



Emergency Response/Rescue Program Command Center
Brgy. San Antonio, Pasig City

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Good Governance and the Rule of Law

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Good governance sets the normative standards of development. It fosters participation, ensures transparency, demands accountability, promotes efficiency, and upholds the rule of law in economic, political and administrative institutions and processes. It is a hallmark of political maturity but also a requisite for growth and poverty reduction, for there are irreducible minimum levels of governance needed for large-scale investment to occur and for social programs to be supported.

A cornerstone of good governance is adherence to the rule of law, that is, the impersonal and impartial application of stable and predictable laws, statutes, rules, and regulations, without regard for social status or political considerations.

This chapter assesses the quality of governance in the country and identifies key governance challenges that constrain development. It then lays down corresponding strategies to achieve good governance anchored on the rule of law, and provide an enabling environment for national development.

Assessment and Challenges

Efforts until now have at best created “islands of good governance” in certain sectors, some national agencies, and some local government units. But these have failed to translate into improvements in the country’s overall state of governance, nor have any significant social impact.

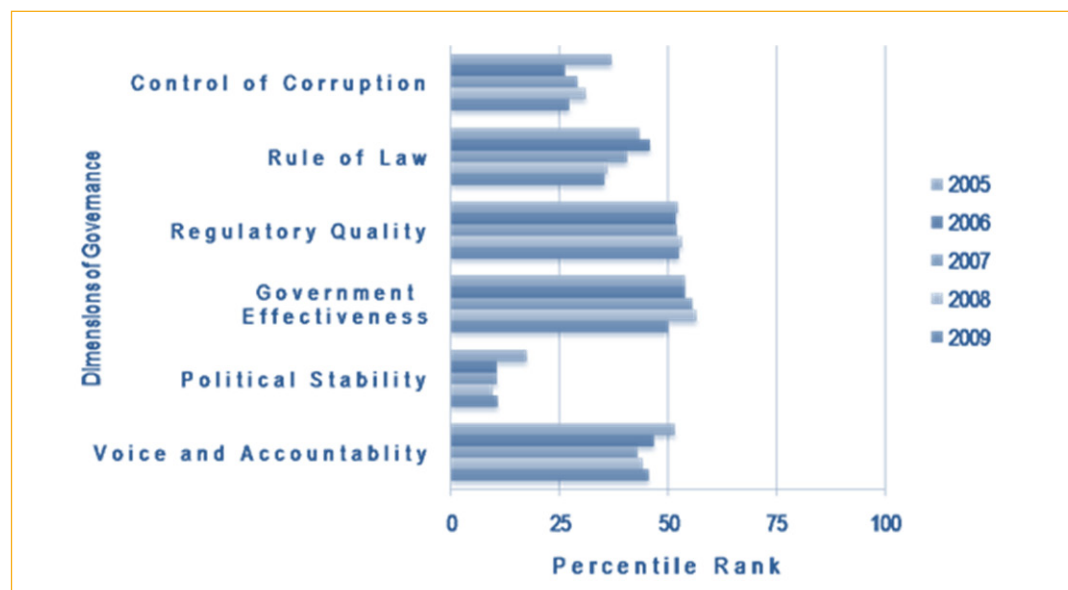
The country’s recent history has been plagued by questions of legitimacy, accountability, and allegations of grand corruption. The 1986 EDSA revolution established a framework of constitutional democracy and civil rights, but deep social and political divisions have persisted alongside problems of inefficiency and corruption in government. The failure to address governance issues has given rise in recent years to marked political instability, bordering on threats to constitutional government, and a deepening cynicism and mistrust of formal political institutions. Political instability and widespread corruption have also had serious repercussions on the investment climate. The successful and credible transfer of power in 2010 through the prescribed constitutional processes and a renewed public concern for government accountability and transparency are important first steps in restoring the

credibility of the nation’s institutions. But they are not enough.

Efforts until now have at best created “islands of good governance”¹ in certain sectors, some national agencies, and LGUs. But these have failed to translate into improvements in the country’s overall state of governance, nor have any significant social impact. These “islands” are easily swamped by high tides of impunity and venality. The overall miserable state of governance in the country was attested by different measures. The country’s percentile rank in the six dimensions of governance in the Worldwide Governance Indicators (WGI) until 2009 remained mostly within the lower half. The worst performance was in political stability, as the conduct and results of previous national elections were sharply contested amid allegations of corruption. The result was an alienation of the people from their

¹A phrase used by a former World Bank country director in an article of September 5, 2007.

Figure 7.1 Philippines: Worldwide Governance Indicators



Source: World Bank (http://info.worldbank.org/governance/wgi/sc_chart.asp)

government and an open invitation to several extra-constitutional attempts to seize power.

The country also failed to hurdle major indicators under the Millennium Challenge Corporation (MCC), which relies on the WGI for measuring policy improvements in three dimensions of governance.² This picture is repeated in the Global Competitiveness Index (GCI), where the country was ranked 87th in 2009-2010 and 85th in 2010-2011.³ Even though the country's competitiveness slightly improved from last year, the country continues to lag behind most Southeast Asian neighbors. The Global Competitiveness Index Report for 2010-2011 listed corruption and

inefficient government bureaucracy as the top two most problematic factors for doing business in the Philippines. The country's corruption problem is again highlighted in the 2010 Corruption Perception Index where the Philippines ranked below 75 percent of all the countries surveyed (134th out of 178 countries)⁴ and last among the ASEAN-6. The country's standing from all these measures signals the need for more substantial actions to strengthen governance in the country. This only shows that good governance cannot be achieved partially or piecemeal, but must be attained decisively and systematically.

Political instability, corruption, and weak rule of law have had severe negative effects on investment,⁵ which partly

² The MCC is a bilateral grant program of the US. Eligibility criteria include 17 different governance measures, among which, however, the "control of corruption" is the only "hard" or strictly binding condition. When the Philippines transitioned from the low-income to lower-middle-income category in 2010, it fell below the threshold of the corruption indicator appropriate for the new peer group, with a 26th percentile ranking.

³ The Global Competitiveness Report 2010-2011 (World Economic Forum)

⁴ The Corruption Perception Index is a composite Report prepared by Transparency International which measures the perceived level of public sector corruption in 178 countries and territories based on 13 expert and business surveys.

⁵ Philippines: Critical Development Constraints (ADB)

Cumbersome government procedures slow down the delivery of public service and increase transaction costs. The same arduous government processes also provide the venues for corruption, given the natural tendency to avoid the bureaucratic red tape.

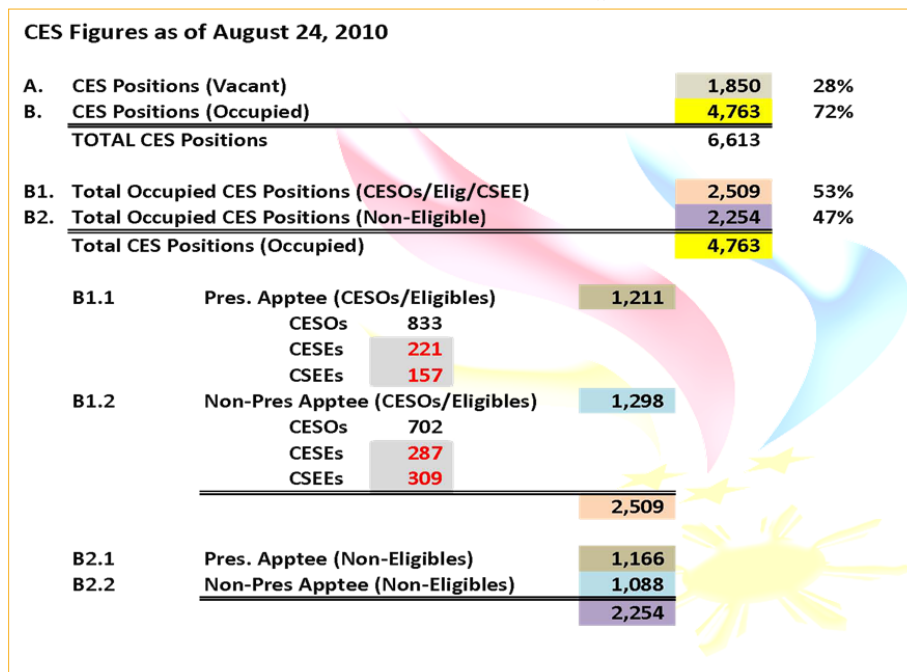
explains the country's low rate of capital formation. Public investment is stymied when corruption in revenue-collection efforts deprives the government of needed funds. Overpricing and funds-diversion in spending distort priorities and wastes public resources. But even private investment is affected; first, by the uncertainty of administrations whose legitimacy is questioned, and second, by the prospect and reality of biased rules and extortive practices, which raise the costs of doing business and discourage new business entrants and contract-bidders from providing real competition. In the end, the resulting poor growth and fiscal inability to support social programs severely impair poverty-reduction programs. Corruption and lack of transparency are major constraints to the achievement of the MDGs.⁶ To say that corruption and poor governance abet and worsen poverty is no exaggeration. *Kung walang corrupt, walang mahirap.*

Public Service Delivery

The delivery of public services must be prompt and adequate to citizens' needs. Cumbersome government procedures slow down the delivery of public service and increase transaction costs. The same arduous government processes also provide the venues for corruption, given the natural tendency to avoid the bureaucratic red tape. The Anti-Red Tape Act (ARTA) of 2007 already requires national departments, agencies, and LGUs to set up their respective service standards known as Citizen's Charters (CCs), to simplify procedures, and to facilitate transactions. As of August 30, 2010, 74 percent of agencies (4,253 of 5,716) nationwide had complied with the drafting and promulgation of CCs. As a means to develop citizens' awareness of their rights vis-à-vis government and encouraging citizens' criticisms when aggrieved, this is one step towards cutting red tape and reducing corruption. However, This is unlikely to be sufficient.

Impersonal online services can reduce the face-to-face transactions that typically provide the occasion for extortion and corruption, and some agencies have provided such services. These include the Land Transportation Office (LTO), the Securities and Exchange Commission (SEC), the Bureau of Internal Revenue (BIR), and the Government Service Insurance System (GSIS). The government has also selected 120 LGUs to become "Sparkplugs for Governance and Economic Development" by, among others, streamlining their business permit and licensing system to reduce opportunities for bribery and other forms of corruption.⁷ These reforms need to be harmonized and well-

Figure 7.2 Career Executive System (CES) Occupancy Data



Source: CESB

⁶ Philippine Progress Report on the Millennium Development Goals 2010

⁷ Philippines' Policy Improvement Process Plan of Action 2010

established, however, for significant results to be achieved. Moreover, in the “Ease of Doing Business” index, the Philippines remained in the bottom fifth of the economies surveyed (rank 148 out of 183 economies surveyed).⁸

Various initiatives have also been undertaken to provide a more competitive compensation system in the government to improve the economic wellbeing of civil servants and raise their morale, with a view to better service provision. The pay of government personnel covered by the Compensation and Position Classification under RA 6758, as amended, was adjusted in 2007 and 2008 through an additional 10 percent increase in basic monthly salaries.

To rationalize the Government Compensation and Position Classification System, a Joint Resolution of Congress was passed in 2009 increasing the salaries of government workers by an average of 50 percent over four years. Increases in compensation were implemented to continually uplift the living standards and welfare of government employees. The new pay package aims to attract more qualified and upright people to work for government, address the compensation gap between the public and private sectors, and encourage qualified incumbents to stay longer in public service. It puts a premium on positions with more complex and difficult tasks and greater responsibilities. It also eliminates the overlapping of salaries between consecutive salary grades. Meanwhile, this effort is always threatened and undermined by legislation seeking to provide higher pay for specific agencies.

The integrity of the civil service has been perennially undermined by appointments based on political accommodation rather than on merit and fitness, a phenomenon that is partly an offshoot of the president’s vast powers of appointment and discretion. This is true across the board but particularly in third-level positions and in the appointment of teachers, police, and treasurers. The eligibility requirement is only weakly enforced in the career executive service, in which 47 percent of the occupied positions are held by noneligible individuals.

Local governments confront rising public expectations regarding the delivery of services. Despite almost two decades of implementation of the 1991 Local Government Code (LGC), however, local governments still face various challenges in the exercise of their devolved service delivery functions. Foremost among these is the raising of sufficient funds for local development. A majority of the local governments still lack the ability or the will to raise adequate local revenues. LGUs have become unduly dependent on Internal Revenue Allotment (IRA) transfers from the national government and have failed to manage their financial resources effectively and sustainably. These persistent issues are a significant hurdle in the realization of the goals of local autonomy and devolution through good local governance and effective service delivery. Owing to loopholes in the LGC, as well as the lack of capacities of local governments in assuming devolved functions, national government agencies (NGAs) continue to deliver certain services despite the transfer of these services to the local governments. The confused and overlapping performance of functions compromises the lines of accountability for local services.

⁸ *Doing Business 2011* (IFC and WB); The “Ease of Doing Business” index measures business regulation relevant to the life of a domestic small to medium-sized firm: starting a business; dealing with construction permits; employing workers; registering property; getting credit; protecting investors; paying taxes; trading across borders; enforcing contracts; and closing a business. The Philippine ranking is based on the experience of firms dealing with Manila City Government on three dimensions – starting a business, dealing with construction permits, and registering property. The 2011 edition refers to the period June 2009 to May 2010.

The size and scope of the bureaucracy has expanded through time and has led to overlaps and redundancies in functions and operations of departments/agencies. The executive branch pursued a rationalization program in 2004, but this remains uncompleted. As of December 31, 2010, 177 (82%) of the 216 departments/agencies, other executive offices (OEOs) and GOCCs have submitted their Rationalization Plans (RPs) to the DBM, of which 85 have been approved. The abolition of 15,485 regular, contractual, or casual positions has resulted in savings in Personal Services (PS) amounting to PhP2.39 billion annually, while on the other hand incentives and terminal-leave benefits paid to those retiring or separated from government service amounted to PhP1.396 billion.

As long as staffing in some agencies is excessive and redundant, and the quality of existing personnel is poor, there will be political resistance and public cynicism about across-the-board attempts to improve the pay and morale of the civil service. On the other hand, RPs need to consider the real needs of front-line agencies especially in promoting the rule of law. While a “scrap and build” policy is sensible for addressing the internal structure, it cannot address the emerging personnel resource gaps to respond to increasing population and demand for higher-quality service delivery.

Integrity

The law assigns the Office of the Ombudsman (OMB) a pivotal role in ensuring integrity and deterring corruption in the public sector. The threat of prosecution and conviction of public wrong-doers is a potent sanction against corruption. This will not be regarded as a credible threat without a reliable and effective OMB that demonstrates credible leadership and publicly measurable success in a sustained anticorruption effort.

The OMB has far spearheaded the National Anticorruption Plan of Action (NACPA), the collective response of different sectors to the problem of corruption, integrating and strengthening the anticorruption initiatives and commitments of the OMB itself, other constitutional bodies, the three branches of government, LGUs, civil society, the business sector, non-government professional groups, and the foreign donor community. Its five programme components consist of: (a) public policy advocacy; (b) convergence development and management; (c) performance measurement and management; (d) knowledge management and capacity-building; and (e) resource mobilization. The NACPA is implemented through the Multi-Sectoral Anticorruption Council (MSACC), a multisectoral mechanism chaired by the OMB.⁹

Table 7.1 Status of Submission and Evaluation of Rationalization Plans as of December 31 2010

	No. of Organizations	No. of RPs Approved	No. of RPs Returned for Revision	No. of RPs Being Evaluated	No. of RPs Not Yet Submitted
Departments/Agencies	134	47	7	71	9
OEOs	25	17	3	4	1
GOCCs	57	21	0	17	19
Total	216	85	10	92	29

Source: DBM

⁹ These include, among others, the Concerned Citizens of Abra for Good Government, Inc., the Northern Luzon Coalition for Good Governance, the Evelio B. Javier Foundation, Inc., Moral Recovery Officers Foundation, Inc., the Federation of Filipino Chinese Chamber of Commerce and Industry, and the Employers' Confederation of the Philippines.

Priority NACPA programmes and projects include enhancing the framework of legislation and local policies against corruption, the adoption and customization of the APEC Code of Conduct for Business, an integrity development review of LGUs, capacity-building on UNCAC-compliant investigative techniques, anticorruption planning workshops for professional groups, including accountants and engineers, and the establishment of the Centre for Asian Integrity, an anticorruption learning center.

Such important efforts notwithstanding, the bureaucracy's vulnerability to corruption appears only to have increased. The Commission on Audit (COA) in 2009 noted a "rising incidence of irregular, illegal, wasteful and anomalous disbursements of huge amounts of public funds and disposal of public property that it reinstituted the selective preaudit on government transactions".¹⁰ Public clamor has also been loud and insistent for a speedy resolution and closure in a growing number of highly-visible cases of grand corruption involving high-level politicians and bureaucrats. This public sentiment has had political and electoral repercussions and cannot be ignored.

The deterioration is also evident in cross-country comparisons. Of six governance dimensions in the WGI, the country's score in "control of corruption" has consistently been the second lowest, next only to political instability. In Transparency International's "Corruption Perception

Index", the Philippines ranked 134 out of 178 countries in 2010. Investors have pointed to corruption as the most problematic factor for doing business.¹¹ In the 2008 Global Integrity Report, the Philippines received a moderate overall ranking, gaining a score of 71 points in its Integrity Indicator Scorecard, only four points better than its 2007 standing. Its lowest scores were in "Elections" (59), "Civil Society, Public Information and Media" (68), and "Government Accountability" (70).¹²

A massive rethinking and renewal of effort by all agencies involved in the fight against corruption is clearly needed if any real progress is to be made in this aspect.

Rule of Law

Justice is no less important a public good than basic education and primary health care. The framework of the rule of law serves as the foundation for a democratic society. Its effect on economic performance, social development and integrity infrastructure of the country is pervasive. Otherwise stated, the rule of law is a cornerstone to the improvement of public health, the safeguarding of citizens' participation, of security and of the fight against poverty¹³ (World Justice Project). According to the World Justice Project Rule of Law Index 2010, however, the Philippines ranked last or close to the bottom among seven indexed Asian countries. The country ranked last in such factors such as "order and security", "fundamental rights", and "effective criminal justice"; it was second to the last in the "absence of corruption", "clear, publicized and stable laws", "regulatory enforcement", and "access to civil justice".¹⁴

Investors have pointed to corruption as the most problematic factor for doing business in the Philippines.

¹⁰ COA Circular No. 2009-002

¹¹ Global Competitiveness Report 2010-2011 (World Economic Forum)

¹² The Global Integrity Report is a tool for understanding governance and anticorruption mechanisms at the national level. It is generated by local researchers and journalists. The scorecard contains various points that extensively measure the effectiveness of local policies and implementations.

¹³ World Justice Project Rule of Law Index 2010

¹⁴ Even the Philippines' best score in "open government", which is fifth of seven, was unremarkable and below expectations of one of the oldest democracies in the region.

The government also partners with CSOs in promoting transparency, accountability and public participation in the preparation, authorization, execution and monitoring of the national budget. These efforts must be sustained and, in some cases, deepened.

The weak rule of law and an unresponsive justice system hinder economic development. Delays in resolving corruption cases, the high cost of litigation, and the long and arduous legal process have resulted in the diminution of public trust and confidence in government and the justice system. Another factor affecting investors' confidence pertains to disputes arising from unmet contractual obligations and the proper enforcement of property rights, including those of foreigners.¹⁵ Major reasons for the lack of responsiveness of the justice system include its fragmentation, the presence of archaic laws and rules, and low funding support.

The first order of business must be to address resource constraints. High vacancy rates persist in law enforcement, prosecution, public defense despite efforts to increase compensation. Low salaries coupled with unrealistic qualification standards result in funded but unfilled positions. There is frequently no recourse but to hire casual and contractual employees who cannot be held accountable and do not benefit from the continuous training programs which are required and essential. Huge case backlogs and high case loads are direct consequences. Moreover facilities for justice-sector agencies and the courts are dispersed, inadequately staffed and supplied, and beset at times by cumbersome rules. Reforms in organization and logistics chains are needed to strengthen the support to regional or local offices, agencies, and courts, where the first line of defence is drawn.

In an attempt to reduce the load of the courts, the Alternative Dispute Resolution (ADR) Act (RA 9285) was passed in 2004. However, there is a need to continuously encourage and actively promote the use of ADR for it to live up to its promise as “an important means to achieve speedy and efficient resolution of disputes”.¹⁶

Citizens' Participation

Citizens' participation has been one of the strengths of Philippine governance. Partnerships between government and CSOs facilitate the promotion of good governance. The OMB collaborates with the Concerned Citizens of Abra for Good Governance and Government Watch for anticorruption efforts in government procurement and project monitoring; and with the Society of Jesus for the conduct of integrity seminars. The government also partners with CSOs in promoting transparency, accountability and public participation in the preparation, authorization, execution and monitoring of the national budget. These efforts must be sustained and, in some cases, deepened. It is also noted that while citizens' participation in local development councils and special bodies is mandated, CSOs claim that most of these are either inoperative or nominal.¹⁷

While the country is famous for the large number of CSOs that could, in principle, play a leading role in anticorruption efforts, such organizations themselves are heterogeneous and face various hindrances that affect and challenge their development effectiveness. “Internal challenges include capacity-building, shortage of funds for CSOs’

¹⁵ The country, for instance, has been in the US “watch list” of countries that inadequately protect intellectual property rights, a fact that has potential implications for the continued favorable treatment of Philippine exports to the US under the Generalized System of Preferences (Arangkada Philippines 2010: A Business Perspective, Joint Foreign Chamber of the Philippines, published by The American Chamber of Commerce of the Philippines, December 2010).

¹⁶ Section 2, RA 9285

¹⁷ Citizens' Roadmap for Poverty Reduction and Achieving the MDGs, 2010 (CODE-NGO, FDC and UNDP)

continuous operation and sustainability of programs, ensuring priority and reach of sectors most in need. There is also a need for lifestyle check as well as drawing lessons on the best practices where other CSOs can learn from. External challenges include: (a) conflicts of policies and laws with actual practice; (b) weak human rights protection and culture of impunity; (c) intervention of some local government units in CSO affairs; and (d) the threatening presence of military that deters people's participation to their own programs and CSO initiatives."¹⁸

Although citizens have a legal right of access to communication, there is no established legal route for citizens to petition to obtain government records. The actual practice of many citizens testifies to the highly uneven willingness or preparedness of government offices to provide information as well as the poor quality of the information provided, if at all. This is also seen from the country's low score for the 2008 Global Integrity Report under the category of Civil Society, Public Information and Media category, which even dropped one point from the 2007 score of 69. The proposed Freedom of Information Act is an important step towards addressing this problem.

Political Processes and Systems

Various scholars and other impartial observers¹⁹ have long observed that the problems of lack of accountability and corruption in governance are ultimately traceable to the country's historically evolved political processes and traditions. These include: (a) the dominance of elite interests – both local and national – in politics and political contests; (b)

the absence of political parties that exact accountability from individual politicians based on principled party platforms; (c) the weakness and subservience of the bureaucracy relative to the political class; (d) the unprecedented power and discretion of the executive branch that encourages both patronage politics and grand corruption; and (e) the corruption of elections through patronage and money politics. As the President stated in his Social Contract, it would appear that the country “has no vision of governance beyond political survival and self-enrichment”, which is why the country is in “need of transformational change”.

But while constitutional changes to institute crucial political and economic reforms may be in order, it is inadvisable to do so in an atmosphere of public mistrust and suspicion that such changes will be self-serving to the incumbents. As the government performs creditably, the matter of constitutional reform may be taken up. Even short of constitutional change, however, important reforms should be put in place by statute. A first priority must be to restore and maintain the record of peaceful, efficient, and credible popular elections, which already happened in 2010. Legislation to encourage the formation of stable political parties and organizations may also be considered, including campaign-finance reforms and stricter minimum formal numerical and reportorial requirements for political accreditation. Reforms in the disbursement of discretionary funds of both Congress and the executive can help weaken the culture of patronage. A reform of the internal revenue allotment (IRA) scheme which is currently a very passive and automatic mechanism, to elicit greater local revenue effort among local governments will also help reduce fiscal mendicancy among local leaders, and make them more accountable to their own constituents instead.

The problems of lack of accountability and corruption in governance are ultimately traceable to the country's historically evolved political processes and traditions.

¹⁸ *Report of the Philippine Open Forum on CSO Development Effectiveness, August 2010*

¹⁹ For a recent example of such an assessment, see “*Philippines Country Report*” (2009) Gütersloh: Bertelsmann Stiftung. See also B. Anderson (1988) “*Cacique Democracy in the Philippines*”, *New Left Review* 3-31; P. Hutchcroft (1995) *Booty capitalism*. Ateneo de Manila Press; and E. de Dios (2007) “*Local Politics, Local Economy*”, in A. Balisacan and H. Hill. *The Dynamics of Regional Development*. Edward Elgar.

Gender Roles in Governance Structures

The fact that women remain politically marginalized is both an indicator of their failure to advance as well as a reason for it (UNDP 2000). For the ability to claim entitlements and exercise rights is itself based on gender roles and relations of unequal power. Women's "gendered interests" (for example health needs, the raising of children, and the prevention of domestic violence) cannot be interpreted generically as the community or nation's "common good" but as issues arising from the specific inequality of power between men and women (Sever 2005).²⁰ These needs and deprivations cannot be addressed therefore without redressing gender inequality itself.

The Philippines has made some progress in reducing gender inequality, particularly with the passage of RA 7192 or the Women in Nation Building Act of 1992, which set forth the indispensable role of women in all aspects of national development and asserted the fundamental equality of women and men. With the enactment of the Magna Carta of Women (RA 9710) in August 2009, the gender and development (GAD) budget became a key institutional mechanism to mainstream gender and promote women's human rights, and eliminate gender discrimination. The same law requires monitoring and evaluation of GAD programs through annual audit by COA.

Major progress has been slow, however, as seen in more recent international gender assessments. The Gender Development Index in the 2009 Human Development Report of the UNDP and the Country Gender Assessment of the ADB in 2008 showed similar findings that the Philippines' workforce continues to be dominated by males, despite increasing numbers of women having higher educational attainment.

Women continue to be burdened by the debilitating impact of poverty and the lingering economic crisis and out-migration among women remains high, with many in service and domestic occupations. The challenge remains for government to ensure that statutory mandates relating to gender and development concerns are observed and implemented efficiently and effectively by all concerned sectors.

This assessment of governance and the rule of law easily yields a wide-ranging and disparate set of issues and concerns. How these challenges are to be met and addressed requires a governance framework and a plan of action for the rule of law.

Strategic Framework

In response to these challenges, this Plan aims to promote effective and honest governance to create an enabling environment for citizens and the private sector to reach their full potential. Effective and honest governance will be promoted and practised through the following four strategies:

1. **Ensure high-quality, efficient, transparent, accountable, financially and physically accessible and nondiscriminatory delivery of public service;**
2. **Curb both bureaucratic and political corruption;**
3. **Strengthen the rule of law; and**
4. **Enhance citizens' access to information and participation in governance.**

The delivery of public goods and services essential to citizens'

²⁰ *The Gender, Poverty, Governance Nexus: Key issues and current debates, Charlie Sever, BRIDGE, September 2005*

development will be enhanced in terms of physical and economic accessibility, availability, acceptability, quality and safety, and without discrimination. This will be done by: (a) integrating services according to the needs of the citizens; (b) professionalizing the bureaucracy as duty-bearers; (c) enhancing the transparency of government transactions; (d) making government focus on its core functions; (e) standardizing the quality of public service delivery; (f) devising a common measurement tool and methodology to solicit citizens' feedback; and (g) improving the financial management system in government.

Corruption will be curbed to ensure that resources are effectively and efficiently used for priority public goods and services. To achieve this, the government will: (a) intensify efforts to detect and prevent corruption; (b) resolve pending corruption cases with dispatch; (c) adopt a comprehensive anticorruption program; (d) enhance the legal and policy framework for corruption prevention; (e) strengthen integrity mechanisms and control structures; (f) enhance partnership structures and mechanisms and international linkages; and (g) conduct anticorruption advocacy campaigns.

The rule of law shall be reinforced to ensure the impartial protection of rights and enforcement of obligations. Policies will be instituted to curb or discourage influence-peddling. Disputes must be impartially resolved based on facts and existing laws, free from influence or pressure. The strict and impartial enforcement of laws, rules and public policies will safeguard the rights of the citizens and will ensure that public interest will be upheld at all times. A swift and efficient system of resolving cases involving issues of property rights and contractual

obligations shall be pursued to enhance the business and investment climate.

Citizens' access to information and participation in governance will be enhanced by creating space for free, active, voluntary and genuine participation in policy making, decision making and development planning. Towards this end, efforts will be focused on: (a) pursuing the passage of the Freedom of Information Bill; (b) ensuring open and transparent search process in the selection of appointees in independent bodies; (c) promoting and implementing multisectoral NACPA programmes and projects; and (d) ensuring budget transparency.

There will be an accessible and transparent mechanism for redress and accountability, including fair, prompt and immediate investigation of violation of right to equal access to public service and equal access to justice.

Ensure High-Quality, Effective, Efficient, Transparent, Accountable, Economically and Physically Accessible and Nondiscriminatory Delivery of Public Service

1. Improve Public Services Access and Delivery through Connected Government

Citizens and their needs shall be the focus of government, particularly the delivery of public services and the public's other transactions with government (e.g., applications for birth certificates, passports, police clearances, and tax-filing).

Agencies need to overcome bureaucratic turfing and fragmentation to deliver public services more efficiently, quickly, and flexibly. Efforts must go beyond the past desultory and sporadic efforts at "one-stop shops" for certain transactions and must give way to a systematic

horizontal integration of related services based on a studied assessments of the flow of citizens' needs.

Government services should cluster around the business life-cycle (from start up to closing of business) and the life-cycle of citizens (from birth to death), and establish corresponding single-window service channels.

Government processes should be reviewed, coordinated, and simplified in order to reduce processing time and to make it easier for citizens to transact with government. To achieve this, government should use information and communications technology (ICT) to the fullest, to facilitate electronic access to public services. Virtual single-windows can be provided via the Internet by interconnecting online public services of government. Such virtual coordination must be underpinned, however, by real coordination, information-sharing, and cross-checking among various agencies of government as citizens complete their transactions.

This should lead to the elimination of redundant and repetitive information requirements in government forms, among others.

2. Professionalize the Bureaucracy to become Duty-Bearers

Competence, professionalism, and integrity in the civil service can be raised if appointments are depoliticized, and a purposive, program-based and integrated professional development for career executives and personnel is implemented. This is in line with the vision of public service values, and thrust of the Philippine government, as captured in the phrase "*Gawing lingkod-bayani ang bawat kawani.*"

a) Formulate a Strategic and Integrated HRD Program for the Philippine bureaucracy from entry to exit from

government service (based on Competency Needs Assessment). The government should devise a more comprehensive, programmatic and integrated HRD program to raise the level of professionalism, competence, commitment to service, and integrity of government personnel. This medium-term strategy should include an Induction Program at entry level, Workplace Basics for the rank and file, Functional Competency Development for specialists, Supervisory Development for supervisors, Executive Development and Strategic Management for career executives, Governance and Public Leadership for senior officials. To ensure progression and full coverage, a ladderized HRD program should be established with certification and links to promotion. A percentage of the government budget should ideally be set aside for the purpose. This HRD program may be implemented through the Civil Service Academy. Human-rights education shall also be integrated in the HRD program at all levels.

b) Pursue the passage of the Career Executive System (CES) bill. The CES bill seeks to strengthen professionalism in the executive and managerial levels and in highly specialized and technical positions in the government. It identifies career and noncareer positions and provides transparent performance-based promotions and appointments, balancing the exercise of presidential appointing power with the preservation of meritocracy in the civil service. Its aim is a unified bureaucracy in which the first, second and third levels are under the Civil Service Commission as the central personnel agency.

c) *Align individual performance with organizational performance.* Organizational and individual performance goals must be aligned. Employees should appreciate the significance of their contribution to their organization's performance before they find satisfaction in what they do. Thus, the linkage and government-wide implementation of the Organizational Performance Indicators Framework (OPIF) and the Performance Management System (PMS) need to be pursued. This seeks to align the programs, projects and activities of the departments or agencies with the desired objectives or goals of the government, and the individual performance goals with the organization's strategic vision and goals. This will also ensure organizational effectiveness by cascading institutional accountabilities to the various levels of the organization's hierarchy, and have a performance management linked to rewards and incentives, among others.

The PMS of the government institutions shall be reviewed and reformulated to establish clear performance objectives and standards and to promote a culture where the performance and contribution of the employees are recognized and rewarded accurately and fairly. The Balanced Scorecard is one PMS platform or approach that has been proven to create an effective alignment.

d) *Pursue the effective implementation of the Magna Carta of Women, particularly the targeting of 50 percent of women in third level positions.* All concerned agencies of government should ensure that there shall be an incremental increase in the recruitment and training of women in the police

force, forensics and medico-legal, legal services, and social work services.

3. Enhance the Transparency of Government-to-Business and Government-to-Citizen Transactions

a) *Enforce full compliance with the provisions of the Anti-Red Tape Act including the formulation, adoption and effective implementation of Citizen's Charters in all government agencies and LGUs.* In line with the Anti-Red Tape Act (ARTA) of 2007 (RA 9485), all government entities with frontline services shall have developed their Citizen's Charter which serve as a service charter or pledge that describes the step-by-step procedure for availing of a particular service, and the guaranteed performance level that the public may expect for that service. Information such as procedures to avail of the service, responsible person/office, processing time, documentary requirements, applicable fees or charges, and procedures for filing complaints are reflected in the CC. Despite the September 2009 deadline set by ARTA, more than a thousand entities, particularly local governments, still have to comply with the law. ARTA mandates the review and reengineering of frontline services to cut red tape and enhance efficiency, transparency, and accountability in the delivery of public services. It requires the formulation and publication of CCs and the establishment of Public Assistance Desks to receive feedback and handle complaints from the transacting public. In order to remain responsive to the need of citizens, agencies must continually improve their systems and standards through the publication and implementation of Citizens' Charters, Citizens Feedback Surveys, and Transactions Reengineering.

b) *Create a single website/portal for government information.* To facilitate access to government information and services, a common website/portal

should be established where citizens can obtain vital information and services from different government agencies. This portal should also serve as a channel for citizens to report incidents or provide feedback on the performance of government agencies, including complaints against erring officials and employees.

LGUs must develop and expand the e-governance services available on their websites, from providing general information to discharging routine transactions, and encourage transparency by making information on budgets and procurement available. A common basic template should be followed by all LGUs so that a minimum set of common information and services is provided on their portals.

The government will set up a communication plan. Through faster communications technology, bureaucracies must be able to adopt and evolve into listening and communicating organizations. Press officers and official spokespersons will be adequately equipped to counter negative or malicious information and to constructively engage media partners. A simple yet comprehensive communication plan is a cornerstone of getting the message of governance across.

- c) *Pursue the passage of a Freedom of Information Act.* A law on freedom of information is a cornerstone of transparent and accountable governance. Its intent is to provide the citizenry, especially media, with access to information pertaining to all transactions and communications that are of legitimate public interest. Its existence should encourage probity and prudence in all national and local government negotiations relating to loans, treaties, service contracts, and similar transactions. It also seeks to protect the civil rights

of law-abiding citizens and organizations against potential abuses of government's police and intelligence-gathering powers (already partly affirmed through the *writ of amparo*). A future law must stipulate how these aims are to be achieved maximally while recognizing the state's legitimate right to reserve information affecting national security.

4. Focus Government Efforts on its Vital Functions and Eliminate Redundancies, and Overlaps in Functions and Operations

- a) *Complete the implementation of the Rationalization Program (RP).* The completion of the implementation of the RP, as mandated under EO 366, s. 2004, will be pursued to: focus efforts on government's vital/core functions and priority programs and projects, and channel resources to these core public services; and improve service delivery by cutting red tape through systems and organizational improvements, and elimination of redundancies and overlaps in functions and operations. In transforming the Executive Branch, government offices need to complete a strategic review of their respective operations and organization and implement their RP upon approval of the DBM.
- b) *Institute zero-based budgeting (ZBB) in program evaluation.* To attain the administration's commitment to lift the nation from poverty, instituting ZBB approach to program evaluation is vital. The ZBB approach involves the review of ongoing major programs and projects by different offices in order to: (a) establish the continued relevance of program objectives given the current developments; (b) assess whether or not the program objectives

are being achieved; (c) ascertain alternative or more effective and efficient ways of achieving the objectives; and (d) guide decision-makers on whether or not the resources for the programs should continue at its present level, or be increased, reduced or discontinued.

Under this initiative, government shall terminate or cut back on programs that have been inefficient or ineffective in delivering outcomes, or withhold funding for others pending reforms in implementation and procurement. More importantly, it allows the expansion of the implementation of the well-performing programs that address critical gaps.

- c) *Review the extent of devolution of services to LGUs.* The extent of power devolution as well as the transfer of assets and resources to local governments from national government agencies in consonance with the Local Government Code shall be reviewed. The review must yield appropriate policy recommendations to eliminate confusing or unnecessary overlaps in the service-delivery functions across levels of government.

5. Enhance and Standardize the Quality of Public Service Delivery to become Consistent with the International Organization for Standardization (ISO) Quality Management System (QMS)

- a) *Adopt the ISO 9001:2008 QMS in the delivery of priority government services.* Government processes, systems, and operations shall be made consistent with the ISO QMS through the continual institutionalization of the Government Quality Management Program (GQMP) in all departments and agencies of government, spearheaded by the

GQMP. In the pursuit of this program, the ISO 9001:2008 QMS shall be adopted in the delivery of priority government services.

- b) *Refine the Government Quality Management Systems Standards (GQMSS) to become consistent with ISO 9001:2008 QMS for the use of the different departments and agencies of the Executive Branch.* The GQMSS consistent with ISO 9001:2008 QMS shall likewise be refined for the use of different Executive Branch departments and agencies. QMS processes shall be installed in certain critical government-to-business, government-to-citizens, LGU-to-business, LGU-to-citizen, and government-to-government transactions.

- c) *Activate Quality Class category of the PQA for the Public Sector.* The PQA for the Public Sector (mandated per RA 9013) provides a framework for public service excellence. Global benchmarks on public service excellence like Canada, Singapore, and even Malaysia, succeeded in building a culture of service excellence through the wide-scale adoption of business excellence models such as the PQA. The PQA Quality Class will encourage self-assessment vis-a-vis the PQA performance excellence framework and promote improvement of processes to achieve excellence in public service delivery. This will boost the country's competitiveness.

6. Citizen-Centered Government

The bottom line for government is the welfare and satisfaction of its citizens. Government shall devise a common measuring tool and methodology to solicit feedback from the citizens and determine their requirements. A National Citizen Satisfaction Index (NCIS) should be developed that will serve as common measuring tool of efficiency, effectiveness, accessibility, integrity, transparency and

accountability of government agencies in the delivery of public services.

7. Improve the Financial Management System in Government

a) *Develop a Government Integrated Financial Management Information System (GIFMIS).* A vital reform initiative is the strengthening of the public financial management (PFM) system. PFM is a system of rules, procedures and practices for government to manage its public finances. PFM includes not only sound budgeting but also management of public debt, assets, and revenues, fiscal relations between levels of government or between government and public enterprises, and a system of public reporting on the public sector's financial operations.

A major undertaking will be the development and installation of a GIFMIS, an application that shall automate routine financial operations and reporting of the national government, particularly financial planning and budgeting, treasury, and accounting functions. The GIFMIS will link budget preparation and execution to accounting, cash management, reporting, and auditing. Once installed, it will enable the government to implement improved systems for public financial management.

b) *Empower LGUs and promote public accountability.* Policy reforms to advance local autonomy and decentralization shall be pursued. Service delivery functions have been vested in LGUs on the premise that they would respond better to diverse and changing local conditions, and thus more effectively meet the needs of their constituents. Emerging issues and needs of LGUs related to their devolved service delivery functions shall be continuously identified. Proposed legislation shall likewise be reviewed and appropriate

recommendations will be provided to ensure that LGU needs are met and there is no reversal of decentralization.

Efforts to enhance the capacities of LGUs shall be intensified to improve their ability to deliver public services. The capacity needs of LGUs shall be identified and appropriate interventions provided. Knowledge management activities, including the sharing of good practices in local governance, shall be undertaken to enhance information-sharing among localities and help improve LGU performance.

c) *Enhance LGU accountability mechanisms.* Improved accountability of local officials induces responsible leadership and ensures that efficient and responsive services are delivered.

In promoting local government accountability, the following strategies shall be undertaken:

- Implementation of systems to determine performance of LGUs in terms of their state of local governance and compliance with policies;
- Public disclosure of LGU performance; and
- Institution of performance-based LGU incentives or awards.

Curb Corruption Decisively

A comprehensive and integrated Anticorruption Framework and Program will be an essential part of the administration's commitment to fight corruption. This framework shall be the anchor of the strategic objectives identified in this section and provide focus and direction in achieving the vision that the administration has

committed for its people. It will contain key result packages with the corresponding set of anticorruption projects and implementation mechanisms to ensure success. As a starting point, a comprehensive and integrated anticorruption program will be established for the prosecution of corrupt officials, beginning with case build-up all the way up to conviction, including ancillary remedies (i.e., freezing of assets) and recovery of property. Corrupt officials shall be prosecuted and dismissed, with the highest priority accorded to high-profile cases.

1. Intensify Corruption Prevention

- a) *Honestly reassess the progress, priorities, and capacities of the main anticorruption agencies.* All government agencies involved in anticorruption efforts, beginning with the Office of the Ombudsman, need to reexamine whether their track records match public expectations and the scale of the problem of corruption. Shortfalls and inadequacies in personnel and strategies must be urgently addressed if any further progress is to be made. The results of such reassessments should be made public in the interest of transparency;
- b) *Strictly enforce and observe anticorruption laws and policies.* These include the Anti-Graft and Corrupt Practices Act; the Anti-Red Tape Act; National Guidelines on Internal Control System (NGICS); the Procurement law (RA 9184); mandatory provisions of UNCAC; the Code of Conduct and Ethical Standards for Public Officials and Employees (RA 6713); and the Anti-Money Laundering Act (AMLA).

The legal and policy framework for corruption prevention will be enhanced through compliance with the United Nations Convention against Corruption (UNCAC) and other international standards. Anticorruption advocacy campaigns will be conducted through the rollout of an integrated integrity and anticorruption promotion program. This will also include monitoring in the implementation of anticorruption programs, projects and activities;

- c) *Strengthen information-exchange among all government agencies to prevent corruption and private-public sector collusion.* Data possessed by revenue agencies, line agencies involved in contracting (e.g., DPWH, DOTC), local governments (residences and business permits), and the AMLAC, can be potentially assembled and mined to build anticorruption cases based on lifestyle-checks and possibly fraudulent tax returns. The availability of such information serves as a powerful deterrent against corruption involving collusion between private persons and public officials;
- d) *Support private sector initiatives to police its own ranks and discourage corrupt relations with government agencies in revenue collection and procurement.* The Compliance and Integrity Programs for Business (CIPB) are an initiative of the Joint Foreign Chambers of the Philippines to ensure the pledge of their members not to bribe public officials, to report corruption, and to embed standard corporate practice. The private sector has also committed to intensify its efforts to improve corporate governance through training of directors and requiring compliance with higher standards of corporate governance;

e) *Implement fundamental reforms in public procurement and in budget releases to close off opportunities for corruption and to promote transparency, competition, and cost-effectiveness through the following measures:*

- Roll out an enhanced Philippine Government Electronic Procurement System (PhilGEPS) in order to minimize discretion and intervention in procurement. The new PhilGEPS features shall include: (a) a virtual store; (b) an expanded supplier registry; (c) an electronic payment facility; (d) a facility for electronic bid submissions to the virtual store; and (e) annual procurement plans;
- Expand the use of the PhilGEPS E-Bidding system to improve the efficiency and transparency of government agencies' procurement activities, government contracts, and other procurement related electronic transactions, thereby reducing spending on print media advertisements;
- Review the guidelines for blacklisting unscrupulous contractors and suppliers. The Government Procurement Policy Board (GPPB) shall streamline procedures and strengthen policies to facilitate the collection and presentation of evidence of bid-rigging, overpricing, and underprovision against corrupt contractors and suppliers for blacklisting;
- Create an independent body to review appeals filed by bidders. An independent body, composed of procurement and legal experts shall be formed by the GPPB to review and resolve protests and appeals filed by participating bidders;
- Prevent the diversion of unspent funds from vacated positions by releasing PS allotments only for filled positions, with special attention to

large service-organizations such as the military and the police;

- Prevent the conversion of MOOE and CO outlays by standardizing and disclosing MOOE and CO requirements including those of military camps and other facilities;
- Conduct technical visits to validate the budgetary status of programs, projects and activities;

f) *Invite the participation and scrutiny of CSOs and individual citizens with respect to government performance through institutional means and through the provision of information. This will cover the following measures:*

- Expand the pool of CSOs that serve as observers in the bids and awards committees (BACs) of various agencies to ensure civil society representation;
- Invite the regular participation of citizen groups in the budget-preparation process for the evaluation of existing government programs and for them to provide inputs to ZBB; and
- Make available to the public the accountability reports of all agencies, including the DND and the AFP, on the DBM website.

g) *Empower citizens to directly and confidentially report either exemplary performance or corrupt practices of employees through dedicated portals, such as the DOF's Pera ng Bayan website (<http://perangbayan.com>), which also entertains information regarding tax evaders and smugglers.*

2. Speedy Resolution of Corruption Cases, with Special Cases of Grand Corruption

Laws and rules provide reglementary periods to be observed in the filing and prosecution of corruption cases. The strict observance of these rules will highly contribute to the speedy resolution of corruption cases and serve as a deterrent and a proof of the government's sincerity in its commitment to fight corruption.

- a) *Review policies and procedures on speedy disposition of cases.* Courts are required to submit their decisions within 90-calendar days from the time the case was submitted for resolution. This period excludes litigation proper where delays are common. Thus, it is suggested that a review of existing laws and rules be done to address the problem;
- b) *Strictly implement the reglementary period provided for by laws and rules for the immediate resolution of administrative and corruption cases.* After the policies and procedures on the speedy disposition of cases has been reviewed and improved, strict compliance with the periods set forth by laws and rules must be ensured;
- c) *Pursue corruption cases resolutely based on principle and to set a public example.* Especially in well-known cases of grand corruption, the government shall use all instrumentalities to ensure that solid evidence is gathered, prepared, and preserved so that cases are not compromised but rather pursued in accordance with the full force of the law. As a result, this may serve as serious deterrents to future grafters;
- d) *Amend the COA Charter to provide for the recovery of illegally-disbursed public funds.* The COA Charter²¹ amendments must solve the problem of issuance of writ of execution of decisions rendered final and executory by the Supreme Court in cases on notice of disallowances for illegal or irregular disbursements or notice of charge for under collection or underassessment of revenues applying to natural or juridical persons. Under the Constitution, COA decisions are directly appealable to the Supreme Court. However, the COA Charter, Rules of Procedures and other issuances do not contain any provision on how to execute these decisions and collect COA disallowances and charges from private persons or entities. Alternatively, Supreme Court rules of procedures in execution of judgments on COA appealed cases may be reviewed;
- e) *Nationwide implementation of the case tracking monitoring system.* All justice sector agencies should be interconnected through the National Justice Information System;
- f) *Pursue the enactment of a Whistleblower Protection Law.* A credible means to protect key informants is urgent, particularly when the impartiality of judicial and law enforcement agents is in question; and
- g) *Pursue the enactment of a law on campaign finance reform regulating campaign contributions.* There should be a law limiting campaign contributions. Unregulated campaign funds often results in the corrupting influence of campaign contributors to an elected candidate. Current election laws impose limits on the amount and type of campaign

²¹ P.D. No. 1445, "Government Auditing Code of the Philippines."

expenditures, and candidates are required to report all contributions but there is nothing that regulates the excess contribution.

3. Adopt a Comprehensive Anticorruption Program

The tedious process of getting a final resolution is a major obstacle to people filing complaints against corruption. A single window for filing and monitoring corruption cases, lodged in a credible agency, will encourage people to file complaints against erring officials and employees, and eventually help curtail corruption. This will also promote the seamless coordination of investigation, prosecution and other bodies in the expeditious resolution of corruption cases.

- a) *Review rules of procedure on administrative/civil/criminal actions on corruption-related cases.* Due to the relatively low conviction rate in corruption cases, existing procedures should be reviewed and evaluated to determine the need for further refinements in the procedures applicable to corruption-related cases and make them more effective; and
- b) *Review policies and procedures on case monitoring and records management.* Existing policies and procedures for monitoring of cases and records management should be reviewed and, if necessary, revised to adapt to the present condition. Monitoring of cases from filing up to the execution of decisions/judgments is important to verify if justice has been fully served.

4. Enhance the Legal and Policy Framework for Corruption Prevention

Comply with the UNCAC on corruption prevention and other international standards.

5. Strengthen Integrity Mechanisms and Control Structures

- a) *Expand the Integrity Development Review;*
- b) *Institute a public reporting mechanism on adherence to anticorruption policies.* This will be achieved by creating an independent joint NG and NGO Committee with appropriate human capital and financial support; and
- c) *Execute memoranda of agreement for partnerships in transparency and accountability in LGUs.* Parties to these memoranda should include LGUs themselves, national government agencies and CSOs.

6. Enhance Partnership Structures and Mechanisms and International Linkages

- a) *Expand CSO and private sector participation in the Multi-Sectoral Anticorruption Council (MSACC);*
- b) *Strengthen interagency coordination; and*
- c) *Comply with international and regional commitments (e.g., UNCAC, ADB-OECD Anticorruption Initiative for Asia and the Pacific, APEC Anticorruption Plan of Action).*

7. Conduct anticorruption advocacy campaigns

- a) *Roll-out an integrated promotion program for integrity and against anticorruption;*
- b) *Enhance values formation and moral recovery for all government officials and employees in close collaboration with CSOs; and*
- c) *Wage a massive educational campaign on the law, rules, and regulations relating to good governance.*

Strengthen the Rule of Law

The strict implementation of the rule of law indicates the government's seriousness in carrying out its responsibilities and obligations in a democratic environment, while extracting from the citizens the needed cooperation through compliance with existing laws and public policies.

1. Strengthen the Oversight Bodies

a) *Expand OMB powers.* The powers of the OMB shall be expanded to include examination of bank accounts, and the establishment of witness protection and benefits program under the office. The compensation and benefits for OMB employees themselves should likewise be enhanced, specifically, their exemption from the salary standardization law, ranking, retirement benefits (survivorship), and special allowances for lawyers; and

b) *Pursue the passage of a charter for the Commission on Human Rights (CHR).* Enable CHR to perform its comprehensive monitoring function independently, which will contribute to the strengthening of the rule of law, government accountability and transparency. Examining performance of the executive, legislative and judicial, and other government functions against international norms and standards will lead to reforms and changes in policies, programs, and actions consistent with international human rights instruments.

2. Effective and Speedy Resolution of Cases in Courts and Quasi-Judicial Bodies

a) *Improve investigative abilities of law enforcement agencies.* The investigative capacity of law enforcement units, especially the NBI, needs to be raised

dramatically. A greater availability of science-based evidence from law enforcers can only enhance the quality of final judicial outcomes. This will be attained through the establishment of world-class forensic laboratories in major regional centers and cities;

b) *Rules for preliminary investigation reviewed and codified.* The rules on preliminary investigation shall be restudied and codified to consider the expeditious resolution of cases;

c) *Establish policy and guidelines in the determination of probable cause.* The policy and guidelines on the elements and parameters of probable cause should be issued based on laws and jurisprudence to avoid the frivolous filing of cases and to reduce the currently high rate of dismissed cases. In this way, courts can focus on resolving high-impact cases while avoiding delays;

d) *Strictly implement the reglementary period provided for by the rules for the resolution of cases.* Timelines in the disposition of cases should be defined, strictly monitored and complied with. Delayed resolution of cases does not only wastes limited government resources but also harms the interest of all parties involved in the dispute;

e) *Establish a case-monitoring system covering the entire justice system.* A justice system infrastructure should be established to be able to comprehensively monitor the progress of cases from one agency to another. The system will interconnect existing case-monitoring systems for efficient and effective case management – such as the Warrant of Arrest Information System (WAIS) of the PNP; the CDIS of the NBI; the electronic Prosecution Case Management of the DOJ; the Judiciary Case Management System

(JCMS) of the Supreme Court; and the Inmate Information System of the Bureau of Corrections, the Board of Pardons and Parole, and the Parole and Probation Administration. An effective monitoring system enforces accountability among service providers and thus encourage them to resolve their cases within the timelines provided by existing rules; and

- f) *Complete APJR projects on docket decongestion and judicial systems and procedures.* The Supreme Court must complete its APJR project on docket decongestion and judicial systems and procedures, e.g., the Expansion of Court-Annexed Mediation; Expansion of e-JOW (Justice on Wheels Project); diminish caseload for each Court of Appeals' (CA) Justice (Zero Backlog Project); nationwide implementation of the Enhanced Case Flow Management (eCFM) System which monitors the status of the cases to see whether they are proceeding as scheduled; full computerization of courts from Bangued, Abra to Tacurong, Sultan Kudarat; Pending integration of eCFM with Court Administration Management Information System (CAMIS); full coordination of all three CMIS stations of the CA; capacity building to enable electronic filing; Enhancement and expansion of the Case Management Information System (CMIS) project.

3. Reduce the Cost of Litigation

- a) *Study the reduction of filing fees for cases; and*
- b) *Adopt a standard format of transcript of stenographic notes (TSNs) to reduce the cost of litigation.* This reduces the discretion of stenographers in the length of the transcripts.

4. Avoid Law Suits Involving Government Contracts

- a) *Government contracts should be consistent with international instruments, existing*

laws, and public interest. The issuance of legal opinions by the Legal Staff and the Office of the Government Corporate Counsel of the DOJ should be free from political interference and should be reviewed in accordance with domestic laws and public policies; and

- b) *Review and ensure that FTAs are consistent with national laws and public interest.* These FTAs will be disseminated through a massive information campaign.

5. Enhance the Integrity and Competence of Justices, Judges, Court Personnel and all other Officers of the Judiciary and Quasi-Judicial Bodies

To reaffirm the people's faith in the judiciary, there is a need to enhance the integrity and competence of justices, judges, court personnel and all other officers of the judiciary and quasi-judicial bodies by:

- a) *Weeding out the undesirables, both from the Bench and the Bar.* To maintain public confidence in the competence and integrity of members of the judiciary, the government will intensify its efforts to weed out misfit and undesirable officials and personnel who fail to uphold the dignity and integrity of the legal profession;
- b) *Continuing the Court Cleansing Initiative.* The continuance of the court cleansing initiative will further strengthen the integrity of the judiciary and hopefully achieve an ethical judiciary that is above suspicion as envisioned by the Supreme Court;
- c) *Strengthening the Integrity of the Judiciary and the Integrity Development Review.* Besides adjudicating cases and promulgating rules, the Supreme

Court also has the power of administrative supervision over all courts and their personnel, including the power to take disciplinary action against them when warranted. (CONST., Art. VIII, sec. 6). In 2009, it disciplined 66 Regional Trial Court judges; 27 Metropolitan Trial Court, Municipal Trial Court in Cities, Municipal Trial Court, and Municipal Circuit Trial Court judges; and 181 first and second-level court personnel. Nor has the Supreme Court spared the rod in its own ranks. In 2009 it administratively disciplined 19 SC employees and dropped three others from the roll for being absent without leave.

In an unprecedented and unanimous per curiam decision, the Supreme Court also imposed a PhP500,000 fine on a retired SC justice for grave misconduct for leaking a confidential internal document of the Court (AM No. 09-2-19-SC, In Re: Undated Letter of Mr. Louis C. Biraogo, February 24, 2009).

The SC has also disciplined 129 members of the Bar for various administrative offenses. In response to the pervasive drug menace, it has approved mandatory drug testing for all Judiciary employees as recommended by its Committee on Security (AM No. 09-3013-SC, Mandatory Drug Testing of All Supreme Court Employees, March 24, 2009. Information lifted from the 2009 Supreme Court Annual Report); and

- d) *Strictly implement agency-specific Codes of Conduct for law enforcers, prosecutors and judges.* The specific administrative rules of conduct and behavior for various government agencies will be strictly enforced to

maintain a competent workforce in government service.

6. Increase Resources for Justice Sector Agencies and Quasi-Judicial Bodies

- a) *Renew efforts to address the human capital shortage.* A proactive and enhanced recruitment program shall be developed to attract brilliant young lawyers to justice sector agencies;
- b) *Implement continued capacity-building and updating of skills of law enforcers, prosecutors, public defenders and judges, and corrections officers.* The government will complement the continued influx of knowledge and information with a sturdy policy of skills-enhancement and capacity-building of the members of our law enforcement units and the justice sector; and
- c) *Modernize and upgrade facilities for law enforcers such as the PNP and the NBI crime laboratories, forensic investigation facilities and equipment.* Improve capacities of prosecutors and law enforcers particularly NBI agents in the investigation and prosecution of special cases involving economic or white-collar crimes such as money laundering, tax evasion, smuggling, human trafficking, violations of intellectual property rights and antitrust laws, illegal drugs and even cases involving extralegal killings and other human rights violations as well as violation of environmental laws.

7. Improve Access to Justice of All Sectors of Society particularly the Vulnerable Groups

Citizens should be made aware of their fundamental rights and be taught on how to access the services of government institutions involved in justice delivery when their rights are violated or when the enforcement of these rights are sought. This is the essence of democracy and good governance – when people are empowered to exercise their rights and attain the progressive fulfilment of their needs.

- a) *Make full use of the services of government lawyers by deputizing them.* Lawyers employed in various government agencies and instrumentalities will be imbued with the necessary authority to defend public interests in congruence with the functions of the OSG;
- b) *Provide tax credits for lawyers representing IPs and other vulnerable groups.* Tax incentives will be provided for lawyers representing society's vulnerable groups to encourage them to render adequate legal assistance and at the same time, promote equal access in the justice system;
- c) *Strengthen the Katarungang Pambarangay Law to resolve cases at the local level.* The strengthening of the Katarungang Pambarangay Law will result in the speedy resolution of cases at the local level without going through the rigors of court processes. This will substantially improve the delivery of justice and facilitate the declogging of court dockets; and
- d) *Conduct training among judges, court personnel, prosecutors, public defenders and other pillars of the justice system in handling gender-sensitive cases, especially those involving violence against women and children (VAWC).*
- a) *Disseminate information on ADR.* ADR will also develop potential active citizen's participation since most ADR institutions are private-led. They promote the culture of peaceful negotiation and resolution of disputes by discouraging the adversarial manner of resolving conflicts such as court litigation;
- b) *Strengthen and support institutions involving ADR.* Efforts should be stepped up to communicate and disseminate information about ADR as well as strengthen and support institutions involved;
- c) *Strengthen DOJ-OADR.* The Office of Alternative Dispute Resolution (OADR), an agency recently created under the DOJ, shall be strengthened to be able to monitor and assess existing ADR mechanisms in the country and ensure that ADR programs conform with international standards and best practices. With an effective and efficient ADR mechanism in place, the country can join countries like Singapore as an arbitration hub in the region; and
- d) *Establishment of prosecution-level mediation.* Resolving cases subject to ADR can help declog prosecution and court dockets as cases will be resolved before information is filed in court.

8. Promote the Use of Alternative Dispute Resolution (ADR)

The government shall encourage and actively promote the use of ADR. Resorting to ADR could help decongest both court and prosecution dockets of cases which may be subject of ADR and allow the courts and the prosecution to dedicate their resources in resolving equally important cases brought before them. It will also spare both the parties and the government from litigation costs and the tedious judicial and administrative processes thus helping the parties achieve speedy and impartial justice.

9. Institutionalize Existing Justice Sector Coordinating Mechanisms

Justice sector coordinating mechanisms such as the Judiciary, Executive and Legislative Advisory & Consultative Council (JELACC) and the Justice Sector Coordinating Council (JSCC) shall be institutionalized.

The JELACC serves as a forum for the discussion of issues relating to resource needs, recognizing the fact that there is a need to dialogue on cross-cutting issues relating to justice sector performance.

On the other hand, the JSCC, which is composed of the Supreme Court, DOJ, DILG, PNP, BJMP and the DBM, is another forum for dialogue and preparation of joint justice sector reform programs and initiatives.

Enhance Citizens' Access to Information and Participation in Governance

1. Pursue the Passage of the Freedom of Information Bill

The Freedom of Information Bill is intended to give the citizenry access to information by allowing full disclosure of all transactions which are of public interest. It aims to institute transparency in the national and local government's undertakings relative to loans, treaties, contacts and other similar transactions.

2. Issue an Executive-Wide Policy on Public Access to Information Pending the Passing of the Right to Information Act

3. Ensure Open and Transparent Search Process in the Selection of Appointees in Constitutional Commissions, Regulatory Bodies and other Independent Bodies (e.g., CSC, CHR, JBC etc.)

A credible multisectoral committee should be engaged in the nomination and appointment of members of constitutional commissions, regulatory bodies, independent commissions and other oversight bodies. The criteria for the selection, the candidates and their qualifications and those endorsing them, should be made public. The feedback of the public should also be considered.

4. Promote and Implement the NACPA

In order to push forward the national anticorruption agenda and contribute towards the attainment of sustainable and inclusive growth, the OMB and its partners from the MSACC, should continue to pursue its priority programmes and projects under the NACPA. These include the enhancement of the anticorruption legislative framework and local policies, adoption and customization of the APEC Code of Conduct for Business, integrity development review of LGUs, capacity-building on the UNCAC, anticorruption workshops for professional groups, including engineers and accounts, for assistance in case build-up and prosecution.

5. Intensify People's Engagement in Local Governance

Increasing participation of CSOs in local development processes reinforces responsiveness and accountability among local officials. Local governments will therefore be encouraged to create opportunities for citizens to continuously engage with them in an inclusionary and participatory manner. Representation of CSOs in the Local Special Bodies in accordance with the Local Government Code will be strictly enforced. Likewise, the forging of LGU-CSO/Private Sector partnership will be promoted. By collaborating with CSOs and the private sector in the implementation of local government's development projects, not only are financial resources shared, but also knowledge and experiences, which increases the chances for local development.

6. Ensure Budget Transparency

a) *Mandatory publication in agency or department websites of major information on budgets, finance, and performance indicators.* A strategic program to restore public trust and to enhance disbursement of funds and their utilization is the establishment of transparency and accountability requirements in the budget. Specific budget provisions shall require DBM and other agencies to publish in their websites detailed information on the

allocation, disbursement and status of programs and projects, including the following:

- approved budgets;
- performance measures and targets;
- major programs/projects implemented/to be pursued;
- annual procurement plan;
- contracts awarded and the name of contractors/suppliers/consultants;
- targeted and actual beneficiaries;
- status of implementation and fund utilization; and
- program/project evaluation and/or assessment reports;

b) *Posting of fund releases on the DBM website.* Information technology will be leveraged to achieve transparency and accountability. This facilitates the process of fund release and strengthens security while promoting transparency and accountability. Fund releases (e.g., congressional allocations chargeable against priority development assistance fund, financial assistance to LGUs, school building program, and internal revenue allotment) and other pertinent budgetary releases shall be posted on the DBM website; and

c) *Constructively engaging CSOs in the budget process.* The involvement of CSOs in the budget process is being pursued to institutionalize greater transparency and accountability in government and enhance participatory governance. The government and concerned CSOs shall have a constructive engagement to advocate good governance in the government budgeting process. This partnership aims to promote transparency, accountability, and public participation in the preparation, authorization, execution and monitoring of the national budget. This effort allows the public full access to government budget information, thereby increasing their capacity to understand the budget process and analyze its policy implications.

A communication and advocacy plan will be developed to ensure that all stakeholders understand the budget process and pertinent budgetary information. Training will also be conducted to facilitate a fuller understanding of budget documents among legislators and legislative staff. Finally, a healthy relationship between government and media shall be maintained to ensure continuous public discussion regarding government's programs and projects.

7. Full Disclosure of Local Budget and Finances, and Bids and Public Offerings

The declared policy of promoting good local governance calls for the posting of budgets, expenditures, contracts and loans, and procurement plans of LGUs in conspicuous places within public buildings in the locality, on the web, and in print media with local or general circulation, specifically including the following:

- annual budgets;
- quarterly statements of cash flows;
- statements of receipts and expenditures;
- trust fund (PDAF) utilization;
- Special Education Fund utilization;
- utilization of the 20 percent Development Fund component of the IRA;
- Gender and Development Fund Utilization;
- statement of debt service;
- annual procurement plan and procurement list;
- items to bid;
- bid results on civil works and goods and services; and
- abstract of bids as calculated.