

totalled \$3.6 million. Canada announced in October of 1986 that it would establish an official bilateral development program of \$100 million over five years. This was viewed as a concrete expression of support to the new government of President Aquino at the time. Financial support was provided to a number of projects which responded quickly to pressing economic and social needs. By the end of 1990, the original \$100 million had been fully disbursed.

In 1989, CIDA launched its first full five-year country program for the Philippines. Three distinct program thrusts are currently being pursued under the Country Program Review. These are: initiatives in support of the macro-economic adjustment process in the Philippines; initiatives to strengthen the capacity of national, regional and local government authorities to implement government decentralization; and initiatives to strengthen public and private organizations which enable the poor to gain access to assets and services.

The program also addresses four special programming factors: women in development (WID); environment; the private sector; and NGOs. Environmental and resource degradation concerns are being addressed by incorporating environmental screening into all pertinent delivery mechanisms, identifying and supporting environmentally focused activities within certain program mechanisms, and directly supporting environmental NGOs in the Philippines. The increased involvement of Canadian NGOs and of Canadian businesses will also be encouraged.

### **Structural Adjustment**

Approximately half of CIDA disbursements are aimed at programs designed to assist the structural adjustment process in the Philippines. Over 80 percent of these funds are being directed towards commodity assistance for the purchase of fertilizers, potash, paper, vaccines and urea. Another key component of the structural adjustment program is directed at the telecommunications sector. One project currently underway involves the provision of technical assistance and training to the Department of Transportation and Communications and other telecommunications agencies. The other major project in this sector is a joint CIDA/EDC effort to support the import of telecommunications equipment and services from Canada.

The Policy, Training and Technical Assistance Facility project is designed to assist key public sector institutions in strengthening their self-sustaining

capacities to formulate, plan, implement, monitor and evaluate socio-economic policies and administrative reform programs. In order to help balance out the currently skewed industrial structure, the Entrepreneur Support Project was developed. It aims to assist local institutions (i.e. cottage industries and small enterprises) gain access to credit, training and marketing support. In addition, CIDA's Industrial Co-operation Program plays an important role in promoting industrial development in the Philippines. It assists the Canadian private sector in pursuing major contracts, joint ventures and other business arrangements. Disbursements have gradually increased since 1986 to the current level of approximately \$1.4 million annually. Recent interest has focused principally in the agri-industrial and consumer goods sectors.

### **Government Decentralization**

In keeping with the Philippine government's regional and rural-based development strategies, the Local Government Support Program is designed to complement and assist the government's efforts to transfer greater administrative, financial and political authority to local governments in three regions of the country where the CIDA program is focussing its efforts. Under this program, CIDA is providing \$5 million in technical assistance to cover the foreign exchange costs of assistance such as research, training, policy advice and technical and managerial assistance. The project will also draw from the Canada-Philippines Development Counterpart Fund for the local cost of capability-building activities for policy support, training, planning and project implementation.

### **Institutional Support for the Poor**

Several projects, aimed at strengthening organizations which enable the poor to gain access to assets and services, are currently being implemented with the participation of Canadian non-governmental organizations and universities. Approximately \$60 million has been allocated to these initiatives. A key project in this sector provides support to selected NGOs in the Philippines (\$30 million over 5 years) which develop and implement programs on poverty alleviation. Education, health and human resources development are important components of other projects currently underway in this area. Another two projects provide assistance to the National Commission on Women to institutionalize gender training in other government departments and to