

Critical Review of Local Development Planning and Budgeting

The Social Watch
Monitoring
System

SOCIAL WATCH MONITORING REPORT 2003

LOCAL DEVELOPMENT PLANS: MAKING GOOD ON SOCIAL COMMITMENTS?

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Introduction

In 2002, Social Watch-Philippines commissioned five teams of local experts to do case studies on the extent to which commitments to social development are reflected in local development plans in four provinces and one city.

The commitments referred to are those pledged by the Philippine government to the 1995 Copenhagen Social Summit,¹ the Geneva 2000 World Summit on Social Development or Copenhagen+5,² and the Millennium Development Goals (MDGs) of the 2000 Millennium Summit.³

The study sites included the four provinces of Nueva Ecija, Camarines Sur, Guimaras, and North Cotabato, and the City of Dumaguete.

The review:

- (a) confirms what we already know about local development planning and plans;
- (b) indicates progress made in incorporating social development commitments;
- (c) gives insights on where and how efforts should be focused to sustain progress made so far.

Some words of caution

Generalizations on the findings and conclusions must be approached with a certain degree of caution considering the obstacles and limitations encountered during the course of the study. These are explained below.

First, the method used for this study was mainly documentary review and was, therefore, heavily dependent on what documents were available. The key documents used in the study consisted of: local development plans; the executive budget proposal and the annual investment plan accompanying each plan.⁴ We in Social Watch had assumed that the documents to be reviewed would be easily accessible and available on demand—these being public documents. In reality, access was more difficult than anticipated. While some local governments willingly opened their archives and records to us, some units refused to provide information. In some cases, our teams had to resort to ruse to obtain the necessary information.

Second, the data base varied widely across study sites in terms of scope and timeline. The Guimaras province had documents only up to the municipal level. In the province of Camarines Sur, the only available data was about the town of Baao. In Nueva Ecija, documents were limited to the provincial level. Making matters worse, the plan documents collected were of different timelines. Four study sites covered medium-term development plans of either five or six years. The plans of the provinces of Nueva Ecija, Guimaras and North Cotabato covered the period between 1999-2004. The Nueva Ecija medium-term plan was dated 1998 but the local researcher revealed that the data contained were actually 1999 figures.

Finally, for practical considerations only areas where Social Watchers were available were included in the study. While these sites may not be represen-

tative of the Philippines, it is still possible to draw some common conclusions about planning and budgeting practices. Most government units now adhere to the same budget process and are guided by a common format provided by the National Economic Development Authority (NEDA) and the Department of Budget Management (DBM).

Breaking a habit

Local development plans appear to have changed considerably from the time when local governments would simply string together a hodge-podge of disparate projects. This practice commonly known as a 'stapler approach', quite literally meant stapling together individual projects to give it the appearance of a coherent program.

Today, one finds a level of planning sophistication coming into play, as indicated by the use of modern planning methodology. The expertise is either in place or provided by outside technical assistance. Current plans normally include: a brief situationer and assessment; vision and mission statements which are translated into goals and objectives and key result areas; followed by strategies and performance indicators.

Local development planning, whether at the city, provincial, or municipal level, appears to have incorporated some of the latest planning methods. Although the plans reviewed by the local research teams were not as uniformly elegant, it was evident that the use of a logical framework had already gained wide currency among local planners.

To cite an example, the 1998-2004 Medium-Term Provincial Development Plan of Nueva Ecija begins with a vision and mission statement and a brief provincial profile and assessment of the situation. The rest flows along the standard plan format designed by the NEDA as follows: plan components (infrastructure development, economic development, social development, development administration); plan monitoring; evaluation and re-planning; action programs and projects providing the specifics of each plan component and finally, all the relevant attachments.

Although the Nueva Ecija plan received a generally negative review from the local research team, the rest of the study sites shared a number of favorable findings:

- (a) The vision, mission and goals are clear and well-formulated;
- (b) The objectives are comprehensive and address broad concerns and the targets are definite and specific; and
- (c) The programs are specific and well targeted towards the primary beneficiaries.

Gaps and weaknesses identified by researchers, though varying across the study sites, appear to be common in all areas. The points cited in the case of Guimaras province are fairly widespread. The following is a slightly edited version of the study's conclusions:

- (a) Identification of development goals relied on an insufficient data base;
- (b) The plans do not include a situationer showing historical trends which might have indicated other less obvious but pressing concerns;
- (c) The goals though comprehensive are obviously a listing of all concerns with not much thought given to their validity as no substantial data were provided to back these up;
- (d) There are no annual targets set;
- (e) The plans are gender blind;
- (f) The plans do not have a monitoring and evaluation method that would facilitate implementation and attainment of targets; and
- (g) Global development partnerships are hardly visible.

Some of these negative conclusions may contradict earlier favorable judgments. There is an air of ambivalence as to what improvements have indeed taken place in local development planning. The rhetoric may have changed but little progress is evident in the substance of current plans.

Budget and spending as usual

Old habits die hard. Notwithstanding the elegant design of current plans, the real test lies in the amount of funds allocated and how efficiently these are utilized.

Budget and spending follow a matrix pattern and comes down as a mandate from the top. The common budget structure covers:

- (a) infrastructure development;
- (b) economic development;
- (c) social development and
- (d) development administration.

The expenditures are split up among the following items:

- (a) Personnel Services or PS;
- (b) Maintenance and Other Operating Expenses or MOOE ; and
- (c) Capital Outlay or CO.

Personnel Services go to salaries and benefits of personnel. Maintenance and Other Operating Expenses covers operating costs such as electricity, water, office supplies etc. Capital Outlay goes to the purchase of equipment, facilities and infrastructure. Historically personnel services have always received the lion's share of spending, with Maintenance and Other Operating Expenses coming a far second and Capital Outlay receiving whatever is left.

The 2003 budget allocation of Baao, Camarines Sur is a typical example: 65 percent Personnel Services; 11.8 percent Maintenance and Other Operating Expenses; and 0.27 percent Capital Outlay.

Clearly, findings show that hardly any money is left for development projects outside of those stipulated in the budgetary requirements and statutory obligations. Fortunately, having a 20 percent social development fund allows local units some elbow room for development projects funding. This is a bit tricky, though, as the practice has been to liberally move the fund around a variety of expenditure items, many of which contribute little to poverty reduction and social development. Another possible source of development funds are: the 5 percent calamity fund; the election reserve; and aid to barangays fund. Access to these funds, however, are rather restricted although one can creatively work around them to fund social development projects. Yet, taken altogether,

all these sources are marginal compared to the regular budgetary allocations.

The common bias of local government units in budget allocations has always been towards infrastructure, which also happens to be a rich source of public corruption. Infrastructure normally includes new construction as well as repair and maintenance of all types of public infrastructure. Since local governments operate on stringent budgets, there are no outlays for building barrio roads, school buildings, irrigation and water and sanitation facilities unless these are already covered by Overseas Development Assistance (ODA) funding. (SUGGESTION: Contradicts earlier findings that bulk of budget goes to personnel services. Suggest removal of this paragraph)

Financing comes mainly from taxes, the bulk of which is the Internal Revenue Allocation (IRA). The IRA is the share of local governments from the national tax pool, centralized first then redistributed according to a legislated formula that is now being questioned.⁵ Other tax revenues are generated from real property, business operations and consumption. The rest are obtained from ODA grants and loans and local borrowings, such as loans from commercial banks and municipal bond flotation.

The case of Dumaguete City is a typical example on where funding is sourced. Dumaguete City has five main sources of income: The IRA; tax revenues; revenue from operation; capital revenue; and borrowings. Tax revenues are local taxes collected by the city as authorized by the Local Government Code of 1991. These include 17 items from real property tax to fines and penalties. Revenue from operations includes 42 items, from registration fees to operation of cemeteries. Capital revenues include the sale of fixed assets as well as animals. In 2000, the city recorded an IRA of P108 million, tax revenues of P41 million, revenue from operations of P13.2 million, a miniscule capital revenue of P6,263.00, and a huge loan of nearly P19 million. Dumaguete City was way ahead of the other cases in generating local funding.

Local development plans are heavily dependent on Internal Revenue Allocation (IRA) for their financ-

ing, accounting for as much as 95 percent, as in the case of Guimaras Province.

The 20 per cent social development fund is mandated and dedicated. Nominally, this would suggest that the Philippines has complied with the UNDP 20:20 'compact'.⁶ Since, funds are actually set aside for social development the government can claim that it is doing more than other countries in meeting the requirements of the 20:20 'compact'.

One can even be more generous and say that the country has exceeded its social development commitments. Beyond the 20 percent social development fund there are several items in the local government budget which can pass off as spending for social and environmental concerns.

If Personnel Services were a real social commitment Local development plans reviewed by the study are basically public employment plans, tangentially addressing poverty and dressed up here and there with some language on social and environmental commitments. The nature of budgeting and spending bears this out. Furthermore, this is but a replication of what is happening at the national level.

What then is the actual level of compliance by the government towards its social and environmental commitments?

We already know that, like the national government, the local government is usually the biggest employer in town. We also know that the bureaucracy is relatively bloated and composed of a mix of career civil servants and political protégés. There are many political debts to repay and many favors to grant to sustain partisan and loyal constituencies. This practice is not going to change anytime soon. In good or bad times, in surplus or in deficit, we know much of the revenues will go to the salaries of government employees.

But note that majority of the government workers are in units with social mandates, such as education, health, agrarian reform, agriculture, environment and social welfare. What if they were doing it right and

delivering on pledged social and environmental commitments? Does it make any difference if 80 or so percent of the national budget goes to Personnel Services?

This, of course, is a very tricky question and may be stretching the analysis a bit too far. The Philippine president also claims that the national plan and the entire budget are focused towards poverty alleviation, which of course, is far from the truth. Poverty alleviation is not a priority of the national government, and neither is this a priority of its local counterparts.

A real space and voice for the poor

The researchers noted that some of the plans went through a process where people were consulted at some point. Other plans totally disregarded popular consultation.

What might these plans have looked like if the poor in those areas had a real say in making them? Probably the plans may not have turned out as elegant but in all likelihood these would be much closer to the needs and aspirations of the poor.

Planning and budgeting, as if the poor truly mattered, would have to break out of the narrow confines of current consultative mechanisms. Local governments will have to engage the poor in real way.

This brings us to another crucial dimension of development—the issue of governance. Financing development will continue to stumble on scarce and dwindling resources. The prospects for fresh inflows dim by the day, given the declining ODA and struggling tax collection. The problem is compounded even more by corruption and waste.

And yet there is mounting evidence that government could do more with less. With participatory budgeting some governments have been able to improve governance dramatically and reduce to a minimum widespread inefficiencies and corruption in public service.

One such case is Porto Alegre,⁷ a city in the southern Brazil, now considered by many as a leading example in good governance. Its claim to suc-

cess is demonstrated by dramatic improvements in basic services, such as education, health, social housing, public transport and road building and sewerage, waste management, environmental clean up, culture, law and order, and so on. Key to such performance is its noted “participatory budget” or *orcamento participativo*, as they call it in Portuguese.

The Porto Alegre city government, ruled by the Brazilian Workers’ Party (PT) for the past 12 years, has ensured that citizens of every neighborhood vote democratically on where and how municipal funds are to be used. The citizens decide what infrastructure they want to build or improve. They are also involved in monitoring how work is progressing and how the money is spent. There is less opportunity for corruption and diversion of public funds and public investment is able to match popular demand.

We do not know if there are any such examples in the Philippines but our local governments should find the Porto Alegre example worth emulating.

World Summit on Social Development or Millennium Development Goals regardless

Local development plans are an articulation of problem analysis, priorities, vision, goals, strategies, and performance measures. In other words, they reveal the mindset, resolve, values, approaches and method of the local leadership.

It is interesting to note that most plans are silent on the World Summit on Social Development (WSSD) or Millennium Development Goals (MDG) commitments. Of course, one should not expect awareness of MDG (circa 2000) for a medium-term plan that was crafted in 1998 or 1999. The plans likewise did not mention WSSD (circa 1995) specifically but the essentials of WSSD commitments, not to mention commitments to sustainable development as a whole, were discernible in different parts.

To begin with, commitments made by the Philippine government to the series of UN conventions in the 1990s are mandates handed down from the na-

tional government down to the local government units. They also come with specific nomenclatures with pre-determined and dedicated budget allocations.

Awareness of the WSSD or MDG does not guarantee delivery on promised outcomes. We know about the failure of Philippine Agenda 21 and Social Reform Agenda to inspire a real shift toward the path of sustainability and how very often these programs are conveniently used by politicians to paper over their shortcomings and lack of commitment toward these goals.

An advocacy agenda for Social Watch

The biggest challenge for Social Watch is how to transform local development plans into an effective vehicle to combat poverty and enhance social development. There is no lack of good intention among local authorities and local planners. As this study shows, local government plans, budgets and spending for social services are up to standard. The problem is not so much social provisioning, as the whole local bureaucracy is like an army of social welfare providers responding to everyday demands of local constituents. What seems to be missing is the capacity to strategize an effective way out of the poverty trap. Not an easy thing to do even if you have the commitment.

It is worth investing in a continuing promotion of WSSD and MDG. Social Watch needs to press harder to motivate local governments to translate growing awareness of WSSD and MDG into action. We would like to see commitments to WSSD and MDG used as one of the main guides in local development planning, budgeting and spending. In so doing, however, we must be mindful not to reduce development goals to WSSD and MDG or to hype poverty at the expense of the more basic issue of inequality.

For the time being, not much is expected to change in budgeting and spending patterns. Personnel Services and infrastructure (remove?) will always get the biggest share of taxpayers’ money in the years to come. This suggests that Social Watch should pay more attention to improving governance and strive

to redirect Personnel Services expenditures to become a genuine expression of public service and social commitment.

For this to happen, Social Watch must be able to engage local authorities and decision makers in ways that would make participatory planning and budgeting a common principle and practice.

Footnotes

1 The 1995 World Summit on Social Development in Copenhagen made 10 commitments to address world poverty, unemployment and social breakdown. In this research Social Watch-Philippines focused on commitments to education and health as key to poverty reduction.

2 The Geneva 2000 World Summit on Social Development or Copenhagen+5 was convened to review progress from 1995 and to agree on further initiatives, emphasizing the role of broad partnerships.

3 In the Millennium Summit in 2000 at the UN in New York governments pledged to achieve 8 millennium development goals (MDGs) by 2015 reckoned from the 1990 baseline: (1) eradication of extreme poverty and hunger; (2) universal primary education; (3) gender equality and women empowerment; (4) reduction of child mortality; (5) reduction of maternal mortality; (6) combating HIV/AIDS, malaria, and other diseases; (7) ensuring environmental sustainability; and, (8) global partnership.

4 Annual local development planning/budgeting usually starts in July with deliberations and approval stretching up to as late as December. The local Executive Budget Proposal prepared around July 15 and submitted to the local legislature for consideration and decision by October 15, contains a statement of income and expenditure, financing sources, and itemized budget. The Annual Investment Plan (AIP), approved by the Local Development Council, is the plan for the 20% dedicated allocation for social development itemized under social, economic, and administrative services.

5 The IRA share of each province, city, and municipality is based on a distribution formula: population (50%); land area (25%), and equal sharing (25%). Critics are taking issue on the fairness of this formula, asserting that the IRA has failed to redress regional inequalities, as proven by over ten years of experience in the implementation of the Local Government Code of 1991.

6 The 20:20 initiative or 'compact', as it is sometimes called, was a brainchild of the United Nations Development Program (UNDP) brought into the agenda of the 1995 Copenhagen Social Summit. The Philippine government was an eager supporter of the idea and has in fact a pending bill on it, with the Development Academy of the Philippines (DAP) and others assisting in the bill drafting. In this Social Watch study the basic social services under the 20:20 initiative were limited to (a) basic education; (b) primary health care; (c) food and nutrition; and (d) safe water and sanitation.

7 The Porto Alegre case was used by this author to illustrate effective partnership in governance in the paper "Cross-sectoral Collaboration for Sustainable Change" which was commissioned for the 4th World Assembly of CIVICUS in August 2001 in Vancouver.

NUEVA ECIJA (1998-2004): A review of the Medium Term Development Plan

The review covers the Medium Term Provincial Development Plan (MTPDP) of Nueva Ecija (1998-2004). The plan was completed in August 1998 (base year is actually 1999) and was initiated mostly by the Provincial Planning and Development Office (PPDO). There was a previous plan (i.e. Nueva Ecija 2000) but it is not clear if it is related to the current MTPDP.

The plan contains a brief situationer (i.e. Introduction which contains the VMG (Vision, Mission, Goals) followed by the Historical Profile; Physical Characteristics of the Province; Population; Economy and a five-paragraph Assessment). Each plan component (i.e. Infrastructure Development, Economic Development, Social Development, Development Administration) contains a respective situationer, vision, goals/objectives, targets, strategies and budgetary requirements.

The situationer part follows the "NSO data type" format. Obviously, the planners used the SWOT (Strengths-Weaknesses-Opportunities-Threat) framework of planning but the association among the planning components (Area Analysis, Vision, Mission, Goals Formulation, Strategy Formulation, Program Design, Operational Plan) is not clear. There is no synergy between the analysis part (which is superficial), vision and mission statements and stated and implementing strategies. There are no clear Key Result Areas (KRA) and Performance Indicators (PIs).

The plan revolves strictly around the four components of Infrastructure Development, Economic Development, Social Development, and Development Administration. There are no clear priorities. Statements on the poor and vulnerable sectors are subsumed under other targets.

The five-paragraph assessment states that the province's strength lies in its "vast fertile agricultural lands, excellent climate for agricultural production, one of the biggest irrigation systems, enough quality quarry for construction, the presence of R&D institu-

tions, high literacy rate, and strategic location". The stated weaknesses are: "landlocked, prone to typhoon and earthquakes, underdeveloped utilities, to be improved road network, environmental degradation, and rapid urbanization". It is not clear if this assessment is the basis of the plan.

Content and Coverage

The outline of the sectoral plan consists of a situationer; vision; goals/objectives; targets; strategies and budgetary requirements. Infrastructure Development covers roads/bridges/railways; irrigation; flood control; potable water supply; power, communication; education; health; waste management; farm-to-market roads; sports/recreation/leisure; tourism; post harvest handling and marketing facilities. Economic Development covers agriculture; trade and industry; environment and tourism. Social Development covers education and manpower; health and nutrition; social welfare; protection services and housing. Development Administration includes: internal assessment; long term goals/objectives; implementing strategies and special concerns.

The plan is heavy on physical infrastructure development but weak on the social aspects of development. There are no substantial references to the MDG and WSSD goals. Only the statements on personal security and crime prevention and social protection present specific targets. Poverty reduction; food security and hunger elimination; universal primary education; reduction on child mortality; environmental sustainability; global development partnership and employment were only mentioned as activities/programs of other sub-sectors. Other concerns were not mentioned. Offhand, it is believed that the planners were not even aware of the MDG and WSSD goals.

Five short paragraphs described the project monitoring and evaluation component of the plan. It states that "a system will be established to monitor and evaluate the implementation of the MTPDP, and

annual reviews and a mid-period updating will be conducted by the Provincial Development Council (PDC)". The main project monitoring and evaluation organ will be the PPDO. Other than these statements nothing else is mentioned about monitoring and evaluation.

The attached financial requirement document is almost three-fourths the entire plan's length. The general format consists of: programs/projects; financial requirement per year and the total amount needed.

Each sub-sector follows the following framework: program/project; location; implementing agency; funding agency; indicator; physical targets per year; total physical targets; financial requirement per year and total financial requirement. There are no plans to generate funds locally.

Salient Features / Gaps and Weak Points

The Nueva Ecija MTPDP falls far short of the standards one would expect of an official provincial development plan. The plan's poor quality is an indication of the province's low planning, monitoring and evaluation (PME) capability.

It was observed that the absence of a comprehensive area analysis resulted in a failure to identify critical issues and development gaps. The stated visions and objectives therefore do not fit the real and pressing needs of the province. Furthermore, there is no mission statement that will define how the provincial government will implement the plan. The stated strategies were also observed to be more of activities. Therefore, no specific programs were defined. Because of the limited statistics, key result areas and performance indicators were not established. This may explain for the absence of a tangible PME system.

Overall, the plan is skewed in favor of "physical" progress.

An Analysis of the 2003 Annual Investment Plan

Only P28.5 million or 22 percent of the total budget allocation was actually earmarked for basic education; nutrition; water and sanitation; primary health care; and family planning. (A portion of the P28 million allocation for public buildings was earmarked for the construction of two school buildings and is not included in the 22 percent total budget allocation).

As per the Annual Investment Plan (AIP) document, P10 million budgeted for the social development sector was allocated for housing and resettlement. It was however observed that except for the development administration sector, all funds were sourced from the 20 percent development fund. As such, other priority projects (meaning it received the biggest chunk of money) were the P45 million for roads and bridges and P28 million for public buildings.

The 2003 AIP did not mention any fund generation activities. It also did not define allocations by object of expenditure.

The biggest allocation is that for infrastructure development (58.8 percent); followed by social development (26.9 percent); economic development (12.9 percent) and development administration (1.2 percent). The allocations were all sourced from the 20 percent development fund. In reality, only P28.5 million pesos or 22 percent of the total budget allocation was allocated for "real" basic social services. In fact, most of the budget allocations actually went into infrastructure development.

Budget and Expenditure Summary by Sector				
SECTOR	BENEFICIARIES	LEAD AGENCY	TOTAL (Pesos)	FUNDING SOURCE
Social Development	All sectors	NEPG	35,500,000.00	20% Devt. Fund
Economic Development	Farmers, cooperatives, fish farmers,all sectors	NEPG	17,050,000.00	20% Devt. Fund
Infrastructure Development	Farmers and cooperatives, students, barangay folks,all sectors	NEPG	77,500,000.00	20% Devt. Fund
Development Administration	NEPG	NEPG	1,698,193.00	
			131,748,193.00	

MUNICIPALITY OF BAAO, CAMARINES SUR: Review of the Annual Investment Program for 2003

Local Area: Municipality of Baa0, Camarines Sur

Timeframe of Development Plan: Annual.

Period: 2003

Previous Development Plans: Aside from the Annual Investment Plans for the 20 Percent Development Fund, there was a Municipal Development Investment Plan for the period 2000. There is also a Local Development Investment Program for the planning period 2001-2005. The latter shows the Development Fund Distribution (as a percentage).

Sectoral Situationer: No

Sectors Covered:

- Infrastructure Support Services Sector
- Economic Services Sector
- General Services Sector
- Social Services Sector

Remarks about the framework and targets:

The plan is based on the framework that the municipality of Baa0 is an agro-industrial based economy. It considered the fact that the municipality is agriculture-based and many are engaged in growing poultry and livestock and in upland and livelihood development.

Did the Plan clearly identify the vulnerable sectors?

It was not clearly identified.

Did the Plan clearly identify the areas that must be given attention?

No. Project beneficiaries were not clearly identified but it is assumed that the vulnerable sectors would benefit from it. There are infrastructure projects that also address the social needs of the people.

Is there a clear definition and targeting of the poor?

No, the plan just assumes that it will benefit the vulnerable sectors.

Are there clear criteria for prioritizing?

It depends on the priorities of the local chief executive. All program priority areas (PPAs) are needs but because of budget inadequacy, these cannot be all implemented by the LGU.

Remarks about targeting and pro-poor bias of the Development Plan:

The planners were not aware of the goals during the planning period. All PPAs identified were only assumed to be needed. There were allocations for the vulnerable sectors but the programs were not specified.

Content and Coverage

		Remarks/ PPAs
Poverty Reduction	Mentioned	

Is the framework clear?	Yes.
Are the goals clearly defined?	Not so clear.
Are the strategies clearly defined?	There are no defined strategies.
Are the indicators well defined?	There are no indicators.
Are there annual targets to be met?	No annual targets were defined.
Are the Key Result Areas clear?	There are no KRAs.
Is there a good mix of input and outcome indicators?	There are no input and outcome indicators.

		Remarks/ PPAs
Food security and hunger elimination	Mentioned	Programs are focused on agricultural crops and livestock development program and fishery development.
Universal primary education	Mentioned	
Gender equality	Mentioned	
On empowering women	Mentioned	
Reduce child mortality	Not Mentioned	
Maternal health	Mentioned	
Combat HIV/AIDS	Not Mentioned	
Infectious diseases	Not Mentioned	
Environmental sustainability	Mentioned	
Global development partnership	Not Mentioned	
Employment		
Shelter		
Disaster mitigation	Mentioned	Allocation is for flood mitigation.
Personal security and crime prevention	Mentioned	
Social protection		
Family support system		

Remarks about the inclusion of MDG and WSSD Goals in the Plan:

The local government unit was not aware of the Millennium Development and the WSSD Goals at the time of the planning, hence, this was not considered.

Is there an LGU-initiated poverty monitoring system and Local Poverty Alleviation Programs (LPAP)?

None.

Is there any other poverty monitoring system being implemented in the local area?

None.

Is there a mechanism for Monitoring and Evaluation?

None. During the reorganization meeting of the MDC, a committee was created and the recommendation was for agencies implementing the programs and projects identified and given funds to give updated reports on the status of the implementation.

Are the data/indicators desegregated?

No data was cited.

What agencies supported the LGU in formulating the Development Plan?

NGOs, POs, private consultants, individuals.

Is there a costing of the Development Plan?

Yes.

Are the sources of funds clearly identified?

The identified source of funds is the IRA of the municipality.

Did the Plan indicate locally generated funds?

No, but there are efforts by the LGU to source out funds from private and foreign donors. Mayor Melchor Gaité has exerted efforts to generate external funding for LGU projects like the upgrading of the San Vicente-Antipolo road.

What are the other salient features of the Development Plan?

Allocation is based on the assumed needs of the municipality.

What are the gaps and weak spots of the Development Plan?

- No specific project sites were specified
- Lack of basis for programs identified
- Priority areas were only assumed
- No indicators, KRAs
- Did not indicate how the programs would be implemented
- Insufficiency of funds – dependent on IRA

Overall Comments and Evaluation of the Development Plan:

- The feasibility study made by the Baao Upland Resources Development (BURD) was the basis for the upland resource development program of the municipality. Said study was conducted with assistance from the National Economic Development Authority (NEDA).
- Budget allocation is based on the Local Development Investment Program(LDIP) for the planning period 2001 – 2005 which defines the develop-

ment fund distribution among the different sectors. It is worth mentioning, though, that in the LDIP, allocations for infrastructure support services was gradually decreased and added to the other sectors particularly economic and social services.

- Funding for the local administration program should not have been taken from the local development fund. However, NGOs/POs can access the budget allocated for the human resource development sub-sector.
- The LGU is open to partnerships with other agencies through provision of counterpart funding.

As mentioned in a previous case study by PRRM, the following observations remain:

- No installed appropriate systems on monitoring and feedback as to the progress of the implementation of PPAs.
- Heavy dependence on IRA
- Prioritization of infrastructure projects

GUIMARAS:

A review of the Medium Term Development Plan

By Gay D. Defiesta

This is a review of the most recent medium term development plan of Guimaras province.

The time frame of the development plan is five years covering the period 1999 – 2004.

Plan preparation started in 1997 after a series of workshops and consultations in 1996. It is the first medium-term development plan drafted by the province. Subsequent plans will be prepared every five years.

The development plan begins with a situational analysis focusing on the major development challenges and concerns of the province. These are:

- Inadequate access to resources, basic services and economic opportunities, especially by the poverty groups such as marginalized farmers; fisher folk; urban poor; cultural minorities and other disadvantaged groups like children, women, disabled and the elderly.
- Deteriorating natural resources and environmental quality considering both the economic and intrinsic values of resources.
- Deteriorating moral and spiritual values.

The problem of inadequate access to resources was identified on the basis of the province's: high poverty incidence, high underemployment rate, inequitable land ownership and wealth distribution, and high of mortality, morbidity and malnutrition rates. This is supported by data on the number of families living below the poverty threshold in 1991; the unemployment trend from 1990 to 1998; the underemployment rate from 1997-1998; farm ownership rate and crude death rate from 1992-1998

Environmental degradation is indicated by statistics on forest cover and the results of a study on marine coastal habitats.

The last concern involving deteriorating spiritual and moral values is supported by data covering the period 1992-1998 which shows an increasing crime rate.

The statistics contained in the development plan are for the purpose of supporting and validating the identified problems and concerns. All the data presented are percentage trends occurring in the 1990's. There is no information on specific sectors, but for each development concern the pertinent figure is presented.

In general, there is no situationer to speak of that shows enough figures and historical trends demonstrating the current development state of Guimaras. The situational analysis, however, while presenting the problems of the province did not support these assertions with enough statistics.

Chapter Three covers the development vision, mission, goals, objectives, targets and strategies. All the main elements of this chapter, such as development framework; goals; strategies and indicators, are clear and well defined. The mission is basically to improve the quality of life in the province. The goals are to provide employment and income opportunities; ensure sustainable food-sufficiency; meet basic social needs; restore ecological stability and uplift moral and spiritual values. These goals are further broken down into development objectives which mention the specific tasks to be accomplished. This is followed by the over-all strategies that outline the approaches that the province will undertake to realize their mission.

Furthermore, the development plan draws objectives, strategies, policies and targets for specific sectors. These are:

- Human and development sector with the following sub-sectors – population; settlement & human welfare; education; health and nutrition
- Economic sector
- Infrastructure sector
- Land use and Environment sector
- Institutional and Financing sector.

As observed, the goals, objectives and strategies are comprehensive, clear and well defined. This is because the plan starts from the general mission, vision and goals and goes down to the specific details of each sector and sub-sectors. It is able to outline definite objectives and targets for all sectors covered. There are no targets set on an annual basis. All targets are to be achieved in five years corresponding to the time frame of the development plan.

The development plan has clearly identified the vulnerable sectors in the situational analysis. These include the marginalized farmers, fisher folk, urban poor, cultural minorities and other disadvantaged groups like children, women, disabled and the elderly. As stated in the mission statement, the development goals and objectives are primarily set to improve their quality of life. The plan clearly distinguished areas that must be given attention. These are outlined in the sectors identified. Likewise, targeting of the poor is definite since most of the measures and programs drawn up to improve their situation are addressed to their needs. Although there is no criteria mentioned as the basis for prioritization, the goals and objectives as well as the targets and the planned programs show a pro-poor bias since a substantial part of the development plan focuses on them.

Content and Coverage

The strength of the development plan in terms of the MDG and social development concerns can be described as moderate to weak. It has been observed that it is substantial in the following areas: universal primary education and reduction of child mortality. The following concerns are accompanied by targets:

employment; poverty; food security; infectious diseases; environmental sustainability; personal security; crime prevention and social protection. Other concerns such as family support system; disaster mitigation and gender equality are mentioned but are not accompanied by targets. Some of these areas of concern, like maternal health care, are specifically addressed in the listing of programs that are to be implemented within the time frame identified. Other issues such as combating HIV/AIDS, global development partnership and shelter are not mentioned at all.

It is clear that there was a deliberate attempt to include MDG and WSSD goals in the development plan but this has not been correctly done since the content did not cover MDG and WSSD goals in a substantial manner.

The development plan does not include any mechanism for monitoring and evaluation. It only identifies the lead Provincial Development Council as the lead agency in planning and implementation of programs. It is also responsible for linking the Municipal Development Councils and the Regional Development Councils. Other implementing agencies identified were the Provincial Planning and Development Office, and the provincial Project Monitoring Committee.

All data included in the plan were not desegregated by sex, ethnicity or poverty level.

The development plan was drafted with the participation of various representatives from the national and local government units, non-governmental organizations (NGOs); people's organizations (POs); private sector and the academe. The participants all went through the following training: Social Reform Agenda Workshop; Literacy Planning Workshop; POPDEV Planning at the Local Level Training Modules; Cooperative Planning Development Workshop; Food Security Planning Workshop; Fifth Country Program for Children Planning Workshop; Economic Development Planning Workshop; Health Strategic Planning Workshop; and MTDP Planning Workshop.

Among the sources of data were: 1998-2003 MTDP output of the School of Urban and Regional Planning of the University of the Philippines (U.P.);

Draft Guimaras Provincial Physical Framework; Guimaras Conceptual Land Use Plan; Western Visayas Agro-Industrial Project Reports; Training Needs Assessment of LGU's in Region VI; Provincial Water Supply Sewerage and Sanitation Sector Plan for Guimaras 1994-2010; SMISLE's Plans and Reports and the 1999-2004 Local Development Investment Program of the different agencies and municipal governments.

Salient Features

- Mission, vision and goals are clear and well-formulated
- The objectives are comprehensive and cover many concerns while the targets are definite and specific.
- Programs are specific and well targeted towards primary beneficiaries.

Gaps and weak Points

- Identification of development goals was based on limited statistics.
- Does not include a situationer that shows historical trends which might have indicated other less obvious but pressing concerns.
- The goals though comprehensive are merely a listing of all concerns whose validity is open to question since no substantial data were provided to back these up.
- No annual targets were set.
- Particularly weak in gender equality, shelter and global development partnerships.
- Does not have a monitoring and evaluation method that will facilitate implementation and attainment of targets.

Analysis of Local Budget and Actual Expenditure

By Prof. Evita Cainglet

PROVINCE OF GUIMARAS

The Province of Guimaras has always met the minimum requirement of allocating at least 20 percent of its budget to social services. As shown in Table 1, for

the years 2000 and 2001, the province allocated 22.59 percent and 23.25 percent respectively for social services which consist mainly of expenditures for the Health Office and the Social Welfare and Development Office and the Calamity Fund.

To fund its expenditures, Guimaras depends mainly on the Internal Revenue Allotment (IRA) which accounts for about 95 percent of the province's revenue. Other sources include revenues from real property and business taxes; fees from services provided by government agencies; fines and penalties; loans; and sale of assets. However, these other income sources generate only about 5 percent of the total revenue available for its use.

Generally, the expenditures are divided between the following items: Personnel Services (PS); Maintenance and Other Operating Expenses (MOOE) and Capital Outlay (CO). However, budget estimates include the following items: Non-office expenditures; budgetary requirements and statutory obligations. Almost 50 percent of the province's budget are spent on services of personnel. The heavy outlay on PS is common among municipalities because the tasks and activities of the provincial or municipal government require hiring a good number of employees. As shown in Table Four, expenses for capital outlay and operating expenses have a lower allocation because the local government has to provide for required expenses like employees' benefits and budgetary and statutory obligations. These budgetary requirements and statutory obligations include Election Reserve; the 20 percent Development Fund; the 5 percent Calamity Fund and Aid to Barangays program.

Guimaras is working within its means as shown by the fact that in 2000, it actually had an unappropriated amount worth P33 million. An estimate of the 2001 income and expenditures also shows that the province may finish the budget year with an unappropriated amount of about P28 million.

The five municipalities comprising Guimaras have been working to allocate their resources properly. Some municipalities have only been recently established. This explains the differences in some of their individual concerns, yet these municipali-

ties all try to comply with requirements set by the local government code.

BUENAVISTA

Buenavista had a total budget of P34.5 million for 2001. Though a greater portion is allocated for general services and economic services, the municipality still complies with the requirement of allocating at least 20 percent of its budget for social services. Table One in the appendix shows the actual values.

The municipality allocated a total of P16.5 million for its development projects; P6.0 million of which came from the 20 percent IRA while the balance was obtained from other sources. About P7.0 million of this amount was spent for infrastructure projects where the biggest expense was the improvement of the municipal wharf amounting to P5.0 million. About P5.0 million was allocated for social services, but the IRA funded only about half of this. Included in the major social development projects of the municipality are: Youth, Sports, and Cultural Development Program; the Day Care Program; the Anti-drug Abuse Program; Community Development Program; the Gender and Development Program; the implementation of solid waste and the municipal counterpart in ECD, GHIP, ICHSP, TEEP, SEDIP (Please define all these acronyms) and Fifth Country Program for Children (CPC V).

Each municipality generates income through tax revenues and operating and miscellaneous revenues. For the municipality of Buenavista, the former consists mainly of real property taxes; taxes on goods and services and other taxes like wharfage fees; community tax; weight and measures; fishery rentals and charges and the local government share on internal revenue collection. As shown in Table Three in the appendix, 86 percent of the total estimated revenue for 2001 came from the IRA while only 13 percent were obtained from other sources. Among the local sources of revenue, business taxes and licenses contributed the most followed by real property taxes.

The budget of Buenavista shows that about 60 percent of the total income were spent on personnel services. The remaining amount was spent on MOOE; budgetary requirements and statutory obligations.

JORDAN

Jordan had a total budget of P30 million for 2001. More than 50 percent was allocated for general services, 23 percent of the budget went to social services and the rest was earmarked for economic services.

Jordan allocated 20 percent of its IRA share for development projects. As indicated in Table Two, this budget amounting to P5.0 million pesos was distributed among various projects, but a large portion of this was spent to pay off a loan amounting to P1.8 million pesos. However, the municipality still managed to provide P1.3 million pesos for social development projects consisting of: solid waste management; clean and green program; support to local health and services program; preservation of local arts and culture; maintenance of peace and order; scholarship program; disaster management and sports and youth development program. About P5.0 million was spent for the municipality's counterpart to ECD (define?) and ICHSP (define?).

For the municipality of Jordan, income was sourced mainly from the IRA which contributed about P25 million. The major sources of local funds were: real property taxes which contributed about P1.2 million and taxes on goods and services which contributed about P1.9 million. Other important sources included wharfage fees; community tax; registration fees; inspection fees; mayor's permit fees and miscellaneous income. Worth noting is the fact that Jordan also earned additional income from public investments such as interest on treasury bills.

Personal Services accounted for about 70 percent of Jordan's municipal budget of about P 24.8 million and P30 million in 2000 and 2001, respectively. As shown in Table Four, Budgetary Requirements and Statutory Obligations accounted for the next second biggest amount which is about 17- 20 percent of the total budget.

NUEVA VALENCIA

Nueva Valencia had a total budget of P28.5 million for 2001. Its allocation is similar to that of Jordan where more than 50 percent of the total budget was

allocated for general services and about 12 percent was allocated for economic services and 22 percent for social services.

The municipality has allocated 20 percent of its IRA share for development projects. This budget amounted to a little less than P5.0 million pesos. As shown in Table Two, a little over 80 percent was allocated for infrastructure projects consisting of improvement of public buildings; parks; plazas; markets; cemeteries; school grounds; health stations; day care centers; wharves; drainage system and other facilities. The amount allocated for social services is for the municipal counterpart to the CPC V program and procurement of drugs and medicines.

The municipality of Nueva Valencia is in the same situation as other municipalities with regard to the fact that income is derived mainly from the IRA. This contributed about P24.7 million. The IRA share is 86 percent of the total budget and the remaining 13 percent came from local sources which include income from tax revenues and operating and service income. Real property tax; business taxes and licenses; community tax; and water rentals were among those sources generating the biggest tax revenues while operation of the waterworks system; mayor's permit fees; interest income; rental of equipment; miscellaneous income and fines and penalties from illegal fishing generated most of the operating and service income.

The municipality's budget allocation showed that it spent more than half of its budget on employee's income and benefits. A little less than half was allocated for obligations like development projects; Aid to Barangays; Calamity Fund and election reserve.

SAN LORENZO

The budget of San Lorenzo for 2001 was P18.2 million. Fifty-five percent of this amount was allocated for general services, 28 percent for economic services and only 16 percent for social services.

San Lorenzo allocated 20 percent of its IRA share for development projects. This budget amounted to P3.4 million. As shown in Table Two, about 86 percent was allocated for infrastructure and social de-

velopment projects. Of the P1.4 million allocated for infrastructure, almost half was spent for the amortization of certain equipment while the rest of the amount was spent on improving the community's facilities. With regards to the social sector, projects included: management training program; health development program; peace and order program; clean and green program; waste management program; cultural and tourism development; sports development; women and child development program; social welfare service and anti-drug program.

San Lorenzo was dependent on its IRA share for financing expenditures. Of its total estimated income of P18.0 million, P17.0 million was sourced from the IRA. The P1.0 million generated from local sources consisted mainly of income from real property taxes; taxes on goods and services; community tax certificate; fines and penalties on tax revenue and rental of grader. Mayor's permit fees; interest on savings account; miscellaneous fees and interest on treasury bills also contributed a considerable amount.

Personnel Services (PS) accounted for more than half of San Lorenzo's municipal budget of about P16.0 million and P18.0 million in 2000 and 2001, respectively. Budgetary and statutory requirements accounted for about one-fifth while MOOE accounted for about one-tenth of the total budget.

SIBUNAG

The budget of Sibunag for 2001 was P17.8 million. 82 percent of this amount was allocated for general services while the remaining 18 percent was allocated for economic and social services.

Sibunag allocated 20 percent of its IRA share for development projects. This budget amounted to P3.3 million. It can be seen from Table Two that infrastructure received the biggest share while social and economic development was allocated a little over 25 percent each. Most of these projects involved construction and improvement of infrastructure facilities. Social development projects consisted of: sports development; anti-drug programs; women welfare program; assistance to the needy and those in crises situation; empowering senior citizens; child and youth

welfare and protection program; gender and development; sewing craft; Ugnayan-Pulisyá at Mamamayan program; health and nutrition program; and counterparts for ICHSP (define?), CIDSS (define?) and CPC V.

The municipality financed its expenditures mainly from the share received from the IRA collection. Of the total estimated income of P17.8 million, P17.0 million came from its IRA share. Revenues from lo-

cal sources consisted mainly of income from real property taxes; taxes on goods and services; community tax certificate; equipment rentals and interest from bank deposits.

Sibunag spent over 50 percent of its budget for employees' salary and benefits and about 11 to 14 percent for its operating expenses. It is worth noting that Sibunag had a relatively large capital outlay for 2000 and 2001. This was spent on equipment, furniture, and fixtures.

Table 1. Allocation By Sector By Province/Municipality

Municipality	Sector	2000		2001	
		Amount (Pesos)	% of Total	Amount (Pesos)	% of Total
GUIMARAS PROVINCE	General	83,649,371.00	58.70	87,767,848.00	57.09
	Social	32,187,605.00	22.59	35,743,933.00	23.25
	Economic	26,672,950.00	18.72	30,229,183.00	19.66
	Total	142,509,926.00	100.00	153,740,964.00	100.00
BUENAVISTA	General	13,720,000.00	44.49	15,333,000.00	44.38
	Social	6,357,000.00	20.61	7,093,000.00	20.53
	Economic	10,763,000.00	34.90	12,124,000.00	35.09
	Total	30,840,000.00	100.00	34,550,000.00	100.00
JORDAN	General	16,100,968.00	61.62	19,269,369.00	63.94
	Social	6,481,610.00	24.80	6,971,150.00	23.13
	Economic	3,548,140.00	13.58	3,897,290.00	12.93
	Total	26,130,718.00	100.00	30,137,809.00	100.00
NUEVA VALENCIA	General	16,787,178.00	66.95	18,625,163.00	65.20
	Social	4,608,926.00	18.38	6,403,236.00	22.41
	Economic	3,677,789.00	14.67	3,539,326.00	12.39
	Total	25,073,893.00	100.00	28,567,725.00	100.00
SAN LORENZO	General	8,847,172.29	55.15	10,057,190.41	55.05
	Social	2,609,851.31	16.27	2,990,547.97	16.37
	Economic	4,585,290.05	28.58	5,222,433.85	28.58
	Total	16,042,313.65	100.00	18,270,172.23	100.00
SIBUNAG	General	12,162,193.81	76.41	14,721,228.28	82.40
	Social	2,366,334.45	14.87	1,700,129.64	9.52
	Economic	1,389,471.74	8.73	1,443,642.08	8.08
	Total	15,918,000.00	100.00	17,865,000.00	100.00

Table 2. Sectoral Distribution of Projects Funded by 20% of IRA for 2001 per Municipality

MUNICIPALITY	DEV'T MUNICIPALITY FUND PROJECTS	AMOUNT(Pesos)	% OF TOTAL
BUENAVISTA	I. Infrastructure	1,410,000.00	23.50
	II. Social Development	2,620,000.00	43.67
	III. Economic Development	860,000.00	14.33
	IV. Development Administration	1,110,000.00	18.50
	TOTAL	6,000,000.00	100.00
JORDAN	I. Infrastructure	1,360,000.00	27.20
	II. Social Development	1,310,000.00	26.20
	III. Economic Development	210,000.00	4.20
	IV. Development Administration	2,120,000.00	42.40
	TOTAL	5,000,000.00	100.00

MUNICIPALITY	DEV'T MUNICIPALITY FUND PROJECTS	AMOUNT(Pesos)	% OF TOTAL
NUEVA VALENCIA	I. Infrastructure	4,064,858.00	82.20
	II. Social Development	570,000.00	11.53
	III. Economic Development	310,000.00	6.27
	IV. Development Administration	0.00	0.00
	TOTAL	4,944,858.00	100.00
SAN LORENZO	I. Infrastructure	1,412,000.00	44.11
	II. Social Development	1,348,888.40	42.14
	III. Economic Development	360,000.00	11.25
	IV. Development Administration	80,000.00	2.50
	TOTAL	3,200,888.40	100.00
SIBUNAG	I. Infrastructure	1,465,000.00	43.60
	II. Social Development	920,000.00	27.38
	III. Economic Development	885,000.00	26.34
	IV. Development Administration	90,000.00	2.68
	TOTAL	3,360,000.00	100.00

Table 3. Sources Of Funding By Province/Municipality

Province / Municipality	Source of Income	2000 Estimates		2001 Estimates	
		Amount (Pesos)	% of Total	Amount (Pesos)	% of Total
GUIMARAS PROVINCE	Total Tax Revenue	138,339,926.00	97.07	149,720,964.00	97.39
	Total Operating & Miscellaneous Revenue	4,170,000.00	2.93	4,020,000.00	2.61
	Total Income	142,509,926.00	100.00	153,740,964.00	100.00
	IRA	135,005,930.00	94.73	146,240,964.00	95.12
	Income net of IRA	7,503,996.00	5.27	7,500,000.00	4.88
BUENAVISTA	Total Tax Revenue	29,130,000.00	94.46	32,910,000.00	95.25
	Total Operating & Miscellaneous Revenue	1,710,000.00	5.54	1,640,000.00	4.75
	Total Income	30,840,000.00	100.00	34,550,000.00	100.00
	IRA	26,500,000.00	85.93	30,000,000.00	86.83
	Income net of IRA	4,340,000.00	14.07	4,550,000.00	13.17
JORDAN	Total Tax Revenue	24,719,000.00	94.53	28,638,000.00	95.01
	Total Operating & Miscellaneous Revenue	1,431,000.00	5.47	1,504,000.00	4.99
	Total Income	26,150,000.00	100.00	30,142,000.00	100.00
	IRA	2,140,000.00	8.18	25,000,000.00	82.94
	Income net of IRA	24,010,000.00	91.82	5,142,000.00	17.06
NUEVA VALENCIA	Total Tax Revenue	23,007,235.65	91.76	26,462,787.00	92.63
	Total Operating & Miscellaneous Revenue	2,067,000.00	8.24	2,105,000.00	7.37
	Total Income	25,074,235.65	100.00	28,567,787.00	100.00
	IRA	24,133,740.00	96.25	24,724,287.00	86.55
	Income net of IRA	940,495.65	3.75	3,843,500.00	13.45
SAN LORENZO	Total Tax Revenue	15,561,319.00	96.98	17,661,942.00	96.66
	Total Operating & Miscellaneous Revenue	484,000.00	3.02	611,000.00	3.34
	Total Income	16,045,319.00	100.00	18,272,942.00	100.00
	IRA	14,853,819.00	92.57	17,004,442.00	93.06
	Income net of IRA	1,191,500.00	7.43	1,268,500.00	6.94
SIBUNAG	Total Tax Revenue	15,545,000.00	97.66	17,472,000.00	97.80
	Total Operating & Miscellaneous Revenue	373,000.00	2.34	393,000.00	2.20
	Total Income	15,918,000.00	100.00	17,865,000.00	100.00
	IRA	15,000,000.00	94.23	17,000,000.00	95.16
	Income net of IRA	918,000.00	5.77	865,000.00	4.84

Table 4. Expenditures By Province/Municipality

Municipality	Sector	2000 Estimates		2001 Estimates	
		Amount (Pesos)	% of Total	Amount (Pesos)	% of Total
GUIMARAS PROVINCE	Personal Services	70,518,077.00	49.48	78,264,883.00	50.91
	MOOE	16,173,594.00	11.35	18,181,622.00	11.83
	Capital Outlay	957,500.00	0.67	997,200.00	0.65
	Non-office	8,884,072.00	6.23	10,565,000.00	6.87
	Budgetary Req'ts & Statutory Obligations	45,976,683.00	32.26	45,732,259.00	29.75
	Total	142,509,926.00	100.00	153,740,964.00	100.00
BUENAVISTA	Personal Services	18,569,000.00	60.21	21,208,000.00	61.38
	MOOE	4,517,000.00	14.65	5,261,000.00	15.23
	Capital Outlay	115,000.00	0.37	0.00	0.00
	Non-office	0.00	0.00	0.00	0.00
	Budgetary Req'ts & Statutory Obligations	7,639,000.00	24.77	8,081,000.00	23.39
	Total	30,840,000.00	100.00	34,550,000.00	100.00
JORDAN	Personal Services	18,117,318.00	72.99	20,973,359.00	69.59
	MOOE	1,680,400.00	6.77	1,777,000.00	5.90
	Capital Outlay	0.00	0.00	0.00	0.00
	Non-office	715,000.00	2.88	855,000.00	2.84
	Budgetary Req'ts & Statutory Obligations	4,308,000.00	17.36	6,532,450.00	21.68
	Total	24,820,718.00	100.00	30,137,809.00	100.00
NUEVA VALENCIA	Personal Services	16,341,333.00	65.17	17,871,843.00	62.56
	MOOE	2,761,600.00	11.01	2,633,000.00	9.22
	Capital Outlay	186,000.00	0.74	0.00	0.00
	Non-office	212,500.00	0.85	229,244.00	0.80
	Budgetary Req'ts & Statutory Obligations	5,572,460.00	22.22	7,833,638.00	27.42
	Total	25,073,893.00	100.00	28,567,725.00	100.00
SAN LORENZO	Personal Services	10,166,905.90	63.38	11,508,786.73	62.99
	MOOE	1,515,628.00	9.45	1,778,200.00	9.73
	Capital Outlay	272,000.00	1.70	80,000.00	0.44
	Non-office	315,000.00	1.96	545,000.00	2.98
	Budgetary Req'ts & Statutory Obligations	3,772,779.75	23.52	4,358,185.50	23.85
	Total *	16,042,313.65	100.00	18,270,172.23	100.00
SIBUNAG	Personal Services	9,779,438.60	61.44	10,522,671.32	58.90
	MOOE	2,226,437.95	13.99	1,880,078.68	10.52
	Capital Outlay	102,223.45	0.64	325,000.00	1.82
	Non-office	0.00	0.00	0.00	0.00
	Budgetary Req'ts & Statutory Obligations	3,809,900.00	23.93	5,137,250.00	28.76
	Total	15,918,000.00	100.00	17,865,000.00	100.00

* The 2000 data is based on the sum of half-year actual data and half-year estimate

DUMAGUETE: Review of the Dumaguete City Master Plan and the Comprehensive Land Use Plan

The six-year Master Plan (1998-2004) provides a framework for the future development of the city of Dumaguete. It is a legal document that serves as the "constitution" for the development of the area and the use of land within its boundaries.

The Comprehensive Land Use Plan (CLUP) is a document which embodies development plans and sectoral proposals for guiding and regulating growth and development. The plan encompasses the different sectors such as physical, environmental, social, economic, infrastructure, administrative, and fiscal matters. The document was prepared in a participatory manner and based on the concept of sustainable development for a twenty-six year period.

The Master Plan presents five major challenges:

1. Sporadic and arbitrary construction of structure and facilities.
2. Congested flow of vehicles and people within the city.
3. Population pressure
4. Homelessness among 10-15 percent of households

The CLUP aims to address the following concerns:

1. Population pressure
2. Unemployment
3. Limited agricultural areas
4. Inadequate supply of medicines and personnel requirements
5. Urgent repair of 60 percent of public elementary and high school buildings
6. Social problems (i.e. Inadequate housing; unemployment; drug abuse; child abuse; vagrancy; street children and malnutrition)
7. Increasing crime incidence
8. Inadequate public security and fire fighting services

The Master Plan clearly justifies the third and fourth concerns by presenting statistical data. The first, second and fifth concerns are merely based on observations and are not supported by statistics.

The CLUP includes a complete situationer. Sufficient data and sectoral reports are presented as a basis in identifying developmental needs.

The overall goal of the Master Plan is to make Dumaguete "the most livable city in the Philippines" in a manner that is environmentally sensitive, commercially supportive, industrially progressive, and pedestrian friendly.

To address the city's different concerns, the metropolis has been divided into five planning districts:

1. Planning District One : To be developed as a showcase University Town/Old Town area
2. Planning District Two: Development to take into account the need for open spaces, housing facilities, and the protection/advancement of the District's fishing areas.
3. Planning District Three: To be developed as the city's "New Town"
4. Planning District Four: To be developed as the environmental facility center of the city.
5. Planning District Five: Development to focus on the opening of major and secondary arterial roads.

Each planning district has a well-defined set of goals, objectives and strategies in which annual targets are presented.

The CLUP is based on the principle of sustainable development.

The sectoral goals, objectives and strategies are well defined. Policy recommendations, targets and plan implementation are also outlined. Proposal for

plan implementation includes the following: implementing and monitoring mechanisms, plans and programs. The CLUP as a 26-year plan does not specifically include annual targets.

Both the Master Plan and the CLUP have well-defined frameworks. The overall vision, goals and objectives, as well as targets and recommendations are clearly stated.

The Master Plan and CLUP clearly identify sectors that must be given more serious attention. There are the following:

1. Land Use and Environmental sector
2. Economic/Commercial/Industrial sector
3. Social sector
 - Health
 - Education
 - Infrastructure sector
 - Housing
 - Social welfare
 - Agricultural

Content and Coverage

The Master Plan's concentration is more on tangible development programs such as: waterfront development; construction of harbor terminal facilities and an outdoor/pedestrian walk along Perdices street.

The CLUP's emphasis on social welfare concerns is an indicator of the Master Plan's concern towards the poorer sector of the City of Dumaguete.

The CLUP gives priority to the delivery of social welfare services. Social welfare services which include programs and projects on child and youth welfare; family and community welfare; elderly and disabled persons welfare; community based rehabilitation programs for vagrants, beggars, street children, scavengers, juvenile delinquents and victims of drug abuse; livelihood; nutrition services; family planning services and other pro-poor projects.

Both the Master Plan and the CLUP incorporate MDG and Social Development Concerns. In the CLUP, there are some components that are substan-

tially discussed such as food security and hunger elimination; shelter; personal security and crime prevention and social protection. On the other hand, the following components are mentioned with specific targets: universal primary education; infectious disease and family support system. The following are mentioned but without targets: poverty reduction; empowering women; reduction of child mortality; maternal health; environmental sustainability; employment and disaster mitigation. The remaining components, such as gender equality; HIV/AIDS and global development partnership, are not mentioned at all.

The MDG and WSSD's goals are reflected in the vision, mission, objectives and goals of the Master Plan and the CLUP. However, their inclusion in the developmental plans cannot be described as substantial.

The CLUP includes a Planning Management Information System which is prepared annually. This is a monitoring mechanism based on the planned targets. The NGOs are also mandated to continually participate and implement their specific programs for the poor in partnership with the LGUs and other NGOs/POs.

The two developmental plans present data that are not desegregated by sex, poverty level and ethnicity.

The Master Plan was formulated during the administration of the former local chief executive, Mayor Felipe Antonio Remollo (1999-2001). The City Government tapped various planning and design volunteer consultants coming from the academe and NGOs/POs. They provided technical assistance in the preparation of the document for presentation to the official bodies and councils of the City Government of Dumaguete and to the general public.

On the other hand, the CLUP is a product of the present administration's development agenda. A collaborative effort forged between the City Government and various national and local officials tasked to submit sectoral reports as situationers, as well as, sectoral proposals.

Summary of the Budget indicating the allocation for Basic Social Services (1999-2002, in Pesos)

Budget	1999	2000	2001	2002
1. General Services	80,759,023.00	82,263,217.00	88,768,043.00	84,756,767.00
2. Economic Services	86,440,863.00	95,113,765.00	99,852,028.00	82,020,369.00
3. Social Services	27,355,306.00	29,548,018.00	34,140,929.00	31,192,759.00
Grand Total	194,555,192.00	206,925,000.00	222,761,000.00	197,969,895.00

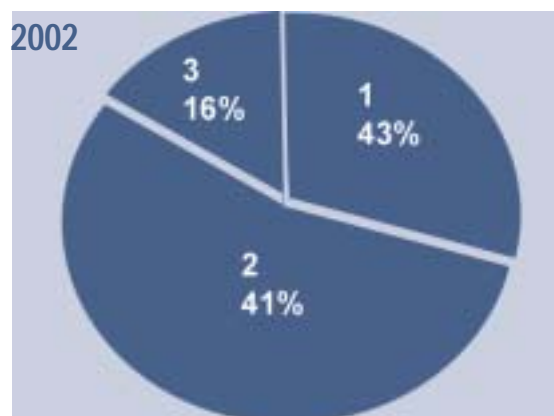
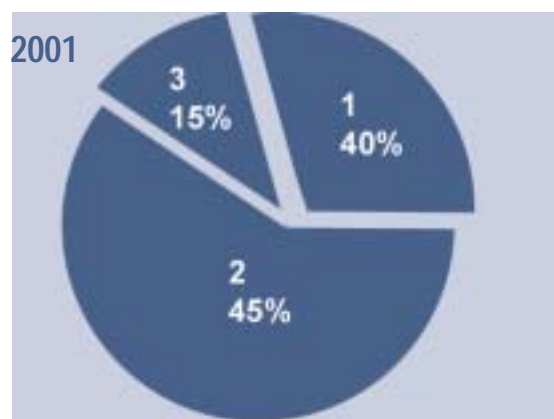
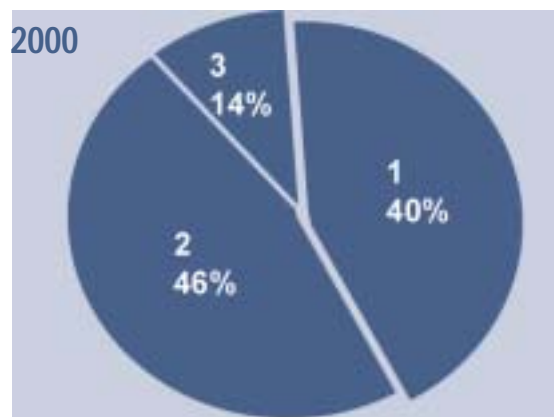
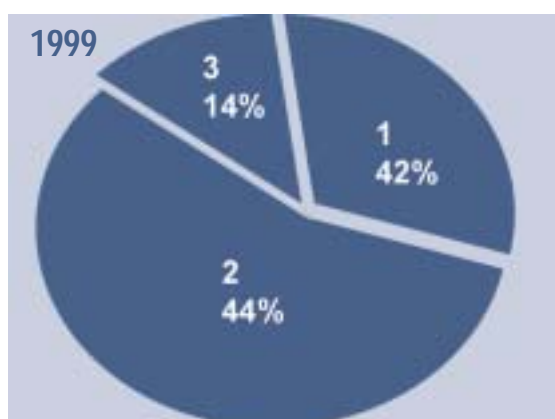
Salient Features of the Development Plans

1. Mission, vision and goals are well stated
2. Objectives and strategies are definite
3. Recommendations such as policy implementation are specifically presented to establish the mission, vision, goals and objectives of the development plan.

Gaps and Weak Points

1. The Master Plan is mainly focused on infrastructure programs. It puts less emphasis on the social sector.
2. The situationers for the Master Plan are not supported by sufficient data which is needed as a basis in determining developmental needs.
3. The Master Plan does not set an annual target nor a plan implementation scheme.
4. The CLUP and Master Plan are weak in upholding gender equality and global developmental partnership.
5. The CLUP and Master Plan failed to incorporate a monitoring and evaluation method.

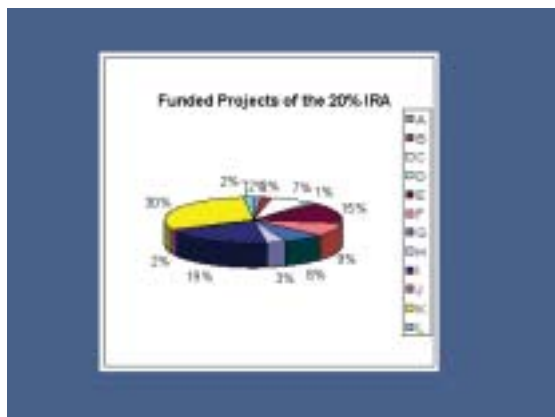
Budgetary Priority



The Table and the four pie graphs above show the budgetary priorities of the City Government of Dumaguete. The first budgetary priority is for economic services; second priority is intended for general services while social services received the least priority.

2002 Annual Investment Plan to be funded out of the Development Fund Equivalent to 20% IRA

Programs/Projects	Amount (Pesos)
A. Environment Programs and Solid Waste Management	410,000
B. Construction and repair of health and day care centers	500,000
C. Land acquisition for urban poor housing projects and site development	2,000,000
D. Food Security	360,000
E. Const.,maintenance and repair of local roads and bridges	4,112,979
F. Const.,maintenance and repair of electrical, water and sewerage systems, power and communication facilities	2,520,000
G. Const.,repair of buildings, purchase of equipment necessary in the implementation of infrastructure undertakings	2,035,000
H. Other infrastructure or capital outlay projects	902,000
I. Loan payments	5,200,000
J. Management Tools	500,000
K. Social Welfare Services	8,037,000
L. Tourism Programs	500,000



The City Government of Dumaguete complies with the budgetary requirement regarding the automatic allocation of 20 percent of the IRA to social development concerns, such as basic education; nutrition; water and sanitation and primary health care.

Sources of Local Revenues (1999-2001, in Pesos)

Dumaguete City has five major sources of local revenues: Tax Revenues, Revenue from Operation, Capital Revenue, IRA and Borrowing.

Sources of Revenues in Dgte. City	1999	2000	2001
Tax Revenue	34,365,000.00	40,578,751.46	39,840,446.65
Revenue from Operation	14,223,408.16	13,224,459.40	13,296,846.52
Capital Revenue	14,244,889.61	6,263.00	----
IRA	92,928,659.00	108,195,272.00	101,692,867.40
Borrowing	----	18,741,027.62	----
TOTAL	155,761,956.80	180,745,773.50	154,830,160.60

Tax Revenues are the local taxes that can be collected by a city as authorized by the Local Government Code of 1991. Local taxes include the following:

1. Real Property tax – (current, preceding and penalties)
2. Transfer Tax
3. Business Taxes and Licenses
4. Tax on Liquor
5. Tax on Peddlers
6. Tax on Printing and Publications
7. Occupation Tax, Professional Tax
8. Franchise Tax
9. Sale of Plates and Badges/Sticker's Fee
10. Signboard Fees
11. Community Tax
12. Amusement Tax
13. Sand and Gravel
14. Weights and Measures
15. Others, Misc. Taxes (Citations, Banks, Insurance)
16. Immigration Tax/Alien Registration Fee
17. Fines and Penalties (Other Taxes)

Revenue from Operations include the following:

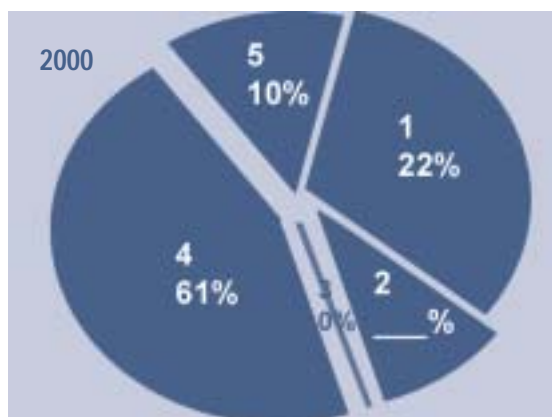
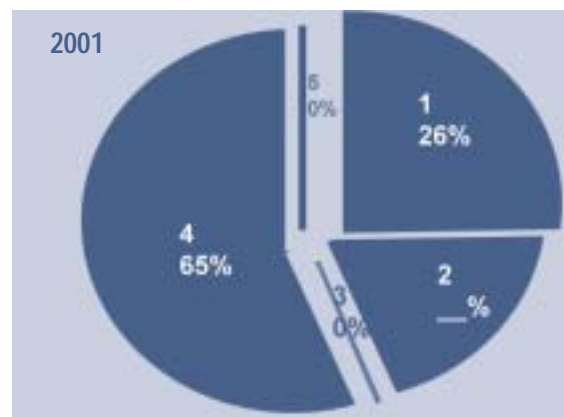
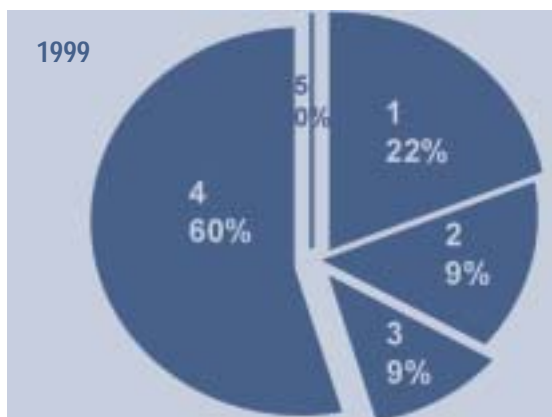
1. Registration Fees
2. Inspection Fees
3. Fiscal/Mayor Fees
4. Building Permit Fees
5. Marriage Fees
6. Burial Permit Fees
7. Impounding and Sale of Stray Animals
8. Bicycle Permit Fees
9. Motorized Tricycle Operation/Supervision Fees
10. Police Clearance Fees

11. Tax Clearance Fees
12. Pest Control Fees
13. Court Fees
14. Mayor's Permit Fees
15. Excavation Fees
16. Parking and Terminal Fees
17. Storage Fees
18. Extraction Fees
19. Sale of Plants and Farm Products
20. Interests on time deposits
21. Interest on Special Saving's Deposit
22. Interests earned-T bills
23. Interest earned Current Deposits
24. Rents
25. Miscellaneous Service Fees
26. Subdivision Fees
27. Interest Payments
28. Interest Payments (DCGEGWA)
29. NORECO Dividend
30. Investment Loan Payments
31. Sale of Waste Materials
32. Payment for Plans/Bid forms/Bid schedule

33. City share - PCA
34. Miscellaneous Income
35. Liquidated Damages
36. Demolition Fees
37. Payment of In Lieu-Share
38. Damage Claims
39. Fines and Penalties
40. Operations from Public Markets
41. Operations from Public Slaughterhouses
42. Operations from Public Cemeteries

Capital Revenue includes the sale of fixed assets and sale of animals. The Internal Revenue Allotment is the just share of the City Government from the national taxes. The last source of income comes from borrowings.

The pie graphs below show the percentage of tax collection, revenue operation, capital revenues, IRA and borrowing. The results shown in these pie graphs show the City Government's ability in generating local funds.



As shown in the pie graphs, the City Government of Dumaguete is dependent on the Internal Revenue Allotment. In 1999, 60 percent of its revenues were sourced from the IRA. In fiscal year 2000, IRA provided 61 percent of its income. In 2001, 65 percent of revenues came from the IRA.

Allocation by Object of Expenditures (1999-2001, in Pesos)

Actual Expenditure	1999	2000	2001	2002
Personal Services	102,890,646.34	105,050,287.73	116,426,175.96	
Maintenance & other Operating Expenses	54,707,980.35	80,358,032.17	69,090,403.07	
Capital Outlay	19,232,582.88	32,818,877.58	18,840,463.74	

The Object of Expenditures are classified into the following: Personal Services; Maintenance and other Operating Expenses and Capital Outlay. Below are the pie graphs showing the percentage of PS, MOOE and CO in the annual expenditures.

The City Government's largest expenditure is for Personnel Services (General Fund Proper and Economic Enterprises Proper). Second largest expenditure goes to maintenance and other operating expenses (General Fund Proper and Economic Enterprises Proper). Third largest expenditure is for Capital Outlay.

Actual Expenditure
1999



Actual Expenditure
2000



Actual Expenditure
2001



COTABATO: Review of the Medium Term Development Plan

The Medium Term Provincial Plan of Cotabato Province spans six years covering the period between 1999-2004.

After a series of workshops and consultations, the Sanguniang Panlalawigan formulated this plan. This medium – term development plan drafted by the province will be prepared every six years.

The development plan begins with a situational analysis focusing on the major development challenges and concerns of the province. These are:

- Inadequate access to infrastructures and communication facilities.
- Inadequate access to basic services and economic opportunities, especially poverty groups such as urban poor, marginalized farmers, fisher folk, cultural minorities and other disadvantaged groups like street children, women and disabled persons.
- Deteriorating peace and order situation.

The problem of inadequate access to infrastructure and communication facilities was identified based on the analysis of past trends; sectoral performance and the new development thrust of the present leadership. The basic services and economic opportunities were identified based on high poverty incidence; high underemployment rate and high incidence of malnutrition.

Another concern is the deteriorating peace and order situation. This is underscored by the on-going conflict between Muslims and Christians.

Environmental management and tourism were also part of the plan. Various measures have been implemented by the Provincial Environment and Natural Resources Officers (PENRO) to ensure the environment of the province is safe and clean. Tourism is one of the fast emerging programs under the present leadership. As a resource- rich province, ac-

tivities of the tourism program are directed towards the preservation and protection of nature's resources. One such major resource is Mt. Apo which has been identified as an eco-tourism destination.

Education:

The non-formal education (NFE) sector is mandated to undertake programs and activities for instruction research.

This is undertaken through Non-Formal Projects as its outreach arm in basic functional literacy and livelihood skills training. In the province there are eight districts that have organized NFE functional literacy classes. A total of 22 classes have been organized. Ten districts, on the other hand, have organized livelihood skills training. So far, 4,817 individuals have graduated from the functional literacy classes. Another 507 individuals have completed the livelihood skills training.

To hasten the provision of Level II potable water supply in priority barangays, the Provincial Government has committed P6.76 million in funding assistance through the Cost Recovery Scheme Program. Due to economic and practical considerations, emphasis has been given to organizing associations to operate and maintain the project upon its turnover to the recipients. At present, 15 projects have been completed while another 15 are on going.

The 20 percent Economic Development Fund (EDF) Annual Budget for CY 1999 was P69.71 million. The 20 percent of EDF were utilized mainly for MOOE; capital outlays; agricultural development projects; repair and maintenance of government facilities and economic services. Total EDF expenditures amounted to P66.38 million.

The 1999 IRA collection amounted to P191.31 million, 20 percent more than the previous year's collection of P159.80 million.

The statistics provided in the development plan are for the purpose of supporting and validating the problems and concerns identified. The data presented indicate trends during previous years.

The Plan shows enough figures and historical trends to define the current state of Cotabato Province.

Chapter Three covers the development vision, mission, goals, objectives, targets and strategies. All of the elements of this chapter such as development framework, goals, strategies and indicators are clear and well defined. The development plan mission is basically to achieve a better quality of life for the people in the province. The goals are to improve the people's ability to meet their minimum basic needs as well as their active participation in the social, economic and political endeavors affecting their development. Initiatives shall be pursued in providing basic services such as light, water, road and livelihood opportunities. The province's natural resources and ecosystem will be tapped to improve the living conditions of the poor, without sacrificing the sound ecological balance for the benefit of future generations. This is followed by the overall strategies outlining the approaches the province will undertake to realize its mission:

These are the objectives, strategies, policies and targets for specific sectors of the development plan:

- The human and development sector with the following subsectors- population, settlement and human welfare; education; and health and nutrition.
- The economic sector
- The infrastructure sector
- The institutional and financing sector

The goals, objectives and strategies are comprehensive, clear and well defined because the plan starts from the general vision, mission and goals and goes down to the specific details of each sector and sub sectors. It is able to outline definite objectives and targets for all the sectors it covers. There are no targets set on an annual basis, rather all targets are programmed to be met at the end of the six-year plan period.

The development plan clearly identified the vulnerable sectors. These include: marginalized farmers; urban poor; fisher folk; cultural minorities and other disadvantaged groups like children; women and disabled persons. It was stated in the mission statement, the development plan goals and objectives that the primary goal is to uplift the quality of life of disadvantaged sectors. Targeting of the poor is definite because most of the measures and programs are designed to address their needs. The programs show a pro-poor bias because a substantial part of the development plan focuses on them.

Content and Coverage

In terms of MDG and social development concerns, the development plan can be described as moderately weak. It was observed that the plan is substantial in the following areas: reduction of malnutrition and universal primary education. It also mentioned the following areas with targets: food security; poverty; employment; crime prevention; social protection and peace and order.

The plan does not include and mechanism for the monitoring and evaluation of projects. In planning and implementation of the programs, the plan only identifies the Provincial Development Councils and the Regional Development Councils as the lead agencies.

The development plan was drafted with the participation of various representatives from the national and local government units, NGO's, PO's, and private sector who underwent the following training: Literacy Planning Workshop; Population Development Planning; Food Security Planning Workshop; Economic Development Planning Workshop; Cooperative Planning Development Workshop and Health Strategic Planning Workshop.

The sources of data are: Draft of Cotabato Provincial Physical Framework; Training Needs Assessment of LGU's in Region XII; Cotabato Conceptual Land Use Plan; 1999-2004 Local Development Investment Program of different agencies and Municipal governments and through Research.

Salient Feature

- The Development Plan mission, vision and goals are clear and well formulated.
- The objectives are comprehensive and tackled more concerns while the targets are definite and specific.
- The programs are well targeted to the primary beneficiaries.

Gaps and Weak points

- No annual targets set.
- There is no monitoring and evaluation method use in facilitating the implementation and attainment of the targets.
- Identification of the goals was based on statistics.

The listing of concerns was carried out without giving much importance to their validity because no statistics were provided to support the identification of these concerns.