



Republic of the Philippines
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT
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 Diliman, Quezon City

_____, 2009

Memorandum Circular No. _____

To : ALL PROVINCIAL GOVERNORS, CITY/MINICIPAL MAYORS, LOCAL DEVELOPMENT COUNCIL (LDC) AND LOCAL FINANCE COMMITTEE (LFC) MEMBER, DILG REGIONAL, PROVINCIAL AND CITY DIRECTORS AND ALL OTHERS CONCERNED

SUBJECT: GUIDE TO COMPREHENSIVE DEVELOPMENT PLAN (CDP) PREPARATION FOR LOCAL GOVERNMENT UNIT

Section 106 of the Local Government Code of 1991 mandates each local government unit to prepare a comprehensive multi-sectoral development plan to be initiated by its local development council and approved by its sanggunian. Pursuant thereto, the Department of the Interior and Local Government Unit (DILG) has developed the Enhanced Guide to Comprehensive Development Plan (CDP) for the Local Government Units.

The CDP Guide puts into operation the concepts and processes enunciated in the rationalized local planning system and JMC No. 001, S. 2007 on harmonization of local planning, investment programming, budgeting and revenue administration. As a reference, the Guide offers procedures tools and techniques along each step of the comprehensive development planning cycle and is presented in four major parts with corresponding chapters detailing each part:

- Part I – Organizing and Mobilizing the Planning Structure
- Part II – Preparing the CDP
- Part III - Implementing the CDP
- Part IV – Plan monitoring and Evaluation

Moreover, the CDP Guide provides the mechanism for the synchronization and harmonization of the core LGU operations from the planning to plan monitoring and evaluation with thematic and cross-sectoral concerns that various national government agencies pursue and seek to address at the LGU levels.

Being the agency mandated to formulate the operational guides on local development planning, all DILG Field Officers, therefore, are directed to use the Guide in providing the technical assistance to the Local Development Council, the Sectoral Committee, the Local Finance Committee and the executive and legislative bodies in the performance of their planning functions. Likewise, local government units are enjoined to use this Guide in the preparation of their CDP and the Local Development Investment Program (LDIP).

The Enhanced CDP Guide can be downloaded in our website at www.dilg.gov.ph

For proper guidance.

RONALDO V. PUNO
Secretary

Foreword

The Department of the Interior and Local Government (DILG) is mandated to establish plans, policies and programs that will strengthen the technical, fiscal and administrative capabilities of local governments, as well as formulate the operational guidelines of the local development planning process.

In compliance with this mandate, the DILG commissioned the development of the Rationalized Local planning System (RPS) as the framework for local planning. To operationalize the RPS, we also formulated the Enhanced Guide to Comprehensive Development Planning (CDP) for LGUs. As a reference, the Guide offers procedures, tools and techniques that are designed to respond to varying capabilities of local government in local comprehensive planning.

The completion of this Guide has become even more significant because it will enable the Department to fulfill its commitment under the Joint Memorandum Circular No.1, S.2007 which was signed with the National Economic and Development Authority (NEDA), (DBM) and the Department of Finance (DOF) on March 8, 2008. This JMC is geared towards the synchronization and harmonization of planning, investment, programming, revenue administration, and budgeting and expenditure management at the local level.

The Guide also takes into consideration the other special and cross- sectoral concerns of various national government agencies that seek fulfillment at the local government level.

The Department hopes that this Guide will further simplify the comprehensive development planning process at the local level.

AUSTERE A. PANADERO

Undersecretary for Local Government

Acknowledgement

The Bureau of Local Government Development-Department of the Interior and Local Government (BLGD-DILG) would like to acknowledge the assistance of the following in the preparation of the Guide for their active participation in the various consultations conducted nationwide:

- **DILG Regional Directors** during the consultations and orientation briefings on the Rationalized Local Planning System, Joint Memo Circular No. 001, S, 2007 and the Guide to CDP Preparation;
- **DILG Regional and Provincial Development Planning Specialists** for their diligent participation during the series of CDP validation workshops which started in 2007;
- **Local Government Units**, particularly the Provincial/City/Municipal Planning and Development Coordinators (P/C/MPDCs) and concerned Provincial/City Budget Officers, Treasurer and Accountants;
- **National Government Agencies** that participated in the consultation-workshops on mainstreaming sectoral/thematic plans into the CDP, particularly the National Police Commission (NAPOLCOM), National Youth Council (NYC), National Commission on Indigenous (NCIP), National Anti-Poverty Commission (NAPC), National Council for Disability Affairs (NCDA), National Nutrition Council (NNC), Council for the Welfare of Children (CWC), Presidential Assistant for Peace Process (OPAPP), Housing and Land Use Regulatory Board (HLURB), Department of Social Welfare and Development (DSWD), Commission on Population (POPCOM), Department of Trade and Industry (DTI), Department of Health (DOH), Office of Civil Defense (OCD), National Commission on the Role of the Filipino Women (NCRFW), Department of Environment and Natural Resources (DENR), Department of Agriculture (DA), National Economic Development of Finance (DOF), Department of Tourism (DOT), National Commission for Cultural and the Arts (NCCA).
- **Other stakeholders concerned** from the Academe, Private Sector, Civil Society Organization, Donor Agencies and Professional Organizations.

BLGD likewise expresses its thankfulness to Prof. Ernesto M. Serote for writing the Rationalized Local Planning System, upon which this Guide has been developed; and to our consultant, Ms. Liza Marie Pulumbarit-Elum for her technical inputs, comments and suggestions, for her persistence and for enduring with us through the long and tedious process of preparing this Guide. We are really deeply grateful for their perseverance and dedication in helping the DILG fulfill its commitment to put into practice the concept and principles enunciated in the Rationalized Local Planning System and to effect the applicable provisions of JMC No.001, S2007 through this Guide.

The Bureau also gives credit to the Philippines-Canada Local Government Support Program (LGSP) for providing the springboard for developing this Guide from a project it embarked upon in the review and simplification of the Manual on How to Formulate an Executive and Legislative Agenda for Local Governance and Development: Manual and Facilitator's Guide.

The Bureau also expresses its deep and profound gratitude to the Asia Development Bank-Technical Assistance No. 7019 (ADB-TA 7019), particularly to its Project Leader, Mr. Raymund Fabre and Mr. Tariq Niazi, ADB- Public Sector Management Specialist, for the technical advice and financial support during the preparation of this Guide and the subsequent training programs conducted for DILG field officers on how to use the Guide.

Finally, we also convey our sincere appreciation to those whose names and organizations which may not appear in the list but have nonetheless contributed unselfishly in the completion of this Guidebook.

MANUEL Q. GOTIS CESOIII

Director

Acronyms

AIP	Annual Investment Program
BESF	Budget of Expenditure and Sources of Financing
BFAR	Bureau of Fisheries and Aquatic Resources
BOMB	Budget Operations Manual for Barangays
BOT	Build-Operate-Transfer
BSWM	Bureau of Soils and Water Management
CAPDEV	Capacity Development
CBMS	Community-Based Monitoring System
CDP	Comprehensive Development Plan
CENRO	Community Environment and Natural Resources Officer
CIDA	Canadian International Development Agency
CLPI	Core Local Poverty Indicator
CLUP	Comprehensive Land Use Plan
CO	Capital Outlay
CPDO	City Planning and Development Office
CSO	Civil Society Organizations
DBM	Department of Budget and Management
DENR	Department of Environment and Natural Resources
DILG	Department of the Interior and Local Government
DOF	Department of Finance
DRM	Disaster Risk Management
DTI	Department of Trade and Industry
ELA	Executive and Legislative Agenda
EP	Ecological Profile
GAM	Goal Achievement Matrix
GSIS	Government Service Insurance System
HLURB	Housing and Land Use Regulatory Board
HRD	Human Resource Development
HRDO	Human Resource Development Office
IRA	Internal Revenue Allotment
IRR	Implementing Rules and Regulations
JMC	Joint Memorandum Circular
LA	Legislative Agenda
LCE	Local Chief Executive
LDC	Local Development Council
LDI	Local Development Indicator
LDIP	Local Development Investment Program
LDIS	Local Development Indicator System
LEP	Local Expenditure Program
LFC	Local Finance Committee
LGC	Local Government Code
LG-ENRO	Local Government Environment and Natural Resources Officer
LGOO	Local Government Operations Officer
LGPMIS	Local Governance Performance Management System
LGSP	Local Government Support Program
LGU	Local Government Unit
LMB	Land Management Bureau
LPDC	Local Planning and Development Coordinator
LPDO	Local Planning and Development Office
LQ	Location Quotient
M & E	Monitoring and Evaluation
MDG	Millennium Development Goals
MGB	Mines and Geosciences Bureau
MHO	Municipal Health Office
MOOE	Maintenance and Other Operating Expenses
MPDO	Municipal Planning and Development Office

MTPDP	Medium-Term Philippine Development Plan
NAMRIA	National Mapping and Resource Information Authority
NEDA	National Economic and Development Authority
NGA	National Government Agency
NGO	Non-Government Organizations
NIPAS	National Integrated Protected Areas System
NPFP	National Physical Framework Plan
NSO	National Statistics Office
ODA	Official Development Assistance
OFW	Overseas Filipino Worker
OPW	Orientation – Planning - Workshop
OTW	Orientation – Training – Workshop
PA 21	Philippine Agenda 21
PAWB	Protected Areas and Wildlife Bureau
PCUP	Philippine Commission on the Urban Poor
PDP	Provincial Development Plan
PDPFP	Provincial Development and Physical Framework Plan
PENRO	Provincial Environment and Natural Resources Officer
PESO	Public Employment Services Office
PHILVOCS	Philippine Institute of Volcanology and Seismology
PLUC	Provincial Land Use Committee
PMC	Project Monitoring Committee
PO	People's Organizations
POSO	Public Order and Safety Office
PPA	Program/Project/Activity
PPDC	Provincial Planning and Development Coordinator
PPDO	Provincial Planning and Development Office
PPFP	Provincial Physical Framework Plan
PS	Personal Services
PTA	Parent-Teacher Association
RA	Republic Act
RDP	Regional Development Plan
RHU	Rural Health Unit
RLA	Regional Line Agency
RPFP	Regional Physical Framework Plan
RPS	Rationalized Local Planning System
RPT	Real Property Tax
SB/P	Sangguniang Bayan/ Panlungsod
SCALOG	System on Competency Assessment for Local Governments
SEP	Socio-Economic Profile
SEPP	Socio-Economic and Physical Profile
SLGR	State of Local Governance Report
SSS	Social Security System
SWDO	Social Welfare and Development Office
TWG	Technical Working Group
UBOM	Updated Budget Operations Manual for Local Government Units
UNDP	United Nations Development program
ZO	Zoning Ordinance

About the Guide

The Enhanced Guide to Comprehensive Development Plan (CDP) Preparation is a derivative of the “*Rationalized Local Planning System Sourcebook*” was launched by DILG in 2007. The Sourcebook was developed to assist readers in understanding the “why’s” and “how’s” of implementing the full implications of the Local Government Code of 1991 (Republic Act 7160) pertaining to local planning.

The “*How to Formulate an Executive and Legislative Agenda for Local Governance and Development: a Manual and Facilitator’s Guide*” and the draft revised version provided by the Local Governance Support Program funded by the Government of Canada through the Canadian International Development Agency (CIDA), was also used extensively as a reference and source document in the development of some sections of this Guide.

This Guide consists of four (4) parts:

Chapter I – Getting Started: Organizing and Mobilizing the Planning Structure

This section sets the stage for the Plan Formulation Proper – from the organization to training of the Planning Team, and the subsequent orientation for the local chief executive and members of the Sanggunian. It also contains selection criteria for planning team members, definition of roles and functions of key actors in the plan formulation process, including those of national government agencies and civil society organizations in order to make the plan formulation process truly inclusive and participatory.

Chapter II – Preparing the Plan

This part consists not only of the “how’s” of every step of the sectoral planning process. It also provides answers to questions like “*what is it?*”, “*why is it important?*” and “*who is responsible?*” This emphasizes the need to re-focus attention from merely producing the plan document alone to making planning as an integral part of governance by making the LGUs understand why they ought to plan and who should be involved. The easy-to-use-and-follow tools and techniques are presented in a way that makes them more user-friendly and their “technical” or “technocratic” character are tamed without diminishing their value and effectiveness as instructional devices, especially for those who are not technically trained.

Chapter III – Implementing the Plan

This provides the basic elements of the three principal instruments in implementing the CDP, namely, the Local Development Investment Program (LDIP), the Legislative Agenda (LA), and the Executive and Legislative Agenda (ELA). It also includes a section on formulating a Capacity Development Agenda. Just like in Part I, this section of the Guide not only offers the procedural steps for yielding these outputs, but also the concept inputs to allow the users to have a better appreciation of what, why and who are responsible for the exercise.

Chapter IV – Plan Monitoring and Evaluation

This section highlights the importance of Plan Monitoring and Evaluation (M & E) as the link between two planning cycles and thereby reinforces the cyclical nature of the planning process. It suggests the periods when and who may conduct what type of M & E.

It must be emphasized that the tools, techniques, strategies and methodologies suggested in this Guide are not prescriptive. Rather, they can complement or supplement those that have already been developed or being offered by other agencies to facilitate the preparation of local comprehensive development plans.

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INTRODUCTION

General Planning and Development Model

In an ideal scenario, a particular local government unit (LGU) manages its own growth and change through a body of plans with varying scope and time frame. The term “ideal”, however, does not imply a utopian, unrealistic or unattainable dream. It simply means a scenario that does not exist as yet. Nevertheless, it is **the** scenario that the Local Government Code (LGC) of 1991 (RA 7160) wants every LGU to achieve. With the aid of various plans, LGUs are expected to more effectively manage their own local development. Section 20 of the LGC mandates LGUs to prepare a comprehensive land use plan (CLUP) enacted through a zoning ordinance, while Sections 106 and 109 of the same Code mandate the LGUs to prepare comprehensive multi-sectoral development plans or comprehensive development plan (CDP) and public investment programs.

It is clear from the above-cited provisions of the Code that LGUs are required to prepare two plans: the CLUP and the CDP.

These plans influence public and private sector investments which have the cumulative effects of making available goods and services of high quality, and making these more accessible to the people, thereby raising the level of their well-being. Any change in the level of welfare of the population, on one hand is expected to create corresponding changes in the character and configuration of the land and other physical resources of the locality. On the other hand, any improvement in the level of social and economic well-being of the local population will almost always entail deterioration in the quality or quantity of the physical environment. How to achieve development objectives without necessarily sacrificing the environment poses a major challenge to local development planning and management.

As the LGU gains longer experience in managing its own growth and change, especially when the Sanggunian is ever alert for possibilities to formulate regulatory policies and to further support the implementation of plans, programs and projects with needed development regulations, the LGU's institutional capacity will be enhanced considerably. Such changes are easily seen by tracking outputs on the short-term and outcomes on the medium- to long-term. Lessons learned from these periodic monitoring and evaluation are then used to inform the next cycle of planning. (See Figure 1 - A Local Planning and Development Model)

The Relationship among the Comprehensive Development Plan (CDP), the Comprehensive Land Use Plan (CLUP) and Executive and Legislative Agenda (ELA)

The Comprehensive Land Use Plan (CLUP) and the CDP are distinct and separate.

1. The term “comprehensive” in the CLUP is understood in its geographical, territorial sense, while the term “comprehensive” in the CDP has to be understood in the sense of “multi-sectoral” development. Yet, the two plans are intimately related.
2. The CLUP can well be regarded as the plan for the long-term management of the local territory. As the skeletal-circulatory framework of the territory's physical development, it identifies areas where development can and cannot be located and directs public and private investments accordingly. The CDP, on the other hand, is the action plan utilized by every local administration to develop and implement priority sectoral and cross-sectoral programs and projects in the proper locations to put flesh on the skeleton as it were, gradually and incrementally, until the desired shape or form of development is eventually attained over the long term. This is consistent with the definition of planning as “public control of the pattern of development”.
3. One thing that bolsters the interpretation that the CLUP and CDP are distinct and separate is the fact that the responsibility for each plan is given to separate bodies in the LGU. The CLUP is assigned to the Sanggunian as provided for in Sections 447, 458 and 468 (Powers, Duties, Functions and Compensation of the Sangguniang Bayan, Panlungsod and Panlalawigan, respectively) of the Local Government Code; whereas the CDP is the responsibility of the LDC as

provided for under Sections 106 (Local Development Councils) and 109 (Functions of Local Development Councils) of the Code. The Code has correctly assigned responsibility for the CLUP to the Sanggunian considering that most if not all of the instruments for implementing the CLUP involve regulating the use of lands that are mainly privately held and this requires the exercise of the political powers of the LGU through legislative action by the Sanggunian.

4. A common concern often raised by local planners is how to keep the long-term plan from being thrown away with every change in administration. The answer to this concern lies precisely in having a separate CLUP from a CDP. It is the “*people’s plan*”. The CLUP, once enacted into a zoning ordinance (Sec. 20, c), becomes a law. It remains in effect even after the incumbent officials have been replaced. Being a law, the CLUP-turned Zoning Ordinance cannot be simply “thrown away” without going through the proper legislative procedures for repealing or amending an ordinance. The truth of the matter is, the long-term CLUP, once in place, can no longer be claimed by, nor attributed to a particular administration. Rather, the CLUP belongs to the people.

Figure 1 - A LOCAL PLANNING AND DEVELOPMENT MODEL

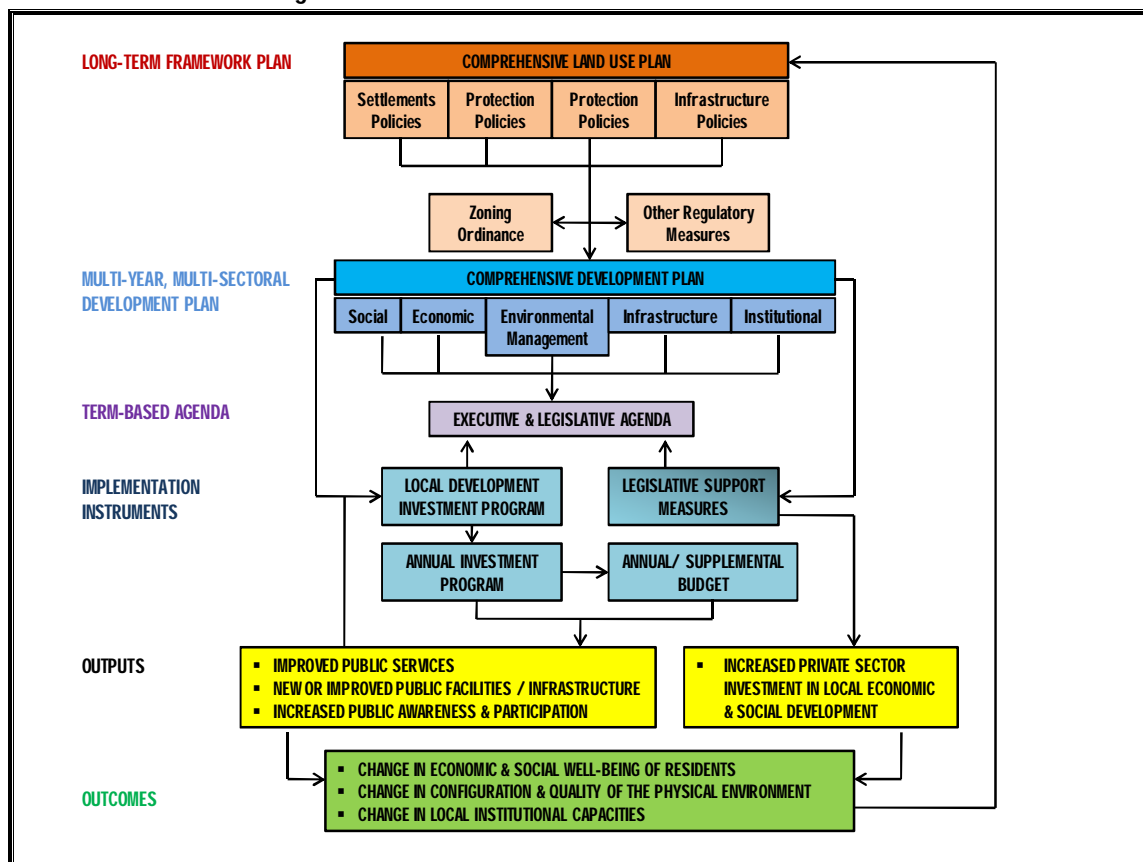


Chart designed by Prof. Ernesto M. Serote

5. With the CLUP separated from the CDP, the review process by the Provincial Land Use Committee (PLUC) is also immensely simplified. The Code requires a review by the provincial government of the CLUP, not the CDP, of component cities and municipalities [See Sec. 468 (a) (2) (vii)].

The Executive and Legislative Agenda (ELA) is a planning document, covering a 3-year period corresponding to the term of local elective officials that is mutually developed and agreed upon by both the executive and legislative departments of an LGU. The ELA is not meant to replace or duplicate existing planning systems in LGUs. Rather, it adds greater value to the CLUP and the CDP by moving them forward to getting implemented and monitored.

It is CDP-based Executive and Legislative Agenda (ELA) that is associated with a particular administration.

Plan Formulation Process

It is highly desirable that the CLUP be completed ahead of the CDP. This is to ensure that the location policies in the CLUP will guide the identification, screening, and prioritization of programs and projects in the CDP (see Figure 2 - Simplified Planning Process). Considering that some public investments, especially of the “hard project” type, have a powerful impact on the long-term structuring of the built environment and on land use change in general, such projects should be properly screened to ensure that they are in consonance with, if not actually supportive of the preferred spatial strategy for the community.

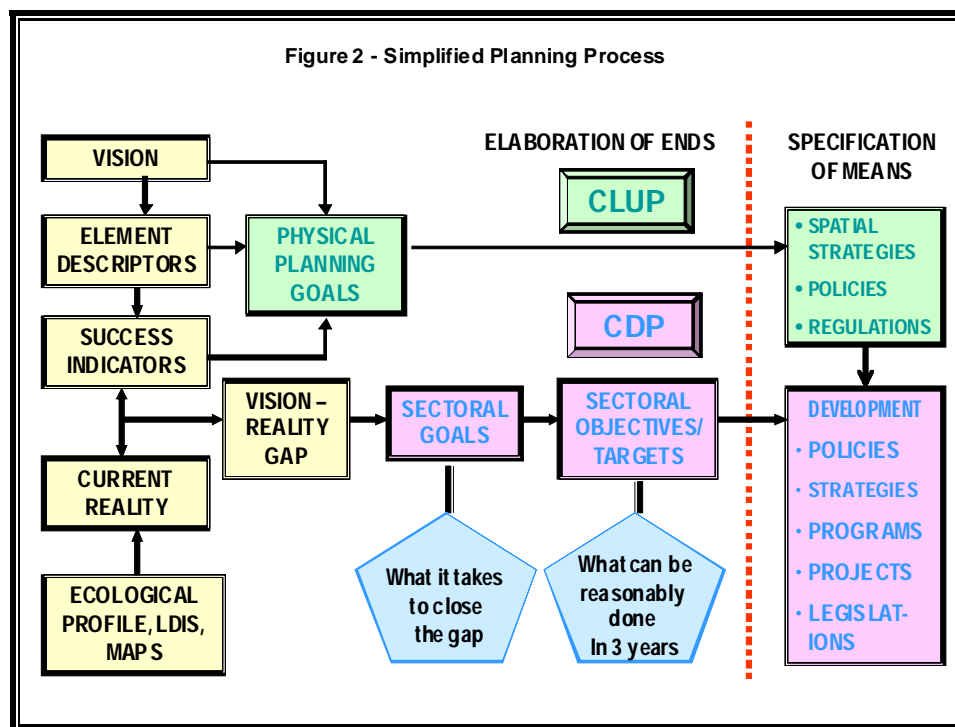


Chart designed by Prof. Ernesto M. Serote

The CLUP is in itself a rich source of programs, projects and ideas for legislation. The programs and projects identified in the CLUP however, invariably take a long time to carry out. On the other hand, the CDP has a relatively short timeframe. This, however, should not be used as a reason for ignoring the long-term programs of the CLUP and implementing instead other projects with shorter timeframes. Rather, the short time frame of the CDP should be used to carry out the long-term CLUP programs **in phases**.

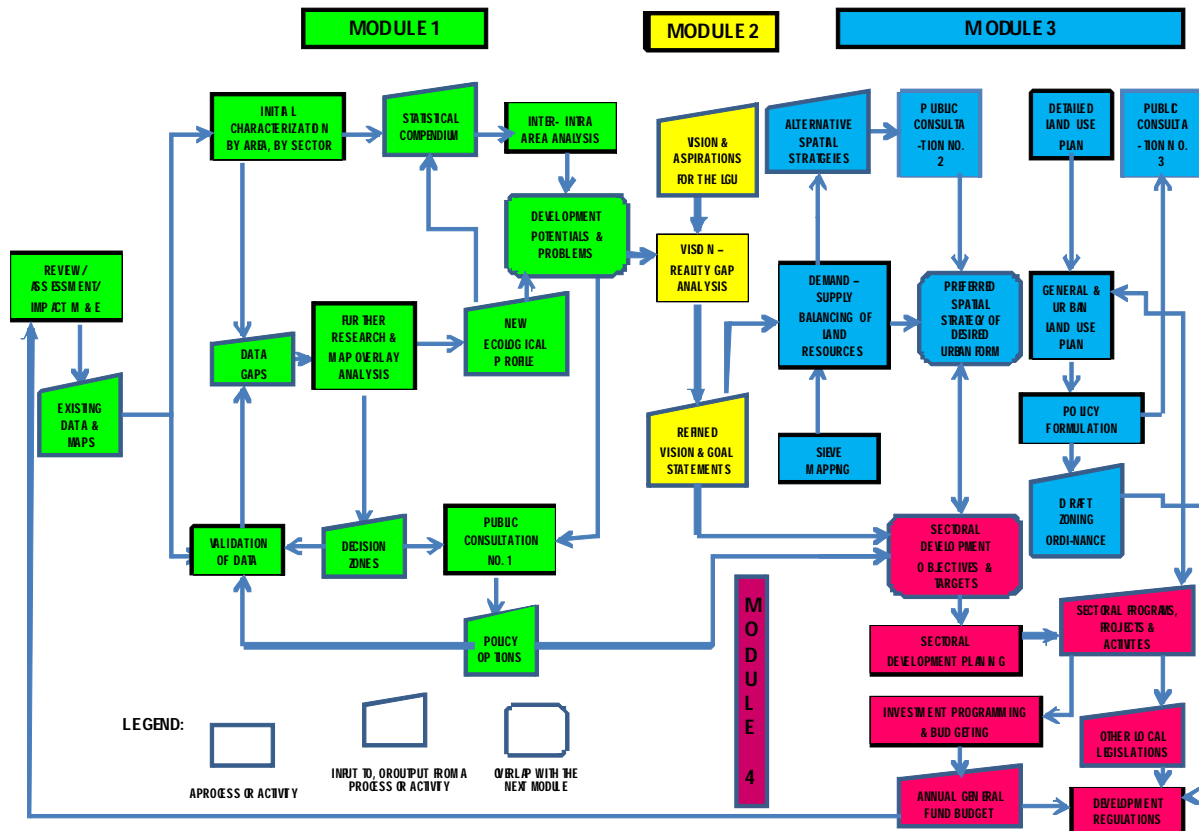
The CDP can be regarded as an action plan and an implementing instrument of the CLUP. By having a CLUP which serves as a long-term guide for the physical development of the locality and with a CDP that is multi-year and implements the CLUP in phases, there is an assurance of continuity, rationality and stability of local development efforts.

The CLUP and the CDP may be prepared in an iterative way. For simplicity, the preparation of the CLUP and CDP can be divided into four (4) modules consistent with the capability building approach (Figure 3 - CLUP-CDP Process Flow).

Each module is described briefly as follows:

1. **Module 1** – Generation of the planning database consisting of statistics and maps and analytical tools and techniques to derive various indicators of development or underdevelopment, of problems and constraints as well as opportunities and challenges for development. The outputs of this module are as follows:

Figure 3- CLUP – CDP Process Flow
(Chart designed by Prof. Ernesto M. Serote)



- a. Updated ecological profile of the planning area
 - b. Matrix of Local Development Indicators (Statistical Compendium)
 - c. Accomplished “Problem – Solution Matrix”
2. **Module 2** – Formulation of new goals or revalidating and/or revising the existing vision statement. The outputs of this module are as follows:
 - a. Revalidated/ revised vision statement
 - b. Vision elements and their respective descriptors and success indicators
 - c. Vision – reality gap which will eventually be transformed into sectoral goals

Modules 1 and 2 may be undertaken simultaneously or interchangeably.

3. **Module 3** – Formulation of the Provincial Comprehensive Land Use Plan (PCLUP) in the case of the province and the CLUP in the case of cities and municipalities. This involves undertaking the following activities:

- a. Generation of alternative spatial strategies taking into account the higher level spatial strategy and choosing the most desirable alternative for the province or city/municipality, as the case may be.
- b. Formulation of policies on production, infrastructure, settlements, and protection areas consistent with the preferred strategy.
- c. Formulation of implementation tools, e.g., zoning ordinance

The outputs of activities under this module are as follows:

- a. Draft Provincial Comprehensive Land Use Plan and / or City/Municipal CLUP
 - b. Policy maps printed at suitable scale
 - c. Draft Zoning Ordinance in the case of cities and municipalities
4. **Module 4** – Preparation of the Multi-Year Provincial/City/Municipal CDP. The main activities under this module are as follows:
- a. Formulation of sectoral goals, objectives and targets
 - b. Prioritization of sectoral programs, projects and activities
 - c. Preparation of the Local Development Investment Program (LDIP)
 - d. Identification of new legislations needed to carry out the sectoral plans
 - e. Preparation of the capacity development program

The Comprehensive Development Planning Cycle

Planning is a cyclical and iterative process. The Comprehensive Development Planning Process is a component of that cycle. It begins with setting or re-visiting the vision and determining current reality. These two steps comprise Modules I and II mentioned earlier. The latter is sometimes referred to as characterizing the planning area or ecological profiling.

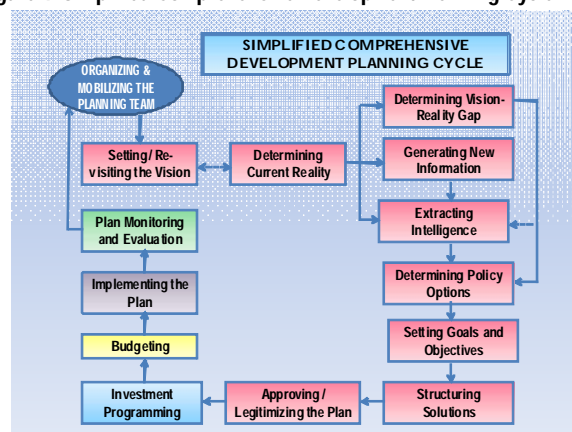
The CDP process ends with the legitimization of the plan document or approval of the Sanggunian. Then the local development investment programming process begins. The 3-year LDIP and its annual component – the annual investment program (AIP) shall serve as the link between the plan and the local budget. This simply means that the local budget should be based on programs and projects identified in the investment program.

Plan monitoring and evaluation is a crucial step in the cycle. It is the link between two planning cycles. Its importance lies in generating new information based on the following:

1. results of assessment of impacts of plans, programs and projects as implemented,
2. effects of regulatory measures as enforced,
3. outcomes of developments in the area that had not come under the control or influence of the local planning system

Figure 4 illustrates the other steps involved in the CDP Cycle.

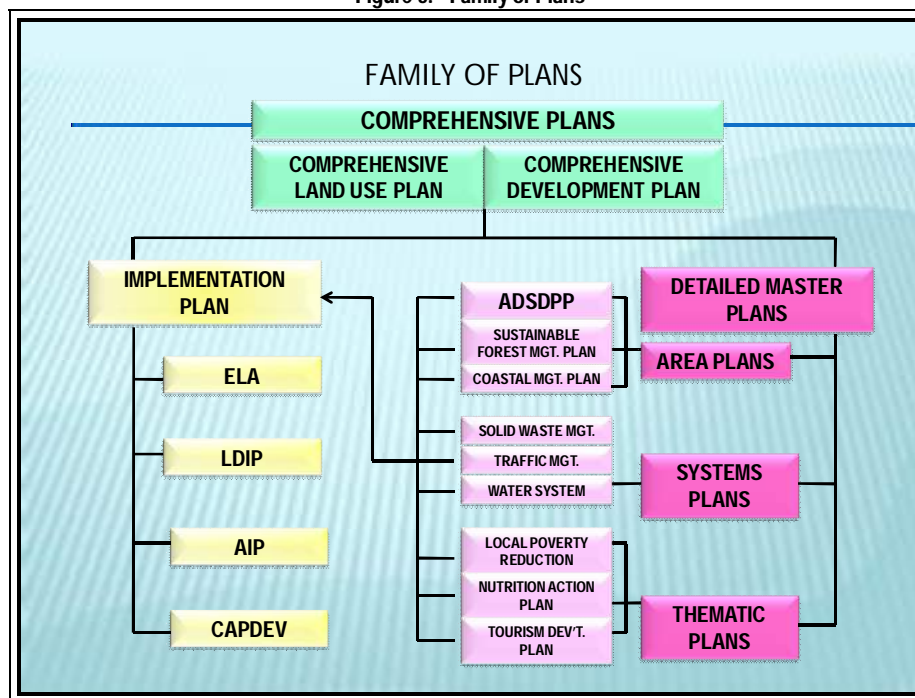
Figure 4: Simplified Comprehensive Development Planning Cycle



Relationship of Other Plans with the CLUP and the CDP

One dimension of rationalized planning is the reduction in the number of plans that LGUs prepare. If the local plans are truly comprehensive, meaning, the CLUP covers the entire LGU territorial jurisdiction, both land and water; and the CDP embraces all development sectors and sub-sectors, including the concerns of each, area, sectoral or thematic and systems plans can take off or be derived from either plan document. Data gathering and analysis can proceed from Modules I and II, but detailing such area, sectoral or systems plan may be given to technical experts in specific areas of concern if the necessary competencies are not available in the LGU.

Figure 5: Family of Plans



Integrating NGA Requirements and Cross-Sectoral Concerns into the CDP

NGA-mandated plans that LGUs are asked to prepare need not be undertaken by planning bodies created outside of the LDC and/or its sectoral or functional committees. These plans can already fall within the concerns of existing sectoral committees.

Examples of these plans are listed below:

PLAN	SECTORAL COMMITTEE
1. Action Plan for the Council for the Protection of Children	Social
2. Annual Culture and Arts Plan	Social
3. Agriculture and Fisheries Management Plan	Economic
4. Coconut Development Plan	Economic
5. Local Entrepreneurship Development Plan	Economic
6. Local Tourism Development PLAN	Economic
7. Small and Medium Enterprise Development Plan	Economic
8. Revenue Generation Plan	Institutional
9. Information and Communication Technology	Institutional
10. Local Shelter Plan	Social

Another dimension of the rationalized local planning system is the integration of cross-sectoral concerns in the planning process. This implies that national government agencies (NGAs) advocating or requiring LGUs to prepare certain sectoral, area, thematic or systems plan must integrate these requirements into either the CLUP or the CDP, as the case may be, and allow the local planning structure and processes to respond to these requirements.

There are over twenty (20) different plans required by NGAs of LGUs over and above the two (2) Code-mandated plans – the CLUP and CDP. To rationalize the practice to the extent of integrating NGA requirements substantively and procedurally into local planning, at least two (2) pre-conditions must be satisfied:

1. The local planning structure, that is, the Local Development Council (LDC) and its sectoral and functional committees, are in place.

NGAs need not go to the extent of creating a new planning body or structure to produce their desired plan outputs. If the particular NGA has an existing office operating in the LGU, its officers and staff should be invited to join the relevant sectoral or functional committee and assist their local counterparts in preparing the desired outputs.

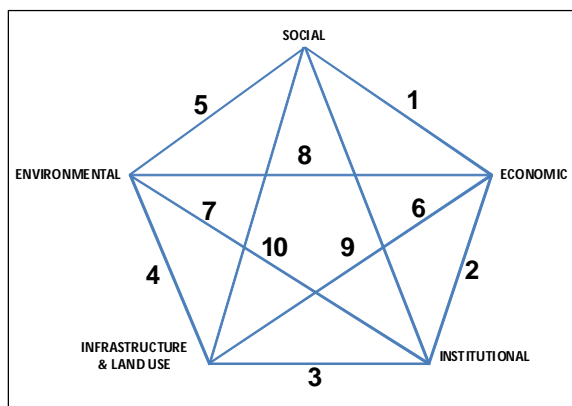
If the LDC is already existing and properly functioning, there will always be a planning body that will respond to any conceivable requirement of the national government.

In this connection, NGAs requiring LGUs to produce certain planning outputs ought to learn to **utilize the planning structures and processes** (underscoring supplied) that are already in place in the LGUs.

Thematic or systems plan that involves several sectors, functional committees could be formed drawing membership from the sectoral committees themselves. In case planning structures in the form of councils, boards, committees, are mandated by virtue of certain specific laws, e.g. Solid Waste Management Board per RA 9003, Local Disaster Coordinating Council, etc. these bodies can be considered standing committees of the LDC.

Some development issues can be confined within the conceptual boundaries of a particular sector. Issues of this nature are better handled by specific sectors. Other issues however, are common to two or more sectors and such issues can be addressed jointly by the sectors concerned through inter-sectoral consultations, round-robin fashion (see Figure 6- Inter-sectoral Consultations and Table 1- Sample Issues Common to Sectoral Plans). Complex development issues such as those of poverty, disaster risk management, gender and development, to name a few, need to be addressed either by a multi-sectoral functional committee or by the LDC acting as a committee of the whole.

Figure 6 - Inter-sectoral Consultations



Some of the plans that require inter-sectoral functional committees are the following:

1. Disaster Management Plan
2. Local Poverty Reduction Plan
3. Gender and Development Plan
4. Sustainable Development Plan
5. Food Security Plan
6. Integrated Area Community Peace and Order and Public Safety Plan

Table 1 - Sample Issues Common to Sectoral Plans

SECTOR PAIRS	SAMPLE ISSUES
Social - Economic	<ul style="list-style-type: none"> Household income and expenditure Labor force participation rate Employment, unemployment, underemployment Job-related health risks
Economic - Institutional	<ul style="list-style-type: none"> Private investment incentives and regulations (local ordinances) Budget allocation for economic development (% of total budget) Economic performance of public enterprises
Land Use/Infrastructure- Institutional	<ul style="list-style-type: none"> Land use planning and regulation Budget allocation for roads and bridges, drainage and sewerage, water and power supply Space and buildings for the administration of justice, police and fire stations, jails and detention cells, etc.
Environmental – Land Use/Infrastructure	<ul style="list-style-type: none"> Infrastructure vulnerable to environmental hazards Infrastructure to mitigate or prevent environmental disasters Sustainability in land use patterns
Social – Environmental	<ul style="list-style-type: none"> Domestic waste generation disposal Air pollution by source Population to land ratio
Social - Institutional	<ul style="list-style-type: none"> Social development budget as percent of total budget for socialized housing, livelihood services, health, welfare, education, protective services, etc. Mechanisms for promoting people participation in local governance Mechanisms to ensure accountability and transparency in public office
Social – Land Use/Infrastructure	<ul style="list-style-type: none"> Infrastructure to ensure social access (public transport service area, access ramps for disabled, traffic-related accident rate) Infrastructure to ensure public safety and convenience (pedestrian friendly street furniture); for public recreation (outdoors and indoors) Impact of infrastructure on land use and population distribution
Economic - Environmental	<ul style="list-style-type: none"> Sustainability in resource use Economic activities vulnerable to environmental hazards Effluent generation and disposal
Environmental - Institutional	<ul style="list-style-type: none"> Local policy (regulation) on environmental regulation Local budget allocation as percent of total budget on environmental and natural resources management Local programs on environmental rehabilitation
Economic – Land Use/ Infrastructure	<ul style="list-style-type: none"> Economic support infrastructure (appropriateness and adequacy) Land use pattern that promotes economic efficiency

It would certainly make a difference if the different sectoral and functional committees at the city or municipal level were involved in the preparation of these thematic or systems plans.

The outputs of each sectoral plan or inter-sectoral consultation may be grouped into two types: programs and projects and new policies, or new legislations. The first type of outputs will serve as the source of inputs to the local development investment program. The second type of outputs will be included in the legislative agenda of the Sanggunian.

Synchronization and Harmonization of Planning, Investment Programming, Revenue Administration, Budgeting and Expenditure Management at the Local Level

On March 8, 2007, four national agencies, namely the DILG, National Economic Development Authority (NEDA), Department of Budget and Management (DBM) and the Department of Finance (DOF), collectively known as the Oversight Agencies (OAs), approved and issued Joint Memorandum Circular (JMC) No. 001 series of 2007. The fundamental intent of this JMC is to harmonize the guidebooks and manuals prepared by the Oversight Agencies. The JMC defines the individual and joint roles and functions of the Oversight Agencies in relation to planning, investment programming, revenue administration, budgeting, and expenditure management.

This is to:

1. facilitate crafting by LGUs of a *plan-based budget*, using tools and techniques and adopting strategies and approaches that harness multi-stakeholder participation;
2. establish and strengthen vertical and horizontal linkages among the network of plans, investment programs and budgets at all levels of the administrative hierarchy; and
3. capitalize on the Local Government Code-mandated structure – the Local Development Council (LDC) as the principal vehicle for planning and investment programming activities.

In the ambit of this JMC, local planning at the city and municipal level focuses on the preparation of the comprehensive multi-sectoral development plan, which springs from a process that, at a certain point also yields a CLUP as a separate and distinct document.

Among the significant features of the JMC involves the following:

1. providing opportunities for interface between national government agencies (NGAs) and local government units (LGUs), and
2. strengthening the complementation between provinces and their component cities and municipalities.

The first is to emphasize the role of the local government units (LGUs) as partners of the national government in national development and as collaborators and cooperators in local development.

The second is to establish the significant role of the province in formulating development plans, policies and strategies that are built on the development concerns, thrusts and programs of its component cities and municipalities, while ensuring that local development goals and objectives are attuned with regional and national priorities.

The Relationship between the Province and its Component LGUs in the Plan Formulation Process

In the entire gamut of establishing a rationalized local planning system and the capability building activities that it entails, the province is viewed as the most critical point of entry of interventions. Sectoral planning experts found or trained at the provincial level can serve as mentors to their municipal counterparts. And since provincial assistance to component LGUs actually forms part of the regular functions of provincial government officers, their extension services could be availed of at any

time. Establishing a pool of technical experts among provincial government functionaries is a more cost-effective approach to technology transfer than engaging the services of planning consultants to prepare plans for individual LGUs.

Being at the apex of the 3-tier local government system, the **province could be the most effective channel for effecting the integration of plans and planning processes at the local level.**

In terms of vertical integration of plans, the Provincial Governor serves as the vital link of LGUs to the national government by virtue of his/her membership in the Regional Development Council. At the lower level, the power of automatic review of all policies and actions of component LGUs by the Sangguniang Panlalawigan can be utilized to effect reconciliation and integration between the plans of component LGUs and those of the provincial government. The provincial government can also utilize its review and oversight powers to resolve issues between adjoining municipalities.

Interface between NGAs and LGUs in Local Planning

NGAs are enjoined to utilize the existing local planning structure, the LDC, and avoid creating new ones in the process of preparing sectoral, thematic or system plans. They are also encouraged to learn to integrate their sectoral planning methodologies and analytical techniques into the regular local planning process. For this purpose, all NGA officers operating in the LGU are encouraged to join relevant sectoral and functional committees in the LDC.

Under the current devolution policy, **LGUs are no longer to be treated as subordinates to, but as partners of the national government** in the attainment of national goals (Sec. 2 ([a], RA 7160).

NGAs can serve as coach or mentor on technical matters of their expertise in the following planning tasks:

1. Building and maintaining the local planning database by generating sectoral data for the updating of the ecological profile, processing of data to generate development indicators for inclusion in the Local Development Indicators System, and assisting in the conduct of impact monitoring and evaluation.
2. Teaching and applying analytical and planning tools and techniques peculiar to the sector to their local counterparts for the latter to be able to produce their own sectoral plan. This sectoral plan may incorporate the particular thematic or system plan required by the NGA.
3. Participating in public consultations to provide information on applicable national goals, laws and policies and programs and to help reconcile local goals and policies with those of the national.
4. Engaging in budget advocacy to encourage the LGU to give priority to local sectoral programs and projects that will supplement or complement the effects of on-going or proposed national programs.

The Synchronized Local Planning and Budgeting Calendar (SLPBC)

An important adjunct to the JMC is a Synchronized Local Planning and Budgeting Calendar (SLPBC). A unique element in the SLPBC is its scope, which covers a 3 – year period. The calendar specifies activities that are undertaken only during an election year, when incumbent local government officials end their tenure of office and new or re-elected ones begin theirs. It also provides a guide for participation by the key actors in the planning, investment programming, revenue administration, budgeting, and expenditure management.

1. As an Instrument for Synchronization

The SLPBC lists down the deadlines and milestone dates for budgeting activities as mandated by law. Then, planning, investment programming and revenue administration activities are “fitted” into or synchronized with the budget calendar to allow them to catch up with the budgeting process. This is particularly important so that programs, projects and activities identified to carry

the LGU towards the attainment of its vision, goals and objectives are prioritized in the 3-year local development investment program (LDIP), the annual investment program (AIP), and in the local annual or supplemental budget. The calendar also suggests the timelines during which the province and its component LGUs may conduct activities jointly or independently but simultaneously, and the period when outputs of such independently-conducted activities should be completed and consolidated at the provincial level.

2. *As an Instrument that Provides Opportunities for Complementation between the Province and its Component Cities and Municipalities*

The calendar suggests the periods when complementation between the province and its component cities and/ or municipalities can take place. It sets the stage for:

- a. Establishing proper coordination between the province and its component LGUs to ensure that their vision, strategic directions, goals and objectives as embodied in their respective development plans are consistent and supportive of one another;
- b. Soliciting and consolidating support for programs, projects and activities are facilitated to redound to the mutual and/or common benefit of all LGUs within the territorial jurisdiction of the province; and
- c. The higher LGU to take cognizance of the priorities and needs of the lower LGU, and vice versa.

3. *As an Instrument that Provides Opportunities for Interface between the National Government Agencies and Local Government Units*

The SLPBC provides avenues and suggests periods where and when NGAs and LGUs can engage each other, especially in the matter of technical assistance, funding support, inclusion of LGU priorities in NGA programs and projects and vice versa, as well as in the determination of legislative actions on the part of the LGU to support NGA programs that will impact on the LGU.

Cross Referencing of Guidebooks and Manuals

The sets of manuals and guidebooks that the Oversight Agencies have developed to serve as reference materials for local planning, investment programming, revenue administration, and budgeting and expenditure management are intended to build the capacity of LGUs in formulating their plans, investment programs, budgets and revenue administration measures. The tools and techniques being offered in one manual or guidebook may also be found in another.

To some LGUs, going through all these manuals volume by volume, or chapter by chapter with or without coaching assistance from the agency concerned may be an easy task. But to the many others, such endeavor may prove to be tedious and daunting. To address this concern, a cross-referencing guide has been developed. Part I of the guide lists down various tools, techniques and methodologies that may be adopted in the various steps of the planning, investment programming, budgeting and revenue administration process, and indicating in what specific guidebook and manual these can be found; and Part II describes or annotates each of these tools, techniques and methodologies.

This Guide is one of the suggested reference documents.

Approaches to CDP Preparation: Inclusive, Participatory, and Consultative

The LDC is one of the two more important components of the planning structure; the Sanggunian being the other one. They are the bodies that lay down policy guidelines and take decisions regarding the direction, character and objectives of local development. Together with the Congressman's representative, they comprise the political component of the local planning structure.

The most ample avenue for multi-stakeholder participation in local planning and development is the LDC where non-governmental organizations are allocated one-fourth of the total membership. The Code explicitly directs LGUs to promote the establishment and operation of people's and non-governmental organizations (POs and NGOs) as active partners in the pursuit of local autonomy (Section 34, RA 7160).

The technical component of the local planning structure is composed of non-elective officials of the LGU, particularly the LPDO, LGU department heads, local special bodies, sectoral and/or functional committees of the LDC, chiefs of national government agencies stationed in the LGU and private sector representatives. It is in the sectoral or functional committees and/or other local special bodies where other stakeholders who did not gain accreditation as members of the LDC can get to participate in the planning process.

The steps in the planning process where multi-stakeholder participation can be harnessed are listed below.

Stage 1: Generating the Planning Data Base

Technical inputs in the areas of data generation, analysis and presentation are mainly the responsibility of the technical component of the planning structure. The interpretation of the data and the explanations and implications of information derived from the data, however, should be undertaken through broad consultative and participatory processes involving both political and technical components of the planning structure and the general public.

Stage 2: Setting/ Re-visiting the Vision and Goal Setting

This should be done with the political component and the general public. The technical component only facilitates the proceedings.

Stage 3: Preparation of the Multi-Year Comprehensive Development Plan

This is the responsibility of the Local Development Council with inputs from its sectoral and functional committees.

The approach to preparing the CDP and even the format in presenting the output may be sectoral. The different components may be printed and bound separately so that they are easier to handle and more convenient to use. The usual practice of presenting the CDP in one thick volume appears to be intimidating and unattractive to untrained readers.

Stage 4: Preparation of the Local Development Investment Program

The Code also encourages LGUs to provide assistance, financial or otherwise, to POs and NGOs that seek to undertake projects that are economic, socially-oriented, environmental or cultural in character (Section 36, RA 7160).

Stage 5: Plan Implementation

Where POs and NGOs are able to marshal adequate resources of their own, LGUs are enjoined to enter into joint ventures and similar cooperative arrangements with them. Such joint undertakings may be for the delivery of basic services, capability building and livelihood projects. These joint ventures may also include the development of local enterprises designed to improve the productivity and incomes, diversify agriculture, spur rural industrialization, promote ecological balance, and promote the economic and social well-being of the people (Section 35, RA 7160).

Scope of the Comprehensive Development Plan

a. Sectoral

To be truly comprehensive, the CDP includes all the five (5) development sectors and sub – sectors, namely:

- a. Social
 - i. Education
 - ii. Health and Nutrition
 - iii. Social Welfare and Development
 - iv. Shelter
 - v. Public Order and Safety
 - vi. Sports, Recreation, Arts and Culture
- b. Economic
 - i. Primary
 - a) Agricultural Crops
 - b) Livestock
 - c) Fisheries (Inland, marine, brackish)
 - d) Forestry
 - ii. Secondary
 - a) Mining and quarrying
 - b) Manufacturing
 - c) Construction
 - d) Electricity, water, gas, utilities
 - iii. Tertiary
 - a) Wholesale and retail trade
 - b) Transportation and communication
 - c) Finance, insurance and related services
- c. Infrastructure
 - i. Economic Support
 - a) Irrigation systems
 - b) Power generation (mini-hydro)
 - c) Roads, bridges, ports
 - d) Flood control and drainage
 - e) Waterworks and sewerage systems
 - f) Telecommunications
 - ii. Social Support
 - a) Hospitals
 - b) Schools
 - c) Public socialized housing
 - d) Facilities for the aged, infirm, disadvantaged sectors
 - iii. Public Administrative Support
 - a) Government buildings
 - b) Jails
 - c) Freedom parks and Public assembly areas
- d. Environment and Natural Resources
 - i. Lands
 - a) Lands of the Public domain
 - b) Private and alienable and disposable lands
 - c) Ancestral domain
 - ii. Forest Lands
 - iii. Protection forests
 - iv. Production forests

- v. Mineral Lands
 - a) Metallic mineral lands
 - b) Non-metallic mineral lands
- vi. Parks, wildlife and other reservations
- vii. Water resources
 - a) Freshwater (ground, surface)
 - b) Marine waters
- viii. Air Quality
- ix. Waste Management
 - a) Solid waste
 - b) Liquid waste
 - c) Toxic and hazardous
- e. Institutional
 - i. Organization and Management
 - ii. Fiscal Management
 - iii. Legislative Output
 - iv. LGU-Civil Society Organizations – Private Sector Linkages

2. *Planning Period*

The timeframe of the CDP may be multi-year – from a minimum of three years for the short-term to six years for the medium-term. It could even cover a longer period, but preferably in multiples of three (3) years. The short-term slice equivalent to three (3) years may be taken out to coincide with the term of the elective local officials so that it can serve as the basis for their Executive and Legislative Agenda (ELA). Its timeframe is co-terminus with the term of the elected officials so that after their term ends there is no need for the incoming officials to “throw away” a plan that had expired. All that the new administration needs to do is formulate its own 3-year ELA making sure that the successor plan is consistent with the CLUP policies and will contribute to the realization of the multi-year development plan of the area as embodied in the CDP.

Suggested Contents of the CDP

The formal and substantive elements of the Comprehensive Development Plan include, but are not limited to the following:

1. Preliminary Pages
 - a. Resolution adopting the CDP
 - b. Foreword
 - c. Acknowledgement
 - d. Table of Contents
 - e. List of Tables
 - f. List of Figures
 - g. List of Boxes
2. Quick Facts about the LGU (Brief and preferably in bullet form only)
 - a. Brief Historical Background
 - b. Geo-physical Characteristics
 - Location and Total Land Area
 - Topography
 - Climate
 - c. Population and Demographic Profile
 - Total population – male and female; urban – rural; school-age population by level, by sex; dependent population, male and female; labor force, male and female
 - Population density
 - Ethnicity

- Religion
 - Languages/dialects
 - Poverty incidence
 - d. Social Services
 - Number of schools, hospitals, daycare centers
 - e. Economy
 - Major economic activities
 - Number of business establishments by industry sectors
 - f. Infrastructure
 - Transport and Utilities (major circulation network, sources of water and power supply and communication facilities)
 - Administrative infrastructures (number of national government offices situated and operating in the LGU)
 - g. Environment
 - Solid waste management
 - General air quality
 - General water quality
 - h. Institutional Machinery
 - Political subdivisions (Number of Districts, Barangays)
 - Organizational Structure
3. Matrix of Local Development Indicators
4. Comprehensive Development Plan
1. Vision
 2. Vision – Reality Gap Analysis
 3. Cross-Sectoral / Special Issues and Concerns
 4. Sectoral Development Plans
- a. *Social Development Plan* – This is a compendium of proposed activities designed to deal with the identified issues and concerns relative to improving the state of well-being of the local population and upgrading the quality of social services such as health, education, welfare, housing and the like. Questions of equity and social justice and gender sensitivity are also addressed by this sectoral plan. Many programs and projects in this sector are of the “soft” non-capital type but they are as important as the capital investment or “hard” projects.
 - b. *Economic Development Plan* – This embodies what the local government intends to do to create a favorable climate for private investments through a combination of policies and public investments to enable business and industry to flourish and, ultimately, assure the residents of a steady supply of goods and services and of jobs and household income. A very significant component of this sectoral plan is the LGU’s support to agriculture and other food production activities and the promotion of tourism programs.
 - c. *Infrastructure and Physical Development Plan* – This deals with the infrastructure building program and the land acquisition required as right-of-way or easements of public facilities. The physical development plan may include proposals for the redevelopment of old and declining sections of the locality, opening up new settlement areas or development of new growth centers in conformity with the chosen spatial strategy.
 - d. *Environmental Management Plan* – This consolidates the environmental implications of all development proposals within the municipality and provides mitigating and preventive measures for their anticipated impacts. It embodies programs for maintaining cleanliness of air, water and land resources and rehabilitating or preserving the quality of natural resources to enable them to support the requirements of economic development and

ecological balance across generations. A major component of this sectoral plan will also include measures to minimize the vulnerability of the local residents to natural hazards and disasters.

- e. *Institutional Development Plan* – This focuses on strengthening the capability of the local government bureaucracy as well as elected officials to plan and manage the development of the municipality. Manpower development, fiscal management and program/project management are the vital components of this sectoral plan. This sectoral plan likewise promotes the involvement of voluntary groups or civil society organizations in the preparation, implementation, monitoring and evaluation of the different sectoral programs, projects and activities.

The outputs of each sectoral plan will serve as an input to the local development investment program and to the legislative agenda of the Sanggunian.

Each sectoral development plan contains the following:

- a. Introduction
- b. Goals
- c. Objectives and Targets
- d. Strategies
- e. Programs and Projects
- f. Proposed Legislations
- g. Project Ideas of Project Briefs/Profiles

5. Local Development Investment Program

- a. List of programs and projects with their corresponding costs to be funded from local sources ranked by level or urgency
- b. List of programs and projects with their corresponding costs to be funded from other sources, i.e., province, national government, private sector, foreign donors, grants, loans, etc.

PART I – GETTING STARTED: Organizing and Mobilizing the Planning Structure

The Local Development Council: The Local Government Code – mandated Planning Structure

The Local Development Council (LDC) is the body mandated by the Local Government Code of 1991 (LGC) to prepare the multi – sectoral development plan of a local government unit (LGU). It is therefore critical to ensure that the LDC as well as its functional and sectoral committees, as providers of technical support and assistance are constituted and activated.

The LDC is considered the
“mother of all planning bodies.”

Sectoral committee members are drawn from various sectors of the community – the academe, religious, business, government, non-government organizations, people's organizations and other civil society organizations. The suggested composition of the Sectoral Committees is shown in Box 1.

Functional committees should likewise be multi-sectoral. However, the life of functional committees depends on the need for its continued existence.

Step 1: Organize and Mobilize the Planning Team

In preparing the Comprehensive Development Plan (CDP), a planning team may be drawn from the sectoral committees and organized as a functional committee for the duration of the CDP formulation. Said functional committee should be de-mobilized or de-commissioned once the CDP has been completed, endorsed by the LDC and approved by the Sanggunian Bayan or Sangguniang Panlungsod (henceforth to be referred to as Sanggunian). It may, however, be re – activated as a support machinery of the LDC for plan monitoring and evaluation every year or after a 3 – year period.

What is the minimum composition of the planning team?

The Local Chief Executive (LCE) as Chair of the LDC is in the best position to determine the size and composition of the planning team. The minimum composition of the core technical working group is suggested below:

- a. Local Chief Executive or Mayor as the Chairperson and the Vice – Mayor as Co - Chairperson
- b. Local Planning Development Coordinator (LPDC) or a permanent representative from the Local Planning Development Office (LPDO)
- c. Department Heads and/or their permanent alternates
- d. Sanggunian Committee Chairpersons of major sectors and/or their permanent alternates
- e. Representatives of the majority and minority blocs of the Sanggunian
- f. Representatives of the private sector and civil society organizations (CSOs) who may not necessarily be accredited members of the LDC

The LDC may also choose to open a broader avenue for participation by inviting other members as suggested in Table 2.

What are the factors to consider in selecting planning team members?

The following set of criteria can be looked upon as basic considerations for planning team selection. LGUs can, of course, add or substitute other criteria as they deem fit given their respective situations and priorities.

- a. *Equitable representation from various stakeholder groups external to the LGU, and other civil society organizations.*

Table 2: Suggested Composition of the Planning Team

Sectoral Committee	Core Technical Working Group ("Must be There")	Expanded Technical Working Group("Nice to Have Around")	Full-Blown Sectoral Committee ("The More the Merrier")
1. SOCIAL DEVELOPMENT	<ul style="list-style-type: none"> • MPDO/CPDO Staff • SWDO • MHO • POSO • LDC Representative (Brgy.) • LDC Representative (CSO) • District Supervisor • PTA Federation • Sanggunian Representative 	<ul style="list-style-type: none"> • Police Chief • Fire Marshall • Local Civil Registrar • Population Officer • PCUP or its local counterpart • Nutrition Officer • Housing Board Rep • NSO • Manager GSIS/SSS 	<ul style="list-style-type: none"> • Sports Organizations • Religious Leaders • Labor Groups • Senior Citizens • Media Representatives • YMCA/YWCA • Inner Wheel Club • School Principals • Charitable Organizations
2. ECONOMIC DEVELOPMENT	<ul style="list-style-type: none"> • PESO • Agriculturist • Tourism Officer • Coop Devt Officer • MPDO Staff • LDC Representative (Brgy.) • LDC Representative (CSO) • Sanggunian Representative 	<ul style="list-style-type: none"> • DTI Representative • Chambers of Commerce & Industry • Trade Unions • Bank Managers • Market Vendors • Sidewalk Vendors • Cooperatives • Transport Organizations 	<ul style="list-style-type: none"> • Lions Club • Jaycees • Rotary Club • Academe • Other interested groups and individuals
3. PHYSICAL / LAND USE DEVELOPMENT	<ul style="list-style-type: none"> • Municipal Engineer • Zoning Officer • MPDO Staff • LDC Representative (Brgy.) • LDC Representative (CSO) • Sanggunian Representative • Municipal Architect 	<ul style="list-style-type: none"> • Electric Coop Representative • Water District Representative • Real Estate Developers • Professional organizations • Telecommunications companies • Academe 	<ul style="list-style-type: none"> • Other interested groups and individuals
4. ENVIRONMENTAL MANAGEMENT	MPDO Staff LDC Representative (Brgy.) LDC Representative (CSO) General Services Head LG-ENRO Sanggunian Representative	Sanitary Inspector CENRO PENRO FARMC Representatives BFAR Representative Heads of private hospitals Academe	Environmental Advocates Other interested groups and individuals

Sectoral Committee	Core Technical Working Group ("Must be There")	Expanded Technical Working Group("Nice to Have Around")	Full-Blown Sectoral Committee ("The More the Merrier")
5. INSTITUTIONAL DEVELOPMENT	<ul style="list-style-type: none"> • MPDO Staff • LDC Representative (Brgy.) • LDC Representative (CSO) • LGOO • Local Administrator • Sanggunian Representative 	<ul style="list-style-type: none"> • HRDO • Treasurer • Budget Officer • Assessor • Academe 	<ul style="list-style-type: none"> • Religious groups • Good Governance advocates • Other interested groups and individuals

- b. *Gender sensitivity* – This will not only promote and ensure the understanding of issues affecting women, men and other subgroups in the locality but also manifest the LGU's adherence to and support for Gender and Development (GAD) mainstreaming efforts in the bureaucracy.
- c. *Commitment and sustainability of participation* – Plan preparation can be tedious and pressure laden. Consideration for the existing assignments of the prospective member should be made to avoid conflict in workload and schedules particularly in the light of the ELA timeframe.

An additional tool for the selection of planning team members is a Sphere of Influence and Potential Contribution Analysis (Table 3). Putting scores and weights for eventual ranking will certainly help but is not necessary. What is essential is that the results can be inputted to checking the preparedness of the LGU to undertake the plan formulation activity.

Table 3- SPHERE OF INFLUENCE AND POTENTIAL CONTRIBUTION

Prospective Planning Team Members	Sphere of Influence	Potential Contributions

Sphere of Influence - indicates the individuals, groups or sectors which a prospective planning team member can influence or catalyze towards a productive or, even, an affirmative response to an issue or an undertaking.

Potential Contributions – the expertise or resources which prospective members can share towards the completion, approval and adoption of the Plan.

What are the suggested qualities and qualifications of planning team members?

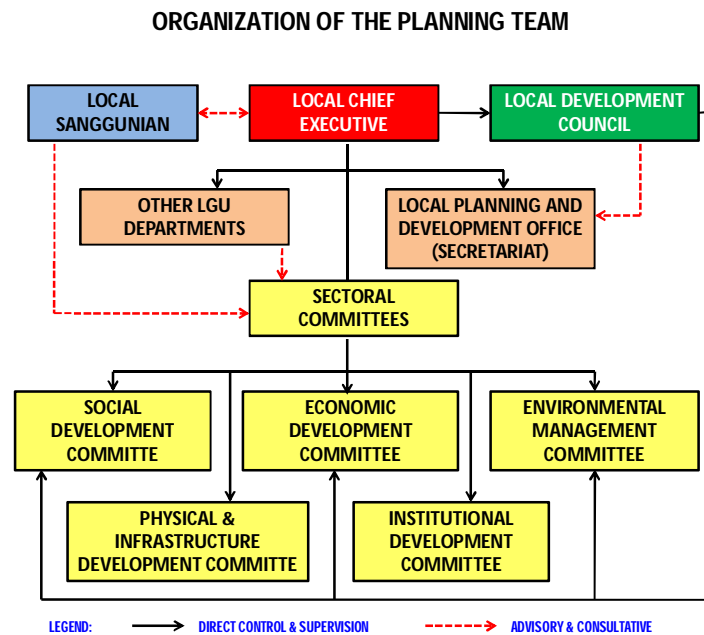
To be able to effectively respond to the challenges and demands of the CDP formulation process, the members of the team should, as far as practicable, possess:

- a. knowledge of the following:
 - i. planning process; and
 - ii. development and governance concepts and principles
- b. skills in:
 - i. planning,
 - ii. problem analysis,
 - iii. technical writing, and
 - iv. communications, and networking
- c. knowledge, understanding of and sensitivity to critical development themes which LGUs are mandated to incorporate in their local plans such as:
 - i. poverty,
 - ii. environment,
 - iii. gender, and
 - iv. peace
- d. talent and proficiency in consultation processes; and
- e. willingness to work with others

How will the planning team be organized?

The planning team may be organized according to the structure as shown in Figure 7:

Figure 7



Who will set directions for the planning team?

The LDC shall set the course for the planning team. The LCE as chair of the LDC necessarily takes the lead and guide the plan formulation effort. He/she may however, designate a focal person, like the LPDC, to act like an operations or executive officer who can take charge of the team's day-to-day operations until the plan is completed and approved by the Sanggunian. The Sanggunian, for its part may also designate a counterpart from among its own members or from its sectoral committees.

What is the role and functions of the Chair/ Co-Chair?

- a. Set and clarify directions for planning, setting development thrusts, strategy formulation, and programs and projects prioritization;
- b. Approve the Work Plan and Budget;
- c. Designate the members of the planning team and define their functions and assignments/tasks;
- d. Monitor and oversee the conduct of team activities;
- e. Resolve issues elevated by team;
- f. Present the Draft CDP to the SB/P and to other stakeholders;
- g. Ensure adherence to the work plan; and
- h. Motivate the team.

What are the role and functions of the Secretariat?

- a. Prepare the materials in connection with the presentation of the Work Plan and Budget to the LCE and the SB/P;
- b. Monitor the implementation of the approved work plan and budget;
- c. Provide the LCE/LDC Chairperson and Co-Chairperson recommendations necessary for the effective management of the Planning Team and its activities;
- d. Elevate to the Chair/Vice Chair the unresolved problems and issues encountered by the Planning Team; and
- e. Ensure the proper documentation and management of the Planning Team's activities, working papers and outputs.

What are the roles and functions of the other planning team members?

- a. Prepare the Work Plan and Budget of their respective sectoral committees;
- b. Gather and review available plans and other secondary data sources required in the development of the Medium-Term CDP;

- c. Plan, coordinate and facilitate the conduct of various multi-stakeholder consultation/validation workshops;
- d. Assist the LCE in public hearings and other consultation sessions with the various LGU stakeholders and affected sectors like the LGU offices, LDC, Sanggunian and other sectoral organizations;
- e. Assist the LCE and the LDC in drafting and finalizing the Medium-Term CDP to include the 3-Year LDIP, the current year AIP and the ELA;
- f. Draft, package and finalize the CDP;
- g. Prepare presentation materials for various audiences of the CDP;
- h. Assist the LCE in his presentation of the Plan to various stakeholders;
- i. Assist in organizing other planning sub-committees that may be required to carry out other planning activities such as communicating/popularizing the Plan, mobilizing resources, monitoring and evaluation; and
- j. Perform such other functions as may be required by the LCE towards the completion, adoption, popularizing, implementing and monitoring the CDP.

What is the Role of the Sanggunian in the plan formulation process?

The CDP embodies the policies of the LGU. As the highest policy - making body in the LGU, the Sanggunian needs to be involved more substantially in the planning process. The Sanggunian is also expected to:

- a. Issue a resolution supporting the planning process;
- b. Review and approve the CDP;
- c. Identify and enact legislative measures to support and facilitate the implementation of the plan.
- d. Review, prioritize and approve budget allocation for plan-based PPAs.

Their involvement in the CDP will also result in the following benefits:

- a. Firmer grasp of local development thrusts and priorities;
- b. Better understanding of their role in steering the LGU into realizing its vision through appropriate legislative actions;
- b. Harmonization of executive and legislative actions towards a unified set of goals and objectives for the LGU; and
- c. Attainment of a shared responsibility and accountability for the CDP.

What is the role of civil society organizations (CSOs)?

CSOs have very strong potentials for supplementing or augmenting LGU efforts in plan preparation process. They can:

- a. bridge information gaps during plan preparation;
- b. serve as monitors for CDP implementation and provide LGU decision – makers unfiltered information;
- c. assist the LGU efforts in communicating and disseminating information on the CDP;
- d. rally support for CDP implementation especially on programs which are heavily dependent on citizen participation and cooperation;
- e. augment the various resources and expertise required in CDP preparation/ revision and implementation; and
- f. link the CDP implementation with various resource organizations.

What is the role of the Local Government Operations Officer (LGOO)?

The LGOO of the Department of Interior and Local Government (DILG) plays a critical role. He shall:

- a. Initiate the reconstitution of the LDC after every election.
- b. Conduct a seminar on the functions of the LDC, particularly the political component of the local planning structure. This means that the newly elected members of the Sanggunian should be invited to this seminar. This is when Sanggunian members choose the sectoral committees they wish to join.
- c. Coordinate with other relevant national agencies in conducting a joint seminar - workshop for the technical component of the local planning structure on the functions and responsibilities of the sectoral committees.
- d. Ensure that the sectoral committees and other bodies created by virtue of existing national laws and administrative issuances shall be made standing committees of the LDC.
- e. Make certain that functional committees and other ad hoc bodies which may be formed from time to time shall, to the extent possible, be drawn from the membership of the sectoral committees.
- d. Emphasize the important role of the executive departments in planning by requiring each department head or any key officer thereof to join at least one sectoral or functional committee.
- e. Lead or organize a core team of workshop facilitators from the staff of the Human Resource Development Office (HRDO), LPDO or from selected key departments of the LGU to be trained on techniques and approaches to participatory planning facilitation. This team shall take charge of conducting all future planning workshops.
- f. Facilitate, when necessary, the formulation of the new Executive and Legislative Agenda (ELA) in order to provide a venue for imbibing the concept of joint responsibility for planning.

What is the role of national government agencies?

- a. Relevant national government agencies shall teach their counterpart sectoral committees on the sectoral planning process, including but not limited to:
 - i. general and analysis of sectoral data sets,
 - ii. sectoral plans required by law through the mediation of the NGA concerned,
 - iii. formulation of sectoral goals, objectives and targets,
 - iv. identification of appropriate sectoral strategies, programs and projects, and
 - v. monitoring and evaluation of plan, program and project implementation.

This hands-on capability building exercise should lead to the preparation of sectoral/ sub-sectoral/ thematic/ systems plans which will eventually be integrated into the CDP and the LDIP.

Step: Assess the Current Plan Documents

When the LDC and its sectoral and functional committees shall have been mobilized for the purpose of preparing or revising the LGU's medium- or short-term Comprehensive Development Plan (CDP), the next step is to determine the status of current plan documents.

Two sets of scenarios, one on the Comprehensive Land Use Plan (CLUP) preparation and another on the Comprehensive Development Plan (CDP) formulation, indicate the current state of planning in individual LGUs and suggest the range of possible interventions needed to improve the situation.

Where no CLUP exists in the LGU concerned and for that matter the CDP also, the proper action is to prepare these plans in their entirety.

If the plan exists, however, the intervention could be determined by whether the existing plan is compliant in form and content. The appropriate interventions are indicated in Figures 8 to 10.

Figure 8 – Status of Existing CLUP and Zoning Ordinance

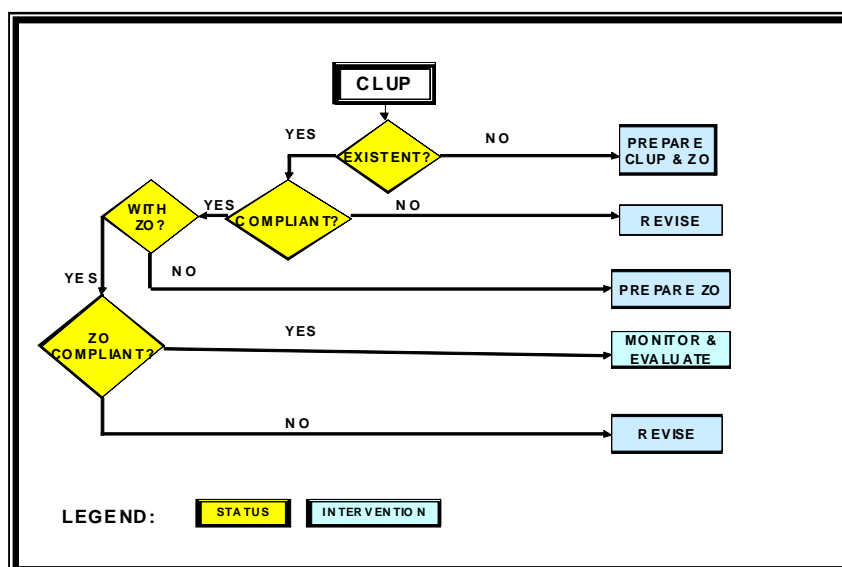


Figure 9- Status of Existing CDP (1)

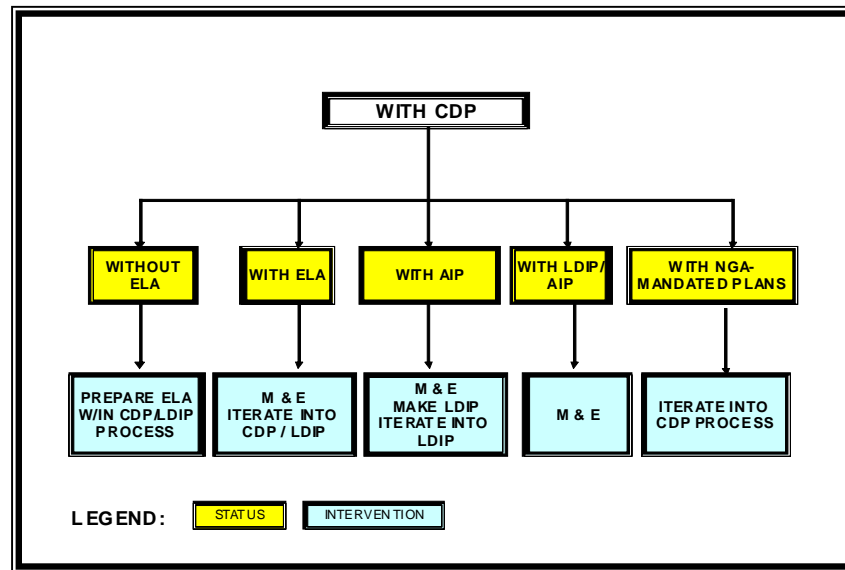
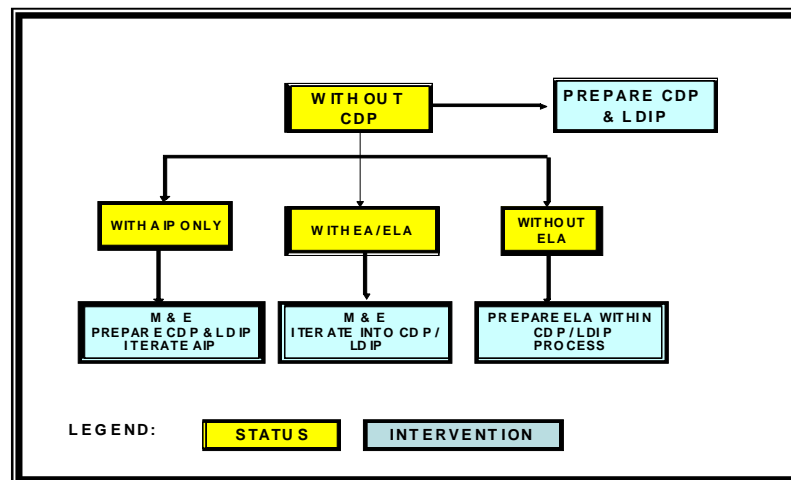


Figure 10 - Status of Existing CDP (2)



When is a CLUP and zoning ordinance deemed compliant?

A CLUP and ZO are deemed compliant when it covers the **entire territorial jurisdiction of the LGU**, (emphasis supplied) including its waters. The Local Government Code of 1991 (RA 7160) explicitly states that, *“the local government units shall, in conformity with existing laws, continue to prepare their respective land use plans enacted through zoning ordinances (underscoring supplied) which shall be the primary and dominant bases for the future use of land resources...”* (Sec. 20 (c), RA 7160). The zoning ordinance, therefore, shall cover not only the urban or urbanizable area of an LGU but the CLUP in its entirety, shall likewise comprise a part and parcel of the said zoning ordinance.

When is a CDP deemed compliant?

A CDP is deemed compliant if it includes all the development sectors – social, economic, environment, physical and land use, and institutional.

What is the role of the LGOO under any of the planning scenarios?

- a. As a facilitator of comprehensive planning, the LGOO in collaboration with the LPDC shall assess the level of readiness of the planning structure and quality of existing plans in the LGU.
- b. In the assessment of the CLUP, the LGOO may coordinate with the Housing and land Use Regulatory Board (HLURB) in the case of highly urbanized cities and LGUs within metro Manila; and with the provincial land use committee (PLUC) in the case of component cities and municipalities.

In the assessment of the CDP and LDIP, the assistance of the League of Local Planning and Development Coordinators and its regional and provincial chapters will be indispensable.

Step 3: Orient the Local Chief Executive and the Sanggunian

Developing the CDP is a challenging task and this cannot be done without the support of elective officials. The following steps are necessary to help ensure a more collaborative effort between the executive and legislative departments in the LGU as well as provide impetus for the active participation of different stakeholders in the LGU.

Who will conduct the Orientation?

The orientation activity may be conducted jointly by the Local Government Operations Officer (LGOO) and the Local Planning and Development Coordinator (LPDC).

What will the Orientation cover?

The orientation will cover the following:

- a. Overview of the Rationalized Local Planning System, focusing on the Local Planning Structure, the Local Planning Process, and the types of plans that LGUs are mandated to prepare; and the Joint Memorandum Circular No. 001 series 2007 (Synchronization of Planning, Investment Programming, Revenue Administration, Budgeting and Expenditure Management at the Local Level)
- b. Preparedness Check to assist the LCE and the SB/P assess the LGU's capacity and capability in preparing the CDP in terms of the availability of the following:
 - i. manpower with appropriate skills;
 - ii. financial resources;
 - iii. time to be devoted to the exercise; and
 - iv. data and other reference documents.

How long will the Orientation take?

A maximum of four (4) hours should be enough to cover the salient points that the LCE and the SB/P should know about the CDP formulation process.

When should the Orientation take place?

The CDP preparation or revision should be anchored on the local budget cycle so that the programs, projects and activities (PPAs) that are listed in the plan can be included in the Local Development Investment Plan (LDIP), the Annual Investment Program (AIP), the Local Expenditure Program (LEP) and the Budget of Expenditures and Sources of Financing (BESF) and eventually, into the Local Budget or Appropriations Ordinance (AO). This is also consistent with the updated Local Budget Operations Manual recently issued by the DBM that emphasizes the link between the plan and the budget. (See Table 3 - Synchronized Local Planning and Budgeting Calendar)

The Synchronized Local Planning and Budgeting Calendar (SLPBC), which is a significant feature of the JMC No. 001, suggests planning activities to be undertaken within the first semester of an election year.



The short – term or 3 – year CDP or ELA rides on the term of the LCE and other elective local government officials. Therefore, the **orientation on the preparation or revision of the 3-Year CDP or ELA should take place immediately after the LCE is sworn into office**, preferably not later than the third quarter of the year of his/her election. This is because planning should be harmonized with the Local Budget Cycle, so that the budgetary requirements for the implementation of the plan can be incorporated into the AIP and the Appropriations Ordinance (AO).

Step 4: Train the Planning Team

Whether the planning team members have had previous experience or not, training should be undertaken prior to the start of plan preparation.

Table 4 - SYNCHRONIZED LOCAL PLANNING AND BUDGETING CALENDAR

PERIOD COVERED	ACTIVITY	OUTPUT/S	ACTOR/S
1 ST Week of January	PPDC sets guidelines for data gathering	Guidelines for Data Gathering	Provincial Planning and Development Coordinators (PPDCs)
January to March	Updating of planning and budgeting database (socioeconomic, physical resources, time series revenue and expenditure data, project profiles/status, among others)	Updated Planning, Budgeting and Financial Database	Local Planning and Development Coordinators (LPDCs), Budget Officers, Treasurers, Department Heads, National Government Agencies (NGAs), Regional Line Agencies (RLAs)

PERIOD COVERED	ACTIVITY	OUTPUT/S	ACTOR/S
April to May	Analysis of the planning environment for plan preparation/ review/ updating	Draft situational analysis and assessment of plan implementation	LPDCs, NGAs, RLAs
	Updating of appropriate Annual Investment Plan (AIP) in the Local Development Investment Program (LDIP) as input to budgeting	Indicative AIP (the 1 st year of the LDIP in the case of election year)	Local Development Councils (LDCs), LPDCs
June 1 - 15	Preparation of the AIP using the AIP Summary Form (Annex A) for the Budget year	AIP Summary Form	LPDCs, Local Budget Officers
Not later than the 1 st Week of August	Approval of the AIP	AIP for the Budget Year	Local Sanggunians
1 st Week of July during Election Year	Reconstitution of the LDCs	Timetable and tasking for plan preparation / updating	Local Chief Executives (LCEs)
Whole month of July	Formulation of development vision, goals, strategies, objectives/targets and identification of Programs, Projects and Activities (PPAs)	Vision, Goals, Strategies, Objectives/Targets and PPAs	LDCs, LPDCs, Department heads, NGAs, RLAs
	Harmonization and complementation of development vision, goals and strategic direction between and among province and component cities/ municipalities	Harmonized vision, goals and strategic direction	Jointly by the Province and its component local government units (LGUs)
	Approval of the Provincial Development and Physical Framework Plan (PDPFP) / Comprehensive Development Plan (CDP)	PDPFP / CDP	Sanggunians
June 1 – July 31 during Election Year	LDIP PREPARATION		
June 1 – July 31 during Election Year	Identification of areas for complementation of PPAs between and among provinces and their component cities/ municipalities	Joint programs / projects	Provinces and their component cities and municipalities

PERIOD COVERED	ACTIVITY	OUTPUT/S	ACTOR/S
June 1 – July 31 during Election Year	Prioritization of PPAs	Prioritized PPAs	LDCs, Local Finance Committees (LFCs), NGAs/ RLAs
	Matching of PPAs with available financing resources and determination of additional revenue sources to finance the PPAs	LDIP, revenue generation measures	LDCs, LFCs, NGAs/ RLAs
	Approval of the LDIP	Approved LDIP	Sanggunian
June 16 – 30 or 1 st Week of July during election year	BUDGET PREPARATION		
	Issuance of Budget Call	Budget Call	LCEs of Provinces, Cities and Municipalities
July 1 - 15	Submission to LCE of detailed 3 – year Statement of Income and Expenditures	Certified Statement of Income and Expenditures	Local Treasurers (Provinces, Cities and Municipalities)
July 16 – August 31	Conduct of budget technical budget hearings on budget proposals submitted by Department Heads	Reviewed Budget Proposals	Local Department Heads
On or before September 15	Submission to the Punong Barangay of the Estimated Income and Expenditure for the ensuing fiscal year	Certified Statement of Income and Expenditure	Barangay Treasurer
On or before September 15	Preparation and submission of budget proposals	Budget proposals	Local Department heads
September 16 - 30	Consolidation of Budget proposal into the Local Expenditure Program (LEP) and Preparation of the Budget of Expenditures and Sources of Financing (BESF)	LEP and BESF	LFCs
Not later than October 16	Preparation of the Budget Message and submission of Executive Budget to the Sanggunian	Budget Message and Executive Budget	LCEs (Provinces, Cities and Municipalities)
October 17 - Onwards	Enactment of the Annual Budget of the ensuing fiscal year by the Sanggunian concerned	Enacted Annual Budget	Sanggunian (Provinces, Cities, Municipalities and Barangays)

PERIOD COVERED	ACTIVITY	OUTPUT/S	ACTOR/S
Within three (3) days from the approval of the LCE of the Annual or Supplemental budget	Submission of the Annual or Supplemental Budgets of provinces, Cities and Municipalities to appropriate reviewing authority	Annual or Supplemental Budget submitted for Review	Secretary to the Sanggunian
Within ten (10) days from the approval by the Punng barangay of the Annual or Supplemental Budgets of Barangays	Submission of the Annual or Supplemental Budgets submitted for review	Annual or Supplemental Budget submitted for Review	Sannggunian
Within sixty (60) days from the receipt of the submitted Annual or Supplemental Budgets of barangays for review	Review of the Annual or Supplemental Budgets of Barangays	Reviewed Annual or Supplemental Budgets of Barangays	Sangguniang Panglungsod, Sangguniang Bayan, City or Municipal budget Officers
Within ninety (90) days from the receipt of submitted Annual or Supplemental Budgets for review of provinces, cities and municipalities	Review of the Annual or Supplemental Budgets of provinces, Cities and Municipalities	Reviewed Annual or Supplemental Budgets of provinces, Cities and Municipalities	Department of Budget and Management Regional Offices, Sangguniang Panlalawigan
January 1 to December 31	Implementation / Execution of the Annual or Supplemental Budgets	Supplemental Budgets	LCEs of Provinces, Cities, Municipalities and Barangays

NOTE: Detailed activities will be provided through subsequent guidelines, including cross-referencing to the technical guides/ manuals such as the Rationalized Planning System (RPS) – Comprehensive Development Plan (CDP) / Executive and Legislative Agenda (ELA), Provincial/Local Planning and Expenditure Management (PLPEM), Updated Budget Operations Manual (UBOM) and Revenue Administration.

Why is there a need for training?

For an LGU which will be doing a CDP for the first time, the training will enable the members to:

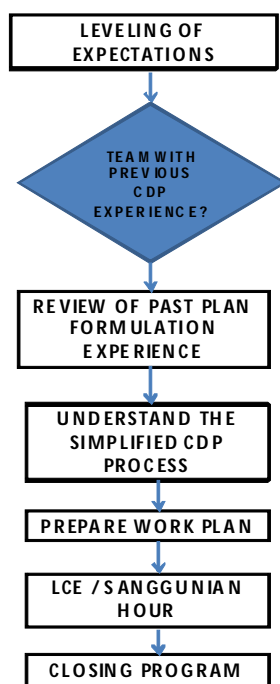
- a. have an appreciation and clearer understanding of the simplified sectoral planning process, as well as the requirements for and implications of the plan preparation exercise; and
- b. learn from some of the experiences in the past plan formulation exercises, so that they can adopt the good practices and avoid the pitfalls that others experienced.

For an LGU which had previously undertaken the CDP, the training is an opportunity for both old and new members to be introduced to the simplified sectoral planning process.

There are two possible approaches in training the Planning Team, the choice of which will depend on whether the team has undergone a previous CDP formulation exercise or not. The session flow for a training program that incorporates said approaches are contained in Figure 9.

For first time users, the indicative content of the Orientation Training Workshop (OTW) for the Planning Team is shown in Box 1.2. For subsequent exercises, the contents of the modules will vary slightly, especially in the conduct of visioning and the determination of current reality. This will be discussed in subsequent chapters.

Figure 11 - Suggested Training Session Flow



Sample Work Plan

The entire CDP preparation is estimated to take at least four (4) months and two (2) weeks, assuming that the planning process is targeted to also yield a CLUP. The timing of each task is shown in Table 5 – *Indicative Schedule of Activities*. Should the LGU decide to focus on the CDP formulation alone, this may be adjusted according to the pace of work of the planning team and the sectoral committees.

A. Pre – Plan Formulation Phase

1. Mobilization

The Planning Team will start mobilizing the members and prepare them to begin work within two weeks upon approval of the LCE to proceed with the plan formulation process. During this period, the Consultant will start with kick-off meetings with the various sectoral committees. During the kick-off meetings, the Planning Team Leader will review the work plan, address other issues that might surface at this stage, and introduce changes if necessary. The composition of the Sectoral Committees will be firmed up and the necessary office orders issued by the LCE.

The mobilization period will likewise be devoted to the setting up of the various project support and coordinating systems, like venue for workshops and public consultations, project finance accounting and procedures, counterpart financing from the various departments, if available or previously agreed upon, additional staff support, etc.

2. Preliminary Assessments

During this period, the Planning Team shall conduct a preliminary assessment of the current database of the LGU. Data available in the LGU that are kept in national, regional, and provincial level agencies including additional thematic maps will also be collected.

B. Plan Formulation Proper (Assumes that this also involves the preparation of both the CLUP and the CDP)

1. Orientation, Organization, and Tasking

This will be a one day affair. This activity shall be held to give the participants an orientation on the planning process, concepts, and approaches, and the LGU's planning responsibilities as mandated by the LGC of 1991. This activity shall be a venue in which the participants can seek clarifications on basic issues affecting their LGU. This activity shall also orient the participants on updating their respective databases. Assignment of tasks for project participants will be made in this orientation.

2. Preparation of Local Development Indicators (LDIs) Table and Thematic Maps

The database available in the municipality will be reviewed and updated if necessary in order to come up with the LDI Table. Thematic maps available shall be also evaluated and additional maps shall be secured from relevant agencies as needed.

3. Module 1 – Seminar-Workshop

This 3-day activity involves the use of the LDIs to make meaningful observations about the condition of the LGU. The participants will be introduced to the techniques of sectoral and inter- and intra-area analysis, and to work out the Problem-Solution Matrix. This will enable the participants to know their area more intensely and thoroughly.

Box 1**INDICATIVE CONTENT OF THE ORIENTATION-TRAINING- WORKSHOP**

The participants will be oriented on the CDP and the ELA formulation process and trained on how to use various tools and instruments, as well as the methodology for each step of the process. The training program will contain five modules, listed as follows:

Module 1: Introduction

- Session 1: Surfacing and Leveling of Expectations
- Session 2: The Rationalized Local Planning System
- Session 3: Understanding the Planning Team's Structure and Functions
- Session 4: Revisiting Past Planning Experiences

Module 2: The Comprehensive Development Plan

- Session 5: Overview of the CDP Process
- Session 6: Setting the Vision
- Session 7: Determining the Current Reality and the Vision – Current Reality Gap;
- Session 8: Transforming Gaps into Goals and Objectives/ Targets
- Session 9: From Goals to Actions: Identifying Solutions and Developing Strategies, Programs, Projects and Activities
- Session 10: Sifting of Projects (Projects versus “Non – Projects”; By Ownership) and Determining Levels of Urgency

Module 3: Tools for Implementing the Plan

- Session 11: The Local Development Investment Programming (LDIP)
- Session 12: The Legislative Agenda
- Session 13: The Executive and Legislative Agenda (ELA)

Module 4: Plan Monitoring and Evaluation

The culminating activity of the training program is the conduct of an LCE – Sanggunian Hour where major potential problems that may be encountered during the planning exercise not identified earlier can be discussed and addressed.

4. Module 2 – Seminar-Workshop

This 3-day seminar workshop shall require the attendance of the widest range of representation among the stakeholders in the city/municipality. The most important output of this workshop will be a new or revised vision-statement of the city/municipality. Associated outputs will include the sectoral goals and objectives derived from the vision-reality gap analysis.

5. Module 3 – Seminar-Workshop (To be conducted if the plan formulation process includes the preparation of the CLUP)

This activity shall be conducted to select the preferred spatial strategy; to detail and refine the preferred spatial strategy; and to formulate policies and implementation tools including the draft zoning ordinance. This will be a 3-day intensive activity. Attendance of all members of the SB is a must.

6. Finalization of Draft CLUP and Draft Zoning Ordinance (To be conducted if the plan formulation process includes the preparation of the CLUP)

The Consultant shall take full responsibility for the finalization of these documents including writing, text editing, and organization and enrichment of the contents. The final outputs will be prepared in hard copy and digital format (CD).

7. Module 4 – Comprehensive Development Planning and Local Development Investment Programming

This module aims to enhance the capability of the Local Development Council and its sectoral committees in preparing sectoral programs, projects, and activities that the LGU will implement during the 6 – or 3 – year scope of the CDP. The participants will be assisted in identifying project ideas from the CLUP and the CDP. The project ideas will be presented in a standard project brief format. The project briefs are collected, screened, prioritized, and cost. They will be used as inputs to the Local Development Investment Program (LDIP).

The members of the Local Finance Committee (LFC) will also be required to conduct and demonstrate the analysis of time-series financial statements. This will be the basis for projecting funds available for development projects over the planned period.

A one-day workshop on prioritization of programs and projects and the matching of investment funds available with fund requirements shall be conducted among the full membership of the MDC and the LFC.

The LDIP will now be put in final form.

Table 5 – INDICATIVE SCHEDULE OF ACTIVITIES

ACTIVITIES / TASKS	WEEKS																	
	Month 1				Month 2				Month 3				Month 4				Month 5	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
A. MOBILIZATION																		
1 Orientation, organization and tasking																		
2 Preliminary Assessments																		
B. CHARACTERIZATION AND ANALYSIS																		
1 Module 1 Seminar workshop																		
2 Data collection, review and validation																		
3 Maps and graphics preparation																		
4 Inter- and intra- area analysis																		
a. Population, Settlements and Social Services																		
b. Area Economy																		
c. Infrastructure																		
d. Land Use and Environment																		
e. Institutional Capability																		
5. Module 2 Seminar - Workshop																		
6. Cross-sectoral integration																		
a. Summary of LGU potentials and problems																		
6. Public consultation No. 1																		
C. COMPREHENSIVE LAND USE PLANNING																		
1 Vision Setting																		
2. Goal Formulation																		
3. Alternative Strategies Generation																		
4. Evaluation of Alternative Spatial Strategies																		

ACTIVITIES / TASKS	WEEKS																	
	Month 1				Month 2				Month 3				Month 4				Month 5	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
5. Public Consultation No. 2: Selection of Preferred Spatial Strategy																		
6. Detailing the Preferred Spatial Strategy																		
7. Preparation of the CLUP																		
8. Drafting of the Zoning Ordinance																		
9. Public Consultation No. 3: presentation of the CLUP and Zoning Ordinance																		
D. MEDIUM-TERM COMPREHENSIVE DEVELOPMENT PLANNING																		
1. Social Development Plan																		
2. Economic Development Plan																		
3. Environmental Management Plan																		
4. Infrastructure and Physical Development Plan																		
5. Institutional Development Plan																		
6. Local Development Investment Programming																		
7. Public Consultation No. 4: Presentation of the CDP																		
E. FINALIZATION OF PLANS																		
1. Finalize CLUP																		
2. Finalize Zoning Ordinance																		
3. Finalize CDP																		
4. Finalize LDIP																		
F. PLAN ADOPTION AND APPROVAL																		
1. Submission to LDC for Endorsement to Local Sanggunian																		
2. CDP and LDIP Approval by the Sanggunian																		
3. Submission of the CLUP to the Provincial Land Use Committee for Review																		
4. Approval of the CLUP by the PLUC																		

PART II: PREPARING THE COMPREHENSIVE DEVELOPMENT PLAN

Step 1: Setting the Vision

What is a Vision?

- a. A vision is a desired state or scenario of the LGU and its people.
- b. It is the stakeholders' shared image of the LGU's future.
- c. It describes what the LGU wants to become or where it wants to go; it serves as an inspiration and a guide to action; it keeps the LGU in its course despite changing demands of constituents and shifting political and economic forces.
- d. It answers the question: *How do you see your LGU in the future?*

A vision should be as vivid as possible, so that it can serve as an inspiration as well as a challenge for all stakeholders.

Why is it important for an LGU to have a vision?

It is important for an LGU to set its vision because it serves as:

- a. an end toward which all future actions specified in the plan are directed;
- b. criteria for evaluating alternative strategies, approaches and policies; and
- c. standard against which success of each action is measured.

What is a good vision for an LGU?

A good LGU vision should not deviate from, but rather, be a local variation of the very aspiration of the national government that LGUs, as political and territorial subdivisions, attain *their fullest development as self-reliant communities* and become *effective partners in the attainment of national goals* (Sec. 2, a. RA 7160)

A good LGU vision, therefore, must have two major components to reflect its dual function as a political subdivision of the national government and as a corporate entity. These are the following:

- a. "Outward-looking" component or the desired role of the LGU or the best contribution it can make to the development of the nation. It means
 - i. identifying the wider region to which the LGU relates or makes a unique or substantial contribution; and
 - ii. defining the desired LGU's role or roles the LGU will play in that region both at present and in the future.
- b. "Inward-looking" component or the desired state of the LGU as an environment for its inhabitants to live in and where they can make a living. It defines the desired conditions of the following:
 - i. Local population (social sector)
 - ii. Local economy (economic sector)
 - iii. Natural environment (environment sector)
 - iv. Built form (infrastructure sector)
 - v. Local leadership/ governance (institutional sector)

The CDP and other short – term plans must NOT have another vision statement. Short-term plans should simply adopt the vision in the CLUP and must contribute towards its eventual realization.

Who is responsible for setting the vision?

Everyone in the community has a stake in setting the vision. The visioning exercise should be a highly participatory process because it entails determining the desired state or condition of the place where the people live and make a living.

The LDC and its sectoral and functional committees shall be at the forefront of the visioning exercise. The technical and administrative aspects of the activity, however, shall be the responsibility of the LPDO.

When is a vision developed?

The proper occasion for drafting a vision is in connection with the preparation of the Comprehensive Land Use Plan (CLUP) because a vision must cover a fairly long time horizon.

But if the vision is crafted during the CDP preparation process, the Synchronized Local Planning and Budgeting Calendar suggests that the LGU vision may be formulated or re-visited within the month of July during an election year.

How is a vision developed?

There is no hard and fast rule in determining the process for developing a vision statement. It may be done through one or a combination of the following:

- a. household surveys,
- b. barangay consultations,
- c. seminar – workshops, and
- d. interviews.

If the city or municipality is crafting its vision for the first time, a series of workshops or focus group discussions involving various stakeholders representing the different development sectors and sub-sectors (social, economic, infrastructure, environment and institutional), and as many societal sectors (women, indigenous peoples, youth, business, academe, civil society organizations, religious, farmers, etc.) as possible, may be conducted following the process suggested below:

Step 1: Define the outward-looking component of the vision.

- a. In plenary, begin by explaining the meaning, importance and the characteristics of a good LGU Vision.
- b. To capture the “outward-looking” component of the vision, elicit from the participants ideas on what they would like their city or municipality to be say, 12 to 30 years from now by posing trigger questions, such as the following:
 - i. What role do you like your city/ municipality to perform in relation to the “outside world”, i.e., the province, the region and/or the country in general?
 - ii. What is the unique characteristic of your city/or town that will enable it to perform a unique and exclusive role in the province or region?

Sample “Outward-looking” statements:

- *Premiere center of the north for education, information technology, health, commerce and trade, aquaculture (Dagupan City)*

TIP: A technical working group may prepare the groundwork for consensus taking by culling out from existing higher – level plans, laws, administrative issuances and related documents what role or function these “outsiders” have envisioned for the city / municipality to play in the wider region.

Step 2: Define the “inward – looking” component of the vision

- a. Group the participants into five (5). Each group shall represent each of the development sectors, namely, social, economic, infrastructure, environmental management and institutional.

- b. Ask the participants in each committee to characterize the following “elements” of a vision by using “descriptors” or adjectives.

- i. For the Social Sector Committee: Describe the desired qualities of the city’s/municipality’s people as individuals and as a society. The following trigger question may be asked: *What do you want your people to be?*

Examples:

- God-loving
- Well-informed
- Healthy
- Self-reliant
- Vigilant
- Empowered

For brevity, sometimes some different adjectives can be described in one word. For example, “well-informed”, “healthy” and “self-reliant” can be described as “empowered”.

- ii. For the Economic Sector Committee: *What do you desire to be the state of your local economy?*

Examples:

- Competitive
- Diversified
- Environment-friendly

- iii. For the Infrastructure: *What do you dream to be the condition of your city’s/municipality’s built environment?*

Examples:

- Planned
- Attractive
- Balanced

- iv. For the Environmental Management Sector: *What do you want your natural environment to be?*

Examples:

- Clean
- Restored
- Safe

- v. For the Institutional Committee Sector: Describe the described capacities and qualities of the local leadership by asking, “*What do you desire from your local government?*”

Examples:

- Firm
- Transparent
- participatory

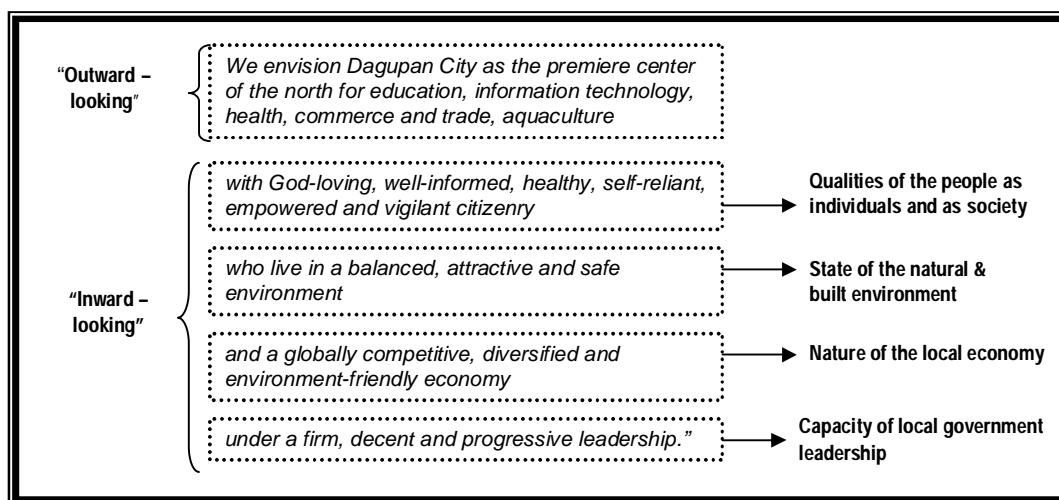
- c. Match the descriptors with the vision elements, as shown in the example below:

Table 6- Sample Vision Elements and Descriptors

VISION ELEMENTS	DESCRIPTORS
People as a Society and as Individuals	God – loving, well – informed, healthy, self-reliant, empowered, vigilant
Local Economy	Globally competitive, diversified, environment - friendly
State of the Natural Environment	
Condition of the Built Environment	Balanced, attractive, safe
Capacity and Quality of the Local Leadership/ Governance	Firm, decent, progressive

- d. Formulate a draft vision statement from the participants' declaration of the following:
- the role they desire for their city/municipality in relation to the "outside" world; and
 - the descriptors they assigned to each vision element.

Box 2 – Example of a Vision Statement Crafted Based on the Vision Elements and Descriptors



- e. Assign **success indicators** corresponding to each descriptor of the vision elements. The success indicators are the desired end-state scenarios about the development of each sector and sub-sector.

Samples of these indicators corresponding to the descriptors of each vision element are shown in the following table.

Success indicators measure the extent of achievement of desired results. They are needed for both goals and objectives and can be expressed either quantitatively or qualitatively. Indicators define how performance will be measured qualitatively or quantitatively.

Table 7 – Sample Descriptors and Success Indicators By Vision Element

VISION ELEMENT	DESCRIPTOR	SUCCESS INDICATORS
People as Society	Empowered	<ul style="list-style-type: none"> 100% literacy rate Zero malnutrition rate Vigorous advocacy for public interest issues (e.g., human rights, social justice, consumer protection, gender equality, environmental concerns and the like)
Local Economy	Competitive	<ul style="list-style-type: none"> Sustained good quality of (LGU's products) Application of modern technologies for good quality production Increased export receipts

VISION ELEMENT	DESCRIPTOR	SUCCESS INDICATORS
State of the Built & Unbuilt Environment	Clean and safe	<ul style="list-style-type: none"> • Surroundings cleared of garbage • Water quality levels acceptable to EMB standards
Local Governance	Firm	<ul style="list-style-type: none"> • Laws strictly enforced • No "15-30" employees • Low number of cases filed
	Responsive	<ul style="list-style-type: none"> • Prompt delivery of services • 3-minute response time of firefighting personnel

An Alternative Vision Statement: The General Welfare Goals

In the absence of a vision statement or pending the formulation of one, the LGU may consider adopting the general welfare goals as embodied in Section 16 of the Local Government Code. In a workshop or focus group discussion, the participants, considering one goal at a time, are asked: *"What do you want to see occurring or happening in your city/town if this particular general welfare goal is already achieved or operational?"*

The list of descriptors shown in Table 7 is a summary of outputs of workshops conducted in many LGUs throughout the country. This can serve as a take off point for any LGU. They can add other descriptors or remove from the list as appropriate.

Table 8 – Examples of Descriptors for the General Welfare Goals

GENERAL WELFARE GOAL	DESCRIPTORS
1. Preservation and enrichment of culture	1.1. Public library/museum and archives well maintained 1.2. Historical/heritage sites preserved 1.3. Adequate school facilities for pre-school, elementary and high school levels per municipality 1.4. Public parks well patronized by the community 1.5. Local language and literature promoted 1.6. Local festivals observed 1.7. Citizens literate in at least one language other than their native tongue 1.8. Local and foreign tourism vigorously promoted
2. Promotion of health and safety	2.1. Health center in every barangay 2.2. RHU/puericulture center/general hospital in every municipality 2.3. Pedestrian sidewalks/crossings or traffic signals provided in busy streets 2.4. Well-lighted streets 2.5. Drugstores or pharmacies in every barangay 2.6. Fire station and fire-fighting equipment in every municipality 2.7. Flood control and drainage structures functional 2.8. Widest possible coverage of level III water supply 2.9. Facilities to rehabilitate the mentally ill and drug users available 2.10. Health insurance coverage for all 2.11. Institutional ability to respond to disasters 2.12. No users/pushers of dangerous drugs 2.13. Physical fitness exercises well attended 2.14. Low incidence of mental illness
3. Enhancement of people's right to a balanced ecology	3.1. Acceptable ratio of built form to open space 3.2. Clean air monitoring and enforcement effective 3.3. Plenty of greeneries in public and private places 3.4. Acceptable waste management systems (liquid and solid) in place 3.5. Wildlife preservation areas well protected 3.6. Tree parks and green belts in abundance 3.7. Built up surfaces not completely impervious

GENERAL WELFARE GOAL	DESCRIPTORS
4. Encouragement and support for appropriate self-reliant technology	4.1. Technical/vocational schools established 4.2. Complete coverage/adequate supply of electric power 4.3. Technology research and dissemination program for the use of indigenous resources and the reuse of recovered waste materials consistently pursued 4.4. Research and development programs for new products and processes 4.5. Indigenous property rights protected 4.6. Native ingenuity recognized 4.7. Regulated use of biotechnology 4.8. Linkages between academe and industry established
5. Improvement of public morals	5.1. Churches and other religious organizations actively involved in community affairs 5.2. Community reading centers well equipped and widely used 5.3. Freedom parks established 5.4. Bulletin/billboards in public places 5.5. Properly located and regulated gaming and amusement activities 5.6. Transparency in government transactions an established practice 5.7. Venues for airing complaints and grievances available 5.8. Public awareness of safe sex at a high level
6. Enhancement of economic prosperity and social justice	6.1. Adequate infrastructure support for production activities <ul style="list-style-type: none"> a. Irrigation systems b. Farm to market roads c. Commercial/industrial zones d. Agricultural supply stores 6.2. Adequate infrastructure support for distribution/consumption <ul style="list-style-type: none"> a. Grain drying b. Agricultural product processing plants c. Public markets 6.3. Modern communication systems in place 6.4. Banks and other financial institutions available 6.5. Well distributed farm lands 6.6. Cooperativism widely accepted 6.7. Rural industries proliferate 6.8. Reduced insurgency and labor militancy 6.9. Increased number of small entrepreneurs 6.10. Increased local government revenues and receipts 6.11. Full participation of the poor, the underprivileged, homeless, and landless citizens in opportunities to better their lives and livelihood.
7. Promotion of full employment	7.1. Optimally utilized farm lands 7.2. Fisherfolk given territorial use rights in municipal waters 7.3. Availability of non-farm jobs 7.4. Support facilities for informal businesses and small enterprises provided 7.5. Opportunities for self-employment assured 7.6. Investment information and job placement services available
8. Maintenance of peace and order	8.1. Adequate facilities for police services (police headquarters and police outposts) 8.2. Well-appointed courts 8.3. Well-maintained jails and detention cells 8.4. Facilities to prevent drug abuse available 8.5. Rehabilitation centers for vagrants, beggars, street children, juvenile delinquents, and victims of drug abuse in place 8.6. Legal assistance to paupers offered 8.7. Sports promotion and development consistently pursued
9. Preservation of comfort and convenience	9.1. Well provided access facilities for the handicapped and elderly in public places and buildings 9.2. Clean functional public latrines 9.3. Public toilets well maintained 9.4. One-stop shops provided 9.5. Modern telecommunications systems available and accessible

PART II: PREPARING THE COMPREHENSIVE DEVELOPMENT PLAN

Step 2: Characterizing the Planning Area: Determining the Current Reality

Planning generally involves setting goals, developing strategies, and outlining tasks and schedules to accomplish the goals. But the output of the planning exercise – the plan – is largely dependent on the kind and quality of information available to planners and policy- and decision-makers.

Local government units rely on the Socio-Economic Profile (SEP) as the most readily available database. “Profiling” or “characterizing” the planning area means producing the data that go into the Socio-Economic Profile. Insofar as breadth and scope of data about an LGU are concerned, perhaps no other document can be the same as or equal to an SEP.

As an information system for planning however, the SEP has certain inadequacies or drawbacks because it:

1. precludes any appreciation of change and the degree or extent of that change in the LGU since it is only a snapshot or profile of the area at a given point in time;
2. does not exhibit consistency in showing the geographical distribution of data attributes. While some cases show data disaggregation down to the barangay level, most cases present only a summarized version of these data at the city or municipal level. This does not allow appreciation of the differences between areas with respect to a given attribute or characteristic.
3. normally gives only a cursory treatment to the physical and environmental sectors which are, particularly important to planning at the local level.

What is an Ecological Profile

An Ecological Profile (EP) is the more comprehensive replacement of the usual socioeconomic profile which gives equal coverage to the physical, biological, socioeconomic, cultural and built environments. It is a merger of the socioeconomic and biophysical profiles of the study area and treats these subjects on equal footing.

A separate section of this Guide deals with the preparation, suggested format, contents, tools and methodologies for deriving inputs to an Ecological Profile.

What are the Key Elements of an Ecological Profile

There are items in the EP that are crucial in characterizing the planning area and determining the current reality obtaining therein.

1. Population and Demographic Profile

a. *Population*

Population can be regarded as **subjects** of development, in that

- i. they make things happen,
- ii. provide manpower, and
- iii. accumulate knowledge, skills and know-how needed to push civilization forward

For planning purposes, however, focus is on those sets of information that pertain to population as **objects** of development, i.e. as representing demand for basic services and facilities like schools, health centers, recreational facilities, power and water supply.

- b. *Population projections* – These are estimates of the total size or of the components of the population which indicate the magnitude of demand for certain goods or services are necessary when preparing sectoral development plans and programs.

For example, present and projected population size serves as an important input to assessing housing adequacy and calculating future housing demand.

- c. *Age – Sex distribution* - This is very important especially in the planning of specific social services and facilities, since they cater to specific segments of the population.

For example:

- Dependent Age (0-14 and 65 and above) would require specialized health services and facilities
 - School-age groups (2-6, pre-school; 7-12, elementary; 13-16, secondary) would require different school facilities
 - Labor force (15-64) will have to be provided with jobs.
- d. *Sex Composition* affects the incidence of births, deaths and marriages. It can be used as a basis for looking at its implications on the following:
- i. Spatial mobility; and
 - ii. Work participation and occupational structure

- e. *Age Composition*

The population is said to be:

- i. Expansive – where large numbers of the population are in the younger ages;
 - ii. Constructive – where a smaller number are in the younger ages; or
 - iii. Stationary – where roughly equal numbers of people are found in all age groups with slight tapering off in the older ages.
- f. *Age Dependency Ratio* – This indicates the extent to which those who are too young or too old to earn a living depend for support on those who work.

In the Philippines, those who are below 15 years old are considered too young, and those 65 years old and above too old, too work.

- g. *Marital status* when analyzed together with age-sex distribution, marital status can indicate the fertility pattern in the locality.
- h. *Persons with Disabilities* – Data on the number of persons with disabilities and types of disabilities may be used to determine the type of assistance, services and facilities in the city/municipality.

Disability refers to any restriction or lack of ability to perform an activity in the manner or within the range considered normal for a human being.

- i. *Population Growth* is the effect of events that tend to add, or take away members from the population such as births, deaths and migration.

Births and deaths cancel each other out. When the general state of health is good and survival rates of infants and life expectancy at birth are high because of advanced medical care available and accessible to the people, the population is bound to achieve a net positive balance between births and deaths resulting in net population increase.

Migration is indicative of the relative attractiveness of an area as a place of employment, and corollarily, as a residential area. A positive change is the effect of in-migrants outnumbering out-migrants.

For a better appreciation of the behavior of the population of the LGU, its growth trend must be shown and compared with those in other cities/municipalities in the province or the region.

- j. *Migration pattern* – The data on present residence vis-a-vis residence five (5) years ago indicates the migration pattern in a locality.
- k. *Population Growth Rate* indicates how fast a population increases or decreases as a result of the interplay of births, deaths, and migration during a given period of time. Where the population is closed, meaning no migration, the population growth rate is the same as the rate of natural increase, i.e., the difference between the number of births and the number of deaths during a specified period of time.
- l. *Population Doubling Time* – This is a concept used to explain the implications of population growth rate is the time required for the population size to double itself, given a fixed growth rate.
- m. *Population distribution and clustering* may hold the key to understanding observed differences in consumption tastes and preferences, political beliefs and social behaviour. Locational choices, trip purposes and the people's ability to provide for their mobility determine the spatial distribution of the population which in effect affects the circulatory system and land use pattern of the area.
- n. *Mother tongue* – refers to the language/dialect spoken by a person at his earliest childhood or the language/dialect that person first learned to speak. Data on mother tongue are used primarily in the analysis of the ethnic origin of a person long after assimilation to the other customs of the majority population has taken place. (NSCB)
- o. *Population density* –. It refers to the average number of inhabitants/persons per square kilometer of land area. It aims to describe to a certain extent the congestion within a given land area and indicates the pattern of population distribution
- p. *Population Distribution and Urbanization* – The pattern of population distribution over the city/municipal territory has great implications on planning.

The classification of urban and rural areas is an important indicator for many data users as it provides a basis for sound policies and decisions pertaining to urban planning and delivery of basic services.

The National Statistical Coordination Board recently approved a new definition of urban areas for adoption by all concerned.¹ The new definition is as follows:

- i. If a barangay has a population size of 5,000 or more, then a barangay is considered urban, or
- ii. If a barangay has at least one establishment with a minimum of 100 employees, a barangay is considered urban, or
- iii. If a barangay has 5 or more establishments with a minimum of 10 employees, and 5 or more facilities within the two-kilometer radius from the barangay hall, then a barangay is considered urban.
- iv. All barangays in the National Capital Region are automatically classified as urban and all highly urbanized cities would be subjected to the urban-rural criteria in order to determine its urban-rural classification. All other barangays are therefore classified as rural.

¹ The NSCB Executive Board approved the definition on 13 October 2003 through NSCB Board Resolution No. 9, s 2003.

2. Social Sector

The social development sector is concerned with changes in the area or community relative to the following:

- a. Social characteristics of the area population;
- b. Overall quality of life;
- c. Availability and access to social services; and
- d. Social justice

Overall quality of life

Quality of life, status of well-being, and general welfare are synonymous terms. In measuring the quality of life, the usual practice is to use a composite of indicators covering specific sectors or dimensions of welfare which more easily lend themselves to measurement. These are embodied in the Local Development Indicators System. (To be discussed in Step 4)

One way of assessing the welfare status of the population is through the following steps:

- a. Take an inventory of the social support infrastructure, facilities and services.
- b. Apply the allocation standards developed and used by the agencies that provide these services to determine whether the study area is adequately served or whether backlog exists.
- c. Use output or outcome indicators, such as morbidity rates, malnutrition rates since they are better indicators of health status rather than input indicators such as the number of hospital beds or number of schools in the area. This is due to the fact that, the mere presence or absence of a service is not a reliable indicator of the state of well-being of the people in the area.

The average household income is a good catch – all or proxy indicator of well – being because its shows whether or not a family can afford the goods and services that the members need.

- i. Morbidity rates refer to the frequency of disease and illness, injuries, and disabilities in a population. It means any departure, subjective or objective, from a stage of physiological well-being. (NSCB Resolution No. 10 - Series of 2008)
- ii. Mortality – This refers to the intensity of death in a population. It is sometimes used to mean the frequency of deaths in a population.
- iii. Infant Mortality - This refers to death of infants under one year of age.
- iv. Maternal Mortality – This refers to deaths of mothers owing to deliveries and complications arising from pregnancy, childbirth and puerperium.
- v. Mortality Rate – This expressed the chance that death will occur during a particular period to a person in particular population group alive at the beginning of the period. As such, those rates are true probabilities and describe precisely the risk of dying for any actual cohort.
- vi. Malnutrition - Malnutrition refers to a pathological state, general or specific, resulting from a relative or absolute deficiency or excess in the diet of one or more essential nutrients, which may be seen clinically or detected by physical, biochemical and/or functional signs

- vii. Literacy rate is the percentage of the population who have at least completed a year of elementary education to the population seven years and over.

Income / Poverty Line as a Measure of Well-being

One may also use individual and family income as a welfare indicator although normally it is treated as an economic indicator. It is because income determines the ability of the individual or the family to procure the goods and services he/she/they need that are available in the market. This is also the reason behind the use of the poverty line (a concept that has a very strong income connotation) as a benchmark for measuring the level of well-being.

Availability and Access to Social Services

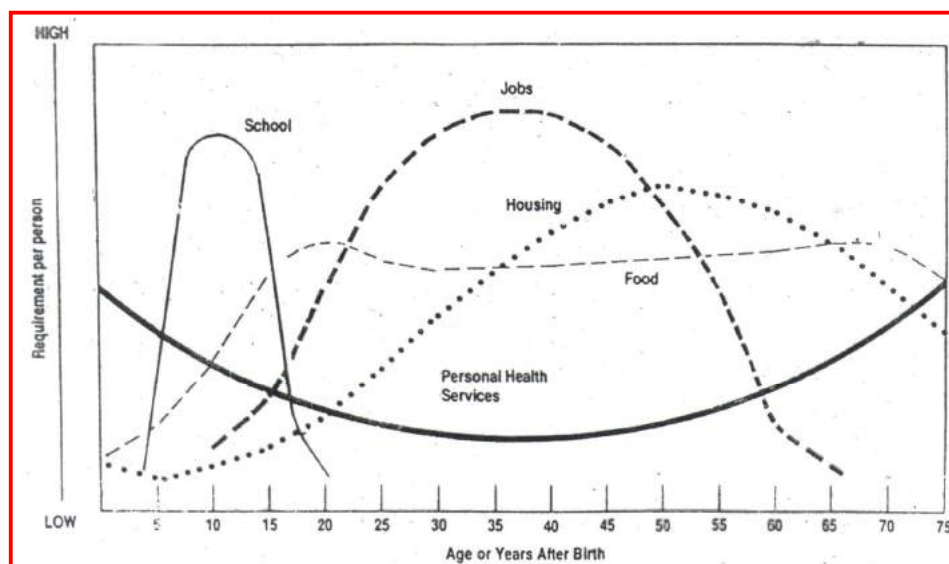
Access to social services by the target population is the concern of the social sector. It means either providing adequate social services or removing the different types of barriers to access to these facilities and services. This is because the mere presence of social services does not automatically mean that the citizens are well served. Some social services are not for free. Therefore, access is determined by affordability.

It is therefore important to determine:

- whether or not social welfare services and facilities are physically available;
- if social welfare services and facilities are located not too far away from the target clientele; or
- if they physically exist, ascertain if they tend to discriminate wittingly or unwittingly against certain groups on account of their social status or affiliations.

Various stages in the lives of the people require different types of goods and services. The graph as show in Figure ____ - illustrates this fact and should aid in formulating appropriate sectoral policies and programs of intervention.

Figure 12- Time Relationship between a Birth and Future Service Requirements



Source: _____

Social Justice

The principle of social justice requires that the distribution of income, wealth, and command over society's resources should be such that the:

- a. needs of the population within the territory are adequately met;
- b. inter-territorial multiplier effects are maximized; and
- c. extra resources are allocated to overcome special difficulties stemming from the physical and social environment.

Similarly, the mechanisms for the allocation and distribution of society's resources (institutional, organizational, political and economic) must be such that the opportunities of the least advantaged groups and areas are as great as they possibly can. Find out if this is true in the LGU.

Preferential treatment for the "least advantaged groups and areas" is how the Constitution defines social justice. Article XIII calls for the "*enactment of measures that protect and enhance the right of all the people to human dignity, reduce social, economic, and political inequalities, and remove cultural inequities by equitably diffusing wealth and political power...*" (Sec. 1, Philippine Constitution).

Thus, it is crucial to find out if the preferred priority laws and policies that need to be enacted are those that:

- a. recognize the right of labor to its just share in the fruits of production and of enterprises to reasonable returns on investment (Sec. 3, Philippine Constitution);
- b. encourage the just distribution of agricultural lands and at the same time respect of the rights of small landowners (Sec. 4, Philippine Constitution);
- c. protect the rights of subsistence fisherfolk, landless farmers, and indigenous people to preferential use of lands, waters and other natural resources (Secs. 5-7, Philippine Constitution);
- d. make available affordable decent housing and basic services to underprivileged and homeless citizens (Sec. 9, Philippine Constitution);
- e. give priority to the health needs of the underprivileged sick, disabled, women, and children as well as free medical care to paupers (Sec. 11, Philippine Constitution);
- f. protect working women (Sec. 14, Philippine Constitution); and
- g. respect the right of the people to free and independent association and guarantee participation of people's organizations at all levels of decision making (Sec. 15 and 16, Philippine Constitution).

3. Local Economy

In order for the local government to effectively facilitate the market to accelerate local economic development, local officials and the public must have a basic understanding of how the local economy works.

There are three (3) General Welfare Goals that pertain to local economic development:

- a. to encourage and support the development of appropriate and self-reliant scientific and technological capabilities
- b. to enhance economic prosperity, and
- c. to promote full employment among the local residents.

It is important for the planner to determine how well the LGU is faring in relation to these goals.

Development of self-reliant scientific and technological capabilities

The development of scientific know-how and technological capabilities among the residents is a necessary condition to attaining higher levels and faster rate of economic growth. But the LGU must first ask the following questions:

- a. *Are the constituents prepared in adopting new technologies?*
- b. *For example, has the LGU switched to the use of computers? If so, is the supply of electric power reliable, or is the use of the old manual typewriter still more appropriate?*
- c. *Does the LGU benefit from the optimum capacity of technology?*
- d. *For the sake of self-reliance, does the LGU still use homegrown technologies and indigenous knowledge? If so, have they been discarded, or have they been developed and improved?*

Enhancement of economic prosperity

Enhancement of economic prosperity is the principal concern of the economic sector. But the other half of this goal is the promotion of social justice. This is to ensure that the benefits of prosperity do not concentrate in the hands of the few privileged sectors of society.

Examine if:

- a. *the benefits of prosperity are not concentrated in the hands of the few privileged sectors of society;*
- b. *there are programs, projects and legislative measures that seek to promote full employment as the principal redistributive mechanism;*
- c. *there are mechanisms available for direct transfer payments such as unemployment insurance or substantial non-wage benefits like subsidized health, education, housing and other social services.*

Local government intervention in the economy serves to facilitate market transactions by:

- a. eliminating identified bottlenecks, and
- b. strengthening the area's competitive advantage.

Promotion of full employment

- a. *Assess the desirability of the LGU as a good place to do business in. Is the climate in the LGU hospitable to private investments? If not, why?*
- b. *Determine if there are measures to indirectly create jobs by making the locality an attractive place for private investments.*
- c. *Are there incentives to private investors in the form of fiscal measures such as tax breaks and exemptions from certain fees and charges?*

Food self-sufficiency or security

The existing level of self-sufficiency in various food commodities as determined in the profile will serve as the basis for determining the target level of sufficiency and the volume of local production and the amount needed to be sourced from outside sources.

Size of each sector of the economy

Government intervention in the market is needed to enhance the state of health of the local economy because the level of income and employment and hence, the level of well-being of the residents is largely dependent on it. Therefore, local planners must have a basic understanding of the structure and operations of the local economy so that they can be better equipped to advise policy- and decision-makers in formulating measures and strategies to accelerate local economic development.

Level of urbanization using employment as a measuring unit

The level of urbanization can serve as a basis for determining whether to speed up, decelerate or retain the pace of urbanization depending on the vision of the LGU.

Structural shift in the local economy – Structural shift in the local economy is shown by changes in the relative share of each sector to the total economy over time. For example, the increasing share of secondary and/or tertiary sectors and a corresponding decrease in the share of the primary sector indicate a trend towards urbanization

LGU's Specialization

Knowledge of the town's specialization is a vital input to decision – making. Depending on the LGU vision and objectives of local development, appropriate policies can be developed. For example, policies to accelerate economic growth can be formulated by reinforcing the town's specialization in certain activities or sectors.

The data on specialization can also be used to identify other activities which might be promoted in the locality. This is to diversify the economy by promoting businesses that have various forms of linkages with the specialized activity.

Money Flow Theory

Another way of understanding the local economy is to assume the following:

- a. the geographical / territorial unit is a closed spatial system similar to a water tank that has an inlet pipe and an outlet pipe;
- b. both inlet and outlet valves are open at the same time.

The amount of water that is stored in the tank at any time is the net of the inflow and outflow. There is net storage when the inflow is greater than the outflow; no storage is possible when the outflow is equal to or greater than the inflow. Similarly, there are transactions that lead to either an inflow of money into or an outflow of money from the local economy.

When there is no storage, the direct implication is that there is no possibility for the economy to grow. Therefore some form of intervention must be introduced.

Public intervention is necessary in investment decisions of private owners of capital lest they concentrate in areas where the perceived return is greatest, i.e., where the "return period" is shortest... The role of the State to effect switches from one form of investment to another is critical. This can be done by means of fiscal policies and other facilitation measures.

A sizeable storage in the area is not a guarantee that the local economy will grow. Money that is simply "stored" does not grow. For it to grow, it must circulate. Money acquires added value every time it changes hands.

4. Infrastructure Sector

The land use/infrastructure sector is concerned primarily with providing adequate physical base for social and economic development.

Because almost all programs and projects that this sector will identify and propose will impact strongly on the use of land and other natural resources, this sector should:

- a. be utilized as the organizing concept for locating infrastructure projects the desired urban form or the preferred spatial strategy; and
- b. see to it that land and water use zoning shall take into consideration not only the social and economic functions of intended uses but also the potential hazards posed by the environment upon future uses.

In identifying local infrastructure needs, this sector should consider infrastructure support for, among other things the following:

a. Preferred spatial strategy or urban form.

Ask the following questions:

- i. Are the roads and circulation networks properly designed?*
- ii. Are there land development or redevelopment schemes?*
- iii. Is infrastructure development consistent with the preferred urban form?*
- iv. Is infrastructure development used to influence the location of future population and economic activities in the desired locations?*
- v. Are there production support infrastructures such as irrigation systems and farm to market roads, as well as post production support facilities like grain drying, cold storage, and public market facilities to help attain economic objectives?*

b. Eliminating current backlogs in the provision of social services.

- i. Assess existing school, health, welfare, police and fire protection, recreation, and housing stocks against present demand*
- ii. Determine the shortfall in the provision of these services.*

Perhaps the filling of these service gaps may be given higher priority than the establishment of new facilities.

c. Upgrading the quality of services and facilities to desired standards. Another dimension of shortfalls is the standard of quality of existing services and facilities.

- i. Determine if existing roads are not only adequate in terms of total length in relation to the total land area*
- ii. Assess if the road surfacing is such that certain sections are rendered impassable during the rainy season. If they are, there is a serious deficit indeed.*
- iii. Assess the quality of existing facilities to desired, if not prescribed, standards*

d. Reducing vulnerability of the local population to environmental risks and disasters. Some environmental disasters are unpredictable but the severity of their impact depends on the vulnerability of the affected population.

- i. Are there ways to reduce vulnerability of the population to environmental risks, e.g. structural measures?*
- ii. Are human settlements located in areas that are out of harm's way?*

e. Maintaining the integrity of the environment.

- i. Are civil works properly designed and located to minimize the adverse impact and degradation and to help preserve the integrity of the environment?*
- ii. Are there water impoundments, river bank stabilization and similar structures to help modulate the fury of nature and protect it from itself?*

Section 17 of the Local Government Code provides a comprehensive list of infrastructure facilities that should be provided by barangays, municipal, city and provincial LGUs. The infrastructure sector shall use this as a template to ascertain the completeness of coverage of the sector and the appropriateness of the programs and projects that they will propose.

Using Map Overlay Analysis in Analyzing the Physical and Spatial Base

Map overlay or sieve analysis is the process of putting two or more thematic maps on top of each other. Use this to:

- a. determine areas of convergence of certain features of land contributing to the suitability of the area to a particular purpose, and
- b. eliminate or screen out areas that are not suitable for that purpose.

Problem areas or “decision zones” can surface and they should be brought up for resolution by the proper authorities either within the framework of the CLUP or outside of it. This type of analysis can also determine the direction of growth of the built up areas of the locality.

Measuring Area Coverage

The supply of land in terms of quantity and quality needs to be assessed because this will indicate to what extent land and other natural resources are an opportunity or a constraint to future development.

If there are inconsistencies in land areas, especially pertaining to territorial boundaries of the municipality and the barangays, these should be noted by the political authorities of disputant LGUs, with the aid of cadastral surveys or through inter – agency consultations. Only political authorities and the courts have the power to settle boundary disputes.

Analysis of the Existing Infrastructure Support

- a. Assess and evaluate existing systems in relation to the intended population to be served to providing indicators to decision – makers about what alternative actions to be taken with respect to a facility or service such as whether or not to:
 - i. Freeze the expansion of existing facilities
 - ii. Extend or expand the existing service
 - iii. Put up new needed facilities
 - iv.
- b. Assess the effects and side effects (pre- and post – evaluation of impacts) of infrastructure development. Examples of impact assessment include:
 - i. Impact on human values and social satisfaction
 - ii. Impact on employment
 - iii. Impact on environmental integrity
 - iv. Impact on public financial resources
 - v. Impact on private sector investments

Box 3

CRITERIA FOR ASSESSING EXISTING INFRASTRUCTURES

1. **Appropriateness** – This can be determined by matching the type of infrastructure available with the level of settlement in which it is located and with the service area and population the facility is intended to serve.
2. **Adequacy** – This has to do with the capacity and quality of the infrastructure in relation to demand for its use.
3. **Level of utility** – This refers to the extent to which the facility is put to use.
4. **Accessibility** – This may be understood in either of these:
 - a. *Physical terms* – This refers to either distance or travel time, including travel cost from the user's point of origin
 - b. *Design and quality of construction of the facility* – Flashy and stylish designs and sophisticated equipment are normally associated with high income and high social class clientele and may screen off the low income groups from availing of such services and amenities.

5. Environment Sector

The bulk of functions regarding the environment and natural resources devolved to LGUs have to do with implementation and enforcement of national policies and laws. The main concern of the environment sector therefore is to ensure that the proper measures to safeguard and conserve land, minerals, marine, forest and other resources are enacted by the Sanggunian and enforced by the LCE.

Environmental assessment follows the Pressure – State – Response (P-S-R) logic of presentation.

- a. **Pressure** pertains to the different demands by human society on a given ecosystem for their survival and well – being.
- b. **State** refers to the existing conditions of the ecosystem as a result of the application of human pressures as well as threats, human and natural, to the very survival of the ecosystem itself.
- c. **Response** includes existing mitigation, rehabilitation, protection and conservation measures that human society has so far devised to ensure the sustainable use and serviceability of the ecosystem.

Shown in Table 8 are the different ecosystems adopted under the Philippine Agenda for Sustainable Development in the 21st Century (PA 21).

For every issue identified in each ecosystem as surfaced in the environmental assessment in connection with the preparation of the Ecological Profile or the Local Development Indicators, there should be an assessment of existing policies or legislations that had been developed to address the issue.)

Determine if the LGU:

- a. Has existing measures that declare, prevent or abate any nuisance.
- b. Requires that buildings and the premises thereof and any land within the LGU territory be kept and maintained in sanitary condition.
- c. Regulates the disposal of clinical and other wastes from hospitals, clinics and other similar establishments.
- d. Provides for the establishment, maintenance, protection and conservation of communal forests and watersheds, tree parks, greenbelts, mangroves and other forest development projects.
- e. Regulates the consumption, use and wastage of water.
- f. Regulates the construction, repair, and maintenance of public drains, sewers, cesspools, tunnels and similar structures; construction and use of private water closets, privies, and other similar structures in buildings and homes.
- g. Provides for an efficient and effective system of solid waste and garbage collection and disposal, and prohibit littering and the placing or throwing of garbage, refuse and other filth and wastes. (Refer to Sections 447, 458 and 468, RA 7160.)

One more concern of the environment sector is to ensure adequate representation of the LGU in the review of environmental impact assessments of proposed projects to be sited in the locality. What are the mechanisms to ensure that this is done?

Another question to ask is:

- a. Is the environmental sector committee able to field the proper experts to sit on behalf of the LGU in the tripartite monitoring teams organized to enforce the conditionalities of the environmental compliance certificates (ECC) issued to environmentally critical projects located in the LGU territory.

6. Institutional Sector

The Institutional Sector, like the calyx to the flower, coordinates, integrates and supports the other sectors through various mechanisms and arrangements. The principal concern of the sector is to see that the local government officialdom and bureaucracy are properly tooled up and primed up to manage local growth and change.

The **analysis focuses on the planning function as an important aspect of governance**. The result of this assessment should provide a basis for the formulation of the Institutional Development component of the Comprehensive Development Plan. This assessment will center on the following:

- a. Structure and functions of the Local Development Council (LDC);
 - Technical capability of the Local Planning and Development Office (LPDO) to carry out its mandated functions and responsibilities;
- b. Fiscal management capability of the LGU;
- c. Development orientation of the Sanggunian as evidenced by their legislative output;
- d. Extent of representation and participation in local governance of non – government sectors; and
- e. Vertical and horizontal linkages of the LGU with other government agencies.

Guide Questions for Characterizing the Institutional Sector

On the Organizational Structure and Functions of the LDC

- a. *Is the organization of the LDC in accordance with the provisions of Sections 106 – 108 of the Local Government Code (LGC)?*
- b. *Are the functions of the LDC being exercised by the Council as mandated in Section 109 of the LGC?*
- c. *Is there an Executive Committee created according to Section 111?*
- d. *Are there Sectoral or Functional Committees as called for in Section 112?*
- e. *Are all these bodies functioning properly?*
- f. *Are there any deviations from the mandated structure and functions?*

On the Functions of the LPDO

- a. *Are the functions and responsibilities of the office clearly defined and delineated so that overlaps with other offices are avoided or minimized?*
- b. *Are there other functions performed by the LPDO which are outside of its mandate?*
- c. *Whether mandated or not, are these functions consistent with the traditional functions expected of a local planning office, vis-à-vis long – and short – term planning, land use control and regulation, research and planning data base management, project impact monitoring and public information?*

On the Organizational Structure and Staffing of the LPDO

- a. *What is the position of the LPDO within the organizational framework of the LGU? Does it reflect the value and importance of planning among local government functions? Draw an organizational chart of the LGU.*
- b. *How accessible is the LPDO to the political authorities and the communities?*
- c. *How large is the LPDO personnel complement according to the plantilla? Does the size permit an internal structure with differentiated functions?*
- d. *If there is already an organizational structure, what is the basis of dividing the office into sub – units? Does the structure adequately cover the functions of the office? Draw an organizational chart of the LPDO.*
- e. *Are the plantilla positions filled with personnel with the appropriate qualifications? If not, why? What critical vacancies exist?*

On the LPDO's Relationships

- a. *Does the LPDO enjoy the confidence of the mayor or administrator? If not, what are the possible reasons?*
- b. *Is the LPDO able to provide technical support to the LCE in certain aspects of decision – making?*
- c. *How effectively is the LPDO providing technical and secretariat support to the LDC?*
- d. *In what ways does the LPDO provide support to the local legislative council?*
- e. *How does the LPDO interact with the heads of line departments of the LGU?*
- f. *Describe the LGU's relationship with non-government organizations, the private sector, and other people's organizations.*

On the Fiscal Management Capability of the LGU

- a. *What is the fiscal balance of the LGU for the last three years? Is the LGU operating on a balanced budget or on deficit spending?*
- b. *What is the level of self- reliance of the LGU? Does it show an upward or downward trend for the last three years?*
- c. *What are the top sources of local revenues? Are these sources being tapped optimally?*
- d. *What is the pattern of local expenditures? Does the LGU keep within the limits prescribed by law?*
- e. *What is the record of the LGU in terms of debt servicing? Does it incur arrearages?*
- f. *What part of the budget goes into development investment?*
- g. *Is there a private investment incentive ordinance in the LGU?*

On the Development Orientation of the Sanggunian

- a. *What is the total output of the Sanggunian since the start of its term? Of this body of legislative output how many are ordinances and how many are resolutions?*

- b. Of these resolutions and ordinances, how many are (or what is the proportion of) intended to maximize utilization of local resources? How many are purely for “socializing” purposes? How many deal with regulating certain activities and land use? A tabular presentation will be helpful.*
- c. Does the Sanggunian consult the plan or the planning bodies when crafting legislation? Do the Sanggunian members make an effort to join sectoral and functional committees of the LDC?*
- d. Are the Sanggunian sessions open to the public? Are the views of ordinary citizens sought actively as inputs to the legislative process? How?*

On Non-Government Sector Participation

- a. Is the mandatory representation of non-government sectors in the LDC properly complied with?*
- b. Is there an effective accreditation process of NGOs/POs represented in local special bodies?*
- c. Are there opportunities for participation in local governance of non – government sectors whether accredited or not, whether organized or not?*
- d. Is there a working definition of the private sector, NGOs and Pos? Is the definition accepted by all? Are the distinctions important?*

On Inter-Government Relations

- a. Are national agencies operating locally coordinating with the LGU in the implementation of their programs and projects? Do they comply with the Codal provision on mandatory consultation?*
- b. Are the barangays effectively involved in all aspects of local governance?*
- c. Is there effective coordination by the LPDO of all sectors, LGU departments, and national agencies in planning, programming, budgeting, implementation, and monitoring and evaluation?*

Table 9 - Ecosystems and Subsystems

FOREST ECOSYSTEM	LOWLAND/ AGRICULTURAL ECOSYSTEM	URBAN ECOSYSTEM	FRESHWATER ECOSYSTEM	COASTAL ECOSYSTEM	MINERALS / MINING	BIODIVERSITY
Protected Forest Primary growth, closed canopy, virgin Second growth with <50% slope or >1,000 elevation	Croplands Cereals (food and feed crops) Other food crops Industrial or cash crops	Built – up Areas Residential Commercial Industrial Institutional Utilities and infrastructures	Surface waters Rivers Lakes Reservoirs Other impoundments	Mangroves Marshes, swamps and wetlands Sand dunes Seagrass beds Small islands, atolls Coral reefs	Metallic minerals Base metals Precious metals Non – metallic minerals Sand and gravel Rock quarry Marble quarry Coal mining Guano	Wild flora Wild fauna Endimicity Rarity Threatened Endangered
Production forest Residual dipterocarp Rangelands or grazing lands Integrated forest management areas Community – based forest management areas Multiple use zones and buffer zones in NIPAS areas	Livestock Beef, cattle and dairy Poultry and piggery Fisheries Fishponds Fishpens Catch fisheries	Urban Wastes Solid Liquid Hazardous Air Pollution Mobile sources Stationary sources	Groundwater			

PART II: PREPARING THE COMPREHENSIVE DEVELOPMENT PLAN

Step 3: Determining the Vision – Reality Gap

What is a Vision – reality gap?

The vision-reality gap is the “space” or “distance” between the desired state of the area by sector, and the current situation of the sector/s. Once you know exactly where and what the gaps are, you can identify the necessary actions to close the gap. Gap analysis gives policy makers in the LGU the information they need to make better informed decisions when identifying priority areas for intervention.

How is the vision – reality gap determined?

A vision – reality gap is determined by conducting a **vision – reality gap analysis**. This type of analysis shows:

- how large the difference is between the vision or ideal state of the LGU and the existing situation; or
- how near the current situation in the city or municipality is to the vision as defined by the constituents and the LGU.

It takes off from the results of the visioning exercise and the data generated in the ecological profile and the Local Development Indicators.

The vision – reality gap may be expressed qualitatively or quantitatively. Ratings, as shown in the Current Reality Rating Scale (Table 8) can be assigned to describe the degree of attainment or non-attainment of a particular vision element vis-à-vis the success indicators assigned to each descriptor by vision element.

Table 8 - Current Reality Rating Scale	
Rating	Interpretation
0	Absolutely nothing has been done about the goal
1 2 3 4	Something is already being done to achieve the goal but the level of attainment is still on the low side
5	The goal is half accomplished
6 7 8 9	Goal is more than half-fulfilled but still short of full attainment
10	The goal is completely attained
N	No data available

From the vision descriptors and success indicators identified in the visioning exercise, ratings can be assigned to describe the degree of attainment or non-attainment of a particular vision element.

How is the vision – reality gap for the outward looking component of the vision determined?

- Review the identified desired roles of the LGU.
- Break up the participants into as many smaller groups as there are identified roles.
- Assign one role per group.
- Within each group, brainstorm on success indicators for the identified role assigned to it.
- Ask the following key questions:

- a. If the desired role for the LGU is already being performed by it, what success indicators can be observed in terms of input, output, and/or outcome indicators?
 - b. For each success indicator, determine the current reality rating using the Current Reality Rating Scale (Table 8)
5. Simply subtract the current reality rating given from 10. The difference is the vision – reality gap. If the gap is other than zero, suggest what can be done to close the gap. The output of this exercise may be presented in the suggested format below.

Table 11: Sample Format for Determining the VRG for the Outward Looking Component of the Vision

<i>(Assigned role of the city/municipality in the greater region)</i>			
SUCCESS INDICATORS	CURRENT REALITY RATING	VISION – REALITY GAP	WHAT TO DO TO FILL THE GAP

How is the vision – reality gap for the inward looking component of the vision determined?

1. Divide the participants into five (5) sectoral groups: social, economic, infrastructure, environment and institutional.
2. Review the descriptors corresponding to each sector.
3. Within each sectoral group, formulate as many success indicators for each descriptor. The success indicators are the specific aspects of the desired descriptors of each sector.
4. For each success indicator, determine the current reality rating. The Current Reality Rating Scale may be used in determining the current level of attainment.

Table 12: SAMPLE MATRIX: VISION-REALITY GAP ANALYSIS FOR THE INWARD LOOKING COMPONENT OF THE VISION

For example:

VISION ELEMENT	DESCRIPTOR	SUCCESS INDICATORS	RATING	GAP
Local Governance	Decent	<ul style="list-style-type: none"> Competent and professional local officials and personnel Effective and efficient bureaucracy Morally upright government workers 	1	9

If sectoral studies on the Institutional Sector show that there is an inequitable distribution of LGU manpower because some offices are overstaffed while others are understaffed; and that graft and corrupt practices are still prevalent, a rating of “1” may be given for the success indicator “*Competent and professional local officials and personnel*”. It shows that the vision – reality gap is that wide – 9 points in a 10 – point scale. This means that very little, if at all, has been achieved of the vision of a decent local bureaucracy.

A. Social Goals

DESCRIPTOR	SUCCESS INDICATOR	RATING	GAP
Healthy	0 % Child mortality rate	0	10
	0 % Maternal mortality rate	5	5

B. Economic Goals

DESCRIPTOR	SUCCESS INDICATOR	RATING	GAP
Vibrant economy	Number of new investments	8	2
Competitive	Sustained good quality of (LGU's products)	5	5
	Application of modern technologies for good quality production	4	6
	Increased export receipt	4	6

Another way of determining the gap is to deduct the current rating from the desired rating. For example, the LGU envisions a 100% reduction in malnutrition rate. If the current situation shows that the malnutrition rate is, say, 40%, then the LGU still has to exert more efforts to totally wipe out malnutrition.

DESCRIPTOR	SUCCESS INDICATOR	RATING	GAP
Empowered	0% Malnutrition rate	4	6
	100% literacy rate	7	3

5. If the gap is other than zero, suggest what can be done to close the gap. Outputs may be presented in the following format.

SUCCESS INDICATORS	CURRENT REALITY RATING	VISION – REALITY GAP	WHAT TO DO TO FILL THE GAP

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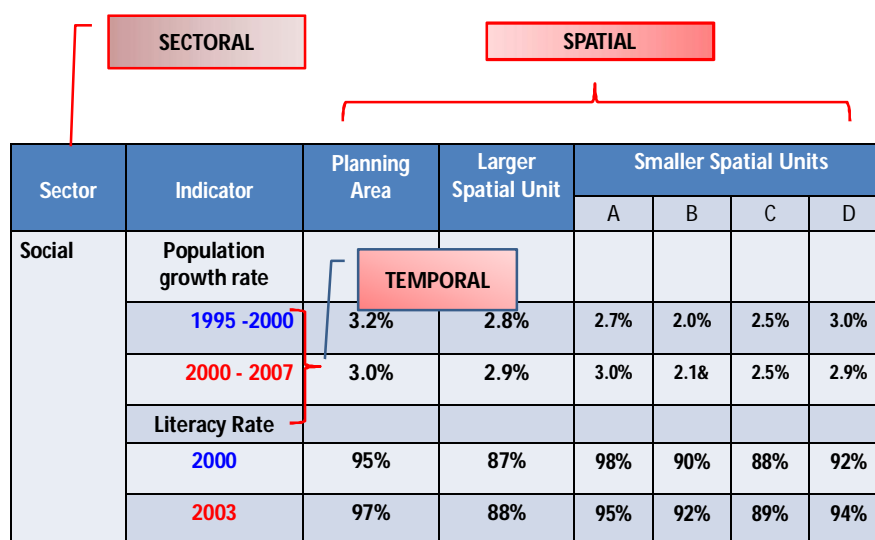
Step 4: Using the Local Development Indicators Table for Generating New Information and Extracting Intelligence

What is a Local Development Indicators Table?

The Local Development Indicators Table is an intermediate analytical tool for planning purposes that portrays information in three dimensions:

1. topical or sectoral – maintains the five (5) development sectors, namely: social, economic, infrastructure, environment and natural resources, and institutional
2. temporal - refers to time-series data (minimum of 2 years) where the later one should be the latest available.
3. geographical or spatial - refers to at least two (2) levels of spatial scale, e.g., City/municipality and province; or city/municipality and barangays

Table 13 : Sample LDI Table Showing Information in Three Dimensions



Sector	Indicator	Planning Area	Larger Spatial Unit	Smaller Spatial Units			
				A	B	C	D
Social	Population growth rate						
	1995 -2000	3.2%	2.8%	2.7%	2.0%	2.5%	3.0%
	2000 - 2007	3.0%	2.9%	3.0%	2.1%	2.5%	2.9%
	Literacy Rate						
	2000	95%	87%	98%	90%	88%	92%
	2003	97%	88%	95%	92%	89%	94%

The portrayal of data in three dimensions enables the analyst to make more meaningful observations and thereby identify problem situations more systematically and formulate solutions which are place or area specific.

1. The sectoral-temporal presentation of data allows an in-depth characterization of the planning area by enabling the analyst to appreciate changes in certain attributes over time.

As shown in Figure __ data indicators compared in two points or periods of time may show any one of the following scenarios:

- increase
- decrease
- no change

2. The sectoral-spatial data display, moreover, allows the analyst to appreciate the differences between areas with respect to a given set of characteristics: on one hand, between the planning area and larger areas within which it is nested, and between smaller component parts and the planning area, on the other.

In Figure ____, data/ indicators across two spatial or geographical units may be compared. One of three scenarios may be observed:

- A is greater than B
- A is less than B
- A is equal to B

Where: A is the Planning Area and B is the Larger or Smaller Spatial Unit, or vice versa.

The LDIS, if properly constructed is most useful in the diagnosis of development issues or what is known as the process of problem-finding. The problem-finding analysis involves a three-step process.

1. The first step consists of making meaningful observations¹ or making sense out of the data displayed in the LDI table. This step is called information generation. It asks the question “*What do the figures mean?*”

Table 13a: Sample LDI Table Showing Information in Three Dimensions

Sector	Indicator	Planning Area	Larger Spatial Unit	Smaller Spatial Units			
				A	B	C	D
Social	Population growth rate						
	1995-2000	3.2%	2.8%	2.7%	2.0%	2.5%	3.0%
	2003 - 2007	3.0%	2.9%	3.0%	2.1%	2.5%	2.9%
	Literacy Rate						
	2000	95%	87%	98%	90%	88%	92%
	2003	97%	88%	95%	92%	89%	94%

For example: The figures on population growth rate show the following information:

- The population growth rate in the Planning Areas between the period 1995 and 2000 is higher than its growth rate for the period 2003 to 2007.
- The population growth rate for the period 1995 -2000 in the Planning Area is higher than that of the Larger Spatial Unit and those of its component spatial units.
- The population growth rate of Smaller Spatial Unit A for the period 2003 - 2007 increased compared to 1995-2000.
- The population growth rate for the period 2003 – 2007 in the planning area is higher than that of the Larger Spatial Unit and all other Smaller Spatial Units, except for Smaller Spatial Unit “A” which posted the same growth rate as the planning area.

¹ In making observations take note of possible:

- Deviations from the standard, norm or benchmark (higher, lower, same)
- Changes, over time (increase, decrease, no change)
- Variations across different spatial units

Observed conditions derived from map overlay analysis or decision zones may be included in this phase of the analysis.

2. The second and third steps may be called the process of *extracting intelligence*. The second step is probing into the causes or explanations behind the observed conditions. It asks the question “*Why?*” This aspect of the inquiry probes into the causes of observed conditions and thus provides the clue to finding more fundamental solutions by attacking the causes rather than the symptoms of the problems.
3. The third step further explores the implications of the observed condition if no significant intervention is exerted by anyone anywhere to change the situation. It asks the question “*So what?*”

Implications may be negative or positive according to the perceptions of various groups and sectors of society. It is when negative implications predominate will the observed condition be regarded as a problem. When there is a preponderance of positive implications the observed condition may be regarded as a potential.

The analysis can be extended further into determining appropriate policy interventions. This part of the analysis can be called simply the *solution-finding* phase.

Policy interventions need not be limited to targeting the negative implications of observed conditions. Positive implications need to be maintained and strengthened through policies that seek to sustain the beneficent effects. Nonetheless, policies intended to remedy the negative implications by eliminating the causative factors deserve priority attention.

PART II: PREPARING THE COMPREHENSIVE DEVELOPMENT PLAN

Step 5: Setting Sectoral Goals, Objectives and Targets

Goal formulation or the process of determining what the people want their city or municipality to become is often considered the most important step in the planning process. A badly conceived goal cannot lead to a good plan. Worse, without goals, any move that people make is at best only an aimless rambling, a directionless locomotion.

If you know where you're going, you would know how best to get there, and how near of far you are to that destination at any point in time

What are sectoral goals, objectives and targets?

Sectoral goals are the desired end – results that are the same, or derived from, the particular element of the vision statement that pertains to a specific sector. Such consistency is necessary to ensure that every policy and action (programs, projects, activities, legislative and other regulatory measures) formulated in the CDP will contribute to the realization of the vision.

Objectives and Targets are more specific statements of a short or medium-range desired outcome or result. They are definite about the point to be reached or target to be achieved given the constraints of resources and time.

Objectives and targets should be:

- **S**pecific
- **M**easurable
- **A**ttainable
- **R**ealistic, and
- **T**ime-bound

For example:

Goal: *“To develop a competent and professional LGU officialdom and personnel as shown by an effective and efficient bureaucracy and morally upright government workers.”*

The goal of having morally upright elective officials however, cannot be achieved in 3 years because it entails not only electoral reforms but also social and moral reforms among the electorate.

Perhaps what can be done in the next 3 years is limited to reforming the bureaucracy to increase its effectiveness and efficiency. In addition, recruitment of new staff may be improved.

Using the illustration above, some of the examples of objectives/targets are listed below:

1. To conduct an organizational and management review of the entire local government bureaucracy during the first year of the current administration.
2. To restructure the organization of key offices on the last quarter of the first year based on the findings of the O&M study.
3. To improve the recruitment policy to put emphasis on the moral uprightness of potential appointees during the first quarter of the second year.
4. To conduct moral recovery seminars among LGU employees at least once every quarter.

The sectoral objectives and targets, when properly formulated will themselves suggest the appropriate programs and projects needed to carry them out.

What is the importance of goals in planning?

Goals serve at least three (3) purposes in the planning process:

1. As an **end** toward which all future actions specified in the plan are directed.
2. As a set of **criteria** for evaluating alternative strategies and approaches
3. As a **standard** against which the success or failure of each action is measured.

For all intents and purposes the formulation of sectoral goals starts with the visioning workshop where the different groups (corresponding to the development sectors) generated *descriptors* for their assigned vision element and *success indicators* for each descriptor generated

What are the possible sources of sectoral goals?

1. Vision – Reality Gap

Table 14: Vision-Reality Gap as Source of Sectoral Goals

DESCRIPTORS	SUCCESS INDICATORS	CURRENT REALITY RATING	VISION – REALITY GAP	WHAT TO DO TO CLOSE THE GAP
Peaceful	0% Crime rate	6	4	
Highly skilled	Full employment	4	6	
Empowered	Citizen participation	3	7	

2. Problem – Solution Matrix

Table 15: Problem – Solution Matrix as Source of Sector Goals

SECTOR			
OBSERVED CONDITIONS	EXPLANATIONS (CAUSES)	IMPLICATIONS WHEN UNRESOLVED	POLICY OPTIONS

3. Decision Zones from Map Overlay Analysis of Sieve Mapping - Map overlay or sieve analysis is the process of putting two or more thematic maps on top of each other to determine *areas of convergence* of certain features of land contributing to the suitability of the area to a particular purpose and conversely, to eliminate or screen out areas that are not suitable for that purpose.

The outputs of this type of sieve analysis are to be presented in a public consultation so that the people will be made aware of spatial and location issues. The results of public consultations can provide important inputs to goal setting and policy formulation.

Table 16: Map Overlays as Source of Sectoral Goals

<i>Thematic Maps Overlaid</i>	<i>Brief Description of Conflict Area</i>	<i>Explanations for Conflict</i>	<i>Implications when Unresolved</i>	<i>Policy Options</i>

4. Community-based Monitoring System - *Results of CBMS* - The analysis of CBMS results makes way for the identification of goals that are more aligned with the general welfare provisions of the LGC, setting of more focused objectives and sector-specific and spatially oriented targets.
5. *Local Governance Performance Management System (LGPMS)* - The LGPMS contains 107 indicators that correspond to the performance and service areas. The annual “movements” of these indicators can serve as an objective basis for setting or adjusting annual targets to make them responsive and realistic. The “rating schemes” under this system can also be used as a reference for defining goals and objectives and setting targets. These are quite useful as it sets definitive quantitative and qualitative parameters that relate to certain national standards, thereby helping make targets more meaningful and relevant.

For example, the LGU may have pinpointed “poor infant and child health conditions” as one of the priority issues/problems to be addressed in its CDP. Thus, one of the CDP objectives under the Social Development sector would probably be “*Improvement of infant and child health conditions.*” If the particular manifestations of the problem situation include, for instance, high infant mortality rate, high malnutrition rate among 0-5 age group, and low child immunization rate, the targets for the objective would relate to these specific concerns.

5. *Other tools of data captive as “Observed Conditions”*

A specific tool that can be used in the development of goals and objectives is the objectives analysis. **Objectives analysis** is a tool in which the hierarchy of problems is transformed into a hierarchy of objectives. It utilizes a diagram called objectives tree that identifies means-ends relationships between and among the objectives. The objectives tree describes the scenario after solving the problems. (See sample in Figure 9)

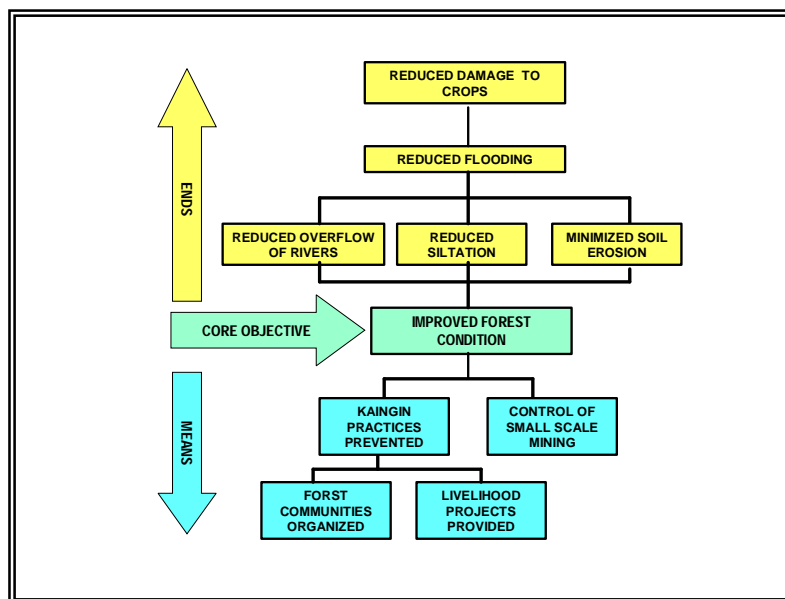
What are other sources of development goals?

1. *The Universal Concept of Public Interest*

Public interest is a broad concept that can be broken down into smaller components such as health and safety, convenience and economy, and environmental amenity.

- a. Public health and safety can be promoted in at least two ways in the plan:
 - i. prevention of conditions injurious or hazardous to the physical well-being of the community (regulatory measures); and
 - ii. provision of services and facilities for the promotion of improved health and safety by planning for and building them into the physical environment (developmental measures).

Figure 13: Sample Objective Tree of Deteriorating Forest Condition



- b. Convenience pertains to the proper positional arrangements and relationships between and among different land uses, and varying intensities of land development, so that the movement of goods and people that they generate and attract is on the whole efficient.
- c. Economy translates physical ease into efficiency or the least costly ways of carrying out one's activities.
- d. Environmental amenity pertains to the pleasantness of the environment as a place in which to live, to work and to spend one's leisure time. It refers to the perceptual aspects of the surroundings, their aesthetic appeal to the eye and the other senses.

2. The General Welfare Goals

The 1991 Local Government Code (RA 7160, Sec. 16) mandates LGUs to promote the general welfare, which it defines in a manner that represents an expanded version of the public interest.

This is a rich mine of ideas about what local governments ought to be doing, of justifications for the things that they do, and of criteria and standards whereby they measure the effectiveness of their programs. (See Box 4)

To be able to use the general welfare goals to the greatest advantage each of the nine goals should be further translated into desired end-states or success indicators. In a workshop or focus group discussion, the participants, considering one goal at a time, are asked: "What do you want to see occurring or happening in your city/town if this particular general welfare goal is already achieved or operational?"

After exhaustively listing the success indicators for the general welfare goals the success indicators may now be classified individually under any of the five development sectors to form part of sectoral goals, objectives and targets.

Box 4**General Welfare Goals**

1. preservation and enrichment of culture;
2. promotion of health and safety;
3. enhancement of the right of the people to a balanced ecology;
4. encouraging and supporting the development of appropriate and self-reliant scientific and technological capabilities;
5. improvement of public morals;
6. enhancement of economic prosperity and social justice;
7. promotion of full employment;
8. maintenance of peace and order; and
9. preservation of comfort and convenience.

3. *Regional Physical Framework Plans (RPFP)*

Another source of long-term planning goals is the “Regional Physical Framework Plan”. The general goal of each RPFP is to “achieve such a spatial arrangement and location of land-use activities as would:

- a. effect rational distribution of the population,
- b. guarantee access by the population to basic services,
- c. ensure optimum sustainable utilization of resources
- d. protect the integrity of the environment.

These are very general and timeless goals that probably are acceptable to the widest spectrum of society. But they should be restated in terms more appropriate to the local area.

4. *National Policies*

Another source of long-term goals is the National Framework for Physical Planning. The following NFPP goals or vision and principles may be adopted by local areas but they must be rephrased to reflect the conditions and circumstances at local levels.

NFPP (2001 – 2030) Vision:

National development anchored on sustainable development and growth with social equity.

NFPP Principles:

- a. Food security. Provision of sufficient and affordable food products to all Filipinos through local production and/or importation.
- b. Environmental stability or ecological integrity. Observance of appropriate standards in natural resource management and balancing the demands of production with the need for preservation of ecosystems.
- c. Rational urban development. Encouraging the sustainable growth of cities and large towns and complementing the growth of rural areas by adopting alternative urban development approaches.

- e. Spatial integration. Linking consumption and production areas to achieve physical and economic integration through appropriate infrastructure systems.
- f. Equitable access to physical and natural resources. Providing just distribution of, and equal access to opportunities by all Filipinos in the use and acquisition of land and other resources.
- g. Public-private sector partnership. Encouraging shared responsibility between government and the private sector in the development and management of the country's physical resources.
- h. People empowerment. Establishing pragmatic, appropriate, flexible and dynamic structures or mechanisms that involve the participation of key stakeholders.
- i. Recognition of the rights of indigenous people. Ensuring the indigenous people's rights to develop, control and use lands within their ancestral domain.
- i. Market orientation. Adopting the interplay of market forces within the framework of ecological and intergenerational factors as a basic parameter in the allocation or use of land and physical resources.

5) *Local Communities*

Of course, the ultimate source of development goals for local communities should be the local residents themselves. These goals are derived by means of participatory processes. Although the final form in which these goals will be stated is for planners to determine, planners should be careful not to substitute their own values and perceptions for those articulated by the people.

What are the suggested approaches to goal formulation?

There are at least two approaches to goal formulation: the short method and the long method.

1. The Short Method – This follows the dictum that a “*Goal is the inverse of a problem*”. It uses the following formula:

$$\text{GOAL} = \frac{1}{\text{Problem}}$$

Looking back to the vision – reality gap, treat the gaps as problems. Then, invert or negate the problems to become goals as illustrated in Figures 14 and 15

This method has its shortcomings. It

- a. Is shallow, mechanical and uncritical;
- b. has no exposition of, exploration on the use or observed condition, its causes and effects;
- c. limits the range of solution options or policy interventions

Figure 14: Sample Problem Tree

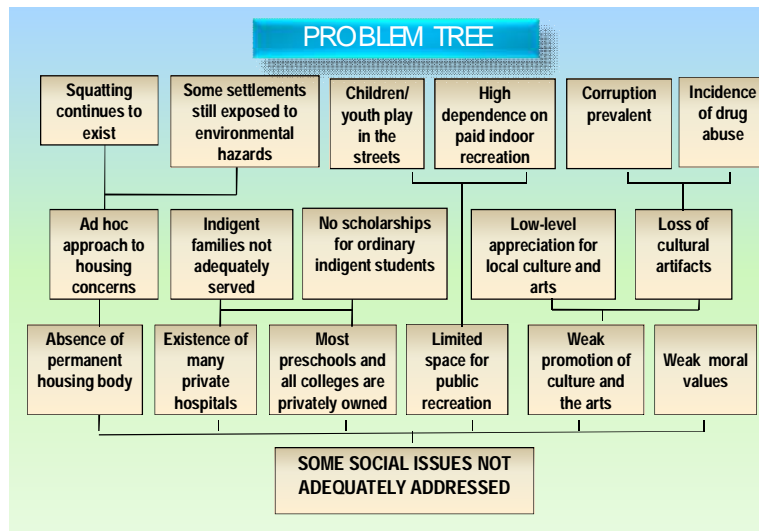
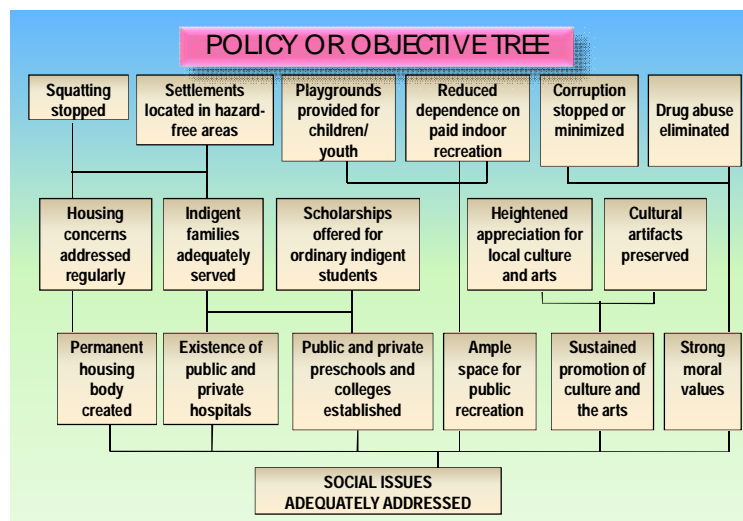


Figure 15: Sample Policy or Objective Tree Transformed from Problem Tree



Another short method is where the planner's or the technocrat's goal technically derived proceeds from a thorough analysis of the problems and issues using the following formula:

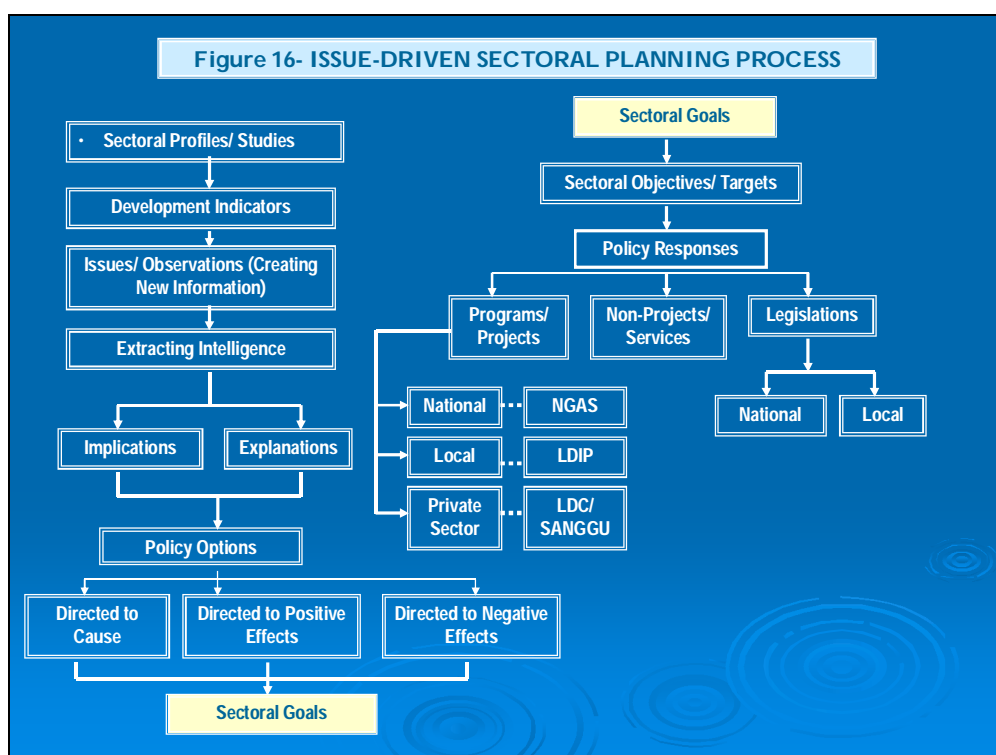
$$\begin{aligned} \text{Problem} &= \text{Goal} + \text{Impediments to achieve the Goal} \\ \text{Therefore: Goal} &= \text{Problem} - \text{Impediments} \end{aligned}$$

This approach to goal formulation is often branded as "table planning". In application, it is similar to the practice of deciding to produce a certain product on the basis of solely market trends and forecasts, without considering consumer taste and preferences.

2. The Long Method – Goal formulation may also be undertaken using the long method, where the Issue-Driven Planning Process (Figure 16) is used as a framework following these steps:

- a. Determine the vision-reality gap. Consider the gaps as issues or “observed conditions”
- b. “Extract” intelligence (See Step 4: Generating New Information and Extracting Intelligence)
- c. Formulate policy options – Policies may be in the form of programs and projects, legislations or services extended to the public as regular functions of local government offices/departments. Such options may be:
 - i. Directed to cause of the observed condition
 - ii. Directed to positive effects of the observed condition
 - iii. Directed to negative effects of the observed condition
- d. State policy options in the form of goal statements, i.e., “To + verb ...”

Example: To make clean, safe water within reach of every household.



How can other stakeholders participate in the goal formulation process?

There are various ways of eliciting people participation in the goal formulation process. Each has its positive and negative points as shown in the table below:

Table 17: Advantages and Disadvantages of Methodologies for Participatory Goal Formulation Process

METHODOLOGY	ADVANTAGE	DISADVANTAGE
Household survey	Can reach people directly	Requires more manpower and logistics to undertake; can elicit narrow and parochial concerns from respondents.
Barangay consultations	More efficient because they involve only representatives of people and sectoral groups; few contiguous barangays can be batched together; allow participants to join in discussions of issues	Can elicit narrow and parochial concerns from participants
Seminar - workshops	More systematic and purposive; more selective in terms of participation; have better quality of outputs	Lack of direct participation of the community

PART II: PREPARING THE COMPREHENSIVE DEVELOPMENT PLAN

Step 6: Transforming Goals to Actions and Structuring Solutions

Once the sectoral objectives and targets are formulated, the identification of specific policies, programs and projects will also be straightforward. Policies are guides to action to carry out the objectives or achieve the targets. Policies can take the form of regulatory measures (legislation) or programs, projects and services.

Regulatory Measures or Legislations

Regulatory measures may take the form of resolutions and ordinances enacted by the Sanggunian or executive and administrative orders issued by the local chief executive.

They should be seen in both their negative and positive dimensions.

1. Positive regulation, on the other hand, involves giving encouragement and rewards for acts that are socially desirable and that help promote the general welfare.

Examples: Private investment incentives; Taxation is positive to the general populace to whom the benefits of improved services accrue.

2. Negative regulation entails prohibiting and penalizing some acts deemed inimical to the public interest.

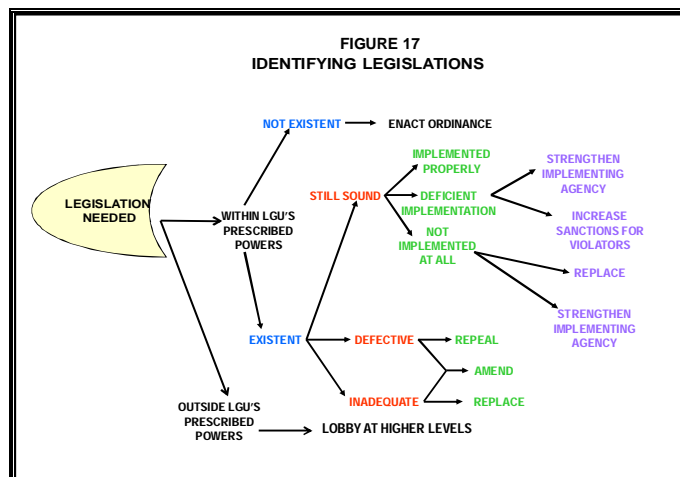
Example: Taxation is negative to those on whom the assessment falls.

To determine the appropriate action to take regarding local legislations it is advisable to first check whether a new legislation is:

- a. really needed;
- b. within the limits of the prescribed powers of the LGU;
- c. necessarily implied from the limits of the prescribed powers of the LGU;
- d. necessary, appropriate, or incidental for the LGU's efficient and effective governance;
- e. essential to the promotion of the general welfare.

Although all legislative acts of component cities and municipalities are subject to review by the provincial Sanggunian, it is better to involve the city/municipal attorney whenever new legislations are identified and proposed in the sectoral plans.

The fishbone analysis as shown in Figure 17 may be useful in determining the appropriate action to take regarding local legislations.



Programs and Projects

Programs and projects may be derived from clearly formulated sectoral goals and objectives. Complemented by appropriate regulatory measures, they complete the array of government interventions that effect or affect development in the area.

A *program* is a cluster of projects. Sometimes synonymous with project, it may cover a period of 3-6 years.

1. It defines a particular clientele and their priority needs and
2. It breaks down the strategic decisions in a plan into different components or projects which are tactical or short-term in nature.
3. It comprises the operational components of a long-term plan.

A *project* is a cluster of activities. It is sometimes synonymous with program

1. It is a specific but complex effort consisting of interrelated activities performed by various functional units and specialists.
2. It has a well-defined objective, a definite schedule, and a set budget.
3. It may cover a period of 1-3 years

Classification Programs and Projects

1. Those for which the national government is fully responsible. These may be the subject of lobbying before Congress or in the relevant national government agencies for inclusion in their budget proposals.
2. Those that are fully “owned” by the local government. These will serve as inputs to the 3-year local development investment program (LDIP). Projects under the latter group which are intended for inclusion in the LDIP should be prepared in the format of a project brief. (See Chapter I, Part III of this Guide)
3. Those that have the potential of being picked up by the private sector. These are those that are essentially self-liquidating and which may be the subject of investment incentive ordinances to be enacted by the local Sanggunian.

For the purpose of classifying projects under (1) and (2), the basic services and facilities that various levels of LGUs must provide as enumerated in Sec. 17 of the Local Government Code may be used as template.

Services or “Non-Projects”

Services or “non-projects” are regular functions of a given office to be performed by the regular staff of that office using its existing facilities and budget. They need not be included in the LDIP but are carried out through the maintenance and other operating expenditures (MOOE) of the relevant offices or departments

The conceptual difference between a program and a project is shown in Table 13.

Sometimes a series or “non-project” may be upgraded into a project. (See Figure 13) Upgrading a “non-project” to a project may be done by asking the following questions:

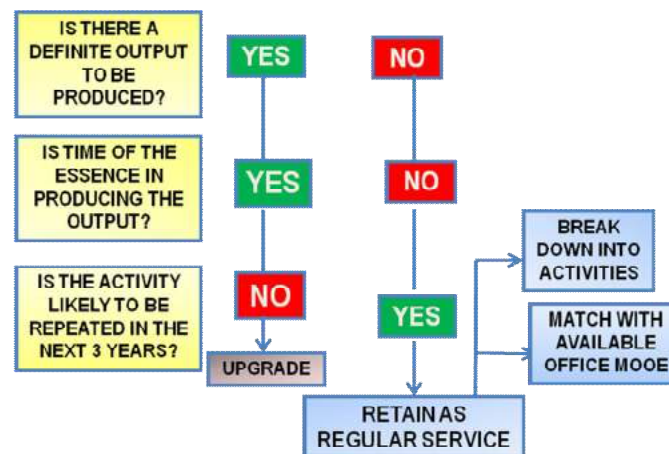
1. Is there is definite output to be produced?
2. Is time of the essence in producing the output?
3. Is the activity likely to be repeated in the next three years?

If the answer to the first 2 questions is “Yes”, upgrade; otherwise retain as a regular service. This “non-project” can be broken down into activities and matched with available funds for maintenance and other operating expenses (MOOE).

Table 18: Projects vs. Services or “Non-Projects”

PROJECTS	SERVICES OR “NON-PROJECTS”
1. Specific life cycle	1. Continuous life from year to year
2. Definite start and completion points with calendar dates.	2. No specific event tied to calendar dates other than fiscal year budgets
3. Can be abruptly terminated if goals are not met; always terminated when the project is completed	3. Assured of continuous function even in a major reorganization.
4. Often unique; not done before; not repeated when completed	4. Usually involves performance of well-established functions and tasks are only slightly different from past efforts.
5. Total effort must be completed within fixed budget & schedule.	5. Maximum work is performed within the annual budget ceiling.
6. Prediction of ultimate time & cost is difficult.	6. Prediction of annual expenditure is relatively simple.
7. Involves multi-disciplinary skills from different departments or organizations which may change from one life cycle to another.	7. Involves one or a few inter-related skills and disciplines within one well-defined stable organization.
8. Rate and type of expenditure constantly changing	8. Relatively constant rate and type of expenditure
9. Basically dynamic in nature.	9. Basically steady state in nature.

Figure 18: Upgrading a Service or “Non-project” into a Project



Activity

An activity is a cluster of tasks. It is a very short-term effort performed by one or several members of a project team or of an office or organization. Some activities must be completed before the project can move on; other activities can either be done simultaneously or lie in wait as other tasks go on. An activity may last from one week to one year.

Transforming Goals to Actions

Step 1: Consolidate all policy options/ interventions transformed into goal statements generated from the following:

1. Problem – Solution Matrix
2. Vision – reality Gap analysis

Step 2: Transform each policy option to a goal statement using the format **“To + verb”**

Example: To limit unemployment levels to single-digit figures

Step 3: Process the goal statements by weeding out duplications or combining goals that pertain to the same subject.

Step 4: If the goals need short-listing, give higher priority to goals derived from the Vision – Reality Gap analysis to ensure that proposed directly relate to vision.

Step 5: Sort the goals whether they are simple or complex ones.

A simple goal is one that suggests an explicit action and a clearly identifiable actor or responsibility center to carry out the action.

Examples:

- To enact an anti-jaywalking ordinance.
- To vaccinate all infants less than one year old.
- To concrete-pave all streets in the Poblacion.

Complex goals are multi-faceted and require the involvement of different sectors to carry out the action they suggest.

Examples:

- To double the average income of farming households.
- To make clean safe drinking water accessible to all rural barangay households
- To reduce vulnerability of urban residents to human-made disasters

Step 6: Consider the complex goals one at a time. Examine its various facets or various aspects of the problem goal is intended resolve or reverse.

Step 7: Formulate a strategy that addresses each facet of the goal/problem.

Step 8: Elaborate each strategy by identifying its program components, each program its project and activity components.

Steps 5 – 8 may be illustrated in the Figure 19.

Figure 19: Structure of Actions Derived from Complex Goals

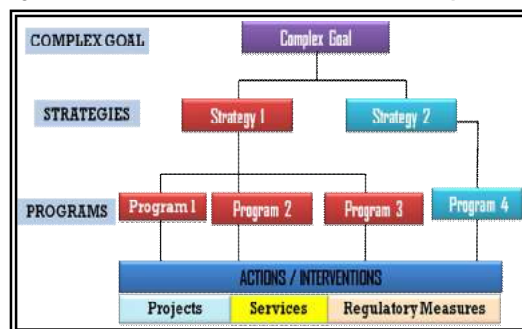


Table 19: Structure of Actions Derived from Complex Goals: An Example

Sectoral Goal: To raise average income of farming households

Strategy 1 : Enhance farm-based income

NO.	PROGRAM	PROGRAM COMPONENTS	ACTIONS/ INTERVENTIONS
1.0	Increased farm yield	1.1 Intensify production support services	1.1.1 Develop gravity irrigation 1.1.2 Install communal pump irrigation 1.1.3 Increase water yield of aquifer 1.1.4 Promote use of certified seed
		1.2 Improve post harvest facility	1.2.1 Construct mechanical dryers 1.2.2 Regulate use of streets as solar dryers 1.2.3 Put up storage facilities 1.2.4 Encourage investments in processing plants
2.0	Better prices of farm produce	2.1 Competitive pricing by traders	2.1.1 Encourage competition 2.1.2 Regulate prices 2.1.3 Improve market infrastructure
		2.2 Improve post harvest facility	2.2.1 Install internet-based access to commodities market 2.2.2 Promote organization of coops
3.0	Agricultural product diversification	3.1 Farming system research	3.1.1 Land suitability analysis 3.1.2 Pilot-test livestock & crop raising (silvi-pasture) 3.1.3 Encourage utilization of idle lands through imposition of idle land tax
		3.2 Product research & development	3.2.1 Utilize results of DOST studies 3.2.2 Hold agricultural & industrial fairs & exhibits
4.0	Alternative livelihood services	4.1 Raise awareness levels	4.1.1 Offer short courses on entrepreneurship 4.1.2 Conduct skills training on non-farm trades & crafts 4.1.3 Adult literacy program
		4.2 Attract investors in the area	4.2.1 Offer tax breaks 4.2.2 Improve transport and communication facilities 4.2.3 Ensure peace and order 4.2.4 Maintain cleanliness & livability of the environment
		4.3 Foreign placement assistance	4.3.1 Create PESO 4.3.2 Information exchange re: Job Orders 4.3.3 Establish linkages with employment agencies
		4.4 Facilitation of processing	4.4.1 Crackdown on illegal recruiters 4.4.2 Offer financial assistance 4.4.3 Public forum re: Experiences of Returning OFWs

Structuring Solutions

This phase is prelude to the preparation of the local development investment program. From the various policy interventions discussed earlier, the time is ripe for identifying solutions to issues that surfaced from the problem and solution-finding exercise. This involves the following steps:

1. For “Non-Projects” or Services:

- a. Collect all non-projects and check for possible project upgrade.
- b. If project upgrade is not possible, retain activity as non-project.
 - i. *Breakdown the service or “non-project” into activity or task components*
 - ii. *Match the activity/task components with the existing capacity of the office responsible for carrying out the activity/task*
 - iii. *Suggest appropriate actions as needed.*

The following format may be used in farming out “non-projects” to concerned LGU department or office.

Table 20: Sample Format for Farming Out “Non-Projects” to Concerned LGU Department or Office

SERVICE/ NON-PROJECT PROPOSED	ACTIVITY OR TASK COMPONENTS	DEPARTMENT/ OFFICE RESPONSIBLE	CAPACITY OF RESPONSIBLE DEPARTMENT/ OFFICE	RECOMMENDED ACTIONS

2. For legislations

- a. Consult the SB Secretary or, if available, the computerized legislative tracking system.
- b. Process all needed legislations, separating those that are within the SB to enact. The rest will be lobbied at higher levels, say provincial or national.
- c. Sift all the needed local legislations using the fishbone analysis.

The following format may be used for processing needed legislations:

Table 21: Suggested format for Processing Legislations

ORDINANCE NEEDED	STATUS			SUBJECT CLASSIFICATION	SANGGUNIANG COMMITTEE FOR REFERRAL	POSSIBLE SPONSORSHIP
	New	Amendment	Replacement			

Table 22: Sample Subject Classifications of Legislations:

SUBJECT CLASSIFICATION	ORDINANCES	RESOLUTIONS
1. City Properties & General Services, Local Governance & Administration		
2. Taxation, Assessment, Budgeting & Property Valuation		
3. Education, Science & Technology, Culture, Tourism & International Relations		
4. Peace & order, Public Safety, Transportation & Traffic Management		
5. Public Works & Infrastructure, Building, Zoning, Subdivision & Housing		
6. Public Health & Social Welfare Services, Senior Citizens, Handicapped People, Women, Family & Domestic Relations, Civil Registration		
7. Legal Affairs, Justice & Human Rights, Public Information & Assistance and People's Participation		

SUBJECT CLASSIFICATION	ORDINANCES	RESOLUTIONS
8. Commerce & Industry, Market & Slaughterhouses, Economic Enterprises, Livelihood & Employment		
9. Youth Welfare, Sports, Amusements/ Entertainment, games & Drugs		
10. Barangay Affairs, Urban Poor, & Human Settlements		
11. Parks, Environment and Garbage		
12. Energy & Water Resources, Public Services & Utilities & Telecommunications		

Source: Sangguniang Panlungsod, Quezon City: 2009

3. For Projects

- a. Sift all projects according to “ownership” or responsibility using Sec. 17 of the Local Government Code as template. Classify under the following headings:

Table 23: Sample Format for Sifting Projects According to “Ownership”

PROJECTS	NATIONAL	LOCAL			PRIVATE SECTOR
		Province	City/Municipality	Barangay	

- b. Collect all municipality/ city projects and process as inputs to the Local Development Investment Program (LDIP)
- c. Distribute the other projects to various levels and sectors concerned.
- d. Lobby national projects before your Congressman or directly to the NGA concerned.
- e. Invite private investors to take on projects that promise reasonable returns.
- f. For the LGU's “own” projects:
 - i. Consolidate redundant or repetitive projects.
 - ii. Screen out obviously impractical or undesirable projects
 - iii. “Park” projects that are more appropriately taken up by other levels of government or the private sector.
 - iv. Use the Conflict-Compatibility-Complementarity (CCC) Matrix to determine the relationship between pairs of projects.
 - v. Use the “Project/ Resource Impact Matrix” to further short-list the projects.

The steps listed above are articulated in more detail in Chapter 1, Part III of this Guide under the heading “Pre-LDIP Activities”.

PART III: IMPLEMENTING THE PLAN

Chapter 1: Local Development Investment Programming

The **Local Development Investment Program (LDIP)** is the principal instrument for implementing the Comprehensive Development Plan. It is a document that translates the CDP into programs and projects and selects those that will be picked up by the LGU for funding in the annual general fund budget or through special fund generation schemes.

The LDIP should have a time frame of three (3) years. Its annual component is what is referred to as the Annual Investment Program (AIP). As provided for under Joint memorandum Circular No. 001 series of 2007, issued by the DILG, NEDA, DBM and DOF, the **Annual Investment Program (AIP)** is defined according to purpose:

(The investment program) serves as the link between the plan and the budget, thus putting into effect the directive of the Local Government Code that says: "local budgets shall operationalize approved local development plans" (Sec. 305i, RA 7160)

1. For *planning and investment programming purposes*, it is the annual slice of the LDIP, referring to the indicative yearly expenditure requirements of the LGU's programs, projects and activities (PPAs) to be integrated into the annual budget.
2. For budgeting purposes, it constitutes the total resource requirements for the budget year, including the detailed annual allocation for each PPA in the annual slice of the LDIP and the regular operational budget items broken down into Personal Services, Maintenance and Other Operating Expenses and Capital Outlay.

To have a better appreciation of local development investment programming, it is important to have a deeper understanding of the following terms and concepts:

1. *What is "Local development"?*

Local development pertains to the mandates and responsibilities of LGUs as defined in Sections 16 and 17 of the Local Development Code (RA 7160). The local development component of the LDIP, therefore, consists of the following:

- a. projects that are in pursuance of the LGU's exercise of its powers and discharge of its duties and functions necessary for effective governance and essential for the promotion of the general welfare;
- b. projects that are in pursuance of functions traditionally performed by national government agencies but which have already been devolved to LGUs; and
- c. projects that are necessary, appropriate or incidental to the effective and efficient provision of the basic services and facilities enumerated in Section 17 of RA 7150.

2. *What is an "Investment program"?*

Investment program in public finance is a program for utilizing the investible portion of the local budget.

The **investible portion** of the local development fund is that component of the local budget which will be earmarked for financing the priority programs and projects in the AIP; while the remaining portion will go into financing the costs of functions and services of the different LGU offices and departments.

3. *"Local development fund"*

The local development fund is that portion of the local budget that is "plowed back" to the people in the form of programs, projects and services.

It consists of the following:

- 20% of the IRA
- Non-office maintenance and other operating expenses (e.g., balloons, T-shirts for sports fests and office anniversary, streamers and banners, etc.)
- Non-office capital outlay (draperies, microwave oven, refrigerator and other equipment that are not essential for the delivery of services of a particular office or department)

The 20% of IRA share is NOT the only source of development funds. It is intended to be the floor, not the ceiling, when it comes to determining the LGU's development fund.

The local development fund DOES NOT INCLUDE that portion of the local budget which is consumed by the local government machinery for salaries, wages and other personnel costs, office maintenance and other operating expenditures, and office capital outlay.

The local budget and the funds available for development investment are conceptually illustrated in the following pie charts.

Figure 20: Typical Components of a Local Budget

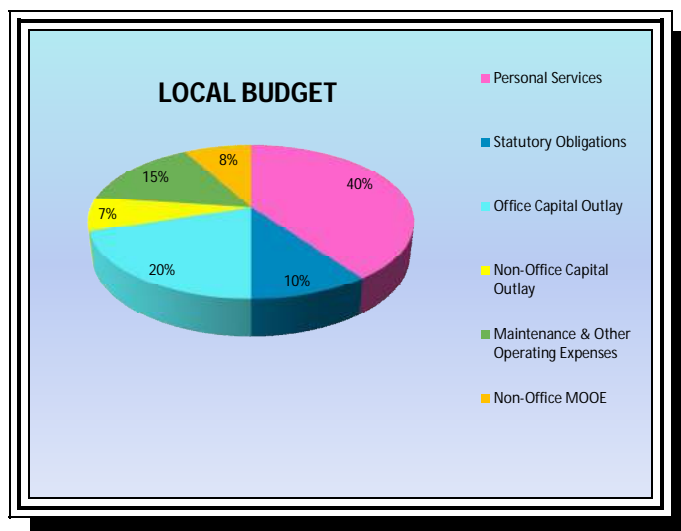
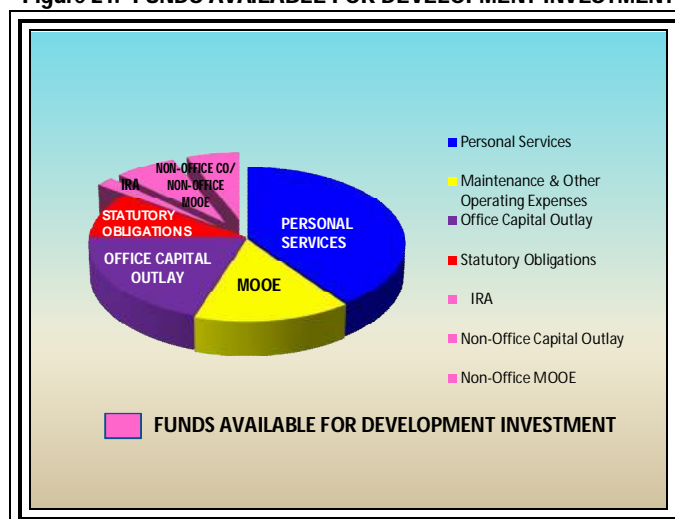


Figure 21: FUNDS AVAILABLE FOR DEVELOPMENT INVESTMENT



4. *What is “Investment” in LGU finance?*

Investment in LGU finance is **what remains** after deducting all expenses necessary to:

- a. run government machinery
- b. satisfy claims of creditors, and
- c. comply with statutory reserves

It is a regular outlay that has to be funded whether or not excess over operations (savings) is realized.

5. *What is “Investment programming”?*

Investment programming in the context of the LGU's planning and development function involves generating the programs and projects derived from the detailed elaboration of the CLUP and the CDP.

Specifically, this form of public spending will:

- a. modify, guide, direct, control or otherwise elicited the desired private sector response in order to accelerate local economic development,
- b. raise the level of socio-cultural well-being,
- c. improve the standard of public services, utilities and infrastructures, and, on the whole,
- d. attain the desired urban form in the CLUP and the general welfare goals of the CDP.

Investment programs must be spatially, rather than merely sectorally focused. The projects must therefore be selected not only for their potential to satisfy sectoral requirements but also for their impact on the direction and intensity of urban growth geared toward the realization of the desired urban form. Some examples of investment projects are listed below:

- a. Investment projects that encourage growth
 - i. “anchor” facilities like a university, hospital, public market
 - ii. Interchanges, bus terminals, transit stops
- b. Investment projects that discourage development in the vicinity
 - i. Waste disposal site
 - ii. Sewage treatment plant
 - iii. Prison or mental hospital
- c. Investments that limit growth in the urban fringe
 - i. Land reservation or acquisition for conservation
 - ii. Utility extension limits
 - iii. Low-density institutional uses such as military camps, university campuses, research/science parks
 - iv. Reservations for open space and outdoor recreation areas

Steps in Preparing the LDIP

Pre-LDIP Activities:

Before the actual preparation of the LDIP, certain activities have to be undertaken first:

Step 1: LCE calls for project ideas.

Step 2: Using the suggested form (Form 1) below call for and compile project ideas or proposals taken from any or all of the following sources:

- a. CLUP or CDP
- b. Sectoral and functional committees
- c. LGU departments/offices
- d. National government agencies
- e. Private sector and civil society organizations

Table 24: Sample Form 1: Random List of Projects

FORM 1- RANDOM LIST OF PROJECTS			
PROJECT NO.	BRIEF DESCRIPTION	PROPONENT	ESTIMATED COST

Step 3: Consolidate project ideas or proposals by sector.

Step 4: At the sectoral committee level, conduct initial screening of proposals.

- a. Distinguish projects from “non-projects” and legislations (Please refer back to Part II, Chapter 4)
- b. Determine project “ownership”. Distinction is important to allow the LGU to isolate those programs and projects for which it is solely responsible based on Section 17 of the LGC (Please see Table ___ National Government Functions Devolved to LGUs Pursuant to Section 17 of the Local Government Code.) These local projects will become an input to the LDIP.

For other projects that are not the responsibility of the LGU but which are deemed essential to local development, the LGU can use all forms of persuasion and lobbying before the agencies and officials concerned.

Step 5: Conduct initial screening of programs and projects by consolidating repetitive or redundant proposals.

- a. Go through all the files of the individual projects and check for identical or similar project descriptions, objectives, intended beneficiaries, location, etc.
- b. Consolidate projects with identical or near-identical descriptions, objectives, intended beneficiaries, location, etc. but retain the names of the proponents.
- c. Remove from the list project proposals that are obviously impractical or undesirable, e.g., and international airport in a remote and rural area.
- d. As a general rule, also remove a project idea that is be considered “obviously impractical or undesirable” if there are reasonable doubts on whether it really is.
- e. Delete from the list proposed projects which are identical to, or are in fact projects to be funded by other sources e.g. central or regional offices of government line agencies.

The completion of this Step 5 results in an initial list of projects (See Form 2, Column 3)

Table 25: Sample Form 2- Projects Included in the Random List, Initial List and Preliminary List

FORM 2 - PROJECTS INCLUDED IN THE RANDOM LIST, INITIAL LIST AND PRELIMINARY LIST			
PROJECT FILE NO. (1)	RANDOM LIST OF PROJECTS (2)	INCLUDED IN INITIAL LIST (3)	INCLUDED IN PRELIMINARY LIST (4)

INSTRUCTIONS:

- Column 1 – List the Project File Number of all projects listed in Column 2
- Column 2 – List all projects identified in Step 2 of Pre-LDIP Activities.
- Column 3 – List all projects passing the initial screening. Projects excluded from the list are those found to be repetitive or redundant, obviously impractical or undesirable, and those that are already funded by other offices, agencies or organizations.
- Column 4 – Indicate whether a project is included in the preliminary list resulting from the use of Conflict-Compatibility-Complementarity Matrix (Form 3)

Step 6: Conduct screening for conflict, compatibility or complementarity of projects. Remove or reformulate conflicting projects. For this step, a Conflict – Compatibility – Complementarity Matrix is used (See Sample Form 3). This matrix shows projects that complement, are compatible, or are in conflict with other projects.

Table 26: Sample Form 3- Conflict-Compatibility-Complementarity Matrix

FORM 3 – CONFLICT-COMPATIBILITY-COMPLEMENTARITY MATRIX							
PROPOSED PROJECTS	PROJECT 1	PROJECT 2	PROJECT 3	PROJECT 4	PROJECT 5	PROJECT 6	PROJECT 7
PROJECT 1							
PROJECT 2							
PROJECT 3							
PROJECT 4							
PROJECT 5							
PROJECT 6							
PROJECT 7							

INSTRUCTIONS:

- Indicate relationships among the proposed projects.
 - If relationship is one that is repetitive or redundant, mark the appropriate cell with Y.
 - If relationship is one of conflict (where the expected benefits of the projects tend to nullify each other or when the implementation of one obstructs the implementation another), mark the appropriate cell with an X.
 - If relationship is one of complementarity, mark the appropriate cell with an O.
 - If relationship is one of compatibility (or if it is neutral), leave the cell blank.
- Consolidate projects identified as redundant or repetitive and decide on the appropriate proponent office.
- Removed projects which conflict with many or most of the other projects.
- Revise projects which conflict with some but are compatible or complementary with others to resolve the conflict(s).

If the list is short, this step may take place simultaneously with the initial screening and then proceed to the next step.

The completion of the Conflict-Compatibility-Complementarity Matrix results in a preliminary list (See Column 4, Form 2)

Step 7: Another tool that may be used for screening projects is the “Project/Resource Impact Matrix”.

- List the short-listed projects horizontally.
- List the resources available in the locality grouped into *NATURAL*, *HUMAN*, *INFRASTRUCTURE* and *FINANCIAL*. Put one type of resource at the head of one column.

Table 27: Sample Form 4- Project/Resource Impact Matrix

FORM 4 – PROJECT/ RESOURCE IMPACT MATRIX						
PROPOSED PROJECTS	NATURAL RESOURCES	HUMAN RESOURCES	INFRA-STRUCTURE	FINANCIAL	TOTAL IMPACT	
					(+)	(-)
(+) Indicates that projects increases stock or improves quality of existing resources (-) Shows depletion of stock or reduction in quality of existing resources.						

- Provide the last column for putting total score. Split the column for the total score into two: one for positive scores and the other for the negatives scores.
- Examine each item in terms of demand or impact of each type of resources. If the rating is done by each individual member of the LDC or a small group, the rating should be done as follows:
 - If the project contributes to an increase in the quantity or an improvement in the quality of resources, put an positive sign (+) in the appropriate cell.
 - If the project is expected to lead to a decrease in the quantity or lowering of the quality of the resource, put a negative sign (-) in the appropriate cell.
 - If no effects are seen, one way or the other put a zero (0) in the appropriate matrix cell.
- Enter the positive scores and the negative scores in the proper cell.
- Subtract the total negative from the total positive scores in the proper cell.
- Reject the projects with net negative scores.
- Re-arrange the projects with the net positive scores from the highest to the lowest. Put the estimated cost opposite each project.

Step 8: Prioritize programs and projects according to level of urgency based on the criteria set below in the Table 24 (Criteria for Determining Level of Urgency)

Table 28: Urgency Test Matrix

URGENCY TEST MATRIX	
LEVEL OF URGENCY	CRITERIA
ESSENTIAL	a. Required to complete or make usable a major public improvement b. Required to maintain minimum standards as part of on-going programs c. Desirable self-liquidating projects d. External funding is available
NECESSARY	a. Should be carried out to meet clearly identified and anticipated needs b. Needed to replace obsolete or unsatisfactory facilities c. Repair or maintenance projects to prolong life of existing facilities
DESIRABLE	a. Needed for expansion of existing projects b. Designed to initiate new programs considered appropriate for a progressive community
ACCEPTABLE	a. Can be postponed without detriment to present operations if budget cuts are necessary
DEFERRABLE	a. Recommended for postponement or elimination from immediate consideration in the current LDIP b. Questionable in terms of over-all needs, adequate planning or proper timing.

Step 9: Note that not all projects identified by each sector may be submitted to the LDC in plenary. Because of the anticipated large number of sectoral projects it may be necessary for the LDC

to specify a maximum number that each sector may submit at any time. Hence, it is important for the sectors to select projects which they deem to be “Urgent”

Prepare Project Briefs for projects classified as “Urgent” and submit to the LDC in plenary. (See Box 5 - Contents of a Project Brief) A sample Project Brief is shown in Box 10.

Box 5											
CONTENTS OF PROJECT BRIEF											
(With Guide Questions)											
1.	Name and Type of Project <ul style="list-style-type: none"> What is the working name of the project? It must be brief and catchy Short description must be added. How would it be described in 2 – 3 sentences? Project proponent or originator of idea In what category does it fall? <ul style="list-style-type: none"> Infrastructure & other physical capital? Public and private institutions? Social, local economic development, environmental management? Other? Where is the proposed location of the project? Are the project's demands on the natural resources assured of being met for the life of the project? Would the project be at any risk from environmental or human-made hazards? Are the project's demands on the natural resources assured of being met for the life of the project? 										
2.	Activity Components <ul style="list-style-type: none"> State indicative duration of each component. <i>What places, activities, and groups in the same area are targeted by the project?</i> List the things that need to be done to produce the desired output <ul style="list-style-type: none"> Is a formal feasibility/ design study required? Who would manage implementation? What complementary measures are needed to ensure project success or reinforce the intended effects? Who would manage implementation? 										
3.	Estimated Cost of Resource Inputs - What amount of implementation funding is required? Classified into human power, materials, equipment, etc. by activity component, where applicable and in pesos if possible) <table border="0"> <tr> <td>• Materials</td> <td>_____</td> </tr> <tr> <td>• Human Resources (Labor)</td> <td>_____</td> </tr> <tr> <td>• Equipment</td> <td>_____</td> </tr> <tr> <td>• Etc.</td> <td>_____</td> </tr> <tr> <td>TOTAL</td> <td>Php _____</td> </tr> </table> <ul style="list-style-type: none"> What is the likely funding source? Is the project expected to be financially self-sustaining? 	• Materials	_____	• Human Resources (Labor)	_____	• Equipment	_____	• Etc.	_____	TOTAL	Php _____
• Materials	_____										
• Human Resources (Labor)	_____										
• Equipment	_____										
• Etc.	_____										
TOTAL	Php _____										
4.	Justification of the Project <ul style="list-style-type: none"> Rationale / objective derived from the CLUP/ CDP Indicate the issue being addressed as identified in the plan What indicators of development does the proposed project address? On what other places is the project likely to have an effect, and how? What social and economic activities in what locations are likely to be affected by the project, and how? In what way, if any, is the proposed project related to other planned or on-going area development activities? 										
5.	Target Beneficiaries <ul style="list-style-type: none"> Population Sectors or geographical areas Specify how men and women or specific areas will be benefited 										
6.	Target Outputs or Success Indicators <ul style="list-style-type: none"> Quantify if possible Include indicator of success and means of verification What complementary measures are needed to ensure project success or reinforce the intended effects? Will the project lower transaction cost? Will the project reduce barriers to participation? Will the project increase local area employment? Will the project increase income multiplication? What will be the public revenue and expenditure impacts of the project? Is the project meant to improve area socio-economic performance in any other ways? 										
7.	Possible Risks or External Factors that Could Frustrate the Realization of the Project <ul style="list-style-type: none"> May be natural, social, economic, etc. 										
8.	Expected Private Sector Response <ul style="list-style-type: none"> Specify desired private sector participation, e.g., investments What are the expected responses by the private sector and other stakeholders to the changes that will result from the project? 										

Box 6
SAMPLE PROJECT BRIEF

Name of Program:	Socialized Housing and Resettlement Program								
Brief Description:	This program involves the development of 3 hectares of the 20-hectare site in Bonuan Boquig into housing units for the homeless and the less privileged.								
Program Components:	<div>Phase 1</div> <div><div>1. Land Acquisition</div><div>6 months</div></div> <div><div>2. Plan Preparation</div><div>12 months</div></div> <div><div>» Survey</div><div>» Documentation</div><div>» Detailed Architectural Engineering</div><div>» Community Organization</div><div>» Social Preparation</div></div> <div><div>3. Program Implementation</div><div>18 months</div></div>								
Proponents:	City Government -Task Force on Housing, CMO, CEO, CPDO, NHA in partnership with the Private Sector								
Justification:	The less privileged, particularly men and women living in danger zones such as river easements, railroad tracks, near open dump sites, etc. shall have the opportunity to safe and decent housing.								
Intended Beneficiaries:	Landless Dagupeño men and women, legitimate squatters, and government employees								
Estimated Cost:	<div>Phase 1</div> <table><tr><td>Land Acquisition (10 hectares)</td><td>P 58 Million</td></tr><tr><td>Land Development /Plan Preparation</td><td>100 Million</td></tr><tr><td>Cost of Construction (1,000 units/ha)</td><td>600 Million</td></tr></table>			Land Acquisition (10 hectares)	P 58 Million	Land Development /Plan Preparation	100 Million	Cost of Construction (1,000 units/ha)	600 Million
Land Acquisition (10 hectares)	P 58 Million								
Land Development /Plan Preparation	100 Million								
Cost of Construction (1,000 units/ha)	600 Million								
Program Term:	Phase 1: 3 Years								
Target Output/ Success Indicators:	<div>1. Increased number of families with housing</div> <div>2. Reduced number of squatters</div>								
Possible Risks:	<div>1. Lack of funds</div> <div>2. Opposition from affected stakeholders (i.e., landowners, squatters. Etc.)</div> <div>3. Lack of political will</div>								
Expected Private Sector Response:	Their involvement is expected in program implementation								

Table 29 - NATIONAL GOVERNMENT FUNCTIONS DEVOLVED TO LOCAL GOVERNMENT UNITS PURSUANT TO SECTION 17 OF THE LOCAL GOVERNMENT CODE OF 1991

FUNCTIONAL AREA	BARANGAY	MUNICIPALITY	PROVINCE	CITY
AGRICULTURE	<ul style="list-style-type: none"> Agricultural support services, e.g. Planting materials distribution, farm produce collection, buying station 	<ul style="list-style-type: none"> Extension & on-site research for agriculture, fishery, livestock & poultry (mainly seed production & distribution) Quality control of copra Improvement & development of local distribution channels, e.g. cooperatives Inter-barangay irrigation systems Soil & water use and conservation Enforcement of fishery laws in municipal waters Conservation of mangroves 	<ul style="list-style-type: none"> Extension & on-site services & facilities including control of pests & diseases Dairy farms, livestock markets, animal breeding & artificial insemination centers Assistance to farmers & fishermen organizations Transfer of appropriate technology 	<ul style="list-style-type: none"> Same as those of provinces & municipalities
PUBLIC BUILDINGS & OPEN SPACES	<ul style="list-style-type: none"> Multi-purpose hall, multi-purpose pavement, sports center, plaza, etc 	<ul style="list-style-type: none"> Municipal buildings, cultural centers, public parks, playgrounds, sports facilities & equipment Public cemetery 	<ul style="list-style-type: none"> Provincial building, freedom parks & similar public assembly areas 	<ul style="list-style-type: none"> Same as those of provinces & municipalities
TRANSPORT & COMMUNICATIONS			<ul style="list-style-type: none"> Inter-municipal telecommunication services 	<ul style="list-style-type: none"> Adequate communication & transportation facilities
HOUSING			<ul style="list-style-type: none"> Low cost & other mass dwelling projects 	<ul style="list-style-type: none"> Same as those of province
PUBLIC ENTERPRISES		<ul style="list-style-type: none"> Public markets, slaughterhouses & other municipal enterprise 		<ul style="list-style-type: none"> Same as those of the municipality
JUSTICE & PROTECTIVE SERVICES	<ul style="list-style-type: none"> Maintenance of Katarungang Pambarangay 	<ul style="list-style-type: none"> Sites for police & fire stations & substations Municipal jail 	<ul style="list-style-type: none"> Provincial jails 	<ul style="list-style-type: none"> Same as those of provinces & municipalities

Table 29 - NATIONAL GOVERNMENT FUNCTIONS DEVOLVED TO LOCAL GOVERNMENT UNITS PURSUANT TO SECTION 17 OF THE LOCAL GOVERNMENT CODE OF 1991 (Sec. 17) (cont'd)

FUNCTIONAL AREA	BARANGAY	MUNICIPALITY	PROVINCE	CITY
HEALTH	<ul style="list-style-type: none"> • Maintenance of barangay health center & day care center • Services & facilities on general hygiene & beautification • Solid waste collection 	<ul style="list-style-type: none"> • Maternal & child care • Control of communicable & non-communicable diseases • Access to secondary & tertiary health services • Purchase of medicines, medical supplies & necessary equipment • Solid waste disposal system • Services & facilities related to general hygiene & sanitation 	<ul style="list-style-type: none"> • Hospitals & other tertiary health services & facilities 	<ul style="list-style-type: none"> • Same as those of provinces & municipalities
INFRASTRUCTURES	<ul style="list-style-type: none"> • Maintenance of barangay roads & bridges & water supply system 	<ul style="list-style-type: none"> • Municipal roads & bridges • School buildings & facilities for elementary & secondary levels • Clinics, health centers, etc. • Communal irrigation, simple water impounding projects, etc. • Fish ports • Artesian wells, spring development, rain water collection systems, etc. • Seawalls, dikes, drainage & sewerage & flood control • Traffic signals & road signs 	<ul style="list-style-type: none"> • Provincial roads & bridges • Inter-municipal waterworks, drainage, sewerage, flood control & irrigation projects • Reclamation projects 	<ul style="list-style-type: none"> • Same as those of provinces & municipalities
INFORMATION SERVICES	<ul style="list-style-type: none"> • Information & reading centers 	<ul style="list-style-type: none"> • Maintenance of public library • Information on investments & job placements • Tax & marketing information systems 	<ul style="list-style-type: none"> • Upgrading & modernization of tax information & collection services • Industrial research & development services & technology transfer • Investment support services including access to credit financing 	<ul style="list-style-type: none"> • Same as those of provinces & municipalities

Table 29 - NATIONAL GOVERNMENT FUNCTIONS DEVOLVED TO LOCAL GOVERNMENT UNITS PURSUANT TO SECTION 17 OF THE LOCAL GOVERNMENT CODE OF 1991 (Sec. 17) (cont'd)

FUNCTIONAL AREA	BARANGAY	MUNICIPALITY	PROVINCE	CITY
TOURISM		<ul style="list-style-type: none"> • Tourism facilities & other tourist attractions including acquisition of equipment • Regulation & supervision of business concessions • Security services for tourism facilities 	<ul style="list-style-type: none"> • Tourism development & promotion program 	<ul style="list-style-type: none"> • Same as those of provinces & municipalities
WELFARE		<ul style="list-style-type: none"> • Program on child & youth welfare, family & community welfare, welfare of elderly & disabled persons • Community-based rehabilitation programs for beggars, street children, scavengers, juvenile delinquents, & victims of drug abuse • Livelihood & other pro-poor projects • Nutrition services • Family planning services 	<ul style="list-style-type: none"> • Welfare services for rebel returnees and evacuees • Relief operations • Population development services 	<ul style="list-style-type: none"> • Same as those of provinces & municipalities
NATURAL RESOURCES & ENVIRONMENT		<ul style="list-style-type: none"> • Community-based forestry projects • Management & control of communal forest • Establishment of tree parks, greenbelts, etc. • Environmental management system 	<ul style="list-style-type: none"> • Enforcement of community-based forestry laws, pollution control law, small-scale mining law & other laws on environmental protection • Establishment of mini-hydro electric projects for local purposes only 	<ul style="list-style-type: none"> • Same as those of provinces & municipalities

LDIP Proper:

The process of preparing the LDIP consists of three (3) streams:

1. Stream 1 – This involves the preparation of a ranked list of programs and projects with their individual and cumulative cost estimates.
2. Stream 2 – This has to do with determining available funds for investment; and
3. Stream 3 – This necessitates matching the fund requirements with projected funds available and deciding on financing options should the funds available are insufficient.

The process flow is illustrated in the chart below:

Figure 22
LDIP PROCESS AS LINK BETWEEN DEVELOPMENT PLANNING AND BUDGETING

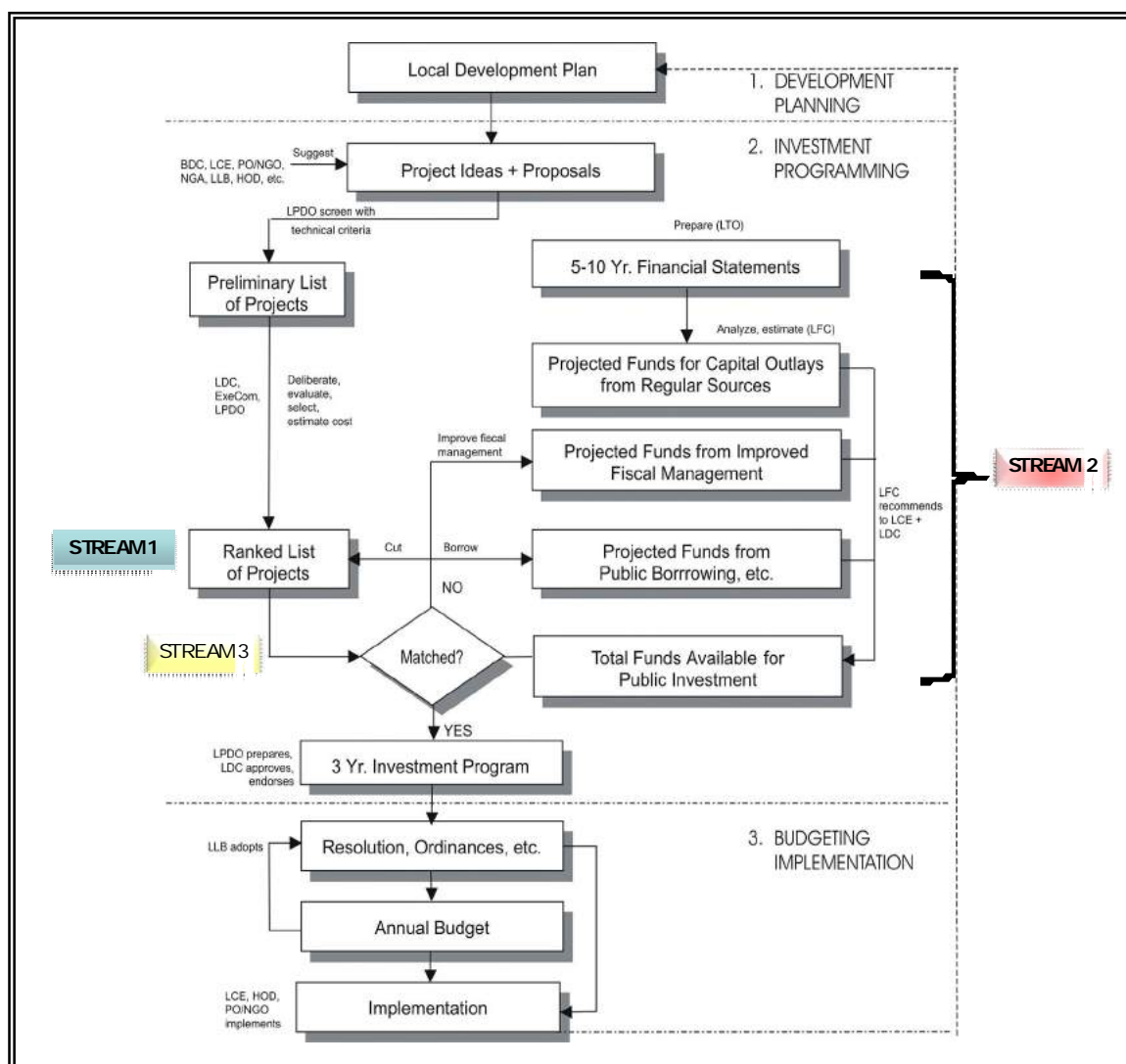


Chart designed by: Prof. Ernesto M. Serote

Stream 1: Preparing the ranked list of projects

The ranking of proposed projects included in the preliminary list resulting from the pre-LDIP activities allows for social and political considerations to be inputted into the project identification and prioritization process. It facilitates the trimming down and modification of the project list in subsequent streams of the LDIP process.

For these purposes, a Goal Achievement Matrix (GAM) is utilized.

The Goal Achievement Matrix

The **Goal Achievement Matrix (GAM)** is essentially a listing of the LGU's social and political goals, weighed according to the local administration's priorities and commitments and consensus – based sectoral goals set by the community. The extent to which proposed projects contribute to the attainment of these goals is then estimated.

Each LGU, through its LDC, should formulate its own GAM according to its development goals.

The GAM method is highly participatory because it allows various sectors of the community to express their bias through the weighing of each goal according to their perception of its relative importance to their sector.

Using GAM for ranking projects

The rating of each project according to its perceived contribution to the achievement of each goal is quite simple.

- Step 1: Call and organize a workshop with participants representing various societal sectors in the LGU, e.g. business, academe, farmers and fisherfolk, women, religious, government, indigenous peoples, youth, elderly, etc.
- Step 2: Select any ten (10) or more projects as may be determined by the LDC from the preliminary list of projects submitted by the sectoral committees which are classified as "Urgent".
 - a. Make sure your projects are really projects, not services, not legislation.
 - b. Make sure your projects are LGU-owned, or co-owned with the national government or private sectors.
- Step 3: List the 10 or more projects corresponding to the numbers in the GAM Form. (See Figure ____ - Sample GAM Form 1 and Table ____ - Sample GAM with Inputs from One Societal sector)
- Step 4: Based on the perceived importance of each goal to the interests of the sector a group represents, assign weights to each goal. The numerical total of the weights should be 1 or 100%.
- Step 5: Rate each proposed project using the following scale: (Figure ____: Sample GAM Form with Rating Per Goal))
 - 3 - Project contributes greatly to the fulfillment of the goal.
 - 2 - Project contributes moderately to the fulfillment of the goal.
 - 1 - Project contributes slightly to the fulfillment of the goal.
 - 0 - Project does not contribute to the fulfillment of the goal.
 - 1 - Project slightly inconsistent with the goal.
 - 2 - Project moderately inconsistent with the goal.
 - 3 - Project greatly contradicts the goal.

FIGURE 23: SOCIETAL SECTOR/STAKEHOLDER: WOMEN

SECTORAL GOALS	GOALS	SECTOR ASSIGNED WT	PROJECTS				
			1	2	3	4	5
1.	A home for people who are healthy & who are fair & just in all their dealings	15					
2.	An economy that is competitive & sustainable	30					
3.	An environment that is wholesome, tourist-friendly & ecologically balanced	18					
4.	Support infrastructures that are adequate, efficient & environmentally-compliant	25					
5.	A local governance structure that is capable, responsive & efficient	22					
6.	Optimum contribution of the city to provincial & regional development	10					
TOTAL SCORE		100					

Weight given according to the perceived importance of the goal to the interests of a societal sector.

Table 30: Sample GAM with Inputs from One Societal Sector

GOAL	WEIGHT	PROJECT NUMBER																										
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	16	17	18	20	21	22	23	24	25	26	27		
1	0.12	0.24	0.12	0.24	0.00	0.36	0.24	0.24	0.24	0.24	0.12	0.36	0.24	0.12	0.36	0.24	0.00	0.36	0.12	0.12	0.36	0.24	0.24	0.12	0.24	0.24		
2	0.12	0.24	0.36	0.24	0.24	0.24	0.24	0.24	0.36	0.24	0.12	0.36	0.24	0.24	0.36	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24		
3	0.11	0.22	0.22	0.11	0.11	0.22	0.22	0.22	0.22	0.22	0.11	0.22	0.33	0.22	0.11	0.22	0.22	0.22	0.11	0.22	0.11	0.22	0.22	0.22	0.22	0.11		
4	0.10	0.10	0.10	0.10	0.20	0.20	0.20	0.10	0.10	0.20	0.10	0.10	0.20	0.10	0.10	0.20	0.10	0.30	0.11	0.00	0.10	0.10	0.10	0.20	0.10	0.10		
5	0.11	0.33	0.11	0.00	0.00	0.11	0.11	0.22	0.33	0.11	0.11	0.11	0.22	0.00	0.33	0.11	0.00	0.11	0.00	0.11	0.33	0.00	0.11	0.11	0.11	0.22		
6	0.11	0.22	0.11	0.22	0.22	0.33	0.22	0.22	0.22	0.33	0.22	0.22	0.22	0.33	0.22	0.33	0.11	0.11	0.22	0.00	0.22	0.22	0.22	0.11	0.11	0.22		
7	0.11	0.11	0.11	0.11	0.22	0.22	0.11	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.33	0.22	0.11	-0.11	0.00	0.11	0.11	0.22	0.11	0.22	0.11		
8	0.12	0.12	0.00	0.12	0.12	0.12	0.22	0.24	0.36	0.24	0.12	0.24	0.24	0.24	0.24	0.12	0.12	0.24	0.12	0.24	0.24	0.12	0.12	0.00	0.00	0.12		
9	0.10	0.10	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.10	0.20	0.30	0.20	0.10	0.20	0.20	0.10	0.00	0.20	0.20	0.20	0.20	0.20	0.20	0.10		
Total	1.00	1.68	1.33	1.34	1.31	2	1.76	1.9	2.25	2	1.22	2.03	2.21	1.67	2.04	1.99	1.21	1.79	0.81	1.13	1.91	1.45	1.67	1.31	1.44	1.46		

FIGURE 25: SAMPLE GAM FORM WITH RATING PER GOAL

SECTORAL GOALS	GOALS	SECTOR ASSIGNED WT	PROJECTS				
			1	2	3	4	5
1.	A home for people who are healthy & who are fair & just in all their dealings	15	3				
2.	An economy that is competitive & sustainable	30	3				
3.	An environment that is wholesome, tourist-friendly & ecologically balanced	18	1				
4.	Support infrastructures that are adequate, efficient & environmentally-compliant	25	2				
5.	A local governance structure that is capable, responsive & efficient	22	1				
6.	Optimum contribution of the city to provincial & regional development	10	0				
TOTAL		100					
RANK							

This is the rating of the project vis-a-vis the goal. (See Rating Scale)

Weight given according to the perceived importance of the goal to the interests of a societal sector.

Step 6: Multiply the rating you gave by the corresponding weight of the goal and enter the product (score) in the appropriate cell. Add the scores for each project proposal.

Figure 25: Sample GAM Form with Ratings/Project By Goal

SECTORAL GOALS	GOALS	SECTOR ASSIGNED WT.	PROJECTS				
			1	2	3	4	5
1.	A home for people who are healthy & who are fair & just in all their dealings	15	3				
			45				
2.	An economy that is competitive & sustainable	30	3				
			90				
3.	An environment that is wholesome, tourist-friendly & ecologically balanced.	18	1				
			18				
4.	Support infrastructures that are adequate, efficient & environmentally-compliant	25	2				
			50				
5.	A local governance structure that is capable, responsive & efficient	22	1				
			22				
6.	Optimum contribution of the city to provincial & regional development	10	0				
			0				
TOTAL		100	125				
RANK							

8. Multiply the rating you gave by the corresponding weight of the goal and enter the product (score) in the appropriate cell. Add the scores for each project proposal.

Weight given according to the perceived importance of the goal to the interests of a societal sector.

3

This is the rating of the project vis-a-vis the goal. (See Rating Scale)

Sector-assigned wt. X Rating = score

Step 7: Using the suggested form below, add all sectoral group scores as presented in the summary of GAM scores. (Also see Sample in Table 30)

Table 31 - SAMPLE GAM FORM 2 SUMMARY OF SOCIETAL SECTOR SCORES								
PROPOSED PROJECTS	SECTORS						TOTAL SCORE	RANK
	A (Women)	B (Business)	C (Fisherfolk)	D (Elderly)	E (Agriculture)	F (PWDS)		
Project 1								
Project 2								
Project 3								
Project 4								
Project 5								
Project n								
INSTRUCTIONS: 1. List all sector scores for each project. 2. Sum the scores for each project and list the total score in the column provided. 3. List the rank of each project based on the total scores in the last column.								
Interpretation: The resulting ranking represents the collective evaluation of the project proposals by the LDC.								

Table 32: Sample Summary of Societal Sectors' Ratings (Excerpts from Dagupan City CDP)												
No.	PROJECT	Ratings by Societal Groups									Total Score	Rank
		WOMEN	BUSINESS	FISHERFOLK	ELDERLY	AGRICULTURE	RELIGIOUS	FISHERFOLK	YOUTH	PMDS		
1	Bulilit Ko Pan-Aralen Ko: A Pre-School Education Access Program	1.68	1.77	2.73	0.8	0.8	1.57	1.36	0.75	0.58	12.04	6
2	Dagupan City Ecological Waste Management Plan	1.33	2.71	2.49	1.91	1.2	1.55	1.36	1.63	1.49	15.69	1
3	Upgrading of Water Transport Facilities	1.34	.15	2	1.51	1.62	1.72	1.09	1.96	1.13	12.37	5
4	Modern Slaughterhouse	1.31	1.31	1.65	1.13	1.03	1.48	1.66	1.01	1.46	11.98	7
5	Panangidaungay Bangus (Dagupan City Wholesale Fish Trading Center)	2	1.42	2.49	1.22	1.51	1.69	1.74	1.83	1.3	15.2	3
6	Information and Education Campaign on the CLUP/Zoning Ordinance	1.76	1.66	1.8	2.3	1.56	1.38	1.24	2.22	1.36	15.18	4
7	Redevelopment of Tondaligan People's Park	1.9	1.11	2.22	1.24	0.89	1.97	1.79	2.05	2.01	15.18	4
8	Droga Ed Pantal Agko Gabay	2.25	2.33	1.84	1.64	1.29	1.78	1.57	1.1	1.64	15.44	2
9	MIS for Zoning and Tax Mapping Project	2	1.17	1.53	1.31	1.27	0.96	1.38	0.44	0.93	10.76	8
10	Comprehensive Urban Disaster Preparedness and Management Plan	1.45	1.84	2.18	1.89	1.26	1.34	1.85	1.62	1.51	14.94	4

Step 8: Finally, arrange projects according to their total scores. The project with the highest total score is ranked as number one, the next number two, and so on.

Step 9: Estimate project cost. Two columns for estimated costs are displayed. One column shows the individual cost of each project and the other reflects the cumulative or running total.

For some projects, cost estimates may already be available as may be shown in their project briefs. In this case, the LPDO only needs to validate or refine the estimates. A ranked list of proposed projects with cost estimates and other information may be shown using Form 4.

"Park" the list then proceed to Stream 2.

Table 33: Sample Format – Ranked List of Proposed Projects for Investment Programming

RANKED LIST OF PROPOSED PROJECTS FOR INVESTMENT PROGRAMMING				
RANK	PROPOSED PROJECT/ FILE NO.	LOCATION / SECTOR	COST ESTIMATE	
			INDIVIDUAL	CUMULATIVE
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

Table 34 - Example of Ranked List of Projects with Cost Estimates

Rank	Project Title	Type	Sector	Cost Estimate (Pesos)	
				Individual	Cumulative
1	Socialized Housing and Resettlement Program	Hard	Social	758,000,000	758,000,000
2	Katipunan Kakasilan Na Too Ed Dagupan	Soft	Social	5,900,000	763,900,000
3	Dagupan Bangus Processing Plant	Hard	Economic	150,000,000	913,900,000
4	Dagupan City Tourism Master Development Plan and Promotion	Soft	Economic	4,000,000	917,900,000
5	Transportation and Traffic Management Plan for Dagupan City	Soft	Land Use & Infrastructure	940,000	918,840,000
6	River Study Project	Hard	Environment	2,000,000	920,840,000
7	Malingas Tan Marakep Ya Ilog (Pantal Riverside Redevelopment)	Hard	Land Use & Infrastructure	8,606,000	929,446,000
8	Urban Green Space Enhancement & Rehabilitation of Dagupan City	Hard	Environment	5,300,000	934,746,000
9	Dagupan City Ecological Waste Management Plan	Soft	Environment	26,700,000	961,446,000
10	Moral Renewal and Capability Building Program	Soft	Institutional	1,620,000	963,066,000
11	Droga Ed Pantal Agko Gabay	Soft	Social	393,000	963,459,000
12	Panangidaungay Bangus (Dagupan City Wholesale Fish Trading Center)	Hard	Land Use & Infrastructure	104,580,000	1,068,039,000

Stream 2: Determining Investible Funds

The Local Finance Committee, composed of the LPDC, the Budget officer and the Treasurer, is charged with the setting of the level of the annual expenditures and the ceilings of spending for economic, social and general services based on the approved local development plans. (Sec. 316 (c), RA 7160).

The LDC, in close coordination with the LPDC, should undertake the required financial plan development for consideration and approval of the Sanggunian.

Determining level of investible funds

The process of determining the level of investible funds must be done in a transparent manner with all the assumptions and considerations clearly defined.

The number of public projects that an LGU can finance depends on the following:

1. Revenue level of the LGU
2. Level of recurring local government operating expenditures
3. Current public debt level
4. Statutory debt ceiling
5. Potential sources of additional revenue available for investment project financing

Revenue is defined as any inflow of funds to the LGU regardless of whether the source is repayable or not.

Step 1: Collect appropriate revenue data and determine historical trends

- a. Collect data on revenue and expenditures for the past 3 – 5 years.
- b. Analyze the historical trends in terms of the average annual growth rate.

In more specific terms, historical analyses need to be done on the following revenue items using the suggested forms.

i. Recurring Revenue Sources:

- Real Property Taxes (Form 5: Sample RPT Data Collection and Historical Growth Trend Analyses Table)

Table 35: Sample Form 5 – Time Series Record of property Tax Revenue

FORM 5: TIME SERIES RECORD OF PROPERTY TAX REVENUE										
YEAR	(1) ASSESSED VALUATION		(2) TAX RATE			(3) TAX LEVY		(4) COLLECTION AS % OF LEVY	(5) TOTAL REVENUE FROM PROPERTY TAXATION	
	(a)	(b)	(a)	(b)	(c)	(a)	(b)		(a)	(b)
	Amount	% Change	General	SEF	Total	Amount	% Change		Amount	% Change
1										
2										
3										
4										
5										

- Business Fees and Licenses (Form 6: Time Series Record of Revenues Other Than Property Tax)
- Other taxes (Form 6)
- Service and Operations Income (Form 6)
- Internal Revenue Allotment (Form 6)

Table 36: Sample Form -Time Series Record of Revenue Other Than Property Tax

FORM 6: TIME SERIES RECORD OF REVENUE OTHER THAN PROPERTY TAX														
YEAR	(1) BUSINESS FEES & LICENSES		(2) OTHER TAXES		(3) SERVICES & OPERATIONS		(4) TOTAL LOCAL REVENUE		(5) INTERNAL REVENUE ALLOTMENT		(6) ALL OTHERS		(7) GRAND TOTAL	
	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change
1														
2														
3														
4														
5														

(Note: The exercise will require 3 – 5 years of historical data to be used as the basis for a 3 – year projection.)

INSTRUCTIONS:

- Enter the amount of revenue from each source in the appropriate column.
 - Operating and service income covers public markets, slaughterhouses and other LGU economic enterprises.
 - IRA refers to the Internal Revenue Allotment.
 - All others include Other Grants, and inter-government and inter-fund transfers.
- Compute the % change over the preceding year and enter the results in the appropriate columns.

ii. Non – recurring revenue sources (Form 6)

- Grants – in – aid from local and foreign sources
- Special appropriations or transfers from Congress or other units of government
- Inter – fund transfers
- Inter – local government transfers

Step 2: Collect appropriate operating expenditure data including existing debt service and determine historical trends.

a. Operating expenditures include the following:

- i. Personal Services, including social charges (PS)
- ii. Maintenance and other operating expenses (MOOE), such as office supplies, utilities (power, water, telecommunications), office equipment and miscellaneous expenses.

b. Historical analyses need to be done on the following expenditure items using the suggested form. (Form 7).

- i. General Public Services
- ii. Social Services
- iii. Economic Services
- iv. All Others

Table 37: Sample Form 7 – Time Series Record of LGU Operating Expenditure

FORM 7 – TIME SERIES RECORD OF LGU OPERATING EXPENDITURE										
YEAR	(1) GENERAL PUBLIC SERVICES		(2) SOCIAL SERVICES		(3) ECONOMIC SERVICES		(4) ALL OTHERS		(7) GRAND TOTAL	
	(a) Amount	(b) % Change	(a) Amount	(b) % Change	(a) Amount	(b) % Change	(a) Amount	(b) % Change	(a) Amount	(b) % Change
1										
2										
3										
4										
5										

(Note: The exercise will require 3 – 5 years of historical data to be used as the basis for a 3 – year projection.)

INSTRUCTIONS:

For each year:

- (1) Enter the amount of operating expenditure in the appropriate column.
Note that debt and capital expenditures are excluded.
Column headings should reflect the major operating expenditure categories in the LGU.
Note:
 - a. General public services include LGU administration, peace and order, etc.
 - b. Social services include education, health, welfare, etc.
- (2) Compute the % Change over the preceding year and enter the results in the appropriate columns.
- (3) The exercise will require 3 to 5 years of historical data to be used as the basis for a 3-year projection.

In the case of expenditures during election years may result in abnormally high expenditure levels. Usually, such “abnormal” years need to be taken out of the projection exercise.

- c. The amount of debt service payments for existing and other anticipated LGU obligations must be established and compared to the relevant, if any, statutory debt service ceilings. The suggested form (Form 8) may be used for this purpose.

Table 38: Sample form 8 – Obligated Debt Service Expenditure

FORM 8 – OBLIGATED DEBT SERVICE EXPENDITURE			
YEAR	(1) PRINCIPAL	(2) INTEREST	(3) TOTAL (1+2)
1			
2			
3			
4			
5			

(NOTE: This exhibit presents existing debt service requirements and, therefore, involves no projections.)

INSTRUCTIONS:

- Simply compile the total debt service requirements for local general debt obligation for each of the 3 – year projection period for all LGU obligations from existing accounting records.
- Enter these amounts in the appropriate columns.

Step 3: Establish structural relationships of revenue and expenditure items to population and economic development.

Among the key factors that must be considered in assessing structural relationships between revenue and expenditure items are the following:

- Overall national and regional economic picture, including development trends;
- Demographic shifts; and
- Changes in the local market, particularly in the local labor market.

Box 7	
TIPS AND NOTES FOR CONDUCTING HISTORICAL TRENDS ANALYSES	
1.	Distinguish between recurring revenue sources and non-recurring ones. The LDIP needs a stable source of financial resources that depend on revenue sources which are assured of being collected every year.
2.	Distinguish between the impact on revenue volume of the: <ol style="list-style-type: none"> Changes in the tax base, such as increases in the number of taxable structures or business; and Changes in tax rates
3.	Take into consideration an unusually large increase in particular revenue source for a particular year which may be attributed to: <ol style="list-style-type: none"> Change in rates, New system of billing and collection, or Other procedural and systems improvements, e.g., granting of tax amnesty, enactment of new tax laws and ordinances
Increases attributed to the above cannot be expected to continue in the future. Therefore, their impact must be segregated in the analyses.	

Step 4: Project future recurring revenue and operating expenditure levels

Future recurring levels can be projected based on a careful assessment of all probable factors that affect each revenue source.

- RPT collection should be projected separately because of its large contribution to LGU revenue sources; and because real properties will be the main beneficiary of LGU investments in terms of increased values. (See Form 9 for Sample Projection Form)

Table 39: Sample Form 9: Projection of Property tax Revenue

FORM 9 – PROJECTION OF PROPERTY TAX REVENUE							
YEAR	(1) PROJECTED ASSESSED VALUATION	(2) TENTATIVELY PROJECTED TAX RATE			(3) PROJECTED TOTAL TAX LEVY	(4) COLLECTION AS % OF LEVY	(5) PROJECTED TOTAL REVENUE FROM PROPERTY TAXATION
		(a) General	(b) SEF	(c) Total			
1							
2							
3							
4							
5							

INSTRUCTIONS:

1. Enter the Projected Assessed Valuation in Column 1 and the estimated Collection as % of Levy in Column 4.
2. Enter the tentatively Projected Tax Rates in Columns 2a and 2b and enter the total in Column 2c.
3. Multiply the Projected Assessed Valuation indicated under Column 1 by the Total Tax Rate Column in column 2c to obtain the Total Tax Levy and enter the result in Column 3.
4. Multiply Column 3 by the Collection as % of Levy as shown in Column 4 and enter the result in the Total Property Tax Revenue in Column 5.

Note: In developing this revenue base for preliminary testing, different assumptions may be used regarding the projected tax rate. For example:

1. The current tax rate can be used for the entire projection period; or
2. Some change in the tax rate can be assumed over the projection period depending on the adopted LDIP financing package.

- b. Business fees and licenses, other taxes, services and operations, and all others can be projected using either the historical growth rates (with or without adjustments) or using computed elasticities and assumed per capita income growth rates. (See Form 10 for Sample Projection form for these revenue items)

The IRA projections should already consider the increases provided for in RA 7160.

Table 40: Sample Form 10: Projection of Total Revenue

FORM 10 – PROJECTION OF TOTAL REVENUE							
YEAR	(1) PROJECTED RAL PROPERTY TAX	(2) BUSINESS FEES & LICENSES	(3) OTHER TAXES	(4) SERVICES & OPERATIONS	(5) INTERNA; REVENUE ALLOTMENT	(6) ALL OTHERS	(5) PROJECTED TOTAL REVENUE
1							
2							
3							
4							
5							

INSTRUCTIONS:

1. Get the RPT projection from Form 9.
2. Project business fees and licenses, other taxes, services and operations, and all others using either the historical growth rates (with or without adjustments) or using computed elasticities and assumed per capita income growth rates.
3. For the IRA projections, consider the increases provided for in RA 7160.
4. Enter the sums of Columns 1 to 6 to get the result for Column 5.

- c. Future normal recurring expenses can be projected using either of the following techniques:
- the historical 3 to 5 – year annual average expenditure increase; or
 - the historical average expenditure per unit of output in the case of LGU business enterprises. (See Form 11 for the Sample Projection Table)

Table 41: Sample Form 11 – Projection of LGU Operating Expenditure

FORM 11 – PROJECTION OF LGU OPERATING EXPENDITURE					
YEAR	(1) GENERAL PUBLIC SERVICES	(2) SOCIAL SERVICES	(3) ECONOMIC SERVICES	(4) ALL OTHERS	(5) GRAND TOTAL
1					
2					
3					
4					
5					

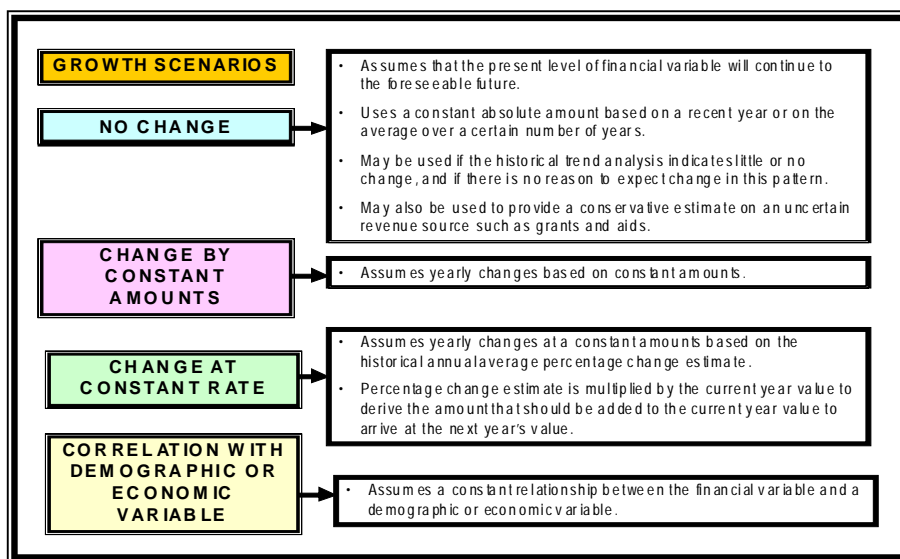
INSTRUCTIONS:

- Project business fees and licenses, other taxes, services and operations, and all others using either the historical growth rates (with or without adjustments) or using computed elasticities and assumed per capita income growth rates.
- Get the RPT projection from Form 10.
- Enter the sums of Columns 1 -4 and enter the result in Column 5.

In using either of the two techniques, factor into the projections the effects of political and organizational developments within the LGU on the future growth of various departments.

Four alternative growth scenarios can be used by the LGU in coming up with the required financial projects. (See Figure 16)

Figure 26: Financial Growth Scenarios



Step 5: Compute the financial surplus available for the financing of new investments.

The following computational procedure can be used to establish the new investment financing capacity of the LGU.

- a. Project Revenues
- b. Deduct projected operating expenditures
- c. Deduct existing debt service requirements
- d. Balance is the amount available for new investment financing

(See Form 12 for the Sample Projection of New Investment Financing Potential Table)

Table 42: Sample Form 12 – Projection of New Investment Financial Potential

FORM 12 – PROJECTION OF NEW INVESTMENT FINANCING POTENTIAL						
ITEM NO.	ITEM	YEAR				
		1	2	3	4	5
1	Projected Revenue					
2	Less: Projected Operating Expenditures					
3	Sub – Total (Item 1 minus Item 2)					
4	Less: Obligated Debt Service					
5	New Investment Potential (Item 3 minus Item 4)					
INSTRUCTIONS: <ol style="list-style-type: none"> 1. Item No. 1 is to be taken from Form 10. 2. Item No. 2 is to be taken from Form 11. 3. Item No. 4 is to be taken from Form 8. 						

After determining the future revenue inflows and the corresponding revenue outflows, the new investment financing capacity of an LGU can be established.



Stream 3: Formulating the Financing Plan

A 3 – year planning horizon shall be adopted to coincide with the tenure of local officials.

Step 1: 1st Round Matching – The purpose of this matching is to determine:

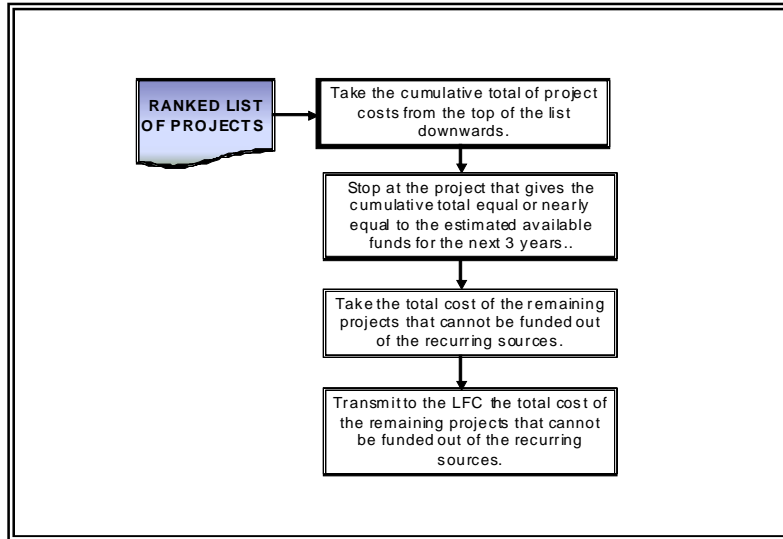
- a. how many of the approved projects can be funded from regular sources for the 3 – year period; and
- b. how many may have to be financed from other sources.

The procedure in undertaking this exercise is illustrated in Figure 17:

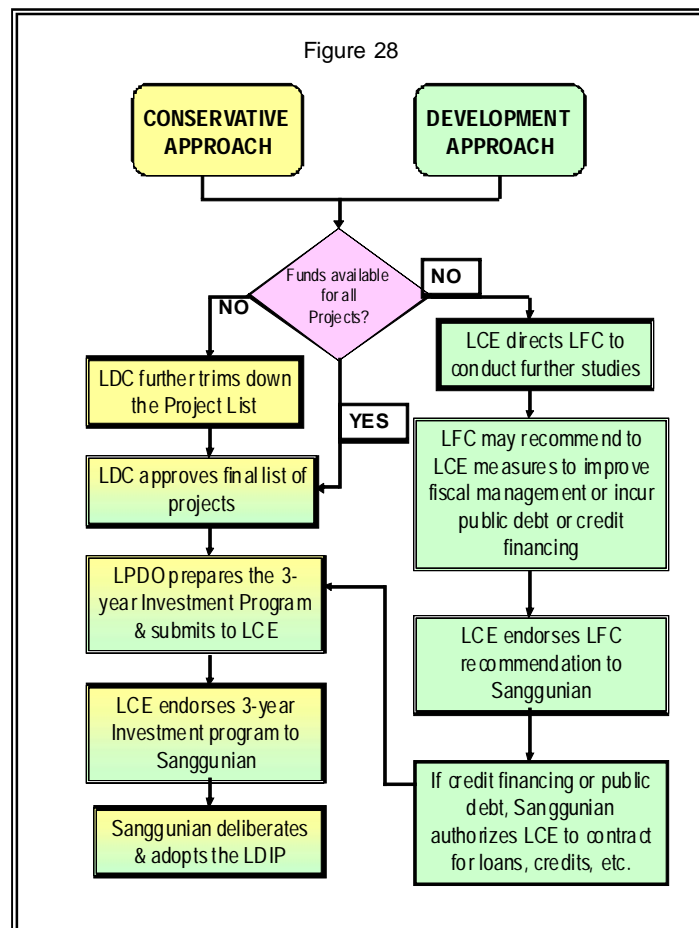
Step 2: LDC evaluates the ranked list of projects with their individual and aggregate cost estimates.

- a. The LDC approves the final list of projects when a proper match is attained between total project cost and available funds on a year-by-year basis through a vote or consensus.
- b. The LPDO then prepares the investment program.
- c. If the aggregate cost is more than the amount of available investible funds, the LDC deliberates on and decides what financing approach to take.

Figure 27: Flow Chart showing Matching of Fund Requirements with Available Funds



Three financing approaches are available to LGUs (Figure 18.)



These include the following:

a. Conservative Approach

If the Local Finance Committee (LFC) chooses the **Conservative Approach**, this will involve the following actions:

- i. The LDC further trims down the project list.
- ii. The trimming process starts with the grouping of projects following the ranked list and taking a running total of the cost.
- iii. When the total cost equals or nearly equals the available funds for the 1st year, the corresponding group of projects comprises the 1st year capital investment program.
- iv. The same procedure is repeated for the 2nd and 3rd year investment programs.

b. Developmental Approach

If the LFC chooses the **Development Approach**, the following strategies may be investigated to determine their impact on savings for the next two to three years.

- i. Improve fiscal management by:
 - a) Increasing the collection efficiency;
 - b) Curbing some expenditures which may not be absolutely necessary e.g. freeze on hiring of new personnel, stopping the allocation of district funds for Sanggunian members, or reducing the number of official travels;
 - c) Imposing betterment levy (Sections 240 – 245 of RA 7160);
 - d) Imposing tax on idle lands (Sections 236 – 239, RA 7160).
 - e) Incurring public debt or financing using any of the following modalities allowed by the Local Government Code:
- ii. Contracting for loans, credits and other forms of indebtedness with any government or domestic private bank and similar lending institutions (Sec. 297, RA 7160) - Title IV of the Local Government Code provides the legal basis for the LGUs to create indebtedness and avail of credit facilities with any government or domestic private bank and other lending institutions to finance infrastructure and other socio-economic development projects in accordance with the approved local development plan and public investment program.
- iii. Deferred payment and similar financial schemes for land acquisition, among others (Sec. 298, Sec. RA 7160)
- iv. Issuance of bonds, debentures, securities, collaterals, notes and other obligations, to finance the LGU's self-liquidating, income producing development or livelihood projects pursuant to the priorities established in the approved local development plan and subject to the rules and regulations set by the Central Bank and Securities and Exchange Commission. (Sec. 299, RA 7160)
- v. Contracting for loans, credits and other obligations with other LGUs (Sec. 300, RA 7160)

Concerned LGUs may extend loans, grants or other subsidies to other LGUs under such terms and conditions as may be agreed upon by the contracting parties. These may be agreed upon by provinces, cities and municipalities, upon the approval of the majority of the local sanggunian concerned in amount not exceeding their surplus funds.

A compilation of information on non-traditional sources of funds may be found in the Resource Finder, a publication of the DILG with assistance from the Local Government Support Program (LGSP).

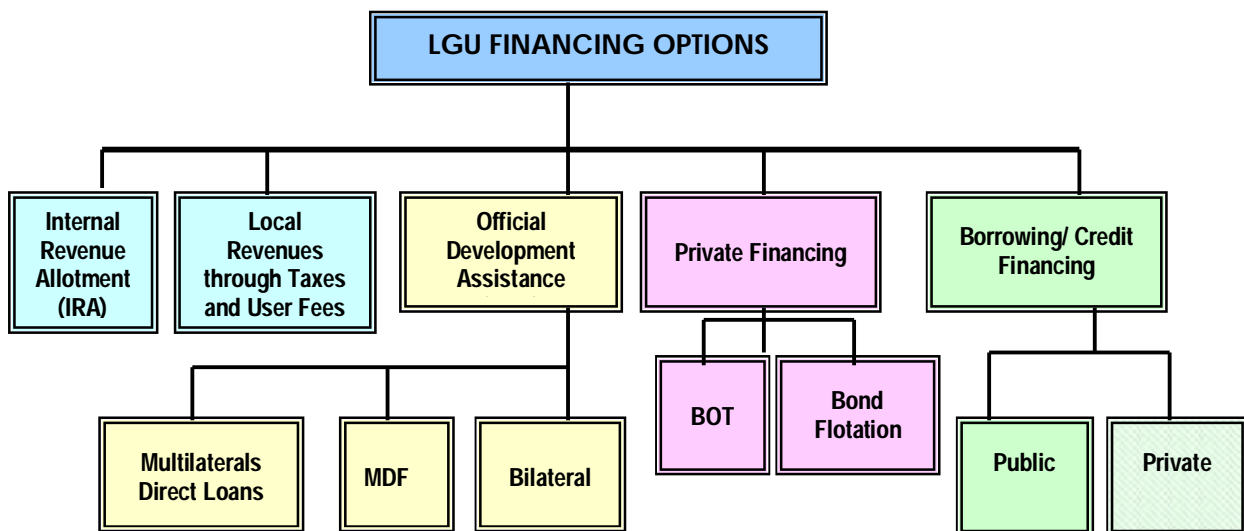
- vi. Borrowing from the national government through its re-lending institutions using funds secured from foreign sources (Sec. 301, RA 7160).
- vii. Pre – financing by the private sector through the build – operate – transfer (BOT) scheme (Sec. 302, RA 7160 and RA 6957).
- viii. Accessing Official Development Assistance

Official development assistance (ODA) is defined as those flows to developing countries which are provided by official agencies, including state and local governments, or by their executive agencies. It can be bilateral or multilateral technical assistance and loans.

Bilateral transactions are those undertaken by a donor country directly with an aid recipient. Multilateral contributions are those made to a recipient institution which is an international agency, institution or organisation whose members are governments, or a fund managed autonomously by such an agency.

The ODA is administered with the promotion of the economic development and welfare of developing countries as its main objective. ODA flows are either loan or grant. ODA loans are concessional in character (low interest rate if loans) and sometimes, contain a grant element of at least 25%.

Figure 20
LGU Financing Options



c. Pragmatic Approach

This is a combination of the first two approaches. The points of difference and similarity cannot be specified. But in general, the approach entails being conservative during the initial years and eventually becoming developmental as the status of local finances and sources improve. The procedural steps therefore can freely shift from the conservative to the developmental approach as the situation demands.

After assessing the amount of project financing that could be generated from each of the above modes the actions listed below follow:

- a. The LFC recommends one or two modes to the LCE;
- b. The LCE endorses the LFC's recommendation to the Sanggunian;

- c. The Sanggunian may, by resolution, authorize the office of the LCE to enter into contracts for loans, credits and other forms of indebtedness;

Step 3: The LPDO prepares the 3 – year investment program and submits the draft LDIP to the LCE;

Step 4: The LCE endorses the draft LDIP for adoption;

Step 5: The Sanggunian deliberates on the draft LDIP;

Step 6: The Sanggunian, through a resolution adopts the 3 – year investment program or LDIP.

Role of the province in local development investment programming of its component LGUs

1. Identify areas for complementation of PPAs between and among provinces and their component cities/municipalities
2. Sangguniang Panlalawigan may effect reconciliation and integration of programs, projects and activities by exercising its power of automatic review of all policies and actions of the component LGUs.
3. The province may develop and undertake joint programs or augment the financial resources of its component cities and municipalities in implementing programs and projects that have significant impacts on the province as a whole; and
4. The province may enjoin component cities and municipalities to provide counterpart resources to implement programs and projects initiated by the province that have significant impacts on the entire province.

Participation of national government agencies in local development investment programming

1. Provide guides on making LDIP responsive to specific issues and concerns;
2. Influence LDIP by resources leveraging, lobbying and other techniques for pushing their programs, concerns and advocacies;
3. Promote the participation of concerned sectoral groups in the preparation of AIP;
4. Pick-up relevant programs and projects for inclusion in NGA programs;
5. Offer definite resource inputs to augment LGU resources;
6. Lobby for the integration of NGA programs/projects/services addressing concerned development / sectoral issues in the AIP; and
7. Urge LGUs to give priority to local projects identified by or addressing the needs of marginalized and vulnerable groups and to those that are mandated by/ consistent with national laws and/or that will reinforce the effects of particular national programs

Preparing the AIP

In accordance with the provisions of JMC No. 001 series of 2007, the LDC shall cull out the AIP from the current slice of the LDIP, which upon approval of the Sanggunian, shall serve as the basis for preparing the Executive Budget. The LDC shall endorse the AIP to the local budget officer for the budget preparation and in determining the annual budgetary allocations for PPA vis-à-vis allocations for other purposes as indicated in the AIP Summary Form. (see Table 28)

SUMMARY FORM

Table 43: AIP Summary Form
CY ____ Annual Investment Program (AIP)
 By Program/Project/Activity by Sector
 As of _____

Province/city/Municipality/Barangay _____

AIP REFERENCE CODE (1)	PROGRAM/PROJECT/ACTIVITY DESCRIPTION (2)	IMPLEMENTING OFFICE/ DEPARTMENT (3)	SCHEDULE OF IMPLEMENTATION		EXPECTED OUTPUTS (6)	FUNDING SOURCE (7)	AMOUNT (in thousand pesos)						
			STARTING DATE (4)	COMPLETION DATE (5)			Personal Services (PS) (8)	Maintenance and other Operating Expenses (MOOE) (9)	Capital Outlay (10)	Total (11)			
General Public Services (10)	<div style="border: 2px solid black; padding: 10px;"> <p>Instructions: this form shall be prepared by the Planning and Budget officers of the local government unit based on the approved Local Development Plan of the LGU as approved by the Sanggunian. The annual components of the Capital Expenditure (Capex) shall be inputted by the planning Officer and shall be integrated by the Budget Officer together with the Personal Services (PS), Maintenance and Other Operating Expenses (MOOE) and other Capital Outlay (CO) into the total resource Annual Investment Program as the basis for the preparation of the Annual Budget.</p> <p>Column 1: Indicate the reference code for the sector/sub-sector as per UBOM in order to facilitate consolidation of requirements.</p> <p>Column 2: Describe briefly the program/project/activity to be implemented and accomplished by the LGU (i.e. infrastructure projects, programs or activities)</p> <p>Column 3: Identify the office/department that will implement the program/project/activity.</p> <p>Columns 4 & 5: Specify the targeted starting and completion date.</p> <p>Column 6: Describe the output or results in quantified term (e.g. 3 kilometers of concrete road, 200 cavans of palay per hectare, 10 hectares of forested area, 400 pupils functionally literate, 5% reduction in infant mortality rate.</p> <p>Column 7: Indicate the funding source of the program/project/activity. Specify is sourced locally from the General Fund or grant/loan from outside sourcing or subsidy from the national government.</p> <p>Column 8: Indicate the estimated amount of the program/project/activity broken down into PS, MOOE and CO.</p> <p>This form has to be signed by the Local Planning and Development Officer and Budget Officer and attested by the Local Chief Executive or his duly authorized representative.</p> </div>												
Economic Services (80)													
Social Services (30)													

Prepared By:

Attested by:

Local Planning and Development Officer
 Date: _____

Budget Office
 Date: _____

Local Chief Executive
 Date: _____

PART III: IMPLEMENTING THE PLAN

Chapter 2: Preparing a Capacity Development Program

The CDP, to be implemented effectively, requires a set of competencies and institutional arrangements that should be present in the LGU. This set of competencies and institutional arrangements comprise an organization's capacity.

What is "Capacity"?

The Canadian International Development Agency- Local Governance Support Program (CIDA-LGSP) defines capacity as *"the abilities, skills, understandings, attitudes, values, relationships, behaviors, motivations, resources and conditions that enable individuals, organizations, networks/sectors and broader social systems to carry out functions and achieve their development objectives over time¹."*

This definition classifies capacity into three levels:

1. *Individual capacity* which refers to the knowledge, skills, attitudes and values of individual employees;
2. *Institutional capacity* which pertains to the organizational structure, systems and processes, motivation system, leadership, technologies, physical facilities and other organizational components that help make the system operate; and,
3. *Systems/sector capacity* which pertains to policies, societal values or attitudes, development frameworks, institutional arrangements and other elements that affect the enabling environment.

What is capacity development?

Further using CIDA definition, capacity development refers to *"the approaches, strategies and methodologies used to improve performance at the individual, organizational, network/sector or broader system level.²"* Among its key objectives are to:

1. enhance or more effectively utilize skills, abilities and resources;
2. strengthen understandings and relationships; and
3. address issues of values, attitudes, motivations and conditions in order to support development goals.

What is a Capacity Development Program (CapDev Program)?

A capacity development program is a document that

1. seeks to rationalize and strategically focus the capability building efforts of LGUs;
2. outlines the capability building interventions or programs that need to be undertaken to address an identified capability deficiency; and
3. draws the capacity development strategies, programs and initiatives that need to be undertaken to address identified organizational competency gaps, indicating the target groups, specific approaches that are recommended, resources required and the timeline.

It requires that the implementation period of the program covers the 3-year term of the local chief executive that also coincides with the term-based plan of the LGU, or the ELA, which should, in turn be the basis for setting the annual priorities of the LGU as articulated in the annual investment plan.

The benefits derived from capacity development planning are not only confined to Plan implementation but they can also last even beyond the plan period.

¹ CIDA-LGSP

² Ibid

What is the difference of a CapDev Program versus a Human Resource Development Plan?

The Human Resources Development Plan (HRD) is a component of the broader CapDev Program, the latter encompassing other elements comprising the organization. Therefore, if the capacity development plan focuses only on human resource development, then it is referred to as Human Resource Development (HRD) Plan.

At the individual level, or HRD, capability enhancement is not only confined to training. There are other modes to enhance the skills and knowledge of people in an organization. These include:

1. coaching,
2. mentoring,
3. exposure trips/exchange program, etc.

At the organizational level, capacity development interventions may include the following:

1. installation or mainstreaming of systems and structures,
2. improvement of work processes,
3. introduction of new technologies, and/ or
4. enforcement of rules

Capacity Development or Human Resource Development Program as an Integral Part of the Institutional Development Sector

The preparation of capacity development or human resource development program may require a separate process. The activities and budget related to making capacity improvements, however, should be part of the goal and objectives under the Institutional Sector of the CDP. Key interventions to develop the required capacities for Plan implementation may either be integrated in the design and budget of sectoral programs and projects or be all placed under the Institutional Development cluster.

If capacity improvement measures are integrated in the design and budget of sectoral programs and projects, the budget and operational plan for capacity development, e.g. training, should be part of the overall plan, annual budget and the three-year investment plan for the particular program goal. This keeps all the program activities that need to be carried out, as well as the budgets, together and makes implementation and accountability clearer. This also reduces the vulnerability of capacity development or HRD budget from being totally slashed should there be budgetary constraints within the LGU.

At the same time, there may be good reasons for wanting to see capacity improvement interventions in one place. For example, many training interventions may be proposed, and rather than having them scattered and uncoordinated, it may be more efficient to bring them together under the responsibility of the HRD person or to integrate them into the LGU's HRD plan or Development Administration/Institutional Development section of the CDP. This strategy however puts the plan at high risk of being the first to go, as has been the practice of many LGUs as it is given the least priority.

Steps in formulating a CapDev Program

There are no hard and fast rules to capacity development planning. Nonetheless, following are some suggested steps:

1. *Establish the organizational and individual competencies* that are needed to implement the CDP
 - a. What capacities should be present in the LGU to support the implementation of priority programs and projects?

2. *Examine existing capacity vis-à-vis desired competencies*

- a. Does the LGU have adequate leadership, management, technical skills, organization arrangement, motivation, technology and equipment, systems and procedures, regulations, ordinances, and funds to accomplish the goals of the CDP

3. *Identify capacity gaps*

- a. Where are gaps in capacities?
- b. Which capacity areas need to be prioritized?

Available local government performance management systems such as the Local Governance Performance Monitoring System (LGPMS) should be able to provide useful information on the organizational capacity of the LGU.

4. *Identify priority strategies or actions that need to be taken to improve capacities.*

- a. What should be done to improve or develop capacities?

5. *Prepare a capacity development plan and budget*

- a. How much time, effort and budget would be required to make improvements in the present capacity of the LGU and is it worth it?

6. *Assign roles and responsibilities to achieve the goal and the capacity objectives.*

7. *Monitor the plan and make adjustments as required.*

- a. *Should goals and objectives be adjusted given present capacity?*

Box 8 - Some Tips in Capacity Development Planning

- ***Conduct a separate orientation on Capacity Development Planning*** - Proper grounding of the Planning Team, and other LGU department heads who will be closely involved in the activity on capacity development concepts and tools would be useful in implementing the activity.

By its very nature, capacity assessment may appear threatening to some LGU staff and constrain them from giving accurate information. It is therefore important that LGU department heads are thoroughly oriented on and understand the process as they are the key informants.

- ***Generating accurate information on the LGU's administrative and operational capacity*** – An LGU capacity profile is usually not readily available. It may require substantial data gathering work, and therefore, take sometime. The Planning Team may utilize a combination of techniques in generating the required information.
- ***If necessary, engage the services of an external facilitator/advisor to assist the Planning Team in assessing capacity and developing a Comprehensive Capacity Development or HRD Plan.***

Table 44
Sample Format of a Capacity Development Plan

Sectoral Goal	Priority HRD/Capacity Development Intervention	Target Office Staff	Desired outcome	Implementation Details (timeframe, who are involved)
<i>Example 1:</i> Increased own-source revenue	Computerization of real property tax	Treasurer's Office, Assessor's Office	Revenue collection from RPT increased by ___%	1 year; treasury staff
<i>Example 2:</i> Improve access of the poor to quality primary health care services	Training of rural health workers	Rural health workers	Upgraded knowledge and skills of rural health workers on primary health care	2 weeks, all rural health workers in the LGU

Box 9

Example of Capacity Assessment for a Revenue Goal

The LCE together with other stakeholders sets a goal to double the amount of real property taxes collected over the next 3 years. In the process of setting the goal, several issues were identified:

- There is no computer or software available in the LGU
- There are staff available but they lack computer skills
- The treasurer will retire at the end of this year
- The revenue code is out of date
- Many people are behind in their tax payments

Clearly, more detailed work will have to be done. There will be a need for budget estimates (cost of computer, software and training). Other information, e.g. how can we find out about better tax assessment methods? Why are people behind in paying their taxes? will be needed. One of the managers will have to be assigned responsibility for developing an operational plan over the coming months. Perhaps a small task force will be needed to gather more information and to follow up on this work.

In preparing the operational plan for this result area, the following issues may have to be addressed:

- What professional and personal qualities a new treasurer should have?
- How should job descriptions of lower level staff be improved?
- What kind of staff skills and experience are necessary?
- Do we have the right kind of organizational arrangements?
- Are changes in existing procedures, regulations and ordinances needed?
- How are we going to maintain the equipment?
- How do we motivate citizens to pay taxes?

Other suggested tools for preparing a CapDev Program

1. **LGPMS** – LGPMS results for input indicators (structures, policies, administrative systems, managerial and technical competencies, tools, facilities, equipment and financial resources of the LGU) provide a relatively comprehensive picture of the capacity level of LGUs. They can set a good starting point for gauging the capacity level and identifying the capacity needs of the LGU. Further examination of the sub-indicators assigned to particular indicator and the rating scheme can describe the nature of a deficiency if such exists, and how it might be addressed. The

strategies and actions to address the deficiency/ies would form part of the LGU's Capacity Development Program.

2. **SCALOG** – The use of SCALOG takes off from a strategic plan of an LGU such as a Comprehensive Development Plan (CDP) or an Executive and Legislative Agenda (ELA). It presupposes that any effort to improve LGU capacity should be geared towards contributing to the attainment of development objectives and goals outlined in these LGU plans.ⁱ Using SCALOG as a tool is to ensure that the Capacity Development Program will help define the necessary capacity requirements for effective and efficient implementation of the LGU's priority programs and projects.

ⁱ Maria Concepcion Pabalan, et al. *How to Formulate an Executive and Legislative Agenda for Local Governance and Development: Facilitator's Guide*, Philippines-Canada Local Government Support Program, 2004, Manila, Philippines.

PART III: IMPLEMENTING THE PLAN

Chapter 3: Determining Legislative Requirements

What does “Legislative Requirements” mean?

The legislative requirements of the CDP are the priority legislations that need to be enacted by the Sanggunian to support development priorities of the LGU in the medium – and long – term. These may include new legislation as well as amendments and updates to existing legislation.

For example:

If the LGU is undertaking an Investment Promotion Program, there may be a need for a legislation to amend its existing Investment Code. An example of legislative requirements to support the goals and objectives, as well as the programs and projects are shown in Table 44 (Sample Table of Legislative Requirements).

Sector	Goal	Objective	Priority Programs and Projects	Legislative Requirements	Time Frame	Committee Responsible
Economic	Improved local economy	Increased investments	Investment Promotion Program	Amendment of Investment Code	2007	Finance, Appropriations, Ways & Means
Institutional	Improved capacity of LGU	Reduced fiscal gap	Revenue Enhancement Program	Updating the Revenue Code	2008	Finance, Appropriations, Ways & Means
Environment	Improved marine environment		Mangrove Rehabilitation Program		2008	Environment

Determining legislative requirements

Legislative requirements are determined after sectoral objectives and targets shall have been set, that is, during the development of policies, programs and projects that are aimed towards the attainment of the desired results that will ultimately attain the sectoral goals and objectives in the short – and medium term, and the LGU vision in the long term.

The local sanggunian members, who are selected to be part of the planning team, are mainly responsible for determining legislative requirements. This does not however preclude other stakeholders to recommend legislations to support the development thrusts of the CDP.

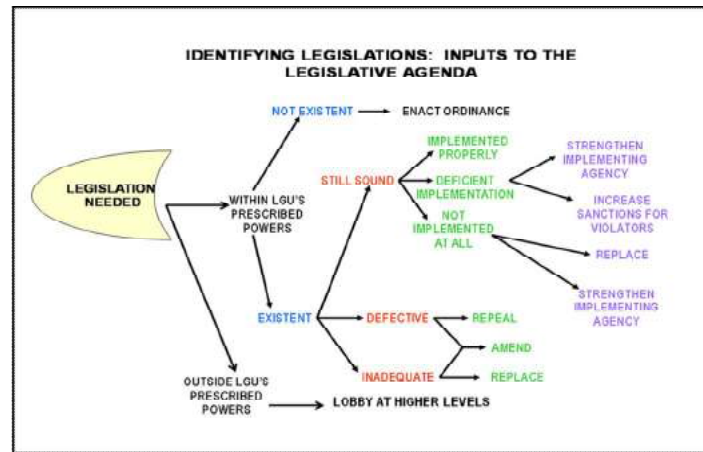
Developing legislative requirements

In generating regulatory measures, it is advisable to first check whether:

- a new legislation is really needed;
- the intended legislation is within the limits of the prescribed powers of the LGU;
- the intended legislation is necessarily implied from the prescribed powers of the LGU;
- the intended legislation is really necessary, appropriate, or incidental for the LGU's effective and effective governance;
- the intended legislation is essential to the promotion of the general welfare.

To determine the appropriate action to take regarding local legislations, the fishbone analysis as shown in Figure 30 may be helpful.

Figure 30



What is a "Legislative Agenda"?

The legislative agenda consists of the needed legislative measures to support the implementation of programs and targets aimed at achieving the goals, objectives and targets set for the 3 – year term of the LCE and the Sanggunian members.

The Legislative Agenda is

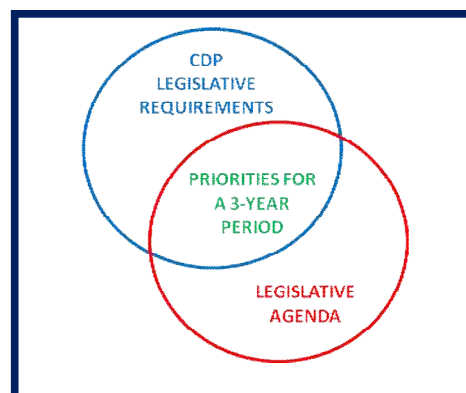
1. the primary tool of the Sanggunian in performing its role as the legislative body of the LGU; and serves as
2. a roadmap to guide them in the formulation and enactment of appropriate ordinances and resolutions during their term of office.

Necessarily, the LA should have a timeframe of three (3) years consistent with the term of office of the sanggunian. This will be entered in the 3 – year CDP, or the Executive and Legislative Agenda (ELA).

What is the link between legislative requirements and the legislative agenda

The link between the CDP legislative requirements and the 3 – year legislative agenda which bears part of the Executive and legislative Agenda (ELA) is illustrated in Figure 31. It shows that only a portion of CDP legislative requirements can be picked-up by the Sanggunian for their three - year LA which in turn forms part of the ELA priority legislative requirements.

Figure 31: Illustration of Link between Legislative Requirements and Legislative Agenda



PART III: IMPLEMENTING THE PLAN

Chapter 4: The Executive and Legislative Agenda

What is an “Executive and Legislative Agenda (ELA)”?

The Executive-Legislative Agenda (ELA) was conceived to serve as a “powerful vehicle for effective local governance”. It may be defined as:

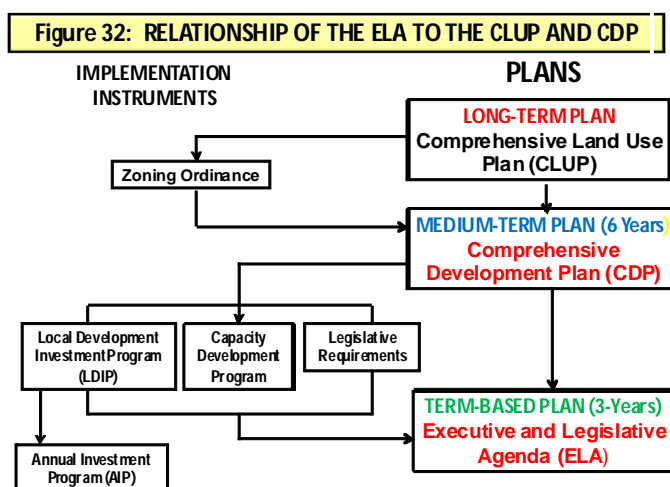
1. a planning document, covering a 3-year period corresponding to the term of local elective officials that is mutually developed and agreed upon by both the executive and legislative departments of an LGU;
2. an integrated plan that contains the major development thrusts and priorities of both the executive and legislative branches towards a common vision for the locality;
3. an instrument that will prioritize responses to multi-stakeholder needs, e.g., programs, projects, activities, legislations and capacity development programs, and put into action local development plans.

It is highly desirable that ELA preparation commences within the first six (6) months from the assumption into office of the re-elected or newly-elected local officials, i.e., Mayors, Vice Mayors and members of the Sanggunian.

What is the Relationship of ELA with the CLUP and the CDP?

It is important to bear in mind that the ELA does not replace or supplant the existing plans of the LGU (*How to Formulate an Executive and Legislative Agenda for Local Governance and Development*, page 10). Rather, it builds on existing plans which LGUs are mandated to prepare, i.e., the CLUP and the CDP. In fact, the ELA can be considered as an implementing instrument of the CDP and for that matter, the CLUP, considering that the CDP can also be considered as a tool for implementing the CLUP.

The relationship of the ELA with the CLUP and the CDP and with their respective principal tools for implementation is illustrated in Figure 32:



The CLUP is the plan for the long-term management of the local territory, which is a function of an LGU as a political body and partner of the national government. As earlier described, it is the skeletal-circulatory framework of the territory's physical development that identifies areas where development can and cannot be located and directs public and private investments accordingly.

The CDP, on the other hand, is the 6-year (medium – term) action plan utilized by every local administration to develop and implement priority sectoral and cross-sectoral programs and projects in the proper locations to put flesh on the skeleton as it were, gradually and incrementally, until the desired shape or form of development is eventually attained over the long term. The identification, screening, and prioritization of programs and projects in the CDP will be guided by the location policies in the CLUP.

The Executive and Legislative Agenda (ELA) is a 3-year program of action crafted based on the priorities and thrusts of newly or re-elected LCEs and Sanggunian members in the context of the vision, goals and objectives of the LGU. The preparation process adopts mechanisms that facilitate convergent planning and decision-making processes between the executive and legislative departments of the LGU with technical support and inputs from the Local Development Council and its sectoral and functional committees.

The ELA is not meant to replace or duplicate existing planning systems in LGUs. Rather, it adds greater value to the CLUP and the CDP by moving them forward to getting implemented and monitored.

What are the characteristics and uses of an ELA?

A manual¹ prepared under the Local Governance Support Program which was supported by the Government of Canada through CIDA lists down the important uses an ELA:

1. Leads the executive and the legislative branches towards a unified vision, mission, goals and objectives;
2. Enables the executive and legislative branches to agree on priority problems and issues;
3. Helps the LGU focus on a set of interventions towards the attainment of a common set of objectives and goals;
4. Increases the chances for implementation of priority programs of the executive department, if the legislative branch formulates ordinances in support of the LCE program of government; and
5. Speeds up the implementation of priority projects.

As a *planning and budgeting tool*, an ELA:

- a. provides a 3-year development roadmap for the LGU;
- b. helps identify results that will contribute to the LGU's long-term vision;
- c. identifies priority programs and projects that will help accomplish these results within the term of local elective officials; and
- d. organizes and allocates local resources expected to be generated or mobilized within the 3-year term of the LCE and Sanggunian in a rational and results-oriented manner.

As a *performance management tool*, an ELA:

- a. provides a basis for ensuring that 3-year LGU programs, projects and legislative measures are implemented and are producing the desired impact; and
- b. helps various departments of the LGU set performance targets for a 3-year period, thus encouraging greater accountability for results.

As a *communication tool*, an ELA:

- a. allows elected officials to present and articulate their political agenda;
- b. encourages closer interface between the executive and the legislative officials; and
- c. allows for elected officials to report back their accomplishments and achievements.

¹ *How to Formulate an Executive and Legislative Agenda for Local Governance and Development: Manual and Facilitator's Guide*

As a *convergence tool*, an ELA

- a. encourages collaboration between the executive and legislative departments; and
- b. provides avenues for consensus among diverse stakeholders in pursuing a set of unified actions designed to bring about the desired changes in the local community within the short-term.

Responsibility Center for preparing the ELA

The Local Development Council is the planning structure mandated to formulate plans for the LGU, for approval of the Sanggunian. A functional committee under the LDC to be known as the ELA Planning Team, however, may be created to assist the LDC in preparing the ELA. To the extent possible, it should include not only heads or representatives of the various LGU offices or departments but also members of the standing committees of the Sanggunian and representatives from the private sector, non-government organizations and national government agencies operating in the locality.

What are the considerations for preparing an ELA?

LGUs are advised to prepare an ELA even in the presence of a CDP or CLUP to guide the Local Chief Executives and members of Sanggunian in developing their localities for the duration of their three-year term of office. The preparation of the ELA will in fact be greatly facilitated when a medium-term CDP is already in place for the following reasons:

1. planning targets for the 3-year term of the LCE can simply be extracted from CDP; and
2. strategies of the ELA can be based on 6-year CDP, particularly those that can be realistically accomplished in three years.

In preparing the ELA LGUs are, however, enjoined to adhere to the following principles:

1. The planning process, which is participatory, consultative and inclusive, as suggested in the CDP, be adopted.
2. The scope and elements of the ELA or the term-based agenda covers ALL the development sectors.
3. That the elements of JMC No. 001 series of 2007, listed below among others, be integrated in the 3-year CDP or ELA, namely:
 - a. Interface between the LGUs and NGAs;
 - b. Complementarity between the Province and its component LGUs;
 - c. Synchronized Local Planning and Budgeting Calendar
 - d. Annual Investment Program as enunciated under the JMC

What are the Scenarios in ELA formulation?

The preparation of an ELA may be undertaken under one of the following scenarios indicated below:

Scenario 1: The LGU has an updated and Code-compliant CDP and CLUP

1. Re-visit the long-term CLUP and/ or the medium-term CDP and review the extent to which the LGU vision/ mission has been achieved.
2. Re-visit of the Vision, Goals and Objectives/Targets
3. If necessary, re-formulate policies, strategies, goals and objectives/ targets indicated in the CDP to make them more responsive to the current reality and with due consideration given to the priorities of the LCE and the Sanggunian.

4. Identify and prioritize programs and projects for implementation within the term of the local elective officials and input to the Local Development Investment Program.
5. Review the immediate past 3-year Capacity Development (CapDev) Program. Identify new, additional and/or revise CapDev Program to make it consistent with the revised sectoral goals and objectives and thrusts and priorities of the LCE and the Sanggunian.
6. Review the immediate past legislative agenda. Identify new, additional and/or revise legislative requirements and actions to make them consistent with the revised sectoral goals and objectives and thrusts and priorities of the LCE and the Sanggunian.
7. Consolidate outputs of Steps “2” to “6” above and submit to LDC for approval. When approved, LCE submits the same to the Sanggunian for adoption.
8. Package the ELA.
9. Prepare the Annual Investment Program (AIP) based on the LDIP contained in the ELA using AIP Summary Form provided under JMC No. 001 s. 2007.

Scenario 2: The LGU has a Code-compliant CDP but non-compliant CLUP

1. In the case of a non-compliant CLUP, coordinate with HLURB and enjoin the LGU to prepare a Code-compliant CLUP.
2. Proceed to Steps “1” to “9” under Scenario 1.

Scenario 3: The LGU has a Code-compliant CLUP but non-compliant CDP

1. In the case of a non-compliant CDP, prepare the LDIP, Capacity Development Program and Legislative Agenda following the suggested methodology in this Enhanced Guide to CDP.
2. Prepare the ELA.
3. Prepare the Annual Investment Program (AIP) based on the LDIP contained in the ELA using AIP Summary Form provided under JMC No. 001 s. 2007.
4. Iterate the ELA in a Code-compliant CDP prepared following this Enhanced Guide to CDP Preparation.

Scenario 4: The LGU has an ELA only – no CLUP OR CDP

1. This ELA may be used as a springboard for preparing a CDP.
2. Review and evaluate the current or latest ELA against actual implementation.
3. Using the results of the review and evaluation as well as the State of Local Development Report, proceed to the formulation of the CDP following the steps suggested in this Enhanced Guide to CDP Preparation.

What is the estimated duration of the ELA Preparation Process?

Without a CLUP or CDP, the ELA preparation process may take from three (3) to six (6) months depending on availability of data and information for consideration and basis for crafting the document, schedule and mutual acceptance of the LCE and Sanggunian of the draft ELA, as well as the capacities of the LGU in terms of resources and technical readiness for Plan preparation.

Fitting the original 12 – step ELA formulation process into the CDP process

The table below shows where each of the 12 steps in the ELA Formulation process fits in the Enhanced Guide to CDP Preparation following the steps in the simplified sectoral planning process.

Table 46: ELA Formulation Process vs. Simplified Sectoral Planning Process

12- STEP ELA Formulation Process (Manual on How to Formulate an Executive and Legislative Agenda)	Contents of the Enhanced Guide to CDP Preparation following the Simplified Sectoral Planning Process
Step 1: Planning to Plan	Getting Started (Part I)
Step 2: Prioritizing Issues	Analyzing the Development Sectors (Chapter 3, Part II)
Step 3: Consulting with Stakeholders	This is an integral part of each step in the CDP process and not taken separately or independent of all the other steps.
Step 4: Defining / Re-visiting the LGU Vision and Mission	Setting the Vision (Chapter 1, Part II)
Step 5: Formulating Goals and Objectives	Setting Sectoral Goals (Chapter 4, Part II)
Step 6: Prioritizing Programs and Capacity Development Needs	Transforming Goals into Actions (Chapter 5, Part II) Local Development Investment Programming (Chapter 1, Part II) Capacity Development Agenda (Chapter 2, Part III)
Step 7: Determining Legislative Requirements	Legislative Agenda (Chapter 3, Part III)
Step 8: Building Commitment	In the CDP Process, this is not taken as a separate step. Commitment from the widest spectrum of stakeholders is secured and firmly rooted at the outset of the plan preparation process – from the mobilization and active involvement not only of the Local Development Council and its sectoral and functional committees, but also the mother province of an LGU as well as NGA representatives operating in the area, to plan implementation and up to plan monitoring and evaluation. (From Getting Started (Part I) to Plan Monitoring and Evaluation (Part IV).
Step 9: Securing endorsement and approval	This chapter (Chapter 4, Part III – Implementing the Plan) of the Enhanced Guide.
Step 10: Moving the ELA into Action	Steps 6, 7 and 10 are consolidated as discussed in Part III (Implementing the Plan) of the Enhanced Guide
Step 11: Popularizing the ELA	Just like Step 3, Step 11 is an integral part of each step in the CDP process considering that it is participatory, inclusive and consultative. Establishing a sense of “ownership” of actions and outputs under each step is therefore an approach to “popularizing the ELA” not only as an end-product of an exercise, but as a guide towards fulfilling the goals and aspirations of all stakeholders as articulated by stakeholders during the plan formulation process.
Step 12: Managing and Sustaining ELA Implementation	Plan Monitoring and Evaluation (Part IV)

Suggested contents of an ELA

The substantive elements of the ELA are suggested below:

1. Preliminaries

- a. *Message of the Local Chief Executive*
- b. *Message of the Vice Mayor and Presiding Officer of the Sanggunian*
- c. *Sanggunian Resolution Adopting the ELA (Please see Box 10)*
- d. *Executive Summary*
- e. *Vision Statement derived from the CLUP or CDP*

2. Sectoral Situationer

a. Local Development Indicators

- i. Show a 3-dimensional matrix, i.e., sectoral (type of indicator: input, output, outcome and impact indicators by sector), temporal (indicators for two periods) and spatial (between an LGU and its components, i.e., barangays in the case of a city or municipality and/or the higher LGU, i.e., province or region to which it belongs)
- ii. Derive inputs to the LDIs from the LGPMS and CBMS, where the latter is available and from other NGA-based sources when not found in either the LGPMS and the CBMS

b. Issues and Concerns by Sector

- i. Review the immediate past ELA or CDP and results of a vision – reality gap analysis (*Chapter 4, Part II of this enhanced Guide to CDP Preparation*)

3. Sectoral Goals and Objectives/Targets

- a. Derived from problem – solution – finding analysis conducted and results of the review of the immediate past ELA or CDP

4. 3 – Year Capacity Development Agenda

- a. May contain new or continuing capacity development programs

5. 3 – Year Legislative Agenda

- a. May contain newly – crafted, amended or unfinished legislative actions

6. Local Development Investment Program

For the suggested methodology in local development investment programming, please refer to *Chapter 1, Part III of this Enhanced Guide to CDP Formulation*

Box 10
RESOLUTION NO. ____, Series of ____*

“ADOPTING THE EXECUTIVE-LEGISLATIVE AGENDA OF THE MUNICIPALITY/PROVINCE/CITY OF ____”

WHEREAS, the Executive-Legislative Agenda (ELA) sets the local government's strategic directions for the next three years and provides an explicit expression of the present administration's goals, objectives, strategic priorities and programs that are consistent with the LGU vision and mission;

WHEREAS, the formulation of the ELA involved the participation of various stakeholders in the community in its various stages, from needs identification to plan implementation, monitoring and evaluation;

WHEREAS, the ELA represents the collective aspiration, needs and priorities of the local community and therefore enjoys broad-based support;

WHEREAS, the ELA is this administration's sincere invitation to all its constituents and resource institutions to be its pro-active partners in progress;

NOW THEREFORE, this body in session assembled,

RESOLVED, to adopt as it hereby adopts, the Executive-Legislative Agenda of the Municipality/ Province/City of _____.

CARRIED

(Date)

I hereby certify to the correctness of the foregoing resolution which was duly adopted by the Sanggunian Bayan/Panlalawigan/Panglungsod during its Regular Session on _____.

(Signed)

 Secretary to the Sanggunian

ATTESTED:

 Presiding Officer

 Sanggunian Member

 Sanggunian Member

 Sanggunian Member

 Sanggunian Member

 Sanggunian Member

 Sanggunian Member

APPROVED:

 Mayor /Governor

 Secretary to the Sanggunian

** Adopted from the Manual on How to Prepare an Executive and Legislative Agenda*

PART IV: PLAN MONITORING AND EVALUATION

Planning is regarded as a continuous or cyclical process. In the Philippines, however, it is often considered a project which has “time start” and “time finish” elements. The prevalent notion is that it is simply a process to produce a document.

For planning to be truly continuous, however, it must form part of the regular function of the LDC. One major activity that the LDC is mandated to perform is to “*coordinate, monitor, evaluate the implementation of development programs and projects*” (Section 109 (a) (5), RA 7160).

Monitoring and Evaluation (M & E) are essential tools for management.

What is “Monitoring”?

Monitoring is a continuous process of data collection and analysis to check whether a project is running according to plan and to make adjustments if required. It is an evaluative study directed to the short term.

What is “Evaluation”?

Evaluation is a systematic process of collecting and analyzing information about activities and results of a project in order to determine the project’s relevance and/or to make decisions to improve the efficiency and effectiveness of a project.

Table 46 shows the salient features differentiating monitoring from evaluation.

Table 47: Salient Features of Monitoring and Evaluation

Monitoring	Evaluation
<ul style="list-style-type: none"> ▪ Systematic observation and documentation of information on the implementation of plan; ▪ Continuous tracking/measurement of progress and performance against what was planned (time, outputs, resource use, cost); 	<ul style="list-style-type: none"> ▪ In-depth analysis and comparison of planned versus actual achievements; ▪ Systematic measurement of performance at the level of development goals and objectives (UNDP, 2002) ▪ Systematic analysis of the relevance, efficiency, effectiveness, benefits, impact and sustainability of the plan
Programs, projects and activities	Overall relevance, impact and sustainability
<ul style="list-style-type: none"> ▪ Tracks progress (or lack thereof) of plan implementation and determines whether priority programs and projects outlined in the plan are actually implemented; ▪ Ensures that programs and projects are implemented and managed efficiently and effectively; ▪ Identifies problems in plan implementation in its early stage and allows decision and policy makers to address the problems or make appropriate adjustments; ▪ Alerts managers to problems and provides options for corrective actions; and ▪ Provides recommendations for remedial actions. 	<ul style="list-style-type: none"> ▪ Generates information and provides lessons that would guide the LGU in updating the Local Development Plan; ▪ Ensures informed decision-making ▪ Identifies the extent to which the objectives of the Local Development Plan are achieved or whether the Local Development Plan addresses effectively the needs of the citizens; and ▪ Ensures that resources are strategically managed and put to the best possible use.

Properly utilized, they are mutually reinforcing in that:

1. A well – functioning monitoring system can greatly reduce the need for in – depth evaluation as problems are revealed and resolved in a timely manner.
2. Monitoring can also indicate the need for in – depth evaluation of problems and issues.
3. In – depth evaluation may show the need for a new and improved monitoring system.

What is “Plan monitoring and evaluation”?

Plan M & E is concerned not with mere project outputs per se, but with the:

1. effects of the utilization of the outputs produced (project outcomes)
2. contribution of the outputs to the realization of development goals (project impacts)
3. determination of impacts of public sector planning interventions (programs, projects, services and regulatory measures); and impacts of private sector investments on the local area and population

What is the importance of M & E in the cyclical planning process?

M & E serves as the link between one planning cycle to the next. The concerns of M & E for cyclical planning, therefore, are much broader and deeper than those of project M & E. Its critical importance lies in the production of new information derived from the following:

1. assessment of ***impacts*** of plans, programs and projects as implemented
2. ***effects*** of regulatory measures as enforced
3. ***outcomes*** of developments in the area that had not come under the control or influence of the planning system

M & E for cyclical comprehensive planning is **concerned with determining the changes attributed to planned and unplanned developments**. These changes manifest themselves in terms of a changed state of the following:

1. social and economic well – being of the inhabitants;
2. quantity and quality of the physical environment; and
3. institutional capabilities for local governance

The principal aim of M & E for cyclical planning is to build up the planning database for the successor plans. Cyclical planning in which an M & E system in place makes possible need not involve the preparation of new successor plans every time. Revision of certain features of the predecessor plan does not make the process any less cyclical or continuous.

What is the importance of M & E in Long – term Planning?

The new set of data derived from monitoring and evaluating the status of development after a lapse of one decade **may not be used to prepare another plan altogether**. It may well be that the long-term vision and goals are still sound and valid. But the new characterization of the current reality might warrant a revision of the current reality rating and a corresponding change in the vision-reality gap. A new appreciation of the gap should result in new sectoral goals, objectives and targets to recalibrate the indicators originally formulated which are not yet fully attained.

Another feature of the CLUP that needs reviewing at the onset of new M & E data is the chosen spatial strategy or urban form. The new data might indicate variance in the direction, intensity or size of the built environment from the chosen spatial form. This may be due to unrealistic assumptions in making growth forecasts or to certain shortfalls in the needed interventions. Either way the needed adjustment may not entail a complete change of the plan.

What is the importance of M & E in the sectoral planning process?

In the simplified sectoral planning process, the role of M & E is to determine the changes in the current reality after a lapse of time so as to make new estimate of the vision – reality gap and thereby formulate new sectoral goals, objectives and targets, identify new programs, projects or activities, etc.

This entails updating the database for planning, such as the ecological profile, but more importantly, the LDIs.

New and feedback information should be clustered around the five development sectors with specific responsibilities to describe and possibly measure changes in the area over the long - term as follows:

1. Social Sector – changes in the following:
 - a. Demographic composition, growth behavior and spatial distribution of the area's population
 - b. Changes in the level of welfare of individuals and households;
 - c. Changes in the availability of and access to basic social goods and services; and
 - d. Advances made by society in the promotion of equity and social justice.
2. Economic Sector changes in the following:
 - a. General individual income levels and average household incomes;
 - b. Conditions in employment, unemployment and underemployment;
 - c. Level of self – sufficiency in the different food commodities; and
 - d. If possible, measurement of capital inflows (difference between inflows and outflows) into the area and the manner this capital is circulated in the local economy
3. Environment Sector – changes in the following:
 - a. Stock and quality of various natural resources as a result of domestic utilization and economic extraction;
 - b. Size, direction and intensity of the built environment and corresponding conversion of agricultural, forest or wetlands;
 - c. Degree of success in the preservation of protected areas;
 - d. Sustainability through judicious consumption and avoidance of waste of water supply;
 - e. Overall quality of the environment resulting from waste management systems and nuisance abatement mechanisms that had been put in place during the last decade; and
 - f. Degree of success in the enforcement of national laws and local ordinances on the environment and natural resources.
4. Infrastructure Sector
 - a. Adequacy of social and physical capital build up to under gird economic prosperity, public health, safety, comfort and convenience;
 - b. Appropriateness of infrastructure to support the realization of the chosen spatial strategy;
 - c. Status in the backlogs in the provision of basic social services;
 - d. Changes in the quality of services and facilities resulting in changes in the general welfare of the residents;
 - e. Changes in the level of vulnerability of the residents as a result of facilities to reduce environmental risks and disasters; and
 - f. Changes in the environmental quality owing to the integrity of the protective structures and civil works
5. Institutional Sector
 - a. Institutionalization of local structures and processes for planning, program and project development and management, and monitoring and evaluation of the outputs, outcomes and impacts of plans, programs, services, regulatory measures and other forms of public intervention;

- b. Efficiency and effectiveness with which the local government bureaucracy utilizes resources to deliver services demanded by its various publics;
- c. Changes towards ensuring participation in governance processes, transparency in LGU transactions and accountability of public officers; and
- d. Indication of responsiveness of successive administrators to the needs of their constituents as can be inferred from the accumulated legislative output during the last decade.

What is the importance of M & E in the 3 – Year CDP or ELA?

The preparation of the successor CDP or ELA will require feedback information on outcomes and impacts. This is because the effects of intervention do not manifest themselves until after two or three years from the completion of the intervention.

What is the importance of M & E in Annual Investment Programming?

The shortest planning cycle where M & E finds useful application is the annual investment programming as an integral part of the annual budgeting process. The investment programming process takes place prior to the start of the budget preparation to ensure that priority programs and projects get the proper budgetary allocation, and are implemented in the ensuing fiscal year.

In making up the priority list in any the successor AIP, not only the LGU's financial performance in implementing the programs, projects and services but also feedback information regarding the effects of the previous year's programs and projects should be used.

M & E in the Budget cycle

The only practical feedback information from M & E that could be used in preparing the succeeding year's budget are the monitored outputs of the previous year's interventions and possibly the monitored financial performance in the implementation of the current year's budget up to the third quarter

To inject rationality in the budgeting process and ensure transparency and accountability in public expenditure management, the scope and purposes of the M & E should be expanded to include an assessment of the following:

1. efficiency in utilization of inputs to realize outputs
2. effectiveness of outputs in realizing desired outcomes
3. extent to which public expenditure contributed to the attainment of broader social and economic goals

Responsibility Center for M & E

1. *Local Development Council (LDC) – Section 109 (a) (5) of the Local Government Code “coordinate, monitor, evaluate the implementation of development programs and projects”.*
2. *Sectoral and Functional Committees of the LDCs – M & E is a built – in function of the sectoral or functional committees (Rule Xxiii, Art. 182, (g) (3) vi, IRR of RA 7160), which directs them “to provide the LDC with data and information essential to the formulation of plans, projects and activities”. These planning information are derived from baseline surveys, in – depth studies, as well as from M & E.*
3. *Local Planning and Development Office(LPDO) – Through the sectoral committees, the LPDO performs its M & E functions as provided for under the Sec. 476 (b) (4), RA 7160) stated as follows: “To monitor and evaluate the implementation of the different programs, projects and activities in the local government unit concerned in accordance with the approved development plan”.*

4. *Planning Information Management Division* – The M & E function is embedded in this division of a full – blown LPDO.
5. *Functional Committee* – In the case of lower – income LGUs the M & E function could be devolved to a functional committee consisting of a representative of each of the sectoral committees coordinated by the head of any staff of the LPDO.
6. *Implementing office or agency* – For short – term M & E or project implementation. Project monitoring results may be discussed during executive meetings of the LGU.
7. *The Project Monitoring Committee (PMC)* – The Project Monitoring Committee (PMC) at the provincial, city and municipal levels are tasked to monitor government projects funded from foreign and national funds including development projects funded from the IRA and projects funded from locally-generated resources (EO 93, 1993).

The composition of the PMC is left to the discretion of the LDC subject to the inclusion of the following as mandatory members:

- a. DILG representative or Local Government Operations Officer assigned in the area
- b. One representative of NGO/PO
- c. One representative of NGO members in the LDC
- d. Four PMC members appointed by the LCE from among the nominees of the LDC

The Chair of the PMC will be appointed by the LCE from among three nominees nominated out of the seven PMC members.

8. *The Legislative Oversight Committee* – Legislative oversight is an integral part of the legislative process. Legislative oversight refers to the legislature's review and evaluation of activities of the executive branch. The sanggunian has a duty to ensure that plans, programs and projects are implemented and administered efficiently, effectively and in a manner consistent with legislative intent. Oversight is the focus of work of special committees but can be part of the hearings and work of standing committees in the sanggunian.

During committee hearings and meetings, the sanggunian may invite their counterparts in the executive department to brief its members on the status of a particular program that it wants to evaluate. To illustrate, the Committee on Trade and Industry may invite the members of the local tourism board to present a report on the implementation of its tourism program. Meetings of this type can be scheduled on a monthly or quarterly basis (Villaluz 2004).

What is the role of other stakeholders in M & E?

Participation of local constituents in monitoring should be encouraged. This can be achieved by

1. including a CSO/private sector representative in the monitoring team
2. establishing regular feedback mechanisms that can be either formal or informal

Among the feedback mechanisms that are now being used by some LGUs include the following:

- a. Suggestion box
- b. Sending short message service (SMS) or text to local officials
- c. Report Card Survey

What is the Suggested Period for conducting M & E?

1. For the 3 – year CDP or ELA

The ideal time is during the usual hiatus following the last elections. Results of this assessment will find their way into the successor LDIP and ELA of the next administration. This ensures smooth transition and conveys a sense of continuity and stability between succeeding local administrations.

In a 4-year scenario which shows the two change-over points after each election, the following M & E schemes are recommended:

- a. 2nd Quarter in the 6-week interval between the election and July 1 – M & E to assess the impacts of the previous administration's 3-year LDIP or Executive-Legislative Agenda. This M & E will provide inputs to the preparation of the new 3-year LDIP/ ELA of the succeeding administration.
- b. 4th Quarter of the second and third years of the incumbent leadership – M & E to assess the outputs and financial performance to provide inputs to the Year-end Report of the Local Chief Executive.
- c. M & E to assess the outcomes of the completed budgets and AIPs of the last half year of the previous and the first year of the incumbent administration.

For clarity please refer to the scenario as shown in the following table.

Table 48: M & E Points in a 3-Year Term of Office

YEAR	QUARTER			
Year 1	Q1	Q2	Q3	Q4
	IMPLEMENTATION OF LAST YEAR'S BUDGET & AIP OF PREVIOUS ADMINISTRATION			
	Q1	Q2	Q3	Q4
		<ul style="list-style-type: none"> ELECTION YEAR M & E (Impact of Previous Administration's LDIP/ELA) 	<ul style="list-style-type: none"> End-of-Term Report Inaugural of New Term 	<ul style="list-style-type: none"> End-of-Year Report
			<ul style="list-style-type: none"> Preparation of LDIP/ELA Preparation of Year 2 Budget and 1st AIP 	
Year 2	Q1	Q2	Q3	Q4
	IMPLEMENTATION OF YEAR 2 BUDGET & 1 st AIP			
	Q1	Q2	Q3	Q4
			<ul style="list-style-type: none"> Preparation of Year 3 Budget and 2nd AIP 	
				<ul style="list-style-type: none"> M & E (Outputs and Financial Performance) End-of-Year Report

Year 3	IMPLEMENTATION OF YEAR 3 BUDGET AND 2 nd AIP			
	Q1	Q2	Q3	Q4
		M & E (Outcome of 1 st AIP)	<ul style="list-style-type: none"> Preparation of Yr 4 Budget and 3rd AIP 	<ul style="list-style-type: none"> M & E (Outputs and Financial Performance) End-of-Year Report
Year 4	IMPLEMENTATION OF YEAR 4 BUDGET AND 3 rd AIP			
	Q1	Q2	Q3	Q4
		<ul style="list-style-type: none"> ELECTION YEAR M & E (Impact of Outgoing Administration's LDIP/ELA) 	<ul style="list-style-type: none"> End-of-Term Report Inaugural of New Term 	End-of-Year Report

2. For Long – term Planning

The feedback information required for the revision or reformulation of long – term plans such as the CLUP and the long – term CDP should be collected after a lapse of 9 – 10 years. This should be synchronized with the national census which has an interval of one decade. Data capture on socio-economic and physical indicators of change when it is done in the same year that an actual population count is held will allow analysts to relate actual growth with actual population change. Every census year therefore should be marked out for conducting comprehensive data collection to update ecological profiles, statistical compendiums, thematic maps, and other forms of information systems.

What are the suggested tools for conducting M & E?

Various tools are already being used to monitor and evaluate the achievement of results at the local level. Some of these tools are discussed below:

1. *Annual/End-of-Term Accomplishment Report* - At the minimum, LCEs need to prepare an annual as well as an end-of-term accomplishment report. A simple yet informative form that shows accomplishments of the LGU vis-à-vis what was planned is shown in Table 47. It also shows who the beneficiaries are, the area coverage as well as the costs of the programs and projects implemented.
2. *Community Based Monitoring System (CBMS)* – The CBMS can be used in monitoring and tracking progress of LGUs towards the attainment of their goals including the MDGs. The Core Local Poverty Indicators (CLPIs) discussed in Chapter 2 contain indicators on human development and are recommended as the minimum set that the LGUs should use for assessing the extent of socio-economic development in their locality.
3. *Local Governance Performance Management System (LGPMS)* – The LGPMS is an LGU self-assessment tool that enables provincial, city and municipal governments to monitor and evaluate their performance at three levels of results: input, output and outcome levels. It looks at local government in five performance areas and 17 service areas using 107 indicators.
5. *CBMS* – CBMS – generated data are most useful for impact evaluation purposes and CBMS – monitored changes can be used as benchmarks for the next cycle of short- and medium- term development plans. The use of CBMS can also extend to setting and exacting standards of performance from concerned LGU offices or frontline service providers.

6. *LGPMS* - As a LGU performance management mechanism or specifically as a performance monitoring and management tool, LGPMS provides the process and results that indicate LGU's effectiveness and progress in promoting the general welfare of its constituents along the 5 performance areas. Annually, the input and output dimensions of LGPMS indicators provide information as to the LGU's efficiency in its utilization of inputs to realize the output. Corrective measures to address the causes of unsatisfactory performance can result from this type of monitoring.

The effectiveness of outputs in realizing the desired outcomes can be ascertained as LGPMS outcome indicators are reviewed and "rated" every three (3) years. By combining the use of LGPMS outcome indicator results with other appropriate tools, LGUs can meaningfully evaluate the extent to which public expenditures, through the LDIP & AIP processes, contributed to the attainment of broader social and economic goals that were identified in their respective CDP and ELA.

4. The M & E Strategy Template – One other tool that can be used is the M & E Template. The purpose of the tool is to develop an approach to M & E that will yield good information to be used in the next planning period and for other decision making purposes

The development of the M & E strategy should be seen as an integral component of the planning process and its development done during the planning phase.

The following are the key elements of an M & E Strategy:

- a. Clear and expected results (goals, objectives, outputs);
- b. Explicit targets per result;
- c. Indicators to measure progress towards results;
- d. Data source to assess performance;
- e. Collection methods;
- f. Frequency at which measurements will be made; and
- g. Roles and responsibilities

An M & E Strategy template has also been devised to aid the Monitoring Team in its preparation (See Table 48).

Table 49
CY _____ ANNUAL/END-OF-TERM ACCOMPLISHMENT REPORT
Province/City/Municipality of _____

Programs and Projects per Sector	Output Indicators	Target	Accomplishment	Beneficiary Sector	Area Covered	Estimated Project Cost (Php)	Actual Disbursement
1. Social Sector							
Nutri-Health Program	▪ Number of barangays covered by micro-nutrient supplementation	All barangays	50% of barangays	Women and Children	50 % of barangays	2 Million	
	▪ Number of barangays covered by nutrition education	All barangays	20% of barangays	Women and children	50 % of barangays	1.2 Million	
Water Supply Project	% of total number households covered	5% of all households	10% of all households	Urban Poor	Barangay Poblacion	5 Million	
2. Economic Sector							
3. Infrastructure							
4. Environment							
5. Institutional							

Table 50
M & E STRATEGY

RESULTS	PERFORMANCE INDICATORS	TARGETS FOR INDICATORS	DATA SOURCE TO ASSESS PERFORMANCE (Individual beneficiaries, groups of beneficiaries, organizations, partners, documents, etc)	COLLECTION METHODS	FREQUENCY	RESPONSIBILITY CENTER
Goal/Impact (Long term) o Reduce infant mortality (MDG no. 4)	Mortality Rate of children aged 1-5 (LGPMS outcome indicator)	Reduce children under-five mortality rate by two-thirds by 2015 (MDG Target no. 4)	LGU Health Office	Document review	Every three years and at the end of nine years	Monitoring Team
Objective/ Outcome (Medium term)					Every three years	Monitoring Team
Outputs/ Deliverables/ Products and Services delivered (Short term)					Annual	Monitoring Team
Activities (Ongoing)					Every executive committee meeting	Department Heads
Inputs (Ongoing)					Every executive committee meeting	Department Heads

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- Joint Memorandum Circular No. 001 series of 2007
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- Philippines-Canada Local Governance Support Program. *How to Formulate an Executive and Legislative Agenda for Local Governance and Development: Manual and Facilitator's Guide*
- RA 7160: Local Government Code of 1991
- National Statistics Office. Census of Population
- <http://www.nscb.gov.ph>