

# Local Governance in the Philippines



Almost two decades after the enactment of the Local Government Code of 1991 that decentralized power from the national government and devolved services to local governments, the law has yet to fulfill its promise of building self-reliant communities that contribute to national development.

Many local governments in the Philippines still fail to address the most basic needs of their citizens. Some local governments lack mechanisms for transparency and accountability and most local governments have yet to exercise genuine autonomy from the national government.

But this scenario is gradually changing. Many local governments are now also taking the lead in e-governance, some are raising local revenues, and others are preparing for the challenges of rapid urbanization, migration, and climate change. Business and civil society organizations are working hard to improve the quality of their engagement with local governments.

## TRANSPARENT ACCOUNTABLE GOVERNANCE (TAG) PROGRAM

The Transparent Accountable Governance (TAG) program of The Asia Foundation addresses some of the local governance problems in the Philippines through customized technical assistance, supporting civic engagement, and by working with the leagues of local governments.

In the past seven years, TAG has given special attention to local governments in Mindanao. The region has been hounded with problems of security, law and order, poverty, and economic underdevelopment. Local governments play a critical role in conflict management and local development, thus TAG works to improve local governance in Mindanao.

## TAG PROGRAM ACTIVITIES

### TECHNICAL ASSISTANCE TO LOCAL GOVERNMENTS

TAG helps cities improve their overall business environment, boost competitiveness, and increase revenue collection through direct technical assistance. The program has worked with 16 cities in Mindanao and six others in Luzon and Visayas implementing reforms in business licensing, real property administration, investment promotion, economic enterprise management, and human resource management and policy reforms.

In municipalities, the program helps improve service delivery, increase local government capacities to generate revenues, enhance financial management, improve the performance of public economic enterprises, and facilitate the professionalization of municipal bureaucracies. The project has worked with more than 70 municipal governments and 767 *barangays* (villages) in Mindanao.

### PROMOTING PUBLIC-PRIVATE PARTNERSHIP

The program works with business chambers, non-government organizations, and other civil society groups to strengthen local government and private sector collaboration for reforms. With the Mindanao Business Council, City Coalitions for Transparent Accountable Governance (CCTAG) were organized in 10 cities as a venue for discussing issues affecting the city, for planning courses of action, and for giving feedback involving business and civil society. As a sustainability measure, TAG built the capacity of the CCTAGs to leverage funds from the local business community and other sources for reform activities.



## PHILIPPINES

TAG started in 1999 as a national counter-corruption project. In 2002, it included local governance reforms in Mindanao, and further evolved to work with more local governments in Mindanao. Later it was replicated in six cities in Luzon and Visayas.

TAG's assistance to local governments resulted in simplified business registration, efficient real property tax administration; improved the efficiency of budget allocations, increased citizens' satisfaction with government services, and professionalized the local bureaucracy.



### SURVEYS AND TRACKING STUDIES

With the Social Weather Station (SWS), the program has done Surveys on Good Local Governance to measure citizens' perception on the effectiveness of local governance in 15 cities.

TAG also does customer-satisfaction surveys in local governments. The surveys are done in local governments that undertake reforms in select services, and those that implement the Public Service Ethics, Excellence, and Accountability Program (PSEEAP). The survey is conducted to measure the customers' level of satisfaction with local government services before reforms are initiated, and after reforms have been implemented.

TAG has also done tracking studies of the business registration process in 16 cities. The results of the studies are discussed with city officials, and are used to design improvements on the registration process. Later, the results also serve as a benchmark for monitoring the improvements and actions implemented by cities.

### PUBLIC SERVICE ETHICS, EXCELLENCE, AND ACCOUNTABILITY PROGRAM (PSEEAP)

PSEEAP helps improve the organizational culture of local governments. It encourages a shift from an organizational culture of poor service and corruption to that of public service ethics, excellence, and accountability. In PSEEAP local governments formulate their service vision and values, audit the quality of the services they deliver, train frontline staff on basic customer service skills, and allow the various offices to propose service improvements for implementation.

Many local governments that went through PSEEAP have cascaded the program to all their offices, their *barangays*, and one city even launched an awards program to encourage continuous improvement among employees and departments. PSEEAP is institutionalized in local governments through legislation and through the use of in-house trainers.

### WORKING WITH THE LEAGUES OF LOCAL GOVERNMENTS

TAG partners with the leagues of cities and municipalities to convene and manage activities with local governments, while at the same time helping to build the capacity of the league staff on policy analysis and advocacy, project management, knowledge management, and networking. The partnership also ensures that the leagues establish appropriate organizational structures, install clear and predictable processes, and put in place policies that will help professionalize the staff and operations and enable the staff to cope with leadership transitions.

### PARTNERSHIP WITH CIVIL SOCIETY NETWORKS

TAG has worked with regional networks of civil society groups like the Mindanao Coalition of Development NGOs (MinCODE), the Consortium of Bangsamoro Civil Society (CBCS), and Coalition for Bicol Development (CBD) in advocating reforms in local governance and building the capacity of local civil society groups for effective engagement with local governments.

### NURTURING LOCAL RESOURCE INSTITUTIONS

TAG partners with local academic institutions in implementing reforms in local governments. By working with local institutions, TAG ensures that local expertise is available and accessible to local governments needing immediate technical assistance.

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### TRANSPARENT ACCOUNTABLE GOVERNANCE PUBLICATIONS

1. Manual on Participatory Planning and Budgeting
2. Training Manual for Public Service Ethics and Accountability
3. TAG Resource Kit (Tales and Technical Notes)
4. TAG Tools (Guide for the Local Government Reform Process)
5. Service Standard Guidebook on Business Permitting and Real Property Tax Administration