Many parts of Mindanao have been the site of near-continuous conflict for several decades, focused predominantly in the Autonomous Region of Muslim Mindanao (ARMM). Most encouraging is that negotiations and peace efforts are ongoing and have culminated in October 2012 the signing of a framework for a peace agreement. However, if the peace is to last long, people need to see the peace dividends at the earliest.

In Mindanao, poverty is such that people cannot afford to be unemployed. It is exemplified by the over 80 per cent figure of vulnerable employment in ARMM (more than double the national average) and 35-52 per cent of working poverty rate of the regions in Mindanao as compared to less than 30 per cent national average (ILO, Philippine Employment Trend 2015). Growth in Mindanao has been confined in the large urban centres, leaving behind the agricultural and fishery hinterland. The latter is where the growth and decent employment are needed in order to realize the peace dividends for the grassroots population.

The Programme for Local Economic Development through Enhanced Governance and Grassroots Empowerment (PLEDGE) is the first enterprise development programme of the Bangsamoro Development Agency (BDA) to help uplift lives of the rural communities in Mindanao. Specifically, the project contributes to:

1. creating sustainable livelihood opportunities through community-based enterprises with higher level market linkages and enhanced support networks and services;
2. building the capacity of the BDA to implement, monitor, evaluate and upscale livelihood interventions for local economic development.
Programme for Local Economic Development through Enhanced Governance and Grassroots Empowerment (PLEDGE)

**MAIN ACTIVITIES**

- Introducing the process of group formation, procurement of the production capital, skills training and start-up of group enterprises.
- Training of the proven entrepreneurship development programme of the ILO Start and Improve Your Business (SIYB) to help improve the sustainability of the community enterprises.
- Introducing a proper record keeping system.
- Developing a business plan to enhance sustainability of enterprises and assisting its implementation.
- Linking the group enterprises to relevant external agencies to enjoy additional support in such areas as business registration, certification (e.g., food certificate, haral certificate) and additional technical guidance.
- Codifying the technical and administrative procedure of the project into an Operating Manual.
- Introducing the International Public Sector Accounting Standards (IPSAS) in the financial management of the BDA-PLEDGE.

**PROJECT OUTCOMES**

- Established 42 group enterprises across the six areas of Mindanao.
- Trained 35 BDA staff and capacitated to implement the programme, including the training of a pool of SIYB trainers composed of 23 trainees from the BDA and partner non-government organizations (NGOs) operating in Mindanao.
- All the six Community Enterprise Development Officers (CEDOs) have developed their action plan to address both the institutional networking and the SIYB implementation.
- Thirty two group enterprises enjoyed SIYB training. At least 29 group enterprises drafted their business plans.
- Developed Operating Manual and upgraded to include more technical elements such as the handbook for CEDOs and the negative list for the selection of businesses as well as the internal governance elements on procurement and financial management reflecting the International Public Sector Accounting Standard (IPSAS).
- Conducted PLEDGE Products Fair in Davao City to promote POs products for potential markets from six provinces in: Central Mindanao Region; Southern Mindanao Region; Davao Region; Ranaw Region; Zamboanga Peninsula Region; and Zamboanga Basilan Region. Invited guests from the government agencies, private institutions and NGOs to strengthen the link after the end of the PLEDGE project.
- Documented summary of experiences, good practices and lessons learned from the PLEDGE’s major implementation stakeholders: BDA, ILO and World Bank/MTF.
- Established commitments of support from the government line agencies, NGOs and private institutions to support POs implementing Community-based Enterprises through an indication of Memorandum of Agreement of support.
- Produced PLEDGE project video and documentation of good practices.

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