Governance and Fiscal Management: The Philippine Context

THELMA C. MANUEL
OIC-Director, Governance Staff
National Economic and Development Authority
“Good governance, that is, having a government that is able to make and enforce rules and to deliver services efficiently and effectively, is critical to achieving the 2030 Agenda for Sustainable Development.”
Survey 2017: Analytical Framework of improving governance for better fiscal management
GOOD GOVERNANCE REFORMS THAT HAVE CONTRIBUTED IN THE PHILIPPINES’ ECONOMIC DEVELOPMENT (2010-2016)
BOTTOM-UP BUDGETING PROGRAM

to promote participatory planning and budgeting processes at the national and local level through the genuine involvement of grassroots organizations and communities

CITIZENS PARTICIPATORY AUDIT (CPA)
to open the audit processes to citizens and CSOs intended to improve effectiveness and efficiency in the use of public resources

OPEN DATA PORTAL
to improve transparency and citizen’s empowerment through greater access to information. The Portal was launched as the central platform for the publication or disclosure of government data.
to promote participatory planning and budgeting processes at the national and local level through the genuine involvement of grassroots organizations and communities.

CITIZENS PARTICIPATORY AUDIT
to open the audit processes to citizens and CSOs; intended to improve effectiveness and efficiency in the use of public resources.

OPEN DATA PORTAL
to improve transparency and citizen’s empowerment through greater access to information. The Portal was launched as the central platform for the publication or disclosure of government data.
OPEN DATA PORTAL
to improve transparency and citizen’s empowerment through greater access to information. The Portal was launched as the central platform for the publication or disclosure of government data.
Coverage of Report Card Survey, a critical component of Anti-Red Tape Act of 2007, was expanded from 50 frontline agencies in 2010 to 1,109 agencies in 2016.

The Governance Commission for GOCCs (GCG) was created in 2012 to fight corruption in government owned and controlled corporations and improve the quality of management.

The Inter-Agency Anti-Corruption Coordinating Council was established to institutionalize transparent, accountable, and participatory governance.
Coverage of Report Card Survey, a critical component of Anti-Red Tape Act of 2007, was expanded from 50 frontline agencies in 2010 to 1,109 agencies in 2016.

The **Governance Commission for GOCCs (GCG)** was created in 2012 to fight corruption in government owned and controlled corporations and improve the quality of management.

The Inter-Agency Anti-Corruption Coordinating Council was established to institutionalize transparent, accountable, and participatory governance.
Coverage of Report Card Survey, a critical component of Anti-Red Tape Act of 2007, was expanded from 50 frontline agencies in 2010 to 1,109 agencies in 2016.

The Governance Commission for GOCCs (GCG) was created in 2012 to fight corruption in government owned and controlled corporations and improve the quality of management.

The Inter-Agency Anti-Corruption Coordinating Council was established to institutionalize transparent, accountable, and participatory governance.
Local Government Units (LGUs) garnered 74 percent compliance with respect to public financial management (PFM) standards in the 1st quarter of 2016, surpassing the End-Of-Plan target of 65 percent.

Incentive-based initiatives, such as the Seal of Good Local Governance and the Performance Challenge Fund, proved very effective in positively influencing the performance of LGUs.

Citizen feedback on the kind and quality of services rendered by the city and municipal governments were gathered through the Citizens’ Satisfaction Index System in 163 LGUs, exceeding the target of 153.
SIGNIFICANT LEGISLATIVE MEASURES

• **GOCC Governance Act of 2011** – aims to curb excesses in the sector and to ensure that GOCCs are managed in a transparent, responsible, and accountable manner; and with the utmost degree of professionalism and effectiveness

• **Ex Parte Application of Court Order** – grants the Anti-Money Laundering Council authority to undertake ex parte inquiry into suspicious financial transactions after securing court approval without the need to inform the suspects
SIGNIFICANT LEGISLATIVE MEASURES

• **Amended the Anti-Money Laundering Act**– includes the list of covered institutions and transactions

• **Terrorist Financing Suspension Act of 2012** – defines the crime of terrorism financing
PHILIPPINES’ STRATEGIES TO IMPROVE GOVERNANCE FOR BETTER FISCAL MANAGEMENT
PHILIPPINE DEVELOPMENT PLAN 2017-2022 OVERALL STRATEGIC FRAMEWORK

2022

MALASAKIT
- Clean and efficient governance
- Administration of justice
- Philippine culture and values

PAGBABAGO
- Expansion
- Increase in access
- Technology adoption
- Innovation
- Human capital development
- Vulnerability reduction
- Demographic dividend

PATULOY NA PAG-UNLAD
- MACROECONOMIC STABILITY, COMPETITION
- Strategic infrastructure development
- Safety and resilience
- Ecological integrity, clean environment

2040

MATATAG, MAGINHAWA AT PANATAG NA BUHAY

INCLUSIVE GROWTH, HIGH-TRUST AND RESILIENT SOCIETY, GLOBALLY-COMPETITIVE KNOWLEDGE ECONOMY

INCLUSIVE GROWTH, HIGH-TRUST AND RESILIENT SOCIETY, GLOBALLY-COMPETITIVE KNOWLEDGE ECONOMY

2022

MALASAKIT
- Clean and efficient governance
- Administration of justice
- Philippine culture and values

PAGBABAGO
- Expansion
- Increase in access
- Technology adoption
- Innovation
- Human capital development
- Vulnerability reduction
- Demographic dividend

PATULOY NA PAG-UNLAD
- MACROECONOMIC STABILITY, COMPETITION
- Strategic infrastructure development
- Safety and resilience
- Ecological integrity, clean environment

2040

MATATAG, MAGINHAWA AT PANATAG NA BUHAY

INCLUSIVE GROWTH, HIGH-TRUST AND RESILIENT SOCIETY, GLOBALLY-COMPETITIVE KNOWLEDGE ECONOMY

INCLUSIVE GROWTH, HIGH-TRUST AND RESILIENT SOCIETY, GLOBALLY-COMPETITIVE KNOWLEDGE ECONOMY
PEOPLE-CENTERED, CLEAN, EFFICIENT, AND EFFECTIVE GOVERNANCE ENSURED

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

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

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

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

**Civil service strengthened**
- Promote shared public service values
- Improve human resource management systems and processes
- Develop and invest in human resource
Governance strategies to improve fiscal management

Sustain existing participatory governance initiatives such as the Citizen Participatory Audit

Enhance the income and asset declaration system of public officials by improving the system of filing and analyzing Statements of Assets, Liabilities, and Net Worth (SALN)

Complete the Budget and Treasury Management System and the Single Treasury Account
Governance strategies to improve fiscal management

- Intensify LGU fiscal monitoring and performance evaluation through standardized reporting tools and metrics
- Formulate and implement expenditure management reforms that will improve government agency budget utilization and address underspending (i.e. streamlining the release of funds, development of integrated and user-friendly financial management systems)
Governance strategies to improve fiscal management

**Legislative Measures:**

- Budget Reform bill
- E-Government bill
- Comprehensive Tax Reform bill
- Freedom of Information bill
Governance and Fiscal Management: The Philippine Context

THELMA C. MANUEL
OIC-Director, Governance Staff
National Economic and Development Authority