

PART II

ENHANCING THE SOCIAL FABRIC ("MALASAKIT")



05

Ensuring
People-Centered,
Clean, and Efficient
Governance

Ensuring People-Centered, Clean, and Efficient Governance

A high-trust society broadens the opportunities for inclusive development. This trust is between citizens, peoples, the private sector, and government. A high-trust society is a necessary condition for facilitating official and business transactions, as well as interpersonal relationships. Citizens obey the law; they willingly pay the correct taxes trusting that government will prudently manage the fiscal resources. Government, in turn, is able to allocate adequate resources for public goods and services, especially to those who need them the most. The needy who benefitted from the prompt delivery of adequate services are then accorded better chances of achieving more in life. The taxpaying public, meanwhile, is able to pursue further their economic and other interests, secure in the knowledge that their rights over the fruits of their labor are protected, first by government and also by their fellow citizens.

The cornerstone of a high-trust society is the trust in government. This chapter discusses strategies to ensure a people-centered, clean, efficient, and effective governance by strengthening institutions, engaging and empowering citizens, and providing enabling mechanisms to improve access to public goods and services.

Assessment and Challenges

The previous Philippine Development Plan (PDP) focused on increasing transparency, citizen's participation, and accountability. Significant achievements were made but much needs to be followed through in the current administration.

Reforms contributed to the improvement of the Philippine rankings in most global indicators. Although the country gained recognition from international award-giving bodies, it still ranked lower than most of its neighbors in the Association of Southeast Asian Nations (ASEAN). The challenge now is to strengthen the system and sustain or even surpass past achievements.

In 2015, the Philippines met and even exceeded the end of plan (EOP) target for voice and accountability ($\geq 50\%$) in the Worldwide Governance Indicators, but it did not reach the targets for other core indicators under governance. Compared to past percentile rankings, however, it rose steadily over the past six years, indicating effectiveness of governance reforms. This boosted the country's ranking higher than most ASEAN countries in Voice and Accountability. However, control of corruption remained an issue (*Table 5.1*).

Table 5.1 Philippines' Performance in the Worldwide Governance Indicators (WGI) vs. Selected ASEAN Counterparts, 2010-2015

COUNTRY	VOICE AND ACCOUNTABILITY			GOVERNMENT EFFECTIVENESS			CONTROL OF CORRUPTION		
	2010	2013	2015	2010	2013	2015	2010	2013	2015
Indonesia	47.87	49.30	52.22	47.37	47.39	46.15	25.24	30.81	38.46
Malaysia	33.65	38.50	36.45	82.78	79.15	76.92	62.86	68.25	65.87
Philippines	48.34	47.89	51.72	55.50	59.24	57.69	22.38	43.13	41.83
Singapore	40.76	52.58	42.86	100.00	99.53	100.00	98.57	96.68	97.12
Thailand	32.23	33.80	23.65	62.20	62.09	65.87	48.57	49.29	43.75
Vietnam	8.53	11.74	10.84	45.93	46.45	55.29	31.43	36.49	39.42

Source: World Bank (WB)

Over time, the country's Corruption Perceptions Index (CPI) improved except in 2015, which may be attributed to the Priority Development Assistance Fund scam. Even so, the business and economic climate of the country steadily rose, with favorable results for the indices on Economic Freedom (EFI), Global Competitiveness (GCI), and Ease of Doing Business (EODB) (Figure 5.1). Economic Freedom reached its peak in 2016

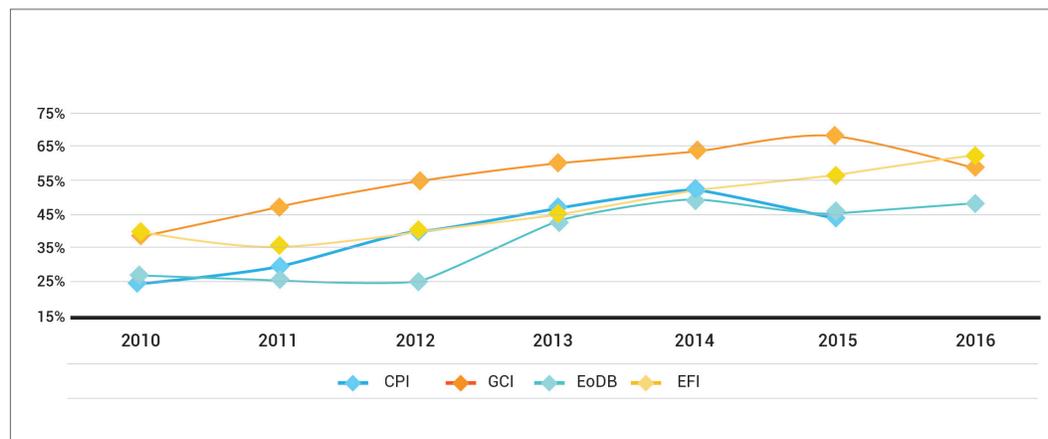
(62pctl), the highest ever since the EFI's first ranking in 2008. Stable macroeconomic environment, favorable market size, and increased business sophistication drove the steady increase of the country's ranking in GCI. Meanwhile, ease of trading across borders and ease of getting electricity promoted the country's rankings in the EODB Index.³

¹ The closer to 100 percent, the better the percentile rank.

² The WGI is a research dataset summarizing the views on the quality of governance provided by a large number of enterprise, citizen and expert survey respondents in industrial and developing countries. These data are gathered from a number of survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms. The WGI is a research project of the World Bank since 1996 and covers 211 countries.

³ World Bank, 2016. *Doing Business 2016: Measuring Regulatory Quality and Efficiency*. Retrieved from: <http://www.doingbusiness.org/reports/global-reports/doing-business-2016>

Figure 5.1 Philippines' Percentile Rank (pctl) in Selected Governance Indices, 2010 to 2016



Sources: 2010-2016 reports from Transparency International's Corruption Perceptions Index (CPI)⁴; World Economic Forum's Global Competitiveness Index (GCI)⁵; World Bank's Ease of Doing Business (EoDB) Index⁶; Heritage International's Index of Economic Freedom (EFI)⁷

More than the improvement in global ranking, the current administration aims to make government services more accessible by reducing requirements, processing time, and the signatories for the transactions. The challenge is to ensure that delivery of services is effective and efficient at all levels. For example, the Ease of Doing Business report⁸ notes that it takes 28 days for a business to secure a permit, longer than the President's directive of three days. Among citizens, there have been complaints about accessing basic services such as getting driver's licenses and passports.

Platforms for participatory governance were established but the general public was not yet deeply involved. As part of the Bottom Up Budgeting (BUB) approach to local planning and budgeting, 98 percent of cities and municipalities formulated their local poverty reduction action plans, surpassing the target of 95 percent; 55,480 projects were implemented.⁹ Under the Kapit-Bisig Laban sa Kahirapan-Comprehensive Integrated Delivery of Social Services program, 7,021 community projects have been completed in collaboration with people's organizations (POs) and civil society organizations (CSOs).

⁴ The Corruption Perceptions Index measures the perceived level of public sector corruption in 178 countries and territories based on 13 expert and business surveys. The score ranges from 0-100, where 0 means that a country is perceived as highly corrupt and 100 means that a country is perceived as very clean.

⁵ The Global Competitiveness Report analyzes competitiveness along 12 pillars: institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labor market efficiency, financial market development, technological readiness, market size, business sophistication and innovation.

⁶ The Doing Business project ranks 190 economies and selected cities at the subnational and regional level in terms of: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts, and resolving insolvency.

⁷ The Index of Economic Freedom evaluates countries in four policy areas that affect economic freedom: rule of law; limited government; regulatory efficiency; and open markets.

⁸ World Bank. 2017. Doing Business 2017: Equal Opportunity for All. Retrieved from: <http://www.doingbusiness.org>

⁹ Open Government Partnership (OGP). 2014 Results. <https://www.opengovawards.org/2014results>

In November 2012, the Commission on Audit (COA) launched the Citizen Participatory Audit (CPA) Program. This initiative to open the audit processes to citizens and CSOs was intended to improve effectiveness and efficiency in the use of public resources.¹⁰

Vibrant civic engagement was also apparent in the May 2016 national elections, with a record-high voter turnout rate of 81 percent.¹¹

Platforms for citizen participation were made available but these were underutilized by the general public. Two possible reasons are ignorance and apathy¹² because of misinformation or lack of proper information. In line with the current administration's thrust to directly engage the public at all levels, the previous platforms must be reviewed and modified for a more effective citizen engagement. At the same time, shared responsibility and accountability with civil society must be strengthened.

Government data were made available to the public; however, there was no context-sensitive or contextual measure of performance. Government data such as budgets, statistics, plans, and other relevant documents were made available using the Open Data portal (www.data.gov.ph). Government agencies also increased their online presence through websites and pages in social media platforms.

Provinces, cities, and municipalities (PCMs) garnered 76 percent full compliance to the Full Disclosure Policy (FDP), exceeding the target of 75 percent. Furthermore, all national government agencies (NGAs), government-owned and

controlled corporations (GOCCs), and local government units (LGUs) are now registered in the Philippine Government Electronic Procurement System (PhilGEPS). As of 2015, 87 percent of NGAs and GOCCs used the PhilGEPS to publish their invitations to bid and contracts awarded as required by the Government Procurement Reform Act (RA 9184).

Almost all NGAs, GOCCs, and state universities and colleges (SUCs) complied with the transparency requirement to post budget and program information: 98 percent in 2015, compared to 87 percent in 2012. Moreover, updated citizen's charters for 99 percent of NGAs and GOCCs were posted in conspicuous places. Submission of statements of assets, liabilities, and net worth (SALN) of public officials and civil servants was at 96 percent. The report on ageing of cash advance also increased to 98 percent in 2015 from 91 percent in 2012.

However, despite the multitude of available data online, it was still difficult to gauge the performance of the sector. Several global indices were available but these were not contextual to the Philippine setting. Thus, there is a need to develop local indicators to measure the progress of good governance initiatives. This information must also be made available and easily understandable to the public. Moreover, the quality of the data shared must be scrutinized as these are instrumental in the development of programs.

Measures to improve public service delivery and accountability were enhanced but compliance to standards remains low. LGUs garnered 74 percent compliance with respect to public financial management (PFM) standards in the 1st quarter of 2016,

¹⁰Affiliated Network for Social Accountability in East Asia and the Pacific (ANSA-EAP). 2012. *Citizen Participatory Audit*. Retrieved from: <http://www.ansa-eap.net/projects/citizen-participatory-audit/>

¹¹Commission on Elections (COMELEC). August 12, 2016. *Comelec: Filipinos Satisfied with Automated Polling System*. Retrieved from: <http://www.comelec.gov.ph/?r=2016NLE/PressRelease/12Aug2016pr3>

¹²Jayeel Serrano Cornelio. February 22, 2016. "Millennial Apathy". *Rappler.com*. Retrieved from: <http://www.rappler.com/thought-leaders/123340-millennial-apathy>

surpassing the EOP target of 65 percent. Incentive-based initiatives, such as the Seal of Good Local Governance (SGLG) and the Performance Challenge Fund (PCF), proved very effective in positively influencing the performance of local government units nationwide. LGUs conferred with the seal were provided with the Performance Challenge Fund that funded some anti-poverty projects in these LGUs.

Citizen feedback on the kind and quality of services rendered by the city and municipal governments were gathered through the Citizens' Satisfaction Index System in 163 LGUs, exceeding the target of 153. Moreover, the Contact Center ng Bayan has grown steadily, reporting 63,281 complaints in 2015, a big improvement from the 2,685 in 2010.

The Civil Service Commission (CSC) expanded the coverage of the Report Card Survey (RCS), a critical component of the Anti-Red Tape Act (ARTA) of 2007 (RA 9485),¹³ from 50 frontline agencies in 2010 to 1,109 agencies in 2016. Passing rates have also improved from 78 in 2010 to 93 percent in 2016.

The Inter-Agency Anti-Corruption Coordinating Council was established to institutionalize transparent, accountable, and participatory governance. Anti-corruption initiatives were also intensified in the bureaucracy. The Governance Commission for GOCCs (GCG) was created in 2012 to fight corruption in government-owned and controlled corporations and improve the quality of management.

In local government, reforms were also introduced in the *Sangguniang Kabataan* (SK) with the inclusion of an anti-political dynasty provision, increase in the age requirement to 18-24 years, and training for

SK officials on good government practices and fiscal transparency.¹⁴

Public financial management reforms were also implemented. However, challenges remain in implementing these reforms, particularly the linkage of planning, budgeting, cash management, accounting, and auditing across the bureaucracy. Interoperability remains an issue. In particular, the Government Integrated Financial Management Information System (GIFMIS) has not been fully established. Gaps in the information and communications technology (ICT) environment for financial control and accountability also need to be addressed. Moreover, those that have been proven effective must be institutionalized, preferably through legislation.

New imperatives in planning and budgeting must also be implemented. Examples are the application of enterprise risk management for financial and operational risks, which is a requirement for certification by the International Organization for Standardization (ISO) 9001:2015, and the mainstreaming of green growth principles in the planning process.

Measures to improve efficiency and competence of public service were initiated but these should be accompanied by higher absorptive capacity and better access to information. The Public Management Development Program capacitated 654 senior executives and middle managers in 2016, exceeding its target of 513. Various competency-based training programs have been implemented such as the Public Financial Management Certificate Program, Program to Institutionalize Meritocracy and Excellence in Human Resource Management (PRIME-HRM), and Government Procurement Policy Board procurement training courses.

¹³The ARTA is a law that aims to improve efficiency and prevent graft and corruption in the delivery of government services by reducing bureaucratic red tape and increasing accountability and transparency.

¹⁴Rappler.com. January 19, 2016. *Aquino Signs Law for Sangguniang Kabataan Reforms*. Retrieved from: <http://www.rappler.com/nation/119571-aquino-signs-sangguniang-kabataan-reform-act>

Since the institutionalization of the Government Quality Management Program in 2007, certification for ISO 9001 Certified Quality Management Systems (QMS) increased. This included the certification of the Department of Budget and Management, Department of Labor and Employment, *Bangko Sentral ng Pilipinas*, among others. With the priority on the certification of frontline services, offices that are ISO 9001 Certified QMS reached 589, surpassing its target of 498.

The Performance-Based Incentives System (PBIS) was launched and implemented in 2012 through Administrative Order No. 25, s. 2011 and Executive Order No. 80, s. 2012. It was instrumental in upgrading the performance of the bureaucracy because it promoted merit, teamwork,

and management control. In 2016, the bureaucracy achieved an overall compliance rate of 96 percent on basic governance conditions, higher than 88 percent in 2012. On performance management systems, the Strategic Performance Management System (SPMS) reached 2,321 agencies, 229 short of its 2,550 target for 2016.

There are legal frameworks and existing policies to improve performance management and accountability in government, such as the Anti-Red Tape Act (ARTA), anti-corruption laws, and the Strategic Performance Management System. However, compliance remains low due to inadequate control mechanisms and the agencies' lack of appreciation of the flexibilities allowed in the system.

Strategic Framework

The Philippine Development Plan 2017-2022 aims for people-centered, clean, efficient, and effective governance. In particular, it aims to reduce corruption,

achieve seamless service delivery, enhance administrative governance, strengthen the civil service, and fully engage and empower citizens.

Targets

Global governance indices such as the Worldwide Governance Indicators (WGI), Corruption Perceptions Index (CPI), Global Competitiveness Index (GCI), and Open Budget Index (OBI) will again be used to

gauge the country's quality of governance. To address the call for a more context-sensitive indicator, a national governance index will be developed by NEDA and then measured by the Philippine Statistics Authority. *Table 5.2* shows the targets corresponding to the desired subsector outcomes.

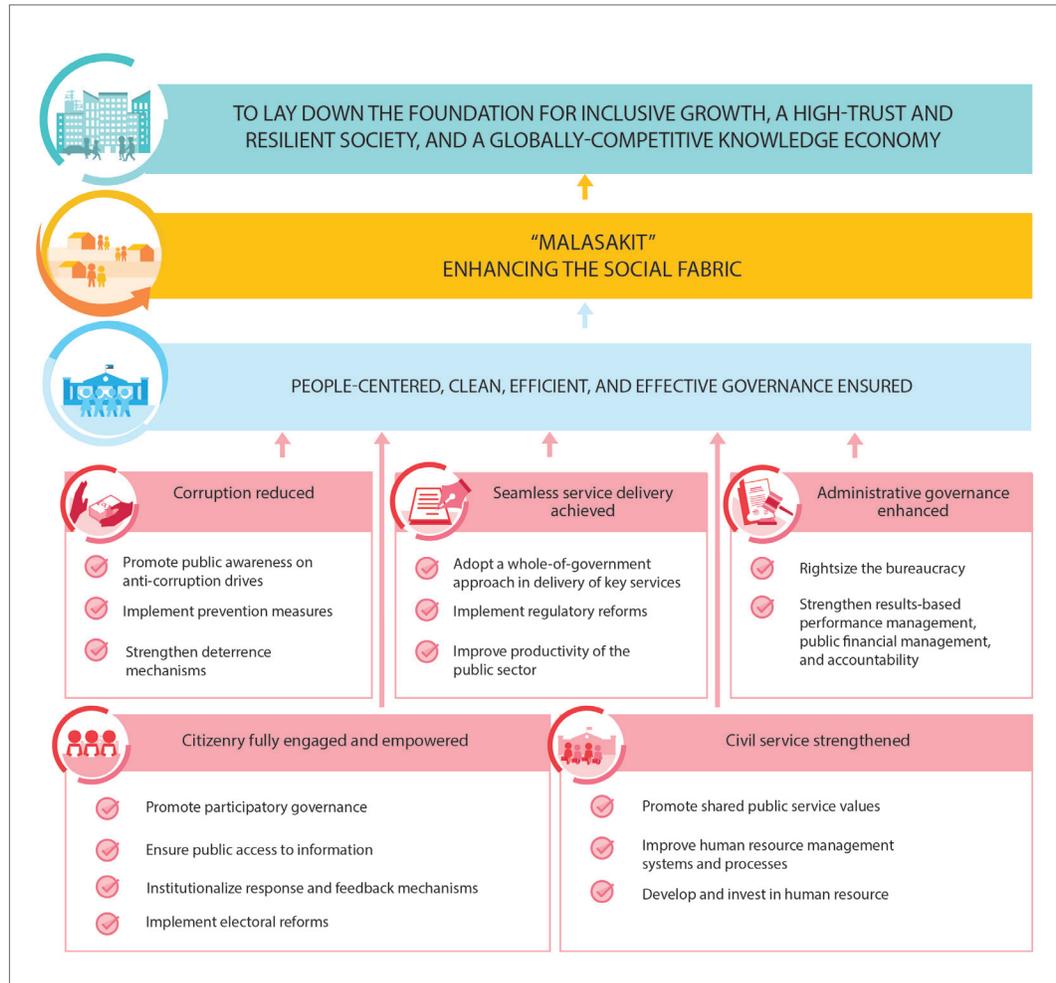
Table 5.2 Plan Targets to Ensure People-centered, Clean, Efficient, and Effective Governance

INDICATOR	BASELINE (2016) ¹⁵	END OF PLAN TARGET
Sector Outcome: People-centered, innovative, clean, efficient, effective, and inclusive delivery of public goods and services		
National governance index improved	No existing national governance index	Fully functional national governance index
Subsector Outcome 1: Corruption reduced		
Percentile ranking in the WGI – Control of Corruption improved	42pctl	50pctl
Percentile ranking in CPI improved	43pctl	50pctl
Subsector Outcome 2: Seamless service delivery achieved		
Percentile ranking in the WGI – Regulatory Quality improved	53pctl	60pctl
Percentile ranking in the GCI improved	59pctl	62pctl
Subsector Outcome 3: Administrative governance enhanced		
Percentile ranking in the WGI – Government Effectiveness improved	58pctl	62pctl
Subsector Outcome 4: Citizenry fully engaged and empowered		
Percentile ranking in the WGI – Voice and Accountability improved	52pctl	60pctl
OBI score improved	64/100	71

Strategies

Strategies to improve governance fall under the *Malasakit* pillar of the PDP 2017-2022 (Figure 5.2). The desired outcome is to enhance the social fabric by making government worthy of people's trust.

Figure 5.2 Strategic Framework to Ensure People-centered, Clean, Efficient, and Effective Governance, 2017-2022



¹⁵ Data for WGI are as of 2015. The 2016 rankings will be available by October 2017.

People will trust a government that is clean, efficient, effective and people-centered. Policies and programs must also be responsive to the needs of the people; public goods and services must be delivered in a timely manner. While government is expected to enforce regulations, it must be perceived as fair and the regulations must be seen as necessary and not too burdensome.

The strategic framework to improve governance adopts a culture-sensitive perspective, gender-sensitive paradigm, and human rights-based approach (HRBA) in public service. This ensures that the interests of vulnerable sectors such as indigenous peoples, persons with disabilities, women, youth, and children are well considered. Culture-sensitive governance will be encouraged through awards or incentives. Overseas Filipinos (OFs) will also be encouraged to participate in good governance initiatives (elections, providing feedback on service delivery, among others) in applicable strategies.

Subsector Outcome 1: Corruption reduced

Reducing corruption in government will increase people's trust in government, which explains why "reducing corruption and bribery in all forms" is part of the Sustainable Development Goals (SDG 16). The strategies to reduce corruption include:

Promote public awareness of anti-corruption drives. The media will be used to publicize effective enforcement cases and encourage the public to report corruption. Schools and organizations will also be tapped to educate students and communities on anti-corruption. Corruption prevention talks and ethics development seminars will be done for public servants and the business sector.

Integrity Caravans, initiated by the Ombudsman (OMB), during youth and multi-sectoral forum, and barangay good governance seminars will be continued. This will promote and communicate the work and various anti-corruption programs of the OMB, and ways by which the public can be involved.

Implement prevention measures. The legal and policy framework for corruption prevention will be enhanced to ensure compliance with the United Nations Convention Against Corruption (UNCAC) and other international standards. Internal systems and procedures of government agencies will be assessed in terms of corruption vulnerabilities. Partnership with various stakeholders including legislature will be strengthened. The following initiatives are:

- *Developing OMB's Integrity, Transparency and Accountability Program (ITAP)*, which answers the need for customized training modules for public officials and private individuals.
- *Continuing implementation of the Integrity Management Program (IMP)*, which aims to establish a systematic approach in building, improving, reinforcing, and sustaining a culture of integrity in public sector institutions. The culture is rooted in acceptable values, principles, and standards of good governance.
- *Enhancing the income and asset declaration system by improving the system of filing and analyzing SALN.* The OMB, with the Civil Service Commission and the Office of the President, is pilot-testing the implementation of an electronic-based SALN.

- *Implementing the Blue Certification Program* to revalidate the anti-red tape standards prescribed for business permits and licensing offices in local government units. The program has established a multi-level certification similar to the ISO-certification for management system standards.

Strengthen deterrence mechanisms.
Specific initiatives include:

- *Implementing OMB's 8-Point Agenda (2011 to 2018)*, namely: (a) disposition of high-profile cases; (b) zero backlog; (c) improved "survival" rate of fact-finding; (d) enforced monitoring of referred cases; (e) improved responsiveness of public assistance; (f) improved anti-corruption policy and program coordination among sectors; (g) rationalization of the functional structure; and (h) enhanced transparency and credibility.
- *Developing a National Anti-Corruption and Advocacy Plan*, a five-year plan that will ease the transition from one administration to the next. It will adopt the National Anti-Corruption Framework, a commitment under the United Nations Convention Against Corruption (UNCAC).
- *Strictly enforcing and monitoring of anti-corruption laws and policies*, which include the Anti-Graft and Corrupt Practices Act, the Anti-Red Tape Act (ARTA), National Guidelines on Internal Control System, Government Procurement Reform Act, mandatory provisions of UNCAC, the Code of Conduct and Ethical Standards for Public Officials and Employees (RA 6713), and the Anti-Money Laundering Act.
- *Implementing the programs under the Investment Ombudsman*, which ensure enforcement of laws, and handle complaints against public officers and employees. This program provides

prompt action on investor-related grievances and speedy resolution of investors' complaints.

Subsector Outcome 2: Seamless service delivery achieved

Public institutions will be responsive to the needs of the intended beneficiaries. Goods and services will be delivered in a timely manner to maximize the intended benefits. There will be greater preparedness to address possible risks from natural hazards, climate variability, and extreme events to lessen disruption in service delivery. The scope will be extended to include Overseas Filipinos (OFs). There will be close monitoring of political and socioeconomic situations in destination countries, and crisis contingency plans will be drawn up, as necessary, but well ahead of the breakout of the crisis.

Adopt a whole-of-government approach in delivery of key services. A whole-of-government approach means that government systems and processes work together to provide ease of access and use by citizens. To achieve this, the following initiatives will be undertaken:

- *Achieving inter-operability of government processes*, which includes converging of government databases, achieving a smart and automated government, and continuation of ongoing initiatives such as the Inter-Agency Business Process Inter-operability Program. The objective is to implement unified information and communications technology-enabled business processes and establish an information infrastructure that will allow the exchange, collaboration, and sharing of data. This will include administrative and field data of various government agencies on international migration that will be harmonized

for evidence-based policymaking and planning.

- *Becoming a “One Connected Government.”* Citizens transacting with government will find it easier to locate and access government services and complete particular transactions end-to-end. Currently, applications for passports and business permits require applicants to transact with different agencies at different levels of government. The service delivery model can range from a simple co-location of agencies or one-stop shops to an integrated single-window and single-door approach. For high impact, the government will identify the basket of basic government to citizen (G2C) services, government to business (G2B) services, and government to government services. The services and agencies will be clustered according to the citizen life cycle in the case of G2C services, or the business life cycle for G2B services; and then designate the point of service.
- *Strengthening the linkages and coordination of agencies.* There are administrative arrangements in government that require horizontal and vertical linkages of different agencies and offices. These are the NEDA Board, Cabinet Clusters, the Legislative-Executive Development Advisory Council, and the National Disaster Risk Reduction Management Council, to name a few. These mechanisms will be strengthened and the linkages rationalized to improve decision-making, avoid duplication of initiatives, and maximize complementation of resources.
- *Simplifying government transactions.* Compliance-cost analysis and time-and-motion studies will be conducted for frequently-used government services to determine the cost of completing a specific government transaction. Documentary requirements, steps,

processing time, and the number of signatories will be reduced to lessen the costs. The list of government transactions that will be simplified will initially include passport processes; driver’s license; BIR and LGU processes, rules and procedures that are burdensome to MSMEs; land administration (land titling, mapping, and transfer of titles); and services for Overseas Filipinos (job placement, membership to entitlements such as Overseas Workers Welfare Administration, Pag-IBIG, PhilHealth, and Social Security System).

- *Implementing the National ID system* will facilitate the delivery of public services especially to marginalized groups such as indigenous peoples and the poor. The national ID system will be harmonized with the civil registry system as well.

Implement regulatory reforms.

Government will continue to review, simplify, and modernize its regulations to reduce regulatory burden, making it easier and less costly to transact with government. Specific initiatives include:

- *Modernizing government regulatory processes.* Previous initiatives to improve the regulatory environment will be sustained. This will then proceed to the next phase of the reform, which will develop an overarching National Regulatory Architecture with the following components: (a) a comprehensive national regulatory policy; (b) an appropriate institutional infrastructure to manage regulations; (c) regulatory making and review process; (d) regulatory framework per priority industry; (e) a quality regulatory management system; (f) a public consultation process; (g) competency development programs for relevant government bodies; and (h) the Philippine Business Regulatory Information System.

- *Enhancing Project Repeal*, which will continue to review, and repeal or amend existing regulations including legislations that impose unnecessary burden on business firms.
- *Institutionalizing regulatory impact assessment* within government to improve the quality of regulations through a rigorous, evidence-based process in identifying and assessing policy options (regulatory or otherwise) that will deliver the greatest net benefit, taking into account all of the benefits and costs.

Improve productivity of the public sector. Productivity improvements will enhance the efficiency, economy and effectiveness of the public sector, thus be more able to provide timely and responsive government services. The initiatives under this strategy are:

- *Promoting a culture of innovation and productivity in public sector organizations.* This will be done through: (a) a national 5S campaign to raise consciousness on the fundamental concepts of orderliness, cleanliness, elimination of wastes especially waste of time and effort; (b) the One-Innovation per agency program, focusing on efficiency improvement and people-centered service delivery; and (c) institutionalization of lean management practices, office automation and knowledge productivity improvement.
- *Enhancing and sustaining government performance in the delivery of quality services* by upgrading the government quality management systems to be more client- and citizen-oriented and driving agencies towards performance excellence to boost citizen trust in government.
- *Improving adaptive capacities to minimize disruption in service* from natural and man-made hazards. Services are disrupted when natural or

man-made disasters occur; therefore, government agencies including LGUs will be capacitated on climate change adaptation and disaster risk reduction, and will adopt business continuity practices.

Subsector Outcome 3: Administrative governance enhanced

Enhancements will focus on administrative and institutional systems.

Right-size the bureaucracy. A National Government Right-sizing Program will be implemented to enable the radical and transformational reform initiatives in the government. The program will require agencies to rationalize their staffing pattern with their mandate and functions, and in consideration of other agencies' mandate and functions to eliminate duplication. It will also address the growing number of contractual personnel in government.

Strengthen results-based performance management (RBPM), public financial management (PFM), and accountability systems. PFM reforms will be continued to ensure that planning, budgeting, cash management, accounting, and auditing become integrated processes. Moreover, they must be aligned with the goals and targets set in the Philippine Development Plan (PDP). This provides the environment for transparency, accountability, efficiency, and outcome-orientation of government operations.

Cascading these efforts, local capacity-building programs on service delivery mechanisms will also be geared towards strengthening LGU capacities for integrated planning, investment programming, budgeting, implementation, and M&E.

Commission on Audit (COA) rules and regulations will be reviewed and simplified.

Some rules will need to be revised in order to improve efficiency of government. For instance, the quick progression of technologies will require the procurement of new IT goods and services to keep government processes in sync with the kind of efficiency expected by the public because of improved technology.

Other initiatives include:

- *Completing the Budget and Treasury Management System and the Single Treasury Account* to provide an integrated systems environment, produce timely reports needed for decision making and audit, and generate savings in time and funds for government.
- *Shifting to the Program Expenditure Classification-based agency budget structure starting FY 2018.* This will promote the focus on outcomes and results and will be complemented by the results-based monitoring, evaluation, and reporting system of agency programs. In addition, the formulation of the Medium-Term Expenditure Programs for the largest departments and the Three-Year Rolling Infrastructure Program will strengthen strategic planning and better preparation, programming and execution of infrastructure and other investment programs and projects.
- *Intensifying Results-Based Performance Management* by refining performance measurements and strengthening the monitoring and evaluation systems of performance targets. The performance-based incentives system of government will focus on the achievement of desired sectoral, societal outcomes and results that matter to ordinary citizens. The functionality of the Strategic Performance Management System will also be reviewed.

Subsector Outcome 4: Citizenry fully-engaged and empowered

To ensure that government policies, programs and projects are responsive to the needs of the people, government will actively seek to engage citizens in all aspects of governance. To accomplish this, the following will be implemented:

Promote participatory governance

- *Establishing mechanisms for citizens to be able to submit complaints on lapses in government services, and proactively negotiate with the government for delegated power of services or programs that would be beneficial to their communities.* Volunteerism will be encouraged. There will be several platforms for inclusive volunteering to enable ordinary citizens to take an active role in information sharing, public resource management, conflict resolution, and other related processes. These will then strengthen democratic institutions for nation-building.
- *Promoting shared responsibility and accountability with civil society in achieving development goals.* This will mean transforming the role of civil society from third-party observer to partner in development. Programs that allow people to participate in the promotion of peace and order, community development, and citizen empowerment will be pursued to reach the remotest barangays. Examples of these are the *Mamamayang Ayaw Sa Anomalya*, *Mamamayang Ayaw Sa Ilegal na Droga* (MASA MASID) and *Kilusang Pagbabago* (KP). The MASA MASID was launched by the Department of the Interior and Local Government to involve community members in combatting the spread of illegal drugs, corruption, and criminality. It

includes information and education campaigns, reporting mechanisms, and community-based rehabilitation programs.¹⁶ KP is an initiative that brings government services down to the ground by establishing a KP unit in each barangay to easily determine and respond to the needs of communities.¹⁷

- *Sustaining existing participatory governance initiatives at the local and international levels such as participatory budget partnerships, citizen participatory audit (CPA), and the Open Government Partnership (OGP) initiative* with the aim to develop the next PH-OGP Action Plans. Citizen's participatory budgeting councils at the municipal level will be created. There will be genuine representation from farmers' groups, fisherfolk, and other members of the basic and marginalized sectors, rural or urban poor organizations and community-based groups. Overseas Filipinos and their families will also be encouraged to participate in development planning. Overseas voter turnout in national elections, plebiscites, and related processes will be increased through the use of more advanced technology during elections. Comprehensive communication plans will be crafted at the local, national, and international levels on the value of right to suffrage and its impact to the diaspora.

Ensure public access to information. Comprehensive, timely, and relevant government information enables citizens to make informed decisions and then collaborate, and engage with public officials in enhancing public policies. The following initiatives will be pursued:

- *Facilitating the passage of the Freedom of Information (FOI) Bill and other*

FOI measures. Executive Order No. 2, s. 2016 is only applicable to offices or agencies under the executive branch. For the public to gain access to all relevant government data, the FOI Bill must be enacted into law.

- *Sustaining existing transparency initiatives*, which are part of the good governance conditions of the PBIS such as the FDP, Transparency Seal, PhilGEPS posting, citizen's charters, and submission of SALN, and report on ageing of cash advance. The Open Data initiatives, such as the Open Data Portal, will be enhanced according to the Philippine Open Government Partnership (PH-OGP) Action Plan.
- *Providing information and communications technology (ICT) infrastructure for internet accessibility.* There will be free wifi access in all public places; eCenters will be established in communities with minimal or no access to information and government services.
- *Making information accessible offline and reader-friendly.* Citizens who do not know how to access or do not have access to internet will still have access to information about government services and data. Government plans will be disseminated in a form that is easily understandable by the public.

Institutionalize response and feedback mechanisms. The existing response and feedback mechanisms such as the Citizen's Hotline (8888) will be strengthened. The necessary follow-through protocols will be developed to ensure that response and feedback are systematically processed and tracked. Raising awareness on the existing mechanisms will be done, and as a supplement, incentivizing feedback loops will also be considered to increase engagement. Government will also ensure

¹⁶DILG. (September 28, 2016). *MASA MASID: Uniting communities against illegal drugs*. Retrieved from: <http://www.dilg.gov.ph/news/MASA-MASID-Uniting-communities-against-illegal-drugs/NC-2016-1168>

¹⁷Carmela Fonbuena. (December 5, 2016). New 'party' Kilusang Pagbabago formed to protect Duterte. *Rappler.com*. Retrieved from: <http://www.rappler.com/newsbreak/in-depth/153167-kilusang-pagbabago-duterte-evasco>

the security of citizens who reported complaints or incidents of corruption.

Implement electoral reforms. Participation in the electoral process is perhaps the most effective way for citizens to be involved in the affairs of government. Thus, political and electoral reforms to ensure zero disenfranchisement of the rights of suffrage will be prioritized. These will include voters' education, regulations on campaign finance, orientation for newly-elected officials, among others. Technologies will be tapped to make the process of voting easier and more accessible. The Commission on Human Rights will monitor and advocate for policy measures to ensure the full and meaningful participation and inclusion of marginalized sectors in electoral processes.

Subsector Outcome 5: Civil service strengthened

Improving the public's perception of government is tantamount to improving the public's trust toward civil servants. A civil servant is expected to show professionalism, and must have ethical foundation and probity. The strategies to achieve this are the following:

Promote shared public service values. The values of professionalism, excellence, integrity and non-discrimination in public service will be adhered to by all civil servants through:

- Raising awareness of civil service values and norms among all government personnel
- Strictly implementing anti-corruption laws and provision under the Anti-Red Tape Act (ARTA)
- Instilling in civil servants their role as "duty bearers" to ensure human dignity in service delivery

Improve Human Resource Management (HRM) systems and processes. Program to Institutionalize Meritocracy and Excellence in HRM (PRIME-HRM), a key government-wide initiative to improve HRM practices and systems, will continue to be implemented and further strengthened by:

- Implementing competency-based recruitment, selection, and placement systems
- Intensifying competency-based learning and development systems
- Improving career development and succession planning
- Enhancing performance management systems
- Promoting care and compassion (health, wellness, occupational safety, disaster risk reduction and management, welfare) for government employees
- Improving competency-based rewards and recognition mechanism;
- Promoting HR management best practices sharing across the bureaucracy
- Using information and communications technology (ICT) effectively in HR management (HR analytics)

Develop and invest in human resource. The government must invest in developing its workforce so that civil servants are capable, effective, and efficient. This will be done by:

- *Reactivating the Philippine Civil Service Academy* (Presidential Decree No. 1218, s. 1977) to: (a) provide leadership and direction in all training activities and programs and integrate all HR development programs for all levels and ranks; (b) pursue in a more systematic, integrated, and purposeful scale, the training programs of the academy, particularly for middle management and first-line positions; (c) draw up and conduct continuing training programs

for various employee levels in the career service; and (d) rationalize policies of scholarship programs for government employees, locally or abroad.

- *Continuing training and capability advancement of government executives and high-level civil servants* to maintain an efficient and talented bureaucracy; to promote innovation, teamwork, reform-orientation, and outcome focus among government personnel; and to break the silo mentality. This will be done through a Career Executive Service Development Program for government such as the Public Management Development Program, the Leadership Certification for Middle Managers, the Public Financial Management Competency Programs, and the like.
- *Conducting capability- and capacity-building interventions for first and second level civil servants* to hone competencies and talents.
- *Developing future reform leaders or leaders of change* to strengthen public sector capacity to transform institutions and regain people’s confidence in government. This will include capability-building programs on contemporary planning methodologies for environmental scanning, scenario building, forecasting, benchmarking, foresight planning, etc. Hardware and software will also be provided to ensure comprehensive and timely information and to enable a state-of-the-art analytics.

Legislative Agenda

The following priority legislative agenda will be pursued:

Table 5.3 Legislative Agenda to Ensure People-centered, Clean, Efficient, and Effective Governance, 2017-2022

LEGISLATIVE AGENDA	RATIONALE
Subsector Outcome A: Corruption reduced	
Institutional strengthening of the OMB	Strengthen the OMB by upgrading employee skills, augmenting compensation and benefits and enhancing fiscal autonomy to curb corruption
Strengthening the powers on asset forfeiture	Strengthen the forfeiture powers of the state and establishing the Public Assets Management Corporation of the Philippines to expedite case processing
Expansion of the powers of the OMB	Strengthen the institutional capacity of the OMB by amending certain provisions of RA 6770
Subsector Outcome B: Seamless service delivery achieved	
Amendment of the Local Government Code	Amend the Local Government Code to address the challenges in local service delivery
Passage of the E-Government Act	Enable interoperability of government data and processes to increase efficiency and economy in the delivery of services.
Passage of the Unified National Identification System Act	Expand EO 420 to harmonize ID systems, and cover self-employed, the unemployed, minors and those working abroad
Amendment of the Corporation Code	Address the bottlenecks in starting an enterprise, protect minority investors, improve visitorial powers of the Securities and Exchange Commission, penalize fraud and graft and corruption, and provide mechanisms to avoid protracted litigation

LEGISLATIVE AGENDA	RATIONALE
Subsector Outcome C: Citizenry fully engaged and empowered	
Passage of the Freedom of Information Bill	Require government agencies to allow public review and copy of all official information to promote meaningful and increased participation of the people in government decision-making and public accountability
Institutionalization of citizens' participation in the budget process	Allow the public to participate in decisions regarding the local budget which promotes shared accountability
Subsector Outcome D: Administrative governance enhanced	
Passage of the Budget Reform Act	Incorporate the necessary ingredients of a modern budget system: (a) a shift from obligation-basis to cash-basis, (b) and from a two-year appropriation shelf-life to 1-year, (c) sustain a results-based approach, (d) the introduction of an Office of the Comptroller General; and (e) strengthen the Congressional power of the purse.
Passage of an Act Rightsizing the National Government to Improve Public Service Delivery	Implement transformational or radical improvements or shifts to streamline the departments or agencies' operations, rightsize the organizational structure and staffing pattern and simplify systems and processes to deliver public goods and services in the most efficient, effective and economical manner
Enactment of a law regulating campaign contributions	Implement finance reforms in campaign expenditures, sources of funds and management of such to minimize corruption and promote transparency for informed decision-making
Passage of the Party Development Act	Strengthen the political party system to develop genuine political development and democratization
Passage of a charter for the Commission on Human Rights	Provide an effective and expanded structural and functional organization to protect human rights of Filipinos, here and abroad
Amendment of the Commission on Audit charter	Repeal the Government Auditing Code of the Philippines to review and update COA provisions
Subsector Outcome E: Civil service strengthened	
Passage of the Civil Service Code	Address deeply-rooted problems besetting the public service (such as graft and corruption, red tape, violations of employee rights, and organizational ineffectiveness)
Creation of Human Resource Management Office in Local Government Units	Create a Human Resource Management Office in all LGUs to ensure adequate capacities for public service delivery at the local level
Enhanced Code of Conduct and Ethical Standards for Public Servants of 2016	Amend RA 6713 "Code of Conduct and Ethical Standards for Public Officials and Employees" to promote shared public values in civil servants

