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TRANSPARENT ACCOUNTABLE GOVERNANCE (TAG) PROJECT

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END OF THE PROJECT REPORT
(Cooperative Agreement No. 492-A-00-99-00020)

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Submitted by

The Asia Foundation

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Makati City, Philippines

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Glossary of Acronyms

AIM	Asian Institute of Management
ASoG	Ateneo School of Government
ARMM	Autonomous Region in Muslim Mindanao
BIR	Bureau of Internal Revenue
BOC	Bureau of Customs
CBCS	Consortium of Bangsamoro Civil Society
CCTAG	City Coalitions for Transparent Accountable Governance
CLG	Center for Local Governance
CMFR	Center for Media Freedom and Responsibility
CTAN	City Transparency Accountability Network
DECS	Department of Education, Culture, and Sports
DOH	Department of Health
DPWH	Department of Public Works and Highways
GOLD	Governance and Local Democracy Project
LCP	League of Cities of the Philippines
LMP	League of Municipalities of the Philippines
MBC	Makati Business Club
MinBC	Mindanao Business Council
MinCODE	Mindanao Coalition for Development NGO
PCIJ	Philippine Center for Investigative Journalism
PCPS	Philippine Center for Policy Studies
PCCRP	Philippine Cities Competitiveness Ranking Project
PGF	Philippine Governance Forum
PSEEAP	Public Service Excellence Ethics and Accountability Program
RFA	Rapid Field Appraisal
RPTA	Real Property Tax Administration
SWS	Social Weather Stations
TAG	Transparent Accountable Governance
TAN	Transparency and Accountability Network
USAID	U.S. Agency for International Development

I. INTRODUCTION.

This final report covers activities from September 20, 1999 through December 31, 2007 under the Transparent Accountable Governance (TAG) Project of The Asia Foundation (the Foundation). The TAG project was a well respected and extremely effective endeavor supported by the United States Agency for International Development (USAID) under Cooperative Agreement No. 492-A-00-99-00020-00. The project is based on two intertwined goals of 1) promoting good governance and 2) strengthening the foundation for sustainable economic growth and poverty reduction in the Philippines. TAG and was designed to work with the public and the private sectors in three key areas:

- Building national Counter-Corruption Advocacy
- Promoting transparency and accountability in Mindanao
- Accelerating the development and spread of improved practices in local governance in the Autonomous Region in Muslim Mindanao (ARMM) and neighboring provinces. :

TAG also supported two cross-cutting programs: Grassroots eGovernance and Empowering Women to be Effective Local Government Leaders in the Philippines. The project was managed and implemented by The Asia Foundation-Philippines in partnership with its network of 116 partner organizations from the business, civil society and academic institutions, and supported by the United States Agency for International Development (USAID) under Cooperative Agreement No. 492-A-00-99-00020-00.

TAG's objectives are twofold: (1) to strengthen Philippine civil society and private sector constituencies for counter-corruption reform, and (2) to support the Philippine national and local efforts to implement a good governance agenda conducive to economic growth and poverty reduction. Both of these objectives strive to improve governance in key areas that hinder economic growth and perpetuate poverty.

Originally designed in 1999, the activities implemented under TAG evolved to meet the changing needs and circumstances in the Philippines and to incorporate increasingly sophisticated analysis and understanding in the fields of corruption, good governance, and broader development issues. The engagement of the private sector and civil society groups in project activities has been critical to its success. TAG has been able to adapt to changing circumstances while remaining committed to its original goal and objectives.

The earliest activities under TAG focused on building an empirically-based counter-corruption agenda: identifying key areas in need of reform, analyzing economic costs of corruption, and drawing public attention to the devastating impact of corruption on

the nation's economic growth. At this early stage, project partners were reluctant to engage in advocacy efforts, feeling that anti-corruption efforts thus far had been tainted with partisanship. It was felt that research by Social Weather Stations, Philippine Center for Investigative Journalism, and Philippine Center for Policy Studies would allow the debate to take on a more objective tone, substituting systematic evidence for anecdotal and partial accounts.

By mid-2000, public interest in anti-corruption activities was increasing. A number of disparate efforts by both civil society and the private sector began to interact, and then were overtaken by the dramatic political events of late 2000, when corruption accusations against President Estrada led to his ouster in early 2001. Throughout the period, the TAG project provided comprehensive and well-grounded information – through the research of the partners, conduct of public fora, and through the associated website (www.tag.org.ph).

With the advent of the Macapagal-Arroyo administration in January 2001, it became clear that advocacy for transparent and accountable governance was more acceptable to many quarters. The loose network of anti-corruption activists was concretized into the Transparency and Accountability Network, which is now registered with the Securities and Exchange Commission, and currently composed of 23 nongovernment organizations.   Mindanao Business Council also hosted a forum on "Investment Promotion through Transparent Governance" in 2001. In short, a clearer agenda for reform was established, and the next step was initiating concrete interventions and advocacy-oriented activities. The new administration, through the President's Anti-Graft Commission, proactively sought the assistance of NGOs and businesses in diagnosing corrupt practices and producing plans to counter such practices.

At the end of 2001, efforts at the national level were complemented by programs at the municipal and city levels (where the potential and demand for change may be greater on issues that affect citizens' daily lives). This drew on two sources: (1) Robert Klitgaard's insight that the local level was the locus of both a new danger of corruption and renewed hope in fighting it[1], and (2) the decentralized reality of local governance in the Philippines under the 1991 Local Government Code. In addition, focus was placed on promoting good governance as a means to achieving peace and development in Mindanao. Beginning 2002, the project focused on the following areas:

1. Supporting national level counter-corruption advocacy by stepping up public pressure for counter-corruption reform through engagement with the private sector and civil society in agenda building and advocacy, and public-private

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[1] Corrupt Cities: A Guide to Prevention and Cure, 2000.

cooperation in achieving priority institutional and procedural reforms that reduce the opportunity for corrupt practices and increase the sanctions against offenders.

2. Promoting transparency and accountability in Mindanao cities by implementing effective counter-corruption strategies based on reform agendas and priorities established through public-private cooperation and disseminating best practices in city counter-corruption reform through the network of city governments, the academe, and the media.

3. Broadening the opportunities for peace and economic development in Mindanao through improved local governance especially in the Autonomous Region of Muslim Mindanao and neighboring conflict-affected areas.

In 2003, additional support was provided by USAID to accelerate the adoption of eGovernance at the local level across the Philippines. This removed constraints to eGovernment – particularly policies and regulations that prevent local governments from adopting new systems or procedures – and increased local governments' (especially those who are just beginning to adopt eGovernment) access to information, guidance, and support. A separate end of the project report on this component was submitted to USAID in September 2005. Please see Annex A for a copy of the report.

Also in 2003, support was provided for the Books for Asia (Mindanao) program of the Foundation to increase access to educational materials of public and private schools in conflict affected areas of Mindanao. The accomplishments of Books for Asia (Mindanao) program is included in this final report (please refer to section II.E of this report).

In September 2005, additional support was provided by USAID, incorporating the program "Empowering Women to be Effective Local Government Leaders in the Philippines" in the TAG project. The accomplishments of this component is included in this final report (please refer to section II. D of this report).

The implementation of project activities are captured by the three themes which embody the TAG approach in advancing counter-corruption and good governance agenda both at the national and local government levels. The three themes are:
   (a) Increasing transparency and accountability in government transactions;
   (b) Forming public-private sector partnerships and building constituencies for counter-corruption reforms; and
   (c) Enhancing the capacities of partner government and nongovernmental institutions.

Increasing transparency and accountability in government transactions includes activities targeted towards reducing bureaucratic "red tape" and the work performance of government officials and employees, as citizens and investors benefit from efficient service delivery. Through *forming public-private sector partnerships and building constituencies for counter-corruption reforms*, the project collaborated with reformers from the different sectors: the government, private sector and civil society organizations, thereby multiplying the advocates for good governance and more people became aware of the value of their participation in democratic processes. *Enhancing the capacities of project partners* facilitated the development of improved practices in governance, increased the interaction between civil society, government, and the private sector, and ensured the sustainability of the project's efforts through its partnerships with national-level organizations and organizations such as the Office of the Ombudsman, the Transparency and Accountability Network, the League of Cities of the Philippines and the League of Municipalities of the Philippines. The project invested in people and organizations so that limited resources are better managed, sustainability of project initiatives are addressed, and the government programs and projects are more responsive to the needs of the citizens.

The project's objectives were pursued through an integrated approach of technical assistance, education and training, advocacy efforts, sharing of good practices, information dissemination, and discussions to engage all stakeholders to improve governance mechanisms both at the national and local levels. Political leadership was crucial to the reform process, as Mayors and Governors recognized the benefits of good governance reform. Particularly in its work with local governments, technical assistance were provided through local consultants or local institutions in a manner that improves outcomes to the citizenry while building local capacity to address problems over time.

The project adopted a *demand-driven* and *assisted self-reliance* approach in the conduct of the activities particularly in its work with cities and municipalities. The project only worked with local governments interested in the reform process, whose political leaders were willing to work with the project, whose officials were committed to partner with the civil society groups and the business sectors in undertaking the reform process in a participatory fashion, and were prepared and committed to implement and institute reforms.

The following are the significant results brought about by the TAG project:
- Enhanced civil society's effectiveness in fighting corruption;
- Improved collaboration between civil society and government;
- Increased civil society and private sector participation in governance processes;
- Improved capacity of government institutions and government officials to implement counter-corruption and good governance measures and reforms;

- Increased transparency in government transactions; and
- Increased the effectiveness and accountability of government officials.

The following are the lessons learned in the implementation of the TAG project:
- Sustaining counter-corruption initiatives remains a major challenge because partner civil society organizations may have limited resources to continue the initiatives started by the project;
- Tri-sectoral partnerships between the government, the private sector and the civil society organizations contributed significantly to the success of the project;
- In order to sustain the initiatives, it is important to invest in building the organizational capacity of all sectors and stakeholders (i.e., government and non-government institutions alike); and
- Changing decades-old, not-so-good (rent-seeking) governance practices is a long, tedious and time-consuming process which can not happen overnight. It requires persistence in making sure things happen, flexibility in approaching and addressing problems, and willingness to learn and build on small gains and successes.

This report provides a detailed narrative of the TAG project's achievements in the eight years of its implementation. The program objectives, activities and results, and challenges and lessons learned will be tackled in each of the five components: National Level Counter-Corruption Advocacy; Improving Transparency and Accountability in Mindanao Cities; Improving Governance in Conflict-Affected Municipalities in Mindanao; Empowering Women Leaders for Effective Local Governance; and Books for Asia (Mindanao).

II.   PROGRAM OBJECTIVES, ACTIVITIES AND RESULTS.

A. National Level Counter Corruption Advocacy

Beginning in 1999, the TAG project undertook activities that sought to build constituencies for counter-corruption agenda building and advocacy in order to achieve institutional and procedural reforms that will reduce opportunities for corruption. The specific objectives under this project component were as follows:

- Assist with public-private cooperation in achieving priority institutional and procedural reforms that reduce the opportunity for corrupt practices in government institutions; and
- Step up public pressure for counter-corruption reform through engagement with the private sector and civil society organizations in agenda building and advocacy.

The project was instrumental in pushing and advocating for reforms in government, development of broad-based anti-corruption programs and policies, creation and institutionalization of anti-corruption coalition, development of mechanisms for civil society and government collaboration, institutionalization of policy reforms, adoption of transparent procedures especially in the area of procurement, built capacities of civil society organizations to effectively implement anti-corruption projects, and enhancement of citizens' participation in the overall anti-corruption campaign.

A. 1. Accomplishments and Results.

Objective 1: *Assist with public-private cooperation in achieving priority institutional and procedural reforms that reduce the opportunity for corrupt practices.*

Ombudsman Watch

The *Ombudsman Watch* campaign was first launched by the TAG project in July 2002 in partnership with the Transparency and Accountability Network (TAN) with the objective of increasing transparency in the appointment process involving the Office of the Ombudsman. The campaign stirred civil society involvement in the selection process--a webpage was created for polling the public's choice for the Ombudsman, curriculum vitae of aspiring candidates were distributed to interested organizations for scrutiny of the candidates and interview sessions of aspiring candidates were opened to the public. The campaign was so successful that it resulted in the adoption of public interviews of candidates in the Judicial and Bar Council rules. The open selection resulted in the appointment of a credible, independent and a person of integrity for the Ombudsman position, Simeon Marcelo.

With the resignation of Ombudsman Marcelo in September 2005, the Foundation, in partnership with the Transparency and Accountability Network launched the *Ombudsman Watch 2* in October 2005, to increase awareness and generate public involvement in the appointment process for the next Ombudsman. TAN engaged civil society organizations and the media to advocate for a transparent selection process. It was able to convince the Judicial and Bar Council to extend the nomination period from October 15 to October 25, to allow for additional nominations, and to enable the public to pose questions to the aspiring candidates. A national video conference was conducted to raise public awareness of the selection process; the videoconference contributed to the high turnout of media and civil society representatives during the applicants' public interviews held on November 16-18, 2005.

Reforms at Bureau of Internal Revenue

In conjunction with the efforts of other USAID projects concerning revenue generation, a series of consultations and awareness-building seminars in support of the bill to create the National Revenue Authority/Internal Revenue Management Authority were sponsored by the project. Five hundred copies of *A Primer on Tax Authority Reforms,* and one thousand copies of the Policy Note on *Corporatizing the BIR: Improving Revenue Collections through Institutional Reforms* were published and distributed in 2003. In partnership with the Transparency and Accountability Network (TAN), a case study was also developed that analyzed the practices, methods, and tools applied by civil society organizations regarding reforms in tax administration in House bill 5465: Creation of the National Authority for Revenue Administration. The study noted that the advocacy for the NARA Bill lacked an overall strategy for introducing and managing change and recommended that *"sufficient attention must be given to effective communication among all those affected by or with a contribution to make to the reform process."*

To enhance the revenue collection performance of the Large Taxpayer's Service, which generates the bulk of revenues within the Bureau of Internal Revenue, the project supported the development of the competency-based Performance Management System which allowed the staffs of Large Taxpayers' Service to participate in setting their respective tax collection targets and performance. Taxpayers' feedback on the new system however revealed further need to measure other performance attributes such as accuracy and quality of service rendered, timeliness of service delivery and customer service orientation.

To complement the new competency-based performance measurement, a training program on computerized systems audit was also extended to 71 Auditors and

examiners from the Large Taxpayers Service. The training called *Huwag Taxsil[2]*, implemented in partnership with the University of Asia and the Pacific, introduced the use of computerized audit techniques in simplifying and standardizing current auditing practices that complement other BIR reform initiatives.

Right to Information

The TAG project, in partnership with Pagbabago@Pilipinas, supported move for the passage of the Access to Information Network (ATIN) Bill to ensure the public access to official information. Various activities such as the hosting the International Seminar on Freedom of Information Legislation, formation of ATIN's Technical Working Group, and partnership building with international network organizations such as the London-based Article 19 and Thailand-based Forum Asia both committed to restore freedom of information legislation in various countries were established to further the passage of the bill. Unfortunately, the ATIN Bill lost momentum when the 2004 elections consumed the attention of the political class.

Guidebooks on Government Processes

Two guidebooks on government processes and transactions containing simple, step-by-step guidelines on transacting business with selected government agencies including frequently-asked questions on everyday transactions were published by the Transparency and Accountability Network in cooperation with concerned national government agencies, local governments, and civil society organizations. One thousand copies of the "First Guide to Government Processes and Transactions: Filing Charges and Complaints before the Office of Ombudsman" were circulated and distributed to selected schools, businesses, and government offices nationwide since its publication in 2003. Similarly, the book on Conducting Lifestyle Checks, the second in a series of popularized guidebooks on government processes and transactions was published and disseminated in July 2004.

Development of anti-corruption plans

In partnership with the Transparency and Accountability Network and the Presidential Committee on Effective Governance (PCEG) and the Presidential Anti-Graft Commission (PAGC), the project supported the development of a comprehensive anti-corruption plan in ten government agencies. Out of 39 agencies who participated in the series of workshops, ten agencies were selected and were

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[2] The *Huwag TAXsil* is a project that seeks to ensure good governance in the fiscal sector by way of developing a constituency increasingly aware of and well informed about public finance issues. It seeks to promote greater transparency and accountability in the formulation and implementation of fiscal policies. (http://huwagtaxsil.com/)

assisted in crafting their anti-corruption plans. Below are sample agencies with their specific anti-corruption plans:

Government Agency	Anti Corruption Plans
Bureau of Customs	• Streamlining, automating or changing processes and reorganization • Information Management
Bureau of Internal Revenue	• Simplifying legislation and other legal actions • Posting of process flows/information campaign • Strengthened sanctions against offenders • Establishment of Oversight Committees • Limiting Discretion/ Creating Accountability • Information Management
Department of Environment and Natural Resources	• Simplifying legislation and other legal actions • Posting of process flows/information campaign • Strengthened sanctions against offenders • Limiting Discretion/ Creating Accountability
Department of Health	• Simplifying legislation and other legal actions • Strengthened sanctions against offenders
Department of Education	• Posting of process flows/information campaign • Information Management
Department of Agrarian Reform	• Posting of process flows/information campaign • Establishment of Oversight Committees • Information Management

The anti-corruption plans were subsequently renamed "Integrity Development Action Plans (IDAP)."[3] The IDAP is one of the key anti-corruption programs of President Gloria Macapagal-Arroyo; it consists of 22 "doable" anti-corruption initiatives categorized as *corruption prevention* (reforms to ensure corruption-resistant systems); *investigation/enforcement or deterrence* (making corruption a "high-risk, low reward activity"); *education* (values formation and advocacy to promote zero-tolerance of corrupt practices); and *strategic partnership strategies* (engaging the support and involvement of the entire citizenry in the fight against corruption).

Support to the Office of Ombudsman

Project resources were used to provide one year (2003-2004) litigation support to the Office of the Ombudsman through the Lawyers' League for Liberty (Libertas). Lawyers and paralegals equipped with necessary competencies to investigate cases, gather evidence and determine whether or not it is appropriate to file a case were deployed to work with the lawyers at the Office of the Ombudsman. Three cases

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[3] According to a report of the Presidential Anti-Graft Commission (PAGC), currently, there are 119 agencies/bureaus/regional offices/attached agencies implementing the various measures of the IDAP from the original 39 government agencies/bureaus/offices which committed to adopt the IDAP in December 2004.

focused on major corruption incidents in 2004 such as the PEA Amari, RSBS and Dumangcas Case were identified as project priorities. Preliminary investigations for these cases were concluded and as a result of the investigation, researchers from Libertas endorsed the cases to the Office of the Ombudsman for review and appropriate actions.

In addition, technical assistance was provided to the Office of the Ombudsman to consolidate all anti-corruption efforts being done by the government, the private sector, and by the civil society organizations, and effectively disseminate these efforts to the public for information. A Convergence Working Group Meeting was held in June 2005 attended by representatives from executive, legislative, and judicial branches of government, where the proposed National Anti-Corruption Program of Action (NACPA) was presented. This initial effort resulted in the creation of the Multi Sectoral Anti-Corruption Council (MSACC) composed of representatives from different sectors, primarily from the government. MSACC is a consultative and coordinating body composed of 16 sectors coming from government and non-government institutions.[4] MSACC aimed to strengthen anti-corruption commitments by harmonizing, integrating, and monitoring the programs of all stakeholders in the fight against corruption, provide general direction for the National Anti-Corruption Program of Action (NACPA)[5], formulate and recommend anti-corruption policies for the convergence and coordination of anti-corruption programs of stakeholders to increase efficiency and avoid gaps and overlaps in their implementation, and monitor the commitments of all stakeholders in the anti-corruption programs of the government.

MSACC has identified three priority activities it is committed to undertake in the next three years: *NACPA Multi-Track Roadshow* for counter-corruption promotion component, and *Hotline/Help Desk, Integrity Development Reviews*, and *Capacity-building of Bids and Awards Committee Observers and Monitors* for the corruption prevention component.[6]

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[4] Office of the President, House of Representatives, Senate, Judiciary, Office of the Ombudsman, Commission on Audit, Bangko Sentral ng Pilipinas, Liga ng mga Barangay, Muslim Religious Organization, Moral Recovery Foundation, EvelioB. Javier Foundation, Employees Confederation of the Philippines, Philippine Development Forum Working Group on Anti Corruption , National Youth Commission, Kapisanan ng mga Brodkaster sa Pilipinas.

[5] NACPA serves as a mechanism to coordinate the ongoing efforts in combating corruption in the country. NACPA is guided by 7 anticorruption frameworks: (1) Policy Formulation for Controlling Corruption; (2) Prosecution of Corrupt Acts; (3) Prevention of Corrupt Transactions and Processes; (4) Promotion of Integrity, Transparency and Accountability; (5) Partnership-Building Against Corruption; (6) Performance Management in the Total Anti-Corruption Campaign; and (7) Public Appreciation of Anti-Corruption Progress and Challenges.

[6] Some of these efforts are being supported under the Millennium Challenge Corporation's Philippine Threshhold Program.

Transparency in Public Procurement

The promotion of procurement reforms is one of the notable achievements under the TAG project. As soon as R.A. 9184 or the Government Procurement Reform Act was passed in July 2002, the TAG project worked towards the refinement of the new procurement procedures. In partnership with a non-government organization Procurement Watch Inc. and the Government Procurement Policy Board, the project assisted in the formulation of the implementing rules and regulation of the Government Procurement Reform Act (R.A. 9184); the implementing rules and regulations provided a legal basis to reduce corruption, cut delays, and limit discretion in the procurement process. Consultative workshops, trainings on the proper interpretation and implementation of the law for Bids and Award Committee (BAC) members and observers, development of e-reporting system and the development of the Feedback Mechanism for the Bids and Awards Committee to address gaps in dealing with procurement monitoring reports submitted by BAC Observers were subsequently conducted to support the advocacy on procurement reforms. These concerted efforts led to the issuance of the Operational Guidelines on Handling Feedback and Complaints Submitted by Bids and Awards Committee Observers, by the Office of the Ombudsman in July 2006. A primer was subsequently developed outlining the key procedures and steps in filing feedback and complaints resulting from public bidding activities.

The following is a summary of the trainings on the procurement law provided to BAC Members and Observers.

Trainings	Government Representative	CSO Representatives	Total
Full trainings on RA 9184	590	185	775
One-day Orientation Course for 13 Mindanao cities	247	165	412
Two day Training for BAC Members and Observers (EBJFI)[7]	508	84	592
Specialized training for BAC Observers by (EBJFI)		288	288
Establishing Local Networks of Civil Society Bids and Awards Committee Observers (EBJFI)		311	311
Total	1345	1,033	2,378

Scoping Study on Issues on Local Procurement

From August 2005 to April 2006, the TAG project, in partnership with the Development Planning and Environmental Management, Inc. (DPEM), conducted the

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[7] Evelio B. Javier Foundation, Inc.

Scoping Study on Issues on Local Procurement Post-Republic Act 9184 to determine the status of the implementation by local governments of key relevant provisions some three years after the passage of the new Government Procurement Reform Act (Republic Act 9184). The scoping study focused on the following concerns: organization and functioning of the Bids and Awards Committee (BAC), the BAC Secretariat, and the BAC Technical Working Group; preparation and implementation of procurement plans; utilization of the electronic procurement system; dissemination of information on government tenders; and capability building needs of the BAC, the Secretariat, and the Technical Working Group.

The study covered a total of 49 local governments from all regions including the Cordillera Autonomous Region and the Autonomous Region in Muslim Mindanao, and the results were presented to the different local government leagues: Liga ng mga Barangay, League of Cities of the Philippines, League of Municipalities of the Philippines, and the League of Provinces of the Philippines, as well as to the Government Procurement Policy Board. The study had the following significant findings:

Issues on Local Procurement-Post R.A. 9184
• The procurement process is tedious with too many documentation requirements. • Private sector representatives, representatives of non-government organizations and professional associations are now relegated to mere observers from previously being regular BAC members. • The honoraria for BAC members do not compensate for added workload since the income stream is not steady. • Seminars conducted for local governments on the new procurement law, there are too many participants and very little time for documents to be properly explained. Lecture handouts and forms are difficult to understand. • The procurement by electronic means is disadvantageous to local suppliers and the local economy. • Centralized stocking is subject to inferior quality of goods and the non-availability of stocks at pick-up time create additional cost for transporting supplies. • Majority of local government units prefer to advertise in local newspapers since the required advertisement in national newspapers is too costly. • The Bids and Awards Committee need to build their technical skills in the evaluation of bids. • The basis for alternative methods of procurement is not clear and absolute.

Survey on Procurement Reform

A 20-question rider was included in the SWS quarterly public opinion survey in November 2006 to determine the level of awareness and degree of public interest in procurement reform. The survey had 1,200 respondents from the general public.

The following are the highlights of the survey:

1. Four years after the passage of GPRA, only a small percentage of the general public (13%) is aware of the procurement law. This reinforces the need to implement a communication plan that will popularize the features of the GPRA and at the same time broaden public's ownership of procurement reforms.
2. There is a perceived optimism from the public that the GPRA can help lessen corruption. 76% of the respondents believe that the GPRA will help reduce corruption in government projects.
3. Only 16% of the survey respondents have access to computers and only 14% have access to the internet. The communication plan cannot therefore rely on the Internet as a means of disseminating information to the public.

The survey results re-affirmed the need to strengthen the over-all communication strategy of the government in disseminating to the public the procurement law to mobilize public support in procurement reforms.

Differential Efficiency Expenditure Management (DEEM) Tool

The Differential Efficiency Expenditure Management Tool is an anti-corruption measurement developed to address the need for an objective and concrete standard of measuring changes in operating efficiency of a particular agency as a basis for evaluating the impact of agency reform measures. Especially reforms that are intended to bring down operating expenses in terms of cost and time by comparing the 'actual cost' and the 'true cost' of an expenditure item.[8] A Memorandum of Agreement among Procurement Watch Inc., the National Citizen's Movement for Free Elections, and the Jose R. Reyes Medical Memorial Center (JRRMMC) was signed in May 2006 with JRRMMC as a sample agency for the pilot-testing of DEEM. A total of 226 vouchers amounting PhP 24,831,240.75 were taken as samples. The results of the pilot study indicated a Net efficiency of 1,474,284.82 for the procurement of Jose R. Reyes Medical Memorial Center in the year 2005. The efficiency rate was computed through the net efficiency formula of DEEM. A positive net efficiency indicates uneconomical procurement practice in the agency. Based on the sample, JRRMMC procured higher prices of goods and services than the prevailing price which may not be advantageous to the agency. Other research findings include the lack of supporting documents in the vouchers, as well as incidences of missing dates in the vouchers.

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[8] The 'true cost' is the market value of the goods procured in the competitive market. The 'actual cost' represents the value or price that the government paid for. The assumption is that 'actual cost' should be comparable to the prevailing market price of the good (true cost) since most public procurement happens through competitive bidding.

The Procurement Watch Inc. has refined the tool which included other indicators such as time of requisition of items or goods, date of delivery, time from date of delivery up to the time it was actually distributed to the end users. The tool is very useful in identifying areas vulnerable to corruption.

Objective 2: *Keep up public pressure for counter-corruption reform through engagement with the private sector and civil society organizations in agenda building and advocacy.*

Institutionalization of Transparency and Accountability Network

As public concern over corruption began to grow in the years 2000 and 2001, a number of different organizations began to meet regularly to coordinate anti-corruption initiatives. It became apparent that several groups shared the same basic goals and methodologies, so they formed themselves into the "Transparency and Accountability Network." The TAG project provided logistical and operational support to the Transparency and Accountablility Network (TAN) to assist them in formulating their own mechanism to sustain itself and be identified as one of the forefront organizations in combating corruption. Five years after its formal organization with legal personality, by 2007 TAN was at the forefront of counter-corruption advocacy in the country. It is now a member of the Transparency Board, a government-led body that reviews contracts and procurements of government projects, and a member of the Department of Health (DOH)'s Integrity Development Committee, primarily tasked with monitoring and implementing the agency's anti-corruption programs and commitments. TAN has also worked with the Office of Ombudsman in supporting the ratification of the United Nations Convention Against Corruption (UNCAC) in November 2006. TAN's executive director also participated in the Conference of State Parties[9] to UNCAC in Jordan on December 10-14, 2006, where he was unanimously voted by the civil society organizations to deliver a speech before the Conference on behalf of other civil society organizations in the country. In mid 2007, TAN came up with its first TAN State of Corruption Report, aimed to provide a balanced and objective perspective of the contours of corruption and the range of countermeasures taken by government, private sector, donor institutions, and civil society.

TAN's Key Result Areas	Accomplishments
Strengthened financial sustainability	• Acquired funding support from the International Foundation for Electoral Systems, United States Embassy, World Bank, and Australian Agency for International Development
Enhanced collaboration	• Partnership and representation in multi-sectoral bodies such as

[9] The Conference of State Parties held last December 10-14, 2006 was the first conference that has open participation to civil society representatives.

TAN's Key Result Areas	Accomplishments
with government	*Bantay Lansangan*, DOH-Integrity Development Committee, and Procurement Transparency Group • Partnership with government agencies and development partners such as Government Procurement Policy Board, Presidential Anti-Graft Commission, Department of Health, Office of the President, World Bank, and Asian Development Bank
Enhanced recognition of TAN as lead institution in anti-corruption	• Visibility in media and other anti-corruption events[10] • Implemented projects such as *World Bank Compliance Performance Indicators Research, Pera at Pulitika, etc.* • Participation in Conference of State Parties in Jordan • Maintenance of www.tan.org.ph • Representations at numerous meetings with project partners, donors and government partners

Support to Coalition Against Corruption

From the beginning of the TAG project, interaction with the private sector was a key part of the overall effort. Business, after all, has a direct stake in reducing corruption in order to reduce the overall cost of doing business. The Makati Business Club, which brings together the largest Filipino-owned businesses, has been helpful throughout the project.

In an effort to broaden and deepen business involvement in anti-corruption efforts, the Makati Business Club, with support from the TAG project held the Citizens Against Corruption (CAC) Conference in Makati City in September 2004 to generate pledges and donations to support various counter-corruption initiatives: Textbook Count, Internal Revenue Allotment Watch, BAC Observers Training, Medicine Monitoring, Pork Barrel Monitoring, and Monitoring of COMELEC cases. A total of PhP5.825M worth of donations and pledges were generated from large organizations and companies such as the Makati Business Club, Ayala Corporation, and Phinma Group of Companies to support the said initiatives. The Catholic Media Network also pledged PhP5M worth of airtime to disseminate information on CAC activities.

Support was also provided to the Coalition Against Corruption for the trainings of volunteers, handbook printing (Internal Revenue Allotment Watch, Pork Barrel Watch, and Medicines Monitoring), database development on cost benchmarks for textbooks, medicines, and roads, and the maintenance and updating of the TAG website (www.tag.org.ph).

The following is the summary of major accomplishments of the Coalition Against Corruption:

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[10] TAN's opinions and perspectives on governance and corruption issues are well sought by media.

Activities	Accomplishments
Medicine Monitoring Project (in partnership with NAMFREL)	• Volunteers monitored hospital procurements worth PhP525.3M. • Mobilized over 180 volunteers nationwide to monitor 54 public hospitals and 12 Centers for Health Development in 2006. • Received 25 Observer Diagnostic Reports from volunteers since 2005-2007. • Developed a medicine database designed to address problems on overpricing of medicines and the reported varying costs • Developed and distributed a Medicine Monitoring Handbook for volunteers.
Government Procurement Monitoring (in partnership with Bishops-Businessmen's Conference)	• Over PhP6.5billion worth of projects were monitored by Bishops-Businessmen Conference and Makati Business Club in the Department of National Defense and the Department of Transportation and Communications (DOTC). • 36 observers participated in the procurement of the 25 Bids and Awards Committee of 21 national government agencies
Internal Revenue Allotment Watch (in partnership with CBCP-NASSA)	• Mobilized 27 diocesan social action centers and Basic Ecclesial Communities to monitor local governments' utilization of their Internal Revenue Allotment in 91 barangays in 3 Diocesan Social Action Centers of San Carlos, Jaro, and Marbel • Developed and distributed Internal Revenue Allotment Watch Handbook for volunteers.
Pork Barrel Watch (in partnership with CODE-NGO)	• Mobilized 177 volunteers nationwide covering 37 legislative districts. • 137 reports from 64 districts were received concerning 78 road projects, 13 IT-computer projects, and 46 LGU priority projects. • Developed and distributed Pork Barrel Watch Handbook for volunteers.

Textbook Monitoring with the Department of Education

For three years (2003-2006), the project supported the Department of Education's Textbook Count Project, to monitor text book procurement process and deliveries, and address the issues of book losses and book diversions to unknown recipients. The project which ran from 2003-2006 allowed civil society organizations like

Government Watch, Transparency and Accountability Network, NAMFREL, and Procurement Watch to be involved in ensuring transparency and accountability in procurement processes and procedures and books deliveries.

During the three rounds, the Department of Education (DepEd) purchased a total of PhP2.02B worth of textbooks delivered to 17,843 delivery sites. The combined civil society and community volunteers monitored around 60% of all deliveries, estimated at PhP1.2B worth of textbooks. The project has resulted to greater efficiency and savings on the part of the government. In the previous years, the usual procurement process for textbooks took 24 months, under the Textbook Count Project, procurement and deliver of 37 million textbooks were accomplished in 12 months.

The project succeeded in initiating and strengthening partnerships among DepEd, businesses and civic groups like Coca-Cola Bottling Philippines and *Katipunan ng mga Anak ng Bayan* (Community Development Initiative or KAAKBAY) in the delivery of textbooks from districts to elementary schools. It helped revive the spirit of volunteerism and has provided models for effective partnerships with civil society, private sector, and other stakeholders. The remarkable achievement of Textbook Count demonstrated what effective public-private-civil society partnership can do to ensure delivery of public services and enhance transparency and accountability in governance. As a recognition of this effective public-private-CSO partnership, the Textbook Count Project was hailed by the OEDC as a best practice.

The three rounds of Textbook Count along with other projects of the Department of Education like the *Brigada Eskwela* (School Brigade) and *Adopt a School* have generated considerable amount of interest from the public, and substantially contributed in improving the flawed image of the Department of Education, previously considered as one of the most corrupt government agencies. The findings on the net sincerity rating of Department of Education in fighting corruption in the SWS Annual Enterprise Survey was a clear indication of its performance and results of its reform efforts. The rating for the Department of Education went as high as +43 in 2002-2003 survey from a -9 in 2000.

Annual Enterprise Survey on Corruption

For seven years, the project supported the conduct of the annual Enterprise Survey on Corruption, in partnership with the Social Weather Stations and the Makati Business Club. The enterprise survey, unlike other international corruption indices, showed the views of Filipino managers in the Philippines from small, medium and large corporations. Initially, the survey started in the National Capital Region but was later expanded to include Metro Cebu and Davao in 2004, and Cavite, Laguna, Batangas, Cagayan de Oro and Iligan City in 2005. The series of annual enterprise survey since 1999 led to the establishment of the *Coalition Against Corruption (CAC)* in response

to the encouraging results on the willingness of private sector to fund anti-corruption efforts.

The Enterprise Survey analyzes the degree of solicitations of bribes for certain transactions, sincerity ratings of government agencies in fighting corruption, willingness of the private sector to support anti-corruption activities, business attitude towards corruption and its perceived magnitude and prevalence in public and private sector, and the business practices and private sector behavior in dealing with government agencies. Activities such as focus group discussions with various stakeholders, public presentation and videoconference, and provincial road shows were organized for public dissemination of the survey results to raise public awareness on how to combat corruption.

The following are the major results of the 2007 Annual Enterprise Survey:

Highlights of SWS 7th Annual Enterprise Survey

- The scale of public sector corruption remains high, although the incidence of bribing for government contracts has declined in Metro Manila.
- Respondents were doubtful whether government can be run without corruption.
- Seventeen of twenty-nine government agencies have negative ratings on sincerity in fighting corruption.
- Three of every five managers were asked for a bribe during 2006 on at least one index transaction. On each index transaction, bribe solicitation was higher than in 2006 or 2005.
- One out of four managers said that a typical company in their sector would donate to the 2007 election campaign. The average estimated donation was PhP245,000.
- Only a minority of companies "always follow" the basic honest business practices of demanding receipts, issuing receipts, keeping only one set of books, and paying taxes honestly. However, in Metro Manila at least, these practices have grown slightly.
- Managers' stated capacity to contribute to an anti-corruption fund is 2% (median) of Net Income, down from 5% in 2006. Yet, in the last two years, two out of five spend an average of PhP292,000 to fight fraud or corruption in their own firms, and one out of five donated an average of PhP136,000 to an anti-corruption fund. One out of two says they will spend and donate for these purposes in the next two years.
- Sixty-one percent see good or excellent business weather over the next two years – up from 46% in 2006 and 2005. One-half are satisfied with the National Government, and two-thirds are satisfied with the Local Government, on their promotion of a good business climate.

Network of Corruption-Intolerant Young Professionals and Entrepreneurs

The project assisted the Cebu-based civil society organization Barug! Pilipino in organizing the Network of Corruption-Intolerant Young Professionals and Entrepreneurs (NCYPE). The network's advocacy is anchored on "Heroic Christian Citizenship", with memberships coming from the different networks of socio-civic organizations, civil society groups and the private sectors in places like Cebu (33

member-organizations), Tagbilaran (23 member-organizations) Bacolod (29 member-organizations), and Maasin (16 member-organizations).

First National Congress on Good Citizenship

In partnership with the University of the Philippines' Center for Leadership, Citizenship and Democracy (UP-CLCD), the Public Administration Research and Extension Service Foundation, Inc., the Commission on Higher Education (CHED) and the Good Citizenship Movement, the project supported the conduct of the First National Congress on Good Citizenship in October 2006 with the theme *Values Formation.* The event was attended by representatives from the government, civil society organizations, business sector, and academic institutions. The congress succeeded in formulating a consolidated three-year national plan for good citizenship and established a Multi-Sectoral Council composed of participants to the congress, tasked with monitoring the three-year National Anti-Corruption Plan of Action. A framework was also drawn up to define how values formation efforts may be aligned with various anti-corruption efforts implemented by government and non-government organizations in the country.

Anatomy of Corruption

In partnership with the Transparency and Accountability Network, the Foundation for Communication Initiatives and the Cultural Center of the Philippines, the project in 2004 supported the showing of the play "*Anatomiya ng Korupsyon*" (Anatomy of Corruption) by Malou Jacob. The play dramatized the roots and consequences of corruption and the dilemma of taking a personal stand in an effort not to be eaten up by the system. It was shown in five major cities in the Philippines: Quezon City, Baguio City, Bacolod City, Davao City, and Naga City as part of TAN's advocacy for a corruption-intolerant society. A radio documentary and a video version of the stage play were also produced; these were distributed to the members of the Transparency and Accountability Network, academic institutions and other civil society organizations.

Citizen Education in Electoral Reforms

The TAG project supported in 2004, the Philippine Province of the Society of Jesus' advocacy campaign on "*Walang Hihingi*" (No Asking). The 30-second radio infomercial focused on curbing the practice of soliciting contributions from politicians, especially during election period, was aired nationwide on major radio stations and television networks during the election campaign period. Although the advocacy campaign did not reach as many people because of the limited time allotted for airing, it did however mark the promotion of fresh critiques and challenges to Filipino political and election culture, and in fact challenged several diocesan

assemblies to examine their own practice of soliciting funds from politicians for religious purposes.

Jaime V. Ongpin Awards for Excellence in Journalism

Cognizant to the critical role of the media in advancing good governance agenda and promoting transparent accountable governance, the TAG project for two years, supported the Jaime V. Ongpin Awards for Excellence in Journalism Program. The award contributed to the increased number of explanatory and investigative reports that provided ordinary citizens with tools to understand possible problems in government through the stories written by journalists. A book entitled "Prize Journalism: A Collection of Jaime V. Ongpin Awards Winners" which is a collection of all winning stories was launched in January 2006 to augment and benefit the teaching of journalism in various colleges and universities.

Media Trainings

Trainings on "Facing the Media" and "A Guide to Media for Good Governance Advocates" were conducted for civil society organizations and government institutions involved in counter-corruption work. The workshops on 'Facing the Media' were held on August 3-4, 2006 and October 5-6, 2006 for civil society organizations and government agencies, respectively. The first batch of training was attended by 15 participants representing 10 organizations such as Procurement Watch, Transparency and Accountability Network (TAN), Makati Business Club, Barug! Pilipino, Evelio B. Javier Foundation, Concerned Citizens of Abra for Good Governance, La Salle Institute of Governance, the Office of the Ombudsman, and the Presidential Anti-Graft Commission. The second batch of training was attended by 14 different government agencies such as Bureau of Internal Revenue, Department of Health, Department of National Defense, Government Procurement Policy Board, etc. On October 10-12, a writing workshop entitled "A Guide to Media for Good Governance Advocates" was conducted by three well-respected Filipino journalists. Participants included 20 representatives from civil society, NGOs, and the academe working on anti-corruption projects.

The trainings equipped the different counter-corruption groups with the necessary skills on facing the media, crafting effective media messages, developing sound bytes and key messages on corruption, skills in understanding how the media works, writing effective press releases, commentaries, letters to the editor and feature stories; assembling a press kit, and framing and pitching governance and corruption stories.

A. 2. Overall Impact

Since 1999 to present, there has been a remarkable increase in the number of good governance and anti-corruption initiatives implemented by both civil society and government. Government has initiated implementation of a variety of programs, as comprehensive as the National Anti-Corruption Program of action (NACPA), Integrity Development Action Plans, Integrity Development Review, to specific and targeted ones like the Lifestyle Check Program. In 2006, the Philippine Senate adopted the United Nations Convention Against Corruption (UNCAC), a general legal anti-corruption framework. A very important provision guaranteed in the UNCAC is the civil society participation in anti-corruption efforts.

The civil society sector has also implemented parallel efforts both in its capacity as "watchdog" or "partner". Civil society organizations were part of the successful counter-corruption initiatives like the Textbook Count Project, Ombudsman Watch, Pork Barrel Monitoring, Procurement Monitoring, among others. The succeeding sections identified the critical impact of the TAG project in terms of promoting national-level counter-corruption advocacy.

1.   Increased awareness on the cost of corruption

The Annual Enterprise Survey has pointed out critical areas for reform and encouraged private and public sector participation in the fight against corruption. One of the project's key accomplishments is the establishment of a *Coalition Against Corruption* (CAC) in response to the encouraging results on private sector's willingness to fund anti-corruption efforts. CAC was launched in 2004 to formalize this private sector's initiative.

The findings of the Annual Enterprise Survey also served as one of the key indicators used by other development partners, academic institutions, government agencies, and civil society in measuring our progress in the fight against corruption. It has proven to be a critical tool in raising consciousness on the costs of corruption, advocating for critical reforms, and measuring the effectiveness in countering corruption.

The TAG website (www.tag.org.ph) was instrumental in providing relevant data through studies, surveys, project updates, and research and in making information on anti-corruption initiatives accessible to the general public.

Having an awareness of the situation also resulted in an increased public pressure to reduce corruption, so that the government responded by having anti-corruption plans and programs that are now being pursued by government agencies. These anti-corruption plans include the National Anti-Corruption Program of Action, and the Integrity Development Action Plans (IDAP), an anti-corruption framework adopted

by national government agencies to institutionalize system reforms to minimize the opportunities for graft and corruption.

2. Increased civil society's effectiveness in fighting corruption

The project was also instrumental in increasing the effectiveness of civil society organizations in fighting corruption. In a mapping of donor-supported anti-corruption initiatives that are clustered into a broad anti-corruption framework—Prevention, Promotion, and Prosecution---a considerable number of interventions were supported by the TAG project. The TAG project was instrumental in strengthening lead civil society counter-corruption groups such as the Transparency and Accountability Network, Coalition Against Corruption, Procurement Watch, Makati Business Club, and the Northern Luzon Coalition for Good Government. TAN serves as the civil society representative in multi-sectoral bodies such as the "*Bantay Lansangan'* (Road Watch) and the Procurement Transparency Group. Together with the Coalition Against Corruption, it is also a member of the Department of Health (DOH) Integrity Development Committee, a body composed of DOH officials and civil society tasked to formulate and design policies that will improve transparency and accountability systems in the health sector.

Following on the very successful 2002 Ombudsman Watch the process was replicated for different agencies such as Commission on Election for the COMELEC Watch, and the Supreme Court for the Supreme Court Watch, with TAN as leading civil society watchdog advocating for transparency in the selection process in these constitutional bodies.

3. Enhanced collaboration between civil society and government.

The Operational Guidelines on Feedback and Complaints Handling Mechanism, resulting from a collaboration between Procurement Watch and the Office of the Ombudsman, has already been signed and adopted by the Office of the Ombudsman. Although the ultimate measure of the effectiveness of the mechanism is the number of submission of Diagnostic Reports by BAC observers and the successful prosecution of procurement cases filed in the Office of the Ombudsman, the partnership in drafting the guidelines was an indicator of progress in itself.

Similarly, the Differential Expenditure Efficiency Measurement (DEEM) tool developed by the Procurement Watch Inc. with TAG project support provided the avenue for partnership with the Department of Health and the Jose R. Reyes Memorial Medical Center. These agencies took note of the DEEM findings and recommendations that pertain to its procurement processes and the DOH has been encouraged to replicate and implement the tool in several government hospitals. The TAG project also contributed in strengthening coordination of anti-corruption

stakeholders through the Multi-Sectoral Anti-Corruption Council (MSACC) which it helped set up. These initiatives have certainly opened the venue for civil society-government collaboration.

B.   Improving Transparency and Accountability in Mindanao Cities

Since 2002, the TAG project undertook activities that sought to improve transparency and accountability at the city level to create a stronger enabling environment for local governments to achieve a more robust and sustainable economic growth and poverty reduction. The specific objectives of this component were as follows:

* Implement effective counter-corruption strategies at the city level in Mindanao based on reform agenda and priorities established through public-private cooperation; and
* Disseminate best practices in city counter-corruption reforms.

To achieve these objectives, the TAG project partnered with the League of Cities of the Philippines, the various city governments of Mindanao, the Mindanao Business Council, and the Mindanao Coalition of Development NGO Networks in implementing the project.

From 2002 to 2007, the TAG Project undertook the following major activities in 16 Mindanao cities:

* Procedural Reforms;
* Public Service Excellence, Ethics and Accountability Program;
* Documentation of the Business Permitting Processes;
* Formation of City Coalitions for Transparent Accountable Governance (CCTAG);
* Establishment of City Transparency and Accountability Networks (CTAN);
* Local Governance Scorecards Survey;
* Sharing Sessions and Partners Conference to disseminate of Good Practices; and
* Corruption Perception Survey.

In addition to these major activities, minor activities were also undertaken to attain the project objectives.

B. 1. Accomplishments and Results.

Objective 1: *Implement effective counter-corruption strategies at the city level in Mindanao based on reform agenda and priorities established through public-private cooperation.*

Procedural Reforms

The Procedural Reforms in city governments introduced and institutionalized reforms in Mindanao cities in specific governance areas, such as, real property tax administration, business permits and licensing, procurement, and transparent management of city services and economic enterprises.

The project provided technical expertise to the cities by doing in-depth diagnosis of their systems and initiating reforms. The reforms effectively simplified procedures, reduced monopoly of power of local officials, limited the discretion of city employees and improved transparency and access of citizens to information in city governments.

While the city governments initiated the reforms, business and civil society made sure that the reforms were most necessary and were relentlessly pursued by the city governments. Both business and civil society were involved in all stages of project implementation.

From 2002 until 2004, the TAG project in partnership with the League of Cities of the Philippines implemented procedural reforms in seven Mindanao Cities. Below are the cities and the reform area they opted to focus on:

Name of City	Reform Focus
Cotabato	Public Market Systems and Operation
Dapitan General Santos Iligan Marawi Surigao	Procurement System
Island Garden City of Samal	Local Shelter Program

The first round of reforms in these cities had been fairly successful. With additional funding, a new round of reform interventions was again started in these cities in 2005, with an additional nine cities being added to the original seven, thus increasing the number of cities covered by the project to 16.

Name of City	Reform Focus
Cotabato Butuan	Public Market Systems and Operation
Surigao Panabo Marawi Dipolog	Real Property Tax Administration
Ozamis Oroquieta Zamboanga	Business Permits and Licensing System

Name of City	Reform Focus
Tacurong Malaybalay Koronadal	
Iligan	Bus Terminal Operation
General Santos	City Hospital Operation
Dapitan	Enhancement of Income-Earning Capacity
Island Garden City of Samal	Zoning Deviation Procedures

To assist the cities in their reform efforts, the project deployed public administration experts who assisted the cities in the diagnosis, systems redesigning, and implementation of the redesigned systems. In addition, supportive local issuances like executive orders, city council resolutions and city ordinances were secured to institutionalize the re-designed system. The post-technical assistance evaluation conducted by the TAG project documented the following improvements in the cities' reform agenda:

Real Property Tax Administration

Cities	Results

Dipolog	• Improved Collection Efficiency from 58% to 65%
	• Conducted the General Revision of Property Assessment, the first revision in 14 years
	• Reduced response time:
	   o City Assessor's Office: from 21 minutes to 14 minutes
	   o City Treasurer's Office: 51 minutes to 23 minutes

Marawi	• Improved Collection Efficiency from 2.0 to 2.6 % • Shortened Process Time of Manual Assessment & Collection Process by 120 minutes, that is from 210 minutes to 90 minutes • Improved coordination among concerned city functionaries in the administration of real property taxes
Panabo	• Fast-tracked resolution of boundary conflicts • Initialized process for full computerization of the Real Property Tax (RPT) System • Increased RPT Collection by PhP464,943.18 (from PhP 6,422,835.19 in Jan-Jun 2005 to PhP6,887,778.37 in Jan-Jun 2006)
Surigao	• Improved collection efficiency from 45% to 47% • Reduced cost-to-collection ratio by 40% from PhP1.72 to PhP1.04 • Streamlined assessment process from 704 minutes to 80 minutes

Business Permits and Licensing System

Cities	Results
Koronadal	• Decrease in the number of processing hours for business permit processing from 56 hours to an average of only 4 hours; • Increased number of business permits from 954 in January 2005 to 1,505 in January 2006 • Decreased number of processing stations from 10-15 sites to 1 site which is

Cities	Results
	(the City Hall, utilizing 2 floors) • Decreased number of forms from 4 to 2 • Reduced number of signatories from 13 to 7 signatories • Named the "Most Business-Friendly City in Mindanao" by the Philippine Chamber of Commerce and Industry
Malaybalay	• Reduced processing time from 2 hrs and 10 minutes to 1 hour and 30 minutes • Increased number of new businesses registered from 200 to 300 • Increased percentage of business permit renewal from 45% to 54%
Oroquieta	• Increased collections during the January 1-February 9 period from PhP2,454,805.19 in 2005 to PhP2,499,817.17 of the same period in 2006 (increase of PhP45,011.98) • Reduced processing time from 1.6 days in 2005 to 2 hours, 1 minute and 40 seconds in 2006
Ozamiz	• Increased collection by 14%, from PhP19,179,518.00 in 2005 to PhP22,046,606.35 in 2006 • Reduced processing time from 3 days to ½ day • Displayed flowcharts and signs
Tacurong	• Increased collection by 63.5% -from PhP3,357,237.37 in January 2-20, 2005 to PhP5,489,345.89 for the same period in 2006 or an increase of PhP 2,132,108.52 • Increased number of business permits issued by 254 (81%), from 311 in January 2-20, 2005 to 565 for the same period in 2006 • Reduced processing time from 2.58 days to about 2 hours • Reduced the number of forms from 2 to 1 • Reduced the number of signatories from 11 to 4
Zamboanga	• Increased collection by almost 300%, from PhP9,995,053 in January 2-20, 2005 to PhP29,488,651 in January 2-20, 2006 • Institutionalized advanced and coordinated inspections of business establishments by all involved agencies and offices

Transparent Management of Economic Enterprises and Public Services

Cities	Reform Agenda	Results
Butuan	Public Market Operations	• Increased fee collections for ambulant vendors at an average of PhP3,000 during the test run period from March 1-15, 2006 • Updated inventory of regular stalls and achieved completion of inventory of 70% of ambulant stalls (this serves as basis for cross-checking collection and assignment of collectors) • Managed and effectively controlled the ambulant vendors by permanently relocating them to the Taboan Trade Center • Increased participation of vendors in cleanliness and orderliness of the market by organizing them by section
Cotabato	Public Market Operations	• Minimized delinquent accounts • Increased occupancy rate of legitimate vendors

Cities	Reform Agenda	Results
		• Updated inventory used as a basis for collection targets and monitoring by the market inspector • Minimized incidence of petty crimes in the market • Increased participation of vendors in the city market management
Dapitan	Public Transport Terminal and Public Market Operations	• Increased collections by 27% over a one-month period of implementation of the re-designed system • Improved monitoring of bus terminal operations by daily submission of collection reports from revenue collectors and ticket checkers
Iligan	Public Transport Terminal Operations	• Operators/Dispatchers Federations became active partners of the city government in serving the riding public • Eliminated existence of illegal terminals • Increased income for legal operators and dispatchers • Reduced or eliminated corrupt practices among collectors and dispatchers and traffic enforcers; practices included non-issuance of ticket stubs and delayed remittance of collections.
Island Garden City of Samal	Zonal Deviation	• Reconstituted the Local Zoning Board Adjustments and Appeals (LZBAA) and Secretariat • Streamlined Zoning Deviation Procedures
General Santos	Admission to Discharge of Patients in General Santos City Hospital	• Reduced number of absconding patients by 89% (from 80 patients to 9 patients) • Decreased actual costs of drugs and medicines from PhP3 million to PhP1.49 million (representing a 350% cost reduction) • Decreased actual cost of medical supplies from PhP1.8 million to PhP800,000 (representing a 270% cost reduction) • Faster procurement of drugs and medicines • Lower hospitalization costs for major surgery (PhP16,000 compared to a minimum of PhP30,000 in private hospitals)

Public Service Excellence, Ethics and Accountability Program

PSEEAP is an eight to twelve-month organizational development intervention that instills within city governments the values of public service excellence, ethics and accountability. It promotes transparency in service, strengthens accountability of local bureaucrats and encourages customer-oriented culture in the delivery of basic services.

The program involved city officials and employees in the process of instituting changes within the city government. The program was designed to complement the procedural reforms being done in cities.

With the program's completion in 16 cities, a total of 4,926 city government employees graduated from the program. The program yielded concrete results in the systems of city governments and have influenced their budgets and the "ways of doing things" of city government employees. Below are the documented results per city:

Results of PSEEAP in 16 Cities

Cities	Results
Butuan	• Improved camaraderie among city government employees especially during the crafting of their service improvement recommendation • Funding by the city government for the replication of the program • Replication of the programs in departments not originally targeted
Cotabato	• Improved skills of employees in customer-handling • Better appreciation by employees of the concept of service excellence
Dapitan	• Crafting and display of service vision, values and employees' commitment statements
Dipolog	• Modification of physical lay-outs of offices • Posting of process flow charts in offices
General Santos	• Significant improvement in the delivery of services at the City Hospital • City Hospital was awarded by the Philippine Hospital Association with the Presidential Award of Recognition
Island Garden City of Samal	• Renewed commitment of employees to implement the Ethical Values Promotion Plan earlier formulated
Iligan	• Raised employees' level of awareness on issues of graft and corruption • Motivated employees to change their traditional bureaucratic culture to a culture of public service
Koronadal	• Simplification of document approval process at the City Civil Registrar's Office • Deployment of a record section staff and use of computer system at the City Assessor's Office
Marawi	• Setting up of a counseling area at the City Population Office • Allocation of PhP200,000.00 to the City Cooperative Office to support info-drive on projects
Malaybalay	• Systematized processing of tax declarations • Renovated building to provide for a waiting lounge for clients • Posting of flow charts • Improved attitude of service providers towards clients resulting in reduced response time
Oroquieta	• Allocation of additional PhP250,000.00 for the purchase of medicines by the City Health Office • Posting of flowcharts and checklist of required documents at the City Accounting Office • Physical rearrangements at the City Public Market • Replication of the trainings to cover frontline personnel

Cities	Results
Ozamiz	• Adoption of prescribed time in the release of approved civil applications • Posting of fees on bulletin boards by the CEO • Use of "Pass Slip" by the City Social Welfare and Development Office
Panabo	• Wearing of uniforms and IDs by employees • Posting of office workflows and signs • Adoption of a five-minute response time to customer queries and fifteen-minute response time to walk-in clients
Surigao	• Crafting and posting of service vision, values, service standards, performance pledges and commitment statements
Tacurong	• Improved performance in customer satisfaction
Zamboanga	• Display of service vision and values, service standards and flow charts

Business Permit and Licensing Study

The annual business permit and licensing study started in 2003, initially with only 7 Mindanao cities, but was expanded in 2006 to cover all 16 TAG cities. The study identified areas for reform and improvement in the business permits and licensing systems of city governments, provided guidance in enhancing the systems and complemented the procedural reforms being done in cities in their business permitting. The process documentation specifically looked into the following:

- Number of steps from start to finish in the whole permitting process;
- Number of minutes, hours or days devoted for each step in the process;
- Number of forms, clearances and signatories required for each step;
- Number of times a particular document goes back to officials for signature;
- Absence or presence of information, flow charts, referral systems and schedule of fees disseminated to the public;
- Accessibility of required forms;
- Transparency in the computation of fees for payments;
- Positions of personnel involved in the renewal process; and
- Corruption Tendencies.

Yearly Output of the Business Process Documentation
2003-2007

Year	Output
2003	Baseline information on the business processes of the 7 TAG cities
2004	Documentation of the improvements in the business processes of the 7 cities as against the benchmark, which is the previous year's baseline data.
2005	Documentation of further improvements in the business processes of old TAG cities and baseline information on the new TAG cities.
2006	Documentation of improvements such as, shorter processing time, fewer steps, lesser documents and signatures required, as well as non-improvement or deterioration in the process.

In partnership with the Ateneo de Davao Resource Center for Local Governance, the project conducted another study in January 2007 to track the improvements in the business permitting process of the 16 cities in 2007 as compared to their 2006 performance. In the table below are the findings and recommendations of the 2007 Study:

2007 Findings and Recommendations
Business Permit and Licensing Study

Findings	Recommendations
• Improvements were manifested in the reduction of the number of steps, the time spent for registration, the number of signatories and simplified forms. • Systems for the business registration are in place: flowcharts were displayed; processing areas were arranged sequentially following the process flow; • The conduct of evaluations after every registration period with the end goal of integrating recommendations in the succeeding registration period has become part of the process. • Cities have realized that reform is a complex matter and it needs the help of all sectors. As such, during evaluation, heads of offices, both city government and national government, and members of civil society were invited to participate and were just glad to join so as to contribute to the improvement of the registration process. • Personnel behavior has improved which could be attributed to trainings and preparatory meetings held prior to the registration period. • Computerization, whether full or partial, has contributed to improvements in the business registration process particularly in the reduction of processing time and transparency in the computation of taxes and fees. • Some cities have reached their maximum potential so their challenge is to maintain their efficiency or to move on to improve technology.	• Strengthen mechanisms on collective decision-making. In the evaluation of the business registration process, cities have already included the participation of not only representatives from local and national government agencies but also representatives from civil society groups. It is recommended that they continue with this to address needs, gaps, problems and issues towards desired outcomes in the business registration process. • Promote evidence-based decision-making. Surveys, time and motion study are good bases for decision-making. • Build the capacity of personnel through trainings and orientation meetings on the Public Service Excellence Ethics and Accountability Program (PSEEAP). • Explore possibility of fully computerizing the registration process or at least maximizing the use of well-maintained computers. • Learn from good practices of other city governments and adapt those that are applicable in a specific city.

In addition to the study conducted, case stories on good practices on business permits and licensing administration were also documented from each city. Below are the titles of each of the case stories. Please refer to Annex E for the stories per city.

City	Title
Cotabato	LGU-Private Sector Partnership and Information Efforts
Dapitan	Speeding up Police Clearance Issuance to Strengthen the Registration Process
Marawi	Women in the Frontline
Iligan	Reviving The City thru Taxes
Gen. Santos	The Continued Search for the Best OSS Method To Satisfy Customer
IGaCoS	Bringing Services Closer To The Shore
Surigao	Computers and Commitment: Formula for sharpening services
Butuan	Improving Service Delivery in Butuan City through Computerization
Dipolog	Business Mapping : Dipolog City's Attempt To Generate More Revenues
Koronadal	Streamlining Operations in a Space-Constrained Environment
Malaybalay	The Issuance of Revocable Business Permit
Oroquieta	Institutionalizing Private Sector Participation in the City's Services Delivery Improvement
Ozamiz	Developing Mass Media Partnership In Business Registration Process Service Improvement
Panabo	Doing More for More
Tacurong	Business One-Stop-Shop In Tacurong City : Building The Capacity To Improve Services
Zamboanga	Addressing Conflicts Between Regulatory Requirements and Revenue Generation

City Transparency Accountability Network

As a parallel effort to institute reforms in city governments, the TAG Project, in partnership with the Mindanao Coalition of Development NGO Networks (MINCODE), supported the engagement of civil society organizations with city governments in promoting transparent, accountable and effective city governance. The project supported the organizing of City Transparency and Accountability Network (CTAN) in each of the 16 TAG cities. CTAN is a coalition of civil society organizations in each of the TAG city, advocating for transparency and accountability. Each of the CCTAN crafted a City Anti-Corruption Agenda which were then consolidated into a Mindanao Civil Society Agenda in 2004. At the helm of each CTAN is a local civil society organization designated by the network as project coordinator.

Coordinating NGOs of CTAN in the 16 TAG Cities

City	CTAN Coordinator	Major Accomplishments
Cotabato	Kadtuntaya Foundation, Inc. (KFI)	• Launched a radio program to raise awareness of the people on TAG issues

City	CTAN Coordinator	Major Accomplishments
Dapitan	Resource Center for Empowerment and Development, Inc. (RCED)	• Organized barangay-level TAG teams to look into procurements made by the Barangay Council • Participated in the development of the Local Investment Code
Marawi	Maranao People Development Center, Inc (MARADECA)	• Launched info-drives on TAG through posters, flyers, and radio guestings
Iligan	PAILIG Development Foundation, Inc. (PAILIG)	• Planned to conduct regular scorecard surveys
Gen. Santos	MAHINTANA Foundation, Inc. (MAHINTANA)	• Hosted "TAG Talk", a regular radio and TV show
IGACOS	LAWIG Development Foundation, Inc. (LAWIG)	• Mobilized funds from city government to support CTAN meetings and other activities
Surigao	REACH Foundation, Inc. (REACH)	• Institutionalized regular dialogue with the mayor on TAG concerns • Mobilized financial support from city government for tax campaigns • Hosted a weekly radio program on TAG issues
Butuan	Educational Discipline in Culture and Area-based Dep't Services, Inc.	• Profiled the civil society organizations in the city • Facilitated accreditation in the city government • Consolidated the civil society organization reform agenda
Dipolog	Zamboanga Norte Center for Social Concerns and Development, Inc.	• Led the campaign for clean and honest local elections • Crafted a tripartite city-level TAG Action Plan
Koronadal	South Cotabato Foundation, Inc. [SCFI]	• Mainstreamed TAG as the principle around which platforms of local candidates in the 2007 elections were formulated
Malaybalay	Agri-Aqua Development Coalition [AADC]	• Raised community awareness on TAG by involving community organizations in the CCTAG
Oroquieta	PAGLAUM Multi-Purpose Cooperative [PAGLAUM]	• Campaigned for credible elections and linked up with other local development organizations to strengthen its TAG advocacy
Ozamiz	Misamis Occidental Federation of Cooperatives [MOFECO]	• Crafted a city-level TAG Action Plan
Panabo	Institute of Primary Health Care [IPHC]	• Formed barangay TAG teams to monitor barangay projects
Tacurong	Notre Dame of Tacurong College – Community Extension Services	• Campaigned for credible local elections and organized mass campaigns on TAG

City	CTAN Coordinator	Major Accomplishments
Zamboanga	Zamboanga Human Resource Development, Inc. [ZHRDI]	• Facilitated the formation of CCTAG and organized TAG campaigns at the barangay level

The project also supported the capacity building of the different civil society groups in each of the TAG cities on the areas of counter-corruption advocacy, policy analysis, project development and resource mobilization, local government fiscal management, among others. Some of the CTAN members were also trained to become civil society observers in City Bids and Awards Committees. These capacity building investments resulted in the proactive engagement and partnership between the CTAN and the city governments in several endeavors: hosting of regular dialogues with their mayors (TAG Forum), hosting of talk shows both on local radio and TV (TAG Talk), awarding of Gawad TAN to reward the promotion of effective systems and mechanism in delivering services to the citizenry, participation of civil society groups in both mandated and non-mandated local special bodies, and inclusion of CTAN's TAG agenda in the cities' investment plans.

City Coalition for Transparent Accountable Governance

In partnership with the Mindanao Business Council, the project supported the formation of City Coalitions for Transparent Accountable Governance (CCTAGs) in 13 TAG cities. CCTAGs are loose city-level coalitions of local business chambers, civil society, and city government which aim is to mobilize participation in the promotion of transparency and accountability in cities. Since 2002 the project, through the Mindanao Business Council, spearheaded the conduct of activities aimed at implementing counter-corruption reforms in city governments and building the capability of coalition members in effective economic governance. CCTAGs paved the way for the publication of investment promotions code of some cities, publication of procedural handbook or service manuals for the city governments, and the development of the counter-corruption scorecards for the three sectors. The CCTAGs have also helped city governments shortened the processing time of payments to suppliers, set up hotlines, and One-Stop-Shops during business registration periods. CCTAGs became an excellent avenue for the three sectors to interact. In 2004, the coalitions were quick to come up with their counterpart to the much-vaunted good governance agenda of the Arroyo Government for Mindanao through the Mindanao Coalition for Transparent Accountable Governance. And in October 2007, the Mindanao Business Council was tapped by the Office of the Ombudsman to be one of the official anti-graft watchdogs for Mindanao.

City	Major Accomplishments
Butuan	• Strengthened tri-partnership within CCTAG
Cotabato	• Assisted in the establishment of the city's Business One-Stop-Shop
Dapitan	• Drafted a project proposal for the Dapitan Libora River Tours which

City	Major Accomplishments
	focused on tourism and investment promotion
Dipolog	• Strengthened city government and CSO partnership
Gen. Santos	• Published the Procedural Handbook of the city
IGACOS	• Acquired an office space for its day-to-day operation of the CCTAG
Iligan	• Established a city government hotline for TAG concerns
Koronadal	• The CCTAG decided to merge with the CTAN
Malaybalay	• Organized the CCTAG after the formation of Malaybalay Business Club
Marawi	• Drafted the Local Investment Code which provides incentives to potential investors in the city
Oroquieta	• Tapped city government resources for its programs
Ozamiz	• Conducted orientation and planning to discuss and identify priority projects focusing on tax collection-related operations and systems
Panabo	• Reorganized the Panabo Chamber of Commerce
Surigao	• Forged partnership with Development Academy of the Philippines in Mindanao for the production of the Citizens Transaction Manual • Facilitated the increase in CSO participation in local special bodies • Facilitated the reduction of the response time of payments to suppliers
Tacurong	• Formed partnership between the city government and the private sector despite the absence of support from the business sector
Zamboanga	• Initiated an inventory of local policies related to TAG and perception survey on corruption at the local level

Local Governance Scorecards

In 2002, the project, through the League of Cities of the Philippines and the Governance Advisory Council, supported the development of the governance scorecard for the national and local-level government agencies. The scorecard was based on eight good governance principles: citizen centeredness, transparency, accountability, participatory governance, empowerment, predictability, professional bureaucracy, and credibility.

From these principles, a set of survey questions were crafted and administered in seven Mindanao cities in 2002. The questionnaire was subsequently revised to integrate suggestions from the three sectors involved: city government, business sector and civil society organizations. In 2003, another round of scorecard survey was conducted and administered in 14 cities across the country. The scorecard was eventually adopted by the City Coalitions for Transparent Accountable Governance to benchmark the performance of 13 TAG cities in promoting transparency and accountability in governance.

Philippine Cities Competitiveness Ranking Project 2005

The TAG project partially supported the 2005 round of the Philippines Cities Competitiveness Ranking Project, conducted by the Asian Institute of Management

Policy Center. The study assessed the capability of cities to provide an environment that nurtures dynamism of its local enterprises and prosperity of its residents, using a set of 23 quantitative and 45 perception-based indicators.   The project ultimately aimed to help Philippine cities cultivate competitive industries, promote healthier communities, and maximize their competitiveness potentials.

The survey results were presented in Manila in February 2006 to more than 350 guests from the business sector, academe, local and national government agencies, civil society organizations, and the media. The conference highlighted the best practices of most competitive cities in the areas of infrastructure, data collection, and local governance. The results were also presented in Davao City in April 2006 during the Mindanao Coalition for Transparent Accountable Governance Forum sponsored by the TAG project.

The most competitive cities are listed alphabetically per category in the table below:

PCCRP 2005 Top Performing Cities

Metro	Mid-sized	Small
Davao	Bacolod	Dagupan
Las Piñas	Batangas	Koronadal
Makati	Iligan	Legaspi
Marikina	Iloilo	Naga
Muntinlupa	San Fernando, Pampanga	Olongapo
		San Fernando, La Union
		Sta. Rosa
		Surigao
		Tagbilaran
		Tagum

Corruption Perception Survey

To measure the changes in public perception of the level of corruption in city governments where the TAG project was implemented, the project conducted a corruption perception survey in four of the 16 TAG cities, namely, Surigao City, General Santos City, Iligan City and Zamboanga City.

The surveys had a representative city sample of 100 household heads with the field work conducted during from December 14-17, 2007. It used face-to-face interviews covering 20 randomly selected barangays in each of the 4 cities.

Among others, the surveys looked into and found that the satisfaction level with the city government was positive, and that somewhat more respondents tended to say that corruption is becoming somewhat more widespread (the interpretation of which may have something to do with the general opinion climate of the country).

City	Net Satisfaction Rating of City Government	Respondents saying corruption in the City Gov't is similar with three years ago	Respondents saying corruption in the City Gov't is more widespread now	Respondents saying corruption in the City Gov't is more widespread three years ago
Surigao	+67	46%	22%	13%
Iligan	+54	36%	34%	25%
Zamboanga	+37	30%	40%	25%
General Santos	+56	44%	47%	8%

The surveys also examined respondents' perception of the most pressing local problems, their awareness of, and satisfaction of city government offices, their trust rating of city officials and institutions, as well as their perception of city government and private sector coordination in policy formulation and service delivery.

Objective 2: *Disseminate best practices on city counter-corruption reforms.*

Dissemination of Good Practices in Transparent Accountable Governance

The project was always proactive in providing venues for the 16 TAG cities to learn form each other and to share the good practices developed by each one in the course of project implementation. It conducted eight sharing sessions and thematic group sessions to share experiences among cities and cross fertilize learnings in implementing reforms. In addition, four Mindanao Coalition for Transparent Accountable Governance fora were hosted by the Mindanao Business Council for the project; this served as venue for information exchange among the different CCTAGs.

The project was also very generous in sharing the good practices of the 16 TAG cities to other cities both within and outside of the country.

- In 2005, Mayor Alfonso Casurra of Surigao City was invited by USAID as a resource speaker and presenter for a USAID- sponsored conference entitled "Supporting Decentralization and Local Governance in ANE Region: Fostering Multi- Sectoral Approaches" held in Cairo, Egypt. The workshop discussed decentralization trends in Asia and the Near East.

- In 2006, Mayor Florencio Flores of Malaybalay City served as speaker in the Sub-National Investment Climate Conference in Indonesia sponsored by The International Finance Corporation, the German Technical Cooperation, and The Asia Foundation. The forum brought together local, provincial and central government officials of Indonesia, and the private sector to share lessons and experiences on efforts to streamline regulations and licensing procedures to promote economic growth.

- In January 2007, the TAG project hosted the cross visit to the Philippines of 11 Sri Lankan nationals representing eight local authorities who were partners of The Asia Foundation-Sri Lanka in its Local Economic Governance (LEG) Program funded by the Australian Agency for International Development (AusAID). The objective of the cross visit was to learn from the Philippine local government's experience on public-private partnerships for local economic development.

In addition, the project supported the production and publication of the following communication materials for easy and widespread dissemination of the good practices generated by the project. Disseminating these good practices is the fastest way to build a nationwide TAG constituency and to promote good governance in the country.

- TAG Resource Kit, which contains the basic concepts and methods used in promoting transparency and accountability in local governments;
- Facilitator's Manual on Public Service Ethics and Accountability;
- Facilitator's Manual on Participatory Local Development Planning and Budgeting;
- Pinoy Cities on the Rise, Philippine Cities Competitiveness Ranking Project 2005. This book was published by the Asian Institute of Management Policy Center with support from the TAG project. The book documents the 2005 PCCRP study from the methods used, the indicators used, the cities' ranking and the good practices implemented by selected cities to increase their competitiveness;
- Compilation of Recent Legislation on Local Governments 1991-2005 by Atty. Alberto Agra, Vincent Edward R. Festin, published in 2006; and
- Streamlining Business Registration in LGUs: 6 Good Practices. A booklet published by the Bureau of Small and Medium Enterprise Development of the Department of Trade and Industry and supported by the German Technical Cooperation. The booklet features the innovations in business permit processing of 16 cities, five of which are TAG cities.

The project also produced two videos that promote TAG and its practices. These are the *TAG Itatag* video and the 13-minute- *Reinventing Business Permitting Means Better Business Climate.*

Press releases about the project and its activities were also frequently featured in both local and national newspapers. TAG articles also appeared online, in the TAG site, LCP site and MindaNews Online. The Mindanao Coalition for Transparent Accountable Governance also came out with its own publication entitled *TAGaBalita*.

B. 2. Overall Impact

The project has succeeded in improving transparency and accountability in Mindanao cities. It has not only detected areas in city governance that are prone to corruption, but also effectively deterred the practice by streamlining city government systems where corruption are often reported or openly talked about, namely, business permitting, real property administration and management of economic ventures. In making the public aware of processes in applying for permits and licenses, the reforms reduced the discretion of city government functionaries. By reducing the number of required signatures for application of permits or by installing ways to counter-check market collection, the monopoly of officials was also reduced. Accountability of city government employees was also enhanced by requiring them to wear proper uniform and appropriate identification and by publishing flow charts and cycles of service which indicates the necessary steps, the required documents, and the expected response time to avail of a particular service.

The support of the city mayors and their respective city councils throughout the project also had the effect of reinforcing the deterrence to commit corruption because they demonstrated their support by leading the reform process. Beyond the objective of putting in place counter-corruption strategies, the project has also made services in city governments more efficient and responsive and has generated millions of pesos by increasing their revenues from business and real property taxes and increasing the efficiency of government-managed enterprises.

Building grassroots and private sector constituencies who actively push for reforms and served as corruption watchdogs in cities, further increased the pressure for city governments to shape up and minimize corruption. Indeed, beyond simply implementing counter-corruption measures, the TAG project has institutionalized them in cities.

By working with networks like the League of Cities of the Philippines, the Mindanao Coalition for Development NGOs, and the Mindanao Business Council, which have their own members and constituencies, the project has ensured cross fertilization of experiences and lessons learned. More importantly, good practices generated by the project were shared, disseminated, and replicated.

C. Improving Governance in Conflict-Affected Municipalities of Mindanao

Beginning in 2002, the project extended a total of 205 technical assistance packages to 103 municipal and provincial local governments in conflict-affected areas of Mindanao. The technical assistance packages sought to improve local government operations and service delivery and enhance the capacities of local institutions to effectively engage with local governments. The specific objectives of this project component were as follows:

- Improve the effectiveness and accountability of municipal and provincial governments;
- Increase the interaction between the citizenry and their local governments; and
- Ensure the sustainability of such governance improvements towards peace and development.

To achieve these objectives, the project partnered with 29 local resource institutions in Mindanao to implement this project component, and provided support and technical assistance in the following areas:

- Development Planning and Budgeting;
- Public Service Excellence, Ethics and Accountability Program;
- Resource Mobilization;
- Human Resource Development Planning; and
- *Pamangkutanon sang Banwa* (Citizen's Query).

On top of these major activities, minor activities were also done to attain the project objectives.

C. 1. Accomplishments and Results.

Objective 1: *Improve the effectiveness and accountability of municipal and provincial governments.*

Development Planning and Budgeting

With limited financial resources available to local governments to deliver services and projects it is important that local governments prioritized and rationalize their budget in order to have the most impact. The project assisted 72 municipalities and 729 barangays in the conduct of participatory development planning and budgeting. The assistance has allowed thousands of people to participate in planning for projects and programs that directly affect their lives and in the process gained substantive knowledge on local budgets. The assistance also resulted in increased commitments

from local governments to fund projects identified through TAG participatory processes.

Development Planning and Budgeting
2002 to 2007

Module	Number of Pax	Male	Female	Muslim	Christians
BDPB[11]	16,648	9,963	6,685	11,709	4,939
MDPB[12]	2,325	1,382	943	1,610	715

Below are some examples of projects identified through TAG participatory process with local government allocation.

Province	Municipality	Project	Budget (PhP)	Year Implemented
Maguindanao	Datu Paglas	Construction of Low-Cost Six-Class Room School Building	500,000	2005
	Sultan sa Barongis	Barangay Electrification (4 barangays) – LGU provided counterpart.	100,000	2005
		Hiring of Additional Teachers	540,000	2005
	Datu Saudi Uy Ampatuan	Rehabilitation of Inter-Barangay Five-Kilometer Farm-to-Market Road	600,000	2005
		Construction of Rural Health Unit Building with Facilities – funded by the Office of the ARMM Regional Governor, LGU provided counterpart	150,000	2006
	Guindulungan	Municipal Government Counterpart Fund for the Construction of Solar Drier and Warehouse – funded by ASFPD	100,000	2006
	S.K. Pendatun	Rehabilitation of 5 Day Care Centers	25,000	2005
	Talayan	Municipal Counterpart Fund for Various Barangay Projects Identified - 10 Barangays	500,000	2005

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[11] Barangay Development Planning and Budgeting
[12] Municipal Development Planning and Budgeting

Province	Municipality	Project	Budget (PhP)	Year Implemented
Shariff Kabunsuan	Datu Odin Sinsuat	Municipal Government Counterpart Fund for Potable Water System – a project worth PhP600,000 implemented in partnership with local non-government organization.	100,000	2005
	Parang	Rehabilitation of 5Km Farm-to-Market Road	4,000,000	2005
Basilan	Maluso	Provision of Honoraria for Teacher-Volunteers	3,000	2006
Sulu	Indanan	Conduct of Islamic Seminar	1,000	2007
		Tree Planting and Distribution of Assorted Fruit Tree Seedlings	10,000	2007
Zamboanga Sibugay	Alicia	Early Childhood Care and Development	500,000	2007
	Siay	Provision of funds for *Botika sa Barangay*	125,000	2007
		Youth Skills Training	80,000	2007
	Kabasalan	Improvement of Primary Health Care Services	420,000	2006
		Coastal Resource Management and Mangrove Reforestation	305,000	2006

The independent impact assessment made between July to September 2007 on the project's assistance on development planning and budgeting at the municipal and barangay levels also revealed the following findings. Please refer to Annex C for the detailed impact assessment report.

Findings: Impact Assessment on Barangay and Municipal Planning and Budgeting Assistance
• Enabled the barangays to be more responsive to the needs of the community • Increased awareness of barangay budgets among the stakeholders • Increased accessibility on bidding documents and records of government projects • Updated Statement of Income and Expenditure • Improved transparency procedures in project implementation • Fund appropriation on identified priority projects are reflected in the development plan • Increased participation of various stakeholders in the budgeting process • Improved health services and peace and order condition • Improved domestic water supply and educational facilities

Public Service Excellence, Ethics and Accountability Program

PSEEAP is an eight to twelve month-organizational development intervention that instills within local governments the values of public service excellence, ethics and accountability. It promotes transparency in service, strengthens accountability of

local bureaucrats and encourages customer-oriented culture in the delivery of basic services.
The program involved municipal officials and employees in the process of instituting changes within the local government.

With the program's completion in 23 municipalities and 2 provinces, a total of 880 municipal employees have graduated from the full program while 2,470 were trained on the module on public service ethics and accountability. The program yielded the following concrete results in the municipalities: five-minute processing of documents; issuance of memorandum requiring all employees to wear proper uniform and identification; job rotation among offices; installation of employee locator board; assignment of a person to staff the reception/information desk; installation of bulletin boards where the municipal government can post announcements and accomplishment reports; establishment of an information desk at the main entrance of the municipal hall; placement of signs to guide the public in their transaction with the municipal government; penalizing employees for not wearing proper office uniforms and identification cards; holding of a regular Monday staff meeting to address the job-related concerns of the employees and as venue to disseminate information like executive issuance and council resolutions.

Below are examples of Service Improvements Recommendations in the municipalities:

Province	Municipality	Improvement Recommendations	Budget (PhP)	Year Implemented
Maguindanao	Sultan sa Barongis	Purchase of New Computer Unit	30,000	2006
		Provision of Waiting Lounge for Customers Transacting Business	120,000	2006
		Construction of Multi-Purpose Hall	1,000,000	2006
		Purchase of Bundy Clock	5,000	2006
Shariff Kabunsuan	Parang	Provision of Process Flow Chart for Transactions	1,500	2006
	Upi	Hiring of Additional Staff	500,000	2006
Sultan Kudarat	President Quirino	Construction of Consultation Room	200,000	2006
		Provision of Office Signages	5,000	2006
	Bagumbayan	Computerization of Accounting System	800,000	2006
		Renovation of Office	500,000	2006
		Hiring of Additional Staff	1,500,000	2006
Lanao del Norte	Kauswagan	Construction of Laboratory Facility at Health Office with Facility	200,000	2007
		Quarterly Purchase of Medicines	100,000	2007
		Renovation of Department Offices	1,100,000	2007
	Kolambogan	Installation of Project Monitoring Boards	5,000	2007
		Purchase of Additional Computer	30,000	2007
		Imposition of Proper Wearing of Uniform and ID	-	2007

Province	Municipality	Improvement Recommendations	Budget (PhP)	Year Implemented
Tawi-Tawi	Bongao	Review of Personnels' Job Description	-	2006
		Provision of Office Space	10,000	2006
Sulu	Provincial Government	Managing Absenteeism and Tardiness of Employees	5,000	2006
		Strict Implementation of Issuance of Travel Clearance among Employees	-	2006
Zamboanga del Norte	Dalman	Hiring of Additional Personnel	-	2006
		Periodic Review and Evaluation of Office Action Plans	-	2006

The independent impact assessment conducted from July to September 2007 on the project's assistance for PSEEAP revealed the following findings. Please refer to Annex C for the detailed impact assessment report.

Findings: Impact Assessment on Public Service Excellence Ethics and Accountability Program
• Increased information dissemination program on public policies, programs, projects and services of municipal governments
• Presence of flowcharts and signs on municipal government offices
• Decrease of corruption incidence in municipal governments
• Improved working behavior and practices among employees
• Increased practice on ethical standards among employees
• Improved physical and structural facilities and services for customers
• Increased women participation in government activities
• Increased support of local governments to projects identified in PSEEAP activities
• Increased commitment and participation of stakeholders
• Improved (good) relationship between and among employees and their supervisors after roles classification

Resource Mobilization and Management

The project assisted local governments in exploring and mobilizing other possible sources of revenues in order to finance projects and deliver basic services and augment the limited resources made available by the national government. Since 2002, the TAG project has provided 14 technical assistance on Real Property Tax Administration and Enterprise Development to 14 municipalities to improve the mobilization and management of their existing resources.

In 2003, the project, in partnership with the Metro Kutawato Development Alliance (MKDA), provided technical assistance to the eight member municipalities of the alliance through the activity entitled Action of the Community towards Innovative and Viable Enterprises. The technical assistance yielded the following results:

Results

Results
• Strengthened linkages between MKDA project management office with academic institutions and other civil society representatives, which eventually formed the technical teams
• Generated PhP21M support from the Department of Agriculture to support MKDA operations and projects
• Completion of the feasibility study on coffee nursery and plantation development in collaboration between the municipal government of Upi, MKDA, and the Department of Agriculture
• The Integrated Livelihood Program, a component of the ACTIVE Project, launched the development of coffee industry in Municipality of Upi in Maguindanao Province (now Shariff Kabunsuan)
• Allocation of PhP500,000 of the municipal government to fund the initial operation of the coffee project to establish a 4-hectare coffee nursery, 1-hectare demo farm, and 1-hectare clonal garden
• Signed a Memorandum of Agreement between MKDA, the Upi municipal government, and Upi Agricultural School to formalize the partnership for the coffee project

From 2003 to 2007, the TAG project supported six municipalities in the provinces of Maguindanao, Shariff Kabunsuan, and Sultan Kudarat to improve their real property tax administration through a series of trainings and workshops involving all the stakeholders: municipal officials, barangay officials, teachers, and school officials. The trainings and workshops were designed to evaluate the revenue performance of the real property tax system (RPTS) of the municipality; identify policy, structural and procedural issues, problems and constraints of the present real property tax system; arrive at a consensus on the level of collection efficiency (CE) and cost to collection ratio (CCR) to serve as target for the municipality; identify significant but doable measures or changes to make the real property tax system a net revenue producer, revenue productive and cost effective; and generate consensus on the detailed activities to implement the identified policy, structural and procedural changes in the real property tax system of the municipality.

The technical assistance produced the following results:

Results for Real Property Tax Administration

Province	Results
Maguindanao	• Conducted comprehensive tax education and information campaign in partnership with barangay officials, school teachers and officials • Hired additional staff to reinforce the office of assessor
Shariff Kabunsuan	• Conducted tax mapping • Established collection centers during market days/fiestas • Barangay officials assisted the Municipal Treasurer in the delivery of tax bills and Notice of Delinquencies • Renovated offices to accommodate voluminous records
Sultan Kudarat	• Identified properties with absentee land owners and delinquencies • Enforced tax collection enforcement in the community • Encouraged property owners to file sworn statements on their real properties • Establishment of collection centers during market days/fiestas

Comprehensive Human Resource Development Planning

In 2004, the Municipality of Datu Paglas in Maguindanao was assisted to formulate an organizational structure to ensure the best use of existing human resources for both current and future programs of the municipal government. Subsequent workshops were held to craft the municipality's comprehensive human resource development plan.

Results
• Created the Human Resource Development Committee through an executive order issued by the local chief executive
• Adopted the proposed policy on recruitment, selection and movement through the issuance of a resolution by the Sangguniang Bayan (Municipal Council)
• Adopted the proposed policy on compensation and reward
• Increased the salary of employees for FY2005 by 8%
• Developed the systems and procedures guiding the implementation of human resource development programs
• Strengthened the capacity of human resource specialists
• Developed a decentralized capacity building framework plan for curriculum and staff development

Accountability not Lip Service

The TAG project supported the *Kwentahan Hindi Kwentuhan*: *Pamangkutanon Sang Banwa* (Accountability Not Lip Service: Citizen's Query) initiative of the Bingawan Working Youth Federation (BWYF). The initiative was implemented by BWYF in partnership with the Municipality of Bingawan, Iloilo. *Kwentahan Hindi Kwentuhan*: *Pamangkutanon Sang Banwa* was selected from among 1000 entries to the World Bank – organized Philippine Development Innovation Marketplace, and is a multi-sectoral participatory governance program that assesses the performance of public officials in 14 barangays in Bingawan, Iloilo. It provided a feedback mechanism to increase the constituent's knowledge and awareness of the utilization of public funds on government projects. The initiative yielded the following results:

Results
• Expanded and strengthened the local structures of Bingawan Working Youth Federation
• Built the capacity and skills among BWYF project committee members
• Installed transparency and accountability mechanism in the municipal and barangay levels
• Developed advocacy materials on transparency and accountability
• Increased awareness and higher participation among local residents on matters concerning government budgets vis-à-vis delivery of services
• Promoted performance leadership through the institutionalization of Pamangkutanon sang

Results
Banwa (Citizen's Query)
• Provided access to public information among local residents
• Extended the advocacy to neighbor municipalities for possible replication of the project

Objective 2: *Increase the interaction between the citizenry and their local governments*

Assessment and Sharing Conferences

The project organized a total of four sharing sessions to: 1) showcase the activities that were implemented in Mindanao municipalities and provinces, 2) celebrate the collective efforts of the local governments and partner local resource institutions in the successful implementation of the project, and 3) served as venue for information exchange among local governments and local resource institutions on innovative approaches and strategies they have adapted to improve their services.

2006 Mindanao-Wide Local Governance Forum

In celebration of the 15th Anniversary of the Local Government Code, the TAG project, together with 17 other institutions working on local governance in Mindanao, jointly convened and supported the Mindanao-wide Local Governance Forum with the theme, *Innovative Local Governance for Peace and Development in Mindanao.* The Forum provided various stakeholders in Mindanao the opportunity to share and celebrate accomplishments, and explore ways to sustain, replicate, and scale up the good practices in local governance to achieve effective service delivery. It also brought together officials from government line agencies, local government units, the business community, and civil society organizations to identify needs and future actions towards promoting and sustaining good governance initiatives in Mindanao.

Objective 3*: Ensure the sustainability of such governance improvements towards peace and development.*

To ensure sustainability of governance improvements, capacity building assistance was provided to project partners, particularly those in civil society, to enhance their capacities to effectively engage with local governments.

Support to the Consortium of Bangsamoro Civil Society

In 2003, in partnership with Kadtuntaya Foundation, Inc., the project supported various capability building trainings to 97 civil society organization-members of the Consortium of Bangsamoro Civil Society based in the provinces of Cotabato, Lanao, Zamboanga, Basilan, Sulu and Tawi-Tawi. The trainings focused on the Local

Government Code and its implementing guidelines, Islamic governance, Advocacy Management, and Basic Group Facilitation method. These capability building investments increased the Bangasamoro civil society's understanding on the provisions of the local government code, governance, and leadership on Islamic context and provided them with skills to conduct effective advocacy programs and constructive dialogues with local governments.

Institutional support to the Muslim League

In 2004, the TAG project supported the ratification of the constitution and by-laws and the conduct of the strategic planning workshop for the Muslim League of Cities, Municipalities and Communities of the Philippines headed by Marawi City Mayor Omar Ali. From 2005 to 2006, additional support to strengthen the league was provided, in particular, to organize the secretariat support staff and provided capacity building to its members, particularly in the area of technical writing, resource mobilization, networking, and alliance building. In the process, the operational management skills of the staff members were strengthened. The development of their newsletters, website, and database system contributed to increased public awareness of the League and its advocacies. Educational tours and cross visits for member-local chief executives also provided interactive learning opportunities to replicate good governance practices and allowed the league to establish links and partnerships with agencies and institutions supporting peace and development initiatives in Muslim communities.

Support to Mindanao Participation in the Philippine Political Science Association

In 2002 and 2006, the project supported the participation of Mindanao-based academics, and social researchers as speakers and discussants in the annual conference of the Philippine Political Science Association. As a professional organization of political scientists in the country, the Philippine Political Science Association activities are geared towards furthering the professional development of its members, promoting the growth of the discipline, and allowing its members to engage other academics and even policy and opinion makers in a discussion of critical issues in various fora. Its annual conference provided a venue for professional updating, academic interaction, and dialogue among academicians, political scientists, political researchers, and leaders on significant political events in the Philippines and elsewhere. In 2002 the conference focused on "Philippine Politics and the Challenges of Democratization" and "Politics in a Democratizing and "Globalized" East Asia." In 2006 conference, PPSA discussed the issue of "alternatives" through the presentation of papers that examine the lineages and viability of political projects that attempt to inspire people to imagine alternative institutional arrangements and construct different social meanings of political life. The support enabled Mindanao-

based academicians and researchers to participate and share in the conference their ideas, insights and learnings on current developments in Mindanao.

Mindanao Civil Society Participation in Fifth ASEAN People's Assembly

The project, through the Institute for Strategic and Development Studies, sponsored the participation of 16 representatives from non-government organizations, people's organizations, academe, and media from Mindanao to the Fifth ASEAN People's Assembly held in Manila in December 2006. The Assembly brought together 300 representatives from various civil society groups, think tanks, and key policy-makers in Southeast Asia who are interested in promoting people-oriented development in the process of ASEAN community building. The Mindanao participants actively participated in the dialogue and shared in the plenary sessions the political, economic, security, and social-cultural issues affecting Mindanao. Fifteen panel discussions covering a wide range of issues affecting ASEAN countries were discussed, and recommendations in support of peace-building in Mindanao with a human security perspective were identified which included:

- Addressing the "historicity" of the Bangsamoro experience, including all the dimensions of the Bangsamoro identity;
- Engaging a mix of actors in implementing strategic approaches, frameworks, and mechanisms for peace-building to build trust and foster cooperation;
- Building leaders in the area, not only implementers of projects and programs;
- Adopting a two-pronged strategy by applying pressure to reach an agreement and continuing to ensure a situation conducive to peace and development by supporting local monitors, Peacemakers in the communities;
- Matching views between the investors and the residents of the conflict areas – investors think that peace should come before development and the residents of the conflict areas think development should come before peace;
- Ensuring sustainability of projects and programs along with the commitment to peace and development;
- Managing Official Development Assistance (ODA) by encouraging people-to-people and community-community rather than government-government cooperation or interactions; and
- Developing a non-donor-driven model for sustainability.

Capacity Building for Mindanao Journalists

The project, in partnership with the Philippine Center for Investigative Journalism (PCIJ) and the Kapisanan ng mga Brodkaster sa Pilipinas (KBP), supported the conduct of three basic radio journalism courses for Mindanao journalists in February 2006. A total of 81 participants composed of reporters and station managers, mostly working at AM stations, attended the training. The training also included a half-day safety training which was conducted by a security expert, who together with PCIJ, put

together a 130-page safety training manual and a 10-minute video, both entitled "Staying Alive" for journalists.

Grant Management Seminars

A total of four grant management seminars were conducted by the Foundation's finance and audit unit for TAG project partners. A total of 80 participants from 41 organizations attended the seminars. The Grant Management Seminars equipped the partner organizations with knowledge on the Foundation's grant management process (including standard provisions and reporting requirements), concepts on internal control and accounting system, information about USAID policies, procedures, and branding guidelines. It also provided a practical exercise on the use of Quickbooks accounting system. The grant management seminars helped in the smooth running of the activities undertaken by TAG partners and in general, improved the project and financial management skills of TAG partners.

C.2 Overall Impact

The various technical assistance activities conducted enabled local governments to ensure that available resources are well-managed and that development programs respond to the needs of the citizens. For instance, the conduct of development planning and budgeting exercises at the barangay and municipal levels increased local governments' awareness and knowledge on local government plans and budgets as various stakeholders jointly decided on priority programs and projects and worked together in preparing the local government's annual investment plan using the 20 percent development funds. The municipal and barangay development plans served as guides to local officials on which projects and programs to focus and prioritize and how much to spend for these priorities. For 2007, the estimated amount of infrastructure projects implemented and funded by the local government reached PhP42M. In fact, realizing the significance of development planning and budgeting exercise, some municipal governments provided funding to support its replication in other barangays not covered by the project. As of June 2007, the project has produced a total of 713 local trainers in Western and Central Mindanao on participatory development planning and budgeting.

Municipal and barangay development plans and budgets have also enabled municipal governments to access community infrastructure projects from foreign or donor funding, particularly those that required local government counterparts. As these plans have been identified through participatory process (a basic requirement of various foreign donors), municipal governments were able to obtain funds to shoulder the cost for some of their projects.

In addition, the project was able to mobilize officials from the Municipal Treasury, Assessor, Planning and Budget offices, the barangay chairman, treasurers and secretaries, including district supervisors, school principals, and teachers to work together to improve the real property tax administration in the locality, and increase the local government's collection from real property taxes. The barangay and school officials helped the municipal government address the challenges and bottlenecks in real property tax mapping, appraisal and assessment, records management, tax collection and enforcement, and information dissemination. The technical assistance provided to local governments in identifying possible sources of revenues is anchored on the realization that higher collections of real property tax would mean higher shares for barangays, increased revenues, and better services for the people.

The project also resulted in behavioral changes in public service and improved processes through the conduct of PSEEAP in two provincial and 23 municipal governments in Mindanao. The program heightened the awareness of local bureaucrats on possible corrupt acts; enhanced transparency and efficiency on office transactions; increased employees' consciousness of accountability to superiors, officemates, customers, family, and community; and encouraged employees to be prudent in the use of office resources. Significant improvements in various offices are also observed as directional signs were posted, office fixtures were upgraded, and additional employees were hired to improve service delivery.

By tapping Mindanao-based organizations, the project also built their capacity as local resource institutions ensuring the availability and accessibility of expertise at the local level. Capacity building activities designed to equip project partners with skills on organizational development, project management, and networking increased the capacity of these local organizations to work effectively with local governments and strengthen their technical expertise to advocate good governance in Mindanao.

In addition, the participation of Mindanao-based local governments and civil society representatives, political scientists and academicians in various local and international conferences enabled them to share and present relevant information on the political, economic, security and social-cultural issues affecting Mindanao.

D. Empowering Women Leaders For Effective Local Governance

Throughout the conduct of the TAG project, the Foundation endeavored to have gender responsive and participatory governance at the local level, particularly in the Autonomous Region in Muslim Mindanao (ARMM). Recognizing the importance of including women's participation in local governance, the TAG project has ensured women's participation in all workshops, and has included gender considerations in participatory budget processes.

This report covers the activities relating to gender mainstreaming in local governance from 2003 until 2007. It has two parts:

- Gender Integration and Local Governance
- Empowering Women Leaders for Effective Local Governance

With the help of its partners, the TAG project was able to undertake research assessing gender integration in five municipalities in the ARMM, conduct workshops and provincial conferences to assess Muslim women's role in the development of the region, conduct gender sensitivity trainings and gender and development planning for selected local chief executives in the ARMM, and undertake political leadership trainings for selected women leaders from Mindanao, Luzon and Visayas.

D. 1. Accomplishments and Results

Gender Integration in Local Governance

Technical Assistance in ARMM on Gender Mainstreaming

In 2003 the Regional Commission on Bangsamoro Women held a Strategic Planning Workshop and Capacity Assessment Workshop to forge a consensus on its directions, strategies and programs. The Commission sought to better understand where it stood vis-à-vis the Bangsamoro society, with the context that the most serious problems in the ARMM include armed conflict, threatened loss of freedom, the burden of poverty, and weak representation in peace-making bodies. The most vulnerable women were identified to include the wives of soldiers, rural and urban Moro women, female heads of households, and poor peasant and indigenous women.

The Strategic Planning Workshop focused on how Bangsamoro women envisioned the state of the ARMM and how they might engage in achieving that vision. The workshop helped the Regional Commission on Bangsamoro Women realize its roles, which are: to serve as the lead agency to address women's issues; and to promote Bangsamoro women's participation and policy reforms to achieve responsive, good, moral and democratic governance. Bangsamoro women should be able to consolidate their ranks, realize their immediate agenda, set-up mechanisms to achieve their agenda, and mobilize in their respective barangays. However, the Capacity Assessment Workshop revealed that the Commission needed capacity building to effectively implement its mandate and strategic plan. The Commission needed technical assistance in order to lead, initiate and influence, and to be effective in its role of educating, mobilizing and empowering women, as well as in serving the local governments of the ARMM.

As a result of the Strategic Planning Workshop, the project, in partnership with the Institute for Strategic Initiatives, supported the conduct of five provincial conferences to review the Bangsamoro Women Mobilization Strategic Plan and discuss possible strategies for its implementation. The conferences also developed policy recommendation on the inclusion of the Gender and Development (GAD) budget in the development plans of barangays, municipalities and provinces. In addition to the provincial conferences in the ARMM, a regional summit was held in December 2003; this resulted in the presentation of the women's development mobilization plans, and in their consolidation into a regional women development mobilization campaign plan. A proposal on the creation of a Muslim Mindanao Women Development Mobilization Council was also crafted during the conference. Representatives from regional agencies and offices, as well as other donor agencies and organizations, attended the summit, where they were enjoined to support the activities in the mobilization plan.

Gender Budget Research

In 2003, in partnership with the Development through Active Women Networking (DAWN) Foundation, and Surveys, Training, Research & Development Services, Inc. (STRIDES), the project undertook the gender budget research in selected municipalities in four ARMM provinces: Datu Piang in Maguindanao; Balindong in Lanao del Sur, Simunul in Tawi-Tawi and Maluso in Basilan. The research had the following objectives:

- Assess the level of preparedness of selected ARMM local governments for Gender and Development budgeting; and
- Assess the level of preparedness of civil society organizations (defined by the study as non-government organizations and community organizations) for Gender and Development advocacy in relation to planning and budgeting;

The study also aimed to work with selected local resource institutions to strengthen their capacities in conducting gender analysis and research. The research assessed the state of gender mainstreaming in ARMM local governments, as well as the factors that may shape the local governments' receptivity and level of preparedness to undertake a gender and development mainstreaming and gender budgeting program. It was focused on four key areas: local planning process; budgeting process; gender mainstreaming and decision-making; and administration in the formulation of gender and development plans.

Results of the Gender Budget Research
- Gender mainstreaming initiatives are well articulated in the draft Executive and Legislative Agenda of local government units but the implementation of the local initiatives for gender responsive programs and activities remain an area of concern.   - Public participation in governance is still the weakest aspect of gender mainstreaming in the Province of Lanao del Sur particularly in the municipality of Balindong.

- Provincial and municipal governments are unprepared to undertake the rather advanced process of gender-responsive budgeting.
- Local governments need to improve the level of functional local government structures, mechanisms and processes.
- There is a need to build the capacities of the leadership and the rank and file on good governance and development work and introduce the local governments to developmental concepts and frameworks, as well as practices and experiences.
- Civil society and local organizations need significant capacity building to enable them to capture the dynamics, the needs and critical issues in the area, and eventually develop the proper focus for work. These organizations need to evolve from economically-oriented directions towards more progressive engagement with local communities and government structures.

Gender Sensitivity Training

In 2004, in partnership with DAWN Foundation and Al Mujadilah Development Foundation (AMDF), the TAG project supported the "Women in Islam: Gender Sensitivity Training" and "Gender Planning and Gender Budget Advocacy Training" for representatives and local government officials from the municipality of Balindong and the province of Lanao del Sur. Training participants comprised provincial and municipal employees representing the different offices and departments.

To further build the capacity of the provincial government of Lanao del Sur in gender and development mainstreaming, a study tour on gender mainstreaming for 19 participants from Lanao del Sur was organized in 2005. The study tour provided the participants with practical and effective tools and strategies in gender mainstreaming as applied by local government units in Negros Occidental. Participants were exposed to gender mainstreaming strategies of five cities of Negros Occidental: Bacolod, Bago, San Carlos, Escalante, and Victorias, where they learned how the provincial government mainstreamed gender programs and provided more than the 5 percent allotted budget for Gender and Development programs and activities in their local planning and development. A Gender and Development Planning Workshop was conducted for the provincial government of Lanao Sur to review the gender and development mainstreaming processes of the provincial government, assess its gender responsiveness through four stages of gender mainstreaming entry points, and formulate a gender and development plan for Lanao del Sur.

Empowering Women to be Effective Local Government Leaders

Results of the gender budget research showed the need to provide capacity-building programs for local governments to increase their appreciation of gender and development issues and provide them with general handles and tools for gender mainstreaming, and not just budgeting. Therefore, a new program was forged to build on the research findings and recommendations.

The Empowering Women Leaders Program had three objectives:

- Strengthen the leadership skills of newly-elected councilors and link them to their women constituents;
- Build women's networks to advance women's rights and interests; and
- Raise awareness of women in elected office as effective leaders in their communities and encourage women's active participation in political life.

Objective 1: *Strengthen the leadership skills of newly-elected councilors and link them to their women constituents.*

Political Leadership Trainings

In partnership with the DAWN Foundation, Ateneo School of Government, and the Al Mujadilah Development Foundation, the project supported the development of and the conduct of the following training modules in Luzon, Visayas and Mindanao:

- *Module 1: Leadership and Good Municipal Governance Practice.* The module built the capacities of women councilors to take charge of their professional development in the context of technical, political, organizational and ethical elements of governance. It also trained women councilors to create gender-responsive policies, projects, and plans.

- *Module 2: Consensus Building Approach to Conflict Management.* The module addressed the need for women councilors to handle potential sources of personal and social conflicts which may arise as they deal with their constituencies, communities, and other elected officials. The module also included gender mainstreaming strategies in the local development council.

Below is the number of women councilors that participated in the trainings:

Module	Participants			Total
	Luzon	Visayas	Mindanao	
Leadership and Good Municipal Governance Practice	21	27	23	71
Consensus Building Approach to Conflict Management	13	30	13	56

The political leadership trainings were well-received by the women councilors, who appreciated the information, structured learning exercises, and stories shared by resource persons and facilitators. Some of the participants have declared their commitment to apply their learning in their work, in order to make an impact in their constituencies. They were challenged to break free from the notion of many that they are merely substitutes for their husbands, fathers, or other male members of the

political family. Mindanao participants were impressed with the discussions about gender issues in the Muslim community, as this was something that was not openly discussed in Muslim communities.

The conflict management trainings enabled the participants to facilitate disputes on consensus basis and negotiate for mutual benefits of affected parties. Participants voiced their enthusiasm to share their learning with other councilors and requested follow-through sessions on how to communicate what they have learned with their fellow local legislators.

Objective 2: *Build women's networks to advance women's rights and interests.*

Networking and the Women Leaders' Summit

The Empowering Women Leaders program also sought to build women's networks to advance women's rights and interests. With the help of project partners, a loose network of elected women officials was convened, initially composed of training participants. The network aimed to strengthen the capabilities of the elected women in carrying out their responsibilities and advocating for women's rights and issues.

Since the project period coincided with the election for local officials, it was deemed necessary to assess the experiences of the councilors during the campaign, election and canvassing period. Project partners gathered the women councilors in a series of focus group discussions after the May 2007 elections to assess the impact of the trainings conducted despite the short interval and document the experiences of the councilors during the elections.

Forty seven[13] councilors attended the focus group discussions. During the sessions each participant provided a detailed account of her experiences in the May 2007 elections and her political story. In the discussions, the participants agreed to form their networks per area, to serve as a support for women leaders, and as mechanism for mentoring and coaching. For the Luzon network, participants agreed to regularly communicate with one another and they subsequently created a mailing list for easier sharing of news and materials. For the Visayas network, the councilors agreed to network per province (Eastern, Central, and Western Visayas), since as a whole, they were a big group. For Mindanao, aside from forming the network, the participants already made action plans for their next steps. The group agreed to organize and

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[13] Eight from Luzon, 30 from the Visayas and nine from Mindanao.

participate in a ladderized Gender-Sensitivity Training, Gender and Development Training, and Gender-Responsive Planning and Budgeting.

As a culminating activity and to strengthen the networking plan of the women councilors, a Women Leaders' Summit, with a theme "Local Women Leaders Who Make a Difference," was held in September 2007 and attended by 132 elected women leaders. The event not only served as a mechanism for networking of local women leaders, but also provided the opportunity to share and listen to good practices and experiences in good governance, and to create a legislative agenda that adheres to the principles of transformative and good governance. At the end of the two-day summit, women leaders from Luzon, Visayas and Mindanao drafted their respective local gender and development agenda, which they presented through creative presentations during the closing ceremonies attended by Her Excellency U.S. Ambassador Kristie A. Kenney.

<u>Documentary on Women as Effective Political Leaders</u>

The project supported the production of a video documentary on Women as Effective Political Leaders that featured the experiences of three women councilors: Ging-ging Solaiman (Balabagan, Lanao del Sur), Anita Ogrimen (Basey, Samar), and Peachy Aguado (Santa Maria, Laguna). The documentary focused on the travails of these women as they ran for public office, their experiences during their terms as councilors, and their untiring efforts for re-election. Though their experiences were distinct from each other, these women showcased their strong determination to make a difference in politics mostly dominated by men politicos.

The documentary featured the political transformation of women councilors who have undergone the empowerment training, educated viewers on local government processes, and highlighted the problems faced by these women leaders and how they have addressed gender issues in their community. It was shown on television on June 20, 2007 at 11:30pm on ABS-CBN. It was also replayed on June 21, 2007 at 4:45am and on June 23, 2007 at 9:30am in ABS-CBN, and on June 24, 2007 at 1:30pm in ANC Channel.

D. 2. Overall Impact

The activities under the Empowering Women Leaders Program have helped enhance the capacity of women to become more involved in decision-making. Through research, capacity-building, networking and documentation of their issues in politics, women leaders are provided with skills, tools, and networks to be effective in the public and political realms.

The three-year program successfully reached out to more than 75 newly-elected women councilors from selected cities throughout the Philippines. It strengthened their ability to be effective in local government by equipping them with knowledge and technical assistance on political leadership skills, good governance practices, conflict management skills, and gender-responsive planning and advocacy. Much of the materials used in the training were drawn from the experiences of other USAID projects. Through the program, there has been an increased awareness among women leaders on issues affecting their localities, such as gender concerns, poverty, corruption, and conflict. Women leaders are also assisted to enhance their skills in local governance, communication, and leadership, and other skills that enable them to function better as community leaders. Most importantly, the program provided them with the confidence of governing their localities, helping their constituents, and successfully implementing useful programs by engaging their respective local governments towards a more developed local government.

Having an alliance of empowered women is important in order to change the way politics is traditionally practiced in the Philippines, and to enable women to participate in nation-building through leadership opportunities and political service, as individuals and as groups of women. The program provided a venue for women councilors to come together and share their political experiences, their issues, their needs as women leaders, and their plans for the next three or so years in politics. These linkages of women leaders were established with gender-responsive and participatory governance as a common ground for learning and advocacy. Through these groups they are able to appreciate their work more by learning from other women leaders about good governance practices in other localities, by discussing ways to lobby within their own local councils the issues of women and other marginalized sectors, and by being able to air out their concerns in a group of women colleagues who would understand them. Because of these networks women leaders are able to better communicate within a forum of equals.

Hence, the activities of the Empowering Women Leaders program served as a push factor to local women leaders to acknowledge their responsibilities and capacities towards their constituents. It enabled them to draft their personal and group commitments to advance good governance and ethical leadership for the duration of their political careers. It also generated commitment among women leaders to raise awareness on gender concerns and advocate for resolution of women's issues towards a legislative policy for gender and development and women's empowerment.

E. Books for Asia (Mindanao)

Recognizing the great need for educational materials in the conflict-affected southern Philippines, The Asia Foundation's Books for Asia Program, in partnership with USAID through the TAG project, began in 2003 to have a special focus in Mindanao.

Resources for the local shipment (from Manila to Mindanao) of books were provided by USAID, while local partners provided for the storage and transport of the books with the locality. The partnership resulted in the distribution of thousands of books that increased the access to educational and reading materials of public and private schools in conflict-affected areas in Mindanao. Since 2003, a total of twelve high profile books turn-over events were held in various places in Mindanao in partnership with governments and non-government organizations. In addition to these public turn-over events, the Books for Asia also distributed and shipped books to selected public and private schools in Mindanao.

Below is a summary of the various Books for Mindanao events.

Books for Mindanao Events

Date and Venue	Recipients	No. of Books Distributed
March 4, 2004 Cotabato City	60 Day Care Centers accredited by DSWD ARMM	12,760
April 29, 2004 Kidapawan City	16 barangays	1,120
November 14, 2004 Jolo, Sulu	18 municipalities	1,380
November 18, 2004 Kidapawan City	16 barangays and 9 elementary Schools	1,000
November 14, 2004 Jolo, Sulu	18 municipalities	1,380
February 15, 2005 Senator Ninoy Aquino, Sultan Kudarat	25 elementary and secondary schools	520
March 17, 2005 Kauswagan, Lanao del Norte	9 day care centers	450
July 1, 2005 Tagum City, Davao del Norte	25 public schools in Davao del Norte	3,000
March 15, 2006 Islamic City of Marawi	180 elementary, secondary, colleges, madaris and government libraries	11,500
August 28, 2006 Zamboanga City	500 elementary, secondary and colleges	17,705
January 31, 2007 Surigao City	580 elementary, secondary, colleges, and government libraries	26,500

Date and Venue	Recipients	No. of Books Distributed
August 31, 2007 Malaybalay City	800 elementary, secondary, colleges, and government libraries	25,000

In addition to these turn-over events which were made possible with USAID's support, the Foundation has also partnered with the US Embassy supported American Studies Resource Centers and Sabre Foundation[14], in two books turn-over events also held in Mindanao. Both events were done in conjunction with the United States Embassy. These events distributed a total of 20,811 books valued at US$ 250,000.

Since 2003, with TAG project's support, the Books for Asia Program has distributed a total of 247,867 books and other education materials valued at $4.4 million dollars in Mindanao. The table below shows the distribution according to level in various regions in Mindanao:

Books for Asia (Mindanao) Distribution
2003 to 2007

PERIOD: Fiscal Year 2003 to 2007		REGION						TOTAL
		IX	X	XI	XII	ARMM	CARAGA	
Elementary	Public	11,254	25,150	14,103	9,027	21,254	23,930	104,718
	Private	676	3,350	1,464	386	4,500	174	10,550
Secondary	Public	2,016	2,201	2,697	1,658	4,787	1,380	14,739
	Private	648	1,984	1,547	770	913	183	6,045
Colleges & Universities	Public	1,688	2,302	3,221	4,933	2,549	2,180	16,873
	Private	2,558	7,022	6,829	5,703	5,825	1,976	29,913
Non-Academic (e.g. City Library)	Public	12,348	3,099	3,523	11,275	5,530	1,494	37,269
	Day Care	3,053	425	7,450	10,345	1,887	150	23,310
	Private	125	499	1,604	768	1,003	451	4,450
Total		34,366	46,032	42,438	44,865	42,248	31,918	247,867

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[14] Sabre Foundation was founded in 1969 and aims to build free institutions and to examine the ideals that sustain them. Its largest project makes millions of dollars' worth of donated books available to needy individuals in developing and transitional societies worldwide through non-governmental partner organizations, libraries, universities, schools, research organizations and other similar institutions.

III.   CHALLENGES AND LESSONS LEARNED.

A. National Level Counter-Corruption Advocacy

There were several challenges encountered by the project during its implementation. These included the change in the leadership of the Office of the Ombudsman; the strained relationship between some anti-corruption NGOs and the office of the Ombudsman; and the concern on the sustainability of anti-corruption initiatives.

1. The strained relationship between some civil society groups and the Office of the Ombudsman was partly due to the civil society's critical stance on the Office of the Ombudsman's September 2006 resolution of the COMELEC-Mega Pacific Case[15.]   Since then anti-corruption groups such as TAN, Makati Business Club and Coalition Against Corruption lost what seemed to be a productive and strategic partnership with the Office of the Ombudsman that started during the tenure of former Ombudsman Simeon Marcelo. This resulted in the exclusion of TAN, MBC/CAC and other lead anti-corruption groups from the Multi-Sectoral Anti-Corruption Council (MSACC) convened by the Office of the Ombudsman. Evelio B. Javier Foundation was the exception, since it was an NGO "acceptable" to the OMB and was thus invited to participate in the MSACC planning meetings. Evelio B. Javier Foundation eventually became one of the NGO representatives in the MSACC, and because it is a member of TAN, the Evilio B. Javier Foundation became important in serving as the bridge between the other anti-corruption NGOs and the MSACC. This had an impact on the overall task of coordinating anti-corruption initiatives and maximizing the convergence strategy as both government and nongovernment organizations play a critical role in their own sector.

2. At the project implementation level, other civil society partners such as Makati Business Club and Procurement Watch had to address the change of leadership at the Office of the Ombudsman. The development of the *Operational Guidelines on Feedback and Complaints Handling Mechanism,* a result of the partnership between Procurement Watch and the OMB, was initiated by former Ombudsman Marcelo. The project suffered delays in the implementation after Tanodbayan Marcelo resigned from office in September 2005. Under a new leadership and with the Foundation's direct coordination with Office of the Ombudsman, the Operational Guidelines were signed and formally adopted by OMB in June 2006.

3. Sustainability of the initiatives has remained to be a major challenge for the project most especially for the national counter-corruption efforts where majority

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[15] In September 2006, the Office of the Ombudsman issued a supplemental resolution which absolved any criminal liability of public and private respondents involved in the Mega Pacific/COMELEC Case or the Automated Counting Machine contract worth PhP1.3B.

of the partners are civil society organizations. In order to sustain the gains of the TAG project, the Foundation, through the *'Strengthening Collaboration between Civil Society and Government on Anti-Corruption Efforts in the Philippines'*, a project implemented in line with the Millennium Challenge Account-Philippine Threshold Program (MCA-PTP) will continue hosting regular meetings among civil society organizations in coordinating anti-corruption initiatives and holding discussions with key anti-corruption groups. The www.tag.org.ph, hosted by MBC, will also be maintained under the MCA-PTP for at least a year. The website will continue to be a repository of anti-corruption updates, studies, and other data.

B.   Improving Transparency and Accountability in Mindanao Cities

1. Arranging city government-Business-Civil Society partnership was not easy. Considering that in the Philippines there is a history of hostility or suspicion between civil society organizations and the government, forging tri-sectoral partnerships was a big challenge for the project. The ideological differences between the civil society organizations and the business groups were also a cause of discord. Business wants to employ pragmatic approaches for specific reforms, while civil society groups prefer to address broader reform agenda. In these instances, TAG project management acted as neutral mediator, occasionally took a more active and assertive role to bring the groups together. With all activities in this component requiring tri-sectoral collaboration, the challenge for project management was in orchestrating and coordinating the project's numerous activities, so that all partners have a clear "roadmap" showing how activities should mesh and complement each other to fully achieve project objectives.

2. As the project strove to achieve a geographic and sectoral balance among Mindanao cities, paramount importance was initially given to the commitment on the part of top local officials, particularly the Mayor, to demonstrate a strong commitment to lead the reform process and support the interventions identified. However, to ensure the sustainability of reforms, the project management realized that a strong commitment from the Mayor is necessary but not sufficient to institutionalize and sustain the reforms. Other local officials, particularly the members of the City Council, need to be involved from the beginning to: i) have an appreciation of the project and what it intends to deliver, ii) provide the necessary legislative support (e.g. Council Resolution, City Ordinances) to institutionalize and sustain the reforms, and iii) serve as allies and advocates for the project in case the Mayor's commitment and enthusiasm wanes.

3. Working with umbrella institutions like the League of Cities of the Philippines, the Mindanao Business Council and the Mindanao Coalition for development NGOs proved to be useful and had a high impact because these institutions can

continue the advocacy for good governance even after the project ended. They may even spread the advocacy efforts to other members who were not part of the project. However, much as there is strength in the numbers that these umbrella institutions can muster through its member-organizations, there were also organizational concerns and internal challenges that each of these institutions faced from time to time. These challenges affected the timely and effective conduct of project activities.

C. Improving Governance in Conflict-affected Municipalities of Mindanao

1. Providing counterpart contributions in forms of meals during workshops increased local governments' stake and ownership of the project. However, there were isolated incidences where local governments failed to provide the agreed counterpart which became the cause of delay in the implementation of activities, or in two instances, termination of the technical assistance activities.

2. The commitment of the Mayor to provide participatory mechanisms such as planning and budgeting, consultations, and feedback encouraged various stakeholders to actively participate in the decision making process. However, budget allocation for projects identified during the planning and budgeting session remains a challenge. Despite adoption of the identified plans and projects by the Municipal Council, timely implementation of such plans and projects still depend on the different offices of the municipal governments.

3. The support and involvement of the Municipal Council is necessary to institutionalize and sustain the gains of the technical assistance. As validated by a series of monitoring visits conducted by the TAG project, obtaining the commitment and support of both the local chief executive and the Council has resulted in the allocation of funds to projects and programs identified through participatory process, implementation of service delivery improvements, and replication of the technical assistance to other areas not covered by the project.

4. In order to sustain the gains of the project, it is important that local governments invest in the development of its human resources. They could conduct periodic trainings to enhance the effectiveness and accountability of employees and elected officials for better service delivery and ensure that these capability building trainings for local government bureaucrats and officials are part of the local government's comprehensive municipal development plan.

5. Unstable peace and order conditions in the communities where the project was working, as well as the internal dynamics between the Mayor and the Municipal Council can sometimes be a cause of delay in the implementation of project activities.

6. Most of the municipalities that the project worked with, assigned the same person to take care of the coordination and logistical needs of several donor-funded activities being undertaken by the local government. This situation not only caused problems in the scheduling and delayed the implementation of activities but also limited the project stakeholders to a few people that were allies of the Mayor. This limited the opportunities for others to take part in project management decisions of the local government.

7. Working with local resource institutions in Mindanao proved to be a good strategy in providing technical assistance to local governments. The project equipped 29 local organizations with necessary skills to work effectively with local governments. While strengthening the capacities of these institutions required investment and was often time consuming, it was still worthwhile doing in order to ensure the availability of technical expertise when the project ended.

D. **Empowering Women Leaders For Effective Local Governance**

The Autonomous Region in Muslim Mindanao has the highest measures of gender disparity in the Philippines (for instance, it is the only region where women are less educated than men). Given that promoting gender and development has been difficult in other areas of the country, particular difficulties were anticipated in ARMM

Interpretations of Qur'anic precepts on women, as well as traditional local customs, provide different parameters for women's status, rights and behavior in the home and in society, parameters that often conflict with national mandates and secular value systems.

1. The two-pronged strategy employed for mainstreaming gender in the project, i.e., addressing the system through gender-budget research and advocacy, and working with the women through capacity-building activities, was an effective method. Both the system and the individuals must be made gender-sensitive to achieve gender-responsive and effective governance.

2. Workshops and trainings increased the women's awareness of gender and development and emphasized the need to include such considerations in local development planning. The research also provided opportunities for local governments to participate in gender and development planning trainings, leading to possibilities of these local governments adopting this strategy in their local development planning.

3. The Empowering Women Leaders Program, while reaching a limited number of elected women leaders nationwide, nonetheless provided in-depth capacity-

building program and was an excellent venue for network building among women leaders to sustain commitments pledged during the training. The capacity-building programs also helped in emphasizing the need for ethical leadership, and transformed the women leaders from passive to proactive leaders genuinely committed to help their constituents towards development.

IV.   RECOMMENDATIONS.

A.   National Level Counter-Corruption Advocacy

One of the lessons over the past decade is that countering corruption must be taken out of the realm of partisan politics, and sustained through fluctuating periods of government commitment (or lack thereof).

1. Further engage local civil society in anti-corruption effort. While there has been an array of anti-corruption tools and manuals developed in the past years, there's a need to follow-through these efforts by reaching out to local organizations throughout the country through capacity-building sessions and trainings on the said tools. This could also strengthen the local anti-corruption institutions and networks, such as the Bacolod City-based *Citizens Network for Good Governance,* which resulted from the civil society Anti-Corruption Roadshow in Iloilo held in August 2007. Having more grassroots activities and stronger regional networks can in turn strengthen national-level counter-corruption advocacies.

2. Strengthen coordination of anti-corruption efforts. There is need to continue and strengthen existing mechanisms for coordination of civil society anti-corruption efforts especially in the area of procurement. One of the challenges in the sustainability of civil society monitoring of government procurement points to the lack of a strong mechanism for deployment of Bids and Awards Committee observers from civil society. Civil society participation in monitoring procurement can be further maximized through a mechanism that will ensure sustained deployment of BAC observers based on expertise and geographical location. Currently, there is no centralized database of trained observers who may be tapped as Bids and Awards Committee observers in specific government procurement. Such information proves to be critical in the deployment of relevant BAC observers in procurement activities of government agencies.

3. Continue the focus on the private sector. Businessmen have different sets of political access than to development-oriented NGOs, so adding them to an anti-corruption campaign immediately strengthens the impact. The focus on economic and business gains to be made from reductions in corruption not only provides incentives to action, but also provides a discourse that can be divorced from partisan politics.

B.   Improving Transparency and Accountability in Mindanao Cities

1. Further strengthening of the City Coalitions for Transparent Accountable Governance as venues for continuous collaboration between the city government,

the business sector, and the civil society organizations. CCTAGs are the concrete manifestation of the principles stated in the Local Government Code of 1991, and therefore it is necessary to nurture them to become effective mechanisms for ensuring the accountability of city governments.

2. Given that the power to legislate supportive ordinances rests with the City Council, it is deemed important that future projects should pay equal attention to, and work with both the executive and the legislative offices to ensure budgetary and legislative support to project activities.

3. Needless to say, it is at the local level where the effects of corruption are immediately felt by the citizens. Businessmen and citizens sharply feel the impact of non-transparent and corrupt practices like illegal or arbitrary allocation of land, poor service delivery, bribery and extortion, and rentseeking. But it is also at this level that stakeholders can be readily identified because of the limited community and the power of "peer pressure' can be more effectively applied for reforms. With the level of concrete results achieved by the project in Mindanao cities (not to mention the many challenges, coupled with the countless lessons learned), and with the support it had been getting from the leadership and members of the League of Cities of the Philippines, the project is now ripe and ready to be spread and replicated in other parts of the country. Undertaking counter-corruption work at the local level, particularly in economically active cities and localities, is a strategic investment towards building up the momentum for counter-corruption action at the national level. The promise of decentralization mandated by the Local Government Code will provide the legislative impetus enabling local governments to achieve results which are otherwise difficult to undertake by national-level government agencies. But then again, the progress of anti-corruption and good governance initiatives will rely heavily on the political will of the mayors with the support of their constituents. At both the national and local levels, there is a need to build constituencies for reforms in order that pressure for reforms will come from both sides.

C. Improving Governance in Conflict-Affected Municipalities of Mindanao

1. Counterpart contribution from local government must be a continuing policy for any project. The willingness of local governments to provide counterpart funding for project-related activities is a good indicator of the local officials' commitment to undertake and support the project activities. If local officials fund project activities, the possibility of them funding the projects, programs, and activities as a result of the project technical assistance is very high.

2. Continuous monitoring of project activities is essential. Although some activities have been successfully implemented, there were some activities that needed to be monitored closely to ensure sustainability of the initiatives.

3. There remains a need to strengthen further the accountability of local elected officials. A follow-on program that would immerse local elected officials in the concepts of good governance will be helpful to improve the quality of services of the local government, and consequently bring in peace and development in Mindanao.

4. A follow-on technical assistance on revenue generation is recommended to assist municipal governments increase their local income and lessen their dependence on national internal revenue allotment, thereby helping them become more self-reliant.

5. Future assistance should ensure the participation of the members of the Municipal Council. The involvement of the Municipal Council in all stages of project implementation is necessary to gain legislative support to institutionalize and sustain the intervention. Knowing the merits of the technical assistance first hand will not derail the passing of an ordinance or resolution needed to support implementation and sustainability of reforms undertaken by the project.

6. More generally, attention must be paid to political and conflict analysis so that efforts to improve governance do not exacerbate divisions within a town or city, and projects that are recommended through planning and budgetary processes are scanned for conflict implications.

D. Empowering Women Leaders For Effective Local Governance

1. Continue the assistance to evolving a gender program that will appeal to Muslim women and legislators by providing funds for further research of specific gender issues and the development of capacity-building programs for women. An ARMM-wide dialogue among non-government organizations and local governments on the realities and dilemmas of gender and development mainstreaming in the ARMM is a good starting point for developing a more comprehensive gender program in the region.

2. Follow-on trainings on the following areas are recommended to further improve the capacity and skills of women leaders:
    - Gender-Sensitivity Training for Councilors
    - Orientation on the Gender and Development Programs and Policies
    - Gender Mainstreaming
    - Gender Planning and Budgeting

- Public Speaking
- Basic orientation on the roles and functions of a legislator
- Communication Skills
- Advanced training on negotiation and mediation of conflict resolution
- Program Development and Management

3. There should be a comprehensive program for local legislators to equip them with skills necessary to become effective and ethical public servants. It is important that government agencies and non-government organizations work together to help these leaders transcend from traditional or patronage politics to transformative leadership. Good governance programs remind politicians of their role and responsibility in building societies, not just for their own benefit but for future generations.

V. ANNEXES

A   Final Report on Grassroots eGovernment

B   2007 State of Corruption Report.

C   Impact Assessment Study of PSEEAP and M/BDPB

D   SWS Survey on Good Governance: Iligan, General Santos, Surigao and Zamboanga cities

E   Case Stories: Good Practices on Business Permits and Licensing in 16 Mindanao cities

F   Documentation of Thematic Sharing and Assessment Conference for TAG Municipalities

G   Documentation of the Second Partner Conference for TAG Cities

H   Documentation of the Women Leaders Summit

I   Final Report of the Rapid Field Appraisal of Selected ARMM LGU's Level of Receptivity and Preparedness for GAD Budgeting

J   Results Assessment Matrix for TAG National

K   Results Matrix for Barangay Development Planning and Budgeting

L   Results Matrix for PSEEAP in Provincial/Municipal Level

M   Profile of Partners

N   Activity Log

O   News Articles

P   Photos