Chapter 14

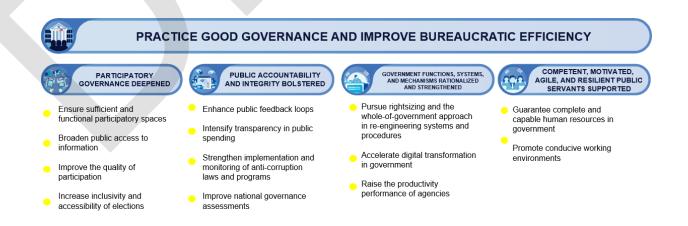
# PRACTICE GOOD GOVERNANCE AND IMPROVE BUREAUCRATIC EFFICIENCY

Two years into the implementation of the PDP 2023-2028, significant efforts have been made in the governance sector, resulting in deeper citizen participation, strengthened accountability and transparency, and streamlined government systems. Several reforms have been initiated, including the institutionalization of the Philippine Open Government Partnership (PH-OGP), the enactment of the New Government Procurement Act, adoption of technologies for improved service delivery, and capacity-building interventions for local government units (LGUs) and civil servants.

During the remaining Plan period, the government will intensify efforts to foster a more inclusive and participatory governance framework, strengthen public accountability and integrity, optimize government operations through digitalization and strengthened collaboration, and develop human resources.

## Accomplishments

Table 14.1 Progress Report for Practice Good Governance and ImproveBureaucratic Efficiency



The government strengthened participatory mechanisms and access to information to promote inclusive governance. The PH-OGP expanded its nongovernment membership, engaging diverse sectors such as women, youth, environment, and justice. The Stakeholders' Chamber on the SDGs has also increased its membership from 42 non-government members in 2022 to 65 members. Public access to information was significantly improved through the rollout of the Barangay FOI Program, along with the integration of artificial intelligence (AI) tools into the eFOI Portal. Moreover, 48 agencies have been onboarded in the ARTEMIS.

The Register Anywhere Project and the expansion of alternative voting venues made voter registration more accessible to the public, raising the number of malls designated as official voting centers from 11 in 2023 to 42 in 2025. Through Resolution No. 10946, s. 2023, COMELEC established the Committee on *Kontra Bigay* and the *Kontra Bigay* Complaint Center for the disqualification and prosecution of candidates engaged in vote-buying.

Monitoring and evaluation mechanisms must be bolstered to ensure that commitments in the 6<sup>th</sup> PH-OGP National Action Plan remain on track. The high turnover of designated FOI Officers and the low awareness of LGUs may have resulted in the non-attainment of targets for FOI-related indicators.<sup>1</sup> Moreover, the FOI Bill is yet to be passed to institutionalize public access to information.

The government advanced public accountability through citizen-partnership audits, smarter procurement, and stronger anti-corruption efforts. COA completed 166 out of 175 (94.9%) of its Citizen Participatory Audits, strengthening citizen oversight in public financial management. In 2024, there were 1,533 of 1,716 LGUs (89.34%) that passed the Good Financial Housekeeping while awardees of the Seal of Good Local Governance (SGLG) increased to 714 provinces, cities, and municipalities (PCMs) from 493 in 2023. Notably, 22 LGUs were eight-time winners, while 135 were first-time SGLG recipients. Transparent procurement processes were also promoted through the implementation of the modernized PhilGEPS by 51 agencies.<sup>2</sup> Under the *Bantay Korapsyon* Program, 1,891 local functionaries from 792 LGUs were trained in anti-corruption policies, and three advanced modules on quasi-judicial functions were developed to enhance the institutional

<sup>&</sup>lt;sup>1</sup> These include the following indicators: (a) Success rate in processing requests in the eFOI portal increased; (b) Average number of working days in processing time of eFOI portal requests decreased; and (c) Number of LGUs Adopting Local FOI Ordinances increased.

<sup>&</sup>lt;sup>2</sup> The 51 agencies include three (3) pilot agencies, six (6) pioneer agencies, and 42 procuring entities that are neither classified as pilot or pioneer agency.

capacity of local sanggunians. Meanwhile, OMB sustained its Corruption Prevention initiatives, which includes the capacity assessment of the anti-corruption systems and process in the country. Notably, the enactment of the NGPA introduced reforms to further modernize and streamline existing procurement systems.

Despite recent gains, the Philippines did not meet its 2023 target (34.4/36.0) under the Legatum Prosperity Index (LPI)–Government Integrity.<sup>3</sup> The report showed declines in scores related to public fund diversion, clientelism, and corruption, underscoring persistent challenges in transparency and accountability. Meanwhile, the Progressive Budgeting for Better and Modernized Governance Bill remains pending in Congress.

Efforts to strengthen government functions, systems, and mechanisms have led to notable progress, yet critical challenges hinder the full realization of institutional reform and operational efficiency. The DILG, in collaboration with the Union of Local Authorities of the Philippines, conducted a study to rationalize the functional assignment of LGUs.

To support the transition to full devolution, DEPDev assessed the fiscal and institutional implications of reassigning devolved functions, services, and facilities across LGU levels (i.e., province, city, and municipality) and provided recommendations to better implement a phased-in devolution process.

Digital transformation initiatives were also accelerated with the issuance of EO 29, s. 2023, and the formation of a Task Team to operationalize the IFMIS. The DRSL system was developed to improve the submission, review, and approval process for LGU funding requests. Under the GQMP, 82 agencies received capacity-building grants, covering 4,000 public servants trained on quality systems and ISO standards. As of 2023, 342 public sector organizations were certified with ISO Quality Management System certification.

Despite these advancements, a comprehensive, government-wide optimization of functions and systems remains pending, awaiting the enactment of the Government Optimization Bill. Additionally, the Philippines declined in the LPI–Government Effectiveness, which dropped from 48.5 in 2022 to 42.5 in 2023. Inefficiencies in the use of public assets and weak implementation mechanisms were factors behind the decline, underscoring the urgency of accelerating structural, organizational, and capacity-building reforms across all levels of government.

<sup>&</sup>lt;sup>3</sup> The Philippines achieved a score of a 34.4 which is short of the annual target of 36 for 2023.

The government continued to advance public sector professionalism through improved HR systems, streamlined executive development, and expanded leadership training opportunities. The CSC remained committed to driving improvements in HR maturity across agencies, with 844 reaching Levels 2 to 4 under the PRIME-HRM program.<sup>4</sup> The Career Executive Service (CES) reinstated the four-stage development track to protect the integrity of leadership program. Moreover, two new modules were introduced under the CES LAMPP-Gabay program, with 2,330 officials received training, further strengthening the leadership pipeline in the civil service.

Despite these efforts, the country fell short of its 2024 targets for the following indicators: (a) Number of Public Management Development Program (PMDP) trained successors to third level positions increased and (b) Number of Capacity Building on Innovative Leadership for Legislative Staff (CBILLS) trained legislative staff and officials increased. The decline is attributed to the limited range of learning modalities and topics currently offered. Moreover, the proposed establishment of Human Resource and Management Offices (HRMOs) in LGUs has yet to advance in Congress.

### Implementation of the Transformation Agenda

The chapter contributes to the transformation agenda on local and national government collaboration as well as digitalization.

**Effective development relies on strong collaboration between national and local government.** The roll-out of the *OGPinas!* Nationwide Advocacy Campaign and the inclusion of five local government<sup>5</sup> in the OGP Local Program contribute to advancements in local open governance. Meanwhile, the DBM has trained almost 9,000 local PFM practitioners through the PFM Competency Program to support the country's transition to full devolution.

Several digital platforms have been implemented for more efficient and faster service delivery. The DICT has launched 20 digital platforms, facilitating over 410 million secure transactions. Government services are also being integrated into the PhilSys for identity verification. The Philippines Statistics Authority, in collaboration with the DICT and the Office of the Special Assistant to the President for Investment and Economic Affairs, has launched the Digital National ID, National ID Check, and eVerify platform. These initiatives allow citizens to download a digital version of their ID, verify the authenticity of the National ID, and promote ease of application for potential relying parties, respectively.

<sup>&</sup>lt;sup>4</sup> Data as of May 22, 2025

<sup>&</sup>lt;sup>5</sup> LGUs include (i) Baguio City, (ii) Quezon City, (iii) Tagbilaran City, (iv) Municipality of Larena, Siquijor, and (v) Province of South Cotabato.

Additionally, the COA has rolled out the Electronic New Government Accounting System in 126 national government agencies (NGAs) and 23 LGUs, and the Electronic Budget System in 126 NGAs and nine LGUs to further improve financial management and transparency in government operations.

## **Action Plan**

Empowered citizens, digital innovation, and a more capable public sector are driving governance reforms, supported by stronger citizen engagement, structural and electoral reforms, and a focus on transparency and accountability. Anti-corruption efforts will be intensified through early detection and stricter enforcement, alongside improved coordination across government levels. Streamlining bureaucracy, devolving functions, and advancing digital transformation will reduce inefficiencies, while investments in leadership, merit-based systems, and civil service capability aim to build a future-ready public sector.

### **Updated Strategy Framework**

The framework for good governance and bureaucratic efficiency is retained to achieve the four outcomes while the strategies were enhanced.

# Figure 14.1 Strategy Framework to Practice Good Governance and Improve Bureaucratic Efficiency<sup>6</sup>

<sup>&</sup>lt;sup>6</sup> The first chapter outcome was revised from "Participatory Governance Deepened" to "Participatory Governance Deepened and Broadened" to encompass the expansion of non-government membership in the existing participatory governance platforms. The strategy "Enhance public feedback loops," which is more aligned with participatory governance, was moved from Outcome 2 to Outcome 1. Under Outcome 2, the strategy on public spending was revised from "intensify" to "ensure" while local governance assessments were added to ensure the improvement of local government efficiency. Under Outcome 3, the term "rightsizing" was revised to "government optimization."



### **Strategies**

#### **Outcome 1: Participatory governance deepened**

#### Ensure sufficient and functional participatory spaces

**The government will promote shared responsibility in achieving development.** To strengthen local special bodies (LSB) and civil society participation, the DILG will continuously provide capacity-building activities for CSO desk officers and CSO members of LSBs and People's Council. Meanwhile, the DBM will engage more localities through the *OGPinas!* while the DILG will tap local governments to promote OGP values through an OGP Localization Plan.

DEPDev, in partnership with the UNDP, will promote the use of recent developed Stakeholder Partnership Accelerator for Convergence and Engagement Web Application to identify potential investments and foster collaboration towards achieving the SDGs. Additionally, the Stakeholders' Chamber will expand its membership by the end of 2025, ensuring inclusive stakeholder engagement and equitable representation.

#### Broaden public access to information

**Efforts to ensure public access to information will be enhanced.** The continuous enhancement of the eFOI Portal will include AI-powered upgrades, such as the Recommender System<sup>7</sup> and the Automated Personally Identifiable Information Redactor

<sup>&</sup>lt;sup>7</sup> The Recommender System increases the likelihood that the request is submitted to the appropriate agency, improving accuracy and efficiency.

(APIIR),<sup>8</sup> and training programs for FOI officers across government agencies. In relation, the public and agencies will be encouraged to utilize the eFOI portal. The PCO and DBM will lead efforts to pass the FOI bill to further strengthen access to information and participatory governance.

ARTA will onboard more agencies into ARTEMIS to manage and monitor Citizen's Charter submission. AI will be integrated into the Philippine Business Regulations Information System to improve efficiency, accessibility, and automation in regulatory management by simplifying regulation uploads and tagging, improving search functionalities, and providing predictive analytics.

#### Improve the quality of participation

**The government will further improve the quality of participation.** The DILG will sustain the implementation of the Regional Institutional Development Support Program to effectively address governance challenges by identifying capacity development needs of LGUs and designing targeted interventions, particularly for those that did not pass the SGLG.

#### Increase inclusivity and accessibility of elections

**The government will intensify structural and electoral reforms.** COMELEC will expand voter registration sites and platforms, including mall voting centers, the Register Anywhere Project, and satellite registration areas. Digital platforms will continue to be utilized to improve voter information dissemination. Moreover, COMELEC will complete the codification of special laws not covered by the Omnibus Election Code as a step towards strengthening election laws and procedures.

#### Enhance public feedback loops

**Feedback mechanisms will be enhanced for a more responsive and accountable government.** ARTA will fully implement the Electronic Complaint Management System project and integrate the Report Card Survey (RCS) and Client Satisfaction Measurement, into the ARTEMIS platform, making it a one-stop compliance hub. Meanwhile, the DILG will develop a guidebook and conduct annual training for CSO desk officers. The CSC will continue its Contact Center ng Bayan's partner recognition program to recognize agencies with outstanding achievements in customer feedback.

<sup>&</sup>lt;sup>8</sup> The APIIR is designed to enhance the privacy and security of user data.

#### **Outcome 2: Public accountability and integrity bolstered**

#### Ensure transparency in public spending

The government will uphold accountability and build public trust by ensuring transparency in public spending. The mPhilGEPS will be fully implemented by 2026. This will be supported by mandating all procuring entities to use mPhilGEPS and expanding interconnectivity with partner agencies. Meanwhile, the CPA program will be broadened to cover priority audit areas in select national government agencies, government-owned and controlled corporations, and LGUs. The updated CPA guidelines will also be finalized and issued.

At the local level, the government will strengthen the capacity and oversight functions of Local Project Monitoring Committees (LPMCs). The scope of the Monitoring and Evaluation of Assistance to LGUs will also be expanded to accelerate infrastructure development while a multi-level monitoring will be institutionalized by integrating Third-Party Monitoring, alongside the strengthening of LPMC for First-Party Monitoring to ensure transparency, accountability, and effectiveness across all stages of project implementation. Building on recent technical assistance efforts across seven regions, nationwide orientations will be conducted for LGUs and relevant stakeholders on the roles and responsibilities of LPMCs in ensuring effective oversight of local infrastructure projects.

#### Strengthen implementation and monitoring of anti-corruption laws and programs

The government remains committed to a whole-of-government approach in combating corruption. The *Bantay Korapsyon* (BK) Program will be further institutionalized by mainstreaming localized integrity assessments and enhancing local accountability through tailored capacity-building and reassessment of local sanggunian's quasi-judicial functions.

The OMB will expand its Integrity, Transparency, and Accountability in Public Service program with new learning modalities, including asynchronous modules for external stakeholders. The Integrity Management Program is recalibrating its design as part of its enhanced roadmap, with a bridging program for implementation in 2026 and a refined monitoring and evaluation framework by 2027.

To complement existing initiatives, the government will develop comprehensive programs and projects that address corruption—from prevention and detection to enforcement and punitive action. Enhanced communication and coordination among anti-corruption authorities and government agencies will be prioritized to improve effectiveness in combating corruption.

#### Improve national and local governance assessments

The government will strengthen national and local governance assessments to ensure informed, timely, and responsive public sector management. Following the issuance of the Revised National Evaluation Policy Framework (NEPF) on April 14, 2025, a National Evaluation Agenda will be issued to identify priority government programs and projects for evaluation during the remaining years of the administration. Complementary to this, the operational guidelines will be developed to support and guide the implementation of the Revised NEPF including the formulation and submission of Department/Agency Evaluation Agendas as well as the conduct and monitoring of the management response process. In addition, a guideline on evaluation in the National Government will be issued to standardize content and quality of evaluation reports, streamline processes, and clarify institutional and individual responsibilities.

The SGLG will shift from an annual to a term-based assessment structure<sup>9</sup> to align with the three-year term of local chief executives and provide LGUs adequate time to implement substantial reforms. The SGLG's ten governance areas will also be grouped into three outcome areas for a more strategic approach.<sup>10</sup> Meanwhile, the RCS will be revised to reflect transaction-related challenges and low-traffic agency operations, with improved sampling methods, pre-validated contact lists, and proactive client engagement to boost response rates.

# Outcome 3: Government functions, systems, and mechanisms rationalized and strengthened

#### Pursue government optimization and the whole-of-government approach in reengineering systems and procedures

The government will pursue optimization by advancing structural reforms and implementing full devolution to streamline operations, enhance efficiency, and improve service delivery across all levels of government. Pending the passage of the Government Optimization Bill, DBM will lead the review of the mandate, functions, management systems, and processes of agencies to improve operational efficiency, eliminate overlaps, and enhance service delivery. The DBM will also study the feasibility of issuing an EO to implement organizational optimization initiatives within the Executive Branch should the Government Optimization Bill not be passed.

<sup>&</sup>lt;sup>9</sup> There is a need to recalibrate the SGLG to support long-term solutions and not mere annual compliance, streamline indicators to focus on measurable impact, and improve funding mechanisms for fairer and more effective resource distribution.

<sup>&</sup>lt;sup>10</sup> These are innovation, fiscal management, and disaster resilience.

In anticipation of the amendment to EO No. 138, s. 2021, the DILG will prepare implementing guidelines, revised transition plans, and a systematic monitoring and evaluation tool to ensure smooth and effective transition.

#### Accelerate digital transformation in government

The government will implement integrated ICT systems to enhance service delivery promote interoperability, transparency, efficiency, and accountability. To accelerate digital transformation, DICT will fully implement the updated E-Government Masterplan including a new web application integrated with the eGovPH app to improve service delivery and user experience. The Information Systems Strategic Plan will be updated to promote interoperability and bolster cybersecurity across government platforms and systems.<sup>11</sup>

To address limited ICT capacity particularly in aligning systems with the PhilSys, the PSA will provide targeted support to LGUs and other government agencies by facilitating their integration with the National ID System. The PSA will develop a National ID Stand-Alone Authentication System, which will serve as a secure and standardized mechanism that LGUs and other agencies can adopt to verify the identity of clients.

In parallel, public financial management systems will be strengthened through the development of a robust system controls framework for ICT-enabled financial transactions. This framework will ensure that all budgeting, accounting, and auditing processes fully comply with applicable laws, rules, and regulations. By embedding compliance mechanisms into digital systems, the government can reduce opportunities for mismanagement and promote greater fiscal discipline. To enhance efficiency and accountability in public fund utilization, the Digital Requests Submission system for the Local Government Support Fund will be rolled out nationwide to streamline fund processing and improve transparency among LGUs.

#### Raise the productivity performance of agencies

Efforts to raise the productivity performance will center on redefining the GQMP and enhancing its mechanisms for the continual promotion and enhancement of public sector performance. The GQMP will be strengthened to enhance public service delivery including the Citizen Satisfaction e-Survey and Business Satisfaction e-Survey. To align performance monitoring with productivity goals, the government will harmonize performance measurement and reporting systems.

<sup>&</sup>lt;sup>11</sup> DICT. (December 23, 2024). "DICT Launches eGovernment Masterplan to Propel National Digital Transformation." Sourced from: https://ictstatistics.dict.gov.ph/dict-launches-egovernment-masterplan-to-propel-national-digital-transformation/

# Outcome 4: Competent, motivated, agile, and resilient public servants supported

#### Guarantee complete and capable human resources in government

The government will continue implementing programs and reforms that will strengthen capability, meritocracy, and leadership in the bureaucracy. The CSC will enhance the PRIME-HRM automated system and deploy more accredited external assessors to support regional implementation. The CSC will also develop a unified public sector competency framework. A resolution will be issued to institutionalize core leadership and functional competencies across agencies.

The CESB will complete the updated profile for career officials. The four-stage CES eligibility process and program offerings for third-level officials will be further strengthened through more Assessment Center sessions, updated modules, and diversified learning delivery modes. To reinforce leadership development at all levels, the PMDP will enhance its Executive Leadership Program and include digital transformation and AI topics to ensure that middle and senior managers are equipped with emerging competencies relevant to a rapidly evolving governance landscape.

#### Promote conductive working environments

The institutionalization of alternative working arrangements (AWAs), though supported by updated policies such as CSC Resolution No. 2400837, s. 2024, continues to face operational challenges. To address these gaps, the government will establish a monitoring and evaluation framework to assess agency compliance and inform continuous policy improvement. Policy enhancement efforts will also explore additional safeguards to ensure better integration of occupational health and safety considerations. Moreover, the government will strengthen awareness and implementation of capacities at agency level through capacity-building programs, such as those focused on the effective use of ICT tools.

### **Targets**

The core indicators are retained for the rest of the Plan period except for the *Percentage of provinces/cities/municipalities (PCMs) conferred with the SGLG increased*, which will be reprogrammed into a term-based assessment structure.

Building on the gains in the previous years, targets for the percentage of PCMs compliant with Local Development Council functionality standards and the Open Budget Index (OBI) were adjusted to ensure that the country maintains its performance.

	Baseline Value (Year)	Accomplishment		Updated Targets				Responsible
Indicator <sup>12</sup>		2023	2024	2026	2027	2028	Means of Verification	Agency/ Inter-agency body
Outcome 1: Pa	rticipatory g	overnance	deepened					
Percentage of PCM compliant with Local Development Council functionality standards increased	P–85 C–83 M–74 (2022)	P-69.14 C-78.08 M-56.38	P-58.02 C-93.92 M-84.66	P-93 <mark>C-94</mark> M-85	P-95% C- 97% <sup>13</sup> M-88%	P: 100 C: 100 M: 91	DILG Annual Report	DILG
Outcome 2: Pu	blic account	tability and i	integrity bol	stered				
OBI score improved <sup>14</sup>	68 (2021)	75	N/A	N/A	75 <sup>15</sup>	N/A	OBI Report	DBM
Outcome 3: Go	vernment fu	nctions, sy	stems, and	mechanisi	ns rationa	lized and	strengthened	
Number of government agencies/ offices onboarded and contributing to the Open Data Philippines Portal increased	0 (2022)	19	22	40	40	40	DICT Annual Report	DICT
Outcome 4: Co	mpetent, mo	otivated, agi	le, and resil	ient public	c servants	supporte		
Percentage of CES positions occupied by CES Officers and CES eligible increased (%)	45 (as of Sept. 2022)	45	52.33	53	54	55	CESB Occupancy Reports; List of Approved Rank Appointments transmitted by the OP	CESB

#### Table 14.2 Updated Results Matrix: Practice Good Governance and Improve **Bureaucratic Efficiency**

<sup>&</sup>lt;sup>12</sup> The indicator "Percentage of PCMs conferred with the Seal of Good Local Governance (SGLG) increased" was reclassified from core to non-core indicator due to the reprogramming of the SGLG. Once the SGLG has been reprogrammed, assessments will be conducted only at the end of each term of local governments, which means that no new data will be available for this indicator until 2028.

<sup>&</sup>lt;sup>13</sup> The targets for 2026 and 2027 were revised given the accomplishment of 93.92 percent in 2024, which exceeded the original targets (i.e., 89 percent in 2026 and 91 percent in 2027).

<sup>&</sup>lt;sup>14</sup> Targets are reflected every other year due to the survey's frequency.

<sup>&</sup>lt;sup>15</sup> The target for 2027 was revised from 73 to 75, following the country's accomplishment in 2023.

## Legislative Agenda

The following legislative agenda will be pursued for the rest of the Plan period.

Table 14.3 Legislative agenda to Practice Good Govern	ance	e and Im	prove
Bureaucratic Efficiency			

Legislative Agenda	Rationale/Key Features	Responsible Agency
Freedom of Information Bill	Mandate public access to official government information to enhance transparency, citizen participation, and accountability in all levels of government.	PCO, DBM
Progressive Budgeting for Better and Modernized Governance Bill	Improve government accountability to people; embed mechanisms to ensure fiscal sustainability; drive digital transformation in PFM; empower the citizens through an open government; and implement the Cash Budgeting System.	DBM
New Government Auditing Code	Update existing auditing rules and regulations through the strengthening of COA and leveraging of ICT to improve audit techniques	COA
National Evaluation Policy	Institutionalize regular evaluation and use of evaluation study results to guide policy decisions and ensure transparency.	DEPDev, DBM
Government Optimization Bill	Enhance the government's institutional capacity and enable government agencies to implement transformational reform initiatives and improve public service delivery by undertaking organizational actions and pursuing systems and productivity improvement measures that will strengthen government agencies to perform vital/core functions, as well as streamline and reduce redundant/overlapping functions, programs and projects.	DBM
Amendments to the Local Government Code (RA 7160)	Amend RA 7160 to address provisions that may require revisions and to attune the law with current developments in the local governance landscape.	DILG
Amendments to the Philippine Statistical Act of 2013	Enhance the mandates of the statistical system including the PSA to include strengthening the organizational structure and	PSA

Legislative Agenda	Rationale/Key Features	Responsible Agency
	align functions based on additional mandates under PhilSys Act, Community-Based Monitoring System Act, and the Philippine Ecosystem and Natural Capital Accounting System Act.	
Amendments to the Civil Registration Law	Establish the identity and recording of vital events through the institutionalization of up to date, simplified, and efficient procedures in civil registration.	PSA
Creation of Human Resource and Management Offices in local government units	Establish HRM Offices in LGUs and mandates regular HRM officers in LGUs to build a competent local government workforce; amends the LGC's optional designation of local officers.	CSC