

POLICY IMPROVEMENT PROCESS # 1

Enhancing Philippine Competitiveness through the Development of Subic-Clark-Metro Manila-Batangas Corridor

Ruling Justly: Control of Corruption (Source: World Bank Institute)
 Indicator Sub-component: Infrastructure
 Focal Persons: Public Sector: Chairman of Subic-Clark Alliance for Development (SCAD)
 Private Sector: Mr. Meneleo J. Carlos, Jr., Dr. Fiorello Estuar, Prof. Enrico Basilio

FACTORS AFFECTING INDICATOR PERFORMANCE	PROPOSED ACTIONS / ONGOING REFORMS	TIMELINE AND EXPECTED RESULTS
<p>Corruption is endemic in road building, permeating the entirety of road projects, from bidding to completion...including collusion among contractors bidding for projects, “ghost” deliveries, “ghost” projects, the use of substandard materials, the intervention of politicians, and the outright bribery of highway officials. (Philippine Center for Investigative Journalism 2000)</p> <p>The legislature has always been dominated by a privileged few who are richer, older, better educated and better connected than the rest. These elites have the leverage to influence both the law and the economy to get benefits for themselves, their allies, and their kin. (Hills Governance Center - Asian Institute of Management 2005)</p> <p>This documented negative behavior poses potential risks particularly to major national-level infrastructure projects which go through down to regional, provincial and local levels of government.</p>	<p>The formulation of an infrastructure roadmap is a private-led initiative of the National Competitiveness Council (NCC) to develop a strong public private partnership linking the government, business/industry chambers/associations, and provincial / city business chambers to lead the institutionalization of the program design, activities and processes for the proposed Infrastructure Corridor.</p> <p>The project is in the initial planning stage consisting of consultations with major stakeholders from the private sector on the proposed terms of reference (TOR) for the roadmap. It has been specified that the TOR focus on setting up an institutional framework linking government and the private sector across all levels (national, provincial and local) to ensure that the planning and implementation of this project be in line with internationally-accepted standards regarding market assessments, technical specifications, cost estimates, transparency and good governance. It is proposed that this new body also focus on improving the accompanying soft infrastructure (rules and regulations) on all processes including the procurement, quality control and monitoring of project outputs.</p> <p>* Agreements of Thought Leaders’ Forum</p> <p>The TOR on the infrastructure master-plan is to be submitted to the new administration for inclusion into the Medium Term Development Plan of the National Economic and Development Authority.</p>	<p><u>2009</u>: Consultative meetings between national government agencies, local government units and business chambers to develop the master- plan</p> <p><u>2010</u>:</p> <ul style="list-style-type: none"> • Draft framework for terms of reference in formulation of masterplan was completed in April 2010 • Private sector Forum on developing TOR held in June 2010 • Final TOR completed and submitted to government for inclusion into Medium Term Development Plan by 15 July 2010 <p><u>2011</u>:</p> <ul style="list-style-type: none"> • Completion of masterplan • Launch program to mobilize active involvement of local business chambers and prospective investors in the crafting of procurement rules and bidding requirements as well as the monitoring of procurement activities • Start of formal bidding and award of projects • Project monitoring of procurement and implementation • identification and resolution of issues causing delay in project implementation and completion

POLICY IMPROVEMENT PROCESS # 2

Developing 120 LGUs as Sparkplugs for Governance and Economic Development

Ruling Justly: Control of Corruption (Source: World Bank Institute)
 Indicator Sub-Component: Corruption in Local Government
 Focal Persons: Public Sector : Usec. Austere Panadero, Department of Interior and Local Government (DILG)
 Private Sector : Mr. Ruy Moreno (NCC)

FACTORS AFFECTING INDICATOR PERFORMANCE	PROPOSED ACTIONS/ON-GOING REFORMS	EXPECTED RESULTS	INDICATOR	ANNUAL TARGETS*						
				2010	2011	2012	2013	2014	2015	
<p>High incidence of financial corruption in the form of demands for special payments and bribes connected with regulatory functions and ordinance powers intersecting with business requirements for prompt clearances and approvals. (International Country Risk Guide 2007)</p>	<p><u>Establishment of the Local Government Competitiveness Scorecard System (LGCS)</u> which is designed to provide a strategic framework for LGUs with private sector participation and monitoring to improve local governance towards providing a more business-friendly environment and strengthening their overall governance and competitiveness in relation to the sunrise industries (Agribusiness, IT-enabled services, Mining, Tourism, Health, Wellness and Retirement, Manufacturing; Supply Chain Industries, and Electronics) The LGCS involves the participation of LGUs through distinct stages:</p> <ol style="list-style-type: none"> 1. Enrollment / Orientation 2. Submission of baseline data into LGCS 3. Formation of mini-strategy plans to address weaknesses identified in LGCS 4. Setting up of compact agreements with investors-in-waiting identified by NCC and business chambers tasked to participate in the active monitoring of the implementation of the mini-strategy plans 5. Successful completion of projects in mini-strategy plans with attainment of targets based on LGCS indicators 		Outputs / Milestones	<ul style="list-style-type: none"> • Development of Competitiveness Scorecard by ____ • Priority selection among identified 120 LGUs with track record of excellence in local governance by ____ • Institutionalization of Secretariat with private sector counterparts and business chambers by ____ • Start of pilot activity in 3 LGUs by ____ • Start of rollout by ____ 						

FACTORS AFFECTING INDICATOR PERFORMANCE	PROPOSED ACTIONS/ON-GOING REFORMS	EXPECTED RESULTS	INDICATOR	ANNUAL TARGETS*					
				2010	2011	2012	2013	2014	2015
	<p>The attainment of stage 5 will be the signal for the entry of investor-in-waiting in the sunrise sectors.</p> <p>The LGCS is designed to assist the LGUs (a) develop their potential to attract investments in any of the sunrise industries through more meaningful operationalization of the public-private partnership (PPP) model; (b) provide the performance management systems for better informed decision-making that would allow greater participation of stakeholders in tracking performance and in exacting accountability from local chief executives; and (c) focus on governance-related problem areas such as regulatory processes to cut down the opportunities for bribery and other forms of corruption.</p>	Addressed constraints to the entry of new investment into LGUs	Number of LGUs which have: <ul style="list-style-type: none"> • Undergone orientation • Submitted baseline data • Submitted strategy plans to attain Competitiveness Scorecard targets • Signed Compact agreements with potential investors-in-waiting • Completed projects • Attracted investments 				120	120	120
		A positive experience for private business in interacting with the LGU	Survey of enterprises on governance still to be developed						

POLICY IMPROVEMENT PROCESS # 3

Streamlining Business Permit and Licensing System (BPLS) in 120 LGUs

Ruling Justly: Control of Corruption (Source: World Bank Institute)
 Indicator Sub-component: Public Sector: Usec Zenaida Maglaya (DTI), Usec. Austere Panadero (DILG)
 Focal Persons: Private Sector: Dave Balangue

FACTORS AFFECTING INDICATOR PERFORMANCE	PROPOSED ACTIONS/ ON- GOING REFORMS	TIMELINE AND EXPECTED RESULTS									PERSON RESPONSIBLE	
		EXPECTED RESULTS	INDICATOR	BASELINE	ANNUAL TARGETS							
				2009	2010	2011	2012	2013	2014	TOTAL		
High incidence of financial corruption in the form of demands for special payments and bribes connected with regulatory functions and ordinance powers intersecting with business requirements for prompt clearances and approvals. (International Country Risk	1. Streamlining of Business Permits and Licensing	1.1. Reduced red tape and elimination of informal payments	1.1.a Number of LGUs which adopted any of the three standards set by government in processing new business applications or business renewals ¹	5	15	25	25	25	25	120	Department of Trade and Industry (DTI) - Usec. Zenaida Maglaya	
	2. Anti-Red Tape Act of 2007 The DILG has set up the Comprehensive and Unified Response to Eliminate(CURE) Red Tape to track the compliance of LGUs to RA 9485.	2.1 Ensure fast, efficient, reliable and convenient services for the public	2.1.a Number of LGUs that complied with ALL of the following: <ul style="list-style-type: none"> Formulated the Citizen’s Charter - published form - billboard Establish public assistance/ complaints desk 	50	10	15	15	15	15	120	DILG - Usec. Austere Panadero	

¹ The standards set by government include: (1) one form; (2) number of processing days to be limited to the requirements consistent with the Anti-Red Tape Act of 10 days for new business and five days for business renewals; and (3) number of steps, i.e. 4 steps for business renewal and 5 steps for new applications

FACTORS AFFECTING INDICATOR PERFORMANCE	PROPOSED ACTIONS/ ON- GOING REFORMS	TIMELINE AND EXPECTED RESULTS									PERSON RESPONSIBLE
		EXPECTED RESULTS	INDICATOR	BASELINE	ANNUAL TARGETS						
				2009	2010	2011	2012	2013	2014	TOTAL	
	<ul style="list-style-type: none"> Regular monitoring of compliance with RA 9485 Development of the DILG's Policy Audit and Compliance Tracking (PACT) system including the construction of a database and preparation of regular reports 		<ul style="list-style-type: none"> Establish one-stop shops Establish courtesy lane for pregnant women, senior citizens and persons with disabilities 								
There is an absence of processes at the local level which ensures accountability and transparency in decision making and disclosure of information	3. Enhanced Local Governance Performance Management System	3.1 Effective and responsive local governance	3.1.a Number of LGUs which have electronically-generated reports posted at the LGPMS available for public viewing								DILG – Usec. Austere Panadero

FACTORS AFFECTING INDICATOR PERFORMANCE	PROPOSED ACTIONS/ ON-GOING REFORMS	TIMELINE AND EXPECTED RESULTS									PERSON RESPONSIBLE
		EXPECTED RESULTS	INDICATOR	BASELINE	ANNUAL TARGETS						
					2009	2010	2011	2012	2013	2014	
to constituents. There are few opportunities for broader civil society involvement (WB)	<p>Performance management and development tool that involves not only the LGUs and DILG but also the major stakeholders in the locality.</p> <p>The Report on the State of the Local Governance Performance is used as the main vehicle to communicate the LGPMS results to a wide range of LGU stakeholders.</p> <ul style="list-style-type: none"> • Posting of reports on the LGPMS website 		<ul style="list-style-type: none"> • Report on the State of Local Governance Performance • Financial performance report • Report on the State of Local Development 	<p>Posting starts in 2010</p> <p>Posting starts in 2010</p> <p>Posting starts in 2010</p>	35	30	30	25	-	120	
					35	30	30	25	-	120	
					35	-	-	85	-	120	

Policy Improvement Process # 4
Institutionalization of the Balanced Score Card in Six National Agencies

Ruling Justly : Control of Corruption (Source: World Bank Institute)
 Focal Persons: Public Sector: Chairman Francisco Duque III, Civil Service Commission (CSC)
 Private Sector: Dr. Jesus Estanislao (ISA)

FACTORS AFFECTING PERFORMANCE INDICATOR	PROPOSED ACTIONS / ONGOING REFORMS	TIMELINE AND EXPECTED RESULTS				OFFICES/PERSONS RESPONSIBLE
		EXPECTED RESULTS	INDICATOR	BASELINE	TARGET ¹	
				2009	2010	
Corruption is not only a symptom of failed governance, but it can also act to further weaken the governance environment (AIM Policy Center)	<p>The Performance Governance System (PGS) is a local adaptation of the Balanced Scorecard (BSC) for tracking performance using critical measures to ensure organizational reform.</p> <p>The PGS allows for multi-sectoral participation in translating the agency vision into executable strategies and realizable initiatives. In order to achieve breakthrough results in the governance arena, the agencies need to undertake the following stages:</p> <p>1. Initiation</p> <ul style="list-style-type: none"> • Revisiting Vision, Mission, Goals, and Core Values; • Crafting the Strategy Map and Governance Scorecard. <p>2. Compliance</p> <ul style="list-style-type: none"> • Cascading the high-level strategy into different and geographical units of the agency. • Alignment of units and resources in support of the high-level strategies and initiatives <p>3. Proficiency</p> <ul style="list-style-type: none"> • Execution of strategies • Monitoring strategies. <p>4. Institutionalization</p> <ul style="list-style-type: none"> • Conduct of impact evaluation. 	Improved agency performance	Number of agencies that completed each stage	6 agencies initiated	6 agencies compliant	Public Sector: BIR Commissioner DepED Secretary DOH Secretary DOTC Secretary DPWH Secretary . PNP Chief DAP: Pres. Antonio Kalaw, Jr. Private Sector - ISA: Chair Jesus Estanislao

FACTORS AFFECTING PERFORMANCE	PROPOSED ACTIONS / ONGOING REFORMS (CONSTITUENCY PERSPECTIVES)	TIMELINE AND EXPECTED RESULTS				OFFICES/PERSONS RESPONSIBLE
		EXPECTED RESULTS	INDICATOR	BASELINE	TARGET ¹	
				2009	2010	
Red tape associated with starting and operating a business is considered a constraint. (Asian Development Bank 2007)	1. Anti-Red Tape Act of 2007 (applicable to six agencies)	Fast, efficient, reliable and convenient services	Customer satisfaction rating	-not applicable to five (5) agencies- (being developed and will be generated through the Report Card Survey)		Public Sector: BIR Commissioner DepED Secretary DOH Secretary DOTC Secretary DPWH Secretary . PNP Chief
For businesses the payment of small bribes, or lagay, to “improve communication” during negotiations has been a common practice, and many local officials rely on such payments to supplement their incomes. (Global Insight 2007)			Number of agencies and regional offices that are compliant with ALL of the following provisions of ARTA: -Approval of the submitted CC ² -Posting of the information billboard in conspicuous place -Development of published materials	BIR: 1 HO, 19 ROs and 126 Revenue District Offices DepEd: 1 CO and 17 Ros DOH: 1 CO and 17 Ros DOTC: 1 CO and 16 Ros DPWH: 1 CO and 16 Ros PNP: 1 NHQ and 17 ROs		Public Sector: BIR Commissioner DepED Secretary DOH Secretary DOTC Secretary DPWH Secretary . PNP Chief
	1.1.a. Bureau of Internal Revenue Institutionalization of the Taxpayer Satisfaction Survey to be conducted by an independent contractor to gauge public perception on BIR services such as filing and payment, information on projects and programs.	Improved Taxpayer Satisfaction	Taxpayer satisfaction Rating (scale of 1-very unsatisfied to 5 - highly satisfied)	<i>Initial taxpayer satisfaction survey is still being developed and conducted.</i>	4	Taxpayer Assistance Service (TAS) - Zenaida B. Chang

FACTORS AFFECTING PERFORMANCE INDICATOR	PROPOSED ACTIONS / ONGOING REFORMS (PROCESS EXCELLENCE)	TIMELINE AND EXPECTED RESULTS				OFFICES/PERSONS RESPONSIBLE
		EXPECTED RESULTS	INDICATOR	BASELINE	TARGET ¹	
				2009	2010	
Perception that collusion or rigging of bids is common, particularly for big ticket contracts. Among the multiple constraints identified by the assessment team are: tedious payment processes, the intervention of politicians in the procurement process, cumbersome procurement requirements, and difficulties in securing licenses and permits. (WB Assessment on Procurement 2008)	2. Implementation of Government Procurement Reform Act (GPRA) (applicable to six agencies)	Enhanced transparency and streamlined procurement process.	Number of agencies with approved customized procurement manual consistent with the revised IRR of GPRA ³	1	6	DOH: Usec Alexander Padilla DepED: Director Aida Carpintero DPWH: Usec Romeo Momo for Luzon; Usec Rafael Yabut for Visayas; and Usec Bashir Rasuman for Mindanao
	2.1. Department of Public Works and Highways					
	2.1.a Civil Works Registry <i>Stores and checks the eligibility requirements of contractors; automates and expedites the eligibility checking process to ensure only eligible contractors can participate in the bidding process with no human intervention</i>	Enhanced transparency and streamlined procurement process.	Number of BAC installed with Civil Works Registry	1 (Central Office)	16 (Regional Office) 52 (District Office)	Usec Romeo Momo for Luzon; Usec Rafael Yabut for Visayas; and Usec Bashir Rasuman for Mindanao
	2.1.b. Document Tracking System <i>Automated tracking system to monitor contract procurement, contract processing and payment of claims vis-à-vis prescribed timelines.</i>	Enhanced transparency and streamlined processes in DPWH transactions	Percentage compliance prescribed timelines	75%	80%	Procurement Office and all heads of offices Asec Raul Asis Director Elizabeth Yap
	2.1.c. Road and Bridge Information Application (RBIA) <i>Database of road and bridge inventory, needs and conditions for prioritization of projects based on technical and economic factors</i>	Enhanced transparency in road services	Percentage of national roads paved	75.15%	76.82%	All Planning and Maintenance Offices Nationwide headed by Asec. Maria Catalina Cabral, PhD
	International Rough Index		5.5	5.5		

FACTORS AFFECTING PERFORMANCE	PROPOSED ACTIONS / ONGOING REFORMS	TIMELINE AND EXPECTED RESULTS				OFFICES/PERSONS RESPONSIBLE
		EXPECTED RESULTS	INDICATOR	BASELINE	TARGET ¹	
				2009	2010	
	2.2.a. Department of Education					
	2.2.a Principal-led School Based Management Scheme <i>Customization of the procurement procedures was decentralized to individual school level</i>	Reduced procurement timelines	No.of schools implementing Principal-led system	11,378	11,757	Physical Facilities and School Engineering Division: Director Oliver Hernandez
	3. Integrity Development Action Plan <i>Serves as the national anticorruption framework in the areas of prevention, education, deterrence, and strategic partnership.</i>	Improved systems integrity	Improved IDAP rank			
	3.1. BIR			5th	rank of at least	CIR Joel Tan-Torres
	3.2. DepED			8th	rank of at least	Usec. Franklin Sunga
	3.3. DOH			1st	1st	Usec David J. Lozada, Jr.
	3.4. DOTC			10th	rank of at least	Div. Chief Emelita S. Raflores
	3.5. DPWH			3rd	rank of at least	IDC head: Asec Raul C. Asis
	3.6. PNP			4th	rank of at least 4th	Directorate for Operations and Directorate for Personnel and Records Management
	4. ISO Certification					
	4.1. Department of Public Works and Highways	Improved project implementation	Percentage of DWPH contractors	6.84	28%	Procurement Office for Civil Works: Engr. Emerson Benitez
	4.2.a. ISO Certification Program for DPWH Contractors	Improved project implementation	Percentage of DWPH contractors	6.84	28%	
	4.1.b. ISO Certification Program for DPWH core processes	Standardized and improved processes and procedures in office operations	Number of processes for ISO certification	0	5	Planning Service (Dir. Melvin Navarro) and Bureaus of Design (Dir. Gilberto S. Reyes), Construction (Dir. Walter Ocampo), Maintenance (Dir. Luis Mamitag), and Research and Standards (Dir. Antonio Molano)

FACTORS AFFECTING PERFORMANCE INDICATOR	PROPOSED ACTIONS / ONGOING REFORMS	TIMELINE AND EXPECTED RESULTS				OFFICES/PERSONS RESPONSIBLE
		EXPECTED RESULTS	INDICATOR	BASELINE	TARGET ¹	
				2009	2010	
In practice, there is poor public perception of police action on complaints, which adversely affects the number of people reporting crimes and complaints. (Global Integrity 2008)	4.2. Philippine National Police					
	4.2.a. ISO Certification	Achieve excellence in QUAD + operations	Number of services for ISO Certification	1	13	Directorate for Operations (DO) Highway Patrol Group (HPG) Firearms and Explosives Division (FED) Security Agency and Guards Supervision Division (SAGSD) Crime Laboratory Group (CLG) PNP Training Service (PNPTS) WCPC Human Rights Affairs Office (HRAO) Directorate for Intelligence (DI)
	Department of Transportation and Communications					
	ISO Certification for DOTC processes	Standardized and improved processes and procedures in office operations	Number of DOTC processes with ISO certification	3	9	Usec. Anneli Lontoc

FACTORS AFFECTING PERFORMANCE INDICATOR	PROPOSED ACTIONS / ONGOING REFORMS	TIMELINE AND EXPECTED RESULTS				OFFICES/PERSONS RESPONSIBLE
		EXPECTED RESULTS	INDICATOR	BASELINE	TARGET ¹	
				2009	2010	
Respondents of the 2005 Investment Climate Survey identified inefficiencies and lack of transparency in the tax administration as a constraint to doing business, with about 26% of the firms considering these as major or severe constraints. (ADB 2007)	5. Tax Administration Systems Improvement					
	5.1. Bureau of Internal Revenue					
	5.1.a. Roll out of iRETURNS project to facilitate document retrieval for taxpayers thru electronic scanning, document imaging and capturing of tax return data using Optical Character Recognition (OCR) technology	Expanded coverage of the iReturns project in district offices.	Number of district offices implementing the iReturns project.	2 district offices (representing 2.36% of annual collections)	3 additional district offices	Operations Group (Nelson Aspe) and ISG
	5.1.b. Continue project on Electronic Revenue Assurance to establish a direct link with taxpayers to capture transactions of large firms in real time for later matching with tax declarations	Establishment of the Electronic Revenue Assurance System.	Stage of development/ implementation of the Electronic Revenue Assurance System	Start of conception stage approved	Proof of concept and TORs completed	Large Taxpayers Service (LTS) Task Force Nestor S. Valeroso
	5.1.c. Formulate an objective Track & Trace System for Excisable Products for cigarette, alcohol, other similar products to determine if correct excise taxes have been paid prior to removal from company warehouse and detect non- payment of excise tax.	Establishment of the Track & Trace System for Excisable Products	Stage of implementation of the Track & Trace System for Excisable Products	Concept under review	Contract awarded to cover cigarette products <i>By 2015: Operational for cigarette & alcohol products;</i> <i>By 2020: Add other excisable products</i>	Large Taxpayers Service

<p>The World Bank identifies the maze of complex tax rulings and procedures, the lack of a national audit plan and inadequate performance management system as key contributors to high discretionary powers in the tax bureau. (IMF / World Bank 2007)</p>	<p>5.1.d. Sustained implementation of OPLAN Kandado by shutting down business establishments that do not comply with tax laws despite sufficient notice to violators of violations committed</p>	<p>Increased tax compliance of business establishments</p>	<p>Number of tax evading business establishments shut down</p>	<p>387 business establishments were closed (as of September 2009). This is 82.17% of the 471 target set.</p>	<p><i>-not applicable-</i> <i>This project is currently under Temporary Restraining Order by the courts</i></p>	<p>CIR/DCIR-OG/RDs/RDOs</p>
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FACTORS AFFECTING PERFORMANCE INDICATOR	PROPOSED ACTIONS / ONGOING REFORMS (LEARNING AND GROWTH)	TIMELINE AND EXPECTED RESULTS				OFFICES/PERSONS RESPONSIBLE
		EXPECTED RESULTS	INDICATOR	BASELINE	TARGET ¹	
				2009	2010	
Corruption is not only a symptom of failed governance, but it can also act to further weaken the governance environment. (AIM Policy Center)	6. Moral Recovery Action Plan (MRAP) <i>Focuses on values formation and ethical behavior for government officers and employees, as well as the strengthening of people's values to achieve zero tolerance for corruption.</i>	Improved ethical leadership within the organization	Percentage of employees that attended training with moral renewal			
	6.1. Department of Transportation and Communications			30% of all officials and employees at the Central Office	75% of all employees at the Central Office	Usec. Thompson Lantion
	6.2. Department of Public Works and Highways			10% of all officials and employees	10% of all employees nationwide	IDC head, Asec. Raul Asis
	6.3 Philippine National Police			281,190 ⁴	25,780	Directorate for Police Community Relations and Directorate for Human Resources and Doctrine Development
	7. Procurement Training	Professionalized public procurement practitioners	Number of procurement personnel that attended training			
	7.1. Department of Health			21	23	Health Human resource and Development Bureau: Director Kenneth G. Ronquillo
	7.2. Department of Transportation and Communications			12	70	HRDD Director Rowena Quiogue
	7.3. Philippine National Police			164	all BAC members nationwide	Directorate for Logistics
	8. Strengthening of the Internal Audit System	Strengthened internal controls	Number of participants in Internal Audit Training Programs			
	8.1. Department of Education			14	5	Usec. Jesus Galvan
	8.2. Department of Health			12	17	IAS Director Ma. Carolina Taino
	8.3. Department of Transportation and Communications			10	4	HRDD Director Rowena Quiogue

FACTORS AFFECTING PERFORMANCE INDICATOR	PROPOSED ACTIONS / ONGOING REFORMS (FINANCE PERSPECTIVES)	TIMELINE AND EXPECTED RESULTS				OFFICES/PERSONS RESPONSIBLE
		EXPECTED RESULTS	INDICATOR	BASELINE	TARGET ¹	
	9. Training on the Analysis of Statements of Liabilities and Networth (SALN) of Government Employees	Enhanced capability to do lifestyle checks	Type of training conducted and attended by all Internal Security Division Staff			
	9.1 Bureau of Internal Revenue			Basic	Specialized	CIR Joel Tan-Torres
	10. Electronic New Government Accounting System (eNGAs)	Efficient and timely financial reporting	Number of offices that installed e-NGAS			
	10.1. Department of Health			22	35	Financial and Management Service (OIC Director Laureano C. Cruz)
	10.2. Department of Public Works and Highways			116 (CO, 16 Regional Offices, 99 District Engineering Offices)	166 (CO, 16 Regional Offices, 149 District Engineering Offices)	IDC head: Asec Raul C. Asis

Notes:

¹These targets will be updated to include years 2011-2015 in the progress monitoring report that the GRP will submit to MCC.

² As provided for the ARTA, the agency shall review the CC whenever necessary but not less than once every two years. Hence updating of the CC shall be done.

³ From 2010 onwards, compliance monitoring and implementation of the customized procurement manual will be undertaken

⁴ There were four (4) training topics covered in 2009. Thus, possible double counting of training participants may have occurred.

POLICY IMPROVEMENT PROCESS# 5
Improving Budget Transparency in Budget Delivery

Ruling Justly: Control of Corruption (Source: World Bank Institute)
Indicator Sub-Component: Budget Release Transparency
Factor Affecting Indicator Performance: Public access generally limited to lump sum appropriations as details on itemized budget allocations are not always available to the public (Global Integrity 2006).
Focal Person: Public Sector: Secretary Florencio Abad, Department of Budget and Management (DBM)
Private Sector: Ms. Tammy Lipana

PROPOSED ACTIONS / ONGOING REFORMS	EXPECTED RESULTS	INDICATOR	TIMELINE AND EXPECTED RESULTS							PERSON RESPONSIBLE
			BASELINE	ANNUAL TARGETS						
			2009	2010	2011	2012	2013	2014	2015	
1. eLAMP. Review and addition of enhancements to the Electronic Lump Sum Appropriations Management Program (eLAMP) system, a web-based application designed to streamline and automate the processing, releasing and tracking of lump-sum funds (LSF) which comprises 20% of the total national government budget (2009). The system covers the processing of Special Allotment Release Orders (SARO) prior to the release of Notice of Cash Allocations (NCA) which, depending on the cash position of the government, allows the release of funds from banks to the relevant government unit for the Internal Revenue Allotment (IRA) of local governments from national taxes, and the congressional allocations under	1.1 Streamlined and automated processing, releasing and tracking for Internal Revenue Allotment (IRA), for congressional allocation and for school building construction projects nationwide.	1.1.a SAROs processed through the eLAMP System								Usec. Mario Relampagos
		i Numbers (as %)	0%	50%	80%	90%	95%	100%	100%	
		ii Peso Value (as %)	0%	50%	80%	90%	95%	100%	100%	
		1.1.b Processing time between request, release of SARO and posting of information in the DBM website (in days)								
		i PDAF	1	5	4	3	3	3	3	
		ii DPWH-CA	1	5	4	3	3	3	3	
		iii SBP	5	5	4	3	3	3	3	
		iv IRA	5	5	4	3	3	3	3	

PROPOSED ACTIONS / ONGOING REFORMS	EXPECTED RESULTS	INDICATOR	TIMELINE AND EXPECTED RESULTS							PERSON RESPONSIBLE
			BASELINE	ANNUAL TARGETS						
				2009	2010	2011	2012	2013	2014	
the Priority Development Assistance Fund or PDAF, public works (for the Dept of Public Works and Highways or DPWH) and school building projects (SBP) nationwide.	1.2 Enhanced access of all stakeholders (LGUs, implementing agencies, beneficiary communities, etc.) to information on the release of funds thus helping discourage corruption.	1.2.a. User satisfaction Survey	<p>-User satisfaction survey is still being developed, targets would be set upon finalization of the 1st user satisfaction survey-</p> <p>In 2009, draft questionnaire has been formulated 3rd Q: Initial survey for baseline 4th Q, 2010 onwards: Quarterly surveys conducted</p>							
		i DBM Users								
		ii Client								
		Agencies as recipients of: PDAF DPWH -CA SBP IRA								
2. Document Tracking System (DTS). Enhancement of a Document Tracking System (DTS) that centrally logs requests, keeps track of and manages action documents, and prevents unnecessary delays in fund releases including the next stage of the process – the release of the Notice of Cash Allocation (NCA) which authorizes the release of the check from banks. The system will allow the tracking of the request for NCA from the government agencies to the actual release of the NCA.	2.1 Improved timeliness in service delivery.	2.1.a NCAs processed through DTS								Usec. Mario Relampagos
		i Numbers (as %)	0%	30%	70%	80	90%	100%	100%	
		ii Peso Value (as %)	0%	30%	70%	80	90%	100%	100%	
		2.1.b Processing time between request for NCA and DBM response (in days)								
		i PDAF	1	1	8	5	5	5	5	
		ii DPWH -CA	1	1	8	5	5	5	5	
		iii SBP	1	1	8	5	5	5	5	
		iv IRA	1	1	8	5	5	5	5	
		2.1.c Processing time between request for NCA and issuance of NCA ¹ (in days)								
		i PDAF ²	55	4	40	4	40	40	40	
		ii DPWH -CA	40	3	30	3	30	30	30	
		iii SBP	40	3	30	3	30	30	30	
		iv IRA	10	5	5	5	5	5	5	

¹ The release of NCA depends on revenue collections and cash available to the Government at any particular time. Hence, some NCAs, regardless of lump-sum type, may take a longer time to process and release than others.

² PDAF processing takes a longer time as it requires prior approval from the Office of the President.

POLICY IMPROVEMENT PROCESS # 6
Globally Competitive Import Clearance Procedures to Reduce Port Dwell Time

Ruling Justly: Control of Corruption (Source: World Bank Institute)
Indicator Sub-Component: Business Costs of Corruption
Focal Person: Public Sector: Public Sector: Commissioner Angelito Alvarez, Bureau of Customs (BOC)
Private Sector: Ms. Emma Teodoro

FACTORS AFFECTING INDICATOR PERFORMANCE	PROPOSED ACTIONS/ON-GOING REFORMS	EXPECTED RESULTS	INDICATOR	ANNUAL TARGETS*							
				2009	2010	2011	2012	2013	2014	2015	
The reliance on manual processes using physical documents has contributed to the lengthy duration in the release of the cargo clearances resulting in delays in the receipt of the goods by the consignees. It increases the chances of pilferage or damage the goods, and creates opportunities for corruption to facilitate and hasten the process. The reported time involved in document preparation,	The new Import and Assessment System (IAS) under the Electronic to Mobile (e2m) project of the Bureau of Customs is designed to fully upgrade the end-to-end processing of transactions on the release of import clearances to reduce the dwell time of cargo in port. The principal vision of e2m is to enable the importer to conduct all transactions with BOC (filing, paying, tracking and releasing) electronically via the internet and the SMS feature of cellphones without any face-to-face contact with BOC personnel. Its main components include: (a) the electronic submission of documents via internet to private Value-Added Service Providers (VASP) for the encoding and	Nationwide coverage of implementation	Rollout into								
			• 3 Major ports	0	3 ²	3	3	3	3	3	
			• 12 provincial ports	1 ¹	12 ³	12	12	12	12	12	
• 32 sub-ports	0	32	32	32	32	32	32	32			

¹ Provincial port of Batangas

² Major ports of Manila, Ninoy Aquino International Airport, Manila International Container Port

³ Plus provincial ports of Cebu, Iloilo, Davao, Cagayan de Oro, Subic, Clark, Tacloban, Surigao, San Fernando, Legazpi, Zamboanga

^{iv} The initial NSW rollout as awarded to Crown Agents in December 2009 for implementation up to December 2011 is focused on ten national government agencies including Board of Investments, Bureau of Animal Industry, Bureau of Customs, Bureau of Food and Drug, Bureau of Internal Revenue, Bureau of Plant Industry, Bureau of Product Standards, National Food Authority, Philippine Economic Zone Authority, and the Sugar Regulatory Commission. There is an undergoing pilot involving the BIR, NFA, SRA, BAI and BPI together with BOC and file transfers from PEZA which entails the issuance of memorandum orders, the confirmation on the location of equipment, the identification of all NSW users and selected “importers.”

<p>customs clearance and technical control lasts 11 days which translates to a country ranking of 68th out of 183 economies covered in the IFC Doing Business 2010 report, on the “ease of trading across borders”.</p>	<p>lodgement of import entries</p> <p>(b) an electronic manifest system to enforce submission deadlines and for declaration checking of quantities, weight, volume, container numbers,</p> <p>(c) a license and clearance system that allows issuing agencies to input the details of the permits / clearances thru the National Single Window project (see below) for instant validation and notice of utilization</p> <p>(d) a formal entry system to automatically calculate the values on payments for duties, taxes and fees and applies advance payments, exemptions, tax credit and deferred payments for government accounts</p> <p>(e) an e-payment facility for duties, taxes and fees wherein the payment is debited from the importer's nominated account</p> <p>(f) an online release system that automatically sends release instructions to the port operator when the entry is paid.</p>	Simplified processing of import clearances	<ul style="list-style-type: none"> Share of import entries for Greenlane processing not requiring physical examination of goods 	30%	40%	50%	60%	70%	80%	80%
		Share of import entries obtaining clearance prior to arrival of shipment in port	0%	10%	15%	20%	25%	30%	30%	
			Share of shipments requiring paper documents	100%	90%	80%	70%	50%	30%	30%
		Improved clearance time for import and export of goods through Customs	Hours for Customs clearance (BOC measure)	30	20	10	5	1	0.5	0.5
			Days for Customs Clearance (IFC measure)	3	3	2	2	1	1	1
		Reduce overall duration for trade transactions	Days of Dwell Time elapsed from discharge of last goods from the vessel to the exit of goods from the port (BOC measure & definition)	6	5	4	3	3	3	3
			Days to import (IFC definition)	16	14	10	7	5	3	3

<p>The National Single Window (NSW) project of the BOC will allow the single submission, single synchronous processing and single decision-making in the processing and release of imports and exports, including applications for licenses, permits and other authorizations required prior to undertaking a trade transaction. Its implementation will enable interaction between and among government agencies, shipping and freight operators, airlines importers, exporters, brokers and Customs administrations. Effectively, the NSW will provide the agencies with the ability to share and counter check information online and provide the transacting public with a reduction in the time and the cost of trading across borders.</p> <p>The NSW Basic Process Flow, allows:</p> <ul style="list-style-type: none"> • One-time Registration of traders to enable electronic submission of license and permit applications • Registered traders to identify, select and complete all required forms based on their specific trade requirements • On-line payment via mobile phone (m-payment) will be available to the agencies • The transmission of the trader's application to all relevant agencies • Electronic acknowledgement, receipt and acceptance of the submitted information • Addition of printed bar code for document referencing to existing paper document forms of issuing agencies • The agency, upon completion of its review, returns its response to the NSW for recording. This may include the capture of 	<p>Implementation in No. of Government Agencies</p> <ul style="list-style-type: none"> • Electronic linkages among agencies • E-services to public 	5	35 ⁴	35	35	35	35	35	35	
			3	35	35	35	35	35	35	35
	Faster response times for approval of permits and licenses	Days for document preparation (IFC measure)	8	8	?	?	?	?	?	?
	Improved access to government agencies for the trading community	Customer satisfaction survey to be developed								
	A better experience for traders interacting with the Philippine government									

	<p>limited data and the registering of either approval or denial of the application. The document barcode can be scanned to recall the electronic entry thereby simplifying the identification of a document that has been processed. Documentation can be scanned and attached to the electronic folder for any application.</p> <ul style="list-style-type: none"> The agency's decision is to be transmitted to the Trader electronically and to the BOC e2m System. <p>The development of the NSW is a commitment of the Philippines to ASEAN as stated in the ASEAN Economic Community Blueprint signed by the ASEAN heads of state in 2007. This ASEAN Single Window (ASW) calls for the streamlining, simplification, synchronization, integration, standardization and alignment with international standards of trade regulations and procedures among member nations. It provided that the Philippines, together with Brunei, Indonesia, Malaysia, Singapore and Thailand would have their NSW's ready by 2008.</p> <p>To date, only four countries — Indonesia, Malaysia, the Philippines and Brunei — are linked by the ASW project, although not at full capacity. All 10 ASEAN countries are expected to fully implement the ASW system by the end of 2012.</p>									
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*to be discussed with Bureau of Customs

POLICY IMPROVEMENT PROCESS # 7
Citizen's Appeal Monitoring System (CAMS)

Ruling Justly: Control of Corruption (Source: World Bank Institute)
 Indicator Sub-Component: General perception on corruption
 Focal Person: Public Sector: Office of the President
 Private Sector: Ms. Helen Macasaet

FACTORS AFFECTING INDICATOR PERFORMANCE	PROPOSED ACTIONS/ON-GOING REFORMS	EXPECTED RESULTS	INDICATOR	ANNUAL TARGETS*							
				2009	2010	2011	2012	2013	2014	2015	
The poor perception of the general public on the stand and performance of the national government against corruption can be attributed to numerous factors including the lack of a transparent, systematic and centralized system for airing corruption complaints. The present setup generally consists of separate hotlines to the sectoral agencies and various anti-corruption bodies including the Office of the Ombudsman and the Civil Service Commission (for government officials), the Presidential Anti-Graft Commission (for presidential appointees) and Presidential Anti-Smuggling Group among others. The manual processing of complaints thru letters and phone calls to the relevant	The Citizen's Appeal Monitoring System aims to upgrade the capabilities of the Presidential Action Center (PACE) to receive, monitor complaints and be more pro-active in its response towards complainants. PACE is the lead agency in this Project as it is the regular operating unit under the Office of the President (OP) mandated under Executive Order 479 to: <ul style="list-style-type: none"> provide callers, visitors and other persons who come to transact business with the OP with the necessary information; serve as liaison unit of the OP with various departments and agencies of the Government on all requests for assistance, as well as complaints and grievances by the general public; coordinate with the various departments and agencies in order to carry out its objectives and functions, and institute a follow-up 		Implementation	<ul style="list-style-type: none"> Pilot operational as of June 2010 Expansion and rollout to government agencies and local government units to start by _____ 							
		Expanded scope of possible complaints to be resolved	Number of government agencies covered in Citizens hotline	0	3 ⁵						
		Wider use and acceptance of non-voice reporting	Share of complaints from <ul style="list-style-type: none"> walk in calls letters SMS email 	30 0 45 24 1							
		Faster response time in responding to complaints	Average time for complaint to be <ul style="list-style-type: none"> Favorably resolved Resolution relayed to complainant 								

⁵ Bureau of Internal Revenue, Department of Health, Philippine Health Insurance Corporation are pilot activities.

<p>agency is beset by uneven standards in the documentation of complaints and the procedures for the resolution of cases and transmittal of developments/results to the original complainants. Dissatisfaction on the failure of government to act on these complaints expeditiously and judiciously may be treated as corruption in itself in the eyes of the general public especially the poor which comprises the majority of complainants serviced by the Presidential Action Center mostly as walk-ins or through letter referrals.</p> <p>Seventy-seven percent (77%) of respondents polled in the 2009 Global Corruption Barometer report of Transparency International consider the actions of government on the fight against corruption as largely “ineffective.” This is higher than the regional average of 56%, and is the second most negative rating next to South Korea (81%) among all countries in the Asia Pacific region.</p>	<p>and feedback mechanism to ensure that the referrals of PACE expeditiously acted upon;</p> <p>The project is designed to provide an interface between PACE and national government agencies as part of an efficient complaints handling system. The new PACE center will allow the on-site encoding of information from walk-in complainants, from telephone calls, letters, emails and SMS into standardized forms, and the scanning of physical documents for transmission via email to the relevant government agency for appropriate action. The forms and scanned documents will have reference numbers and time stamps for tracking purposes.</p> <p>PACE will eventually be integrated into the Citizens helpline (Call Center ng Bayan) facility of the Civil Service Commission for the processing of calls and follow-up actions with government agencies. The Citizen’s Helpline or CCB is a 24/7 contact center facility intended to address the concerns of the general public via voice call, short messaging service (SMS), fax, e-mail or the Internet. It shall be the means for citizens to air their complaints or request for information and assistance, and get corresponding action or feedback in real</p>	Improved efficiency in positive resolution of complaints	Number of complaints received and referred to appropriate agencies	4831 ⁶								
			Resolved	714 (9%)								
			Positively Resolved	272 (6%)								
		Enhanced the identification and resolution of corruption cases		No. of complaints on corruption and governance	9132 ⁷							
				Acted upon	2922 ⁸							
				Resulting in No. of cases filed in Ombudsman								

⁶ For referrals targeting top 18 national government agencies. This is in addition to referrals to other agencies which numbered 25,613 in 2008 totaled 30,444 referrals from Jan-June 2009.

⁷ Number of referrals received by Governance and Local Affairs Division of PACE

⁸ Letter referrals only

	<p>time. This web-based multi-tenant contact center solution is intended to provide the following features and capabilities:</p> <ul style="list-style-type: none"> • Unified (multi-channel) communications thru voice, email, chat, SMS, web • Automated call distribution in channeling inquires to available service agents • Interactive voice / video response to direct complainants on procedures • Call recording / reporting for documentation of complaints • Predictive dialing in filtering out busy / fax lines and unanswered / disconnected calls during follow-up calls to government agencies • Comprehensive customer relations management and knowledge management functionalities in identifying common areas of complaints. 									
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*Targets to be determined as soon as PACE status is determined

Policy Improvement Process # 9
Developing a Robust Investors Assistance Process

Ruling Justly:

Indicator Sub-Component:

Factors Affecting Indicator Performance:

Control of Corruption (Source: World Bank Institute)

Business Costs of Corruption

In 2007, the Philippines' score on the public access to information sub-component decreased to 53, resulting in a classification of "very weak." This score reflects the views of country experts on the extent to which (with sub-scores in parentheses): citizens have the legal right to access to information (67) and the right to access information is effective (40). (Global Integrity 2006, 2007) Red tape associated with starting and operating a business is considered a constraint. (Asian Development Bank 2007)

Corruption is the biggest concern of US Businessmen in the Philippines (AMCHAM Survey)

Focal Person:

Public Sector: Director General Lilia De Lima, Philippine Economic Zone Authority (PEZA)

Private Sector: Atty. Martin Lou Pascual

PROPOSED ACTIONS / ON-GOING REFORMS	TIMELINE AND EXPECTED RESULTS*										PERSON RESPONSIBLE		
	EXPECTED RESULTS	INDICATOR	BASELINE 2008	2009	2010	2011	2012	2013	2014	2015			
Establishment of the Presidential Investment Relations and Assistance Council (PIRAC) tasked to utilize client relations management to provide guidance on selecting investment sites and "after-sales service" on addressing key questions related to regulations, infrastructure requirements and other support services of government for investors	Enhanced institutional structure to address and enforce ethical practices and investor concerns related to corruption	Establishment	<ul style="list-style-type: none"> Draft of Executive Order by ____ Approval of Executive Order by ____ Entity up and running with operational budget and staff by _ Quarterly meetings to start by ____ 										
		No. of participating IPAs and LGUs	0	0	0						124		
		PIRAC Code of Ethics	0	0	0						124		
The establishment of a centralized electronic on-line government platform / portal / website (www.INVESTPHILIPPINES.gov.ph) where basic information on investing in the Philippines, including requirements for business registration, and client feedback system will be available, serving also as the	Enhanced investment climate	Foreign direct investment										PIRAC*; IPAs *upon approval of EO establishing PIRAC	
		IPAs (Pbil)	183	122									
		Net (\$bil)	1.5										
		Net (% to ASEAN 6)	2.6										
		Employed IPAs											
		National	34.09	35.06									
		Unemployment rate	7.4	7.5									

<p>central portal for e-applications for business registration with the SEC, Dept of Trade and Industry and the Investment Promotion Agencies (IPAs), and e-ready Local Government Units.</p> <p>This system will function as a national level One-Stop for the on-line registration of foreign and local investors with the various IPAs including the Board of Investments, Philippine Economic Zone Authority as well as other IPAs for Subic and Clark and other special economic zones which currently service prospective investors separately and independent from the local government units which also provides the business-enabling environment (i.e utilities, peace and order, workforce education, etc.)</p>	<p>Enhanced access to all information regarding regulatory requirements on investing and registering a business in the country</p>	<p>Development of central portal</p>	<p>Design and develop content of web page by Oct 2010 Upload webpage to the Net by early Nov 2010 Soft launch & public launch of portal by late Nov 2010 e-payment on line by end-Dec 2010</p>							<p>PEZA, CICT and IPAs</p>	
		<p>No. of participating national government agencies in the portal (excl SEC and DTI) servicing 8 sunrise sectors</p>	0	0							
		<p>No. of hits in website of which from overseas</p>	0	0							
	<p>Strengthened capability to effectively service requests for assistance including on corruption</p>	<p>No. of IPAs available on-call 24/7</p>	0	0							
		<p>No. of requests received</p>	0	0							
		<p>Resolution rate</p>	0	0							
		<p>Favorable resolution rate</p>	0	0							
		<p>Led to cases files</p>	0	0							
	<p>Existence of working setup fast-tracking the provision of LGU-sourced services</p>	<p>No. of participating LGUs servicing the 8 sunrise sectors</p>	0	0						120	<p>DILG Usec Panadero</p>
	<p>Streamlined processes to reduce opportunities for corruption</p>	<p>No. of processing steps in registering a business in special economic zones</p>									<p>PEZA, CICT and IPAs</p>
<p>Time of registering a business in special economic zones</p>										<p>PEZA, CICT and IPAs</p>	
<p>Update survey on business constraints and difficulties in the Philippine environment as a follow –up to ADB Survey 2005 and AmCham Survey 2007.</p>	<p>Enhanced awareness on constraints facing investors</p>	<p>Conduct of Survey</p>	<ul style="list-style-type: none"> Initial survey to be held by ____ Data released by ____ 								
		<p>Corruption as a major constraint to operations</p>	34% (2003)	--							

*Discussions with PEZA on going and to be finalized after discussion.