGs)
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Figure 2-1 Evolution of PH-PTF Strategic Priorities



supports advisory services and analytics and project preparation activities in core components of the program, including (i) raising agricultural productivity, connectivity and logistics from farm to market; (ii) boosting human development; and (iii) addressing drivers of conflict.

Trust Fund Objectives and Expected Outcomes

The administration agreement establishing the PH-PTF was signed on 29 May 2009 specifying a completion date of 30 December 2012 (AusAID and World Bank 2009).⁸ It was amended in December 2012 to extend the completion date to 31 December 2015 (AusAID and World Bank 2012). The agreement was extended a second time through 30 June 2019 (DFAT and World Bank 2015).

The goal of the PH-PTF was to improve governance and support investments that contribute to a stronger foundation for sustained and inclusive growth in the Philippines. This goal was expressed in two objectives: (i) to serve as an important tool for leveraging the assistance programs of the two institutions in support of the Philippines' development agenda; and (ii) to promote greater harmonization between the government and its development partners.

The intended outcomes were rephrased in the Results Framework (World Bank 2017a), and were endorsed by the Steering Committee as follows:

1. **Meaningful collaboration between Australia and the World Bank** to (i) provide high quality and harmonized assistance to the GoP, and (ii) contribute to the enhanced quality and effectiveness of policy dialogue between Australia, the World Bank, and the GoP;
2. **Strategic and efficient use** of Australia's and World Bank's resources in the Philippines; and
3. Contribution to the **achievement of shared development objectives** of Australia and the World Bank in the Philippines.

Governance

PH-PTF was established as a programmatic trust fund that can finance multiple grants under a two-stage funding mechanism. In the first stage World Bank and DFAT agreed on the broad parameters for establishing the trust fund. In the second stage, the Steering Committee decided on the specific activities to be supported by PH-PTF.

The administration agreement established the Steering Committee as the PH-PTF's key governance structure for the program of activities that would be supported by the trust fund. It regularly brought together two senior representatives each from DFAT and the World Bank to constitute the policy and decision-making body for the PH-PTF.

⁸ AusAID has since become part of the Department of Foreign Affairs and Trade (DFAT). All references to AusAID and DFAT in this report are to DFAT.

Administration of the PH-PTF portfolio and secretariat support for the Steering and Operations Committees was the responsibility of the trust fund program manager in the World Bank's country management unit in the Philippines, who in turn reported to the World Bank country director and operations manager. The counsellor for Economic Section of DFAT leads the coordination within the DFAT team, liaison with the World Bank, and administration of DFAT's contributions in the PH-PTF.

The trust fund program manager, working closely with DFAT, prepared a set of operating guidelines for the PH-PTF, which was adopted by the Steering Committee in June 2009 and updated periodically to reflect adjustments in PH-PTF policies and procedures.

The guidelines specified that the Steering Committee was to meet twice a year. In practice, however, the committee met formally only 17 times in the last 10 years, with some decisions made virtually through email. The committee's role changed as well, partly in response to the recommendations of the Midterm Review that suggested that the committee focus on overall strategic issues and be supported by an Operations Committee that would discuss progress and resolve implementation issues. This arrangement was put in place in December 2015 and proved flexible and effective in responding promptly to changing needs and requirements.

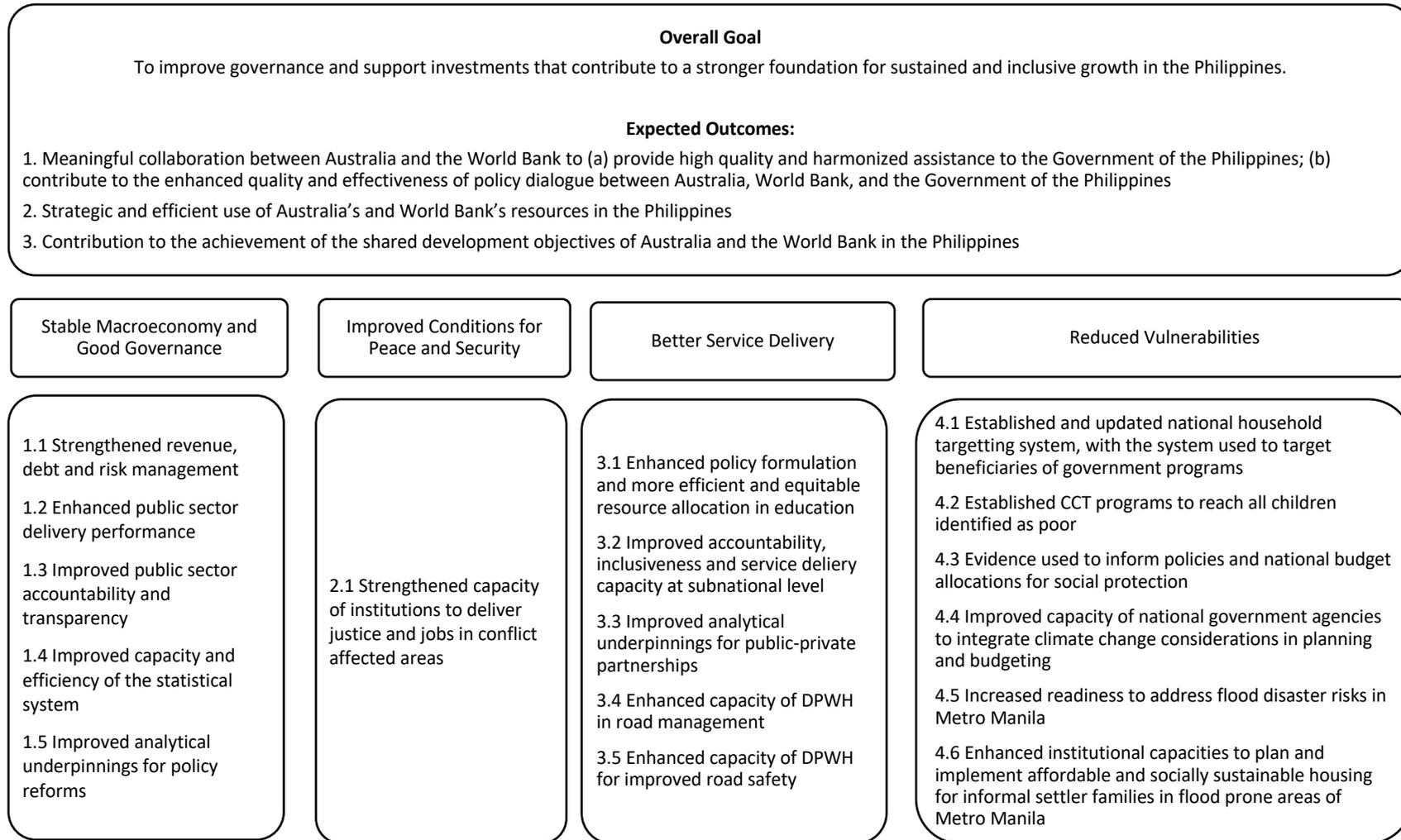
Results Framework

The program description in the administration agreement defined the objectives and expected outcomes for the PH-PTF. It also stated that monitoring and evaluation indicators for individual activities supported by the PH-PTF be developed jointly by World Bank task teams and DFAT during project preparation, with the indicators cleared by the Steering Committee at project approval. Moreover, no rigorous monitoring and evaluation framework linking the program level objectives to individual grant objectives was set up when the PH-PTF was established.

The Midterm Review noted that this arrangement was not implemented consistently across all grants and that there was room for improvement in the reporting system, particularly in the frequency and quality of reporting. Specifically, the tracking and reporting of PH-PTF activities did not capture fully the quality of partnership between Australia and the World Bank.

A formal results framework was developed retroactively for PH-PTF using an extensive, iterative consultative process with the task teams that was completed in 2017 (Figure 2-2). Table 2-1 summarizes the allocation of grant approvals and disbursements by strategic focus area. The high resource allocation for Better Service Delivery is due to the high-value recipient-executed grants that co-financed World Bank's investment operations, namely, KALAH I - Comprehensive and Integrated Delivery of Social Services Project and Mindanao Rural Development Project Phase II. The Bank-executed Technical Assistance Support to the Philippines Public-Private Partnership Program (Bank-executed \$4.2 million approved) was also mapped to this focus area. Six grants representing 2 percent of total grant amounts contributed to the accomplishment of cross-cutting tasks or supported overall trust fund program management and grant administration.

Figure 2-2: PH-PTF Results Framework



The results framework demonstrated the partners’ consistent focus on their priorities throughout the program. However, because it was developed retroactively and quite late in the life of the PH-PTF, the results framework could not be used as an effective monitoring tool. It is notable that grants approved after the results framework was prepared fit easily within the structure, confirming that approvals continued to be consistent with the agreed areas of focus. In fact, the focus areas, while broad, represented one of the strengths of the PH-PTF, described in the Midterm Review as “nimbleness and flexibility.”

Table 2-1: Approved Grants by Strategic Focus Area

Strategic Focus Area	No. of Grants	Total Approved Grant Amount (US\$)	Grant Amount Disbursed as of end June 2018 (US\$)
Stable Macroeconomy and Good Governance	19	8,287,588	7,913,876
Improved Conditions for Peace and Security	10	2,108,545	1,779,144
Better Service Delivery	19	25,149,673	23,149,677
Reduced Vulnerabilities	11	13,841,962	9,298,666
Cross-Cutting Tasks and Program Management	6	978,987	647,394
Totals	65	50,366,755	42,788,758

Financial Contributions and Disbursements

The administration agreement signed in May 2009 indicated that AusAID would contribute up to AU\$50 million to the PH-PTF. The 2015 amendment clarified that the Australian contribution would comprise AU\$44,084,297 plus US\$2,659,778, with an estimated equivalent of AU\$3,009,991. It cancelled all remaining unpaid contributions as of that date. The total contribution of Australia to PH-PTF amounted to AU\$47,094,288 (US\$44,770,738).

The administration agreement also provided that DFAT contributions be paid in Australian dollars, to be converted to US dollars immediately upon receipt by the World Bank. Interest income earned on paid contributions went to the parent trust fund account. This arrangement resulted in foreign exchange gains and investment income flowing back to the parent trust fund, which were subsequently allocated to activities approved by the Steering Committee.

PH-PTF was set up to support a wide range of activities through grants that were executed either by external recipients such as government agencies and eligible non-government entities, including civil society organizations; or by World Bank task teams, in accordance with a work program approved by the Steering Committee. The latter included (i) recipient-executed co-financing linked to World Bank-supported investment operations; (ii) recipient-

executed technical assistance, including project preparation; (iii) Bank-executed analytical and advisory activities; and (iv) incremental costs of Bank-executed project development, appraisal and supervision of recipient-executed activities. PH-PTF’s ability to support different instruments and execution arrangements enabled it to respond flexibly to evolving needs in the Philippines.

Most grants disbursed a high percentage of the allocated funds. As a standard practice, completed grant activities are “legally closed” in the Bank’s trust fund financial system and the grant amount is adjusted to the amount actually disbursed, so that remaining funds can be reallocated to other activities.

Table 2-2 presents the portfolio by execution arrangement, showing that the bulk of under-expenditure was in recipient-executed grants. Among recipient-executed grants, the major “underspends” were in the grants for Sustainable Flood Management studies, KALAHI – CIDSS Project, and the Mindanao Rural Development Project Phase II.

Table 2-2: Approved Grants by Execution Arrangement

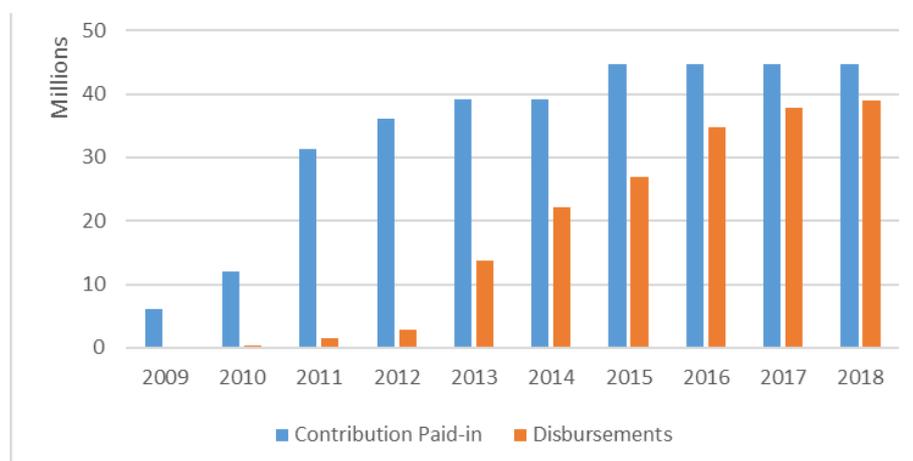
Execution Type	No. of Grants	Approved Grant Amount (US\$)	Grant Amount June 2018 (US\$)
Recipient-Executed	6	20,800,000	15,734,396
Bank-Executed	59	29,566,755	27,054,362
Total	65	50,366,755	42,788,758

Figure 2-3 compares the cumulative contributions and disbursements of the PH-PTF over the life of the fund. In the early years of the PH-PTF, disbursements were slow relative to DFAT’s contributions. This was due partly to the approval of large recipient-executed grants that complemented World Bank investment operations. These grants encountered delays in the initial stages, as is typical in recipient-executed grants. Lengthy government project startup and procurement processes constrained disbursements in the early years. In later years overall disbursements eventually increased, and by mid-2019 when the PH-PTF closes, all the contributions are expected to be fully disbursed. As of 30 June 2018, total disbursements were \$39 million, of which \$13.6 million were for recipient-executed grants and \$25.4 million for Bank-executed grants.

World Bank trust fund management staff and task team leaders are keenly aware of the fund’s status and the 30 June 2019 closing date. Action is underway in collaboration with DFAT to approve some small quick-disbursing grants that will use the balance of available resources that are not used in existing active grants. It is expected that current active grants will disburse most of the funds that have been approved. As a result, the amount that may be returned to DFAT after fund closure is likely to be smaller than the investment income that was generated over the past 10 years.⁹

⁹ It is not uncommon to have disbursements below accumulated income in closing trust funds, and the balance is always returned to the donor. In the PH-PTF, disbursements over the final few months of the trust

**Figure 2-3:
Cumulative Contributions and Disbursements, FY2009-18**



3. PH-PTF Implementation from 2009-18

The report focused on three areas: Effectiveness, Efficiency and Relevance. They correspond to the expected outcomes of the PH-PTF, which are Effectiveness (meaningful collaboration), Efficiency (strategic and efficient use of resources), and Relevance (achievement of shared objectives). In addition, the Sustainability of Outcomes is discussed separately, as are the quality of Monitoring and Evaluation, and Donor Visibility.

Highlights of the detailed review of 65 approved grants are also presented. Note that the discussion of cross-cutting issues pertains only to the grants and not to the overall program. The assessment of cross-cutting issues was included at the request of DFAT, even though the administration agreement and subsequent agreements in the DFAT and World Bank Steering Committee did not require such an assessment. These cross-cutting issues are gender, disability, indigenous peoples, innovation and private sector engagement.

A. Effectiveness

The PH-PTF achieved its expected program-level effectiveness outcomes, as defined in the administration agreement and the results framework. While the PH-PTF did not specify quantitative objectives, the DFAT and World Bank managers who established the PTF confirmed that their intention was to achieve a qualitative change in the DFAT-World Bank relationship.

All DFAT and World Bank staff who were interviewed for this report confirmed that the PH-PTF facilitated effective collaboration between the two organizations. World Bank and DFAT teams were able to work together on a wide range of topics within the agreed focus areas.

fund will be monitored closely. Several small quick-disbursing grants have been agreed upon to ensure that the final balance is kept to a minimum.

Collaboration between the partners became more extensive and effective than it would have been had there been no programmatic trust fund, partly because meetings of the Steering Committee provided a framework for strategic discussions of the portfolio and regular consultations between the World Bank and DFAT. Another reason was that the grant-funded activities provided avenues for collaboration between the World Bank, DFAT, and the GoP.

The environment in the Philippines evolved substantially in the last 10 years (Figure 2-1), and one of the strengths of the PH-PTF was its being instrumental in helping DFAT and the World Bank navigate the changing environment while providing support to the Government of the Philippines. World Bank teams were also able to mobilize additional resources for co-financing and technical assistance to supplement World Bank's administrative budgets and other funding sources.

DFAT confirmed that the World Bank was able to provide high quality international expertise to address policy issues. Requests from government for World Bank specialists on specific topics, often at very short notice, attested to the government's appreciation of this facility. Moreover, working with World Bank task teams, Australia was able to provide input in key policy areas through activities supported by the PH-PTF. DFAT was also occasionally able to assist the World Bank in identifying the best available specialists from its own network.

The outputs delivered by both recipient-executed and Bank-executed grants were on track, of high quality, innovative, and contributed to the achievement of the PH-PTF's intended outcomes.

Some grants under the PH-PTF, such as those that co-financed World Bank investment operations (Mindanao Rural Development Project Phase II and KALAHI-CIDSS Project) and the analytical and technical assistance support for the Social Welfare Development Reform Project, resulted in substantial improvement in the quality of life of beneficiaries. They represented some of the largest grants that co-financed World Bank investment operations, with very satisfactory outcomes as confirmed by rigorous impact evaluations of the World Bank projects that they co-financed.

Conditional Cash Transfer Program

The PH-PTF supported two large grants that complemented a World Bank loan for conditional cash transfers called Pantawid Pamilyang Pilipino Program (Box 3-1).

The first grant aimed to enhance the capacity of the Department of Social Welfare and Development (DSWD) to implement the CCT while supporting it in the critical phase of expansion and consolidation.

The second grant sought to provide technical assistance to DSWD through transfer of global knowledge and experience. During the expansion of the program in the second phase, the PH-PTF supported DSWD in improving the design and implementation of the program, and in upgrading the national household targeting system. Called Listahanan, the system provided a rigorous foundation for the government's poverty-targeting programs. The grant

also supported several discrete analytical work to inform the policy dialogue, not only on the social safety net programs, but also in other areas of social protection.

**Box 3-1: Technical Assistance Grants
for the Conditional Cash Transfer Program**

The grant financed activities that contributed to the improvement of social safety nets in the Philippines. It helped enhance the capacity of the Department of Social Welfare and Development, as evidenced by the successful implementation and expansion of the Pantawid Pamilyang Pilipino Program (4Ps) and the poverty targeting system called Listahanan or the National Household Targeting System for Poverty Reduction.

Through a series of rapid expansions, the 4Ps evolved into one of the core social protection programs in the Philippines, covering 4 million poor households. It resulted in substantial improvements in school attendance and maternal health, and made a major contribution to women empowerment.

Meanwhile, Listahanan became the Philippines' first nationwide household targeting system that was developed using an objective, accurate, transparent and non-political methodology that meets international standards.

The database is shared with other institutions that use it for targeting in their own programs. Government agencies use Listahanan to identify the beneficiaries of major social transfer programs such as health insurance and social pension. It is also used in local governments, programs run by civil society organizations, as well as programs financed by international agencies such as the UNICEF cash transfer program for families affected by Typhoon Haiyan.

The CCT program became one of the largest such program in the world, with its success recognized globally.

KALAHÍ – CIDSS Grant

Kapit-Bisig Laban Sa Kahirapan - Comprehensive and Integrated Delivery of Social Services Project (KALAHÍ-CIDSS) sought to empower poor communities in targeted poor municipalities to achieve improved access to sustainable public services. The PH-PTF grant complemented an active Bank loan that was supporting the project of the Department of Social Welfare and Development. The grant aimed to improve access of targeted poor communities to early childhood learning by supporting the construction and rehabilitation of 400 day care centers, school buildings, and classrooms (Box 3-2).

The grant was fully successful and was recognized as such by DFAT, who provided a further AU\$12 million direct grant to DSWD for the construction of additional day care centers and classrooms.

Box 3-2: The KALAHI-CIDSS Project Grant

The grant for KALAHI-CIDSS enabled the construction of 478 classrooms and 148 day centers in 390 barangays. A total of 102,213 households had improved access to better early childhood development services and facilities. Of these households, 39 percent were beneficiaries of the Philippine conditional cash transfer program. Of the individual beneficiaries, 31,858 were students, of whom 49.7 percent were female.

The grant's objectives were surpassed for two reasons. First, KALAHI-CIDSS, which was funded through a loan from the Bank, was ongoing and already had a database of community requests for day care centers or schools, and the requests were readily appraised. Rapid implementation was therefore possible.

Second, the estimated average cost of a classroom, if constructed by the communities, was ₱1 million per unit, but the actual construction cost turned out to be only around ₱900,000. This helped the project significantly exceed its original planned outputs. The classrooms were all equipped with toilets and water supplies, and access facilities for students with disabilities. These were not standard features in the Department of Education school designs. The unit cost of these classrooms was also less than the average cost of ₱1.5 million for classrooms built by contractors. Recognizing the project's pioneering and cost-efficient approach, the Department of Education adopted KALAHI-CIDSS' classroom designs.

National Community-Driven Development Program

The National Community-Driven Development Program is ongoing. It involves a significant expansion of KALAHI-CIDSS, which the PH-PTF grant supported. The technical assistance for the program supported the preparation of a disaster response operations modality (DROM). The DROM was ready when Typhoon Haiyan hit the Philippines and therefore allowed community-driven disaster response to be activated immediately.

Mindanao Rural Development Project

The grant for the Mindanao Rural Development Project Phase II complemented a World Bank loan aimed at improving the livelihood of poor rural households, indigenous peoples, and the agriculture sector in Mindanao. The loan supported over 1.9 million beneficiaries, 49 percent of whom were women and 32 percent indigenous peoples. The PH-PTF grant provided the needed technical assistance and helped in the subsequent expansion of the project to the national Philippine Rural Development Project.

Open Government

The PH-PTF helped provide a rapid response to new policy environments, particularly in the area of Governance, when there were changes in administrations in the Philippines (Box 3-3).

The Open Government grant was part of a PAAA on public sector governance. The PAAA's overriding objective was to help enable a more responsive, open, capable, and accountable government under the Aquino administration's Social Contract platform. Its overall achievements are well documented in the public report *Pork to Performance* (Custer et al. 2016).

Box 3-3: The Open Government Phase II Grant

In recognition of the country's Open Government efforts, the Global Initiative for Financial Transparency named the Philippines' participatory budgeting program as one of five best practices in fiscal transparency (2015). The Open Budget Index by the International Budget Partnership, on the other hand, ranked the country third in Asia for budget transparency and second for public participation in 2015. The 2016 Public Expenditure and Financial Accountability assessment also rated the transparency of public finances in the Philippines as strong.

After a marked decline in ratings between 1998 and 2010, the Philippines improved its ratings on several good governance indicators in succeeding years. The country improved in five of six Worldwide Governance Indicators between 2011 and 2015, surpassing other lower-middle income and Asian countries on regulatory quality and government effectiveness. The Philippines achieved similar gains in Transparency International's Corruption Perceptions Index, where the country improved its ranking from 138th place out of 178 in 2010 to 95th place in 2015.

The objective of Open Government Phase II was to enhance the transparency and accountability of national programs by developing Open Government platforms that encouraged citizen monitoring and feedback and by strengthening the legislative and regulatory framework for open government. It supported the Aquino administration's Open Data platform and focused on five flagship programs, namely: Bottom Up Budgeting; Reconstruction following Typhoon Haiyan and the Bohol Earthquake; basic education facilities in the Autonomous Region in Muslim Mindanao; national financing of rural roads; and the sin tax. The main Open Data website (data.gov.ph) continues to provide useful government data.

Almost all the grants had innovative components. The Open Government programs introduced open data platforms; the Basic Education Public Expenditure Tracking Survey (PETS) and the Quantitative Service Delivery Survey (QSDS) identified issues in the educational system that informed the decision of the Department of Education to invest in improving teacher competencies; and the grant for climate budgeting put the Philippines at the forefront of international discussion of climate budget monitoring.

Many of the grants in the Macroeconomics and Fiscal Management (MFM) area had significant impact on government policy. The Game Changers MFM Program is an example. It supported the new administration in identifying and implementing critical reforms that aimed to increase jobs and reduce poverty over time.

B. Efficiency

The efficiency of PH-PTF was assessed around four dimensions: (i) trust fund modality; (ii) resource allocation processes; (iii) cost recovery arrangements; and (iv) ability to leverage resources.

Trust Fund Modality

The Midterm Review considered the alternative options that could be used in the World Bank-DFAT partnership: DFAT-administered managing contractors, parallel financing, free standing trust funds, and externally-financed outputs (Allen and Lipsey 2012, Section 1.1.1). The review concluded that the programmatic trust fund structure “is a much more cost- and time-effective mode for AusAID to fund activities with the Bank” (Allen and Lipsey 2012, Section 4.1.3). This current report concurs with the Midterm Review’s conclusion.

The closest alternative to a programmatic trust fund would have been the use of a set of discrete free-standing trust funds for each of the activities funded by the PTF. This arrangement would have involved numerous administration arrangements and related administration fees and multiple governance structures.

The experience with PH-PTF demonstrated the strength of the programmatic trust fund structure, which allowed the Steering Committee to flexibly and rapidly allocate funds to new activities or transfer resources between activities, subject to the approval of the Steering Committee. The ability of the PH-PTF to support a wide range of recipients using the most appropriate execution modality further added to its flexibility and responsiveness.

The programmatic trust fund model was used by DFAT and the World Bank in other Southeast Asian countries, such as Cambodia, Vietnam, and Myanmar, confirming that both parties saw it as an effective instrument for working together.

The Midterm Review suggested that the PH-PTF core funding should not “include funding for recipient-executed projects that involve bulky hardware expenditures such as KALAH-CIDSS” (Allen and Lipsey 2012, Section 5.2.2.1). This recommendation was adopted by the Steering Committee and no further recipient-executed grants were supported. While disbursements from recipient-executed grants were very low at the time of the Midterm Review, they subsequently increased, although the final disbursement percentages were still lower than for Bank-executed grants.

It should be noted however that all major recipient-executed grants are likely to meet their intended outputs. As already noted, the grant for KALAH – CIDSS resulted in major innovations in classroom design, while the grant for the Mindanao Rural Development Project Phase II provided an essential complement to the loan for rural development activities in Mindanao. The ongoing grant for a feasibility study for a dam in the Upper Marikina River catchment area points to an infrastructure that will improve flood control in Metro Manila. The same grant made an important contribution to capacity building within the Department of Public Works and Highways.

Resource Allocation Processes

The main approach in selecting activities to be supported by the PTF was the competitive call for proposals. Bank task team leaders were invited to submit proposals that were consistent with defined criteria. They were encouraged to discuss the proposals with DFAT counterparts while the proposals were being prepared. The proposals were then submitted to the Steering Committee for review and approval. Bank staff were familiar with this approach because other trust fund programs also used it, with many staff describing the approach as transparent and not burdensome.

On some occasions it was necessary for the Steering Committee to use a more rapid approach for approval, usually when resources were allocated to co-finance World Bank investment operations, such as in the KALAHI - CIDSS and the Mindanao Rural Development Project Phase II.

In February 2013, the Steering Committee adopted a slightly modified approach to funding allocation. Teams were invited to prepare multi-year proposals for a set of activities under a coherent engagement plan in areas of shared interest between the World Bank, DFAT, and the GoP. The Steering Committee also wanted to strengthen results and performance monitoring by linking funding decisions to internal World Bank review mechanisms for PAAAs. The multi-year proposals were approved by the Steering Committee on the understanding that funding would be approved annually based on progress achieved and available resources.

A number of the grants approved under this arrangement were subsequently affected by the shift in DFAT priorities and available resources. Task team leaders planned and worked with government counterparts on a medium-term program, with the expectation that multi-year funding would be forthcoming. When funding for specific PAAAs was cut, planned activities were either delayed or aborted as task teams faced the difficult task of explaining the situation to government counterparts. During this period, the allocation to the Sustainable Flood Management Project was likewise reduced by \$4 million due to slow progress of implementation and the use of other funding sources to finance some of the proposed activities.

Cost Recovery Arrangements

The PH-PTF's assessment of administration fees was consistent with World Bank policies on trust fund fees and cost recovery prevailing during its establishment. However, despite the extension of the trust fund closing date in 2012 and 2015, the administration agreement was not extended to reflect an adjustment in the administration fees. A grant was recently established for the assessment of the partnership. The total approved amount for Bank costs in administering the PH-PTF, managing, monitoring and evaluating it amounted to less than 1.7 percent of contributions.

A recent report on World Bank trust fund management costs indicates that the costs of managing a fund with less than \$50 million in contributions, 65 sub-grants, recipient-executed and Bank-executed grants, and a 10-year life are likely to exceed 5 percent of contributions. This report led to the introduction of a new standardized cost recovery framework for IBRD/IDA trust funds (Bhatnagar 2018, p.152).

The overall costs of managing the PH-PTF have not been monitored, although Bank staff confirmed that the cost recovery arrangements are inadequate. The costs may have increased slightly because of the large number of grants that were approved, but a much more important factor was the extension of the PTF from three and a half years to 10 years without any increase in cost recovery. New trust funds now use a standardized approach to cost recovery and therefore will avoid repeating the PH-PTF experience.

Leveraging PH-PTF Resources

PH-PTF was designed to support activities linked to World Bank investment and technical assistance activities to ensure stronger alignment and relevance to the country's priorities. PH-PTF resources leverage the World Bank's financing and technical expertise, with the same level of due diligence applied to activities supported by PH-PTF as with World Bank-funded operations. On the other hand, World Bank lending and ASA operations linked to PH-PTF grants benefited from access to resources for analytical work and technical assistance, which complemented World Bank's administrative budgets.

Over nine years from FY2010-18, 52.3 percent of PH-PTF disbursements were allocated to activities linked to World Bank investment operations, while 47 percent were linked to advisory services and analytics tasks. Trust funds provided 76 percent (\$46.6 million) of the total disbursements for ASA tasks in the Philippine program that were completed during this same period. The PH-PTF disbursed a total of \$22.4 million for ASA tasks from FY2010-18, some of which are still under implementation.

The World Bank's advisory services and analytics program in the Philippines is about 50 percent larger than it would have been had there been no PH-PTF. This is a major contribution in itself but is even more important given the responsiveness and flexibility of the PH-PTF mechanism, which contrasts with most other trust fund resources that are focused on very specific areas.

C. Relevance

The PH-PTF aimed to contribute to the achievement of DFAT and the World Bank's shared objectives, and to align these objectives with the GoP's development strategy. The activities supported by PH-PTF were selected according to the priorities articulated in the Philippines-Australia Development Cooperation Program and in the World Bank Country Partnership Strategy, both of which are anchored on the Philippine Development Plan and prepared in close consultation with GoP counterparts and other stakeholders.

In its ten years of implementation, the PH-PTF achieved its goals successfully through support for grants which are closely aligned with these country strategies and through adjustments in PH-PTF policies and procedures, particularly in allocating grant resources, as shown in Figure 2-1.

Over the course of its implementation, the PH-PTF also adjusted its review and approval processes. The PH-PTF shifted its funding approach from open competitive calls for proposals across all pillars of the country strategy and project-specific grants, to

programmatic engagements in a pre-identified subset of sectors that were high priority in the country strategies of both Australia and the World Bank in the Philippines.

In December 2015, World Bank and DFAT agreed to focus on two pillars for the PTF: inclusive economic growth and peace and stability, primarily through the Game Changers program. This focus was intended to facilitate a smooth transition between outgoing and incoming administrations in the GoP and to assist the new administration in identifying development priorities that could be supported by the World Bank and Australia.

In summary, the PH-PTF was flexible in aligning and remaining relevant to three Philippine development plans, three DFAT country strategies, and three World Bank country strategies. World Bank and DFAT senior management confirmed that the PH-PTF was able to respond to changing priorities and therefore scored high on Relevance.

D. Sustainability

The strength of the PH-PTF partnership between the World Bank and DFAT has continued for a decade amid a changing political and development environment. It provides a framework for continuous dialogue between the two institutions and it further enhances the World Bank's and Australia's contribution in developing public policy.

Many of the intended outcomes of individual grants were achieved, with the outcomes sustainable, and in some cases, transformative. Some helped lay the foundation for program expansion, such as the technical assistance for the Mindanao Rural Development Project Phase II that was scaled up to the Philippine Rural Development Project; phase I of the Conditional Cash Transfer Program that preceded the much larger second phase; and KALAHI-CIDSS, which was replicated by a subsequent DFAT follow-up grant of AU\$12 million and scaled up to the National Community-Driven Development Project.

Some grants provided sustained strengthening of capacity or resulted in major policy changes in government agencies. The Basic Education Public Expenditure Tracking Survey - Quality of Service Delivery Survey Program resulted in a focus on improving teacher competencies. The grant to support Business Innovations in the Department of Public Works and Highways helped improve the department's financial management. The recipient-executed feasibility study for the Upper Marikana dam was complemented by a program for capacity building, which helped strengthen the Department of Public Works and Highways' ability to manage recipient-executed grants.

In some cases, grant outputs were sustained amid political change through adaptation to changing requirements. This was true with the Open Government program, which was a flagship project of the Aquino administration, and whose website has remained active but with a different name: eFOI (electronic Freedom of Information). The main open data website (data.gov.ph) continues to provide open source data on various sectors and activity.

Some of the grants provided outstanding reports, such as *Pork to Performance* (Custer et al. 2016); *Mindanao Jobs Report* (Hansl et al. 2017); and *Land: Territory, Domain, and Identity* (World Bank 2017b). However, these projects have not yet led to policy changes, although they are widely recognized as invaluable sources of data and analysis for policy making.

Political considerations mean that in some cases, grant-level outcomes were not sustained, at least in the short-term, but that is an acceptable risk in an environment where significant political changes are not unusual. In such cases, it is likely that after some shift in policy directions, the outputs from grant activities will be utilized. This can be seen in the Conditional Cash Transfer Program, which had lost high-level political endorsement but is now regaining impetus. Where risks to sustainability were present, for example, in areas where there was reputational risk or sensitive or controversial topics, DFAT and the World Bank were fully aware of the risks and considered them in making decisions about grant implementation. There were no instances where DFAT or the World Bank felt that in retrospect, an activity should not have been undertaken because its outcomes in policy or institutional change were insignificant.

E. Monitoring and Evaluation

The PH-PTF has three qualitative objectives but no quantitative output or outcomes were defined. No monitoring and evaluation plan was established at the outset and this was noted in the Midterm Review that recommended establishing a results framework that could be used as a monitoring tool (see discussion on Results Framework in Section 2). A results framework was eventually produced retroactively and was almost entirely limited to completed or “legally closed” grants. It focused on the outputs and outcomes of the grants, but did not show their original targets, so that any changes in those targets from the original grant funding request were not reflected. Inasmuch as the results framework did not examine ongoing activities, the framework could not be used as a monitoring tool.

This report notes that the Steering Committee’s ability to effectively monitor progress was further constrained by the absence of a regular standard reporting system. While information about financial progress, achievements of specific activities, and minutes of meetings were provided regularly to the Steering Committee, no written annual reports for the entire program were prepared. The absence of a program level results framework until 2017 also meant that there were no clear overall objectives that could be used as basis for monitoring and evaluation.

At grant level, all proposed activities specified the intended outputs in the grant funding requests. In some completed grants, the results were well documented in the Grant Reporting and Monitoring (GRM) system. There were sometimes thorough monitoring and evaluation programs with baseline data and continuous impact evaluation. Many grants produced regular reports on progress through the World Bank’s GRM system.

During the life of the PH-PTF, the World Bank introduced programmatic analytical and advisory activities or PAAA, a new approach to strengthening the integrity and management of analytical and advisory activities. The PAAA usually embraced a number of ASA activities that supported the same theme and were within the scope of a particular global practice, for example, Education and Social Protection.

Where PH-PTF grants supported activities within the scope of a PAAA, progress and completion reporting in the World Bank system was usually only at the level of the PAAA. The trust funds that provided support to the PAAA were acknowledged, but there was no explicit identification of individual PAAA activities and their corresponding funding sources.

In some cases, task team leaders also produced Grant Reporting and Monitoring completion reports for specific PH-PTF grants. Where those reports were not available, activities that were carried out and completed using PH-PTF resources could not be reported.

The PAAA rating system differs from the rating system used in the Trust Fund Grant Reporting and Monitoring system. As a result, an overall analysis of the ratings for PTF grants cannot consistently compare ratings for all grants. In addition, the PAAAs were not “stable”. In three of the PAAAs reviewed, activities supported by PH-PTF grants moved in or out of a specific PAAA, and in one case, twice. This situation complicated reporting, because the activities financed under a PTF grant that were moved from a PAAA were not reported in the PAAA completion report, and they were not necessarily included in a GRM completion report. The result was that the information in the World Bank’s internal reporting systems was not adequate to allow the Bank to comprehensively report to the donor on the precise use of the contributed funds.

Because of the unevenness of reporting, there was no consistent rating system for all approved PH-PTF grants. In some cases, the outputs and outcomes attributable to grant-funded activities were not well documented. However, this lack of consistency in the rating system has no impact on the main findings of this report.

F. Visibility and Communication

The Midterm Review recommended that the PH-PTF implement a communications strategy to ensure the visibility and recognition of Australia’s contribution. Communication guidelines were developed jointly by World Bank and DFAT counterparts and issued in July 2014 with a view to promoting open access that would enable the widest possible dissemination of knowledge to the public. These guidelines were meant to apply to all communication products that arose from a program or activity supported through the PH-PTF, including signages for public events, publications and media releases. The guidelines also indicated that, where appropriate, a crosslink would be posted from a PH-PTF-supported activity in the World Bank website to the Government of Australia’s website (and vice-versa). Both DFAT and World Bank teams confirmed that these guidelines were appropriately observed.

For instance, the flagship reports produced through recently completed grants became major contributions to knowledge and offered potential and substantial policy impact in their respective areas. Among them were *Pork to Performance* (Custer et al. 2016); *Mindanao Jobs Report* (Hansl et al. 2017); and *Land: Territory, Domain, and Identity* (World Bank 2017b). The reports acknowledged DFAT contribution in their publication.

In various instances, the task teams exercised discretion in citing the source of funding or advice, especially in sensitive cases where visibility for DFAT and World Bank support was counterproductive and better left with no attribution.

G. Cross-Cutting Themes

The administration agreement did not specify that the following were to be included in the evaluation: gender equality, disability, indigenous peoples, climate change and disasters, innovation and private sector engagement. However, this report examines the extent to

which these themes were pursued in the PH-PTF, especially because, with the exception of climate change and disasters, they are priorities in DFAT's current strategies and programs.¹⁰

The Steering Committee agreed in June 2010 that Mindanao should be one of the focus areas of PH-PTF support. Although this focus did not specify indigenous peoples, in practice many of the Mindanao projects included indigenous peoples. To consolidate its focus on governance, social protection, and economic policy, support for projects that addressed climate change and disasters was not pursued beginning September 2015.

Gender

The Philippines ranked 10th out of 144 countries in the Global Gender Gap index (World Economic Forum 2017). It is the highest-ranked country in Asia and the second highest-ranked country in East Asia and the Pacific (next to New Zealand).

World Bank's approach to gender has evolved over the course of the PH-PTF implementation. It used to be enough for task teams to present gender-disaggregated data of beneficiaries to comply with corporate requirements on gender. Now, teams need to meet a higher bar to be classified as "gender tagged". They need to (i) undertake the needed analytical work to identify the gender gaps in the sector; (ii) design their projects to address these gender gaps, where appropriate; and (iii) include results indicators to measure progress in closing the gaps. The PH-PTF helps address gender needs, including through a recently approved grant to help teams perform (i) and (ii) in projects under preparation. Gender issues may not be predominant in some advisory services and analytics that have fairly limited duration and "gender blind" target audiences, such as tax reform and climate budgeting.

Nevertheless, many of the grants had a clear gender focus and, in some cases, made a significant contribution to gender equality and women empowerment. The KALAHI-CIDSS and NCDDP projects had gender guidance notes and significant gender-focused activities, sometimes supported through PH-PTF grants but also assisted by other development partners. Other major grants with specific gender components included the Program for Good Governance, Game Changers, Mindanao Rural Development Project Phase II, and the grants related to conditional cash transfers, with the last focusing on women empowerment and maternal health. Cash recipients were usually mothers. They participated in monthly family development sessions, usually run by nongovernment organizations or volunteers. The parent leader groups established under the program usually elected women as their representatives. Some of the female beneficiaries of the program subsequently ran for public office in barangay or village-level elections.

¹⁰ DFAT strategies on Gender <https://dfat.gov.au/about-us/publications/Pages/gender-equality-and-womens-empowerment-strategy.aspx>; Disability <https://dfat.gov.au/about-us/publications/Pages/development-for-all-2015-2020.aspx>; Indigenous Peoples <https://dfat.gov.au/about-us/publications/Pages/dfat-indigenous-peoples-strategy-2015-2019.aspx>; Innovation <https://ixc.dfat.gov.au/research-resources/>; Private Sector <https://dfat.gov.au/aid/who-we-work-with/private-sector-partnerships/Pages/private-sector-partnerships.aspx>

Disability

Only two of the grants reviewed in detail had activities related to disability. The schools designed under KALAHI-CIDSS included access facilities for children with disabilities. This was not a feature of standard school designs of the Department of Education, but it was subsequently adopted by the department. Meanwhile, if the International Road Assessment Program of the Department of Public Works and Highways is adopted, persons with disabilities will benefit from the proposed road safety provisions in road design standards.

Indigenous Peoples

Although the PH-PTF did not focus specifically on indigenous peoples, in practice their issues were addressed, particularly in Mindanao. Twelve of the 65 approved grants focused solely or predominantly on Mindanao, and therefore encompassed the issues faced by indigenous peoples. Many of the other grants included components related to Mindanao and indigenous peoples, such as Open Government Phase II; Program for Good Governance; Game Changers; KALAHI - Comprehensive and Integrated Delivery of Social Services; National Community-Driven Development Project (the PH-PTF grant funded the preparation of an indigenous peoples facilitation guidebook and an indigenous peoples guidance note); the technical assistance for the Conditional Cash Transfer Program (which developed an indigenous peoples participation facility and introduced a modified CCT program with a large indigenous peoples component to facilitate participation in remote or isolated areas); and the Feasibility Study for Sustainable Flood Management where indigenous peoples may be affected by resettlement plans.

A detailed review of the grants shows robust evidence of sustainable outcomes from many of the activities. The *Mindanao Jobs Report* (Hansl et al. 2017) and *Land: Territory, Domain, and Identity* (World Bank 2017b) are regarded as major analytical works on development in the Bangsamoro.

Climate Change and Disaster Risk Management

The PH-PTF supported activities focused substantially on climate change issues and on disaster risk management, with major impact noted in some areas.

Projects featured innovative approaches to disaster preparedness such as the disaster response operations modality or DROM in the technical assistance for the National Community-Driven Development Project; studies on the social impact of disasters (Tropical Storm Ondoy and Typhoon Pepeng); and a major feasibility study for sustainable flood management infrastructure. The work on disaster risk management was successful, allowing immediate community-driven intervention when disaster happened. PH-PTF also supported innovative work on tagging climate related expenditures in the national budget.

Innovation

One of the major strengths of the PH-PTF was the space it provided for teams to innovate. Almost every grant featured innovative approaches. The Open Government Phase II and the Program for Good Governance introduced new initiatives in open data platforms and communications, including social media, to build coalitions that support inclusive growth. The Land Conflict in Mindanao study involved pioneering archival research and the use of geographic information systems (GIS). The Basic Education Public Expenditure Tracking Survey - Quality of Service Delivery Survey used a consultative process with stakeholders that was maintained throughout the work and ensured ownership of the outcomes. Other innovations included the classroom design by KALAH! - Comprehensive and Integrated Delivery of Social Services; the development of the household targeting system (Listahanan), which is now used by many agencies to identify their own program beneficiaries; climate budgeting, which put the Philippines at the forefront of global climate dialogue; and the study of sustainable housing solutions for informal settler families in danger zones, which resulted in the development of new policy instruments such as income-based subsidies and rental subsidies.

Private Sector Engagement

One of the PH-PTF grants reviewed in detail, the Technical Assistance for Public-Private Partnerships, was focused on private sector engagement. The technical assistance supported public-private partnership initiatives in a wide range of areas, including electric cooperatives, liquid natural gas, Metro Manila Bus Rapid Transport network, sewage treatment and collection options to reduce pollution in Manila Bay, development of the historic Walled City of Intramuros, Integrated Agro-Food Parks, hospital modernization, Cavite-Laguna Expressway, and a strategy for the development of smaller domestic airports.

Several other grants involved private sector partners. These included the Mindanao Land Conflict Study; Program for Good Governance; Department of Public Works and Highways Business Innovations; Housing Solutions for Informal Settler Families (where private sector partners engaged in low-cost housing provided input on design standards); and the ongoing Game Changers Program. Some were successful, others experienced difficulties in building productive relationships.

4. Lessons Learned and Recommendations

This section presents the status of implementing the recommendations of the Midterm Review and discusses the findings and recommendations from the current report.

A. Midterm Review Recommendations

Most of the recommendations of the Midterm Review were addressed: the PH-PTF was extended; a more programmatic approach to project support was adopted; a results framework was developed; DFAT visibility was improved; and other stakeholders were given a greater role. The recommendation to involve government in the Steering Committee or in

DFAT - World Bank consultations was not pursued, and this report endorses said decision because it is consistent with the agreed PH-PTF governance structure.

The DFAT budget allocation process did not change, and, as explained in Section 3 on Sustainability, there were weaknesses in the reporting system.

B. Lessons Learned

The lessons learned from the PH-PTF implementation will be of particular importance to DFAT and the World Bank when they consider a follow-up programmatic trust fund. The lessons are grouped in two sections: areas of strength that should be maintained in a successor fund, and areas where improvements can be introduced.

Areas of Strength

The PH-PTF facilitated meaningful collaboration between DFAT and the World Bank, and this collaboration helped achieve the objectives for effectiveness, efficiency, and relevance.

The governance structure, as revised following the Midterm Review, was well-designed. It defined the roles of the Steering Committee and the Technical Committee.

Outputs from the grants supported by the PH-PTF were generally timely, of high quality, often innovative, usually sustainable, and contributed to the achievement of overall PH-PTF objectives. Some of the grants made a major contribution to the substantial improvement in the quality of life of beneficiaries.

The “programmatic fund” modality is the most effective means of achieving the partnership objectives.

Flexibility was one of PH-PTF’s strengths, as the Midterm Review noted. The ability to respond quickly and effectively to changing needs demonstrated that a collaboration framework supported by a flexible programmatic trust fund structure could make a substantial contribution to the Philippine policy agenda.

Competitive approaches to grant allocation were an effective means of selecting activities to be supported by the PH-PTF.

Although cross-cutting issues were not addressed in the administration agreement, and only occasionally and formally introduced by the Steering Committee, PH-PTF-supported grants were often innovative, and some contributed significantly in addressing issues related to gender, indigenous peoples, climate change and disasters.

Recipient-executed grants were slow to disburse, but the major grants met or exceeded their output targets and achieved sustainable outcomes.

Opportunities for Improvement

While the agreed governance framework—as revised following the Midterm Review—was well-designed, it was not always followed. Meetings of the Steering Committee and

Operations Committee should take place following the frequency indicated in the agreement.

Some cross-cutting issues were clearly important to DFAT and the World Bank, but they were not reflected in the PH-PTF administration agreement. In the future, such cross-cutting issues should be stated in the legal agreement and referred to in the grant funding request template so that task team leaders are aware that the issues need to be explicitly addressed.

Where the Steering Committee needs to take rapid decisions on new or existing grants rather than call for a round of competitive proposals, the process should be transparent and properly communicated to stakeholders.

The PH-PTF administration agreement had no restrictions on the scope of recipient-executed grants and, as the Midterm Review observed, such grants may not be appropriate for infrastructure construction. The recipient-executed technical assistance and feasibility study activities financed under the Mindanao Rural Development Project Phase II and Metro Manila Flood Prevention Project seemed more appropriate, and the new administration agreement should include clear agreement on the areas where recipient-executed activities can be financed.

The cost recovery arrangements under the PH-PTF did not recover the full costs incurred by the World Bank. This situation will be addressed in future funds through the World Bank’s new trust fund cost recovery requirements.

A results framework should be prepared at the beginning of a new programmatic fund and then updated at regular intervals, possibly annual, so that it becomes an effective tool to support progress monitoring and evaluation.

Annual reports on overall programmatic fund finances and progress should be produced.

If DFAT can make longer term fund allocations for grants, the risk of unexpected changes leading to cancellation of planned activities can be reduced.

Table 4-1. Issues, Challenges, and Recommendations

Issues and Challenges	Recommendations
The PH-PTF was effective in enabling DFAT and the World Bank achieve intended outcomes.	DFAT and the World Bank should consider a follow-up fund to replicate and build on the successes of the PH-PTF.
The governance structure worked well but it needs to be improved to guide implementation and operations in the future.	DFAT and the World Bank should agree on a more detailed governance framework. Regular meetings—at least annual—of the Steering Committee to review the strategy and overall progress should be complemented by at least semi-annual meetings of the Operations Committee. Meetings among technical counterparts in World Bank and DFAT should be encouraged. This arrangement should be clearly stated in the Operations Guidelines.

Issues and Challenges	Recommendations
<p>The results framework for the PH-PTF was not an effective monitoring tool.</p>	<p>World Bank and DFAT should establish a results framework at the outset, with initially agreed strategic focus areas. Continued flexibility should be ensured by authorizing the Steering Committee to add other focus areas. The results framework should be a living document, with details of approved grants and their intended outputs and outcomes added every year. The results framework can then be used to track progress annually.</p> <p>To facilitate the use of the results framework, the World Bank should ensure that grant funding requests include expected quantified outputs and outcomes.</p>
<p>The administration agreement for the PH-PTF did not specify any cross-cutting areas that required special attention.</p>	<p>DFAT and the World Bank should agree upfront on any cross-cutting issues that are to be addressed by grants supported by the trust fund. Once the cross-cutting areas are agreed upon, World Bank should ensure that these are reflected in the Operations Manual and grant funding requests give attention to such areas.</p>
<p>Competitive approaches to grant allocation were valued, but the decision-making process was not always clear to all stakeholders.</p>	<p>The default approach to fund allocation should be to use competitive rounds of bidding within certain parameters, specifically the results framework strategic focus areas.</p>
<p>One of the major strengths of the PH-PTF was its flexibility and timeliness in responding to changing circumstances.</p>	<p>The Steering Committee should be given the discretion to respond rapidly to events. The decisions made in such circumstances should be transparent and should be explained to key stakeholders.</p>
<p>There was no systematic annual reporting of PH-PTF progress.</p>	<p>Annual financial and operational progress reports should be prepared. To ensure that this recommendation and the results framework recommendations are addressed, resources for monitoring and evaluation should be earmarked.</p>
<p>As noted in the Midterm Review, the annual allocations process used by DFAT added uncertainty to program planning and at times caused difficulties when task team leaders had to cancel planned activities.</p>	<p>DFAT should consider changing the allocation process so that agreed grants have guaranteed multi-year resources.</p>
<p>Recipient-executed grants were slow to disburse, although several grants delivered excellent outcomes.</p>	<p>World Bank and DFAT should continue to allow for both recipient-executed and Bank-executed activities.</p>
<p>Bank-executed grants were sometimes closely linked to loans such as the CCT, MRDP, and CDD; at other times, to more free-standing technical assistance. In both instances, there were some very significant outcomes.</p>	<p>World Bank and DFAT should continue to be flexible in funding Bank-executed grants. Their relevance to agreed priorities is more important than linkage to ongoing lending activities.</p>

Issues and Challenges	Recommendations
<p>The Programmatic AAAs provided a more coordinated structure for planning, managing and reporting about advisory services and analytics activities, but failed to report adequately on the details of specific trust funded activities.</p>	<p>World Bank should review the use of PAAA reporting arrangements for trust funded activities, because they do not provide sufficient details on the outputs and results supported by the trust funds. Where multiple funding sources are used for PAAAs, reports should clearly identify the contributions of each funding source to PAAA activities and outputs to ensure traceability of donor resources. To the extent possible, PAAA rating systems should be compatible with those used in other trust funds and operational reports. If activities financed through trust funds move in or out of a PAAA, reports should keep donors fully informed on the use of the funds they contributed.</p>

Annex

Approved Grants by Results Framework Strategic Focus Area

Grant Number	Grant Name	Status	Project ID	Execution	Approved Grant Amount	Disbursed Amount at Closing
1. Stable Macroeconomy and Good Governance						
1.1 Strengthened revenue, debt and risk management						
TF014839	Philippines Revenue Policy and Administration Reform Support	LCLS	P145121	BE	478,000	465,197
TF099839	Philippines: Strengthening Public Finances	LCLS	P126760	BE	250,000	224,733
Subtotals					728,000	689,930
1.2 Enhanced public sector delivery performance						
TF014838	Flagship Program/Budget Execution Analysis	LCLS	P145122	BE	523,977	520,155
Subtotals					523,977	520,155
1.3 Improved public sector accountability and transparency						
TF014936	Philippines PFM Action Plan Implementation Support	LCLS	P145123	BE	707,971	707,032
TF096219	Agency PFM Benchmarking Assessment	LCLS	P117605	BE	370,000	364,174
TF014837	Philippines Strengthening Bureaucratic Performance	LCLS	P144558	BE	200,000	192,770
TF099527	Public Revenue and Expenditure Review	LCLS	P122574	BE	200,000	199,583
TF014836	ARMM Public Expenditure & Institutional Review (PEIR) for Education	LCLS	P144796	BE	150,000	136,265
TF096272	PUBLIC EXPENDITURE REVIEW	LCLS	P118517	BE	90,000	83,578
TF099774	Government Integrated Financial Management Information System (GIFMIS) Learning Activities	LCLS	P117605	BE	99,963	88,842
TF015030	eGovernment Transformation	LCLS	P145127	BE	325,000	320,279
TF018948	Philippines Open Government Phase II	LCLS	P154297	BE	1,251,092	1,179,108
TF0A1358	Philippines Program for Good Governance	LCLS	P154860	BE	1,047,585	919,500
Subtotals					4,441,611	4,191,130
1.4 Improved capacity and efficiency of the statistical system for relevant and timely information dissemination						
TF097103	Improving Poverty and Social Statistics	LCLS	P118853	BE	120,000	114,776

Grant Number	Grant Name	Status	Project ID	Execution	Approved Grant Amount	Disbursed Amount at Closing
TF098613	Improving data coverage and quality of surveys in support of the Philippine system of national accounts (PSNA) # Phase II	LCLS	P117504	RE	250,000	180,748
TF096234	Improving data coverage and quality of surveys in support of the PSNA	LCLS	P117504	BE	50,000	43,189
TF016896	Improving statistics	LCLS	P149002	BE	200,000	199,982
Subtotals					620,000	538,694
1.5 Improved analytical underpinnings for policy reform						
TF016895	Inclusive economic institutions	LCLS	P144809	BE	300,000	299,965
TF0A4267	Game Changer MFM	ACTV	P159649	BE	1,674,000	
Subtotals					1,974,000	299,965
Focus Area 1 Totals					8,287,588	6,239,876
2. Improved conditions for peace and security						
2.1 Strengthened capacity of institutions to deliver justice and jobs in conflict affected areas						
TF015119	Analysis and Preparatory work Supporting the National Community Driven Development Program in the Autonomous Region in Muslim Mindanao	LCLS	P127741	BE	183,000	182,497
TF0A0257	Mindanao jobs report	LCLS	P149004	BE	760,995	491,798
TF0A0930	Philippines: Land Conflict in Mindanao	LCLS	P156212	BE	264,550	208,369
TF0A1398	MILF Ex-Combatants Needs Assessment	LCLS	P157106	BE	90,000	86,480
TF0A6357	Dissemination and communications plan for the Mindanao Jobs Report and the World Bank Strategy for Mindanao Regional Development	ACTV	P166421	BE	170,000	
TF0A6571	Skills & Employment for Filipino Youths with Focus on Mindanao	ACTV	P162673	BE	120,000	
TF0A6624	Strengthening road connectivity to support agriculture and regional development in Mindanao	ACTV	P165187	BE	120,000	
TF0A7095	Improving Mindanao Business Competitiveness through Better Logistics	ACTV	P164669	BE	120,000	

Grant Number	Grant Name	Status	Project ID	Execution	Approved Grant Amount	Disbursed Amount at Closing
TF0A7987	Development and deployment of a Peace Lens	ACTV	P164944	BE	160,000	
TF0A7097	Supporting Normalization of Combatants in Mindanao	ACTV	P164944	BE	120,000	
Focus Area 2 Totals					2,108,545	969,144
3 Better Service Delivery						
3.1 Enhanced education policy formulation and efficient and equitable resource allocation						
TF099307	Basic Education Public Expenditure Review Phase II	LCLS	P143024	BE	200,000	199,082
TF015477	Improving Education Service Delivery and Outcomes through Effective Policies, Resource Allocation and Communications	LCLS	P147302	BE	890,000	755,798
TF015584	Basic Education PETS-QSDS	LCLS	P146303	BE	920,000	868,718
TF019015	Philippines STEP	LCLS	P146306	BE	700,000	700,000
TF0A6296	Teacher Pedagogical Knowledge in the Mindanao Classroom	ACTV	P164765	BE	120,000	
Subtotals					2,830,000	2,523,599
3.2 Improved accountability, inclusiveness and service delivery capacity at sub national level						
TF011929	Mindanao Rural Development Project Phase II	LCLS	P084967	RE	3,000,000	2,687,170
TF012170	Supervision for the TA on Governance Reforms Supporting Frontline Agricultural and Investments Delivery under MRDP2	LCLS	P084967	BE	90,000	78,606
TF011939	Co-financing for Kapit-Bisig Laban Sa Kahirapan Comprehensive and Integrated Delivery of Social Services project	LCLS	P077012	RE	10,000,000	9,244,644
TF010351	Utilizing the KALAHI-CIDSS Community-Driven Development Approach to Improve Access to ECD and Basic Education Services in Targeted 4Ps Areas	LCLS	P077012	BE	250,000	212,578
TF010352	Analysis and Preparatory work Supporting the Scale Up a National Community Driven Development (CDD) Program; Bank Execution	LCLS	P119163	BE	200,000	198,998
TF099107	Monitoring the Social Impacts of Tropical Storm Ondoy and Typhoon Pepeng	LCLS	P125182	BE	90,000	89,251

Grant Number	Grant Name	Status	Project ID	Execution	Approved Grant Amount	Disbursed Amount at Closing
TF010541	Preparation of the National CDD Program (Recipient executed)	LCLS	P127741	RE	300,000	171,833
TF016025	NCDDP AAA and Technical Assistance	LCLS	P127741	BE	1,405,573	1,348,523
TF016227	Strengthening Grassroots Participatory Planning and Budgeting	LCLS	P147464	BE	284,100	280,881
TF016267	Strengthening Grassroots Participatory Budgeting M&E Systems	LCLS	P147463	BE	550,000	525,848
TF099426	AAA on Institutionalizing Incentive Systems for Local Governance and Performance	LCLS	P125965	BE	300,000	297,515
Subtotals					16,469,673	
3.3 Improved analytical underpinnings for Public Private Partnerships						
TF010343	Technical Assistance Support to Philippines PPP Program	LCLS	P127147	BE	4,200,000	4,197,906
Subtotals					4,200,000	4,197,906
3.4 Enhanced capacity of DPWH in Road Management						
TF018940	Supporting Business Innovations in DPWH	LCLS	P152292	BE	1,400,000	922,324
Subtotals					1,400,000	922,324
3.5 Increased capacity of DPWH to assess, plan and monitor for improved road safety						
TF010382	Scale up of Philippines International Road Assessment Program (IRAP)	LCLS	P123930	RE	250,000	250,000
Subtotals					250,000	250,000
Focus Area 3 Totals					25,149,673	23,029,677
4 Reduced Vulnerabilities						
4.1 National household targeting system (Listahanan) established, updated and used by national government agencies to target beneficiaries						
TF017389	Strengthening the National Household Targeting System in the Philippines	LCLS	P150527	BE	255,016	253,257
Subtotals					255,016	253,257
4.2 CCT programs expanded to reach all children identified as poor						
TF017390	Strengthening Design and Implementation of the Philippines CCT Program	LCLS	P150519	BE	1,140,542	1,132,773
Subtotals					1,140,542	1,132,773

Grant Number	Grant Name	Status	Project ID	Execution	Approved Grant Amount	Disbursed Amount at Closing
4.3 Evidence used to inform policies and national budget allocations for social protection						
TF017199	Impact and Performance Evaluation of the CCT Program	LCLS	P150532	BE	710,404	653,128
TF095548	Technical Assistance Program for the Philippines CCT	LCLS	P118853	BE	1,636,000	1,635,117
TF095547	Monitoring the Human and Social Impacts of Global Economic Crisis on the Philippines	LCLS	P118853	BE	200,000	187,915
TF095394	Review of the Philippines' Social Protection System	LCLS	P118853	BE	170,000	146,960
TFOA5766	SP Programs and Policies TA	ACTV	P162701	BE	100,000	
Subtotals					2,816,404	2,623,120
4.4 Improved capacity of NGAs to integrate climate change policy priorities in their planning and budgeting cycles						
TF016484	Mainstreaming Climate Change Priorities in the Budgeting Process	LCLS	P149160	BE	435,714	432,267
TF016483	Aligning Plans and Strengthening Implementation of Climate Change PAPs	LCLS	P149161	BE	264,286	264,279
Subtotals					700,000	696,546
4.5 Increased readiness to address flood disaster risks in Metro Manila						
TF017736	Studies for Sustainable Flood Management	ACTV	P145391	RE	7,000,000	
Subtotals					7,000,000	
4.6 Enhanced institutional capacities to plan and implement affordable and socially sustainable housing for ISFs in flood prone areas in Metro Manila						
TF016764	Sustainable Housing Solutions for Informal Settlers along Danger Zones	LCLS	P149905	BE	1,930,000	1,292,971
Subtotals					1,930,000	1,292,971
Focus Area 4 Totals					13,841,962	5,998,666
5 Cross Cutting Tasks and Program Management						
5.1 Cross Cutting Tasks						
TF015129	Assessing Research Capacity of Knowledge Institutions	LCLS	P096734	BE	250,000	-
TF015353	Assessing the Research Capacity of Local Knowledge Institutions for Producing and Disseminating Development-Focused Knowledge Products	LCLS	P096734	BE	80,000	70,058

Grant Number	Grant Name	Status	Project ID	Execution	Approved Grant Amount	Disbursed Amount at Closing
TF095632	Support for Strategic Engagement on the Philippines Discussion Notes	LCLS	P118583	BE	150,000	80,782
TF0A3262	CSO Workshop: Social Development Initiatives Summit	LCLS	P160842	BE	53,096	50,664
Subtotals					533,096	201,503
	5.2 Program Management					
TF095684	AusAID-WB TF to Support Phil Devt - Program Administration/Grant Management	ACTV	P119121	BE	295,891	
TF0A7958	Assessment of Australia WB Strategic Partnership	ACTV	P167803	BE	150,000	
Subtotals					445,891	
	Focus Area 5 Totals				978,987	201,503
PROGRAM TOTALS					50,366,755	36,438,868

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Other references used included (inter alia) the Grant Funding Requests for all projects reviewed; Grant Completion Reports from the World Bank’s Grant Reporting and Monitoring system; Program Concept Notes and Program Completion Reports for all Programmatic AAAs that included PH-PTF-funded grants. Other documents reviewed included the Operating Guidelines (2009), Trust Fund financial statements, Minutes of Steering Committee meetings, Minutes of Operational Meetings, and the PH-PTF Communication Guidelines (July 2014).