

FREQUENTLY ASKED QUESTIONS (FAQS) ABOUT KC-NCDDP

I PROGRAM OVERVIEW

WHAT IS KC-NCDDP?

KC-NCDDP, or the Kalahi-CIDSS - National Community-Driven Development Program, is a poverty alleviation program of the National Government implemented by the DSWD. It is supported by the Philippine Development Plan (2011-2016).

Approved on 18 January 2013, it is the expansion into a national scale of the operations of community-driven development (CDD), a strategy that has been tried and proven effective in Kalahi-CIDSS (Kapit-Bisig Laban saKahirapan-Comprehensive and Integrated Delivery of Social Services), the parent project of KC-NCDDP.

The development objective of KC-NCDDP is to have barangays/communities of targeted municipalities become empowered to achieve improved access to services and to participate in more inclusive local planning, budgeting, and implementation.

KC-NCDDP will also be aligned into a program to support community-driven post-disaster response and development in Typhoon Yolanda-affected municipalities within provinces covered by KC-NCDDP.

WHAT IS CDD?

CDD is a globally recognized strategy for achieving service delivery, poverty reduction, and good governance outcomes. It:

- Helps communities in poor municipalities identify challenges around reducing poverty and make informed decisions on a range of locally identified options for development, including how this is made and in what form;
- Gives control of resources to address local poverty to communities; and
- Builds the capacity of both state (including local governments) and civil society stakeholders to provide assistance and respond to calls for support from poor communities as they implement development initiatives.



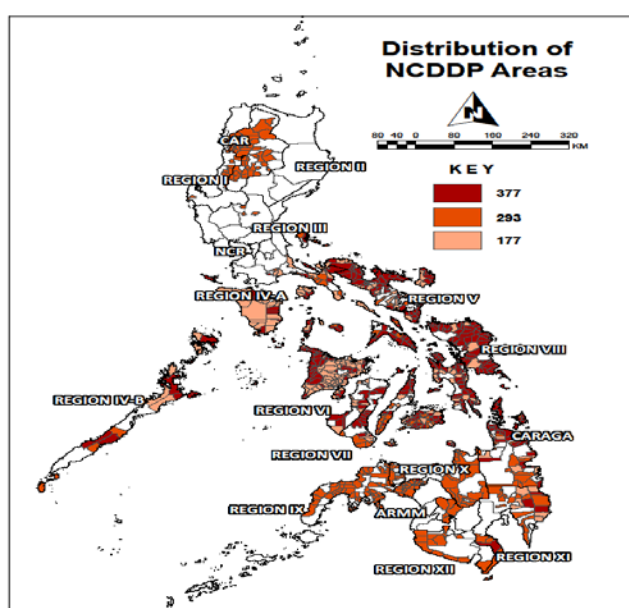
II SELECTION CRITERIA, COVERAGE AND SCHEDULE OF LAUNCHING

HOW ARE MUNICIPALITIES SELECTED IN KC-NCDDP?

Municipalities eligible to participate in the KC-NCDDP are those that are:

- Classified as:
 - 4th-6th class with poverty incidence higher than the national average of 25.0% based on the 2009 Small Area Estimates of the NSCB
 - 1st-3rd class with poverty incidence of 40% or higher
- Yolanda-affected and located in same provinces as the "670" KC-NCDDP municipalities (see next section for description of "670")

WHAT IS THE COVERAGE OF KC-NCDDP?



5.4 MILLION
HOUSEHOLDS

19,647 BARANGAYS

847 MUNICIPALITIES

58 PROVINCES

There are three groups of municipalities that will participate in KC-NCDDP:

Group	Description	Number of Municipalities
1	<i>Yolanda-affected</i> but outside the 670 "poor" municipalities ¹	177
2	<i>Yolanda-affected</i> but within the 670 poor municipalities	377
3	<i>Non-Yolanda-affected</i> but within the 670 poor municipalities	293
Total		847

¹Municipalities that have a poverty incidence of above 26.5% if 4th – 6th class or above 40% if 1st – 3rd class. "670" refers to the group of poor municipalities selected based on their poverty incidence and income class classification.

WHEN WILL THESE MUNICIPALITIES IMPLEMENT KC-NCCDP?

YEAR OF LAUNCHING	REGION	GROUP			TOTAL
		177	377	293	
2014	CAR	0	0	31	31
	CARAGA	5	36	5	46
	I	0		11	11
	III	0		3	3
	IVA	8	9	5	22
	IVB	28	34		62
	V	20	72		92
	VI	69	48		117
	VII	19	53		72
	VIII	21	115		136
	IX	0		46	46
	X	1	6	14	21
	XI	6	4	6	16
	XII	0		17	17
2014 Total		177	377	138	692
2015	CAR				0
	CARAGA			8	8
	I				0
	III				0
	IVA			2	2
	IVB			2	2
	V			6	6
	VI				0
	VII			28	28
	VIII				0
	IX				0
	X			45	45
	XI			11	11
	XII				0
2015 Total		0	0	102	102
2016	CAR			13	13
	CARAGA				0
	I				0
	III				0
	IVA				0
	IVB			3	3
	V			1	1
	VI				0
	VII			4	4
	VIII				0
	IX				0
	X				0
	XI				0
	XII				0
2016 Total		0	0	21	21
TOTAL		177	377	261	815

***Note:** The remaining 32 municipalities has no grant allocation from the NCDDP, but will be under the Grassroots Participatory Budgeting Process. The coverage breakdown of this is as follows:

REGION	GPBP
CAR	6
CARAGA	3
IVA	4
V	2
VII	4
IX	6
X	7
TOTAL	32

III ASSISTANCE TO MUNICIPALITIES, DURATION OF IMPLEMENTATION

WHAT ASSISTANCE WILL BE GIVEN TO BARANGAYS AND MUNICIPALITIES IN KC-NCDDP?

All of the barangays in a KC-NCDDP-covered municipality are automatically eligible to get social and technical preparation assistance from KC-NCDDP. However, the actual barangays that will get KC-NCDDP funding (called community grants) for implementing community projects will depend on the result of a local criteria-setting, technical review, and prioritization process. The latter will be carried out in every cycle of the CDD operation in a municipality by the different barangays, inter-barangay forum or expanded municipal development council, with participation from community volunteers aside from the LGU officials.



The above-mentioned process will require making local decisions in a transparent, broad-based and inclusive way, in which the barangay-proposed community projects will be presented, a set of locally-adapted criteria will be applied, and the priority ranking of the projects being proposed will be decided collectively. In the said process, representatives, coming from community residents other than the barangay and municipal LGU officials, will be required to take part and contribute to the decision-making.

HOW ARE COMMUNITY GRANTS COMPUTED?

KC-NCDDP provides grants to communities that they can use to fund locally identified sub-projects in partnership with their LGUs. The size of the community grants per municipality is computed using the following formula:

Mode	Computation per Cycle	Cap
Regular Mode (poor municipality but not affected by Yolanda)	Fixed Amount per head, to be assigned based on municipality income classification and poverty incidence x multiplied by the total population of a municipality (2010 census) If 4 th – 6 th class: Proposed P450 per head If 1 st – 3 rd class: P350 per head	Should not be less than P2Million and more than P20Million per cycle (approx. 1 year per cycle)
If Yolanda-affected	Same computation as above x 2 or the equivalent of 2 cycles worth of grant. This computation will apply only to the first cycle. However, if the extent of damage is not severe, the increase may be lower. For non-poor areas, the grant will only be for 1 round.	

WHAT IS THE DURATION OF IMPLEMENTATION OF KC-NCDDP IN EACH MUNICIPALITY?

Poor municipalities are eligible to up to four cycles or rounds of implementation. Each cycle is equivalent to a year except the first cycle where the duration is normally longer to allow for sufficient time for learning and familiarization in the process.

Municipalities that have previously implemented KALAHICIDSS before but have not yet completed the four cycles will continue their remaining cycles in KC-NCDDP.

The differentiation in duration or number of cycles per group of municipalities is illustrated in the following diagram:

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Across the four (4) core cycles of the CDD, municipalities can get the following two kinds of KC-NCDDP assistance: (a) social and technical preparation, and (b) funding assistance for implementing community projects.

In the first three cycles, DSWD will actively assist in social and technical preparation. By the fourth cycle, the cost of the said social and technical preparation shall be shouldered by the local government unit (LGU). The KC-NCDDP municipal allocation for implementing community projects will be provided from the first to the fourth cycles.

After the fourth cycle, a municipality is considered a "Graduate" and is expected to have increased management capabilities of their internal resources, and can thus leverage for external funding (for example, from the Grassroots Participatory Budgeting), while practicing the CDD strategy.

***Note:** Yolanda-affected municipalities get three cycles because two of its cycles will be compressed into one.

IV KEY FEATURES, PROGRAM COMPONENTS

WHAT ARE THE KEY FEATURES OF KC-NCDDP?

- Assistance for social preparation and capability building training for LGUs and communities
- Support funding through community grants. The funds will be released directly to the community accounts.
- Transparency and Accountability Measures. Citizens other than public officials are involved in local planning and decision-making.
- Community-chosen priorities are turned into projects, plans and activities and feed into the budgeting process, planning and programming of LGUs and NGAs.
- Post-disaster response in covered municipalities declared as disaster-affected:
 - Accelerated Cycle 1
 - Portion of future earmarked allocation will be advanced to cycle 1
 - Activities eligible for funding will include shelter and resettlement
 - Can also adjust in KC-KC-NCDDP areas at any point a municipality is declared disaster-affected
- Allowable community projects. KC-NCDDP follows an open menu system. However, it has a set of disallowed activities, specified on the Negative List (see Annex).

WHAT IS THE CEAC (COMMUNITY EMPOWERMENT ACTIVITY CYCLE)?



The CEAC is the platform for engaging communities in a facilitated process of community analysis, planning, project implementation, monitoring and evaluation. It provides communities in putting CDD principles to practice. Through the five-stage process of the CEAC, communities learn about their development needs and identify solutions in the form of projects in order to enhance their access to quality basic social services and to accelerate their development through participation in inclusive local planning, budgeting and

implementation.

WHAT ARE THE PROJECT COMPONENTS OF KC-NCDDP?

KC-NCDDP has three program components:

- **Component 1: Community Grants.** This component supports two types of assistance: 1) Planning Grants that which funds the conduct of community level social and technical preparation and training around the CEAC , and 2) Investment Grants to fund proposals of community infrastructure sub-projects and activities based on an open menu of eligible projects.
- **Component 2: Capacity –Building and Implementation Support (CBIS).** This component shall provide funding for the cost of the services of local facilitators and technical officers who will assist communities on social and technical preparation. The facilitators and technical officers (i.e. Area Coordinating Team, as well as the LGU and Grassroots Participatory Budgeting (GPB) implementers) will receive capacity building training on participatory development, CDD and related competencies.
- **Component 3: Program Management and Monitoring and Evaluation.** This will cover costs at the regional and national levels, for supporting, supervising and monitoring CDD operation. Also covered in this component is the cost of evaluating and verifying local outcomes from CDD implementation.



HOW IS THE KC-NCDDP FUNDED?

The KC-NCDDP is funded out of the following sources: the Philippine National Government, loan financing from the World Bank and the Asian Development Bank (ADB) and contributions to be provided by communities and LGUs.

V ENROLLMENT

HOW CAN A TARGET KC-NCDDP MUNICIPALITY PARTICIPATE?

Interested LGUs will need to enroll with the DSWD Regional Field Office where they are located. These are the steps:

1. Formally signify interest to participate in KC-NCDDP
2. Go through an assessment process to verify their readiness to implement CDD;
3. Adequately comply with the conditions for participation in the KC-NCDDP.

The enrollment process will be undertaken by the DSWD Field Offices, which will also conduct meetings and LGU forums with all eligible municipalities to explain the objectives and design of the program and conditions for participation.

WHAT WILL BE THE ROLES OF THE MUNICIPAL LGU IN THE IMPLEMENTATION OF KC-NCDDP?

The municipal LGU (MLGU) plays an important role in the Project.

- Community-driven development requires a facilitating environment. The MLGU needs to provide a conducive environment that will enable residents to participate in discussions regarding the development of their communities.
- The MLGU, through its Mayor, will be responsible for mobilizing resources in order to help barangays fund the prioritized community projects.
- The MLGU, through the Sangguniang Bayan and the Mayor, can also pass ordinances and policies in support of CDD to institutionalize this as a local poverty alleviation strategy.
- The MLGU needs to assume a steering role in promoting active stakeholders' engagement in CDD. The Mayor, who heads the Municipal Inter-Agency Committee (MIAC) and the Municipal Development Council (MDC), can tap these structures to provide technical assistance, monitoring and oversight to CDD implementation. The Mayor can also link the communities to other agencies when needed.
- The MLGUs must also promote the integration of community development and action plans into the local development plans



Other roles of the MLGU in the Project may be included in the Memorandum of Agreement.

WHAT WILL BE THE ROLES OF THE COMMUNITIES IN THE IMPLEMENTATION OF KC-NCDDP?

As a CDD program, KC-NCDDP ensures that communities are actively involved in the process from start to end. Not only are they given direct access and control of the funds for their community projects, they also have the opportunity to participate in making key development decisions for their communities.

HOW ARE KC-NCDDP AND GPB RELATED?



Like the KC-NCDDP, Grassroots Participatory Budgeting (GPB) is an approach steered by the Human Development and Poverty Reduction Cluster (HDPRC). GPB ensures that the preparation of budget proposal of agencies takes into consideration the needs of poor cities/municipalities identified in the local poverty action plans, which are prepared through a participatory planning process involving basic sectors and civil society organizations (CSOs).

The KC-NCDDP and GPB cover common municipalities, which have been selected based on applying the targeting criteria of KC-NCDDP and the targeting criteria used in the GPB.

In municipalities covered both by the KC-NCDDP and GPB, a link is established between CDD operation and GPB by creating proper sequencing and complementarity between community-level action planning using CDD with the statutory local planning and GPB-coordinated budgeting at the municipal level. Specifically, at the community level, barangays will be assisted in preparing and implementing priorities in their local poverty reduction action plans (LPRAPs), to be developed using a participatory community and inter-community social and technical preparation. At the municipal level, community priorities in the barangay LPRAPs which are unfunded due to limit of the KC-NCDDP funding shall be advocated for their incorporation in the municipality LPRAP, to be proposed to the GPB.

Municipalities can continue CDD operation with GPB support, even after the end of the four KC-NCDDP funding cycles. In municipalities which have completed at least four cycles of the CDD (beginning from the Kalahi-CIDSS), the LGUs, based on internal resources and GPB support, can continue the pace, scale, sustainability and quality of social development and poverty reduction in their localities by practicing participatory development, transparency, and responsive governance, with CDD as their platform.

VI. FINANCIAL ARRANGEMENTS

HOW MUCH KC-NCDDP FUNDS WILL BE ALLOCATED PER MUNICIPALITY?

The KC-NCDDP will follow a formula which considers the poverty incidence level and population of the municipality. The computation of the grant for communities is shown under Section III Assistance to Municipalities.

The combined cost of per capita investment of all barangays shall be pooled and earmarked for the municipality in every cycle up to four cycles of CDD operation, minus the cycles accumulated from KALAHICIDSS.

No municipality will receive below P2 million or more than P20 million in any given cycle except if they belong to the Yolanda-affected municipalities (see Section III Assistance to Municipalities for detailed explanation).

WHAT IS LOCAL COUNTERPART CONTRIBUTION (LCC) AND HOW MUCH IS REQUIRED?

LCC refers to the cash or in-kind shares of the communities and LGUs for (a) implementing the KC-NCDDP social and technical preparation activities, and (b) implementing community projects in the municipality. External cash and in-kind resources of various contributors that communities and LGUs can mobilize can be included as LCC. LCCs committed should be delivered by the communities and LGUs according to a scheme and schedule of delivery to be approved by the KC-NCDDP.

Please refer to the attached FAQs on LCC for a more comprehensive explanation about LCC in KC-NCDDP.

The provision of the LCC is not the MLGU's sole responsibility. The community, as well as the BLGUs, can look at different sources (i.e. BLGU funds, NGOs, Private Citizens) to raise the required counterpart funds.

WHO WILL RECEIVE THE FUNDING FROM KC-NCDDP FOR IMPLEMENTING COMMUNITY PROJECTS?

The intended recipient communities through their selected volunteer management committees will hold the funds. For safeguards and local checks and balance, KC-NCDDP will set up and standardize in all of its municipalities the following technical, social process, wide transparency, and accountability measures, by means of:

- Giving communities, LGU officials and the general public in the locality orientation, training and standard manuals of operations and procedures on the KC-NCDDP community social preparation, community procurement, community finance and community infrastructure;
- Dividing up into smaller amounts the releases of funds to the communities, comprising of two or three tranches;
- Conducting prior review, due diligence and co-signing by local KC-NCDDP staff of the requests, transactions and reports of the communities;
- Practicing transparency in local decision-making and access to project information, through community reporting of project information and progress during Barangay Assembly and community monitoring meetings, as well as display of the project information and physical and financial progress in community notice boards;
- Exercise of oversight by local government officials, local development council members and the barangay treasurer through their participation in endorsing the requests of communities, as well as taking part in the community consultations, planning, implementation and monitoring meetings;
- Keeping the composition of various community-level project management committees diffused among different community members, who are given training on community procurement, basic financial management, project management, simple audit, and operation and maintenance with organizational development;
- Setting up a grievance and complaints system, accessible to community members and the general public, for reporting to the KC-NCDDP any observation or wrongdoing;
- Feeding back observations to community members and LGU officials during the conduct of on-site supervision, audit and monitoring inspections by KC-NCDDP staff at various levels and external supervision Missions;
- Sponsoring the conduct of local inter-municipality audit of financial, procurement and related transactions reflected in the records of communities;
- Implementation of the provision on sanctions in the KC-NCDDP Memorandum of Agreement with LGUs and Sub-Project Agreements with communities; and
- Establishing a computer-based KC-NCDDP database of information, at the municipality and up, and web-based reports on community projects receiving KC-NCDDP funding.



“Mga Bagong Kwento, Kwentong Pagbabago”



Access Road, Siayan, Zamboangadel Norte



Tribal Housing, Talaingod, Davao del Norte



Electrification, Lapinig, Bohol



A School Building that withstood Yolanda and used as an Evacuation Center, Ajuy, Iloilo



Children in a KC Day Care Center play with bricks donated by Lego Foundation thru MCA-P, Paranas, Samar



Women in Cawayan, Masbate undergo skills training in partnership with TESDA. They also took part in the labor in the construction of their sub-project

ANNEX

WHAT ARE THE POLICIES SUPPORTING THE KC-NCDDP?

As a way to support local social development and poverty reduction, the policy on CDD is expressed in two important National Government policy documents: the Philippine Development Plan (2011-2016) and the National Anti-Poverty Program of the National Anti-Poverty Commission (NAPC) (2010-2016), endorsing the expansion of programs emphasizing CDD as one of its policy thrusts, to serve as vehicle for people's empowerment through their participation in poverty reduction work.

The scaling up of CDD into a national program is also backed by:

1. The Human Development and Poverty Reduction Cluster, which passed a resolution of support signed by the Secretaries of the following agencies: NAPC, Department of Agrarian Reform (DAR), Department of Agriculture (DA), Department of Education (DepEd), Department of Energy (DOE), Department of Environment and Natural Resources (DENR), Department of Health (DOH), Department of the Interior and Local Government (DILG), Department of Labor and Employment (DOLE), Presidential Commission for the Urban Poor (PCUP), and the DSWD; and
2. 165 Mayors of Kalahi-CIDSS MakamasangTugon (MT) municipalities, who have given an endorsement of support calling for the scaling up of CDD.

WHAT IS KALAHI-CIDSS?

Kalahi-CIDSS, the existing Project, is one of the three core poverty alleviation programs of the Department of Social Welfare and Development (DSWD).

Since 2003, the Project has been implemented in 364 poor municipalities in 42 provinces in 12 regions.

Employing “Community-Driven Development” as a strategy, Kalahi-CIDSS trains and engages communities together with their local governments (barangay and municipal) to choose, design, and implement development projects to address their most pressing needs.

With Kalahi-CIDSS assistance, communities and local government units have built school buildings, farm-to-market roads and bridges, health stations, day care centers, common service post-harvest facilities, and many others, small-scale but responsive to community-identified needs.

The recent impact evaluation of Kalahi-CIDSS found out that the CDD strategy resulted in:

- Inclusiveness and minimized elite capture. It was successful in directing resources to the poorest municipalities. Within these municipalities, participation in the process was not dominated by local elites, and monitoring show that indigenous people, women and the poorest barangays are benefitting.
- Impact on household well-being was positive, as indicated by increased consumption. Per capita consumption increased by 5% in Kalahi-CIDSS-assisted municipalities.
- Improved basic service delivery. CDD was shown to make basic service facilities more accessible to and utilized by community members.

- Increased participation in barangay assemblies. Community members' attendance and participation in barangay assemblies have increased in Kalahi-CIDSS areas.
- Increased social capital outcomes as indicated by growing group membership and trust levels. Community members' attendance and participation in barangay assembly meetings have increased in Kalahi-CIDSS municipalities.

IS KC-NCDDP THE SAME AS KALAH-CIDSS?

Many of the core design elements of Kalahi-CIDSS have been built into the KC-NCDDP. However, there are enhancements, specifically to achieve synchronization and harmonization of certain steps of CDD operation with the LGU planning and those of sector Departments operating in KC-NCDDP areas.

The lessons and gains of Kalahi-CIDSS on social mobilization, engaging local governments, and covering key thematic areas such as risk management, Indigenous People's (IPs) participation, gender, disaster risk reduction management (DRRM), assisting conflict-affected areas, and the like are also reflected in the KC-NCDDP design.

WHAT ARE THE COMMUNITY PROJECTS ELIGIBLE FOR KC-NCDDP SUPPORT?

KC-NCDDP will follow an open menu system, wherein communities will choose what projects will answer their prioritized needs. The following types of projects may be supported by KC-NCDDP:

- Basic services sub-projects. These include community water systems, school buildings, health stations, and electrification.
- Basic access infrastructure. These include foot bridges, access roads, and foot paths.
- Community common services facilities. These include pre- and post-harvest facilities, as well as small-scale irrigation systems.
- Environmental protection and conservation. These include flood control systems, sea walls, artificial reef sanctuaries, and soil protection structures.
- Skills training and capability building. These include eco-tourism projects.
- Others not prohibited in the Negative List below.

Negative List of Sub-Projects and Activities Prohibited for KC-NCDDP Funding:

- Weapons, chainsaws (except during disasters), explosives, pesticides, insecticides, herbicides, asbestos, and other potentially dangerous materials and equipment
- Fishing boats and nets above the prescribed size and weight set by the Republic Act 8550, Philippine Fisheries Code of 1998
- Road construction into protected areas
- Use of project funds for purchase of or compensation for land
- Micro-credit and livelihood activities which involve on-lending of project funds
- Maintenance and operation of facilities provided with project funding
- Activities that have alternative prior sources of committed funding
- Recurrent government expenditures (e.g. salaries for government and LGU staff)
- Political and religious activities, rallies, and materials
- Salaried activities that employ children below the age of 16 years

- Activities that unfairly exploit women or men at any age
- Travel
- Consumption items or events
- Activities that will violate existing provincial ordinances or policies related to mining and logging, among others

In post-disaster operation of KC-NCDDP, the eligible sub-projects can be expanded to include items like purchase and use of chainsaws to recover fallen trees, shelters, acquisition of equipment.