

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Philippines

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3293



INTRODUCED BY REPRESENTATIVE ALFRED VARGAS

EXPLANATORY NOTE

Medium-term planning is part of the government tradition in the Philippines. At the start of each administration, the government draws up a six-year development plan that outlines its goals and objectives for the plan period, along with the strategies, policies, programs and projects required to meet them.

Indeed, sound policies and programs are major determinants of development. Thus, it is imperative to know if the policies and programs of the country are appropriate, being implemented correctly, and are achieving their objectives. Likewise, it is important to know if there are better policies or programs that can meet national goals more effectively, efficiently equitably, and sustainably.

A policy or program proven useful in the past may not be as effective and relevant under present circumstances. In the same manner, policies and programs that have worked well in some countries may not succeed in others. Context is important to the soundness of a policy or program. Thus, systematic and context-specific evaluation of policies and programs is important.

Evaluation of planned, ongoing, or completed policies and programs provides the evidence to ascertain their relevance, efficiency, effectiveness, impact, and sustainability (Valdez and Bamberger, 1994). It can also yield important lessons for improving policy and program formulation and implementation. Moreover, evaluation can contribute to good governance by promoting transparency and accountability.

Unfortunately, evaluation has not been widely and systematically integrated in the processes and systems of government. Evaluation has been conducted on only a few and selected programs and projects, largely on the initiative of international development agencies. In 2015, the National Economic and Development Authority and the Department of Budget and Management issued Joint Memorandum Circular No. 2015-01 establishing an evaluation policy framework to govern the practice of evaluation of programs and projects receiving budgetary support from the government. However, the Circular applies only to the agencies of the Executive Branch. And like other Executive Circulars, its implementation is

subject to uncertainty especially when there is a change in government administration.

Recognizing the importance of evaluation, some countries have statutes institutionalizing variants of a National Evaluation Policy (NEP) that applies to all branches and levels of government, while many other countries are in the process of establishing their own NEP (Rosenstein 2015). A National Evaluation Policy defining the purpose, responsibilities. Functions and organization of the public-sector evaluation function in a particular country can facilitate the development of an enabling environment and the institutional and individual capacities for evaluation to reach its full potential.

This Bill proposes the passage of a law mandating the establishment of a National Evaluation Policy to strengthen the legal and institutional framework for the regular conduct of monitoring and evaluation (M&E) of the results of public policies, programs, projects and other forms of government intervention intended to promote sustainable development and uplift the living standards of all Filipinos, especially the poor and the marginalized.

Thus, the approval of this bill is earnestly sought.



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AN ACT ESTABLISHING A NATIONAL EVALUATION POLICY

Be it enacted by the Senate and House of Representative of the Philippines in Congress assembled:

SECTION 1. *Statement of Policy.* - To improve the national government's performance and to enhance the quality of public services, this National Evaluation. Policy (NEP) is enacted to strengthen the legal and institutional framework for the regular conduct of monitoring and evaluation (M&E) of the results of public policies, programs, and projects.

SECTION 2. *Policy Objectives.* - The NEP intends to achieve the following objectives:

(a) Facilitate the development and strengthening of an integrated M&E system of the national government to ensure the regular measurement, reporting and improvement of the performance of its agencies, policies, programs, projects and services;

(b) Ensure the timely provision to national government policymakers and managers of relevant, updated, valid and reliable knowledge about the outputs, outcomes, impacts, and other results of public policies, programs, projects and services;

(c) Ensure the intensive utilization of M&E findings and recommendations in the planning, programming, formulation, budgeting and implementation of public policies, programs, projects and services;

(d) Ensure the continuous improvement of public policies, programs, projects and services to produce outputs, outcomes and impacts that substantially contribute to the achievement of national development goals and priorities;

(e) Ensure the accountability of the national government and its agencies and various public services provides to produce planned, expected or promised results.

SECTION 3. Definitions- The key terms used in this law are defined as follows:

(a) *Evaluation* refers to the systematic and impartial process of assessing the results of public policies, programs, projects, and services implemented or carried out by the national government and/or its agencies or instrumentalities. It analyzes the level of relevance, efficiency, effectiveness, impact and sustainability of the expected and actual outputs, outcomes and impacts of public policies, programs, projects and services. It generates credible and useful evidence-based information to substantially enable the results-oriented planning, programming, budgeting, formulation and reformulation and implementation of public policies, programs, projects and services.

(b) *Monitoring* refers to the systematic and continuous collection of data on agreed indicators to track the short-term and medium-term progress and results of public policies, programs, projects or services being implemented vis-à-vis planned targets and objectives. It generates knowledge to guide government policy/decision makers and managers of the necessary corrective actions to ensure that policies, programs, projects or services being implemented produce their intended results. While, different from evaluation, monitoring is a crucial pre-requisite for effective evaluations of policies, programs, projects and services.

(c) *Results* comprise the outputs, outcomes and impacts of policies, programs, projects or services being implemented.

c.1 *Outputs* are specific goods and services produced by budgeted and implemented public policies, programs, projects, services and other interventions.

c.2 *Outcomes* refer to the actual finite and measurable changes in the behavior of target individuals, groups, or organizations and/or improvements in the quality of processes and services as an immediate effect of specific interventions. Outcome evaluations generate knowledge on the effectiveness of policies, programs, projects and services in meeting their intended objectives.

c.3 *Impacts* are the fundamental, broad sectorial and higher-level societal changes, both intended and unintended, that take place long after target individuals, groups, systems or organizations have experienced the outputs and outcomes of specific interventions. Impact evaluations

SECTION 4. Coverage.- The NEP shall apply to the following:

(a) All departments, agencies, state universities and colleges (SUCs), government-owned and/or controlled corporations (GOCCs), government financial institutions and other instrumentalities of the executive, legislative and judicial branches of the National Government;

(b) All public policies, programs, projects, services and other activities formulated and implemented by the above entities and funded by local and foreign funds including those contracted to and executed, produced and delivered by private sector and civil society organizations;

The National Evaluation Council (NEC) created under Section 14 hereof may include other entities and activities imbued with public interest in the coverage of the NEP.

SECTION 5- *Evaluation Principles.* Evaluations of public policies, programs, projects and services shall be guided by the following key principles:

(a) *Key criteria.* Evaluation shall address, at a minimum, questions pertaining to the relevance, effectiveness, efficiency, impact and sustainability of public policies, programs, projects and services;

(b) *Performance improvement.* Evaluations shall be designed, implemented and used to ensure the continuous improvement of the planning, programming, budgeting, formulation and reformulation and implementation of the national government's public policies, programs, projects and services.

(c) *Value for money.* Evaluations should seek to determine whether the outputs, outcomes and impacts of the national government's public policies, programs, projects and services are commensurate to their invested financial, physical and human resources.

(d) *Minimum competencies of evaluators.* Evaluators shall have the required minimum competencies to effectively evaluate public policies, programs, projects, and services are commensurate to their invested financial, physical and human resources.

(e) *Ethics.* Those who commission, design, conduct, manage, and use evaluations shall observe standards of ethics in evaluations. Impartiality in the planning and conduct of evaluations shall be always ensured.

SECTION 6. *Evaluation Criteria.* At the minimum, evaluations of national government policies, programs, projects, and services shall measure and report on their efficiency, effectiveness, relevance, impact and sustainability.

(a) *Efficiency* measures the quality and timeliness of the intended and unintended outputs and the short-term and medium-term outcomes and long-term impacts of public policies, programs, projects and services were delivered/produced by national government agencies and instrumentalities including their networks of private and civil society service providers. Efficiency evaluations shall help government policy/decision makers to ascertain whether the intended objectives were achieved on time and at planned cost and to identify better and efficient ways of meeting the objectives of policies, programs, projects and policies.

(b) *Effectiveness* measures the quality and timeliness of the intended and unintended outputs and the short-term and medium-term outcomes and long-

term impacts of public policies, programs, projects and services. Effectiveness evaluations shall measure to extent to which valued development and societal impacts can be attributed clearly to the public policies, programs, projects, and services belong implemented by the covered entities;

(c) *Relevance* measures the alignment and consistency of the results of public, policies, programs, projects and services with national development goals and priorities and their responsiveness to stakeholder needs;

(d) *Impact* measures the fundamental, broad and higher-level societal effects of public policies, programs, projects, services and other national government interventions;

(e) *Sustainability* measures the extent to which the benefits of policies, programs, projects and services continue after funding ceased. Sustainability evaluations shall help government policy/decision makers to identify the major factors that influenced the achievement or non-achievement of the sustainability objectives of public policies, programs, projects and services.

The NEC shall adopt additional monitoring and evaluation criteria including but not limited to development equity and inclusiveness for various stakeholders, responsiveness to gender-equality goals, and achievement of national development and sustainable development goals.

SECTION 7. *Evaluation Competencies.* Organizations and individuals engaged in designing, conducting and managing evaluations of public policies, programs, projects and services shall have the following minimum competencies:

(a) *Technical foundation:* Understands and makes appropriate use of methodological concepts and practices in line with accepted professional evaluation standards; gathers relevant evidence for evaluation purposes from appropriate sources, assessing its quality and identifying gaps; analyzes and interprets data fairly, comprehensively and objectively in order to effectively address evaluation questions.

(b) *Leading, managing, and delivering evaluations:*Manages evaluation resources and relationships with stakeholders to deliver high quality evaluations on time and to Philippine government standards.

(c) *Communicating and sharing evaluation findings:*Communicates effectively orally and in writing in the context of all evaluation activities; clearly reports evaluation methods, findings, conclusions and recommendations; promotes awareness and use of evaluations through effective dissemination and advice.

(d) *Integrity.* Demonstrates honesty and respect in dealing with project/program personnel, other interested personnel of the national government, and all other evaluation stakeholders.

SECTION 8. *Evaluation Ethics.* Evaluations or organizations and persons engaged in designing, conducting and managing evaluation activities shall abide by the

Code of Conduct and Ethical Standards for Public Officials and Employees (Republic Act No. 6713). They shall:

(a) Respect the right of the entities and individuals to provide information in confidence;

(b) Ensure that sensitive data used in evaluations cannot be traced to its source;

(c) Give opportunity to all stakeholders involved in evaluations to review and approve the statements attributed to them;

(d) Be sensitive to the cultural, social and economic environment of all stakeholders, and conduct themselves in a manner that is fair and appropriate to this environment.

(e) Be accountable for their performance and their products.

SECTION 9. *Impartiality.* The evaluation units (created under Section 18 hereof) of entities and interventions covered by the NEP shall ensure that evaluations are conducted with the highest possible degree of impartiality in order to maximize objectivity and minimize the potential for bias. Where appropriate, they shall commission independent third-party evaluators to undertake portions of, or the entire, evaluations. Managers and other stakeholders of public policies, programs, projects and services being evaluated shall not be allowed to influence evaluation findings.

SECTION 10. *Evaluation Capacity Building.* The NEC shall lead the formulation and implementation of a comprehensive program to develop the monitoring and evaluation capacity of the national government especially for those who design, conduct, manage and use evaluations of public policies, programs, projects and services. All entities by this policy shall design and implement their respective evaluation-capacity building initiatives in line with this program and customized for their respective organizational context, roles, and needs.

The national government, through the NEC, shall encourage and support the formation and strengthen of national, regional and local professional evaluation associations and network. The NEC shall also develop partnerships with state and private universities and colleges in the development and conduct of comprehensive evaluation courses.

SECTION 11. *Evaluation Scale.* To meet the information, need of government policy/decision makers and other stakeholders, different types of evaluations (i.e., diagnostic, formative and summative evaluations) of public policies, programs, policies and services shall be conducted. To guide the design of public policies, programs, projects or services prior to implementation, diagnostic evaluations shall be required as needed. To ensure that their intended outcomes are achieved, formative evaluations shall be conducted at the mid-point of period of implementation of public policies, programs, projects and services.

Summative impact evaluations shall also be conducted six years after or at the end of implementation of a major public policy, program, project or service.

The scale of each diagnostic, formative and summative evaluation should be large enough to provide timely answers to critical evaluation questions with an adequate level of certainty, but no costlier than necessary. The following factors shall be considered in defining the scale of every evaluation:

- (a) level of ambiguity of outcomes especially for new interventions;
- (b) potential consequences especially of policies , programs and projects whose failure can lead to severe negative consequences;
- (c) information needs of government policy/decision makers for policies , programs and projects whose funding and renewal are at stake or those with a high public profile;
- (d) magnitude of the policy, program and project intervention;
- (e) complexity of policy, program, project or service in terms of number and variation of the activities, size of target populations, regional reach; and anticipated difficulty associated with acquiring relevant data;
- (f) uniqueness of the intervention with respect to outputs and outcomes/impacts;

SECTION 12. *Evaluation Design and Execution.* Within the defined evaluation scale, evaluations shall use research methodologies in line with accepted professional evaluation practice including but not limited to the following;

- (a) logic models/change theories that depict key policy/program/project/service elements (i.e., inputs, activities, intended outputs, short-term outcomes, medium-term outcomes, long-term impacts, related higher-level and national priorities) and the hypothesized causal links among the elements. Such logic models/change theories shall guide the development of questions to be answered by the evaluations.
- (b) baseline data and/or ongoing project/program performance data collected to support the evaluation;
- (c) research designs that can significantly establish the extent to which outcomes and impact can be attributed to the policies, programs, projects and services being evaluated. Research designs shall include a mix of quantitative and qualitative research perspectives and methods- e.g., random surveys, interviews and focus groups with a diversity of audiences including project/program participants and stakeholders; literature/document reviews, and administrative data analyses;
- (d) scientific and rigorous sampling strategies that provide accurate representative of the populations of interest;

(e) valid and reliable research instruments;

(f) comprehensive and accurate quantitative and qualitative data analysis strategies that take into account the context of policies, programs and projects being evaluated and that can generate valid, reliable and defensible findings for each evaluation question.

(g) conclusions drawn from a synthesis of findings;

(h) recommendations based on the findings and conclusions;

(i) evaluation reports and related presentations that are concisely and clearly written and communicated. Evaluation reports and presentations shall ensure that all audiences including decision-makers (i.e., project/program managers to senior officials and legislators) can readily grasp key messages and make informed decisions about the policies, programs, projects, and services being evaluated.

The NEC and the entities covered by the NEP shall establish evaluation review panels, advisory committees and other mechanisms to assure the high quality of evaluations.

SECTION 13. *Reporting and dissemination of evaluations.* All final evaluation reports shall contain the following essential contents;

(a) adequate description of the policy, programs, project or service being evaluated.

(b) adequate background and context including the purpose of the evaluation and the issues and questions;

(c) description of the actual evaluation methodology including limitations and the approaches adopted to mitigate limitations;

(d) clearly stated evaluation findings with the description of the evidence on which each finding is based;

(e) recommendations developed by the evaluator based on the findings;

(f) response from the head(s) of the covered entities, describing actions that will be taken in addressing each recommendation;

(g) the identities of the principal members of the evaluation team and the evaluation steering committees or advisory bodies tasked with oversight and assuring the quality of evaluations;

The NEC shall issue additional directives as necessary.

SECTION 14. *Creation of the National Evaluation Council.* A National Evaluation Council is hereby established to act as the lead agency for

implementing the Evaluation Council is hereby established to act as the lead agency for implementing the NEP. Its membership shall ensure adequate representation of the executive, legislative and judicial branches of the national government. It shall also ensure that sufficient participation of experts from the academe and private sector and civil society stakeholders are taken into consideration in decisions of the NEC. Its organizational and staffing pattern shall be in accordance with existing government policies, rules and regulations.

SECTION 15. *Composition of the National Evaluation Council.* The NEC shall have eight (8) voting members:

(1) A career Undersecretary of the National Economic and Development Authority (NEDA) in charge of monitoring and evaluation; to be appointed by the NEDA Secretary as his/her official representative to the NEC;

(2) A career Undersecretary of the Department of Budget and Management (DBM) in charge of government performance reporting, monitoring and evaluation and/or improvement as Co-Chairperson, to be appointed by the DBM Secretary as his/her official representative.

(3) The head of the Presidential Management Staff or his or her officially appointed representative.

(4) A career Deputy Secretary General/Director General in charge of policy planning, research and/or evaluation in the House of Representatives, to be appointed by the House Speaker as his/her official representative;

(5) A career Deputy Secretary General/ Director General in charge of policy planning, research and/or evaluation in the Philippine Senate, to be appointed by the Senate President;

(6) A Deputy Court Administrator in charge of performance monitoring and evaluation of the judicial branch, to be appointed by the Court Administrator as his/her official representative;

(7) A Commissioner of the Commission on Audit (COA) to be appointed by the COA Chairperson as his/her official representative;

(8) The head of the Philippine Statistical Authority (PSA) or his/her officially appointed representative;

SECTION 16. *Functions of the National Evaluation Council.* The NEC shall perform the following functions to implement the NEP:

(a) formulate the basic guidelines for ensuring systematic and regular evaluations of national government policies, programs, projects and services. The guidelines shall cover the following matters:

a.1 administrative policy on the conduct of evaluations;

a.2 evaluation criteria and standards;

a.3 studying and acquiring information on the effects of government interventions;

a.4 conduct of diagnostic, formative and summative impact evaluations;
a.5 acquisition of experts with knowledge and experience in evaluation;
a.6 utilization of evaluation findings in the planning, programming, budgeting, formulation, reform, and implementation of government interventions;

a.7 publication of information related to evaluations;
a.8 other measures to ensure systematic and regular conduct of evaluations.

(b) serve as the national government's administrative policy center for M&E, providing guidelines for monitoring, measuring and reporting the performance of public policies, programs, projects and services;

(c) lead in the formulation, coordination and implementation of a comprehensive and continuous program to develop and strengthen the evaluation capacities including the integrated M&E system of the national government and its agencies and instrumentalities;

(d) provide overall policy direction, coordination, formulation and implementation of the evaluation agenda of the national government and its agencies/instrumentalities;

(e) monitor progress of M&E development and strengthening of the national government and its agencies/instrumentalities;

(f) legal the development of a comprehensive program to improve the national government's performance;

(g) lead and coordinate the preparation of the annual national performance report;

(h) facilitate or manage national or sectoral evaluations and special evaluation studies, on top of those conducted by implementing agencies;

(i) work with the private sector and civil society to promote feedback mechanisms as input to M&E of the national government and all its agencies/instrumentalities;

(j) facilitate the development of national and regional M&E professional associations;

(k) disseminate the results of evaluations to government policy/decision makers and managers of program, projects and services of the agencies in the executive, legislative and judicial branches of the national government.

The NEC shall meet every quarter or as often as necessary. It may authorize the creation of technical committees, advisory bodies, and other mechanisms to ensure high-quality evaluation.

SECTION 17. *Creation of the NEC Secretariat and its Functions.* In the interim, the Monitoring and Evaluation Staff of the NEDA shall serve as the NEC

Secretariat. Within six months after the enactment of this policy, the NEC Secretariat attached to the NEDA shall be formally organized to provide technical, managerial and administrative support to the NEC. The NEC Secretariat shall be headed by an Executive Director. Subject to the approval of the NEC and to existing government laws and regulations on government organization and staffing, services and divisions as needed to effectively support the NEC's functions and responsibilities shall be created. The NEC Secretariat shall be an attached agency of the NEDA. The NEC Secretariat shall have the following responsibilities:

(a) recommend for the NEC's approval, evaluation policies, principles, standards, criteria, strategies and guidelines for the effective implementation of the NEP;

(b) recommend to the NEC the format and content of evaluation plans and reports;

(c) monitor and report on progress and results of evaluation activities undertaken by the NEC and covered entities;

(d) serve as a repository of all evaluation plans and reports of the national government and its agencies/instrumentalities;

(e) upload in its website within 15 days from completion of all final evaluation reports for public policies, programs, projects and services of the national government and its agencies and instrumentalities;

(f) notify the key stakeholders of the national government within 15 days from completion about final evaluation plans and completed evaluations of public policies, programs, projects and services;

(g) provide hard and soft copies of final evaluation reports to the following stakeholders of the Philippine Congress: the House Speaker; the Senate President; the concerned chairpersons and committee secretaries of congressional committees with jurisdictions over public policies, programs, projects and services being evaluated; and the support offices of the House of Representatives and the Philippine Senate performing budget and policy research and technical assistance to the members of Congress;

(h) disseminate evaluation plans and completed evaluation reports of the national government and its agencies and instrumentalities;

(i) conduct capacity-development activities on evaluation with partners from the government, private and civil society sectors;

(j) conduct/manage evaluations as authorized by the NEC;

(k) provide Secretariat support to the NEC;

(l) recommend sanctions and incentives;

(m) prepare a consolidated report of individual evaluations for the NEC's appropriate action.

SECTION 18. *Evaluation Agenda.* The agencies and instrumentalities of the executive, legislative and judicial branches of the national government shall identify public policy, program, projects and service evaluations for inclusion in the six-year rolling National Evaluation Agenda (NEA). The NEC, with the assistance of its Secretariat, shall lead the coordination in preparing and finalizing the NEA. It shall adopt guidelines and criteria for selecting policies, programs, projects and services for evaluations. Such criteria shall include but not limited to the following

- (a) high-risk innovative policies, programs, projects, services;
- (b) any public policy, program, project or service set up as a pilot or demonstration;
- (c) large scale or high-profile policies/programs

All agencies and instrumentalities of the national government from the executive, legislative and judicial branches shall formulate and maintain a continuously updated six-year evaluation agenda, to coincide with the timeframe of the preparation of the Philippine Development Plan (PDP) and Public Investment Program (PIP). The evaluation agenda of the national government agencies and instrumentalities shall specify public policies, programs, projects and services to be subjected to diagnostic, formative and summative evaluations and their timelines.

The NEC, with the assistance of its Secretariat, shall review the six-year evaluation agenda of national government agencies and instrumentalities to identify high-priority evaluations of integration in the National Evaluation Agenda.

SECTION 19. *Creation of Neutral Evaluation Units of Covered Entities.* The head of any national government department, agency or instrumentality shall establish capable and neutral evaluation unit initially at the central level subject to existing policies, rules, and regulations of the DBM on organizational and staffing pattern changes. The head of the evaluation unit reports directly to the head of the department, agency or instrumentality.

To support the work of the neutral evaluation unit, the head of the national government department, agency or instrumentality shall establish a senior-level M&E advisory committee for support and oversight of M&E initiatives of the entity covered by the NEP.

SECTION 20. *Functions of the Neutral Evaluation Units.* The evaluation unit of national government departments, agencies and instrumentalities shall:

- (a) formulate and submit the agency's six-year rolling evaluation agenda to the head of the agency, copy furnished the NEC Secretariat;
- (b) lead the implementation of the evaluation agenda of the department, agency or instrumentality;

(c) plan, conduct and manage evaluations of policies, programs, projects and services within the mandated functions and responsibilities of the department, agency or instrumentality;

(d) ensure that evaluations are undertaken with due regard for impartiality and in line with evaluation best practices;

(e) manage the agency's evaluation budget and related activities;

(f) submit to the agency head evaluation findings and recommendations, copy furnished the NEC and its Secretariat;

(g) serve as repository of all evaluation studies conducted/commissioned by the department, agency or instrumentality;

(h) upload in its website within 15 days from completion of completed evaluation plans and final evaluation reports;

(i) submit evaluation plans and final evaluation reports to the NEC Secretariat in accordance with prescribed guidelines;

(j) develop and strengthen the M&E system of the department, agency or instrumentality;

(k) prepare annual reports on the performance of policies , programs, projects and services implemented by the department, agency or instrumentality and disseminate the same to the head of the department, agency or instrumentality; the relevant committees and support offices of the House of Representatives and the Philippine Senate; and the NEC and its Secretariat.

(l) provide input to budget and policy discussions.

The NEC shall issue guidelines governing the formation and operation of neutral evaluation units of entities covered by this policy.

SECTION 21. Utilization of Evaluation Findings and Recommendations. The heads of departments, agencies and instrumentalities shall submit reports on their management response and other actions on the findings and recommendations of completed evaluations, to the NEC and its Secretariat, the Speaker of the House and the Senate President and to the relevant committee chairpersons and support offices of the two branches of Congress.

The heads of departments, agencies and instrumentalities of the executive, legislative and judicial branches of the national government shall ensure that M&E data, findings and recommendations are used to guide and improve the planning, programming, budgeting, formulation, implementation and oversight of public policies, programs, projects and services.

The NEC and its Secretariat and the evaluation units and M&E advisory committees of the entities covered by this policy shall monitor the actions of the

national government and its agencies and instrumentalities, on evaluation findings and recommendations.

SECTION 22. *Project/ Program Proposals.* All policies, programs, projects or services put forward for annual budget shall include an evaluation plan in accordance with the best practices. The policies, programs, projects or services for funding shall consider the results of their completed evaluations and make reference to relevant evaluation findings, recommendations and resulting changes to the proposed policies, programs or projects. In cases where evaluations recommendations were not followed, the proposal for funding shall include an explanation.

SECTION 23. *Mainstreaming of the NEP.* The national government and its agencies and instrumentalities in the executive, legislative and judicial branches of the national government shall allocate at least three percent (3%) of their annual budgets for implementation of the NEP. Such funds shall be used for:

- (a) evaluation capacity development;
- (b) ongoing salaries, recruitment and training to ensure an adequate supply of internal personnel competent in evaluation;
- (c) operations and maintenance; and,
- (d) external professional service fees.

SECTION 24. *Implementing Rules and Regulations.* The NEC shall formulate the implementing rules and regulations (IRR) of this Act. The IRR shall specify the target outputs, short-term and medium-term outcomes, long-term impacts and other intended results of this policy. The IRR shall provide for the conduct of formative and summative evaluations of the NEP two and five years, respectively, after its initial implementation.

SECTION 25. *Amendment.* The findings and recommendations of the formative and summative evaluation, in addition to the feedback of various stakeholders including but not limited to the NEC and its Secretariat, neutral evaluation units of entities covered by the NEP, and private sector and civil society organizations including international donor agencies shall guide amendments of the NEP including the basic guidelines for NEP's implementation formulated by the NEC.

SECTION 26. *Repealing Clause.* All policies and issuances or parts thereof inconsistent with the NEP are hereby repealed or amended accordingly.

SECTION 27. *Effectivity.* This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a national newspaper of general circulation.

Approved,