

Introducing the NEDA Investment Coordination Committee Review and Approval Process, and Monitoring and Evaluation (M&E) Practices in the Philippines

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OUTLINE

1. What is NEDA?

2. Background on NEDA Executive Order 230
3. Roles of the NEDA Board, ICC-CC, and ICC-TB
4. The ICC Organizational Structure
5. Coverage of ICC Review and Approval
6. ICC Policies
7. Road to Project Approval
8. M&E Mandates of NEDA
9. Project-Level M&E Activities
10. The Philippine Rural Development Project (Sample Project)

What is NEDA?

National Economic and Development Authority (NEDA) is an independent cabinet-level agency of the Philippine government responsible for economic development and planning. It is headed by the President of the Philippines as chairman of the NEDA Board, with the Secretary of Socioeconomic Planning as vice-chairman.

NEDA traces its roots back to 1973 as the government's central planning body through Presidential Decree 107, exercising the functions then vested in the **National Economic Council (NEC)**, the **Presidential Economic Staff (PES)**, and other ad hoc economic bodies.

Its main function is to assist the government in the execution of economic development plans and programs (including those funded by foreign loans and grants) then **President Ferdinand Marcos, Sr.** created the Presidential Economic Staff (PES) in 1966. The PES was mandated, among others, to establish and maintain working relationship with the various international financial institutions and to assist government and private entities in tapping foreign resources for credit or other forms of assistance (Executive Order No. 8, s. 1966)

BACKGROUND

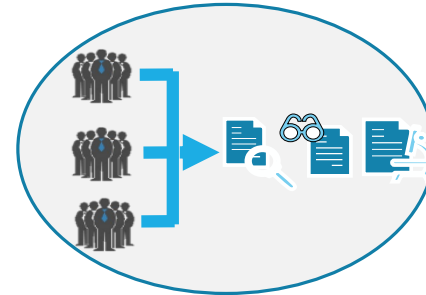
EO 230

- Power resides in the NEDA Board
- Secretariat technical arm
- Created IACs to assist NEDA Board in its functions

- Reorganized NEDA (two entities)



NEDA Board



Secretariat






























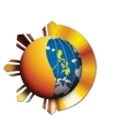
Investment Coordination Committee (ICC)

- Inter-Agency Committee of the NEDA Board
- Highest decision-making body that approves Major Capital Projects

ROLES

NEDA Board	<ul style="list-style-type: none">• ICC decisions/actions on programs/projects are presented to the NEDA Board for formal confirmation.
ICC – Cabinet Committee	<ul style="list-style-type: none">• Focuses on concerns that requires Cabinet level decision making.• Deliberates on policy-related issues.
ICC – Technical Board	<ul style="list-style-type: none">• Deliberates on program/project proposals & submits recommendations to the ICC-CC for approval.• Ascertains the viability of projects, drawing from the Project Evaluation Report and other relevant information that may be presented to the ICC-TB.• Provides direct advice to the proponent on how proposals can be improved.

ICC Organizational Structure

	Chair	Vice/ Co	Members
<p>NEDA Board (12 members)</p>	 OP	 NEDA	 OES  CABSEC  DBM  DOE  DOF  DPWH  DTI  DOTr  MinDA  BSP
<p>ICC-CC (8 members)</p>	 DOF	 NEDA	 OES  DBM  DOE  DTI  BSP  CABSEC
<p>ICC-TB (10 members)</p>	 NEDA	 DOF	 OES  DBM  DTI  DA  DOE  BSP  DENR  PPPC

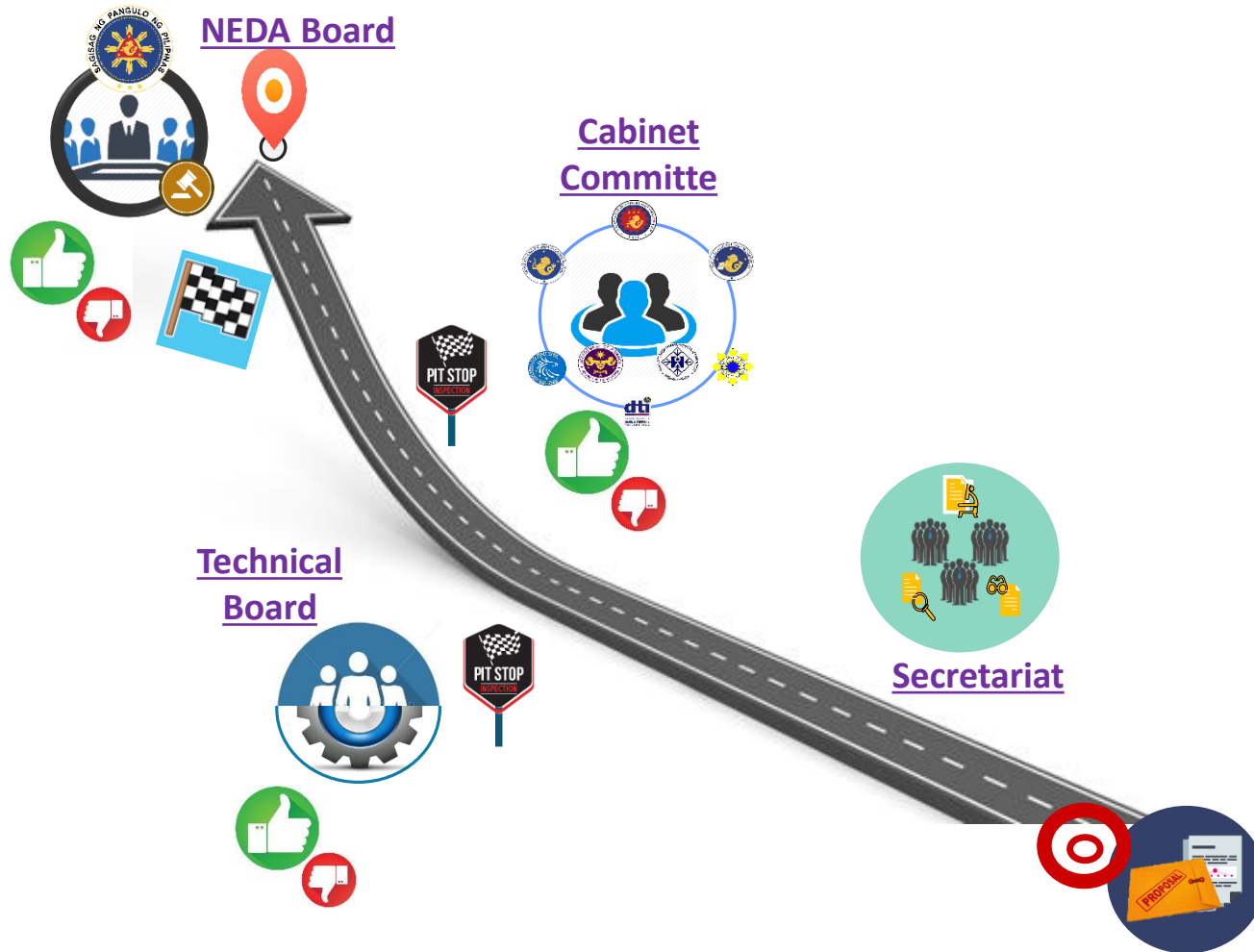
Coverage of ICC Review & Approval

- Programs/projects costing PhP2.5 billion and up (as approved by the NEDA Board on 27 June 2017)
- Projects of national line agencies and GOCCs under BOT Law (PPPs)
 - *Up to PhP300M, for ICC approval*
 - *Those above PhP300M, elevated to NEDA Board*
 - *Unsolicited PPP projects*
- Projects of LGUs under BOT Law costing PhP200 million and above (PPPs)
- Joint Venture proposals w/ government counterpart of PhP150 million and above (2013 JV Guidelines)
- Ongoing ICC approved projects/programs with changes in cost, scope, or extension of loan validity
- Securing loans/guarantees for projects by NG agencies/corporations

ICC Policies

- ✓ 18-month validity of ICC approval
- ✓ Raising the ICC cost floor to PhP2.5 billion
- ✓ Social discount rate of 10%
- ✓ Guidelines on RDC endorsements
- ✓ Integrating Harmonized GAD Guidelines in the ICC process
- ✓ ICC procedure on the review and approval process of public buildings/facilities costing at least PhP1billion
- ✓ 10% Cost overruns shall automatically return to ICC
- ✓ Loans requiring national government guarantee regardless of amount shall undergo ICC review
- ✓ Guidelines for Project Proposals for ICC Review and Approval: Availment of Chinese Support for the Conduct of Pre-Investment and investment Activities
- ✓ **ICC Secretariat Evaluation of Region Specific Programs and Projects**
- ✓ **New Arrangements on the ICC Secretariat Re-evaluation of Programs and Projects**

Road to Project Approval



ICC Approval Process Flow

NEDA Board Confirmation of ICC Approval



ICC - Cabinet Committee Approval



ICC - Technical Board Endorsement



NEDA Secretariat Appraisal of the Project

AFTER NEDA BOARD APPROVAL

1. Loan negotiation with DOF (on behalf of the Philippine Government) with the donor partner – The contents of the loan agreement shall be carefully examined.
2. Loan signing – The loan agreement must be signed by both parties.
3. Loan effectivity – The loan has to be effective.
4. Ongoing Project – The project is implemented within the approved duration.
5. Loan closing – The loan has to be officially closed.

M&E Mandates of NEDA

Basis	Mandate
EO No. 230 & NEDA's Rationalization Plan of 2013	<ul style="list-style-type: none"> - Monitor the progress of strategic development programs and projects - Evaluate continued relevance and viability of ODA and locally-funded programs and projects - Conduct ex-post evaluation of selected completed development programs and projects
RA 8182, as amended by RA 8555 or the ODA Act of 1996	<ul style="list-style-type: none"> - Conduct annual ODA Reviews to: (a) assess status of ODA-funded programs and projects, and (b) identify causes of delays, among others.
NEDA Board Resolution No. 3 series of 1999 and No. 30 series of 1992	<ul style="list-style-type: none"> - Report on program and project results (impacts, outcomes, and outputs)
EO 376, as amended (Establishing the RPMES)	<ul style="list-style-type: none"> - Facilitate resolution of project implementation issues elevated to the National and Regional Project Monitoring Committees
NEDA-DBM JMC No. 2015-01	<ul style="list-style-type: none"> - Provide clear guiding principles and evaluation standards in the conduct of public sector evaluation

Project-Level M&E Activities

Activity	Description
Annual ODA Portfolio Review	Yearly assessment of the performance of all active ODA programs and projects, with the end view of submitting a report to Congress by 30 June of each year
Formulation/ Updating of the Results Matrix of the Philippine Development Plan	Coordinates the formulation and updating of the PDP-RM, which serves as a monitoring and performance assessment tool of the plan
Project Re-evaluation	Re-evaluation of projects with requests for change in cost, scope, implementation period/ loan validity and supplemental funding
Impact Evaluation	Assessment of the changes (higher level goal) attributed to a particular intervention.
Ex-Post Evaluation	Evaluation of selected ODA projects two to three years after project completion

Project-Level M&E Activities

Activity	Description
Supervision/Implementation Support Missions	On-site validation activities being conducted with Development Partners and Implementing Agencies as necessary
Semestral PIO Meeting	Regular meeting of designated PIOs of all implementing agencies to discuss on agencies' ODA portfolio performance and other related developments.
Semestral NPMC meetings	Regular meetings of members (NEDA, OP, DBM, and DILG) to discuss issues/concerns on project implementation and other related developments of issues raised by regional offices
Project Implementation Reviews	Regular meetings with implementing agencies to discuss project implementation issues and resolutions
M&E Network Forum	Yearly forum that serves as a platform to development practitioners where they can engage in dialogues on strengthening monitoring and evaluation practice and capacity in the Philippines.

The Philippine Rural Development Project (PRDP)

PRDP Original Loan	
Milestone	Date
Joint ICC-TB and ICC-CC approval	April 8, 2013
NEDA Board confirmation	June 26, 2013
Loan Signing Date	September 8, 2014
Loan Effectivity Date	December 3, 2014
Loan Closing Date	May 31, 2021

PRDP Additional Financing	
Milestone	Date
ICC-TB approval	July 18, 2016
ICC-CC approval	September 28, 2016
NEDA Board confirmation	November 14, 2016
Loan Signing Date	March 2, 2018
Loan Effectivity Date	May 23, 2018
Loan Closing Date	May 31, 2021

PRDP – Project Details

Funded by the World Bank

The PRDP is a national government platform for a modern and inclusive, value-chain oriented, and climate-smart agriculture and fisheries sector. It aims to increase farmer's income in agri-fishery sector and develop market oriented and climate-resilient agriculture and fishery sector. The project has four components:

(a) I-PLAN, (b) I-BUILD, (c) I-REAP, and (d) I-SUPPORT.

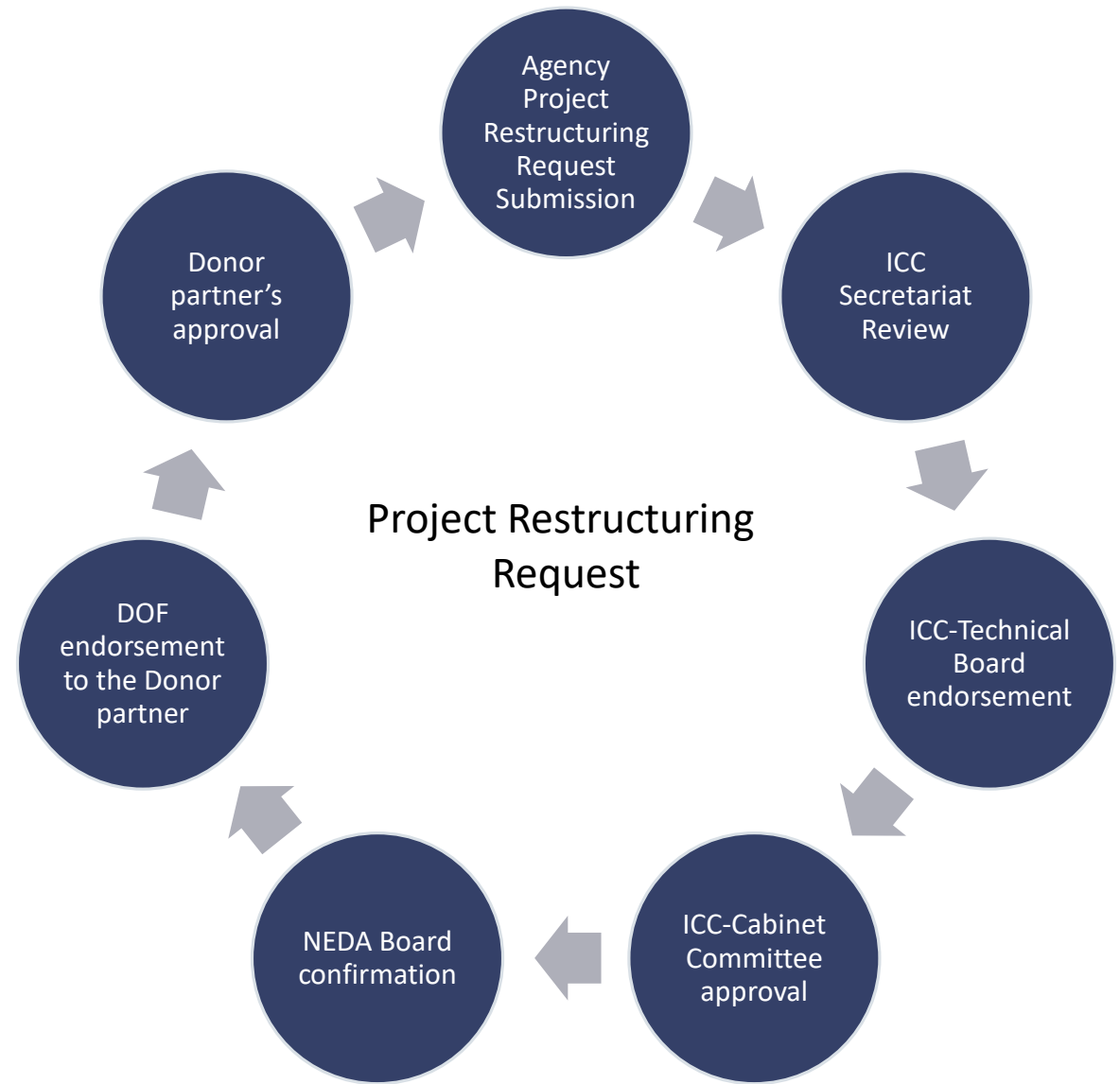
PRDP – Issues

- 1. Procurement:** Delayed completion of ongoing subprojects (SPs) Delayed completion of ongoing subprojects (SPs) due to procurement issues, i.e., failed biddings, changes in the specifications of items, non-availability of stocks or supply items to be procured, and price escalation, among others.
- 2. Legal and Policy Issuances:** Lack of the Proponent Groups' technical capability in complying with the documents and attachments needed for the approval of the subproject.
- 3. Force Majeure:** Delayed completion of ongoing SPs due to force majeure (i.e., typhoon and COVID-19), performance of contractor (i.e., lack of manpower and equipment), and additional scope of works.

PRDP – Restructuring Request (in 2019)

Implementation duration extension, and both Loan and Grant validity extension

The Department of Agriculture requested for a 2-year implementation period extension up to December 2022, World Bank loan and GEF grant validity extension up to May 2023



Thank you!
Maraming Salamat!

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