
TAG3: LOCAL GOVERNANCE IN MINDANAO

Quarterly Report # 3
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Submitted by



The Asia Foundation

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This report covers activities from April 01, 2008 through June 30, 2008 under the Transparent Accountable Governance (TAG3): Local Governance in Mindanao Project of The Asia Foundation. TAG3 is supported by the United States Agency for International Development (USAID) under Cooperative Agreement No. 492-A-00-07-00021-00 and runs from 01 October 2007 through 30 September 2009. The project aims to strengthen local governance and mechanisms for conflict resolution, and local economic development in Mindanao cities and municipalities.

I. Accomplishments

A. Technical Assistance to Nine Mindanao Cities.

Objective:

To improve the overall business environment and increase the competitiveness of Mindanao cities through better governance.

Description of Activity:

The project will provide direct technical assistance to nine Mindanao cities to improve the overall business environment, increase their competitiveness, and increase city revenues for additional services and projects.

Accomplishment for 3rd Quarter of Fiscal Year 2008.

TAG3 technical assistance activities in cities are classified into three components: local policy reform, human resource development, and procedural reforms.

Local policy reforms examine the city governments' regulations, policies, and priorities that directly affect businesses and have impact on the competitiveness of the cities as well as the vibrancy of the local economy. The **human resource development** component aims to improve the programs and processes related to the capacity building of city government personnel. It also looks into programs related to the employment skills of city residents and their readiness to supply the human resource requirement of investors. **Procedural reforms** introduce improvements in chosen city government systems and services deemed crucial in providing support to businesses and investors. Recommendations related to the improvements in these three areas will be crafted together with the city government, the business and the civil society sectors for the city governments to adopt and implement. Please refer to **Attachment A** for the details of the activities conducted in each of these cities, as well as the results achieved for this quarter.

Local Policy Reforms

As of this quarter three cities have conducted the series of meetings and consultations to identify issues related to competitiveness of the city and identify specific policies and regulations that make business difficult for local firms and therefore need to be revised,

amended, or re-drafted. The policies and regulations which the local businesses groups identified as critical to their doing business in the city are:

City	Identified Policy Reform Area
Butuan	<ul style="list-style-type: none"> • Budget for economic infrastructure • City investment code
Surigao	<ul style="list-style-type: none"> • Support for micro, small, and medium enterprises (MSMEs) • Access to financing for MSMEs
Tacurong	<ul style="list-style-type: none"> • Traffic regulation • Schedule of market operations

Human Resource Development

The project conducted scoping sessions on the human resource development concerns in each of the nine cities. Some of the findings include: the need to improve procedures and processes on recruitment and selection, training and development, and performance evaluation. After the scoping session, the project also gathered the data and documents related to the Human Resource Development Program of the cities, and conducted a quick survey on the technical and behavioral problems of personnel that affect the operations and service delivery of the city government. For this reporting period, the cities of Butuan, Surigao, and Tacurong were able to complete the survey. The results of the survey will be presented and discussed to the department heads, the Mayor, and the City Council. Prioritization on the focus of the assistance in this area will follow after the presentation.

Procedural Reforms

Investment Promotions Center

The project facilitated the conduct of an investment promotion workshop in four cities: Butuan, Dipolog, Iligan, and Panabo to define the direction as well as the roles and functions of the city-run Investment Promotions Center. The workshop, participated by the city government, the board and secretariat of the IPC, and representatives from the business and civil society sectors facilitated a realization among city government officials that there is more to investment promotion than tax holidays and incentives. They clarified the complementary roles of business, civil society, and the city government in investment promotion, helped city governments identify comparative and competitive advantages, and came up with ways to entice investments.

Cities also agreed to reexamine the existing investment code (e.g. redefining employment to include indirect employment, not requiring investors to generate a certain number of jobs to avail of fiscal incentives) and the structure of the IPC board and secretariat. They also generated recommendations such as - allowing the private sector to take the lead in investment promotion, constituting a multi-sectoral investment promotion board, and establishing a 70% and 30% cost-sharing between the city government and the private sector respectively in the operation of the promotion center. These recommendations will

be included in the formulation of the strategic investment promotion directions of the cities.

Management of City Services and Enterprises

In Butuan City, the project completed the gathering of data and documents related to the operations of the Butuan Medical Center (BMC). A quick survey involving hospital personnel was conducted to identify the technical and behavioral problems affecting the operations of the BMC. Following the survey, an action planning session was held to formulate plans to enhance hospital systems and procedures, formulate relevant policies, and instill a desirable work attitude among hospital personnel. The project also provided recommendations related to training and development, performance evaluation, and employees' welfare to improve the Human Resource Development program of the city government.

In Iligan City, participatory workshops and consultations resulted in the identification of water system management as a priority reform area, particularly the services on application for connection, billing and collection management. After the assessment that was made on the efficiency of the above services the city government, together with the business sector and representatives from consumers developed performance measures and to revise the procedures. These activities resulted in increased awareness among the Integrated City Water System staff on the need to get customers' feedback on their services. Field level information was also generated from the consultations with the stakeholders on meter reading, the billing system, and the collection of fees. Refinements were also done on the ICWS Development and Expansion Plan.

In Surigao City, the project assisted the city government identify additional services which it can include in its one stop shop called Citizen Action Center (CAC). Consultations with concerned offices which services were identified to be included in the CAC are ongoing.

For the cities of Oroquieta and Tacurong, participatory workshops were also held to identify the strengths and weaknesses in the management of the two cities' economic enterprises. They also identified strategies that will enhance the operations of these enterprises, including the proposed structure of the proposed economic enterprise office. Inspired by the economic enterprise model from Tagum City, the Technical Working Group held several meetings to plan a learning visit to Tagum City.

Real Property Tax Administration

In the city of Zamboanga, the project conducted interviews and meetings with concerned city government officials for the assessment of the Real Property Tax Administration (RPTA) situation in the city. Training on service documentation, analysis, and design was also conducted to improve the issuance of building permits, the assessment and appraisal of real properties, the issuance of locational clearance, tax map maintenance, and the collection of real property taxes.

Table 1 below presents the procedural reforms identified in each of the nine cities

Name of City	Procedural Reform Focus
Butuan	Investment Promotion / Medical Center
Dipolog	Investment Promotion/Tourism
Iligan	Investment Promotion/Water System Management
Oroquieta	City Economic Enterprise Office
Ozamiz	City Economic Enterprise Office
Panabo	Investment Promotion/ Tourism
Surigao	Citizens' Action Center
Tacurong	City Economic Enterprise Office
Zamboanga	Real Property Tax Administration

B. Development of service standards for business registration and real property tax administration.

Objective:

To create measures by which cities can assess their own performance and fashion improvements that could allow comparisons between jurisdictions.

Description of Activity:

The project will develop service standards in at least two service areas (business registration and real property tax administration), to assess the performance of local government service providers. Standards will focus on such matters as processing requirements and times, costs of service, and assessments. While the standards could allow comparisons between jurisdictions, the aim is not to use them as scorecards, but to create measures by which cities can assess their own performance and fashion improvements.

Accomplishment for the 3rd Quarter of Fiscal Year 2008.

The first draft of the manual is currently being written. The presentation of this draft to representatives of city governments is scheduled in August. In the previous quarter workshops were held to develop service standards and ways to measure performance in these two service areas. A manual is being drafted to embody the results.

C. Technical Assistance to 30 Conflict-Affected Municipalities in Mindanao.

Objective:

To improve municipal government operations for better service delivery, institutionalize the consultative and participatory processes in municipalities in Mindanao, and reduce

opportunities for corruption through more efficient, open, and transparent accountable local government processes.

Description of Activity:

The project will provide direct technical assistance to 30 conflict-affected municipalities in Mindanao to improve local governance operations and institutionalize consultative and participatory processes for more efficient, open, and transparent accountable local governments.

Accomplishment for 3rd Quarter of Fiscal Year 2008.

As of June 30, 2008, a total of seventeen municipalities in Mindanao are already included in the project. Of the 17 municipalities, 12 have ongoing technical assistance from the project. Participatory workshops and consultations were conducted in these 12 municipalities for the baseline information and diagnosis of their chosen areas for reforms. The results of the diagnosis were used to come up with re-design systems and processes. Please refer to **Attachment B** for the status of the technical assistance in these seventeen municipalities.

Business Permits and Licensing

The project trained thirty six employees from seven municipalities on streamlining business permits and licensing. The training, held on April 14-16, 2008, enabled municipal employees involved in business permitting to analyze their respective systems on business permit and licensing services, identify areas for improvement, and prescribe ways to fast-track the issuance of business permits and licenses.

Table 2 below presents the assessments and the proposed interventions in the municipalities

Municipality	Assessment	Areas of Interventions
Alicia, Zamboanga Sibuguey	<ul style="list-style-type: none"> • No information system for business permit administration • Notable decrease in collection in 2007 relative to previous year • Issuance of business permits takes a maximum of one-week to process • Issuance of renewal takes one hour to process provided all signatories are present to sign documents 	<ul style="list-style-type: none"> • Launching of information drive for business permit administration • Formulation of Ordinance for collection of business permit taxes and fees for motorcycles • Training and coaching in systematic Business Permit Administration service improvement
Baroy, Lanao del Norte	<ul style="list-style-type: none"> • Provisions for collection of business taxes from pump boats are not implemented • New Local Revenue Code was approved by the Provincial 	<ul style="list-style-type: none"> • Training and coaching in systematic Business Permit Administration service improvement • Assistance for tax mapping of

Municipality	Assessment	Areas of Interventions
	Board for implementation <ul style="list-style-type: none"> • Close monitoring on compliance over business permit requirements is needed 	business establishments
Bayug, Zamboanga del Sur	<ul style="list-style-type: none"> • No information system for business permit administration • Issuance of business permits takes a maximum of one-week to process • No performance targets for employees and officials involved in Business Permit Administration • Applicants for business permits and licensing have gotten used to the delays in the processing 	<ul style="list-style-type: none"> • Documentation, analysis, and designing of improved services in business permits and licensing • Conversion of the business establishment tax mapping records into digital files • Assistance to address the specific issue on peddlers near the market • Assignment of PIN and digitalization of parcel maps
Kolambugan, Lanao del Norte	<ul style="list-style-type: none"> • More establishments are reported to have not secured business permits • Business owners complained on tax rates • Political interventions when businesses are threatened with closure 	<ul style="list-style-type: none"> • Setting up of system to handle political intervention • Tax mapping of business establishments to determine the actual number of business establishments in the municipality • Improvement of services for business permit administration
Leon Postigo, Zamboanga del Norte	<ul style="list-style-type: none"> • No data on collections and numbers of business establishments for 2006 and 2007 • Delays in the processes due to absence of signatories • No information system for business permit administration 	<ul style="list-style-type: none"> • Improvement of its business permits and licensing systems and procedures • Acquisition of an information system for business permits administration • Assistance for tax mapping of business establishments
Siay, Zamboanga Sibuguey	<ul style="list-style-type: none"> • No information system for business permit administration but has a community eCenter 	<ul style="list-style-type: none"> • Designing of information drive • Tax mapping of business establishments
Tungawan, Zamboanga Sibuguey	<ul style="list-style-type: none"> • No information system for business permit administration • Provision of incentives for tax collectors vis-à-vis collection target • Differences between reports and documents from the Assessor and Treasurer's Office 	<ul style="list-style-type: none"> • Tax mapping of business establishments • Formulation of a Presumptive Income Level Guide or Index to improve evaluation of business

Management of Municipal Economic Enterprises and Services

This technical assistance is focused on implementing reforms in the management of market and jeepney terminal operations in the municipalities of Kauswagan in Lanao del Norte, Piñan in Zamboanga del Norte, Upi in Shariff Kabunsuan, and Kabasalan in Zamboanga Sibuguey.

As part of its benchmarking exercise in instituting reforms in its management and operation of economic enterprises, the Technical Working Team of the Municipality of Piñan along with some members of Sangguniang Bayan (Municipal Council) conducted a cross-visit to the Municipality of Kabasalan on June 3, 2008. An action planning workshop was also conducted on June 5, 2008 where strategies for improvement in the identified reform agenda were crafted and enabling institutional mechanisms for the successful implementation of the planned activities was also discussed.

In the Municipality of Kauswagan, a participatory diagnosis workshop was conducted on June 30, 2008 to assess the existing systems and procedures of the municipality and examine organizational and policy mechanisms such as ordinances, executive orders, and council resolutions, related to the management of the economic enterprises. Prior to the conduct of the workshop, a cross-visit to the Municipality of Naawan, province of Misamis Oriental, one of the best practice sites in this aspect of local government operation, was conducted on June 26, 2008 by the Technical Working Team of the municipality. The team was composed of the key personnel in the Economic and Enterprise Development Office, and select Sangguniang Bayan members, representatives from the business sector, and members of civil society organizations. The cross visit enabled the team to gather and collect information on how to improve and standardize the municipality's Public Economic Enterprises' operations. An Action Planning Workshop will be conducted on July 7, 2008 to identify service improvement strategies.

In the Municipality of Upi, initial consultation with the local government was conducted on June 2, 2008 to assess the needs and gather perspectives on the proposed improvements of the market and slaughterhouse. Review of the secondary information and data on the present status of the public market operations gathered during the initial visit of the consultant is currently being done.

In Kabasalan, the municipal government's Technical Working Team, led by Mayor Freddie Chiu, along with some representatives of the business and civil society organizations conducted a cross-visit in the Negros Oriental Provincial Hospital in Dumaguete City on June 10, 2008. The Negros Oriental Provincial Hospital was assisted by USAID in the late 1990s under the Health Sector Reform Technical Assistance Project (HSRTAP) and is now considered as one of the best managed local hospitals. The activity served as a venue for the team to emulate the experience of the hospital as a functional model of a local government-managed health care facility that was able to implement reforms in hospital management while operating as an enterprise within the legal framework of financial and local governance.

Table 3 presents the assessments and the proposed interventions in the municipalities based on the visits and consultations made by the project consultant.

Municipality	Initial Assessment	Areas of Interventions
Kauswagan, Lanao del Norte	<ul style="list-style-type: none"> No clear details on personnel job descriptions, position classification and qualifications in the Municipal Economic Enterprise Development Office (MEEDO) Lack of coordination between the Municipal Treasurer's Office and MEEDO in terms of collection and remittances Irregular remittance of cash ticket collections by MEEDO ticketing personnel 	<ul style="list-style-type: none"> Review and redesign the existing organizational structure of the Economic Enterprise Development Office Identification and development of personnel training needs and skills enhancement programs Developing a system for market collections and remittances
Piñan, Zamboanga del Norte	<ul style="list-style-type: none"> MEEDO is not functioning relative to its mandate Duplication of workloads in the Municipal Treasurer's Office resulting in poorly managed operations in the MEEDO No existing operational manual on service standard and performance measures No clear adherence to proper accounting procedures 	<ul style="list-style-type: none"> Review and redesign the existing organizational structure of the MEEDO Identification and development of personnel training needs and skills enhancement programs Conduct writeshop for the drafting of Business Improvement Plan
Upi, Shariff Kabunsuan	<ul style="list-style-type: none"> Presence of waste management problem in the market Inability to pay for rentals by stall holders Budget for the construction of a new slaughterhouse is now available Operation of a slaughterhouse can contribute income for the municipal government 	<ul style="list-style-type: none"> Review and redesign the collection scheme of the municipal government Establish mechanisms to increase collection and collection efficiency Capacity building on customer service for market personnel Establishment of systems and procedures in the market and slaughterhouse operation
Kabasalan, Zamboanga Sibuguey	<ul style="list-style-type: none"> Need to establish effective and efficient systems and procedures Implementation of the human resource plan is necessary Creation and formulation of legal mandates for autonomous hospital operations No regular budgetary provision on creating the hospital Compliance with the hospital licensing requirements should be addressed Need to create a functional 	<ul style="list-style-type: none"> Review of organizational structure, job descriptions, position classification, qualifications, staffing requirements and performance measures. Determining budgetary requirements for the proposed hospital organization. Implement a Training Needs Analysis for the staff and personnel and design personnel skills enhancement programs for the identified training needs.

Municipality	Initial Assessment	Areas of Interventions
	hospital management board <ul style="list-style-type: none"> • No systems established to collate, analyze, transform, and utilize the data into managerial decision and monitoring tools • Lack of basic facilities in the hospital 	<ul style="list-style-type: none"> • Assist the TWG in developing criteria / mechanisms for transparent classification and selection of indigents following the PHIC guidelines. • Develop a set of sustainability metrics that will be the basis for making management decisions, evaluation and monitoring operating performances. • Develop policy & enabling mechanisms to establish the legality of the creation of a hospital governing body, the shift towards autonomy in managing the hospital (e.g. income retention and utilization) and the power to review user fees and charges.

Human Resource Management

In the Municipality of Wao, following the writeshop on HRD plan conducted in April 2006, the project created six taskforces in charge of drafting the different sections of the human resource development plan such as merit and promotion plan, training and development system, performance evaluation system, job description formulation, grievance machinery, as well as the rewards and incentives system. The first draft of the plan, specifically the section that spells out the basic policy components on the six identified HRD areas, was presented to the local chief executive and to the Sangguniang members headed by the Municipal Vice-Mayor. The second draft of the HRD plan is currently being written by the members of the task forces.

D. Development of Manual on TAG Processes.

Objective:

To provide models of good governance practices that interested local government units may benefit from in undertaking reform initiatives.

Description of Activity:

The TAG processes for working with local governments (cities and municipalities) on reforms has produced impressive results and improved local government operations over

the past five years under TAG2. The experiences provide models of good governance practices that interested local governments could utilize in undertaking reform initiatives. To share the learning from the earlier TAG project, the Foundation will publish a manual on TAG processes intended for local governments which are no longer part of the current TAG3 project. The manual will contain tested tools and processes that will assist interested local governments to undertake governmental reforms, improve local government operations, engage citizens in governance processes, and achieve business friendly regulatory results. Unlike other manuals which only contain “How Tos” or a series of illustrative steps, the Manual on TAG Processes will contain specific experiences and approaches adopted by various local governments in undertaking reform processes. It will also contain information to help them avoid the possible pitfalls.

Accomplishment for 3rd Quarter of Fiscal Year 2008.

No activities yet for this quarter. Activities will commence during the fourth quarter of fiscal year 2008.

E. Public-Private Partnerships through the City Coalitions for Transparent Accountable Governance (CCTAG).¹

Objective:

To strengthen public-private partnerships in TAG cities, institutionalize CCTAG participation in local governance and sustain governance reforms in Mindanao cities.

Description of Activity:

CCTAGs have played a key role in diagnosing inefficient and corrupt government operations and systems, suggesting improvements, and monitoring results. CCTAGs have also been successful in raising citizens’ awareness regarding city government activities and effectiveness, and in increasing public participation in city development councils, local health boards, and local school boards. With the aim of making CCTAGs self-sustaining, the Foundation will undertake activities that will build the capacity of the CCTAGs to undertake revenue-generating activities, and to raise and leverage funds from the local business community and other sources.

Accomplishment for 3rd Quarter of Fiscal Year 2008.

During this quarter, series of CCTAG (City Coalitions for Transparent Accountable Governance) strategic planning workshops were held in the cities of Butuan, General Santos, Iligan, Panabo, Surigao, and Zamboanga led by the Mindanao Business Council project team. Visits to the cities of Tacurong and Island Garden City of Samal were also conducted to assist in the reorganization of the CCTAGs in these cities.

¹ CCTAG is a city-level coalition that brings together reform-minded local governments officials with NGOs and businesses to advocate and support transparency and accountability in governance.

Below are highlights of the various CCTAG activities for this quarter:

Butuan City. Tax concerns and a citizen's feedback mechanism are among the priority issues identified by the CCTAG during the Strategic Planning Workshop held on June 3, 2008. Possible privatization of facilities such as the public market, terminal, hospital, slaughterhouse, and garbage collection services were also discussed during the activity.

General Santos City. The Mindanao Business Council project team together with the Executive Director of the General Santos City Chamber of Commerce Executive Director met with Mayor Pedro Acharon, Jr. on June 10, 2008 to discuss the project.

Iligan City. A strategic planning workshop was conducted on June 13, 2008 which identified various policy issues and activities to be conducted by the CCTAG. Expensive building permits, improvement of facilities of the government-owned hospital, reduction of government subsidy for government-owned facilities, and support to the drafting of a local policy increasing tax assessment every three years were among the issues discussed in the workshop. The CCTAG also raised the need to come up with materials and advocacy to allow people to understand government programs. The participants suggested a possible cross visit to General Santos City to learn the experience of the city government in terms of instituting reforms in the management of its hospital operations. Under TAG 2 in 2007, the General Santos City won award from the Philippine Hospital Association for Quality Health Care.

Island Garden City of Samal. Assistance on the restructuring of the CCTAG is being conducted. A list of new and active businesses and civil society organizations was already forwarded to the Mindanao Business Council project team during the area visit conducted on the first week of April.

Panabo City. The vision of the coalition was drafted during the strategic planning workshop conducted on May 16, 2008. The activity also allowed the members to analyze its strengths and weaknesses as a coalition advocating for transparent accountable governance. Prior to the conduct of the workshop, a round table discussion was also conducted on April 11, 2008 where major points on how to sustain the project were discussed.

Surigao City. The conversion of urban lands classified as timber lands to alienable and disposable lands and the inclusion of jurisdictional waters for Internal Revenue Allotment share computation are the main policy issues which will be supported by the CCTAG. The issues identified anticipate increase in the revenues of the city government which will impact the delivery of public services.

Zamboanga City. A strategic planning workshop was conducted on May 12, 2008 which was attended by some representatives of the city government, private sector, and the civil society. Advocacy on proper administration of the real property tax, zoning issues, and

the reduction of requirements on the issuance of business permits were among the major issues discussed in the workshop.

At present, the Mindanao Business Council is working for the publication of the first issue of TAGabalita which will be distributed during the Mindanao Coalition for Transparent Accountable Governance Forum on Economic Governance scheduled on July 16-18, 2008 at Davao City. An area visit in the cities of Malaybalay, Oroquieta, and Tacurong is also scheduled on the first week of July.

F. Fund support one winner of 2008 “Panibagong Paraan.”

Objective:

The Panibagong Paraan is a multi-donor, project grant competition which involved a nation-wide search for innovative ideas to address development challenges.

Description:

This year’s theme is “Building Partnerships for Effective Local Governance”. The well publicized competition invites ideas for projects that help improve citizens’ quality of life through effective local governance.

Accomplishment for 3rd Quarter of Fiscal Year 2008.

The “Four COPS (Concerns/ Issues, Objectives, Pillars/ Partners and Strategies) to Improve the Delivery of Health Products and Services in Asipulo, Ifugao ”” project aims to integrate indigenous governance practices in the current structure of the municipal government, involve multi-stakeholders in addressing recurring health problems and promote traditional health practices to complement the local primary health care system. The project was one of those rated high by the jury of the Panibagong Paraan because of its many innovations. It is being implemented by the Cordillera Development Network of NGO’s and POs, Creative Training, Research, and Consultancy in partnership with the municipal government of Asipulo, Ifugao.

A Grant Management Seminar was conducted on May 8, 2008 at Baguio City in order to familiarize the partners on the standard rules and procedures of The Asia Foundation and USAID. The activity was attended by the members of Cordillera Network of Development NGO’s and PO’s and the Creative Training, Research, and Consultancy Services for Asia-Pacific, Inc. project team. An ocular visit in the project site was also done on May 9, 2008. During the visit, The Asia Foundation had the chance to meet the Mayor of Asipulo and other key persons and stakeholders involved in the project. A Memorandum of Agreement between CORDNET and the municipal government of Asipulo signed on June 16, 2008 which clarified the roles and gathered the commitments of each stakeholder involved in the project implementation.

G. Books for Asia (Mindanao).

Objective:

To increase the availability of reading materials in conflict affected areas of Mindanao.

Description of Activity:

Since 1954, The Asia Foundation has distributed more than 41 million books and journals to more than 50,000 institutions throughout Asia through its Books for Asia program. In the Philippines, Books for Asia has distributed over 13 million books and journals, as a contribution to national development, international understanding, and English-language literacy. In Mindanao, since 2003 and with USAID support, Books for Asia has donated over 165,000 books to various institutions across Mindanao, thus providing many people in the opportunity to use and learn from English language works. The program also provided occasions for favorable public diplomacy events with the participation of USAID officials.

Accomplishment for 3rd Quarter of Fiscal Year 2008.

Since October 2007 to June 30, 2008, a total of 34,343 books were distributed to public and private elementary and secondary schools and colleges in Mindanao

Region	Number of Books
Western Mindanao (Region 9)	2,722
Northern Mindanao (Region 10)	2,561
Southern Mindanao (Region 11)	23,451
Central Mindanao (Region 12)	1,369
Autonomous Region of Muslim Mindanao	3,748
CARAGA	492
Total	34,343

Attachment A: Quarterly Updates on TAG3 Cities

City	Reform Agenda	Activities	Results Achieved
Butuan	Local Policy Reforms	<ul style="list-style-type: none"> Meeting with local business sector reps; review of policy related documents; ID of policy issues 	<ul style="list-style-type: none"> Identified two policy issues: review of economic infra budget and enhancement of the city's investment code
	Investment Promotion	<ul style="list-style-type: none"> Briefing on Investment Promotion Workshop on Functions and Roles of Investment Promotion Center (IPC) Board and Secretariat 	<ul style="list-style-type: none"> Firmed up schedule and phasing of technical assistance activities City government workers, business and CSO reps realized there is more to investment promotion than tax holidays and incentives Defined the roles of the different investment promotions stakeholders- CSO, business and city government Identified actions to improve investment promotion – adoption of a comprehensive and accessible databank; coming up with well-defined fiscal and non-fiscal incentives and facilitating access of MSMEs to financial assistance.
	Hospital Administration	<ul style="list-style-type: none"> Conduct of Random Survey and Focus Group Discussion Action Planning Workshop 	<ul style="list-style-type: none"> Identified technical and behavioral problems in the operation of the Butuan Medical Center Crafted a plan reflecting the actions BMC needs to take to ensure its smooth and sustainable operation
Dipolog	Local Policy Reforms	<ul style="list-style-type: none"> Initial Visit 	<ul style="list-style-type: none"> Firmed up schedule of activities
	Investment Promotions	<ul style="list-style-type: none"> Briefing on Investment Promotion with civil society, business and city government Workshop on functions and roles of IPC Board and Secretariat 	<ul style="list-style-type: none"> Leveled off on the concept and rationale of an investment promotion program Made adjustments in the schedule of activities

City	Reform Agenda	Activities	Results Achieved
			<ul style="list-style-type: none"> Expanded participants' notion of promotion beyond tax incentives; they were also oriented on the policy and technical work that investment promotion entails Solicited policy recommendations on investment promotion which include making investment promotion private sector-led; making the IPC board be multi-sectoral in composition; and suggesting a 70% and 30% cost-sharing in running the IPC.
	Human Resource Development	<ul style="list-style-type: none"> Initial meeting and review of existing HRD program of the city 	<ul style="list-style-type: none"> Introduced HRD component of the technical assistance Identified HR issues
Iligan	Local Policy Reforms	<ul style="list-style-type: none"> Briefing on Local Policy reform initiative Participatory consultation to surface issues 	<ul style="list-style-type: none"> Identified policy issues, like lack of customer-friendly BPLS, lack of economic infra and slow processing of incentives
	Investment Promotions	<ul style="list-style-type: none"> Briefing on Investment Promotion Workshop on Functions and Roles of IPC Board and Secretariat Rapid Diagnostics and Validation Workshop 	<ul style="list-style-type: none"> Made adjustments in the schedule of activities Agreed to reexamine the current Incentive Code and the IPC Leveled off on the policy and technical support functions of the IP board and secretariat Proposed amendments to the incentive code like redefining employment to include indirect employment and not requiring investors to generate a certain number of jobs to avail of fiscal incentives Identified city's comparative advantages.

City	Reform Agenda	Activities	Results Achieved
	Water Resource Management	<ul style="list-style-type: none"> • Discussion with Iligan City Water System (ICWS) staff; Stakeholders' Consultation; Collection of baseline data on meter reading, billing and collection; Assessment and analysis of transparency and cost; Review of local legislations related to ICWS • Workshop to develop performance measures for meter reading, billing and collection of water fees • Workshop for the revision of procedures for meter reading, billing and collection of water fees 	<ul style="list-style-type: none"> • Increased the awareness of ICWS staff on the need to undertake stakeholder analysis; got feedback from stakeholders on the problems besetting the water system • Generated field-level info on meter reading activities • Collected and reviewed SP resolutions and ordinances related to the operation of the ICWs • Agreed on performance indicators on water billing; Revised procedures
Oroquieta	Local Policy Reforms	<ul style="list-style-type: none"> • Key Informant Interviews • Consultations 	<ul style="list-style-type: none"> • Identified policy issues like the high zonal value of lands, lack of investment in econ infra and relatively high cost of doing business
	Management of City Economic Enterprises	<ul style="list-style-type: none"> • Participatory Action Planning Workshop; Discussion on the organizational structure of the economic enterprise office • Process Mapping of Market Procedures 	<ul style="list-style-type: none"> • Workshop participants learned of the 2007 operations of the economic enterprises • Realized the importance of correct financial reports as input in decision-making • Identified the strengths and weaknesses in the management of their economic enterprises; Also identified specific activities that will enhance the operation of these enterprises • Discussed proposed CEEDO structure with the TWG • Scanned the city government for offices that provide support to MSMEs

City	Reform Agenda	Activities	Results Achieved
			<ul style="list-style-type: none"> Affirmed Mayor's support; Process Map drawn
	Human Resource Development	<ul style="list-style-type: none"> Initial meeting and review of existing HRD program of the city. 	<ul style="list-style-type: none"> Introduced HRD component of the technical assistance Identified HR issues
Ozamiz	Public Market Administration	<ul style="list-style-type: none"> Meeting with the city administrator, the treasurer, and other city government. 	<ul style="list-style-type: none"> Decided to focus reform efforts in the city public market;
Panabo	Local Policy Reforms	<ul style="list-style-type: none"> Initial Visit 	<ul style="list-style-type: none"> Introduced the Local Policy Reform component of the technical assistance
	Investment Promotion / Tourism	<ul style="list-style-type: none"> Briefing on Investment Promotion; Workshop on the Role and Responsibilities of IP Stakeholders; Workshop on the Functions and Responsibilities of the IP Secretariat 	<ul style="list-style-type: none"> Agreed on the phasing and schedules of the technical assistance activities Identified actions that can be done to increase investment: creation of an IPC run by competent staff; participation of the local chambers in meetings with potential investors; and improved management of the investment promotion office. The reps also agreed to lodge the office at the city government, have proper zoning of business establishment and improve road network and drainage.
	Human Resource Development	<ul style="list-style-type: none"> Initial meeting and review of existing HRD program of the city. 	<ul style="list-style-type: none"> Introduced HRD component of the technical assistance Identified HR issues
Surigao	Local Policy Reforms	<ul style="list-style-type: none"> Meeting with local business sector reps Review of policy related documents; ID of policy issues 	<ul style="list-style-type: none"> Identified policy issues such as the need to redefine investment priorities, lack of technical support for MSMEs and lack of financing options for MSMEs.
	Management of the Citizens Action	<ul style="list-style-type: none"> Focus Group Discussion 	<ul style="list-style-type: none"> Outlined the service areas of the

City	Reform Agenda	Activities	Results Achieved
	Center		action center and identified ways to improve and legitimize services
	Human Resource Development	<ul style="list-style-type: none"> Initial visit and assessment of FR needs Conduct of survey to identify technical and behavioral problems of personnel 	<ul style="list-style-type: none"> Introduced HRD component of technical assistance Surfaced-HR-related issues
Tacurong	Local Policy Reforms	<ul style="list-style-type: none"> Key Informant Interview Focus Group Discussion 	<ul style="list-style-type: none"> Identified traffic regulation and the policy of opening the market only for twelve hours a day, as possible issues which can be addressed by the policy reform process.
	Management of City Economic Enterprises	<ul style="list-style-type: none"> Meeting with city admin and TWG secretariat; Participatory Action Planning Workshop Gathering of documents; Interview with local business owners. Learning visit to Tagum City 	<ul style="list-style-type: none"> Workshop participants learned of the 2007 performance of the economic enterprises Realized the importance of correct financial reports as input in decision-making Identified the strengths and weaknesses in the management of the city's economic enterprises; Identified specific activities to enhance the operation of the enterprises Feedback of local business owners on the support services they get from the city government Market vendors and market personnel visited Tagum for a learning visit.
	Human Resource Development	<ul style="list-style-type: none"> Initial meeting and review of existing HRD program of the city. 	<ul style="list-style-type: none"> Introduced HRD component of the technical assistance Identified HR issues
Zamboanga	Real Property Tax Administration	<ul style="list-style-type: none"> Training design preparation Drafting of cooperation agreement between the city of Zamboanga and 	<ul style="list-style-type: none"> Prepared training design on RPTA service improvement; Drafted proposed cooperation

City	Reform Agenda	Activities	Results Achieved
		the city of Cebu; <ul style="list-style-type: none"> • Conducted Training on Service Improvement 	agreement with Cebu City <ul style="list-style-type: none"> • Identified ways to improve the issuance of building permit, assessment and appraisal of real properties, issuance of locational clearance, maintain tax map and collect real property taxes.
	Human Resource Development	<ul style="list-style-type: none"> • Initial meeting and review of existing HRD program of the city. 	<ul style="list-style-type: none"> • Identified the need to improve procedures and processes on recruitment and selection, training and development as well as performance evaluation as the possible areas for HRD intervention in the city.

Attachment B: Quarterly Updates on TAG3 Municipalities

LGU	Reform Area Agenda	Activities	Results Achieved
Province of Lanao del Norte			
1. Baroy	Business Permits and Licensing	<ul style="list-style-type: none"> • Training in Service Documentation, Analysis and Design on Business Permit Licensing Administration • Coaching the Technical Working Group to the draft service improvement case • Revisions on the draft service improvement case studies is on-going 	<ul style="list-style-type: none"> • Documentation, analysis, and designing of Business Permit and Licensing Administration services • Validation and analysis of the municipality's current ways of delivering priority service on business permit • Presentation of the case study to the local chief executive
2. Kauswagan	Management of Economic Enterprise	<ul style="list-style-type: none"> • Ocular inspection of the public market and jeepney terminal • Preparation of baseline reports on the current performance of public market and jeepney terminal • Service Audit on service cycle with focus on stall rental collections, jeepney ticketing, and remittance collections • Cross visit to the Municipality of Naawan for benchmarking activity • Conduct of Participatory Diagnostic Workshop • Conduct of Activity Planning Workshop 	<ul style="list-style-type: none"> • Initial discussion on improvement plans for the existing public market and terminal facilities • Presentation of 5-year historical financial data on public market management and jeepney terminal operations • Documentation of the current performance on the management of the multi-economic enterprises' operation • Identification of the existing procedures, organizational structures, existing ordinances, regulations, and other local policies related to public market management and jeepney terminal operations • Assessment of transparency and accountability mechanisms related to the existing system of collection and remittance • Gathering of information on implementation steps and sustainability mechanisms necessary for effective management of economic enterprise operations • Collection of insights and knowledge on

LGU	Reform Area Agenda	Activities	Results Achieved
			<p>proper lay-outing of facilities, structuring of user fees, and other practical approaches to manage public economic enterprises</p> <ul style="list-style-type: none"> • Identification of key areas that needs improvement and planning of succeeding activities relevant to the reform agenda
3. Kolambugan	Business permits and Licensing	<ul style="list-style-type: none"> • Training in Service Documentation, Analysis and Design on Business Permit Licensing Administration • Coaching the Technical Working Group to the draft service improvement case is on-going • Revisions on the draft service improvement case studies is on-going 	<ul style="list-style-type: none"> • Documentation, analysis, and designing of Business Permit and Licensing Administration services • Validation and analysis of the municipality's current ways of delivering priority service on business permit
4. Tangcal	Real Property Tax Administration	<ul style="list-style-type: none"> • To commence in August 2008 	
Province of Lanao del Sur			
5. Wao	Human Resource Management	<ul style="list-style-type: none"> • HR Current Reality Dialogue and Plenary Presentation of Human Resource Management Plan Areas • Plenary Presentation of the basic policy components of six areas on HRD Plan • Conduct of Writeshop on the other components of the HRD Plan such as Objectives, Scope, Definition of Terms, and Procedures • Formulation of the first draft of the HRD Plan • Revisions of the first draft of HRD plan are on-going 	<ul style="list-style-type: none"> • Identification of six areas to improve on Human Resource Development Plan • Creation of Task Forces to work on identified human resource development areas • Revisions on the draft basic policies on merit promotion, training and development, performance evaluation, rewards and incentives, grievance machinery and job description • Plenary Presentation of the First Draft on the Basic Policy components of the six areas on Human Resource Development Plan to the local chief executive and Sangguniang Bayan Members
Province of Maguindanao			
6. Sultan sa	Real Property Tax	<ul style="list-style-type: none"> • TA to commence in August 2008 	

LGU	Reform Area Agenda	Activities	Results Achieved
Barongis	Administration		
Province of Shariff Kabunsuan			
7. Upi	Management of Public Economic Enterprises	<ul style="list-style-type: none"> Initial consultation with the local government on the proposed improvement of market and slaughter Conduct of baseline study on the management of market and slaughterhouse house 	<ul style="list-style-type: none"> Gathering of data on the status of public market operations
Province of Zamboanga del Norte			
8. Leon Postigo	Business Permit and Licensing System	<ul style="list-style-type: none"> Training in Service Documentation, Analysis and Design on Business Permit Licensing Administration Coaching the Technical Working Group to the draft service improvement case Revisions on the draft service improvement case studies is on-going 	<ul style="list-style-type: none"> Documentation, analysis, and designing of Business Permit and Licensing Administration services Documentation, analysis, and designing of Business Permit and Licensing Administration services Validation and analysis of the municipality's current ways of delivering priority service on business permit
9. Piñan	Market / Terminal Administration	<ul style="list-style-type: none"> Ocular inspection of the public market and jeepney terminal Conduct of participatory diagnostic workshop Service audit on service cycle with focus on stall rental collections, jeepney ticketing, and remittance collections Cross visit to the Municipality of Kabasalan for benchmarking activity Conduct of Action Planning Workshop Coaching and mentoring of the Technical Working Team is on-going 	<ul style="list-style-type: none"> Documentation of the current performance on the management of the multi-economic enterprises' operations Identification of the existing procedures, organizational structures, existing ordinances, regulations, and local policies related to the management of the public market and jeepney terminal operations Assessment of transparency and accountability mechanisms related to the existing system of collection and remittance Identification of stakeholders and various measures for improvement in the jeepney terminal and public market operations Gathering of information on implementation steps and sustainability mechanisms necessary for effective

LGU	Reform Area Agenda	Activities	Results Achieved
			management of economic enterprise operations <ul style="list-style-type: none"> • Collection of insights and knowledge on proper lay-outing of facilities, structuring of user fees, and other practical approaches to manage public economic enterprises • Drafting of strategies to improve management and operation of public economic enterprises • Creation of work teams to draft and monitor the progress of service improvements related to management and operations and operations of economic enterprises
Province of Zamboanga Sibugay			
10. Tungawan	Business Permit and Licensing System	<ul style="list-style-type: none"> • Training in Service Documentation, Analysis and Design on Business Permit Licensing Administration • Coaching the Technical Working Group to the draft service improvement case • Refinements and finalization of service improvement case study is on-going 	<ul style="list-style-type: none"> • Documentation, analysis, and designing of Business Permit and Licensing Administration services • Validation and analysis of the municipality's current ways of delivering priority service on business permit
11. Siay	Business Permit and Licensing System	<ul style="list-style-type: none"> • Training in Service Documentation, Analysis and Design on Business Permit Licensing Administration • Coaching the Technical Working Group to the draft service improvement case 	<ul style="list-style-type: none"> • Documentation, analysis, and designing of Business Permit and Licensing Administration services • Validation and analysis of the municipality's current ways of delivering priority service on business permit • Completed tax mapping of business establishments • Storing of data in GIS on-going
12. Kabasalan	Hospital Administration	<ul style="list-style-type: none"> • Conduct of Participatory Diagnostic Workshop • Cross Visit to Negros Oriental Provincial Hospital in Dumaguete City 	<ul style="list-style-type: none"> • Gathering of data on hospital operations • Documentation of the current performance on hospital operation and management • Identification of stakeholders and various

LGU	Reform Area Agenda	Activities	Results Achieved
		<ul style="list-style-type: none"> • Conduct of Action Planning Workshop • Coaching and mentoring of the Technical Working Team is on-going 	<p>activities to ensure effective and efficient hospital management</p> <ul style="list-style-type: none"> • Gathering of information on implementation steps and sustainability mechanisms necessary for effective management of hospital • Collection of insights and knowledge on proper lay-outing of facilities, innovative and practical approaches to manage a health facility • Identification of strategies to address gaps and bottlenecks in the management and operation of the hospital • Creation of work teams to draft and monitor the progress of service improvements related to hospital management and operations
13. Alicia	Business Permit and Licensing System	<ul style="list-style-type: none"> • Training in Service Documentation, Analysis and Design on Business Permit Licensing Administration • Coaching the Technical Working Group to the draft service improvement case • Revisions on the lay-out of its ground floor is on-going to improve the process flow for business permit administration 	<ul style="list-style-type: none"> • Documentation, analysis, and designing of Business Permit and Licensing Administration services • Validation and analysis of the municipality's current ways of delivering priority service on business permit • Implementation of service improvement recommendations
Province of Zamboanga del Sur\			
14. Bayug	Business Permit and Licensing System	<ul style="list-style-type: none"> • Training in Service Documentation, Analysis and Design on Business Permit Licensing Administration • Coaching the Technical Working Group to the draft service improvement case • Revisions on the draft service improvement case studies is on-going 	<ul style="list-style-type: none"> • Documentation, analysis, and designing of Business Permit and Licensing Administration services • Validation and analysis of the municipality's current ways of delivering priority service on business permit
Province of Tawi-Tawi			
15. Bongao	Business Permit and Licensing	<ul style="list-style-type: none"> • TA to commence in July 2008 	-

LGU	Reform Area Agenda	Activities	Results Achieved
Province of Cotabato			
16. Tulanun	Market and Terminal Administration	• TA to commence in July 2008	-
Province of Sulu			
17. Jolo	-	• Submission of Letter of Intent and Council Resolution	• Consensus Building Workshop to be conducted on July 2008