

# State of Local Governance Performance and Local Development Report 2009



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**Region IV-B**

# Executive Summary

The launching of LGPMS V2 provides an easier way of examining and reviewing the essence of governance and accountability among local government units. It adopts a system of performance management that will enable our local officials to measure the level of their performance in the delivery of public services and to explore the necessary actions to close the gaps between the desired performance vis-à-vis their actual performance, hence, it is a tool for bridging the present to the future.



For DILG, LGPMS is not just a tool for the capacity development of LGUs; it is also a means to uplift public accountability- a foundation of good governance. LGPMS showcases the different faces and phases of public accountability through the delivery of essential and basic services, institutional development and people empowerment.

Corollary, DILG Region IV-B, consistent with its mandate of promoting good governance and accountability by advocating the use of LGPMS as a tool for LGUs, implemented the same despite the challenges in order to help its LGUs attain the much coveted socio-economic and political stability.

For PY 2009, MIMAROPA got a 3.93 performance rating (PR) which corresponds to "fair" connoting that there is still a need for improvement. The rating can be attributed to the high ratings on three (3) governance areas: valuing fundamentals of governance, social and environment. However, areas on administrative and economic obtain an above par rating.

The regional performance rating is shown by the table below:

Governance Areas	Province	City	Municipality
Valuing Fundamentals of Governance	4.3	4.51	3.98
Administrative Governance	3.64	4.38	3.89
Social Governance	4.23	4.37	3.99
Economic Governance	4.63	4.49	3.50
Environmental Governance	4.31	4.48	4.02

On the state of development, the regional development index was at 2.9 due to the "poor" showing on economic development and "fair" on the social and environmental development sector.

The development condition in 2009 can be summarized by the table below:

Development Sector	Province	City	Municipality
Social Development	4.30	4.51	3.98
Administrative Governance	3.64	4.38	3.89
Social Governance	4.23	4.37	3.99



## 1. The Region

Region IV-B otherwise known as MIMAROPA region is composed of five island provinces namely Occidental Mindoro, Oriental Mindoro, Marinduque Romblon and Palawan; 1 HUC, 1 component city, 71 municipalities and 1458 barangays.

The region was formerly a part of Region IV-B until its separation in 2003 by virtue of Executive Order No. 103.

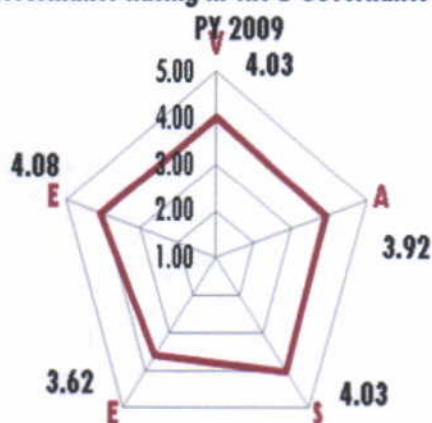
MIMAROPA is a region of peace, cultural pride and self-managed communities of empowered families. Within five years from its creation, it hopes to become the new gateway to the Southern Philippines and the food basket of Metro Manila and CALABARZON.

### Five Governance Areas

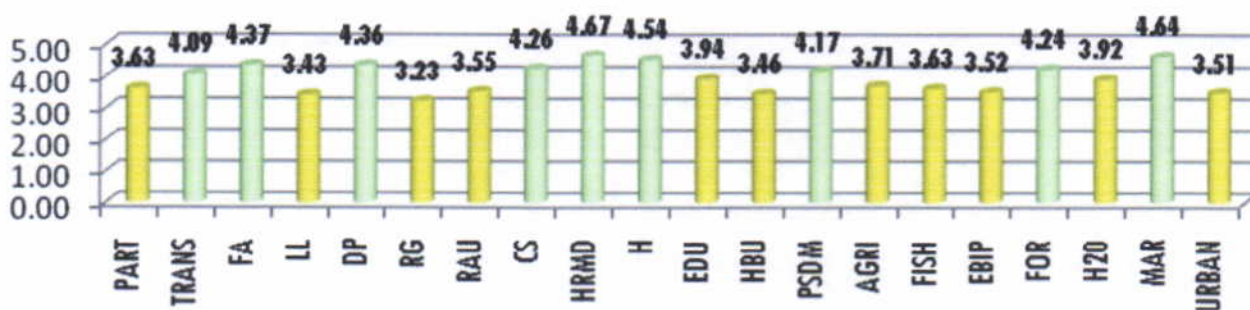
For PY 2009, MIMAROPA got a "fair" or 3.93 performance rating (PR). The rating can be attributed to the high ratings on three (3) governance areas: valuing fundamentals of governance, social and environment. However, on the areas of administrative and economic governance, it obtained an above par rating of 3.92 and 3.62, respectively.

MIMAROPA's PR was influenced by its performance level in the twenty (20) service areas comprising the 5 governance areas. It can be deduced from the chart below that there were eleven (11) service areas that ranked above fair but not high. These eleven service areas are: participation; local legislation; revenue generation; revenue allocation and utilization; education; housing and basic utilities; agriculture; fishery; entrepreneurship, business, and industry promotion; freshwater ecosystem; and urban ecosystem. The remaining nine (9) service areas obtained a high performance scale, viz: transparency; financial accountability; development planning; customer service; human resource management and development; health; peace, security and disaster management; forestry ecosystem; and marine ecosystem.

Performance Rating in the 5 Governance Areas

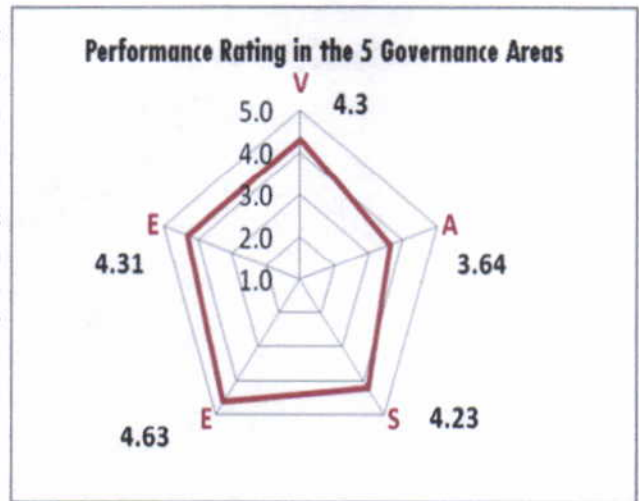


### The 20 Service Areas



## 2. The Provinces

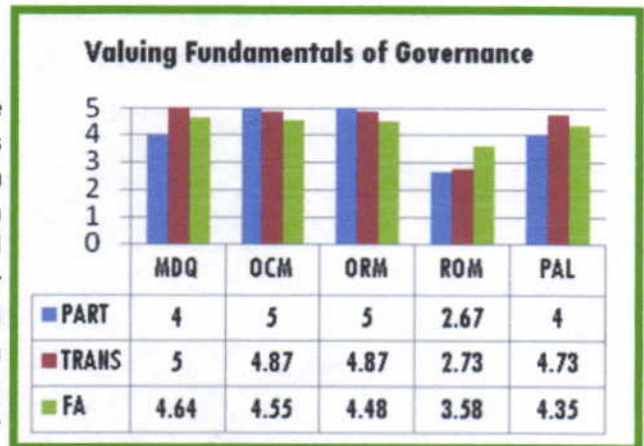
The State of Local Governance Performance of the Provinces in MIMAROPA is characterized by the performance level of the five (5) provinces in the five (5) governance areas as presented in Chart 2. It can be deduced that the overall performance rating of MIMAROPA provinces was 4.22 — wherein the Province of Romblon obtained the least performance rating at 3.86 which is within the benchmark level. On the other hand, Oriental Mindoro emerged well with a rating of 4.51. The remaining provinces fell behind Oriental Mindoro and averaged between 4.01- 4.23 performance scale.



The provincial rating of 4.22 can be attributed to the high performance level in the four governance areas: valuing fundamental of governance, social, economic and environment. The active involvement of NGOs in various government undertakings and the intensive support to agriculture, fishery and business development of MIMAROPA provinces were contributing factors in attaining a high performance scale. Noteworthy also was the support provided by all the provinces in the management of the forest, coastal marine, freshwater and urban ecosystem which are essential in maintaining the ecological balance of the community.

### a. Valuing Fundamentals of Governance (VFG)

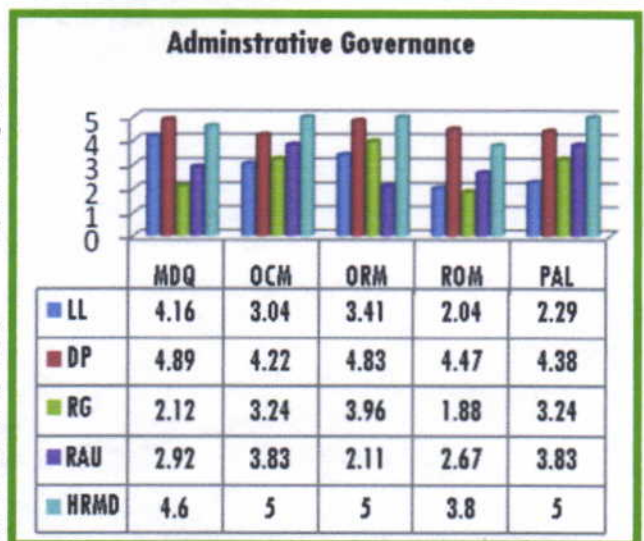
The chart depicts the performance level of the MIMAROPA provinces in the 3 service areas under the aforesaid with Occidental Mindoro on top with a 4.81 performance scale due to its high ratings in participation, transparency and financial accountability. Romblon, on the other hand, remains at the least with 2.99 PR for it had not given priority to the involvement of NGOs in government activities as well as in communicating its transactions, documents and the like to the public (as mandated by RA 9485)



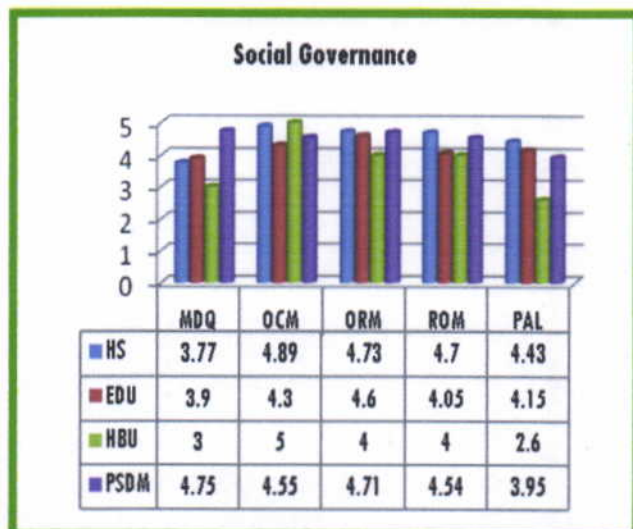
### b. Administrative Governance

It can be gleaned from the chart that the two (2) Mindoros registered an above par rating due to the presence of functional development councils and development plans coupled with a sound HRMD. Meanwhile, Romblon posted a rate of 2.97.

Although the PR in this area is above par at 3.64, it is sad to note that despite the taxing and revenue raising powers vested to LGUs by the Local Government Code of 1991, all the provinces have failed to maximize it mandated powers in creating revenues that will support local development strategies. Along this line, the allocation and utilization of funds are affected since some provinces are operating on a re-enacted budget and have exceeded the PS cap limitation.



It is also noteworthy that the legislative department of Palawan and Romblon fell short in performing its mandated functions by not enacting some codes such as code of general ordinances, local investment and incentive code, health and sanitation code, code for children and the like. It is prevalent in most provinces that the absence of a legislative tracking system caused the slide of their performance rating.

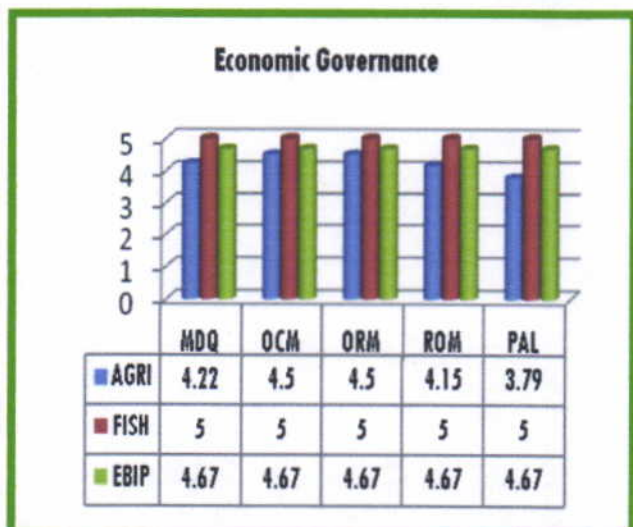


#### c. Social Governance

In this area, Occidental Mindoro was top with a 4.69 PR due to its high performance rating in health, education and peace, security, and disaster management services. It also obtained an excellent rating in housing and basic utilities services.

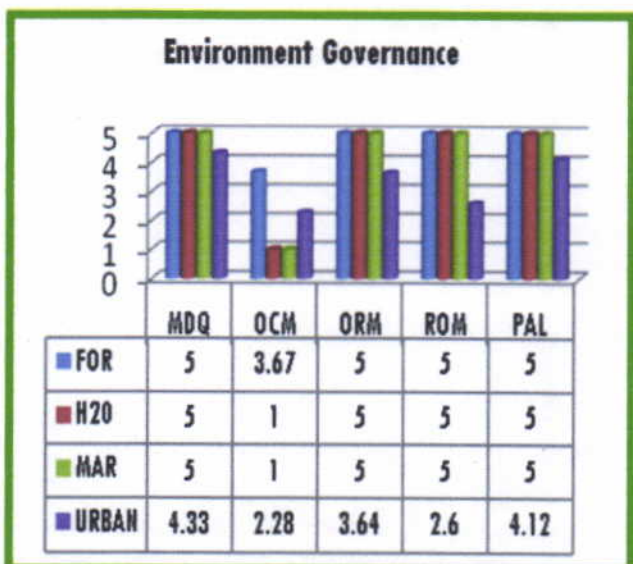
Oriental Mindoro and Romblon fell behind Occidental Mindoro with a PR of 4.51 and 4.32, respectively. Both Oriental Mindoro and Romblon got a "high" rating in all the service areas..

Meanwhile, Marinduque and Palawan obtained the least PR at 3.78 which could be attributed to these factors: weak support to housing and basic utilities; lack of support to KP; and poor quality of health services on primary health care or basic curative, maternal care and child care.



#### d. Economic Governance

It can be construed from the chart that this area gained the highest PR of 4.63 as compared to other governance areas. The rating can be credited to the high performance level of all provinces in all the service areas. There is a strong support to agriculture, fishery and entrepreneurship, business and industry promotion provided by the provincial governments. However, there is still a need to improve the delivery of agricultural extension services and ensure the ease of doing business with the government.



#### e. Environment Governance

It can be inferred from the chart that Marinduque got the highest PR of 4.83 for all the service areas received an almost excellent rating. However, Occidental Mindoro posted a disturbing PR of 1.99 due to these factors: absence of freshwater and coastal marine management program in the PFP; non-involvement of NGOs, POs, and PS in the protection and management of freshwater and coastal marine resources; and poor quality of solid waste management plan.

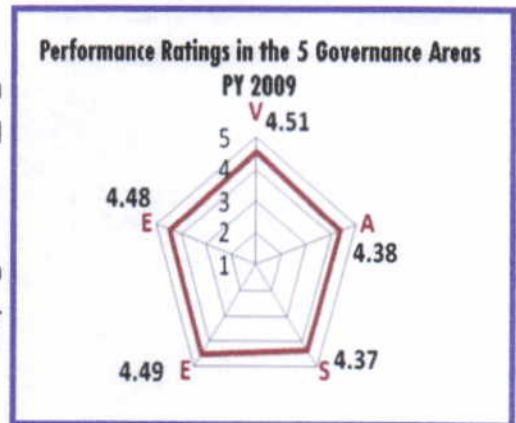
The remaining provinces, on the other hand, averaged at 4.61 PR which is high enough but short of an excellent rating.



### 3. The Cities

The Cities comprising MIMAROPA are Puerto Princesa City and Calapan City. The former is a Highly Urbanized City while the latter is a component city.

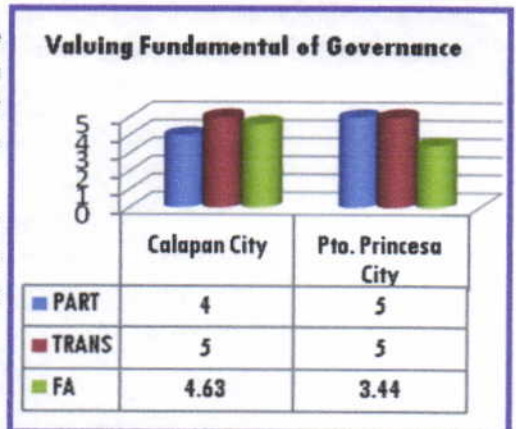
For PY 2009, the cities of MIMAROPA obtained a high performance rating of 4.44 which is evident in the chart representing the five governance areas.



#### a. Valuing Fundamentals of Governance

In this area, Calapan City received 4.54 PR that can be attributed to the active participation of NGOs in governance, remarkable transparency in government transactions and observance of guidelines relative to accounting, auditing and procurement.

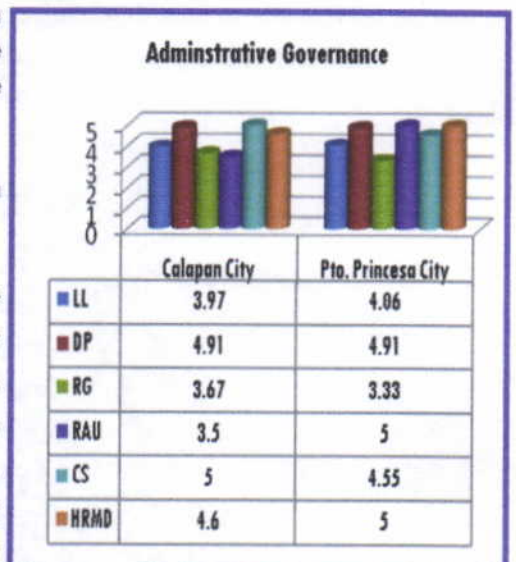
On the other hand, Pto. Princesa fell behind Calapan City by a margin of 0.06. The city government needs to improve its financial accountability by adhering to guidelines, rules and regulations on accounting, auditing and procurement.



#### b. Administrative Governance

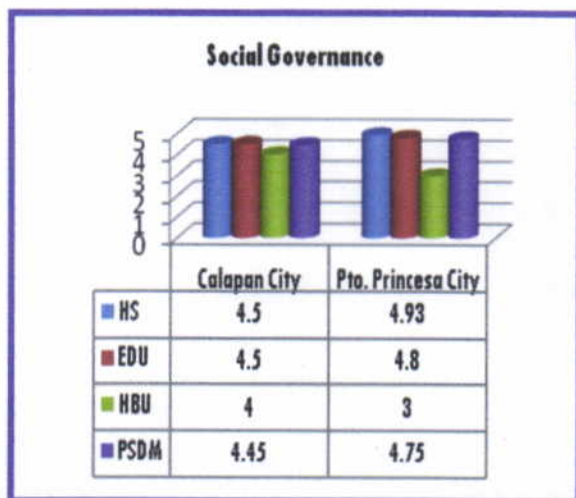
It can be gleaned from the chart that Pto. Princesa posted a 4.48 PR. This performance rating is sustained by the presence of different codes and plans that are responsive to local development; and a sound HRMD.

Meanwhile, Calapan City with a 4.28 PR fell short in delivering quality legislation.



It can also be deduced from the chart that both cities have not fully exercised their taxing powers as reflected in their rates under the revenue generation service area. This is triggered by their low tax collection efficiency rate which does not even reach 70% of their tax collection projection. However, as a remedy, both cities has already established a seamless delivery and ease of obtaining civil registry and real property documents.

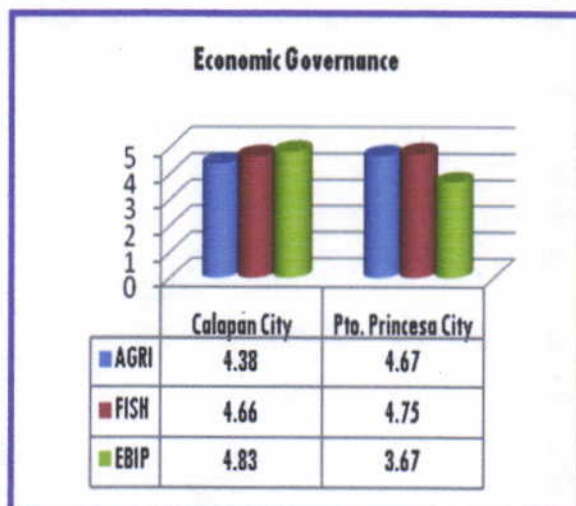
Albeit, Pto. Princesa City achieved an excellent performance on revenue allocation and utilization; it posted a 21% debt service ratio which is beyond the mandated 20% of the regular income debt servicing limitation set for under RA 7160. Calapan City, on this area, needs to improve its management system and coordination process, in both accounting and auditing which are critical to the effective allocation and utilization of financial resources.



#### c. Social Governance

Social governance has four (4) service areas wherein both cities performed "high" except in the area of housing and basic utilities where Pto. Princesa got a "fair" rating.

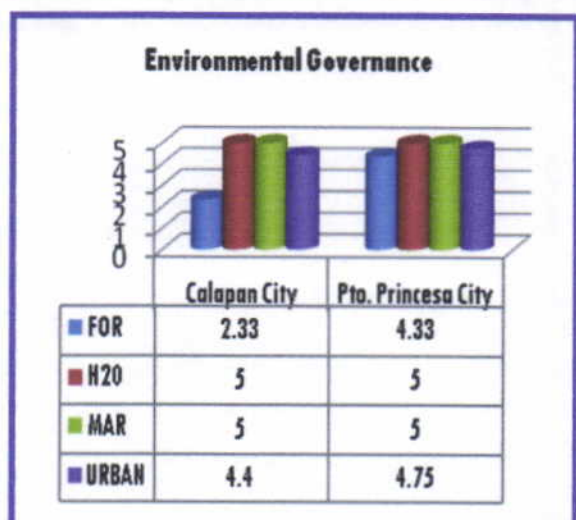
Given this, Pto. Princesa is encouraged to develop programs that can improve the dwelling condition of its constituents, e.g. provision of land for socialized housing.



#### d. Economic Governance

It can be inferred from the chart that Calapan and Pto. Princesa attained a 4.62 and 4.36 PRs, respectively. Both cities gave priority to agriculture and fishery by providing infrastructure support and extension and on-site research services or facilities such as: rehabilitation and construction of irrigation system; provision of post-harvest equipments; construction of feeder or FMR; seed dispersal program; credit facilitation services and provision of farm inputs.

On entrepreneurship, business and industry promotion, Pto. Princesa obtained an above par rating of 3.67, however, it is still an area which should be given preference by city officials. The strict enforcement of the city's Citizen Charter that defines the procedures and processes in delivering frontline services is encouraged.



#### e. Environmental Governance

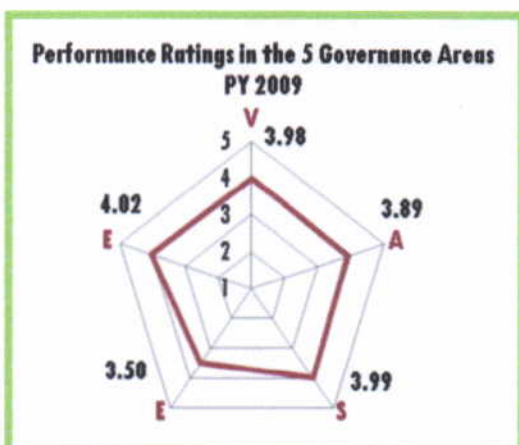
It can be established from the chart that Pto. Princesa lives by its vision of "A City within a Forest". The determined efforts of its city officials to implement programs and projects to conserve and protect the environment are evident of the city's high PR of 4.77. Environmental programs such as "Pista y ang Kagueban" has widened the awareness and participation of every Palaweño on reforestation and mangrove conservation. Such rating can also be

credited to the active public participation and enforcement of environmental laws and ordinances that elevated the city into the hall of fame awardees' as the cleanest city in the Philippines.

On the other hand, Calapan demonstrated also a high PR of 4.18 as manifested by its programs to protect and rehabilitate its freshwater and coastal marine ecosystems with the active involvement of various stakeholders. However, forest management efforts were not enough to rehabilitate the alarming condition of its forest ecosystem.

## 4. The Municipalities

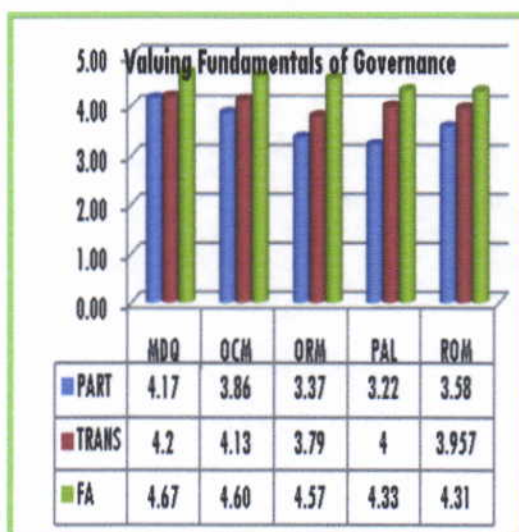
For PY 2009, the 71 municipalities in the region registered a fair performance of 3.88 induced by the fair rating in the four (4) governance areas as can be viewed in the chart: valuing fundamentals of governance (3.98); administrative (3.89); social (3.99); and economic (3.50). The lone governance area that attained a high PR is the area of governance at 4.02.



### a. Valuing Fundamentals of Governance

It can be deduced from the chart that the municipalities of Marinduque obtained a high PR of 4.35 followed by Occidental Mindoro a "high" 4.2 PR; while Palawan achieved the least 3.85 rating equivalent to a fair PR.

The "fair" rating 3.98 as shown on the chart on this area can be attributed to the limited participation of NGOs, POs and PS in various government undertakings but remarkable transparency in government transactions and observance of guidelines relative to accounting, auditing and procurement are being practiced in many municipalities in the region.



As to the number of municipalities that received an excellent, high, fair, low and very low rating on this particular area, the table below shows that there are only a few LGUs that gained "excellent" rating on either the participation, transparency and financial accountability service areas. It can also be observed that majority of the municipalities in the region performed high and fair which directly contributed to the PR of this governance area.

On the other hand, only some LGUs registered "low" and "very low" ratings - and this influenced the overall PR of the region.

### number of municipalities per service area

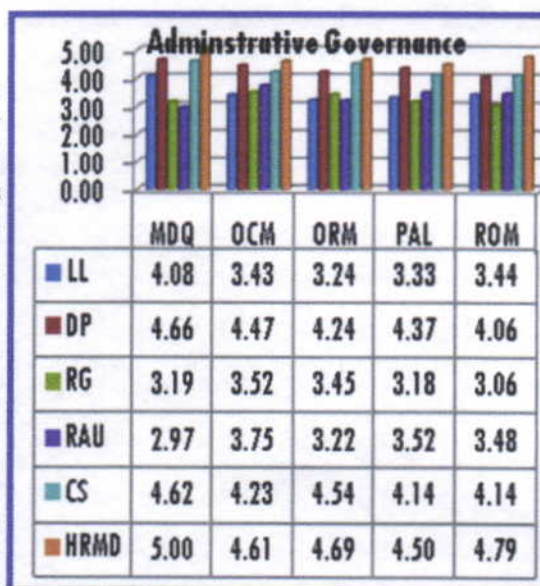
Scale	PARTICIPATION					Total	TRANSPARENCY					Total	FINANCIAL ACCOUNTABILITY					Total
	MDQ	OCM	ORM	PAL	ROM		MDQ	OCM	ORM	PAL	ROM		MDQ	OCM	ORM	PAL	ROM	
EX	2	2	1	1	1	7	0	1	1	1	1	4	0	0	0	1	1	2
HI	3	5	5	5	6	24	5	7	6	14	10	42	6	10	14	17	10	57
FR	0	0	2	8	7	17	1	2	4	5	4	16	0	1	0	5	6	12
LO	1	3	6	8	3	21	0	1	2	2	2	7	0	0	0	0	0	0
VL	0	1	0	1	0	2	0	0	1	1	0	2	0	0	0	0	0	0



## b. Administrative Governance

On administrative governance, the 71 municipalities earned an overall fair PR of 3.89 prompted by the fair performance of the majority of LGUs in Oriental Mindoro, Palawan and Romblon. Municipalities comprising Marinduque and Occidental Mindoro attained a high performance rating of 4.09 and 4.00, respectively.

As can be gleaned from the chart, local legislation, revenue generation and revenue allocation and utilization marked a "fair" rating of 3.41, 3.25 and 3.48, respectively. The fair rating on local legislation service area was due to the failure of the local legislative body to consider the enactment of various codes in support of administrative functions, regulatory mandates, corporate objectives, social and economic development, and environmental management of the LGU and the establishment of a computer operated tracking system.



Meanwhile, the reason for the "fair" rating on revenue generation is very obvious in all LGUs in the region since all of them are IRA dependent and have not fully maximized their revenue raising powers. The continuous dependency on the IRA is partly caused by the low tax collection efficiency of many municipalities and even if a few of the LGUs have exceeded the cost to collect revenues against the collected revenues. Furthermore, majority of the LGUs have not also called the attention of the Local Finance Committee pursuant to their mandate under Sec. 316 (b) to recommend the appropriate tax and other revenue measures to support the budget that can be an integral part of the revenue generation plan of the LGU wherein majority of them have neglected to formulate.

On resource allocation and utilization, there were some municipalities that exceeded the PS cap limitation set for under the Code and operated on a re-enacted budget, hence, affecting the delivery of basic services. Majority of the LGUs also failed to consider the allocation of certain percentages of the annual budget on the following: GAD programs; operation and maintenance of OSCA; monitoring of the magnitude of AID; and strengthening of LCPC.

Relatedly, the table below presents the number of municipalities that gained excellent, high,

No. of Municipalities per Service Area

	Local Legislation					Development Planning					Revenue Generation				
	Ex	Hi	FR	Lo	VL	Ex	Hi	FR	Lo	VL	Ex	Hi	FR	Lo	VL
Mar	0	4	2	0	0	0	6	0	0	0	0	0	4	2	0
OcM	0	4	5	2	0	0	10	1	0	0	0	4	4	3	0
OrM	0	2	8	3	1	0	10	4	0	0	0	5	4	5	0
Pal	0	5	9	8	1	2	13	8	0	0	0	3	10	10	0
Romb	0	3	10	3	1	1	8	6	2	0	0	2	8	5	2
	Resource Allocation & Utilization					Customer Service					Human Res. Mgt & Devt.				
Mar	0	0	4	1	1	0	6	0	0	0	6	0	0	0	0
OcM	1	2	4	3	1	0	8	2	1	0	5	4	1	1	0
OrM	0	1	7	6	0	1	11	2	0	0	11	1	2	0	0
Pal	0	5	13	5	0	1	13	8	1	0	16	4	1	0	2
Rom	0	4	10	3	0	0	13	2	2	0	12	5	0	0	0

