Philippine Civil Society Organizations (CSOs)¹

CODE-NGO, August 2010

In this presentation on the non-governmental organizations (NGOs) or civil society organizations (CSOs) in the Philippines, we will first look at definitions of some important terms. Then, we will discuss the important characteristics of CSOs, the advantages that development NGOs have and the challenges that they face. We will end with a short description of our organization, the Caucus of Development NGO Networks (CODE-NGO).

1) Definitions

An often used definition of civil society and how it can be differentiated from the state and the business sector is that “the State concerns public action for public good, the Market is about private action for private good, while civil society is private action for public good (see for example N. Perlas).

Based on the broad meaning of civil society, CSOs in the Philippines would include a very diverse set of organizations such as socio-civic organizations (Lions Club, Rotary Club, etc.), religious groups, professional associations (lawyers' and dentists' associations for example), business chambers and clubs, non-profit schools and hospitals, people's organizations (associations of farmers, fishers, drivers, neighborhood associations, etc), development NGOs and many others.

An important sub-set of the broad CSO or NGO sector would be what in the Philippines is called development NGOs. Development NGOs would include non-profit organizations that are committed to and working for economic, political and socio-cultural development that base their work on a clear belief in the need for systemic and structural change in society even though their particular organization may be focused on one or a few aspects of that change. In other words, development NGOs are not content only with dole-outs or occasional activities to help the poor such as intermittent medical clinics or livelihood seminars. Development NGOs are often more institutionalized and often (but not always) have a few full-time staff. The term “development NGOs” is also used in the Philippines to refer to “people’s organizations” and cooperatives with the characteristics described above.

2) Number and Characteristics of CSOs

It is very difficult to get clear and updated data on the number of CSOs in the Philippines. Most of the government statistics on CSOs are dated and are not totally

¹ Paper presented by Sixto Donato C. Macasaet, Executive Director of CODE-NGO, at the meeting of the Affinity Group of National Associations (AGNA) – Asia on August 18-19, 2010 in Toronto Canada.
reliable, although there are now efforts to improve this.

In a study done by Dr. Ledivina Carino of the University of the Philippines in 2002, she estimated the total number of registered and unregistered CSOs in the country, or more particularly the number of NGOs (defined in the study as intermediary or 3rd party organizations, that is, providing services to others), people's organizations (defined as membership organizations, mostly of the poorer sectors), non-stock associations and cooperatives at between 249,000 - 497,000. (It must be noted that while the study was published in 2002, it used government statistics as of 1997.)

Carino determined that around 40% of this number is made up of unregistered people's organizations (POs), mostly small community-based or sector-based associations. Around one-fourth are registered POs, 15% are non-stock corporations, 14% are NGOs and 8% are cooperatives.

Graph 1. Composition of Philippine CSOs (Carino, 2002)

There is however a need to review these figures. Carino's study cited government (Securities and Exchange Commission) data as showing that the registered non-stock corporations, including NGOs and POs, as of June 2002 were 152,535. But after the SEC started delisting inactive and non-reporting organizations, this has since gone down to around 89,000 in 2007-2008.

A study by CODE-NGO in 2009 showed that the four government agencies that register different types of organizations have these figures for registered organizations as of 2007-08 -

a) 89,000 non-stock, non-profit corporations (including NGOs and POs) – Securities
and Exchange Commission (SEC)

b) 70,000 cooperatives - Cooperative Development Authority (CDA)

c) 5,000 homeowners associations – Housing and Land Use Regulatory Board (HLURB)

d) 15,000 workers organizations and trade unions – Department of Labor and Education (DOLE)

The same CODE-NGO study showed that the non-stock and non-profits registered by the SEC are mostly small, with a median annual revenue of only P100,000 or USD 2,200 and median assets of only P750,000 or USD 16,000.

Development NGOs

On the other hand, CODE-NGO’s data base, which includes data collected from 444 development NGOs (including POs and cooperatives) in 2006 shows that the average annual revenue of these organizations is 8 Million Pesos or USD 178,000 and that their average assets amount to P30 Million (667,000 USD). This data base also includes information on staffing from 643 development NGOs which show that the average staffing of these development NGOs is 8 full-time staff, 2 part-time staff and an additional 2 full-time project-based staff. This data supports the perception that the development NGOs (as we have defined them here) are more institutionalized compared to the general sector of SEC-registered non-stock and non-profit associations, or the broad NGO or CSO sector.

Many of these development NGOs are also quite old. A CODE-NGO survey of its members in 2003 found that 31% of its member NGOs were more than 15 years already at that time and only 15% were new (5 years old or less).

A study by the Association of Foundations (AF) and CODE-NGO in 2001 showed that a big majority (77%) of the development NGOs was involved in education, training or human resource development and 56% were engaged in community development. Other major involvements of development NGOs were sustainable development and environment, health/nutrition, enterprise and livelihood development, gender and development, social services, micro-finance, cooperative development and community organizing.

This continues to this day. Development NGOs are involved in all aspects of life: economic, political, socio-cultural, at all levels: barangay (village), municipal, provincial/city, regional, national, international and can be found in all places: in urban and rural communities, and in the lowland, upland and coastal areas.
3) Advantages of Development NGOs

Development NGOs continue to be important actors in Philippine society despite the many challenges that they face. This is because of their distinct advantages:

a) they are flexible and innovative – this is partly because most of them are small and also because of the passion and commitment of their staff,

b) they regularly interact and are immersed with the basic sectors and poor communities so that they are able to partner and work closely with them and they bring fresh perspectives to many of society’s problems,

c) they are relatively independent from political interests – this helps them to keep focus on serving the poor and vulnerable peoples and also allows them to become objective “monitors” and “watchdogs” of government policies, programs and projects,

d) most of their workers are deeply committed to serving and working with the poor and are passionate advocates for social justice and development,

e) most of them continue to have a culture of simplicity, service and risk-taking, and

f) they are experienced and skilled in organizing, facilitating, participatory processes and participatory leadership.

4) Challenges for CSOs and Development NGOs

What are the important challenges that CSOs and development NGOs face? These are -

a) Decline in funding for CSOs

External funding for CSOs in the Philippines has declined since the 1990s, when the Philippines, despite the marked inequality and considerable poverty in the country, was classified as a low middle income country because of its average income per capita. As early as 2001, the AF/AF/ CODE-NGO survey found that only 48% of development NGOs consider themselves financially sustainable, 30% are unsure and 13% are not stable at all.

There have been efforts to promote local and diaspora philanthropy targeting local and overseas Filipinos, but this has not yet taken off to such an extent as to compensate for the decline in external funding. This has affected the financial sustainability of CSOs, with many of them being forced to close or to operate with limited or no full time staff.

b) Need to continue to strengthen self-regulation and internal management/
governance

The legitimacy, accountability and practice of good governance among CSOs continue to be raised every now by various quarters – including politicians, bureaucrats and businesspersons who are reacting to accusations of corruption or passionate critiques against their policies and programs along with the well intentioned who see or hear dubious or clearly corrupt practices of some CSOs. Thus, there have been recurrent attempts by government to impose more stringent and often inappropriate regulations on CSOs.

CSOs have responded to this in the past through codes of conduct and policies on self-regulation within some CSO networks as well as the Philippine Council for NGO Certification (PCNC). However, the reach and effectiveness of these still need to be improved in order to protect the good name of the CSO sector and also to guard against unwarranted and inappropriate government regulation.

c) Need to attract more of the young generation

Also since the 1990s, many CSO leaders have noted that it is now relatively more difficult to attract the youth, especially the “best and the brightest” into CSO and development NGO work. The idealist youth of the 1970s and 1980s, given the constrained development and political space under the martial law regime at that time, seemed naturally drawn to CSOs and development NGOs. The current atmosphere of formal political freedoms as well as the many other options (distractions?) in an ICT-enabled global environment seem to work against CSOs and NGOs.

d) Balancing partnership and “watchdog” roles of CSOs

With newly elected President Benigno Simeon “Noynoy” Aquino III ushering in a government that has pronounced its openness to partnerships with the citizenry and CSOs in its anti-corruption and anti-poverty programs, many opportunities for CSO – government partnerships have been opened.

This is a welcome development, but at the same time it brings into focus again the challenge for CSOs to balance partnership with government for development and their role as “watchdogs”. There have been instances in the past when CSOs that entered into partnerships with government agencies and units found it very difficult – and sometimes impossible – to criticize even the worst practices of such agencies because of the desire to preserve good working relations or the need to continue receiving funding support for the organization or to preserve the “gains” under such partnerships (e.g. approval of policies or projects, distribution of land, etc).

In a broader sense, the challenge here is to balance the CSOs’ active engagement in public governance, politics and elections to pursue reforms and development –
and the autonomy of CSOs from political parties and the government.

There are of course many other challenges that CSOs need to face in the effort to work for social justice and development in the Philippines. But hope lies in their commitment and passion, experience and skills, and in their willingness to take risks and to innovate.

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About CODE-NGO

The Caucus of Development NGO Networks (CODED-NGO) is the largest development NGO network in the country. Its membership is composed of 6 regional networks and 6 major national networks, with 1,600 primary NGOs, co-ops and peoples organizations all over the country.

CODE-NGO was established in 1991 with this vision – mission:

“We dream of a society...

That promotes the total well-being of the Filipino people and the full realization of our human rights, where social justice and equitable distribution of wealth prevails, where the basic needs of the broad majority are met and fulfilled, along with maintaining the sustainability of human survival, where all spheres of national development are participated in by all sectors, where the culture of the Filipino peoples are continuously promoted and enhanced.

We commit ourselves to

-taking civil society leadership in policy advocacy and partnership building in the public arena, as well as developing the capacity and accountability of our member networks towards the realization of a peaceful, just and sustainable Philippine society.”

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