



Performance Challenge Fund (PCF)
1st Quarter Progress Report for CY 2015

Summary:

The Department of the Interior and Local Government (DILG) has been implementing the Performance Challenge Fund (PCF) since 2010. Essentially, PCF aims to recognize good governance performance among LGUs and foster the alignment of the local development initiatives with the national goals and priorities. It further encourages LGUs to put a premium on performance in order for them to avail of the financial subsidy they could use to jumpstart and sustain projects that geared towards the achievement of the Millennium Development Goals, Maintain Core Road Network to boost tourism and local economic development, comply with the Ecological Solid Waste Management Act of 2000, comply with the Philippine Disaster Risk Reduction Management Act of 2010 and promote transparency and accountability in all government transactions.

For more than 5 years of implementation, starting from its pilot stage during 2010 up to the concurrent Calendar Year of 2015, the Bureau of Local Government Development (BLGD) thru its Project Management Team has been implementing and monitoring more than two thousand PCF-funded projects nationwide. A total of two thousand seventeen (2017) approved PCF projects were registered in the PCF Portal (pcf.dilg.gov.ph) as of 15 March 2015. Out of the two thousand seventeen (2017) PCF projects, there are one thousand five hundred fifty-one (1551) completed projects, two hundred thirty-two (232) projects that are still on-going and two hundred thirty-four (234) projects which are still pending and complying on the documentary requirements of PCF. (See Table 1)

For the category of the projects as to Millennium Development Goal (MDG), Local Economic Development (LED), Environmental Solid Waste Management (ESWM) and Disaster Risk Reduction Management (DRRM), there are six hundred seventy-nine (679) MDG projects, one thousand nineteen (1019) LED projects, two hundred twenty-three (223) ESWM projects and ninety-six (96) DRRM projects. (See Table 2 and Fig. 1)

Furthermore, an amount of one Billion pesos (P1B) was allocated for this Fiscal Year (FY 2015) to sustain the implementation of the locally-funded projects of PCF. In relation to this, the official list of the CY 2015 Seal of Good Local Governance (SGLG) awardees who are entitled to access the 2015 PCF incentive for this concurrent year are yet to be conferred by the end of March 2015 up to the 1st Month of the 2nd Quarter. The incentive that will be given to these awardees has scaled up from P1 million into three P3 million for Municipalities, P3 million into P5 million for Cities and same P7 million for Provinces.



In addition, to sustain good financial management standards at the local level, the Department conducted revalidation of the remaining 273 2012 SGH Passers which have not received the PCF using the 2014 GFH results. Based on this revalidation exercise, a total of 248 LGUs (28 provinces, 27 cities and 193 municipalities) are consistent GFH passers for two consecutive assessment years (2012 SGH and 2014 SGLG-GFH). In view thereof, and to incentivize the sustained performance on good financial housekeeping, the 248 LGUs are declared eligible to access the 2014 PCF in the amount P1 million per municipality; P3 million per city and P7 million per province.

I. Budget Appropriation FY 2015

The General Appropriations Act (GAA) for this FY 2015 allocated an amount of One Billion Pesos (P1,000,000,000) for the Performance-Based Challenge Fund which shall cover the financial subsidy to qualified LGUs under the Local Governance Performance Management Program for the implementation of projects aligned to the Philippine Development Plan 2011-2016. The said allocation will specifically be given to those who are able to pass the Seal of Good Local Governance (SGLG) criteria. In addition, the PCF subsidy has been scaled up from 1 Million to 3 Million for the eligible municipalities, from 3 Million to 5 Million for recipient cities and same 7 Million for the provinces.

II. First Quarter Accomplishments

The following are the salient accomplishments of the PCF Management Team as to the first quarter of the concurrent year. During the 1st quarter, most of the time were consumed on planning and preparations for the deliberate, programmatic and sustained activities and implementation of the PCF program.

- Drafted the Memorandum Circular re: Eligible Beneficiaries of the 2014 Performance Challenge Fund.
- Drafted the Memorandum Circular re: Eligible Beneficiaries of the 2015 Performance Challenge Fund.
- Submitted the Draft of the Operations Plan and Budget (OPB) to Planning Division.
- Drafted the Operational Guidelines for PCF 2015



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III. Status of the Projects

Table 1.0

| Project Status Summary for CY 2010 – 2013 | | | | | | |
|---|---------------------------|---------------------------|----------------------------------|--------------------------|---------------------------------|---------------------------------|
| Region | Total No. of PCF Projects | No. of Completed Projects | Percentage of Completed Projects | No. of On-Going Projects | Percentage of On-Going Projects | No. of Not-Yet Started Projects |
| REGION 01 - ILOCOS REGION | 284 | 219 | 77% | 31 | 11% | 34 |
| REGION 02 - CAGAYAN VALLEY | 216 | 187 | 87% | 21 | 10% | 8 |
| REGION 03 - CENTRAL LUZON | 167 | 152 | 91% | 6 | 4% | 9 |
| CORDILLERA ADMINISTRATIVE REGION | 102 | 67 | 66% | 11 | 11% | 24 |
| REGION 04A - CALABARZON | 187 | 148 | 79% | 12 | 6% | 27 |
| REGION 04B - MIMAROPA | 88 | 72 | 82% | 11 | 13% | 5 |
| REGION 05 - BICOL REGION | 87 | 52 | 60% | 14 | 16% | 21 |
| NATIONAL CAPITAL REGION | 0 | 0 | 0% | 0 | 0% | 0 |
| REGION 06 - WESTERN VISAYAS | 275 | 217 | 79% | 56 | 20% | 2 |
| REGION 07 - CENTRAL VISAYAS | 77 | 25 | 32% | 6 | 8% | 46 |
| REGION 08 - EASTERN VISAYAS | 35 | 15 | 43% | 14 | 40% | 6 |
| REGION 09 - ZAMBOANGA PENINSULA | 77 | 55 | 71% | 9 | 12% | 13 |
| REGION 10 - NORTHERN MINDANAO | 76 | 63 | 83% | 5 | 7% | 8 |
| REGION 11 - DAVAO REGION | 79 | 67 | 85% | 4 | 5% | 8 |
| REGION 12 - SOCCSKSARGEN | 78 | 69 | 88% | 7 | 9% | 2 |
| REGION 13 - CARAGA | 181 | 135 | 75% | 25 | 14% | 21 |
| AUTONOMOUS REGION IN MUSLIM MINDANAO | 8 | 8 | 100% | 0 | 0% | 0 |
| Total | 2017 | 1551 | 77% | 232 | 12% | 234 |

**Based on the data taken from the PCF Website as of MARCH 16, 2015

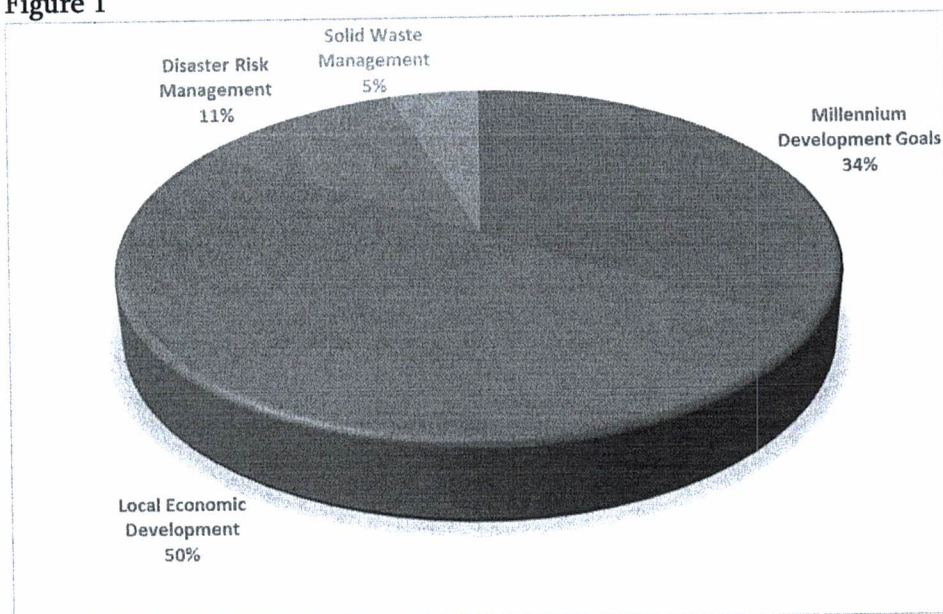


Table 2

| PCF Category | Number of Projects | Percentage |
|------------------------------|--------------------|-------------|
| Millennium Development Goals | 679 | 34% |
| Local Economic Development | 1019 | 50% |
| Disaster Risk Management | 223 | 11% |
| Solid Waste Management | 96 | 5% |
| TOTAL | 2017 | 100% |

****Based on the data taken from the PCF Website as of 16 MARCH 2015**

Figure 1





Distribution by Project Category for CY 2010

Table 3

| PCF Category | Number of Projects | Percentage |
|------------------------------|--------------------|------------|
| Millennium Development Goals | 13 | 42% |
| Local Economic Development | 14 | 45% |
| Disaster Risk Management | 3 | 10% |
| Solid Waste Management | 1 | 3% |
| TOTAL | 31 | 100% |

**Based on the data taken from the PCF Website as of 16 MARCH 2015

Figure 2

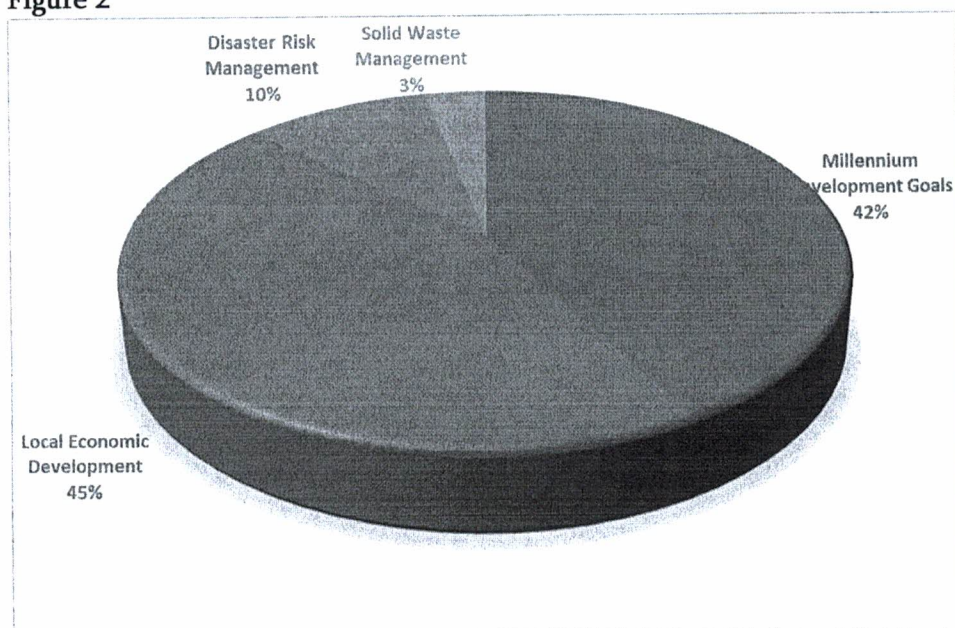




Table 4

| Summary of Project Status for the year 2010 | | | |
|---|---------------------------|---------------------------|----------------------------------|
| Region | Total No. of PCF Projects | No. of Completed Projects | Percentage of Completed Projects |
| REGION 01 - ILOCOS REGION | 2 | 2 | 100% |
| REGION 02 - CAGAYAN VALLEY | 2 | 2 | 100% |
| REGION 03 - CENTRAL LUZON | 0 | 0 | 0% |
| CORDILLERA ADMINISTRATIVE REGION | 2 | 2 | 100% |
| REGION 04A - CALABARZON | 2 | 2 | 100% |
| REGION 04B - MIMAROPA | 0 | 0 | 0% |
| REGION 05 - BICOL REGION | 3 | 3 | 100% |
| NATIONAL CAPITAL REGION | 0 | 0 | 0% |
| REGION 06 - WESTERN VISAYAS | 2 | 2 | 100% |
| REGION 07 - CENTRAL VISAYAS | 4 | 4 | 100% |
| REGION 08 - EASTERN VISAYAS | 2 | 2 | 100% |
| REGION 09 - ZAMBOANGA PENINSULA | 2 | 2 | 100% |
| REGION 10 - NORTHERN MINDANAO | 4 | 4 | 100% |
| REGION 11 - DAVAO REGION | 1 | 1 | 100% |
| REGION 12 - SOCCSKSARGEN | 0 | 0 | 0% |
| REGION 13 - CARAGA | 4 | 4 | 100% |
| AUTONOMOUS REGION IN MUSLIM MINDANAO | 1 | 1 | 100% |
| Total | 31 | 31 | 100% |

**Based on the data taken from the PCF Website as of 16 MARCH 2015



Distribution by Project Category for CY 2011

Table 5

| PCF Category | Number of Projects | Percentage |
|------------------------------|--------------------|------------|
| Millennium Development Goals | 211 | 34% |
| Local Economic Development | 300 | 49% |
| Disaster Risk Management | 69 | 11% |
| Solid Waste Management | 37 | 6% |
| TOTAL | 617 | 100% |

**Based on the data taken from the PCF Website as of MARCH 16 2015

Figure 3

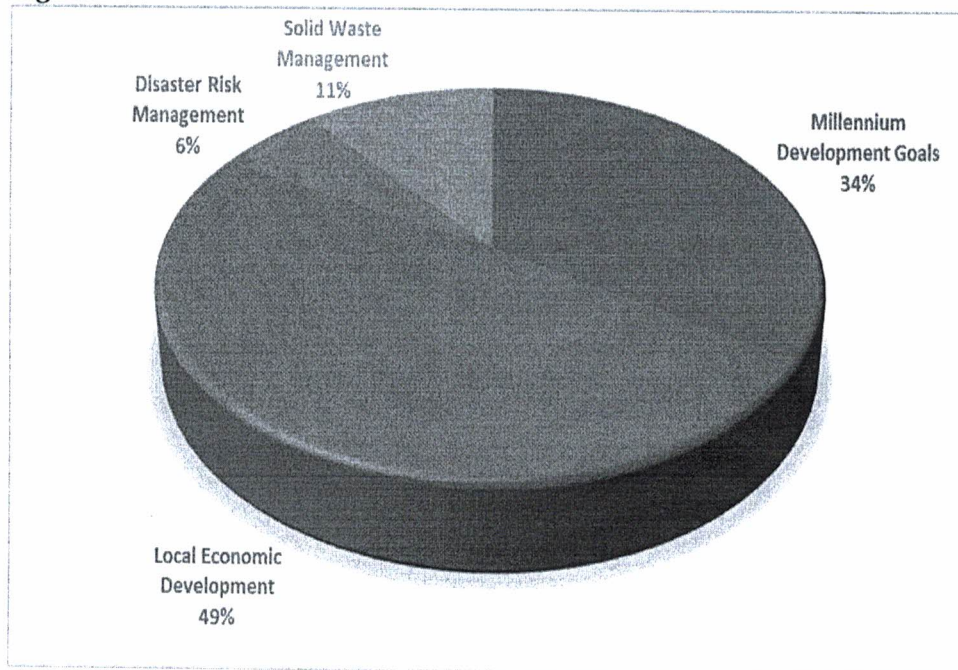




Table 6

| Summary of Project Status for the year 2011 | | | | | | |
|---|---------------------------|---------------------------|----------------------------------|--------------------------|---------------------------------|---------------------------------|
| Region | Total No. of PCF Projects | No. of Completed Projects | Percentage of Completed Projects | No. of On-Going Projects | Percentage of On-Going Projects | No. of Not-Yet Started Projects |
| REGION 01 - ILOCOS REGION | 102 | 99 | 97% | 2 | 2% | 1 |
| REGION 02 - CAGAYAN VALLEY | 37 | 37 | 100% | 0 | 0% | 0 |
| REGION 03 - CENTRAL LUZON | 44 | 44 | 100% | 0 | 0% | 0 |
| CORDILLERA ADMINISTRATIVE REGION | 34 | 34 | 100% | 0 | 0% | 0 |
| REGION 04A - CALABARZON | 56 | 56 | 100% | 0 | 0% | 0 |
| REGION 04B - MIMAROPA | 25 | 25 | 100% | 0 | 0% | 0 |
| REGION 05 - BICOL REGION | 31 | 29 | 94% | 2 | 6% | 0 |
| NATIONAL CAPITAL REGION | 0 | 0 | 0% | 0 | 0% | 0 |
| REGION 06 - WESTERN VISAYAS | 104 | 103 | 99% | 1 | 1% | 0 |
| REGION 07 - CENTRAL VISAYAS | 16 | 15 | 94% | 1 | 6% | 0 |
| REGION 08 - EASTERN VISAYAS | 8 | 3 | 38% | 5 | 63% | 0 |
| REGION 09 - ZAMBOANGA PENINSULA | 26 | 26 | 100% | 0 | 0% | 0 |
| REGION 10 - NORTHERN MINDANAO | 32 | 32 | 100% | 0 | 0% | 0 |
| REGION 11 - DAVAO REGION | 15 | 15 | 100% | 0 | 0% | 0 |
| REGION 12 - SOCCSKSARGEN | 9 | 9 | 100% | 0 | 0% | 0 |
| REGION 13 - CARAGA | 73 | 73 | 100% | 0 | 0% | 0 |
| AUTONOMOUS REGION IN MUSLIM MINDANAO | 5 | 5 | 100% | 0 | 0% | 0 |
| Total | 617 | 605 | 98% | 11 | 2% | 1 |

**Based on the data taken from the PCF Website as of MARCH 16, 2015



Distribution by Project Category for CY 2012

Table 7

| PCF Category | Number of Projects | Percentage |
|------------------------------|--------------------|------------|
| Millennium Development Goals | 346 | 42% |
| Local Economic Development | 304 | 45% |
| Disaster Risk Management | 46 | 10% |
| Solid Waste Management | 19 | 3% |
| TOTAL | 715 | 100% |

**Based on the data taken from the PCF Website as of MARCH 16 2015

Figure 4

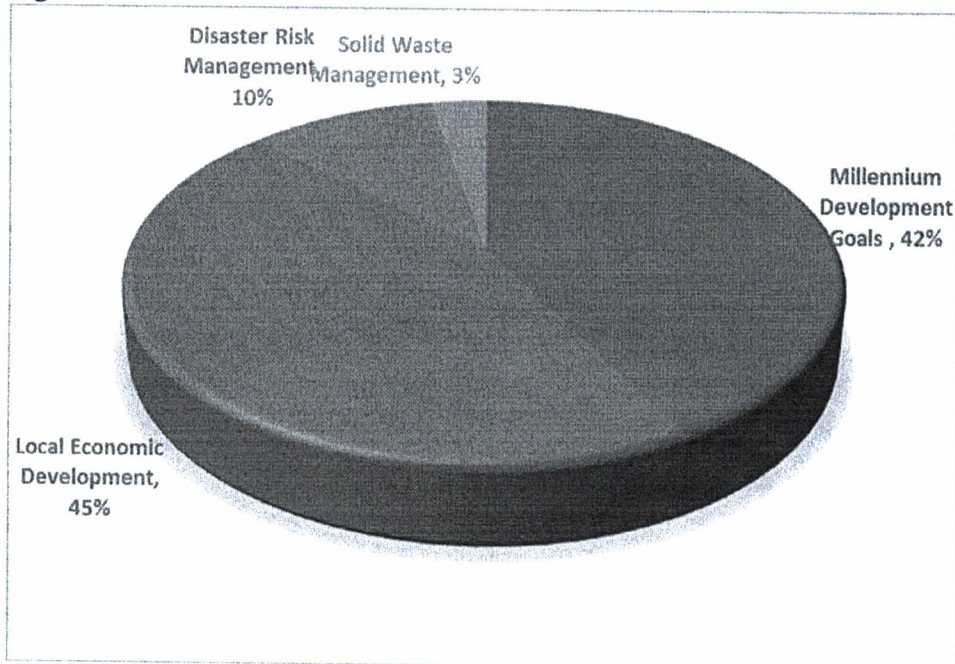




Table 8

| Summary of Project Status for the year 2012 | | | | | | |
|---|---------------------------|---------------------------|----------------------------------|--------------------------|---------------------------------|---------------------------------|
| Region | Total No. of PCF Projects | No. of Completed Projects | Percentage of Completed Projects | No. of On-Going Projects | Percentage of On-Going Projects | No. of Not-Yet Started Projects |
| REGION 01 - ILOCOS REGION | 84 | 74 | 88% | 3 | 4% | 7 |
| REGION 02 - CAGAYAN VALLEY | 111 | 110 | 99% | 1 | 1% | 0 |
| REGION 03 - CENTRAL LUZON | 101 | 99 | 98% | 2 | 2% | 0 |
| CORDILLERA ADMINISTRATIVE REGION | 23 | 23 | 100% | 0 | 0% | 0 |
| REGION 04A - CALABARZON | 60 | 55 | 92% | 5 | 8% | 0 |
| REGION 04B - MIMAROPA | 35 | 28 | 80% | 7 | 20% | 0 |
| REGION 05 - BICOL REGION | 11 | 6 | 55% | 5 | 45% | 0 |
| NATIONAL CAPITAL REGION | 0 | 0 | 0% | 0 | 0% | 0 |
| REGION 06 - WESTERN VISAYAS | 72 | 72 | 100% | 0 | 0% | 0 |
| REGION 07 - CENTRAL VISAYAS | 7 | 5 | 71% | 0 | 0% | 2 |
| REGION 08 - EASTERN VISAYAS | 14 | 6 | 43% | 7 | 50% | 1 |
| REGION 09 - ZAMBOANGA PENINSULA | 22 | 21 | 95% | 1 | 5% | 0 |
| REGION 10 - NORTHERN MINDANAO | 21 | 17 | 81% | 3 | 14% | 1 |
| REGION 11 - DAVAO REGION | 57 | 50 | 88% | 4 | 7% | 3 |
| REGION 12 - SOCCSKSARGEN | 53 | 50 | 94% | 2 | 4% | 1 |
| REGION 13 - CARAGA | 44 | 44 | 100% | 0 | 0% | 0 |
| AUTONOMOUS REGION IN MUSLIM MINDANAO | 0 | 0 | 0% | 0 | 0% | 0 |
| Total | 715 | 660 | 92% | 40 | 6% | 15 |

**Based on the data taken from the PCF Website as of MARCH 16, 2015



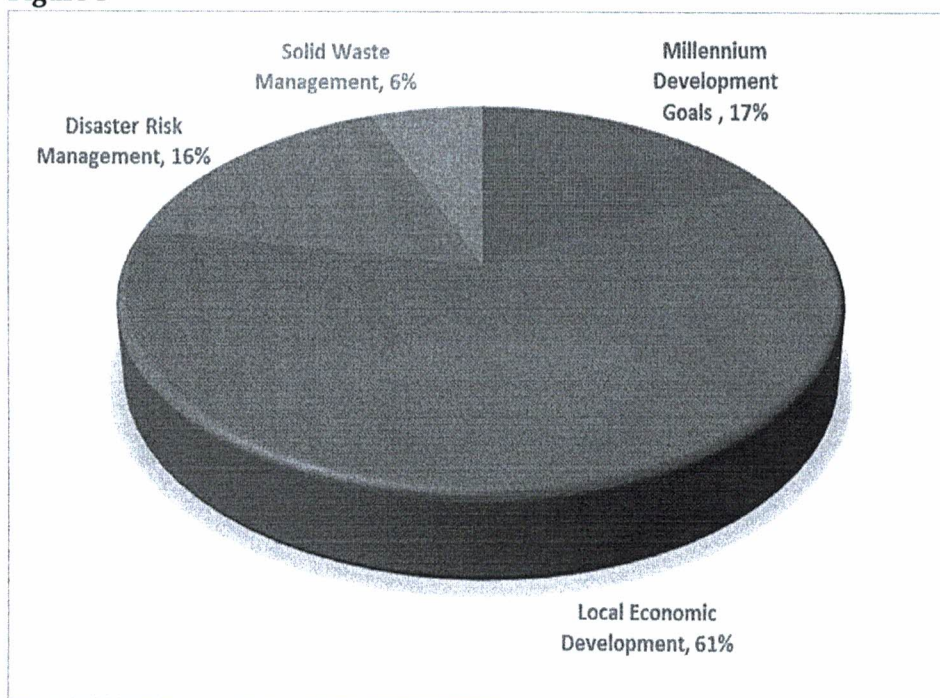
Distribution by Project Category for CY 2013

Table 9

| PCF Category | Number of Projects | Percentage |
|------------------------------|--------------------|------------|
| Millennium Development Goals | 109 | 17% |
| Local Economic Development | 401 | 61% |
| Disaster Risk Management | 105 | 16% |
| Solid Waste Management | 39 | 6% |
| TOTAL | 654 | 100% |

**Based on the data taken from the PCF Website as of MARCH 16 2015

Figure 5





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Table 10

| Summary of Project Status for the year 2013 | | | | | | |
|---|---------------------------|---------------------------|----------------------------------|--------------------------|---------------------------------|---------------------------------|
| Region | Total No. of PCF Projects | No. of Completed Projects | Percentage of Completed Projects | No. of On-Going Projects | Percentage of On-Going Projects | No. of Not-Yet Started Projects |
| REGION 01 - ILOCOS REGION | 96 | 44 | 46% | 26 | 27% | 26 |
| REGION 02 - CAGAYAN VALLEY | 66 | 38 | 58% | 20 | 30% | 8 |
| REGION 03 - CENTRAL LUZON | 22 | 9 | 41% | 4 | 18% | 9 |
| CORDILLERA ADMINISTRATIVE REGION | 43 | 8 | 19% | 11 | 26% | 24 |
| REGION 04A - CALABARZON | 69 | 35 | 51% | 7 | 10% | 27 |
| REGION 04B - MIMAROPA | 28 | 19 | 68% | 4 | 14% | 5 |
| REGION 05 - BICOL REGION | 42 | 14 | 33% | 7 | 17% | 21 |
| NATIONAL CAPITAL REGION | 0 | 0 | 0% | 0 | 0% | 0 |
| REGION 06 - WESTERN VISAYAS | 97 | 40 | 41% | 55 | 57% | 2 |
| REGION 07 - CENTRAL VISAYAS | 50 | 1 | 2% | 5 | 10% | 44 |
| REGION 08 - EASTERN VISAYAS | 11 | 4 | 36% | 2 | 18% | 5 |
| REGION 09 - ZAMBOANGA PENINSULA | 27 | 6 | 22% | 8 | 30% | 13 |
| REGION 10 - NORTHERN MINDANAO | 19 | 10 | 53% | 2 | 11% | 7 |
| REGION 11 - DAVAO REGION | 6 | 1 | 17% | 0 | 0% | 5 |
| REGION 12 - SOCCSKSARGEN | 16 | 10 | 63% | 5 | 31% | 1 |
| REGION 13 - CARAGA | 60 | 14 | 23% | 25 | 42% | 21 |
| AUTONOMOUS REGION IN MUSLIM MINDANAO | 2 | 2 | 100% | 0 | 0% | 0 |
| Total | 654 | 255 | 39% | 181 | 28% | 218 |