05

Ensuring People-centered, Clean, and Efficient Governance

ENSURING PEOPLE-CENTERED, CLEAN, AND EFFICIENT GOVERNANCE

To achieve people-centered, clean, efficient, and effective governance, the strategies outlined in the Philippine Development Plan (PDP) 2017-2022 will reduce corruption, achieve seamless service delivery, enhance administrative governance, fully engage and empower citizens, and strengthen the civil service.

Two years into PDP implementation, the government has made significant strides in improving its internal systems and efficiency as attested by the passage of landmark bills (i.e., Philippine Identification System Act and the Ease of Doing Business and Efficient Government Service Delivery Act) and better scores in some global governance indicators (e.g., Global Competitiveness Index and Corruption Perceptions Index).

However, public perception of these reforms and quality of governance in general must be enhanced. Moving forward, the government will conduct advocacy activities, which require the development of a communications plan to engage citizens. Establishment of necessary systems for the seamless implementation of the recently enacted laws will also be pursued to streamline the delivery of services to the people.

Assessment

The Philippines has achieved mixed results in global governance indicators. Of the eight core indicators, one met its target (Global Competitiveness Index or GCI), one exceeded its target (Corruption Perceptions Index or CPI), and two more are expected to meet its 2018 targets (World Governance Indicator or WGI on Regulatory Quality and the Open Budget Index or OBI). Targets for the remaining core indicators are unlikely to be met.

These accomplishments may be attributed to the enactment of the Ease of Doing Business and Efficient Government Service Delivery (EODB and EGSD) Act of 2018 (Republic Act No. 11032) and the Philippine Identification System (PhilSys) Act (RA 11055), as well as the staunch commitment of the country to the Open Government Partnership (OGP) and anti-corruption initiatives.

The Philippines increased its ranking in the CPI from 38.3 percentile to 45.0 percentile, exceeding the target of 43.0 percentile. Consistent implementation of anti-corruption initiatives may have resulted in the recovery of the CPI this year.

The country achieved 60.0 percentile in the GCI due to steady gains in EODB reforms, particularly the use of technology in providing government services. In fact, the Philippines achieved a high e-participation index in the GCI (0.94),[1] the 19th highest in the world and the 2nd best in the ASEAN.

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[1] *The nearer to 1.00, the better the score. The e-participation index measures the use of online services to facilitate provision of information by governments to citizens (e-information sharing), interaction with stakeholders (e-consultation), and engagement in decision-making processes (e-decision making).*

The target for WGI-Regulatory Quality is achievable given the country's 2017 performance, which exceeded its target (55.8pctl vs. 54.0pctl). Spurred by the enactment of the EODB and EGSD Law, regulatory reforms in streamlining government processes will drive the country's performance in this indicator. Further, better regulations are expected given the institutionalization of regulatory impact assessments through the said law.

Similar to WGI, the OBI may be met as it surpassed the previous year's target (67/100 vs. 64/100). Although OBI data will be available in 2019, this target may be exceeded as the country has consistently fulfilled its National Action Plans for the OGP.

The rest of the core indicators may fall short of its targets due to negative public perception on the government as caused by delays in the implementation of infrastructure projects; spike in inflation; and the seemingly fragile relationship between the government and the media.

Table 5.1 Accomplishments versus Targets in Ensuring People-centered, Efficient, and Clean Governance

INDICATOR	BASELINEA		ANNUAL PLAN TARGETS			ACTUAL
	YEAR	VALUE	2018	2019	2020	2018*
Sector Outcome: People-centered, innovative, clean, efficient, effective and inclusive delivery of public goods and services ensured						
Score in national government index improved[b]	2016	None	N/A	N/A	TBD	Bidding of Expert
Subsector Outcome: Anti-corruption initiatives improved						
Percentile rank in the World Governance Indicators (WGI) - Control of Corruption Indicator improved[c]	2015	42	43	50	50	N/A
Percentile rank in Corruption Perceptions Index improved[d]	2015	43	44	50	50	45
Subsector Outcome: Seamless service delivery achieved						
Percentile rank in the WGI – Regulatory Quality improved[e]	2015	53	54	60	60	N/A
Percentile rank in the Global Competitiveness Index improved[f]	2016	59	60	62	62	60
Subsector Outcome: Administrative governance enhanced						
Percentile rank in the WGI - Government Effectiveness Indicator improved[g]	2015	58	59	60	60	N/A
Subsector Outcome: Citizenry fully engaged and empowered						
Percentile rank in the WGI - Voice and Accountability Indicator improved[h]	2015	52	53	60	60	N/A
Open Budget Index (OBI) score improved[i]	2016	64	64	67	67	N/A

[a] *Actual data as of December 2015, or most recent available data. May not necessarily be year-end values.*

[b] *The National Economic and Development Authority (NEDA) and the Philippine Statistics Authority (PSA) will develop the index from 2017-2019, and conduct pilot testing of the tool in 2020-2021. The said index is expected to be fully functional by 2022.*

[c] *Control of corruption captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.*

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

[e] *Regulatory quality captures perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development.*

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

[g] *Government effectiveness captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.*

[h] *Voice and accountability captures perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media.*

Reducing corruption

The Office of the Ombudsman has improved its punitive, preventive, and promotional strategies. In the first five months of 2018, 100.0 percent of appellate cases have been affirmed by the Supreme Court for criminal dispositions. Conviction rate has also reached 81.0 percent on the first quarter of 2018 vs. 77.0 percent in 2016. Further, from 19,814 cases being processed in 2011 (on top of the usual 5,000 cases annually), the docket has now been reduced to 6,000 by the end of 2017.[2] In terms of public assistance, the Office reported a disposal rate of 99.2 percent for Request for Assistance and Mediation cases. Programs to improve anti-corruption coordination among sectors are also continuously implemented such as the Integrity Management Program; Integrity, Transparency and Accountability in Public Service Program; and Campus Integrity Crusaders.

Achieving seamless service delivery

The government is steadily streamlining processes and policies to ease doing business, deliver efficient public service, and optimize its performance. This came in the form of the passage of two priority bills, automation of transactions, and simplification of government procedures and requirements.

Major accomplishments in this subsector are the passage of the PhilSys Act and the EODB and EGSD Act. The PhilSys Act streamlines private and public transactions and strengthens financial inclusion by establishing a single, valid government-issued identification document for Filipinos and resident aliens (*refer to Box Article 5.1*). Meanwhile, the EODB and EGSD Act enforces shorter and simpler transaction periods on government agencies by reducing the processing time, number of signatories, and requirements, among others.

Facilitating ease of doing business

Policies have been revised and supplemented in preparation for the full implementation of the EODB and EGSD Act. The Congress recently approved the amendments to the Corporation Code of the Philippines, which removes the minimum number of incorporators, permits electronic filing of reportorial requirements, and allows attendance in meetings via remote communication, among others.

For local government units (LGUs), a Joint Memorandum Circular, JMC 2018-01,[3] was issued directing LGUs to ease the processing of construction-related permits. It also prescribes the maximum processing time of application for these permits and issuance of certificates of occupancy to five working days and for Bureau of Fire Protection's permits to three working days. The JMC also mandates LGUs to establish one-stop shops (OSS) for the processing of construction clearances. Quezon City is a pioneer LGU that has established an OSS for business and building permits.[4]

These issuances were complemented with the necessary technological platforms. DTI launched the Project One website,[5] a one-stop portal containing information on LGUs and their business permit processes

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2   *2018 data is not yet available.*
3   *The Department of the Interior and Local Government, Department of Public Works and Highways, Department of Information and Communications Technology, and the Department of Trade and Industry issued JMC 2018: Guidelines in Streamlining the Processes for the Issuances of Building Permits and Certificates of Occupancy on January 2018.*
4   *Cahiles-Magkilat, B. (2018, April 28). DTI confident of improved ranking in WB 2019 Ease of Doing Business Survey. Manila Bulletin. Retrieved from https://business.mb.com.ph/2018/04/28/dti-confident-of-improved-ranking-in-wb-2019-ease-of-doing-business-survey/*
5   *Can be accessed at http://projectone.ph/*

and requirements.[6] Related to this, three LGUs have adopted the electronic Business Permit and Licensing System (eBPLS), and additional 42 are already underway. The Bureau of Customs also piloted the Enhanced Goods Verification System in three provincial collection districts to eliminate human intervention for filing goods declaration.[7]

The TradeNet Portal also went live in December, automating trade processes, licenses, and permits for linkage to the ASEAN Single Window.[8] Tariff codes for the regulated commodities of 24 government agencies[9] have been harmonized and classified as inputs to the TradeNet Portal (*see also Chapter 15*).

Delivering efficient service to the public

The shift towards e-governance is continuously moving forward. The number of eServices in the National Government Portal has increased to 156 from 102 in 2017. This shift has resulted in gains, particularly for the Department of Foreign Affairs (DFA). Since the implementation of an e-Payment system, passport application has been improved: the waiting time for online appointments was reduced from at most three months to at least two weeks, while processing time was reduced from 15 working days to 12.[10] The Bureau of Immigration also operationalized 21 E-Gates in the country's international airports to ease the arrival procedure for Filipinos with machine readable passports. The E-Gates enable faster travel for passengers and provide an accurate border clearing system with an average processing time of 18 to 22 seconds.

Another agenda advancing steadily is the expansion of services for overseas Filipino workers (OFWs). The Department of Labor and Employment created a 24/7 Command Center to serve as a central referral and action hub for OFW requests for immediate action and assistance *(see also Chapter 18)*. The Commission on Filipinos Overseas (CFO) also collaborated with eight LGUs in managing the *BaLinkBayan*, a one-stop online portal for diaspora engagement, bringing the total to 22 *BaLinkBayan* LGUs. The CFO also created a Registration and Reservation Online System to better accommodate overseas Filipinos participating in its pre-departure programs. Similarly, the Overseas Workers Welfare Administration launched the OFW e-card to ease members' access to its programs and services. Meanwhile, the DFA established three new foreign service posts[11] and seven regional consular offices.

Improving government processes and performance

Enhancements in performance management and technology use were also introduced. The Department of the Interior and Local Government (DILG) elevated the assessment criteria of the Seal of Good Local Governance (SGLG) from "4+1" to "All-In", wherein an LGU must pass all seven core areas before it gets the Seal.[12] Consequently, this reduced the percentage of provinces, cities, and municipalities conferred with the SGLG at 15.3 percent vs. 26.8 percent in 2017.

The Department of Budget and Management (DBM) has been modernizing its systems to improve budget management and monitoring. As part of the modernized Philippine Government Electronic Procurement System, DBM piloted a Virtual Store that will enable government agencies to purchase common-use supplies

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[6]   *Project One. Retrieved from* http://projectone.ph/about/

[7]   *Gutierrez, P. (2018, October 11). Implementation of '1-Assessment' deferred by BoC. Journal Online. Retrieved from https://journal.com.ph/news/ nation/implementation-1-assessment-deferred-boc*

[8]   *Philippine News Agency. (2019, January 9). DOF sustains programs to cut red tape, improve EODB in 2018. Retrieved from http://www.pna.gov.ph/ articles/1058372*

[9]   *As of November 2018.*

[10] *Marquez, C. (2018, September 28). Faster passport processing time starting Oct. 1 – DFA. The Philippine Daily Inquirer. Retrieved from http:// newsinfo.inquirer.net/1037252/faster-passport-processing-time-starting-oct-1-dfa*

[11] *The Philippine Consulate General in Houston, Texas; Philippine Consulate Frankfurt, Germany; and Philippine Embassy in Copenhagen Denmark were established in 2018.*

[12] *Seven core areas are Financial Administration, Disaster Preparedness, Social Protection, Peace and Order, Business Friendliness, Environmental Protection, and Tourism, Culture, and Arts.*

and equipment online. Further, DBM and the Department of Science and Technology (DOST) launched the Project Digital Imaging for Monitoring and Evaluation to monitor government projects through Light Detection and Ranging technology, satellites, and drones. It is currently monitoring 13 big-ticket projects, including construction and improvement of access roads leading to seaports and airports, North-South Commuter Railway, conditional cash transfer program, and basic education facilities, among others.

Enhancing administrative governance

Reforms in public financial management (PFM) has driven enhancements in administrative governance. Serving as a central database for PFM functions, DBM's Budget and Treasury Management System is already being used by four agencies (Bureau of the Treasury, DBM, DPWH, and DTI), while 12 others are undergoing briefing and training. This is still far from covering the whole of government, but along with the roll out, the system is being continuously improved and expanded to cover more functionalities. Further, PFM measures and standards were adopted and complied with by almost all cities and municipalities (99.8%), while provinces are slowly catching up (92.6%).

The Commission on Audit (COA) has lagged in reviewing and simplifying its rules and regulations aimed at updating its antiquated guidelines and addressing the varying interpretations of its issuances. In its 2016-2022 Strategic Plan, COA aimed to review auditing policies, rules, standards, and regulations through a Permanent Committee (PC). However, the PC was just created in 2018 and has, since then, only requested from heads of government agencies a list of auditing laws, rules and regulations which need updating or are counterproductive. As of September 30, 2018, only five of the 104 agencies have responded to this request.

Empowering and engaging the citizenry

The government has continued to pursue initiatives that encourage citizen participation in governance. To promote participatory governance, agencies have reinforced institutional frameworks. COA formally adopted and institutionalized Citizen Participatory Audit (CPA) as its regular program through COA Resolution No. 2018-006. Meanwhile, DILG tapped the University of the Philippines-Visayas and Bicol University to strengthen Local Development Councils in the formulation of higher quality Comprehensive Development Plans and in better data management.

The exercise of one's right to suffrage promotes participatory governance as well. As the 2019 midterm elections are fast approaching, the Commission on Elections (COMELEC) intensified its voter's education and information campaigns in the country and abroad, conducting twice the number of its 2018 target (46 vs. 24). This may have resulted in an increase of registered overseas voters from 1.38 million for the 2016 elections to 1.61 million for the 2019 elections.[13] COMELEC also upgraded its automated election system as its source code now contains information on the precinct number and geographical location of the votes.[14]

The Philippines has remained firmly committed to OGP. Through this platform, the Participatory Governance Cluster (PGC) conducted nine regional dialogues between the government and non-government sectors, where proposed plans and programs were developed for both the Philippine OGP National Action Plan and the PGC Performance and Projects Roadmap. As a global open government reform champion, the country has also hosted several peer-learning activities at the regional and global levels.

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[13] *Data as of September 2018. Patinio, F. (2018, September 13). Transfer of registration for overseas voters ends Sept. 15. Philippine News Agency. Retrieved from http://www.pna.gov.ph/articles/1047907*

[14] *Crisostomo, S. (2018, October 14). Comelec introduces 'enhancements' in source code of auto polls. The Philippine Star. Retrieved from https://www. philstar.com/headlines/2018/10/14/1859936/comelec-introduces-enhancements-source-code-auto-polls*

In terms of ensuring public access to information, 90.0 percent of national government agencies and government-owned and controlled corporations (GOCCs) have been onboarded to the electronic Freedom of Information (eFOI) portal, where over 7,712 eFOI requests have been logged.[15]

The government has also continued establishing response and feedback mechanisms: DTI, in partnership with Globe Business, launched its consumer hotline 1-DTI (or 1-384) to enable consumers and businesses to report concerns and issues; [16] DILG's Citizen Satisfaction Index System has been implemented in 256 LGUs (15.7%) to gauge public sentiments on the quality of service delivery in their locality; the Governance Commission for GOCCs has also rolled out a standard methodology for customer satisfaction to 78 GOCCs (49.7%).

The participation of OFWs in development planning is also being improved. The Philippine Statistics Authority (PSA) held the first National Migration Survey in 2018 to address the need for in-depth data on the mobility of Filipinos. Moreover, towards adopting an operational framework for counting international and internal migrants, the PSA approved the creation of the Task Force on Internal Migration Statistics and the Task Force on International Migration Statistics in April 2018.

Further, existing transparency initiatives are still being implemented. As of second quarter of 2018, 1,435 out of 1,592 LGUs (90.0%) are fully compliant with the Full Disclosure Policy. However, tightened evaluation in accordance to the 2017 Performance-Based Bonus Guidelines has led to a decrease in the compliance rate for Transparency Seal (75.0% in 2017 vs. 97.0% in 2016).[17]

Despite these accomplishments, trust towards the government has not improved as evidenced by the poor public perception and non-achievement of core indicators involving public perception. There is, therefore, a need to study and manage this to encourage more citizens to engage the government and become partners for change.

Strengthening the civil service

The Civil Service Commission (CSC) has sustained its efforts on strengthening the civil service through review of human resource (HR) rules and systems. As a result, the Commission was awarded silver-level accreditation under the Generation 6 Investors in People Standard[18] due to its reputation for integrity and experience of transformation. In fact, CSC ranked first among 42 public sector organizations which underwent the assessment.[19]

In terms of rules, the Commission issued the revised Omnibus Rules on Appointments and Other Human Resource Actions (ORAOHRA) to ensure consistency of provisions with administrative issuances and pertinent laws. Among these amendments are the shift in the role of a government agency's Human Resource Merit Promotion and Selection Board from recommendatory to assistorial;[20] and acceptance of other licenses as proof of eligibility for appointment to positions not involving the practice of profession.[21]

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[15] Data as of third quarter of 2018.

[16] CNN Philippines. (2018, August 17). Globe Telecom, DTI launch new consumer hotline. Retrieved from http://cnnphilippines.com/business/2018/08/17/globe-business-dti-enable-consumer-hotline.html

[17] Data as of October 2018.

[18] The IiP is an internationally recognized accreditation for better people management.

[19] CSC. (2018, July 3). CSC among the best globally for people management practices. Retrieved from http://www.csc.gov.ph/new-updates/1554-csc-among-the-best-globally-for-people-management-practices.html

[20] The Selection Board is no longer required to recommend the top-ranking candidates deemed most qualified for recruitment.

[21] CSC. (2018, August 31). Revised rules on appointments take effect – CSC. Retrieved from http://www.csc.gov.ph/new-updates/1591-revised-rules-on-appointments-take-effect-%E2%80%93-csc.html

On HR systems, the Strategic Performance Management System has been harmonized with the Program Expenditure Classification and the Results-based Performance Management System. Through the Program to Institutionalize Meritocracy and Excellence in HR Management (PRIME-HRM), CSC has awarded 123 agencies out of 640 agencies assisted in 2017. It has also validated 12 complying agencies[22] with Maturity Level 2 and conferred these agencies with the PRIME-HRM Bronze Award, subsequently.

As the bureaucracy gears toward the full implementation of governance reforms, the absorptive capacities of agencies must be continuously reinforced. Public servants should be able to contend with the pace of reforms; thus, continuous capacity building should be implemented.

Moving Forward

As the PDP implementation is approaching its midterm, efforts must be strengthened to ensure that reforms that have been enacted get implemented and begin to yield benefits; and also that the rest of the reform agenda be undertaken.

Efforts to address service delivery issues while implementing key legislative agenda will likely yield to favorable perception of the people towards the government. This however, might be offset by the current standoff between the government and several media outlets, which can also affect the country's rating in some indicators.

The passage of the PhilSys Act and the EODB and EGSD Act offers great promise in improving the access of the people to various government services. It is imperative that the requirements for the full implementation of these reforms be provided to fast-track their roll out.

With this, strategies must be prioritized and recalibrated to ensure that they remain responsive to the new realities in the governance sector and enable the government to sustain and expand its gains.

To ensure people-centered, clean, and efficient governance

Fast track the development of the National Governance Index. This index will address the demand for a more context-sensitive indicator to gauge the state of governance in the country. In addition, it is expected to improve the performance of the country in global indicators.
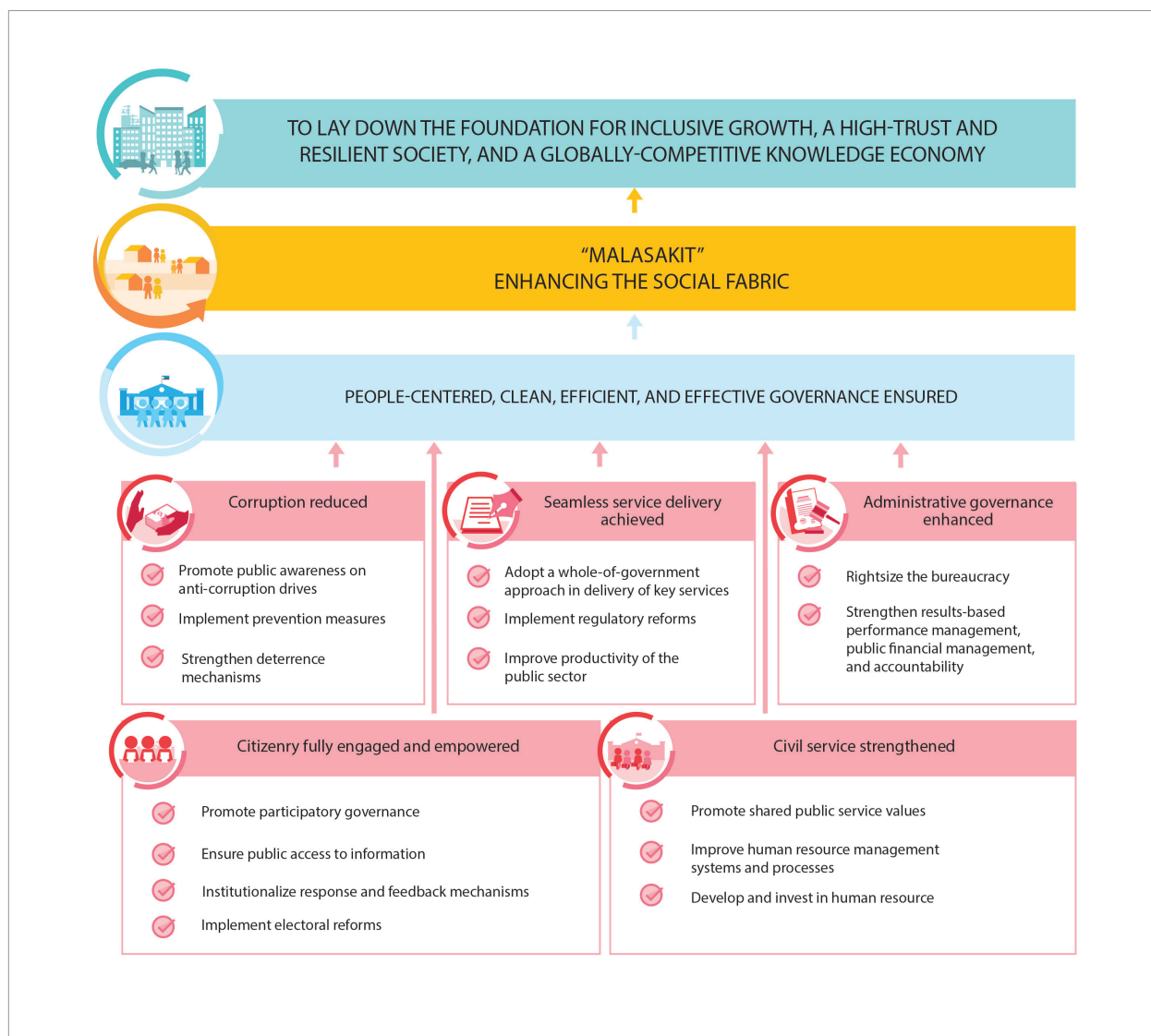
Review and amend the Government Procurement Reform Act to make it more responsive to the new realities in project implementation and be more facilitative of getting the best deals for the government, cost- and quality-wise. Doing so will enable the government to implement programs and projects faster and to provide better services to the people. This will drive up the satisfaction of the people towards government services, and may result in the improvement of the performance related to the indicator on government effectiveness.

Issue the necessary guidelines related to the National Evaluation Policy Framework (NEPF). This is to address the lack of a sustainable follow-up and follow-through in the implementation of government programs. Following the approval of the NEPF in 2015, it is yet to be fully rolled out to the whole of government. The issuance of these guidelines will operationalize the implementation of the said Framework. It will contain the implementing arrangements and principles for monitoring and evaluation.

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[22] *Data as of September 30, 2018.*

Figure 5.1 Strategic Framework to Ensure People-centered, Efficient, and Clean Governance

TO LAY DOWN THE FOUNDATION FOR INCLUSIVE GROWTH, A HIGH-TRUST AND RESILIENT SOCIETY, AND A GLOBALLY-COMPETITIVE KNOWLEDGE ECONOMY

"MALASAKIT"
ENHANCING THE SOCIAL FABRIC

PEOPLE-CENTERED, CLEAN, EFFICIENT, AND EFFECTIVE GOVERNANCE ENSURED

Corruption reduced
- Promote public awareness on anti-corruption drives
- Implement prevention measures
- Strengthen deterrence mechanisms

Seamless service delivery achieved
- Adopt a whole-of-government approach in delivery of key services
- Implement regulatory reforms
- Improve productivity of the public sector

Administrative governance enhanced
- Rightsize the bureaucracy
- Strengthen results-based performance management, public financial management, and accountability

Citizenry fully engaged and empowered
- Promote participatory governance
- Ensure public access to information
- Institutionalize response and feedback mechanisms
- Implement electoral reforms

Civil service strengthened
- Promote shared public service values
- Improve human resource management systems and processes
- Develop and invest in human resource

Aside from the guidelines, the bureaucracy should first be made aware of the need to implement for results. They should also be equipped with the necessary skills and information on logical framework analysis, theory of change, and then, monitoring and evaluation design and operations.

Conduct advocacy activities to expedite the passage of priority legislations. These include the E-Government Act, the Budget Reform Act, the Civil Service Code, and Amendment of the Local Government Code. The enactment of these laws will contribute to achieving governance outcomes, as these are designed to institutionalize existing reforms, harmonize various issuances, build the organizational capacities of relevant agencies, and provide for the budgetary requirements on the implementation of the laws, among others.

To reduce corruption

Expand anti-corruption initiatives through citizen engagement and technology use. Despite the achievements of the Ombudsman, there is still room for improvement in other anti-corruption agencies and initiatives. The Office of the Ombudsman may consider upscaling its efforts and utilizing appropriate technologies to expedite its procedures. Systems may be developed to automate complaints evaluation, case management, and case inventory.

Citizens must also be engaged to participate in the anti-corruption agenda. Together with DILG, COA must implement and institutionalize CPAs at the LGU level. By enjoining citizens to conduct audits, corruption may be minimized and public accountability may be exacted by a vigilant and informed citizenry.

Not everyone may be motivated to be part of CPAs; hence, there must be a way to determine the pulse of these passive citizens. In addition to the corruption questions in the Annual Poverty Indicators Survey, other rider questions may be added to understand public sentiments.

Another area that can be looked into is tapping technology to ensure that government projects are delivered on time, with the right specifications. COA may tap DOST in monitoring hard infrastructure projects through its geotagging technologies.

Similar to last year, it is still recommended to fast-track passage of other bills strengthening the Office to ensure that they are internally efficient and sufficiently empowered to act on corruption cases.

Fully implement penal provisions of anti-corruption issuances. This requires that necessary sanctions against corruption cases be applied at all times. Capabilities of relevant agencies with punitive authority should also be strengthened.

Fast-track the operationalization of the National ID system and other related government reforms to streamline and automate government processes. Reducing human intervention in the processing of transactions with the public will likely lessen the incidence of corruption and red tape in public service. As the government shifts toward e-governance, the operationalization of the National ID system will not only expedite the verification process of the government, it will also ease the access of more Filipinos to more government services.

Capacitate Internal Audit Service units of government agencies on effective internal control systems. Internal Audit units are tasked to ensure that agency resources are managed and utilized properly. More than ensuring that agencies have functional internal audit units, the government should start shifting to building the capacities of the existing internal audit units in carrying out effective control systems. After which, these training programs must be evaluated to ensure that knowledge and skills learned are translated to change in behavior and performance of the trained internal audit units.

To achieve seamless service delivery

Address capacity issues in the implementation of programs and projects. The implementation of the PhilSys Act and the EODB and EGSD Act requires full operationalization of its offices with competent technical personnel and sufficient capital outlay.

Particular to Philsys, with due advice from the PhilSys Policy and Coordinating Council, PSA must develop and implement a long-term strategic plan to finalize risk management strategies, data privacy management, and technological interfacing, among others.

Particular to the Anti-Red Tape Authority (ARTA), the newly-established agency need to conduct the necessary training programs on regulatory impact analysis, estimation of administrative cost, compliance cost, among others. These programs must fully engage frontline service personnel —from identifying specific strategies for agency rollout to updating citizen's charters and other relevant documents. This also entails the preparation of corresponding change management plans to ease the transition to the new ways of doing things. The development of incentives system can likewise be explored to drive the compliance to the provisions of the law.

 As a partner in the implementation of the PhilSys Act and the EODB and EGSD Act, the DICT must also be capably staffed and institutionally prepared to manage reforms requiring their assistance. In coordination with DBM and CSC, DICT must increase its manpower and plantilla positions. This can also be addressed by the enactment of the E-Government Act. The agency may also consider outsourcing services to offload its current workforce.

Aside from human resources, agencies must also be supplied with adequate funds for investing in systems and fulfilling technological requirements of the EODB and EGSD Act. Included in these technologies is a system to archive information and documents for appropriate data mining.

Involve LGUs as partners in the issuance of business permits and licenses. To this end, the current Modernizing Government Regulation Programs can be expanded to cover LGUs and improve systems and processes related to permits and licenses. Compliance cost analysis at the local level can also be applied to ensure that LGUs foster a conducive environment for businesses and industries to thrive in their respective localities.

To enhance administrative governance

Review COA rules and regulations in terms of uniform application and clear definition. This review is necessary so that audit rules and regulations reflect the realities on the ground, including advancements in technology, changes in financial systems, and necessary exceptions to tools used for public service delivery. COA must hasten the conduct of this review to immediately decommission outdated and counterproductive regulations, and harmonize fragmented rules. In particular, the issues of unclear definition and varying interpretation of audit rules must be resolved.

Craft continuity plans and change management plans. To ensure that gains and developments in the government are guarded from the disruption that can be caused by the possible shift in government and the Constitution, it is important that agencies have their continuity plans and change management plans. In crafting these plans, it is necessary that relevant stakeholders are engaged and consulted to ensure their buy in and support to the implementation of the said plans.

Conduct appropriate capacity building activities and transitionary mechanisms to ease the adaption to the cash-based budgeting scheme. The shift from an obligation-based budgeting to a cash-based budgeting scheme has been long warranted to improve the Philippine budget system. As the bureaucracy gears toward the implementation of the cash-based budgeting for 2019, the whole of government needs to be capacitated and necessary transitionary mechanisms should be put in place.

To engage and empower the citizenry

Foster a culture of engaging, consulting, and advocating to the citizenry within the government. To garner appreciation of governance reforms, the government must provide an enabling culture for citizen engagement and participation. Agencies must proactively solicit comments and suggestions from citizens using a three-pronged approach: providing adequate venues for engagement; communicating in clear language; and collaborating with other sectors.

Expanding the reach of existing mechanisms and institutionalizing reforms may provide adequate venues for engagement. The Citizens' Hotline must be scaled up to extend its services through other platforms such as text messaging and online feedback. Although their website[23] touts a social media page, the link is no longer operational. Aside from the Citizens' Hotline, agencies may also consider using other platforms such as crowdsourcing methods. Institutionalization may come in the form of providing a line item in the budget of all agencies for communications plan and feedback strategies. Easing the access to necessary resources will enable agencies to communicate reforms in traditional media that have wider reach (i.e., radio or television shows).

The government must likewise craft and implement a communications framework. This will define the scope, procedures, and requirements in engaging and consulting civil society and the academe to ensure that reforms are participatory, transparent, and representative of local and sectoral needs. The framework must also identify strategies and protocols in advocating reforms to the common Filipino. Accompanying this is updating protocols where citizens interface with the government such as the Citizens' Charter. Development of this framework may be taken up by the Inter-Agency Committee on Good Governance, in consultation with the Presidential Communications Operations Office (PCOO) and other implementing agencies.

Collaborating with other sectors may also be beneficial. For example, the government may also explore partnering with the media to harness feedback received from citizens who utilize radio, television, mobile, and social media channels for engagement. This should, however, ensure that the objectivity of the media is maintained while soliciting feedback from citizens.

 While the country is performing well in budget transparency as reflected in the OBI score, there is a need to upscale efforts in implementing OGP commitments. This can be done by cascading experiences and lessons to other government agencies for best practices.

Mainstream the involvement of migrants and micro, small, and medium enterprises (MSMEs) in local development planning. Integrating the needs and concerns of underrepresented sectors in local planning is important to make government programs and projects more inclusive and responsive. One way of instilling this to local governance is through the expansion of the localization of the *BalinkBayan* Portal to cover more LGUs.

To push for the involvement of MSMEs in the local development agenda, the government can look into including the provision of assistance to MSMEs in the indicators being monitored in DILG's Seal of Good Local Governance.

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[23]   *See http://contactcenterngbayan.gov.ph/transparency/about-ccb*

Strengthen Local Development Councils and other statutory councils. Existing mechanisms designed to make governance participatory as stipulated in the Local Government Code of 1991 should be revisited. Other than reviewing the number of required membership of civil society organizations (CSOs) in these councils, it is also recommended that prior their inclusion as members of local special bodies, CSO representatives should be evaluated to ensure that their organizations are legitimate and indeed represent a sector, instead of instituting member of organizations that are affiliated with LGU officials. Apart from this, capacities of CSO representatives must be built to ensure that their participation to statutory councils will be substantial. Their counterparts from LGUs should likewise be capacitated to create an environment that is conducive for CSO participation.

To make these reforms more holistic, strategies at the local level should be complemented by strengthening DILG's absorptive capacity in implementing programs related to participatory governance.

To strengthen the civil service

Review the ORAOHRA guidelines. The review will skirt stringency and inefficiencies and facilitate the process of hiring and promoting personnel in the government service. This will be instrumental in expediting the filling of vacant positions in the bureaucracy.

Develop a whole-of-government evidence-based training framework. To ensure that investments from training programs will benefit the right beneficiaries and yield the intended results, a framework will be developed based on the assessments of training needs from agencies.

Box Article 5.1. The Philippine Identification System

The Philippine Identification System (PhilSys) or RA 11055 was enacted into a law on August 6, 2018. It took effect on August 25, 2018 and its implementing rules and regulations were approved on October 5, 2018.

The Philippine Statistics Authority (PSA) spearheads the program's implementation under the guidance of the PhilSys Coordinating Council. The Council is an inter-agency body composed of NEDA (as Chair), PSA (as Co-Chair), DBM (as Vice-Chair) and 11 other member agencies (DFA, DICT, DOF, DSWD, DILG, NPC, BSP, GSIS, PhilHealth, SSS, and PHLPost).

The PhilSys provides identification to citizens and resident aliens of the country. It serves as the government's central identification platform, whereby the PhilSys ID (PhilID) is the official government-issued identification document. It sufficiently provides a valid proof of identity to its owner for any transaction with the government and private entities.

The System promotes seamless service delivery, reduces corruption, curtails bureaucratic red tape, strengthens financial inclusion, enhances administrative governance, averts fraudulent transactions and misrepresentations, promotes technology adoption, and stimulates innovation.

In the next two years, the PSA will finalize the technical requirements for the system, implement an extensive information awareness campaign (with PCOO and other agencies), develop a long-term strategic plan, and procure the end-to-end system. The World Bank and Asian Development Bank are also providing technical expertise on building the system.